

Parulekar, Shri
Parvathi, Krishnan, Shrimti
Patil, Shri Nana
Patil, Shri U L
Pillel, Shri Anthony

Prodhan, Shri B C
Rai, Shri Khushwaqt
Rao, Shri, T B Vittal
Singh, Shri L Achaw
Sonule, Shri H N

Sugandhi, Shri
Tangamani, Shri
Tiworthy, Pandit D N
Verma, Shri Ramji
Warrior, Shri I

The motion was adopted

Mr. Speaker: The Essential Services Maintenance Bill is passed

Some Hon. Members: Shame, Shame

Mr. Speaker: I am very glad that the debate has been carried on without bitterness. Two full days have been devoted for this, eleven hours in all. I am very happy that all sides have carried on the debate without bitterness.

Some Hon. Member: Walk out, walk out (*Interruption*)

(*Some Members then left the House*)

DEMANDS FOR GRANTS—*contd.*

MINISTRY OF TRANSPORT AND COMMUNICATIONS—*contd.*

Mr. Speaker. The House will resume further discussion of the Demands for Grants relating to the Ministry of Transport and Communications. Out of the Nine hours allotted for the demands of this Ministry, five-and-a-half hours have already been availed of. Three and a half hours now remain. The list of selected cut motions relating to the demands of this Ministry which were treated as having been moved had already been circulated to the Members on the 2nd of August. Shri Humayun Kabir may continue his speech. He has already taken 46 minutes.

16 09 hrs

The Minister of State in the Ministry of Transport and Communications (Shri Humayun Kabir): Mr Speaker, I have already dealt with most of the points raised by hon Members during my speech on Saturday. There are one or two points which remain and I would like to make a brief reference to them.

The hon Member from West Bengal raised the question of purchase of

stores by Air India International. The position is that the Air India International make all their purchases in the United Kingdom through their own organisation. So far as the United States are concerned, they purchase aircraft directly, but other things they purchase through two agents.

They are thinking of setting up an organisation of their own but the matter will be examined very carefully before any final decision is taken.

The same hon Member referred to the question of agency commissions and said that the Corporation should undertake business directly and not through any agencies.

Mr. Speaker: Hon Members will kindly see that there is sufficient quorum in the House.

An Hon. Member: There is quorum.

Mr. Speaker: Let it not be so. We will have to be counting from time to time.

Shri Humayun Kabir: After the excitement which has just now taken place, perhaps the reaction to these cold facts and figures will make some Members go away. They want a little respite.

Mr Speaker: Some must stand behind the hon Minister.

Shri Humayun Kabir: The Opposition has practically disappeared. I do not know why it is so but on the last occasion also when our Ministry was being discussed the same thing happened. Perhaps they are satisfied with the reply and do not have to sit in the House.

[Shri Humayun Kabir]

I was saying that criticism was made about the number of agencies. The number has been drastically reduced. There were 99 agencies before nationalisation. Now there are only 46, and every attempt is made to handle traffic directly, but I would like hon Members to remember that it is a question of business economics, and in an attempt to save a small amount, we should not lose the possibility of earning large profits. The agents build up business, establish firm connections and also help in developing better public relations.

The hon Member from West Bengal also suggested that there should be one Corporation, and the time has come to bring together the operations of the IAC and the Air India International. She made a reference to the report of the Estimates Committee, but she did not mention that the Estimates Committee itself has said that this is a matter which requires very careful consideration from the technical, operational, financial and commercial aspects. The House examined this issue in detail when the Act was being passed, and it was thought that the diversity of operations of the two corporations, the difference in the nature between the internal flights and operations in other countries are such that two corporations would be necessary. I may add that is the practice in the U.K. There they have the British European Airways and the British Overseas Airways Corporation, dealing with what may be called near-home operations and operations throughout the world.

Many hon Members both in the course of their speeches and through various questions desire air connections for their areas, and generally we find that every hon Member would like that there should be air connection to his or her particular town. We desire to expand air connections as fast as possible, and I am sure nobody would be happier than people in this Ministry if there is air connection between all important towns of

India, but we have to think of the economics of the situation. Very often traffic does not warrant it and there is not sufficient demand. There are alternative methods of travelling which are more convenient, and the result, therefore, is that in spite of our best efforts, we have not been able to connect so far places like Madurai, Vijayawada, Indore, Gorakhpur or Jodhpur. But when the Viscounts come and the whole route pattern is examined, we shall see if anything can be done.

