

**Speech of Shri Lal Bahadur Shastri
introducing the Railway Budget
for 1953-54, on 18th February 1953**

MR. SPEAKER,

Sir, I rise to present to the House the Budget for the Indian Railways for the year 1953-54. Without departing from the practice of delivering this speech in English, I have taken the liberty of supplying a text of it in Hindi to Hon'ble Members along with other papers.

My thoughts turn on this occasion to the late Shri Gopaldaswami Ayyangar, my distinguished predecessor in office. An able administrator, a wise statesman and a gentleman to the core, he has left his impress on whatever task he undertook. His passing away is a great national loss which all of us deeply mourn. I should acknowledge in particular our indebtedness to his stewardship of the vast railway undertaking during four years of considerable stress and strain.

2. I shall now proceed to give a brief financial resume covering the actuals for the year 1951-52 and the revised estimates for 1952-53. In February last year, it was estimated that the year 1951-52 would close with a surplus of Rs. 22.06 crores, but the surplus for the year was actually better by Rs. 6.28 crores.

As against the budget estimate of Rs. 112.19 crores under passenger traffic, the revised estimate for the current year has been placed at Rs. 102.05 crores, that is, a reduction of Rs. 10.14 crores. This reduction is accounted for by a drop of Rs. 2.19 crores under upper class traffic and Rs. 7.95 crores under third class traffic. The downward trend in upper class traffic which had been noticeable during the last few years has in this year taken a further sharp turn for the worse.

As against the budget estimate of goods earnings of Rs. 145.66 crores, I have taken the revised estimate at Rs. 144.56 crores, that is, a decrease of about Rs. 1 crore, though the trend of goods traffic during the year has been in line with anticipations. There has, however, been a setback recently, and the concluding part of the financial year may not show earnings on a par with the earlier part of the period. It is for this reason that the revised estimate for goods traffic has been placed at a lower figure.

The total gross receipts for the current year are now estimated at Rs. 269.55 crores involving a decrease of Rs. 12.61 crores, compared with the budget figure.

3. The original estimate of working expenses, namely, Rs. 187.69 crores, is now likely to go up by Rs. 1.16 crores to Rs. 188.85 crores, due mainly to the increased provision for repairs and maintenance of railways' assets and installations.

4. As a result of the major variations I have just mentioned, the surplus in the current year will stand at Rs. 9.48 crores only, against Rs. 23.47 crores estimated in the budget, a decrease of almost Rs. 14 crores.

5. I shall now come to the budget estimate for the year 1953-54. It seems that passenger traffic which had reached its peak in 1950-51, is adjusting itself to a normal level along with the restoration of the post-war inflationary economy of the country to equilibrium. It is difficult to forecast at what level the passenger traffic will ultimately stabilise itself. But with the anticipated economic development during the Plan period in various fields, a fairly good crop this year and the extension of railway lines, it would not be unreasonable to plan the budget estimate for passenger earnings in 1953-54 at more or less, the same level as the revised estimate for the current year.

As regards goods earnings, a small improvement has been allowed in the next year's estimate, placing it at Rs. 147.60 crores, that is, about two per cent above the revised estimate of the current year. There appears to, be a steady healthy trend in the industrial production, and, it is expected that with the Five Year Plan coming into stride, industrial activity should further increase, both in the public and the private sector. The small improvement anticipated under this head has been arrived at after taking all this into account. No significant variations are expected under other heads of earnings. Based on these anticipations, the budget estimate of total traffic receipts has been placed at Rs. 272.28 crores.

6. The estimate of working expenses has been placed at Rs. 191.20 crores, being Rs. 2.10 crores higher than the figure in the revised estimate of the current year. The increased provision to the extent of about Rs. 1 crore is for overtaking the arrears of repairs and maintenance of rolling stock, track and other

installations and the balance is for meeting the additional expenditure on staff. The cost of additional personnel required in connection with the implementation of the Adjudicator's Award, mainly on Railways belonging to the old Indian States, which came under the control of the Centre with effect from 1st April 1950, constitutes a major element of the increase in expenditure in the coming year.

7. Including Rs. 30 crores as appropriation to the Depreciation Reserve Fund and net miscellaneous expenditure of Rs. 7 crores, the budget estimate for total working expenses will stand at Rs. 228.20 crores. The net Railway revenues are thus estimated at Rs. 44.08 crores, out of which Rs. 34.77 crores will have to be paid to General Revenues as Dividend under the Convention, leaving a surplus of Rs. 9.31 crores.

