

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:1579

ANSWERED ON:06.03.2013

ALLOWANCES OF AI PILOTS

Abdulrahman Shri ;Dhotre Shri Sanjay Shamrao;Mahtab Shri Bhartruhari;Owaisi Shri Asaduddin

**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) whether Air India and Indian Airlines had different service rules for their employees before their merger;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the erstwhile Indian Airlines and Air India were running in profits and losses respectively while the merged entity of both has been running into losses since their merger;
- (d) if so, the details thereof;
- (e) whether the pilots of Air India are being paid hefty amounts in the form of various allowances including hub and spoke allowance;
- (f) if so, the details thereof and the justification therefor as the Government owned airline is continuously running into losses; and
- (g) the corrective steps taken by the Government in this regard?

**Answer**

Minister of State in the Ministry of CIVIL AVIATION ( SHRI K. C. VENUGOPAL )

(a) and (b): Yes Madam. Different Service Rules were applicable to erstwhile Air India and Indian Airlines pre merger. The said Service Rules are still applicable to the respective employees of the erstwhile airlines. Employees of erstwhile Indian Airlines are presently governed by three sets of Service regulations, viz Service Regulations for Flying crew, Service Regulation for employees in Aircraft Engineering Department and Service Regulations for employees other than those in the flying crew and those in Aircraft Engineering Department and two sets of Standing Orders, viz Standing Orders for Factory Workers and Standing Orders (Regulations) concerning discipline and appeals. The employees of erstwhile Air India are governed by two sets of Service Regulations viz, Certified Standing Orders applicable to workmen and Air India Employees Service Regulations applicable to non-workmen Categories. However, pursuant to the amalgamation of Air India and Indian Airlines and the incorporation of Air India as Public Limited Company under the Companies Act, 1956, draft harmonized Air India Employees' Service Regulations have been formulated .

(c) and (d): The year wise profit and loss of erstwhile Air India & Indian Airlines prior to merger and post merger of Air India is as under:-

FY (Pre - merger)	Air India (Rs. in crores)	Indian Airlines (Rs. in crores)
2003-04	92.93	44.17
2004-05	96.36	65.61
2005-06	14.94	49.50
2006-07	(447.93)	(240.29)

FY (Post Merger) Air India (Rs. in crores) 2007-08 (2226.16) 2008-09 (5548.26) 2009-10 (5552.44) 2010-11 (6865.17) 2011-12 (7559.74)

(e) to (g): Employees of erstwhile Air India and Indian Airlines are being paid wages and allowances in terms of agreements between the management and respective unions/associations. With a view to harmonize the wage, salary, work practices, etc. of all categories of employees of erstwhile Air India and Indian Airlines, the Government had constituted a Committee of external experts under the Chairmanship of Justice (Retd) D.M. Dharmadhikari. The Committee's report has been accepted by the Government and sent to Air India for implementation. The pay and allowances recommended by the Committee are in accordance with the DPE Guidelines. However, for licensed categories, separate approval of the CCEA has been taken as per recommendations of the Committee.

