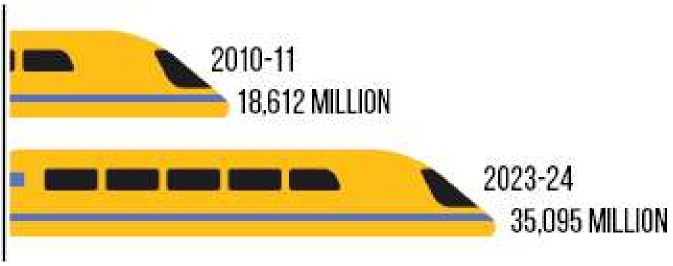
Decline in Railway Passengers from 2010-11 to 2023-24

Gallup Pakistan's Analysis of Pakistan's Economic Survey 2023-24 Data

INCREASE IN RAILWAY SECTORS GROSS EARNINGS:

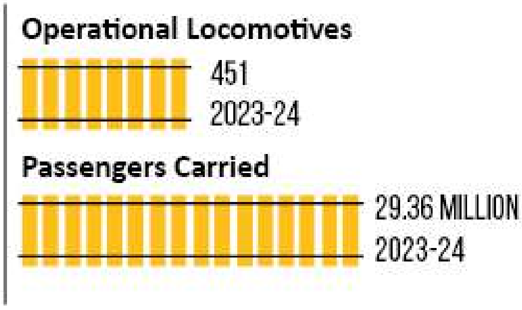


The railway sector's gross earnings have increased from Rs 18,612 million in 2010-11 to Rs. 53,707 million in 2023-24, a positive net change of Rs 35,095 million.

DIFFERENCE BETWEEN OPERATIONAL FREIGHT WAGONS AND FREIGHT CARRIED:

Operational freight wagons have decreased from 18,612 in 2020-11 to 11,973 in 2023-24, a drastic reduction of 6,639 freight wagons over 14 years. Meanwhile, the freight carried has fluctuated

DIFFERENCE BETWEEN OPERATIONAL LOCOMOTIVES AND PASSENGERS CARRIED:



Operational locomotives have remained stable while passengers being carried has witnessed a downward trend in 14 years, with a reduction of 35.54 million passengers being transported in 2023-24 as compared to 2010-11.

Source: Pakistan Economic Survey 2023-24, Ministry of Railways

PRESS RELEASE

Gallup Pakistan's Analysis of Pakistan's Economic Survey 2023-24

In 2010-11, Pakistan Railways transported 64.90 million passengers, but by 2023-24, this number had decreased to 29.36 million, marking a decline of 35.54 million passengers over the period of 2010-11 to 2023-24 – **Gallup Pakistan's Analysis of Pakistan's Economic Survey 2023-24 Data**

(Islamabad), 15th July, 2024

Gallup Pakistan, as part of its Big Data Analysis initiative, is looking at the Decline in Railway Passengers from 2010-11 to 2023-24. This data is part of the Pakistan Economic Survey of 2023-24, shared by the Finance Ministry of the Government of Pakistan.

The complete Economic Survey 2023-24 is available here.

Gallup Pakistan has not conducted the survey work. We are only analyzing the publicly disclosed data and reports provided by the Government of Pakistan. This is a public service activity done on individual initiative of Gallup Pakistan and not in any way endorsed, commissioned, or supported by the Government of Pakistan.

What is the Big Data Analysis Series by Gallup:

Gallup Pakistan's Big Data series was started by Bilal I Gilani, Executive Director of Gallup Pakistan. Bilal explains the rationale of the series: "The usual complaint from academics and policy makers is that Pakistan does not have data availability. Our experience negates that. Pakistan has lots of data, but it is not available in a usable form and not widely accessible. At Gallup we plan to bridge this gap in terms of accessibility and use of data. The Gallup Big Data series has earlier worked with data sets such as PSLM, Labor Force Survey, and Economic Survey reports as well as National Census Reports and Election Commission Data sets. The current series is using the Pakistan Economic Survey 2023-24, a yearly publication which reports facts of the economic state of Pakistan in each sector for one fiscal year. We hope that these series are useful, and we welcome both feedback as well as possible collaborations as we create a public good in the form of useful data sets in Pakistan."