8. Turning to the estimates of expenditure on Works, Machinery and Rolling Stock of Railways, in the budget for 1952-53, a total provision of Rs. 79.10 crores was made for such expenditure. The revised estimate of the outlay on such works is Rs. 76.70 crores, representing a net reduction of Rs. 2.40 crores. The saving is due mainly to the slow progress of certain works and a decrease in the stores holding by the Railways. A sum of Rs. 49 lakhs was provided in the budget for construction of New Lines under Demand No. 15, against which the revised requirements are Rs. 74 lakhs. The increase of Rs. 25 lakhs over the budget provision is mainly attributable to acceleration of the progress of the Sanganer-Deoli extension Project on the Western Railway.

9. Hon'ble Members will, I am sure, be interested in the progress made in the developmental works carried out during the year. In order to avoid making my speech longer than necessary, I shall, in brief, recount some of the more important works completed or taken up during this year.

(i)	Deesa-Gandhidham section of the Western Railway	170 miles long metre gauge line costing Rs. 5.50 crores. Opened by the President in October 1952.
(ii)	Bijnor-Chandpur-Siau section of the Northern Railway	A dismantled railway line of 22 miles, restored and opened to traffic.
(iii)	Vasad-Kathana line on the Western Railway	The restoration of this dismantled. line is expected to be completed this year.
(iv)	Quilon-Ernakulam metre gauge link on the Southern Railway.	A start was made in December last on the construction of this line for providing rail facilities in Travancore-Cochin State. This line will also connect the port of Cochin to the important metre gauge system of the South.
(v)	Kalyan Power House on the Central Railway.	Extension at a cost - of Rs 3 crores resulting in the increased supply of electrical energy for railway purposes.

I am glad to announce that it has been possible to resume work on the construction of the rail-cum-road bridge over the Ganga near Mokameh. This work was suspended some time ago owing to differences of opinion regarding the siting of the bridge. With a view to settling the question of the location of the site finally, the Government requested Shri M. Visvesvaraya to give his expert advice and in accordance therewith, construction on this bridge has been restarted. I would like to take this opportunity to express Government's appreciation of the valuable services rendered by Shri M. Visvesvaraya in connection with this project.

10. Before proceeding to the Rehabilitation and Development Budget of the next year, I would like to make a brief reference to the Five Year Plan and the allocation made to the Railways in the Plan for that purpose. The Plan gives the highest priority to agricultural development with a view to making India self-sufficient in food as quickly as possible. It is also anticipated that there will be a considerable increase in industrial production during the period of the Plan. The output of steel and cement, for instance, is expected to increase by about 40 per cent. and 80 per cent. respectively. On the whole, the Plan assumes an increase of about 10 per cent. in freight traffic at the end of 1955-56. The Railways, being the most important means of transport, have to respond to the needs of development in both agriculture and industry.

11. The Railways have been allotted Rs. 400 crores for the five year period. This sum, while it would enable the pace of rehabilitation and expansion of rail facilities being maintained at a level higher than the previous period, would not be sufficient to meet all the requirements of the Railways which are considerable. Out of the total allotment of Rs. 400 crores, the Railways have to find Rs. 320 crores from their

own resources, but a decrease in their net revenues as a result of the recession in passenger earnings may cut into this amount which the Railways have to provide. If, however, there is to be no further curtailment in our programme, the total allocation of Rs. 400 crores must be maintained. Indeed, only if more funds were made available to us, we could go beyond what we have so far planned and take up a few more urgent works and projects. We ourselves are keen and anxious to do so, but I am not unaware of the problems facing the Planning Commission. Their responsibility in the matter of allocation of resources for the development of other sectors of our economy is equally great. The bulk of Rs. 400 crores allocated to the Railways will go towards rehabilitation and improvement of existing machinery and equipment. The expenditure on the extension of rail facilities during the next two or three years will, therefore, have to be limited to what is absolutely essential. The development of new railway facilities will have to be dovetailed with industrial and other developments contemplated in the Plan.

12. I have framed the budget plans for the coming year in regard to Railways' Works, Machinery and Rolling Stock Programmes on this basis. The total provision made for the year 1953-54 for Works, Machinery and Rolling Stock is Rs. 79.61 crores, including works chargeable to Revenue. Of this, about Rs. 42 crores are for Rolling Stock and Machinery, Rs. 36.61 crores are for Works including Rs. 6.70 crores for construction of new lines and for restoration of dismantled lines. I have also allowed a crore for investment in road services.