I can tell the House that we have taken one step recently. We have written to the State Governments that if they form subsidiary state corporations or use the flying clubs or if in certain cases private operators are willing to come into the picture, we shall give every possible help in developing these subsidiary routes. In this way, perhaps a large number of towns can be connected which could not otherwise be brought within the scheduled operations of the Indian Airlines Corporation.

This brings me to the question of private operators and I found that several Members were very hard on them. We have decided that air transport business will be a nationalised industry, but nevertheless when this matter was discussed by Parliament and certain Members suggested that even the non-scheduled operations should be brought under public enterprise, Parliament did not accept that position and it allowed private companies to operate non-scheduled flights both for passengers and for freight. The Estimates Committee in their report have indicated that only about 50 per cent in fact perhaps a little less than 50 per cent of the total non-scheduled traffic in the country can be handled by the IAC or AII, and therefore independent operators have a definite place. Apart from any other factor, this fact alone demands that if we are to meet the requirements of air transport in this country, the pri-

vate operators must be given certain facilities. And that is, I think, the reason why the Estimates Committee have recommended that they should be given certain assurances and that every facility should be given for the development of private operations as well. I visualise that the independent operators have a definite function to perform. They can serve as pioneers and open out new routes and because of the greater flexibility which such private operators enjoy, they can operate in conditions where it may be more difficult for public enterprises to function, because public enterprise is subject to public audit and many other regulations according to public standards. I would also add that the private operators would help us to develop more quickly an adequate reserve of aircraft and trained personnel, and they would stand us in very good stead if any time an occasion arose from either the defence point of view or any other point of view.

I think I have disposed of practically every point which has been raised by individual Members, and I would now return to the general operations of the IAC.

I said on Saturday that I did not propose to discuss the affairs of the Air India International in any detail because generally Members are satisfied and we are happy and proud that one of our corporations has established such reputation in this country and outside.

16.17 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

I believe that the IAC also deserve certain appreciation from the Members of this House and from the members of the public for the work that it has done. I would like to place before the House certain figures which will indicate that many of the charges usually levelled against the IAC are not well founded.

I have already indicated that nationalisation has not led to any loss of

efficiency or any deterioration in standards. On the contrary, sector by sector there has been an improvement in performance, and if we look at either the figures of passengers carried or the volume of freight carried or mail carried from one part of India to another, we find there has been an appreciable increase.

In 1956-57, the latest year for which figures are available, if we take the monthly figures, we will find that the Indian Airlines Corporation carried 20 per cent more passengers, 5 per cent more cargo, 47 per cent more mail and 22 per cent revenue-ton miles in scheduled services alone, in addition there were the non-scheduled services of IAC.

It is sometimes said by some persons, and even by some persons who ought to know better, that the former companies were making profits while the Corporation has been showing only losses. Any one who goes into the actual figures will find that this statement is not correct. In the last complete year of private operation, 1952, we find that the companies suffered a loss of Rs 75 lakhs. The operations, as I have just now indicated, have been considerably expanded, and in spite of that we find in the latest year, in spite of an appreciable increase in the number of passengers, in the volume of cargo and the mileage flown, of the exploring of new lines, and in spite of a general increase in prices throughout the world of all material connected with aircraft, the loss of the Indian Airlines Corporation is Rs 109 lakhs. In other words, there is an increase in the loss of Rs 34 lakhs, but if we go into the reason why there has been this increase in loss, we shall find that these losses are due to two major policy decisions, and two other measures, which though not policy decisions, are still connected with the general policy of the Government.

The two major policy decisions are firstly to provide public service conditions to the employees by giving them

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better wages, better conditions of service by way of reduction of hours and amenities which they did not enjoy under the private corporations, also by improving the methods of training and standards of training; and secondly to operate routes which though uneconomic are necessary in the public interest.

In this connection I may refer to the fact that there was a policy decision that all State capitals should be connected by air, even though in certain cases from the purely economic and commercial point of view there would not be much justification for that

You Sir will appreciate this point in particular. Take a place like Chandigarh. You can get there in about three or four hours by car, and in any case by a very convenient night train. You get into the tram after dinner and get there early in the morning. Normally in a place like that nobody would use and transport. I have found that even in a country like the U.S.A., distances up to three hundred or four hundred or even five hundred miles are more conveniently covered through rail transport than through air; and it has been worked out that very often, it is not economically convenient or advantageous to give air connections in such cases. But we have taken the policy decision, and as a result, the aerodrome has been built there, and the services are operating

In regard to the question of the improvement of the conditions of service of the employees, I would like to place certain facts before this House, because they will give an appreciation of how far the corporation has gone in improving the conditions of service of its employees. I find that the wage bill has gone up by Rs. 84 lakhs since nationalisation. But I can assure the House that the figure would have been much larger, the increase would have been much greater, but for certain measures of economy which

have been adopted. If we take only the staff which has been inherited, in giving them better rates of wages and in giving them better hours of work, an additional expenditure of about Rs. 60 lakhs has been incurred. An expenditure of about Rs. 60 lakhs has thus been incurred annually only in improving the conditions of service. In addition, about Rs. 26 lakhs is the increase due to normal annual increments in the scales and the consequent increase also in the contributions to the provident fund.