What data points this current edition covers:

This series aims to present the important learnings from the Economic Survey 2023-24 for policy makers, the public, as well as for marketers in an easy and understandable way. In particular, this edition looks at the decline in railway passengers from 2010-11 to 2023-24. Railways have grown by 9.73% within the transport and storage industry, making them an important sector to be studied. The series' main aim is to provide data. These data points may be used in a number of ways by policymakers and sector stakeholders to study wider socio-political ramifications of this growth, and any other changes.

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Key Findings

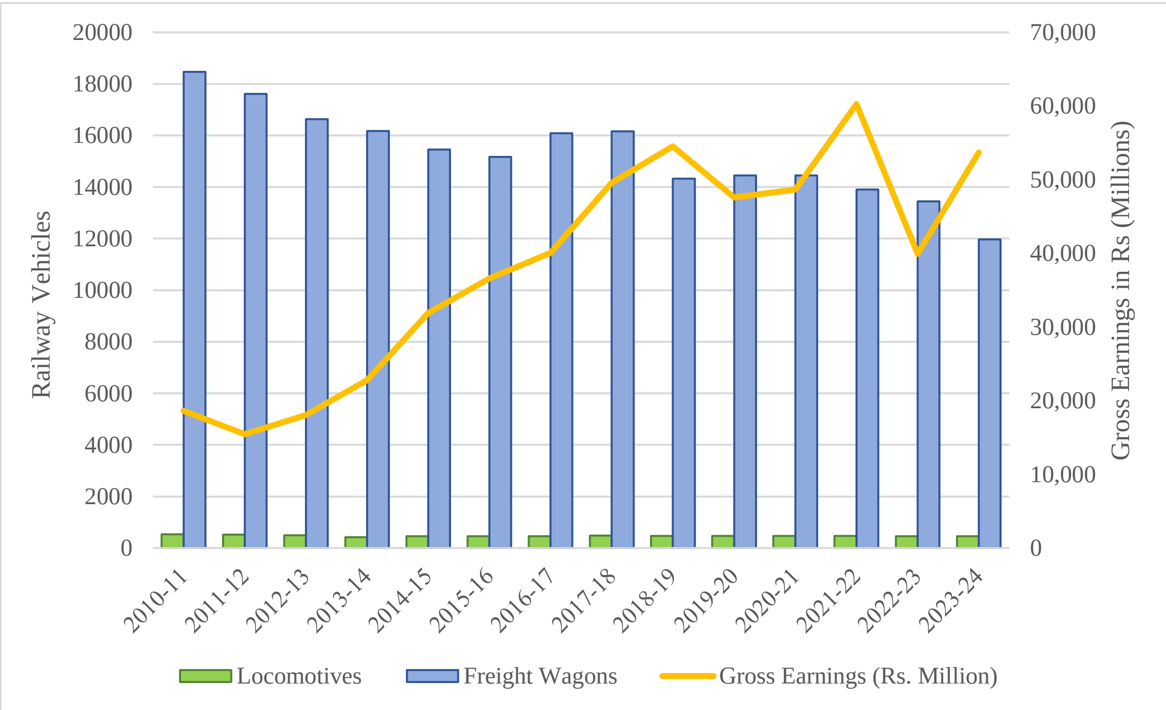
1. **Increase in Railway Sectors Gross Earnings:** The railway sector's gross earnings have increased from Rs 18,612 million in 2010-11 to Rs. 53,707 million in 2023-24, a positive net change of Rs 35,095 million.
2. **Difference between Operational Locomotives and Passengers Carried:** Operational locomotives have remained stable while passengers being carried has witnessed a downward trend in 14 years, with a reduction of 35.54 million passengers being transported in 2023-24 as compared to 2010-11.
3. **Difference between Operational Freight Wagons and Freight Carried:** Operational freight wagons have decreased from 18,612 in 2020-11 to 11,973 in 2023-24, a drastic reduction of 6,639 freight wagons over 14 years. Meanwhile, the freight carried has fluctuated greatly during this period.

