

[Shri T. T. Krishnamachari]

or today. Now I am trying to change it. I am very glad that the hon. Member caught the point and emphasised it. I wish hon. Members in this House do insist upon these things being reviewed from time to time and placed before the Parliament because, as I have said once before in September, the Finance Ministry is friendless, they are absolutely alone and, after all, the only persons before whom the Finance Minister can come and plead his case happens to be the Parliament, who are the ultimate guardians of expenditure in this country. I am sure with this new consciousness that is developing we will be able to check to some extent this question of loans. Of course, if Government wants to make a loan and are prepared to place it before the Parliament they can do it. It is not, therefore, because of any fault of a particular Minister or Ministry. It is the fault of the system and that we are trying to change. I hope I will be able to give some account of it to the Parliament, say, six months hence, by which time I will probably get some of these things scrutinised. I am perfectly sure that no Minister or Secretary wants to give a loan if he has the slightest inkling that the loan is not likely to be returned but we must make up our mind that a loan is a loan and it cannot be treated as a grant.

Once again, I am grateful to the hon. Member for having emphasised the point.

**Mr. Chairman:** The question is:

"That the Bill to continue for the financial year 1957-58 the existing rates of income-tax and super-tax, other than super-tax on companies for which provision is made in section 8 of the Finance (No. 3) Act, 1956, and the existing additional duties of customs and excise, and to provide for the continuance of certain commitments under the General Agreement on Tariffs and Trade and the discontinuance of the duty

on salt for the said year, be taken into consideration."

*The motion was adopted.*

Clause 1 to 6, the Enacting Formula and the Title were added to the Bill.

**Shri T. T. Krishnamachari:** I beg to move:

"That the Bill be passed."

**Mr. Chairman:** The question is:

"That the Bill be passed."

*The motion was adopted.*

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#### RAILWAY BUDGET—GENERAL DISCUSSION

**Mr. Chairman:** The House will now proceed with the General Discussion on the Railway Budget.

**Shri Nambiar (Mayuram):** Sir, I am sorry that the Minister for Railways is not here, perhaps he may be busy otherwise, but I am glad that the Finance Minister is present and I am sure he will certainly convey the points that I make here to the Railway Minister.

I am not going into a detailed examination of the performance of our Railways during the past one year at this stage, because that can better be done by the new House which would assemble shortly. My purpose here is to focus attention on certain aspects which are of a specific nature and urgent, namely, (1) the serious impediments on the expansion of Railways, (2) the negative policy towards labour which requires immediate revision and (3) a legitimate wage increase to compensate the loss to the railmen on account of higher prices.

It is true that the Railways are trying their utmost to get out of the situation created before and during the war and cope with the growing needs of a developing economy. The White Paper agrees that, even after

the completion of the First Plan period the rolling-stock position had not improved; on the contrary it has gone worse with regard to broad gauge locomotives and wagons though it is slightly better on the metre gauge, thanks to our past. Although we are still in heavy arrears with regard to broad gauge locomotives and wagons as well as metre gauge locomotives and wagons, still the White Paper claims that there has been general improvement in the operational efficiency during the Plan period. It is true that slight improvements in wagon movement and net ton-miles per wagon day are registered.

16 hrs.

But we should not lose sight of the new acquisition of 1,586 locomotives which is 18 per cent more than that existed before the Plan, at a very heavy cost. I leave it to the House to Judge whether we are justified in getting satisfied with the rate of progress with so much of acquisition. In the drive towards self-sufficiency in essential materials of stores, rolling-stock, etc. which was our professed objective in the first Plan, the railways could not do anything substantial than the establishment of the Chittaranjan Locomotive Works and the Integral Coach Factory at Parambur which, though they are very proud achievements, are two tiny wings to be able to meet our growing needs especially in the coming period of expanding economy during the Five Year Plan. We should not forget that the encouragement given to the indigenous production mainly of foreign concerns; though they will give us immediate results, may not help to improve the railways' own capacity in the long run. The railways must try to develop their own base as a part of its expansion. Here, we are faced with a serious obstacle, namely, the shortage of essential materials and foreign exchange. The view that a large allotment for railways in the Plan and intensive procurement from abroad could solve the problem is, in my opinion, incorrect. This will

only lead to still more difficulties because of the increased cost of such materials and the shortage of foreign exchange at our disposal which we are direly in need of otherwise for industrialisation.