If we take only these two figures, that is, Rs. 60 lakhs for improving the conditions of service, and Rs. 26 lakhs, which is the result of normal annual increments, they alone give us Rs. 86 lakhs. And apart from them, because of the increased operations, because of the new aerodromes, because of the new lines and the new centres which have been opened, additional people have also been appointed. Therefore, the increase would have been much greater, but it has been kept within Rs. 84 lakhs because of economies which have been effected.

Shri Ranga (Tenali): What are the new lines that have been opened, and what are the new capitals that have been connected, excepting Chandigarh?

Shri Humayun Kabir: Bhopal also.

Shri Ranga: Bhopal was there long ago

Shri Humayun Kabir: The service, which went to Madras earlier used to go through Bhopal. But afterwards, it was discontinued because of the lack of traffic, but it has again been reintroduced after Bhopal became the capital of Madhya Pradesh.

Shrimati Ila Palchoudhuri (Nabadwip): What about the pay and conditions of service of the air hostesses? I think their pay has gone down.

Shri Humayun Kabir: I do not have with me the figures for each particular category. But I have

been given the figures that for anyone who drew a salary of less than Rs 500 at the time of nationalisation,—with only 40 exceptions out of a total enrolment roll of 6 000—there has been material benefit. If that is so, I am sure, the air hostesses also must have benefited in salary. It may be that one or two persons may not have benefited, but I have been told, only 40 persons out of a total enrolment list of 6,000 are exceptions. The figures, especially, in the last grades are, I think, quite striking.

Shri Ranga: What about passenger conveniences? There has been no improvement there.

Shri Humayun Kabir: The hon Member was not present here on the last occasion when I dealt with this question in greater detail, and sector for sector, I do not think there has been any deterioration. You cannot compare the service in certain areas, let us say, of North Bengal or Assam with the service between Calcutta and Bombay, or Delhi and Bombay or Calcutta and Delhi. Sector by sector, there has been improvement. I do not think that any hon Member can question that. And generally it has been accepted by whoever has compared the conditions and not gone only by general impressions.

I would not like to go into very great details in regard to this matter. But I would like to give only two figures. I have given the House figures on Saturday last about some of the higher executives and how there has been reduction in the number of the higher executives and also in the emoluments of a large number of the higher executives.

It is in the lowest grades that the greatest improvement has taken place. Before nationalisation, the wages for the lowest-paid group of employees in the Air India, which was one of the better employers, started at Rs 39. It was lower in most other companies. Even with the dearness

allowance, with the exception of two or three companies, generally, the total emoluments did not exceed Rs 50, and in certain areas like Calcutta and elsewhere, it was less. After nationalisation, Rs 52 is the basic minimum wage for Calcutta, Bombay, Delhi, Madras and Hyderabad and Rs 50 for all other stations; with dearness allowance and other allowances, the total emoluments come to Rs 99 in Calcutta, Rs 103 in Bombay, Rs 97 in Delhi, Rs 92 in Madras and Hyderabad, and in no case are they less than Rs 80, even in the smaller towns.

I am sure that hon Members will appreciate that here there has been appreciable improvement. They wanted improvement in the lowest scales of the ladder. That has been achieved.

As I said earlier, certain routes are being operated, which do not recover direct costs. I have given a list of them to the House on an earlier occasion. I do not say these things in order to justify everything which is being done, or for a moment to suggest that there is not room for improvement. There certainly is room for improvement, but I want this House to give a feeling of confidence to the IAC that the IAC have the support of this House and they can go forward and make even greater improvements.

I shall put the thing in another way. The IAC had a loss of about Rs 109 lakhs in the last financial year, that is, in 1956-57. But as against that, the IAC paid by way of excise duty and sales tax Rs 112 lakhs. As against a total loss of Rs 109 lakhs, it has paid by way of excise duty and sales tax alone Rs 112 lakhs.

Shri Ranga: Every business has got to pay that. The IAC is no exception.