Please note: in this report, freight refers to goods transported in bulk by railway carriers, usually freight wagons in Pakistan.

1. Increase in Railway Sector's Gross Earnings

Within the transport and storage industry, the railways have contributed 9.73% of the total growth (1.19%) during the 2023-24 fiscal year. This is evident from the graph below, which shows an upward trend in the gross earnings of 2023-24, after a sharp decline was noted during the years of 2021-22. We do not witness an accompanying rise in the numbers of locomotives and freight wagons, which could point to either an efficiency in the operations of the railway sector, or it could mean that these railway carriers are experiencing a higher amount of business than in earlier years as they might have run with less inventory/passengers previously. However, such conclusions cannot be reached without considering factors such as the cost of operations, and amount of freight and passengers being transported.

Figure 1: Gross Earnings as a Product of the Number of Locomotives and Freight Wagons Running



Source: Pakistan Economic Survey 2023-24, Ministry of Railways

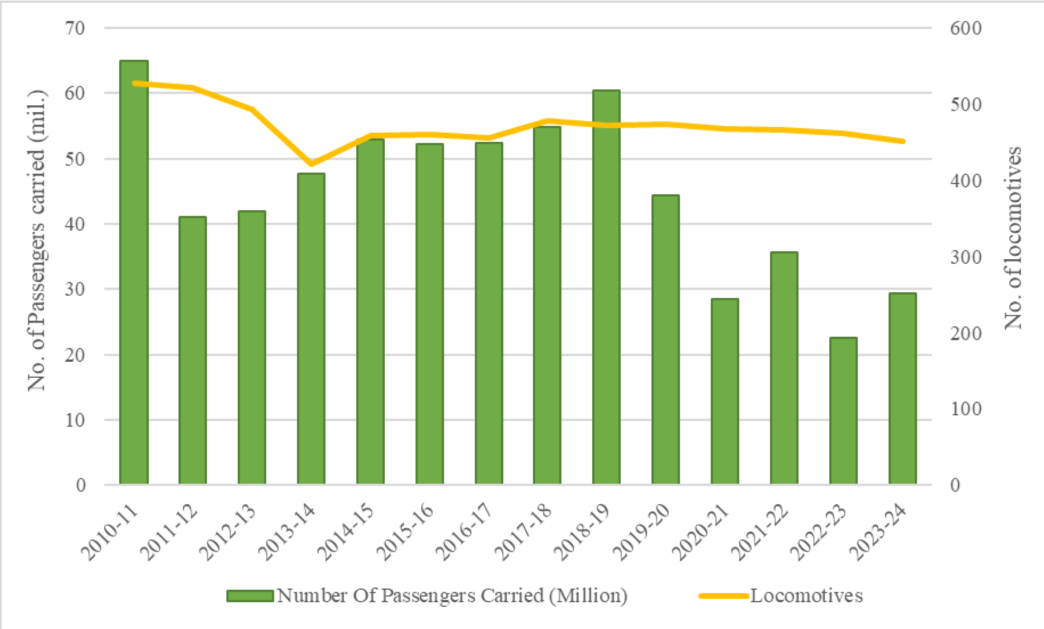
Locomotives and freight wagons are two kinds of railway carriers that are operate in Pakistan. The number of locomotives is much smaller as compared to freight wagons; in 2023-24, for almost 12,000 freight wagons, there were only 451 locomotives. The number of locomotives has also not varied much over a period of 14 years, as they have vacillated between 528 in 2010-11 (the highest number during this period) to 451 in 2023-24. The number of freight wagons meanwhile has fluctuated slightly, but has mostly been subject to a downward trend, where in 2010-11 the number peaked at 18,468 freights and ended on a 11,973 in 2023-24. This is a decrease of 6,495 vehicles.