The provision for Rolling Stock and Machinery includes a sum of Rs. 15 crores for new acquisitions of rolling stock over and above the programmed deliveries. Under Works, a sum of Rs. 1.3 crores has been provided for the Integral Coach Building Factory, Perambur, which was taken in hand towards the end of 1951-52. The total estimated cost of this project is Rs. 4 crores approximately, and the factory building is likely to be completed by the middle of 1954. There is also a provision of Rs. 40 lakhs for the completion of the Kalyan Power House Extension and Rs. 15 lakhs for the construction of new stations, goods and marshalling yards at Alipur-Duar on the North Eastern Railway. A gross provision of Rs. 13.10 crores has been made for track renewals, and Rs. 13 lakhs for complete renewals of bridges washed away by floods in 1952 on the North Eastern Railway. The total provision made in the budget on staff quarters and staff amenities is Rs. 4.86 crores. Provisions of Rs. 30.54 lakhs and Rs. 25.30 lakhs have also been made for the State Railway Collieries and Vizagapatam Port respectively.

Of the 12 dismantled lines, restoration of which was approved by the Central Board of Transport in 1950, two have already been completed, two more will be restored in the present year and seven are nearing completion, while the remaining one, viz. Rohtak-Gohana-Panipat line on the Northern Railway, will be taken up during 1953-54, for which a provision of Rs. 22 lakhs has been made.

A provision of Rs. 1.89 crores has been made for the purchase of the Barsi Light Railway. This Railway is a narrow gauge line of about 200 miles long, of which a section of 36 miles known as the Latur Extension already belongs to the Government, while the rest of the line belongs to the Barsi Light Railway Company Ltd.

13. The following new lines are proposed to be taken in hand in the coming year

(1) Khandwa-Hingoli Link, 186 miles long, with a total anticipated cost of Rs. 7.50 crores. This will provide the necessary link between the Northern and Southern metre gauge systems and will avoid expensive ferrying of metre gauge stock.

(2) Rail connection from Gua Barabil area to Manharpur Rourkela section, 31 miles long. The anticipated cost of this line is Rs. 3.5 crores and it is essential for the export of iron ore and for the steel expansion schemes.

(3) Champa-Korba line, 22 miles long. The anticipated cost is Rs. 88 lakhs. It is required for obtaining good non-metallurgical coal in order to conserve metallurgical coal in the Bengal-Bihar coalfields.

(4) Gandhidham-Kandla Link, 7 miles long. This will cost Rs. 57 lakhs and is an extension of Deesa-Gandhidham line to Kandla Port which is being developed as a major harbour.

(5) Gop Katkola Link, 21 miles long. This will cost Rs. 34 lakhs and will greatly shorten the present route for transport of limestone and other materials required by local industries.

14. In addition, surveys of seven other projects will also be undertaken in 1953-54, with a view to deciding upon their construction in the near future. These are :-

(1) Diva-Dasgaon line, Bombay.

- (2) Electrification of Calcutta Suburban Section in West Bengal.
- (3) Mangalore-Hassan line in Madras and Mysore States.
- (4) Rail connection to Etah in U.P.
- (6) Rail connection to Chandigarh in the Punjab.
- (7) Tildanga-Khajuria-Malda line in West Bengal.
- (8) Fatehpur-Churu line in Rajasthan.

The survey of Bhavnagar-Tarapur line in Saurashtra and reconnaissance surveys of broad gauge lines to Indore in Madhya Bharat and between Barabil and Sambalpur in Orissa have already been taken in hand in the current year.

This programme is an indication of the Government's earnestness to go ahead with the construction of new lines for economic development, in spite of the pressing needs of rehabilitation.

15. I may now make a brief reference to the existing position of our rolling stock. It is a matter for gratification that our indigenous production is able to meet the normal annual requirements of the Railways in regard to rails, wagons and coaches. I am anxious to ensure that our imports are reduced to the minimum. In fact, we have already decided not to import any more coaches except for the commitments already made. However, some wagons to make up our huge arrears, the overtaking of which can brook no further delay, have to be imported. Locomotives too would have to be obtained from abroad, but here also vigorous efforts are being made to make ourselves self-sufficient within a prescribed period.

16. Out of the 239 locomotives acquired, or expected to be acquired in the current year, 36 locomotives would be from Chittaranjan Locomotive Works, which went into production in 1950. These Works have altogether produced 49 broad gauge engines up to the end of December 1952. The actual out-turn has been somewhat less than the target originally fixed, mainly due to difficulties in procurement of certain spare parts which cannot yet be manufactured here. Chittaranjan at present is making about 70 per cent. of the components required for a complete locomotive, and the remaining 30 per cent. are still imported. It is expected that, by the end of 1954, all components, except some proprietary and special items will be manufactured at Chittaranjan. The Tata Locomotive and Engineering Company Ltd., which are at present producing metre gauge. locomotives, have turned out 35 locomotives up to the end of January 1953. Chittaranjan Locomotive Works and Tata Locomotive and Engineering Co., Ltd. when they reach full production, will between them be in a position to manufacture all the steam locomotives required to cover the normal annual replacements on the Indian Railways.