Shri Humayun Kabir: When you compare with the private lines before 1952, you will find that they

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used to get a rebate on petrol. If that rebate were reintroduced today, the IAC's position would be completely different. And what I have been pleading is—and I would expect the support of this House, the Estimates Committee have also recommended to the same effect—that since all the losses of the IAC are covered by Government, perhaps, some rebate in the fuel tax would be a better way of encouraging the IAC, because if on your books, you show year after year, a large amount of losses, it demoralises the administration, it demoralises the employees, and there is a general sense of loss of support.

Shri Ranga: Just jugglery of figures.

Shri Humayun Kabir: It is a jugglery of figures. It is a book transfer. If it is to be a book transfer, it is far better it should be done in a straightforward manner, so as to cover their losses. I personally think that it would be much better to give a definite time-limit and say, 'We shall give you the rebate, but within a certain fixed period of years, the IAC must so reorganise and so develop that even, if the rebate is withdrawn, after that period, the IAC can go on. This is the more necessary, in view of the new operations which will be undertaken from some time in October or November this year.'

The Viscount services are being introduced in response to public demand for better amenities and better services, if we are to compete with some of the airlines operating in our neighbouring countries these are necessary. But these Viscounts will also mean a huge capital investment. The total cost will come to something like Rs 5 to 6 crores, that will be the purchase price of the ten new Viscounts with the accessories. So next year, there will be a depreciation figure of almost Rs 50 lakhs added to existing amount set apart for the depreciation. The new petrol taxes may mean another Rs 30

lakhs or so. Therefore, the IAC may have to face a great additional burden. Unless we do something about it and give the IAC relief by way of rebate on petrol tax, we cannot demand from them that energy and that enthusiasm in reorganising their house and setting it in order, which we have a right to expect.

Very recently, I had the opportunity of discussing this with some of the general employees, while addressing the Union of the Airlines Corporations Employees. They said they were willing to produce more, and give a guarantee of increasing the production, but it was constantly held against them that there were these great losses.

As I have just now indicated to you, and as hon. Members, I am sure, will agree, these losses are mainly losses in book transfer. Taking all these factors into consideration, the difficulties IAC had about integration of eight different air services, the difficulties they had in bringing some kind of order out of the chaos which they had inherited, taking all these things into consideration and also the fact that many of the people who undertook these operations did not have very much of business experience before, I think I would be right in saying that this House ought to congratulate and not condemn the office bearers of the IAC for the way in which they have carried their burden.

Every encouragement given to them will enable them to make greater efforts. I hope that when we come before the House next year, if we can get some concession by way of rebates in the petrol duty, perhaps the picture will be rosier than I have been able to present till now.

I have listened with very great interest to the criticism and suggestions made by hon. Members and I am very grateful to them because the criticism has throughout been friendly and constructive, and such friendly

and constructive suggestions are always welcome and helpful. I am also very grateful to the Chairman and Members of the Estimates Committee for their very valuable report. They have gone in great detail into the question of the operation of the two Corporations and generally the development of the aviation industry in this country. Everyone of those suggestions will be examined carefully, and we welcome all those criticisms and suggestions because, as the ancient saying goes, friends warn and criticise while enemies strike.

Shri Y. S. Parmar (Mahasu): Mr. Deputy-Speaker, Sir, I rise to support the Demands for Grants under the control of the Ministry of Transport and Communications.

Shri Radhelal Vyas from Madhya Pradesh made a reference the other day to the effect that he was happy that the States Reorganisation Commission had brought about the integration of a number of States which was to the benefit of the people and according to their wishes. I join issue with him. I am also happy, though for other reasons, that the small area of Himachal Pradesh, according to the wishes of its people, has been allowed to remain as a separate entity of course under the care of the Centre. Not that it completely meets the wishes of the people because on two vital matters, it has not been possible under the circumstances in which the Government of India was confronted at the time, to fulfil them. This retention has been achieved at considerable cost, for remaining separate has seen the denial of a Legislative Assembly to that area, as also rationalisation which the people had demanded in that part of the country.

However, I am obliged—not only I, but the people of that area are obliged—to this hon House as also to the Union Government for having paid heed to their wishes and given them a chance to progress and come up to the standards of the neighbouring and other progressive parts of the country. I hope that even what has not been

possible to obtain may, in due course, receive the attention of this House as also of the Government.

There has in this respect been severe criticism at certain hands for a charge is levelled that while retention as a separate entity has been possible, the democratic rights of the people have been handed over to the Government of India, with the natural difficulties that are bound to arise. I am not here to defend that matter, but I am just introducing it as a subject because it has a definite relation particularly with the Ministry which is under discussion.