The gross earnings from the operations of locomotives and freight wagons have trended upwards, starting at Rs. 18,612 million for 2010-11, experiencing a dip in 2011-12, but then rising incrementally all the way until 2018-19, when it earned a gross amount of Rs. 54,508 million. After a decrease during the following year, it started climbing again till it reached its peak in 2012-22, at a figure of Rs. 60,257 million. This high peak led to a subsequently deep fall of Rs. 20,307 million in the very next year. However, the sector recovered in 2023-24 by closing with gross earnings of Rs. 53,703 million.

2. Difference between Operational Locomotives and Passengers Carried

Figure 2 shows a general decrease in the number of passengers being transported as compared to the number of locomotives being operated, which is generally stable. The number of passengers transported in 2010-11 was 64.9 million which decreased to 29.36 million in 2023-24, a reduction of 35.54 million passengers being transported. These numbers might be explainable due to demand side factors such as a decrease in the unpopularity of railway as a preferred mode of transport. Bad maintenance of the railways and a subsequently rising rate of accidents contributes to this unpopularity.

Figure 2: Difference between Operational Locomotives and Passengers Carried



Source: Pakistan Economic Survey 2023-24, Ministry of Railways

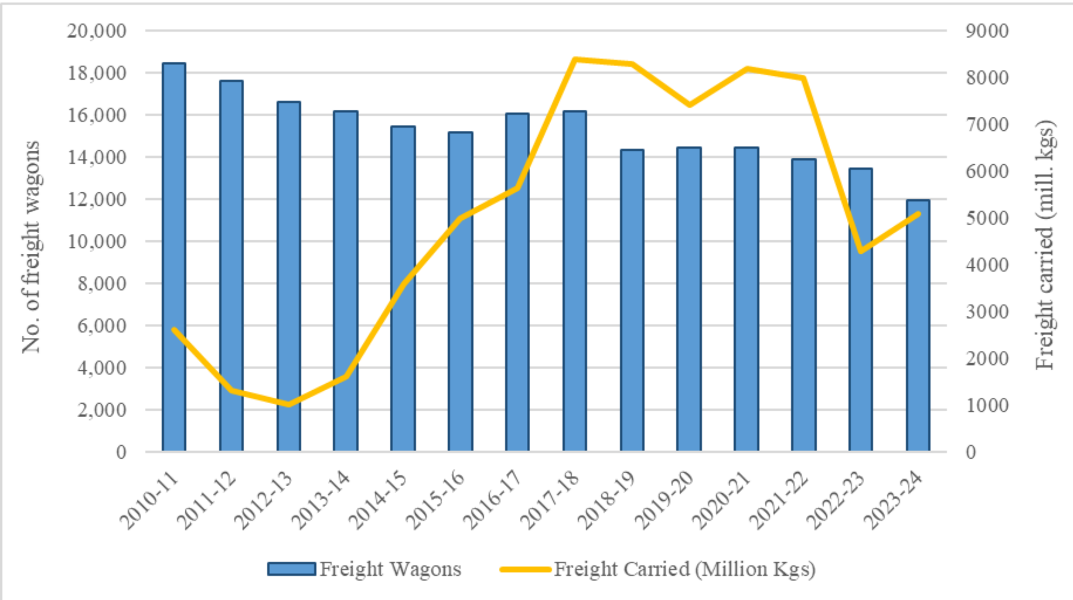
Figure 2 highlights the variability between the number of locomotives that are operating in Pakistan and the number of passengers they have carried (in millions) from 2010-11 to 2023-24. The number of locomotives has not varied a great deal, and has remained especially stable after recovering from a decrease during 2013-14.