17. The question of additions to passenger coaches has continued to receive attention and, in 1951-52, 771 new vehicles were put into service, as compared with 479 in the preceding year. To augment the production of passenger coaches, work in connection with the construction of a new coach building factory at Perambur was started in January, 1952. When this factory attains full production, it is expected to turn out 350 all-steel light-weight integral type coach body shells per annum in single shift working. This will add considerably to the indigenous carriage building capacity.

18. The manufacture of wagons is now well established in India for over 30 years, and wagons produced in Calcutta are comparable with the best manufactured abroad. In the Budget year, out of about 11,000 wagons for which provision has been made, about 7,000 will be fabricated in the country and 4,000 procured from abroad. Experimental orders for the manufacture of some general purposes types of wagons have also been placed on some other Indian firms, who are new to this work, but have structural engineering experience. If they can successfully complete these experimental orders, they will be used to help in bridging the gap between the existing indigenous capacity and our annual requirements.

19. There has been a general improvement in the efficiency of the workshops and loco sheds which have been modernised in a number of cases. This is reflected in our ability to put into service a larger number of engines, coaches and wagons which ordinarily would not have been possible if we had not improved our workshops. The possibility of manufacture of signalling and interlocking equipment in railway workshops is also under consideration.

20. I shall now proceed to give Hon'ble Members a brief account of the working and performance of the railway undertaking. The integration of the railway system into six zones has

been completed. As I said on a previous occasion, I am carefully watching the working of the six integrated railways, especially in regard to their efficiency and operating costs. I may mention that some railways have found it possible even in this short period to cater to the conveniences of the public by the extension of the existing train services or by the introduction of new services. It is, however, not claimed that the integrated Railways have settled down in all details. Certain problems, of course, are still arising in their day to day working and they are being dealt with as they arise.

21. I am glad to note that the operating efficiency of the Railways has been maintained during the year under review and, in some respects, performance has actually been better than last year. According to the composite index of operating efficiency, the broad gauge railways have recorded an improvement from 100.7 in 1950-51 to 102.8 in 1951-52, while, on the metre gauge, the index of 92.4 in 1950-51 has moved up to 93.6. In regard to punctuality, the percentage of trains not losing time on the broad gauge railways has been 78.4 in the first half of 1952 as against 77.1 in the corresponding period of the previous year. The corresponding figure for the metre gauge system is 81 in 1952 against 74.3 in 1951. The wagon and locomotive usage has also been better on the broad gauge in 1952, but in this respect there has been a slight setback on the metre gauge. Generally speaking, the standard of performance on some of the metre gauge sections has not yet come up to the mark and they are receiving special attention by liberal allocation of funds to provide for increase in rolling stock holdings and improved facilities for repairs and maintenance.

We are devoting special attention to removal of bottlenecks in respect of movement of traffic beyond Bezwada towards Madras and the transshipment difficulties on some of the break of gauge junctions like Sabarmati, as well as to augmentation of line capacity on some sections to assist increased movement of coal, iron and steel. This is important not only for operational reasons but also from the point of view of the trade and commercial interests concerned. We have, therefore, given top priority to this matter even over development of new railway lines. It is proposed to spend about Rs. 4 crores on them. The completion of these works will certainly take some time, but will be attended to with the utmost speed.

22. I made a reference during the budget debates last year to the discomforts of third class passengers and the conditions at small stations lacking even in the minimum of facilities. I am glad to say that in the matter of providing amenities, a special drive has been instituted this year, and, perhaps, for the first time no part of the budgeted amount under this head will lapse. Certain minimum amenities like waiting halls, benches, drinking water supply, improved platform surfacing, better booking arrangements, etc. will be gradually provided at all stations irrespective of their size and status. At the more important stations, improved lighting arrangements, coverings over passenger platforms and improved arrangements for dealing with luggage etc. are proposed to be provided.

There are other directions also in which either action has been initiated this year, or the existing drive has been intensified to give more comforts to Third Class passengers. Railways have again been reminded that special steps should be taken to ensure supplies of pure drinking water to passengers. Arrangements have been made to have meals served to Third Class passengers in their compartments from dining cars. The facilities for advance booking of Third Class passengers on important mail and express trains and reservation of Third class seats in special carriages for long distance travel has also been further extended in the current year.