Only just now, the hon. Minister of Finance explained the difficulties due to shortage of foreign exchange. We cannot spend unduly for procuring materials from abroad for the railways alone, when we have a simultaneous plan for expansion of industries and particularly the heavy industries. Not only that our railways may not be able to improve but the whole Plan and whatever industrialisation we contemplate would get blocked. By following this policy we shall continue to be in the vicious circle not finding the way out, and as is admitted, we are again driven to the threshold of the World Bank for further loan. Every time we cannot be going to the World Bank or to the foreign countries with the beggar's bowl and ask for loans. No industrialisation, no expansion of key industries, could be proceeded with at the mercy of others. A way out other than going in for foreign loans has to be found out. This is my humble submission and in the White Paper nothing could be seen about what the Government are thinking in terms of finding a way out, other than going to the World Bank. If not, all our ambitions of railway expansion, its capacity to cope with the growing needs of the people, etc., will dash to pieces.

The remedy lies with us at home and not abroad. Besides securing the most essential materials—I use the words 'most essential', though in the White Paper, it is stated as 'essential materials'—for railways confining strictly to the foreign exchange resources available, we have to concentrate on utilising the old stocks already with us in India. The most essential things only can be imported from abroad at a cost which may be very high and we have to meet the cost from what little savings we have from the foreign exchange.

[Shri Nambiar]

After giving first priority to the heavy industries, which we are contemplating to build in this country, we must proceed to the next. Our success lies mainly in this. I have got a suggestion to place before the House which I think, I had placed before the House during the last budget session perhaps partly. But thanks to the carelessness or rather the different opinion that the hon. Minister and the members of the Board have, they have not considered it. Are we going to repair and use further the over-aged locomotives and wagons that we have? In the White Paper, it is said that 32.5 per cent of our locomotives are still over-aged. The same is the position in the metre-gauge. Are we in a position or can we further use the locomotives and the wagons at our disposal, though over-aged, by further repairs and maintenance? Are we prepared to forego the luxury travel experiments, air-conditioned coaches and the like? Above all, are we going to take the 11-lakh railwaymen into confidence and make them act in a manner that will unleash a tremendous labour enthusiasm which would enable the railways to work far better for several years more to come, than eating up the much-needed foreign exchange? These are the questions facing us.

Of course, the Railway Minister would say that the Railway Board has issued a pamphlet explaining as to what the targets and the proposals are for the second Five Year Plan. They have issued a pamphlet but that will not suffice. That will not solve the problem. The Railway officers, the members of the Railway Board and the Ministry will rush forward to answer this question and state that all that could be done has already been done. "The workshop capacities are being increased; the turn-outs are being hastened; the wagons are being chased and the maximum utilisation of the lines is being ensured" and what not. This is an oft-repeated

answer given to us again and again. In reality, the quality and quantity of repairs and maintenance have gone down. The relation with labour has deteriorated. There is nothing like labour enthusiasm existing at present. Perhaps the Deputy Minister may laugh at it, saying that the workers are very enthusiastic. What I say is, the workers are wage-earners and there they remain.

**The Deputy Minister of Railways and Transport (Shri Shah Nawaz Khan):** Your group of people may not be very enthusiastic.

**Shri Nambiar:** No. I have not got a group of people. My group consists of the 11-lakh railwaymen throughout the country and the workers of the country as a whole.

**Shri B. S. Murthy (Eluru):** No de-grouping?

**Shri Nambiar:** No de-grouping. Moreover, my party is now a party getting ready to form a Government in a State. We are not only agitators. We are going to shoulder responsibility in an important State in this country. Therefore, with all feelings of responsibility and with all sincerity, I appeal to the Government to accept the suggestions, I am making.

**Shri Shah Nawaz Khan:** You will have to prove that.

**Shri Nambiar:** The railways are running through Kerala and Kerala has got railways.

**Shri B. S. Murthy:** From agitators to hesitators.

**Shri Nambiar:** Officers might quote figures of speedy turn-outs from shops, but I can prove that the increase in serious accidents is due to bad works and poor maintenance. Otherwise, you cannot explain away the reason for accidents and accidents are ever on the increase. The hon. Deputy Minister happened to be the Chairman of the Accident Enquiry Committee, but he has not even

placed before the House his report. Perhaps he may not be responsible for that at present.

**Shri Shah Nawaz Khan:** It was placed on the Table of the House during the last session. The hon. Member perhaps does not know it.

**Shri Nambiar:** No, Sir. If it has been placed, I stand corrected. Even then, it was done after repeated agitation perhaps at the end of the session, on the last day, at the last hour perhaps. I do not know. Anyway, that was as a result of continuous agitation.

**Sardar A. S. Saigal (Bilaspur):** Go through the report.

**Shri Nambiar:** It is not that we have not got good modern workshops and talents. But the system which we follow is such that it is incapable of utilising our full capacity. Much depends upon how we deal with labour.