On the other hand, the number of passengers carried in millions have fluctuated greatly, seeing its highest number during 2010-11, with 64.9 million passengers carried, a number that fell steeply to 41.1 million in the subsequent year. It started recovering incrementally until 2014-15, and saw a slight reduction in 2015-16 when 52.2 million passengers were transported. This number rose gradually till it saw another peak at 60.4 million. A sharp drop is noticed again in the following year, with yet another one in the subsequent year of 2020-21. The following 3 years see a fluctuation, with an increase followed by a decrease, followed by another increase in 2023-24, where the passengers carried number at 29.4 million. Although an improvement from the previous years, this is still one of the lowest numbers during this 14-year period.

3. Difference between Operational Freight Wagons and Freight Carried

Freight wagons have remained above 10,000 during this 14-year period, but the freight carried (measured in millions of kilograms) has seen great variations. The variation could be due to a fluctuation in imported or exported goods being transported from ports to the interior, and the other way round.

Figure 3: Difference between Operational Freight Wagons and Freight Carried



Source: Pakistan Economic Survey 2023-24, Ministry of Railways

Figure 3 highlights the comparison between the number of operational freight wagons and the freight that was carried in millions of kilograms, between the fiscal years of 2010-11 to 2023-24. The freight wagons have decreased gradually over 14 years, starting at 18,612 in 2020-11, and downsizing to 11,973 in 2023-24. This is a reduction of 6,639 freight wagons.

The freight carried has varied widely over the 14 years. It decreased from 2010-11 till 2012-13, after which it started rising again steadily until 2017-18. After slight decreases from 2017-18 to 2019-20, there was some variation during the next two fiscal years where both an increase and a decrease was noted. The fiscal year of 2021-22 experienced the sharpest drop during this period, where the freight carried declined drastically from 8,000 million kgs to 4,290 million kgs in 2022-23, showing a change of 3,710 million kilograms. There was a recovery the next year where they witnessed an increase of 810 million kgs in 2023-24.

Analysis

The above data shows a decrease in the number of passengers who travel by trains, highlighting a reduction in demand for the railway's passenger services. This decline can be analyzed in terms of a preference indication for other methods of travel which may be cheaper and faster, such as intercity buses. The maintenance of motorways contributes to passengers preferring traveling by bus. Further, the Pakistan Railways have an accident-prone record due to a lack of maintenance and upgradation of railway tracks. This unsafe image makes potential passengers wary of travelling in trains.

Investment in railways could serve to make this transportation method more popular, especially as passengers might be more comfortable traveling in trains over long distances. The increase in the railway sector's gross earnings is a positive sign, possibly indicating further growth in the sector if investments are targeted towards problem areas.

The variations in the freight carried decreased during specific fiscal years, e.g. from 2010-11 to 2012-13, which could be explained as a product of the post 9/11 global trade environment which experienced significant disruptions. A decrease in freight carried from 2021-22 to 2022-23 is possibly attributable to challenges in the export sector, and an overall decrease in the growth of the economy (except for textiles).

The above analysis has been written by Ayman Fuad, a Research Executive at Gallup Pakistan, and reflects the views of the author herself.

Wish to Contribute to Gallup Big Data Analysis?

Gallup Pakistan is looking for collaboration with researchers to expand both the Big Data Analysis project as well as this study of national level data. If you have any ideas, please write to Bilal I Gilani, Project Director of the Big Data Analysis Series at Gallup Pakistan.

Methodology:

The data for this analysis is based on the *"Pakistan Economic Survey 2023-24"* by the Economic Adviser's Wing within the Finance Division of the Government of Pakistan.

The "*Pakistan Economic Survey 2023-24*" by the Ministry of Finance can be accessed at: https://www.finance.gov.pk/survey_2024.html

For more survey data, see out website http://www.gallup.com.pk/ or contact Gallup Pakistan at caf@gallup.com.pk