23. One of the major problems which the railways have had to tackle since the War is that of overcrowding. Efforts are being continuously made to ease the position. The passenger train miles have increased from 93 millions in 1948-49 to 105 millions in 1951-52. During the current year, from 1st April 1952 to 1st January 1953, 109 new trains have been introduced and the runs of 108 trains extended, involving a net increase in the daily passenger train miles of 9850, of which 5483 are on the broad gauge, 4210 on the metre gauge and 157 on the narrow gauge. There are, however, certain sections on Indian Railways, where overcrowding still persists. Steps are being taken to remove overcrowding in these particular sections also. I expect that, with the detailed section-wise investigation that we have now undertaken and the progressive increase in rolling stock and line capacity, the position regarding overcrowding even in isolated areas will be appreciably improved in the very near future. Moreover, the addition of 771 coaching vehicles I have referred to earlier, will help substantially to relieve overcrowding as the replaced stock will continue in service for some time. Appreciating that the travel conditions on the ex-Assam Railway section of the North Eastern Railway call for special attention, I have appointed an ad-hoc departmental committee of senior Railway officers to study in detail the travel conditions and passenger amenities in this region and to make a report within a month.

24. Hon'ble Members are aware of the steps taken to place the Railway Stores Organisation on a satisfactory basis. The reorganisation of Stores has been taken in hand following the recommendations of the Indian Railway Stores Enquiry Committee to which I had referred in my last budget speech. But progress has been held up pending settlement of certain details with the Ministry of Works, Housing and Supply. It will be recalled that this Enquiry Committee had recommended that the responsibility for the procurement of specialised railway stores should be taken over by the Ministry of Railways. In the meantime, a standard catalogue of railway stores is under compilation in order to improve the system of procurement. With a view to preventing over-stocking and full utilisation of the existing stocks, arrangements have been made for coordinating, controlling and rationalising the use of stores on an all India basis. As a result of this, a reduction in stores balances of about Rs. 5 crores is expected by the end of the budget year.

25. Wide divergencies had been prevalent on Indian Railways in respect of stores nomenclature, servicing and repairs to rolling stock, methods of training staff, availability and usage of rolling stock, etc. A Standards Advisory Committee of experts has been set up to introduce standardisation in all aspects of railway working. A great deal of detailed work has already been done by the Committee and the extent of variations in the working, as between different railways and between different regions of the same railway, is being gradually narrowed, down.

26. The Railway Fuel Enquiry Committee which was set up last year submitted an interim report in April 1952. The final report has just been received and is being studied by our experts. In examining the Railway fuel problems, the Committee has taken due note of the country's coal reserves and normal production and the various demands throughout the country. It has also examined the system of grading and pricing of coal and the potentialities of coal washing and blending. The recommendations which deal, *inter alia*, with geographical rationalisation of supply and distribution of coal and a special plan for supply of coal to South India, are calculated to save railways substantial sums of money each year. I would like to express on behalf of Government our appreciation of the valuable work of Shri Driver, Chairman, and other Members of the Committee.

27. Simultaneously with the acceleration of our manufacturing programme, it has become necessary to expand our research and testing organisations. It has been possible, during the current year, to set up this organisation under a Director of Research, Railway Board, with headquarters at Lucknow and with two sub-centres, one at Chittaranjan and the other at Lonavla in Bombay. The sub-centre at Chittaranjan is being equipped for starting chemical and metallurgical research, while that at Lonavla will deal with all problems connected with buildings, concrete, etc. The Soil Mechanics Laboratory which was set up at Shakurbasti, near Delhi, in 1948, will also be transferred to Lonavla where better facilities exist for this work.

28. Hon'ble Members are aware that a Railway Centenary Exhibition is being organised in Delhi on a big scale and will be opened by the Prime Minister on the 7th of March. It has been organised to portray one hundred years of operation and development of rail transport in this country and the part played by the railways in the national economy. Field exhibits will include rolling stock of early and modern designs. A special purpose of the exhibition is to encourage indigenous industry to manufacture specialised railway stores and components in increasingly larger ranges. A museum will be set up in the exhibition grounds to display the principal items of railway equipment in use, and information will be made available in regard to their specifications, annual consumption and the feasibility of their production in India. It is hoped that the main objective of the exhibition in furthering the railways' efforts towards self-sufficiency will be amply fulfilled. When the exhibition comes to a close at New Delhi, it is proposed to operate two exhibition trains, one broad and one metre gauge, to visit important centres throughout the country, so as to give an opportunity to the people of India to learn as much as possible about their Railways.

29. I shall now refer to some of the new proposals we are going to implement. They are sufficiently important from the users' as well as the railways' point of view. There has been a long cherished desire on the part of the members of this House as well as the general public outside for the restoration of the old travel concessions. I would have very much liked to restore most, if not all, of the travel concessions that were previously in force, but having regard to the conditions of travel and the downward trend in passenger earnings, I will be excused if I am somewhat hesitant in this matter. Nevertheless, Railways have been asked to examine the question of providing concession return tickets and introduce them where travel conditions are not likely to be worsened.