I may mention the name of Shri Lal Bahadur Shastri. I am sorry he is not here now. I may limit my criticism to him, with all respect to his personality. I may be permitted to say that he attempted to subvert the unity in the ranks of labour by setting up one section against the other and consciously pulling down the real mass unions by way of victimisation and raising the Communist bogey which is a very, very old bogey. Still, that bogey is raised. Railwaymen are being victimised, punished, transferred, removed from service, on the ground that a policeman has reported that someone of them has something to do with the Communist Party or a friend of someone is somewhere near the Communist Party. There are cases like that. I have sent several representations to the hon. Minister, Shri Lal Bahadur Shastri. I begged of him not to be vindictive, but he continued to do so. When the High Court of Madras gave a decision that no railwayman should be punished for his opinion or

for his political affinity, the Railway Minister got the help of the Home Ministry and instead of removing the men concerned directly under the security rules, started removing them under article 311 of the Constitution by the orders of the President. This is the order: The President is satisfied that porter Kuppaswamy working in Dindigul—it may be another name—is acting against the interests and the security of the State and therefore, without giving any reason, he is removed from service. The President is so much pleased to remove a porter from service! Under article 311, to circumvent the order of the High Court, this is the way that the Home Ministry and the Railway Ministry adopt. I leave it to your imagination what sort of relation will exist between the railway labour and the Ministry sitting at the top in Delhi, if these things happen. I appealed to the hon. Minister and the Deputy Minister, but they never cared; they would not reconsider the question. It is not the case of one or two railwaymen; there are about 500 to 600 such men in India all over the country who have been removed from service. The fault was that in 1948 or 1949, a particular railwayman had some association with the communist party of India. Even today I ask the hon. Minister this question. If today a communist minister can rule in India, if Mr. E. M. Nambodiripad who has been elected as the leader of the communist party in Kerala can be the Chief Minister of a State in India, do you want to remove from service a railwayman who had some affiliation with the communist party some years back and make him suffer today? It is not a matter concerning one or two men. It is a matter of policy. If you want to kick the communists out, do so. You cannot have two contradictory policies against the same party. You cannot victimise the railwaymen or any servant of the Government for the reason that he has some affinity towards the communist party. The Government must change its policy; otherwise, there is no meaning in this. There is so much

[Shri Nambiar]

of contradiction and inconsistency in it.

I would submit that those cases which have been already decided may be reopened and the people who have been removed from service can be re-employed. My submission is that they may be re-employed, though they may not be reinstated.

Any bad and corrupt employee can take shelter under his favourite unions and leaders. We know that the hon. ex-Railway Minister had some connection with the INTUC here. They wanted to help only the INTUC unions; the INTUC unions had priority over the rest and any active worker or trade unionist who sided with the INTUC was benefited. Those who were not INTUC people were chased and punished and the bogey of communism was there to be resorted to by the Ministry. I charge the Railway Ministry; I may not be able to charge further on the floor of this House, but the people will certainly hear my voice throughout the country. We are not going to leave the matter here, because this sort of partiality can never be tolerated. Justice must be meted out to these men.

At present both the wings of the National Federation of Railwaymen are quarrelling among themselves and their agreement to bring in a united federation by the end of November 1956 has lapsed. There is no use in harping upon that again and again. The Railway Ministry should own responsibility for the situation, because it has given support to certain unions and a wing of the Federation, as against the rest. The best remedy lies in reversing this policy and asking the railwaymen themselves to choose their own leaders and unions by a ballot. That will set at rest the present controversy. This is an industry in which we have 11 lakhs of railwaymen spread over 34,000 miles. If these men are not given the right to choose

their own unions and leaders, democracy or whatever you may call it, is not there. The Government at the Centre, the Ministry or the Board, cannot dictate to the railwaymen in a particular zone, "We recognise only that union; if you want to join any union, you join that; you cannot join any other union." It is not correct on the part of the people sitting at Delhi to say so. Let the railwaymen decide which union and leaders they want; it is not the Ministry here who should decide it. Therefore, the Railway Ministry must reverse its policy and allow the railwaymen to choose their own leaders and unions through a ballot. Ballot is not uncommon in railways. Even for the election of staff councils, credit societies, works committees etc., they have a ballot. Ballots are taken during the working hours. Let such a ballot take place and let the railwaymen choose the union they want. Why should you dictate to them saying, this is the union in which all the workers should join. This policy must be changed, so that you may create confidence in the minds of 11 lakhs of railwaymen and make them feel that they are acting in a way that will do good to themselves as well as the country. That is what I mean by allowing the labour enthusiasm to come forward; that enthusiasm alone can solve the problem. No amount of foreign exchange or imports will save the railways; the only saving feature is 11 lakhs railwaymen and the materials available with us at home. That is the only way out.

