

Rise in Fares of IA

*996. SHRI EDUARDO FALEIRO: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government intend to raise the fares in Indian Airlines; and

(b) if so, details thereof?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURUSHOTTAM KAUSHIK): (a) and (b). Indian Airlines has submitted a proposal for an upward revision of air fares by about 15 per cent besides rationalisation of the fare structure. The proposal is under examination.

SHRI EDUARDO FALEIRO: Mr. Speaker, Sir, a few days ago in a written answer, the hon. Minister informed the House that as far as Air India was concerned, there was a proposal to increase the fare by 7 per cent. Now, I would like to point out that in the year 1976-77, Indian Airlines had made a net profit of more than Rs. 20.0 crores and had been making steady profits. In this context, I would like to know what are the grounds shown in this proposal for increase in the air-fares of 50 per cent and secondly, what are the broad outlines of the rationalisation of fare-structure which is contemplated in the proposal?

SHRI PURUSHOTTAM KAUSHIK: So far as the ground for raising the fare structure is concerned, the hon. Member knows that the impact of excise duty on fuel imposed according to the Indian Airlines will be Rs. 3.5 crores on their overall expenditure. Similarly, the impact of the excise duty on import of aircrafts and spares will be about Rs. 8 crores as expenditure per annum. Similarly, because of some other budgetary results, the additional expenditure that will be incurred by the Indian Airlines will be Rs. 1.5 crores. In addition to that, because of this productivity linked bonus which is under the consideration of the Government, the likelihood of the expenditure will go upto the

tune of Rs. 4.75 crores; and also because of the increase in the landing fees and electricity charges by IAAI, the additional expenditure will be to the tune of Rs. 2 crores. The overall increase on this expenditure will be to the tune of approximately Rs. 26 crores. As a result of 15 per cent increase in the air fare, the Indian Airlines is just hoping to get about Rs. 25 crores as additional income.

SHRI EDUARDO FALEIRO: What about the broad outlines of the nationalisation of the fare structure?

SHRI PURUSHOTTAM KAUSHIK: Presently, there was some paper system—separate fare for Turbo Aircraft and for the jet. With the increasing efforts of the Indian Airlines to phase out this Turbo aircraft and introduce the jet services, we are proposing to remove the difference between the two.

SHRI EDUARDO FALEIRO: The increase in the expenditure is to the extent of about Rs. 26 crores and the profit is almost the same. In 1976, it was Rs. 20 crores. So, we can assume that it is on the ascending lines; that it will be almost the same. Why is not the Indian Airlines absorbing all this extra expenditure? While this profit has been going up, the in-flight service has been going down very much, and the transport from Airport to the offices has been given away. People have gone in taxis. There is a shortage of aircrafts. Will the hon. Minister consider improving these conditions by increasing its fleet of aircrafts so that better conditions can be provided to the public?

SHRI PURUSHOTTAM KAUSHIK: One of the considerations which is weighting with the Government to consider this proposal of the Indian Airlines is that we want to increase the fleet not on the budgetary support but out of their internal resources. Just to increase their internal resources, the increase in the fare is also one of the considerations of the Indian Airlines.

(Interruptions)

MR. SPEAKER: Do not bother about it; do not exhaust all that. I am still having a calling attention motion.

(Interruptions)

SHRI PURUSHOTTAM KAUSHIK: Secondly, as I stated, this is only a proposal from the Indian Airlines. The Government is not taking final decision. So far as bringing economy in the expenditure is concerned, all the suggestions of my friends will be taken care of.

SHRI S. R. DAMANI: It is a matter of great regret that the efficiency of the staff is going down. Planes are leaving 4 hours, 5 hours late.

MR. SPEAKER: Do not exhaust all that. There is a calling attention motion.

SHRI S. R. DAMANI: You have no control on their expenses. On the one side, efficiency is going down, services are poor, on the other hand, you are thinking of increasing the fare. What efforts you are making to improve the efficiency and bring discipline among your staff?

SHRI PURUSHOTTAM KAUSHIK: I have already stated during the calling attention discussion the steps that we are proposing to take. I have already stated during the calling attention table by Mr. Jyotirmoy Bosu that I am going to set up a group to study, so far as the maintenance aspect is concerned. Secondly, efficiency depends on many factors. As all the hon. Members know, we are short of aircrafts. Aircrafts have to operate on many sectors. If there is delay just at the initial stage i.e. at the time of start, then there is consequential delay also. So far as day-to-day problems are concerned, I have already informed the House that I have already constituted a Committee including the hon. Members on all the major airports to see that those problems are solved there and also whatever complaints come regarding the airports

and day-to-day problems, those will be taken care of. All actions will be taken after the Report from the Airport Committees is received by the Government.

30 बल्लेब प्रकाश : मंत्री महोदय ने अभी बताया है कि इंडियन एयरलाइन्स की तरफ से कुछ किराया बढ़ाने के लिए प्रस्ताव धाया है। पिछले सालों में जैसा कि बताया गया है कि इंडियन एयरलाइन्स जो है, वे फायदे में जा रही हैं बाटे के धन्दर नहीं जा रही हैं। बाकी कमियों को दूर करने के बजाए एयरलाइन्स से यह प्रस्ताव धाया है कि किराया, भाड़ा धौर बढ़ाया जाए। मंत्री महोदय ने अभी कहा है कि इस पर सरकार ने अभी कोई फीसला नहीं किया है धौर अभी यह सिर्फ एक प्रस्ताव मात्र है। मैं मंत्री महोदय से यह जानना चाहता हू कि क्या वे इस सदन को विश्वास दिलाएंगे कि इन सारी बातों को ध्यान में रखने हुए, यह सरकार इस साल कोई किराया, भाड़ा एयरलाइंस का नहीं बढ़ाएगी ?