Besides these, we propose to introduce the following further concessions : -

(i) Railways are being authorised to issue concession tickets for educational tours to parties of

teachers of recognised schools. Students are already entitled to such concessions.

(ii) Concession tickets to volunteers working on community projects.

(iii) It is proposed to issue during the first half of April, which is the month when the Railway Centenary is to be celebrated, "the travel-as-you-like tickets" for third class passengers on each individual zonal railway available for 14 days. Should it prove encouraging, the Railways will consider whether such tickets should not be issued on other suitable occasions.

30. For some time now, Government have been considering the revision of the constitution of the existing Local Advisory Committees, in the context of re-grouping of railways in larger units and with a view to securing better representation of railway users. It has also been felt that more frequent opportunities should be afforded for closer consultation between railway users and the Railway Administrations at different levels on matters relating to the service provided by railways and improving the efficiency of such service. To secure these objects, it has been decided to establish, in place of the existing Advisory Committees : (1) Railway Users' Consultative Committee at the regional or divisional levels; (2) a Zonal Railway Users' Consultative Committee at the Headquarters of each Railway, and (3) a National Railway Users' Consultative Council at the Centre. The Railway Users' Consultative Committees in the regions or divisions will represent the local users in the territories served by the Railway including agricultural interests. This new addition, I am sure, will prove fruitful as it would give wider representation to different sections and various interests. The National Railway Users' Consultative Council at the Centre will deal with matters of all-India importance relating to the services and facilities provided by the railways, and the Zonal Committee would naturally deal with the same matters in regard to that zone only. All the Committees and the National Council to be established will be consultative in character. Arrangements for implementing these proposals are already in hand and the new bodies will, I expect, be set up soon.

31. There has been further improvement in the settlement of compensation claims for goods lost or damaged by the Railways during this year. The average time taken in settling compensation claims has declined from 94 days in 1949-50 to 75 days in 1950-51 and 72 days in 1951-52. Railway Administrations have also been asked to sort out the old cases still awaiting settlement and accord them the highest priority.

Notwithstanding the measures taken to reduce the number of new claims, the incoming of fresh claims has not shown any appreciable reduction, and a greater proportion of these claims has been found to be due to continued and organised gang thefts on Railways both in running trains and yards and stations. Prevention as well as detection of thefts and punishment of offenders is principally a law and order problem, for which the State Governments are ultimately responsible. I have recently been considering this question in its different aspects in consultation with my Hon'ble colleague, the Minister for Home Affairs, and it has been decided by Government to depute immediately a senior official of the Home Ministry to the Headquarters of the six railway systems in India, with a view to devising, after consultation with the General Managers and the State Government officials, effective preventive measures to combat this menace.

Meanwhile, the question of strengthening and reorganising the Railways' own Watch & Ward cadre is also being separately considered in order to increase its effectiveness. We have other proposals also under consideration. It is essential to take prompt action in regard to this question and we propose to take definite steps after consulting the State Governments at an early date.

32. In the course of the debate on the Railway Budget last year, Hon'ble Members of this and the other House made an impassioned plea that, the Railways should give a lead in the matter of elimination of class distinctions by abolishing different passenger classes. I said in reply that, while this ideal was worth pursuing, abolition of all classes in railway travel in one stride was not a practicable proposition. I, however, felt that there was hardly any need for first class accommodation on Indian Railways, and I gave an assurance that the question of abolition of first class would be examined at the earliest opportunity. First class accommodation has been withdrawn with effect from 1st October 1952 from all branch lines, excepting those which form links between two important main lines, and also from the less important trains on the main lines. It has also been decided that first class accommodation should be withdrawn from all trains with effect from 1st April 1953, except from some of the mail and express trains. I hope it will be possible to withdraw first class accommodation completely by October next. It has been decided that on minor branch lines there should be two classes only, *i.e.*, Third Class and either Second or Inter, as traffic warrants, unless it is considered that third class accommodation is enough. The process might be considered slow but it is better to proceed rather cautiously, but firmly no doubt. I am clear in my mind that we should have a minimum number of classes. The second step should be to keep only two

classes-Upper and Lower, besides the air-conditioned accommodation. I do not, however, want to take any hasty steps as I do feel that any further reduction in the number of classes in railway trains must await a study of the public reaction to and financial implications of the abolition of the first class.

33. The initial success of this vast undertaking is mainly due to the staff who really run the railways. The officers are undoubtedly responsible for guidance, supervision and control of the whole organisation but the others, whether a pointsman or a fitter, a clerk or a station master, perform an equally important task in their own sphere. Co-operation between officers and staff is the primary need for the efficient running of the railways. I am glad that this need is being increasingly realised by both. I hope, and I am sure, the officers would get the requisite courtesy and obedience that is their due and they in turn would give the staff a sympathetic hearing and constantly keep a helpful, fair and friendly attitude towards them.