Another point is with regard to the railwaymen's pay structure. Recently in January this year, there was an attempt by the hon. Minister to show some consideration to the railwaymen's long standing demands for increased wages. He called all the representatives of the unions and announced certain increases in a few higher posts of Class III employees. I am not going into the details, because it is known to everyone; it

appeared in the Press also. But it has created still more bitterness in the minds of labour, because Class IV employees as a class, forming more than 56 per cent, are left out completely, as against the promise given by the hon. Minister, Shri Lal Bahadur Shastri, in a speech in Mysore. He said that the case of Class IV employees, who formed the bulk of the railwaymen, would be considered and they would be given chances of promotion further. If I am correct, he made a speech in Mysore a few months before his resignation. After his speech in Mysore, he resigned. The new Minister for Railways took charge and subsequently in January, just a few days prior to the actual date of polling, the new announcement came, in which the Class IV staff were completely left out.

4.18 hrs.

[MR. SPEAKER *in the Chair*]

**Dr. Rama Rao (Kakinada):** On a point of order; there is no quorum.

**Shri B. S. Murthy:** I thought the point of order was for certain references of Mr. Nambiar.

**Mr. Speaker:** The bell is being rung. Now there is quorum. The hon. Member may continue.

**Shri Nambiar:** The quorum bell at least has brought the Railway Minister. I am sorry he did not come earlier, but I am glad that at least the labour's wage-increase part of my speech may be heard by the Railway Minister. There was a promise of Shri Lal Bahadur Shastri in Mysore a few months before his resignation that the case of the Class IV staff would be considered and they would be given chances of further promotion. But in the announcement of January, 1957, no mention of Class IV staff was made and they were completely kept out. There was not a pie of increase in wages in the form of pay or dearness allowance to Class IV employees, who form the bulk of the railwaymen, namely,

more than 56 per cent. What was attempted was, some sections of Class III employees were given chances of promotion which would give them an increase of pay ranging from Rs. 2 to 10 or so. A detailed analysis of this has shown me that there is nothing substantial in this. However, the question of increase in wages was not tackled. Nor did the Minister give a chance to these organisations which were invited, to give their opinion on the matter. They were only informed of the decisions that the Railways had already taken so that the Unions could either accept or reject them. That is the point. There was no chance for them to discuss the subject and give their opinion on the merits. I think that this was an attempt by the Ministry very cleverly evolved to disrupt the ranks of labour and set up one section against another. On the other hand, it worked as a boomerang against the ruling party. The railwaymen all over the country resented it and they said that something radical must be done in the railways.

**An Hon. Member:** Not all.

**Shri Nambiar:** Majority of them. Perhaps there may be one or two here or there who may be not affected by it. I know the hon. Railway Minister will have received information from all over the country, from workshop centres, from the lines, as to how they reacted to this announcement of January, 1957. He will certainly tell the true facts to the House. Recently, he has answered a question on the point and agreed that the Class IV employees have got a grievance and that he will consider the matter. This question of consideration has no meaning. This has been already under consideration for several years. I submit that the hon. Minister must take a decision as early as possible to give some wage increases in the form of pay or dearness allowance to Class IV employees soon. With regard to Class III also, the increment given or concession granted is very very small. They are also not satisfied. The position

[Shri Nambiar]

can be improved only by a flat rate of wage increase to the extent of say, 25 per cent or any amount that the Railway Minister can accept after consulting the Finance Ministry.

I submit that the finances of the Railways are sound enough to meet this demand. Let us see the White Paper and the figures that have been supplied. The railway revenue estimate for the coming year is put at Rs. 368·5 crores, an increase of Rs. 121·5 crores over the pre-plan year of 1950-51. This is not a small increase. The railway finances can bear the demand for increase in wages of the railwaymen. After all, what they demand is not so much that the railways could not bear. I for one would not recommend an undue or exorbitant demands, because I know that the financial resources of the country are such that we cannot allow every demand that they put up. With the funds available, we can give some more thought to this problem and we can allow an increase to the extent of 25 per cent. During these five years, the allocation to the Depreciation Reserve fund has been increased from Rs. 30 to Rs. 45 crores and the dividend to the general revenues has also been increased considerably. There is an increase of Rs. 121·50 crores in the revenue. When we make an increased allotment to the Depreciation reserve fund to the extent of Rs. 15 crores, and give many more crores to interest charges, I cannot understand why the poor railwaymen who earn this revenue are denied a square deal. If this is the socialistic pattern of society that we want to build, woe unto us. Such a society may not discharge the duties or responsibilities.....