श्री पुरुषोत्तम कौशिक : यह आश्वासन तो सरकार नहीं दे सकती लेकिन तमाम बातों को ध्यान में रर ते हुए, उस प्रस्ताव पर विचार किया जाएगा, यह मैं कह सकता हू।

SHRI A. SUNNA SAHIB: In view of the fact that the hon. member just now suggested to improve efficiency, will the hon. Minister also see that mechanical defects are rectified before the plane starts Day before yesterday I had a bitter experience

Before the proposal is made to raise the fares, will the hon Minister see that efficiency is improved and also the mechanical defects are rectified before the plane goes on flight.

SHRI PURUSHOTTAM KAUSHIK: All the aircrafts are checked before the actual take off.

MR. SPEAKER: What Shri Sunna Sahib asked was why do you not see that the mechanical defects are removed before the plane takes a flight and not after the passengers are on flight?

SHRI A. SUNNA SAHIB: At the height of 5,000 feet.

SHRI VASANT SATHE: The pilots are unhappy.

SHRI PURUSHOTTAM KAUSHIK: Before every flight the aircrafts are checked and even during intermediate flights also these checks are made. Standing instructions are there that it should be done. Sometimes it might have happened otherwise, but instructions are there to have a thorough check. All care is taken to see that air travel is safe.

श्री रघुबीर सिंह मल्ल: क्या मंत्री महोदय, यह बताने की कृपा करेंगे कि सबसे ज्यादा ब्रेकडाउन्स इंडियन एयरलाइन्स में हो रहे हैं, क्या यह सही है? दुनिया के दूसरे देशों के कम्पेरिज में हममें ब्रेकडाउन्स ज्यादा हो रहे हैं?

श्री पुरुषोत्तम कौशिक: नुननात्मक विवरण हम समय भेरे पाग उपलब्ध नहीं है। जिन परिस्थितियों के कारण कुछ विलम्ब हुआ है, उनको सँने ध्रापके सामने निवेदन किया है लेकिन मुध्रा का काम एक निरन्तर चलने वाली प्रक्रिया है हमारी कोशिश यह है कि यात्रा जो हो वह बहुत सेफ हो और इस दृष्टि से हम पूरा प्रयास कर रहे हैं।

WRITTEN ANSWERS TO QUESTIONS

Rural Business of L.I.C.

*993. **SHRI K. T. KOSALRAM:** Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) whether it is a fact that the rural business of Life Insurance Corporation of India for the year ended March, 1978 has fallen as compared to earlier years;

(b) if so, the percentage of fall and the reasons therefore; and

(c) the steps proposed to be taken to arrest this declining trend in the rural business of LIC?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQUARULLAH): (a) to (c). The rural business of the LIC which, in terms of sum assured, was steadily increasing in the preceding years, received a set back during the year

ended March, 1978 when it decreased by 14 per cent compared to the business done in 1976-77.

This fall is mainly due to the agitation launched by the Development Officers of the LIC during the year 1977-78 against the scheme of 'cost norms' introduced in 1978. A modified scheme making substantial improvements as well as concessions as compared to the 1976 scheme has since been introduced by the LIC The Corporation, which is aware of the need to step up rural business, has also recently decided to strengthen the organisation in rural areas by introducing a scheme of 'Financed Agents' for rural, hilly and backward areas. Under the scheme, persons hailing from these areas will be selected and imparted necessary basic training in life insurance. The scheme will be implemented as soon as the organisational arrangements are completed.

भारतीय रिजर्व बैंक द्वारा गठित ग्रामीण आयोजना ऋण सँल

*994. **श्री क० मालमा :** क्या उप प्रधान मंत्री तथा वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या ग्रामीण क्षेत्रों में ऋण के बारे में बहुत एजेन्सी दृष्टिकोण का समुचित क्रियान्वयन सुनिश्चित करने के लिए भारतीय रिजर्व बैंक ने ग्रामीण आयोजना ऋण सँल का गठन किया है; और

(ख) यदि हाँ, तो तत्संबंधी ज्यीरा क्या है?

वित्त मंत्रालय ने राज्य मंत्री श्री (जुलिकार उल्लाह) : (क) जी, हाँ।

(ख) ग्रामीण आयोजना और ऋण कक्ष ने 1 जनवरी, 1979 से रिजर्व बैंक में काम करना आरम्भ कर दिया है। क्षेत्रीय ग्रामीण बैंकों, जिला ऋण योजनाओं और ग्रामीण ऋण नीति विषयक काम को बेहतर समन्वय के लिए इस नये कक्ष को सौंप दिया गया है। यह कक्ष क्षेत्रीय ग्रामीण बैंकों विषयक नीति के निर्धारण और उसकी समीक्षा के लिए रिजर्व बैंक में गठित विषय निर्धारण समिति के सचिवालय के रूप में कार्य करेगा।

Increase in Assistance to Private Sector by all India Financial Institutions

*997. **DR. P. V PERIASAMY:** Will the DEPUTY PRIME MINISTER AND