34. I am very happy to say that during the year, the relations between the workers, their representatives and the railways were very cordial. I must congratulate the two Federations who, in spite of difficulties, have shown consideration in their dealings and appreciation of the other's point of view. I would not be far wrong when I say that if they have not got all that they demanded, we have given all that was possible within our resources. But I must also regretfully mention that there are groups who have not hesitated to embitter relations and have tried to inflame the workers and have even gone to the length of encouraging lightning strikes. This attitude is obviously wrong as it definitely harms the workers. I am strongly of the view that the way of peace is the surest way of success. The two Federations have achieved solid results by pursuing the method of mutual negotiations and discussions. I am doubtful if formation of more unions will be in the real interest of the workers. The more consolidation there is among the workers and the more they remain as one, the larger would be the resultant benefits. I have, therefore, more than once made an earnest appeal to the two Federations to merge or at least to work unitedly. This will not only expedite mutual discussions and decisions but also lead to happy and harmonious relations amongst all the workers belonging to various sections.

35. I would now like to touch upon a few important matters which concern the staff generally. These are-(i) Promotion by seniority; (ii) grievances of staff in regard to the day to day working of the administration; (iii) Class II Services; and (iv) *Ad-Hoc* Tribunal.

(i) *Promotion by seniority* – It is essential that all important and key positions on railways should be filled by selection on the basis of merit, which alone will ensure efficient and smooth running of this complex machinery. It is already the established practice on the Railways for these selections to be made as a result of the recommendations of Selection Boards. Complaints have, of course, been voiced against the way these Boards function, but that in itself is an argument in favour of improving the methods adopted by them and not scrapping them. On the other hand, it seems only fair that staff who enter the railway service should be enabled to reach on the basis of seniority, posts upto a reasonably high level, beyond which only the process of selection should operate. The matter has been considered in great detail and tentative conclusions have been reached regarding the level up to which promotions will go solely by seniority, subject, of course, to an employee not being declared unsuitable. We have also considered the steps necessary to put on a satisfactory basis the procedure of Selection Boards. In accordance with the undertaking given by the Railway Board to the two Federations, these tentative conclusions will be discussed with them and thereafter final orders will be issued.

(ii) *Grievances of the staff in regard to the day to day working of the administration* – Persistent complaints have been received from staff regarding delays in payment of monies due to them and in the grant of leave and passes. In many cases, allegations have been made that there is a considerable amount of corruption in the offices in which these matters are dealt with. A committee of Directors of the Railway Board has been set up to enquire thoroughly into these complaints and suggest ways and means for effecting improvement. This committee has made a preliminary examination of the position on the Northern Railway and a procedure designed to eliminate complaints is being evolved. The investigation will be pursued on other railways as well. It is hoped that, as a result of the action taken on the findings of the committee, delays in the payment of dues or sanction of leave and passes will be minimised.

(iii) *Class II Services* – During the last budget session, and I think in earlier years too, reference has been made in this House to the Class II Service on the Railways. The question of abolition of the Class II Service is an intricate one. I would not like to go into the merits of the question now and shall only consider here two important matters which have been exercising the minds of the Class II officers. One of them is that the quota for promotion to Class I Service, viz. 25 per cent. of vacancies has not been fully implemented. I have made enquiries and I find that there is substance in this complaint. Steps are now being taken to grant promotions

to the full quota and this should, in fact, be completed in the near future. I have also decided that the existing quota of promotion should be increased from 25 per cent to 33½ per cent of vacancies in order to facilitate promotions for a larger number. The second matter is in regard to those who are appointed to officiate in the senior scale from Class II. I admit there is an element of hardship when Class II officers, after having officiated for a considerable period of time, have to revert to Class II. I am, therefore, directing that it should be ensured that those Class II officers, who have been officiating in the Senior Scale for more than three years should be so retained in an officiating capacity, without having to revert. The cases of officers who might have been previously officiating in the senior scale for more than three years but reverted subsequently will also be considered.

(iv) *Ad-Hoc Tribunal* – The permanent negotiating machinery set up on the Indian Railways with effect from 1st January 1952 is functioning satisfactorily and matters not settled at the railway level are being taken up by the All India Railwaymen's Federation and the Indian National Railway Workers' Federation at their quarterly meetings with the Railway Board. Under the negotiating machinery agreed upon, provision exists for the setting up of an *ad-hoc* Tribunal to which could be referred matters of importance in which no agreement is reached after discussion between the Railway Board and the Federations. The two Federations have been pressing for the setting up of this Tribunal for the disposal of certain issues which are of vital importance from the point of view of the staff and I am glad to inform the House that we have agreed to the setting up of such an *ad-hoc* Tribunal. The actual mechanics of setting up the Tribunal and the selection of the Chairman are under consideration and it is hoped that it will be possible to announce the personnel and the subjects to be referred thereto very soon. I have every hope that, as a result of the deliberations of this *ad-hoc* Tribunal, the most important points of difference between organised labour and the Railway Administrations will be settled satisfactorily and that the existing harmonious relations with labour will not suffer any disturbance for a considerable time to come.