**An Hon. Member:** God save us.

**Shri Nambiar:** God alone can save us. The Railway Minister may consider this matter.

Again, I submit on the question of labour policy, that this policy of divide and rule must be given up.

He has the personal experience of the Postal and Telegraph department. He was one of those who helped to bring about unity among the posts and telegraphs employees, to bring about a re-alignment. How did he achieve it? He achieved, it not by the dictation of the I.N.T.U.C. or the A.I.T.U.C. He achieved it by following the policy of allowing the posts and telegraphs workers to democratically elect their own union leaders. I would appeal to him to follow the same policy here in the railways. Let him start from below and allow the men to choose their union and their leaders. If he does so, irrespective of the fact that he is liked or disliked by the I.N.T.U.C. or the A.I.T.U.C., he will succeed. If he is carried away by emotions that the I.N.T.U.C. is the trade union which is supported by the ruling party and he wants to carry these people with them, no democratic trade unionism can be built in this country. I appeal to him to reconsider this issue.

With regard to divisionalisation, I have to submit that this has been introduced in those zones where it did not exist previously. The Southern Railway is one of such zones. My bitter experience is this. After the introduction of divisionalisation, much improvement has not been registered. Perhaps they may say that it is in the experimental stage. Today, the position is, each division is something like a miniature railway by itself. A Divisional Superintendent administers a whole department under him and the departments have got such a large area to cover that efficient administration is found to be difficult. I do not know about the experience that they have got in the divisionalised zones in other areas. In the Southern Railway, that has not succeeded. They may say that it is in the experimental stage, that the departments have been fused together and the papers have not gone to the correct persons, and it may take time. I have no hope because, the staff tells

## General Discussion

me that the system has not worked well in the Southern Railway.

Lastly, I would like to refer to re-grouping. Re-grouping has been effected against so much of criticism and opposition. This re-grouping has not been a success. This was accepted by the ex-Railway Minister. But, he said that he cannot change it all of a sudden, especially in the midst of the Second Plan, and so we must wait for an opportunity. That was his idea. I submit that after the Second Plan, we will have the Third Plan and then the Fourth Plan. More Five Year Plans are coming. If we have to bring about a revision, we will have to do it soon. The Estimates Committee has recommended that the zones must be smaller units. Recently, the Commission or Tribunal which went into the question of freights structure has also recommended smaller units. The Corruption Enquiry Committee also recommended that there must be smaller units. Administrative experience has shown us that these big zones will not help us. Therefore, a review of re-grouping is essential so that we may bring about smaller units and better and efficient administrative control.

I do not want to go into the details of the accidents that occurred, particularly the one at Ariyalur because I had an occasion to discuss that previously and the hon. Minister has promised that he would do his best to see that the victims and their relatives are given due compensation. I would only request him to consider the question of the relationship of the administration and labour, of the authorities and labour on which depends the success of the Railways and the success of the Railways is the success of the Plan. Therefore, this is a vital issue and I hope the hon. Minister will dispassionately look into the question without prejudice. Particularly political prejudices must be cast off. I stress this point because we have been victims of such prejudice. That should not be allowed

to continue, and I hope things will improve.

This is all that I have to submit at this stage.

Shri Raghavachari (Panukonda): I only wish to stress one point, and that relates to the punctuality of trains.

It is unfortunate that in our part of the country, that is Guntakkal and round about, the trains never are known to come on time. I have put questions also. Out of 300 days it has been found to have come late on 260 days. Latterly the thing is further deteriorating and has become chronic, particularly between Bangalore and Guntakkal. Many a time the passengers miss the connecting trains at the junction, and they have to make their own arrangements, go to a wayside station by a bus or some other vehicle and then only catch the through train. It is happening almost every day between Guntakkal and Bangalore. It is unfortunate that such a state of affairs should continue, not for a few days but over years practically. Therefore I would stress this point without giving details as to how this has happened. Personally I myself had to take a motor vehicle to go and catch a through train at Bangalore once because the train came so late; more than once people have to go to Gooty or Tadpatri from Anantapur to catch the mail to Madras. This is the kind of thing that is going on almost every day. Therefore, I would stress the importance of looking into the matter and preventing this chronic unpunctuality on the railways.

Mr. Speaker: Shri Raghavachari may also present his report.

## RULES COMMITTEE

## NINTH REPORT

Shri Raghavachari (Penukonda): I beg to lay on the Table, under rule 306(2) of the Rules of Procedure, the Ninth Report of the Rules Committee.