The recommendations of the Central Pay Commission have been almost fully implemented on all Indian Railways, including the ex-States Railways which came under the control of the Centre from the 1st April 1950. The Joint Advisory Committee's recommendations and the Adjudicator's Award have also been largely carried out on all Railways and the residual portion is expected to be completed in the next year, for which adequate provisions have been made in the Budget.

36. During the debates on railway matters in the last few years, one persistent complaint which has been voiced by Members of Parliament was about the prevalence of corruption among the railway staff. In an effort to track down and bring to book staff who commit these offences, almost all railways have set up an anti-corruption organisation which is functioning in addition to and in collaboration with the Special Police Establishment. A number of cases of fraud and cheating has been detected by this organisation and deterrent action has been taken. I recognise, however, that our efforts have not succeeded to the extent expected. An independent enquiry into the prevalence of this evil and the methods adopted would probably be of great value in indicating what additional measures should be taken to achieve its complete elimination. I have, therefore, decided to appoint a committee of Members of Parliament and if necessary, a few others to investigate this problem and report to Government. The terms of reference of the Committee would be :-

- (i) Extent of corruption prevalent among various categories of Railway employees in their dealings with the public.
- (ii) Methods adopted by the staff concerned.
- (iii) Causes of corruption.
- (iv) Responsibility of the using public.
- (v) Defects, if any, in rules and regulations which leave loopholes for corruption.
- (vi) Remedial measures, both administrative and legal, to eradicate this evil in all its aspects.

37. During my visits to various parts of the country, I have had occasion to meet quite a large number of railway workers and to visit their residential colonies. It has pained me to see the conditions in which some of our staff are at present living. In this very city a month back, I visited an old railway colony which every one of us would like to see demolished. Similar were my feelings when I went to see the wagons being used as quarters at Sealdah Station. I know there are limitations and I do realise that the problem cannot be solved at one stroke. All the same, we have to speed up the construction of houses for workers. Given the time, we should definitely be able to provide for better living conditions. Our

progress this year, has on the whole not been unsatisfactory. The total number of quarters which have been built or are being built during the current year is about 8,000, a majority of which is intended for Class IV employees. The provision made in the Budget would enable another 8,000 quarters being constructed in the coming year.

The medical facilities available to railway workers in railway hospitals and dispensaries are also being augmented. There are mobile dispensaries also working on some of the Railways which have done very useful work at way-side stations. Associations, clubs, institutes and cooperative societies are springing up for the benefit of all. Schools have also been financed to a greater extent than before but we do not want to add further to our responsibility in this behalf. The existing schools would certainly be maintained and maintained well.

38. I have in the past on more than one occasion emphasised the great importance of establishing better relations between the using public and the railway staff. The Railwayman comes into contact with hundreds of thousands of people and his efficiency is, in the last analysis, judged by his capacity to satisfy the using public. In view of the various shortcomings like overcrowding, shortage of wagons, coaches and other equipment, it is all the more necessary to appreciate their difficulties and try to help them to the utmost. Railwaymen should remember that it is their duty to look to the needs and comforts of an exacting public by their courteous behaviour, tact and good manners.

39. I would like to acknowledge here the willing service which has been rendered during the past year by all ranks of railwaymen. I consider it a proud privilege to maintain the best of relations with the staff as I cannot differentiate between colleagues and co-workers who are placed in various categories but have a common responsibility. My earnest appeal to all of them is to live and work in peace and have no suspicion or doubts in their minds regarding any possible lack of will on my part to find out reasonable solutions of their problems. The next three years, the remaining period of the Plan, are crucial for us. Railways cannot afford to lag behind other developmental activities of the country. Commerce and industry should feel reassured of our capacity to serve their needs which is essential for the general prosperity of the country. Let us, therefore, strengthen the Railways by making them self-sufficient and try to raise their standard of work and efficiency in every direction. Difficult days lie ahead and unremitting labour and the capacity to forego the present advantages for the sake of a better future alone can pull us through. We must remember that we have on us the great responsibility of building anew our economy and let it not be said that we were wanting. Railwaymen are on their trial and they must play their rightful role in the task that the country has set before itself.