It is to a certain extent true that we have felt, as at one time was the strategy of the Maharashtrians in the days of Tippoo and Pindari, that "one who fights and runs away lives to fight another day but one who is in battle slain can never rise to fight again." If a decision had been taken that the State shall be merged, then the question of the progress which that backward area needed, would have gone into the background. That being so, there is a definite responsibility cast on this House, for the progress and development of this area, this House will have to devote greater attention because the people there do not have any other form to discuss even matters of public importance which concern development and progress.

Mr. Deputy-Speaker: He should come to the Transport and Communications Ministry now. So much of introduction would be enough.

Shri Y. S. Parmar: I have finished with that.

I said that this Ministry comes particularly into the picture for the development of any backward area, be it Himachal Pradesh or any other, in the country depends mainly on roads. Roads, roads and more roads is all that these areas need. It is gratifying to find that during the First Five Year Plan, the road construction programme in Himachal Pradesh received proper attention not only at the State level but also at the hands of the Central Government. Though

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originally only Rs. 1 crore and 10 lakhs had been allotted to the State, as time progressed and the State was able to evolve a machinery and get technical personnel, big and small—right from the Chief Engineer, to Superintending Engineers, Assistant Engineers and Overseers—a proper organisation was built up to handle the rising demand of the department, and finally in the first five years, if I am not wrong, instead of the original sanctioned amount of Rs. 1 crore and 10 lakhs, the State could spend Rs. 2 crores and 40 lakhs.

For the next five years—if I recollect correctly—Rs. 5 crores had been allotted in the Second Plan. I was trying to get hold of the Second Five Year Plan for Himachal Pradesh in the Library here, but I am afraid neither the Second Five Year Plan, nor the First Five Year Plan of Himachal Pradesh, nor the budget for the last year that is, 1956-57, could be had. So I am not quite sure whether my figures are correct. However, I have an impression that in the Second Five Year Plan a provision for 1000 miles of new roads had been made. 1000 miles of motorable roads had already been taken up for construction in the first five years, and another 1000 miles of new motorable roads were to be taken in hand now, as also the maintenance and improvement of the roads which were already existing.

For this purpose, Rs 5 crores had been proposed and probably sanctioned in the Second Five Year Plan, I am, however, surprised to find in the budget that there is a provision only of Rs 32 lakhs in the first year of the Five Year Plan. The total provision according to the Second Five Year Plan which I find here is about Rs. 4,52,00,000 or thereabouts.

Even accepting that the least that could be expected to be spent in the first year should have been Rs. 80 lakhs. For reasons which the hon. Minister of Transport may be able to state here, the original provision of

Rs. 1 crore has in this case been brought down to Rs. 32 lakhs, which certainly is a big fall, especially when we remember that in Himachal Pradesh, the greatest stress and importance has to be laid on the construction of motorable roads. I do not want to bother this House or the Minister at this time by mentioning the different road construction programmes which have to be completed within the five years of the Second Five Year Plan out of which one year has already passed. It is of very vital importance to that State that the road construction programmes are not in any way stopped, delayed or slowed down

My surprise is all the more when I find that in the Demands for Grants some of the other departments seem to have received a rather high percentage, and a definite increase is visible in the unproductive departments of the State. In the case of general administration from Rs. 13,50,000 the Demands for 1956-57 have gone up to Rs 34,95,000 for 1957-58. In the case of administration of justice from Rs 2,18,000 it has gone up to Rs. 5,38,000; in the case of the Secretariat from Rs 5,80,000 to Rs. 13,10,000 and in the case of Police from Rs 12,67,000 to Rs. 35,41,000, an increase of nearly 300 per cent in the case of some and near about that in the case of others

I learnt of this position when I was in Simla and I discussed this matter with the administration there. I am glad that some officers from the Himachal Pradesh Administration came to the Transport Ministry here as a result of which the Demand has been raised by another Rs. 48 lakhs thus making a total of Rs. 80 lakhs in all. But, there is something in the communique which appeared in that connection. It has been stated that to maintain and improve the roads the programme of administration had to be amended to that effect, and for that purpose Rs. 48 lakhs had been sanctioned recently by the Government of India.

My submission to the hon. Minister is that as far as the road construction programmes are concerned, there should not be any cut. In the matter of effecting economy, certainly Himachal Pradesh cannot keep itself out of it, it will have to share with other States. But, instead of cutting down road construction programmes economy can be effected in the other departments where the percentage of expenditure has gone up by nearly 300 per cent or so. If necessary, savings can be made there. Road construction programmes in Himachal Pradesh should not in any way be allowed to be disturbed. This has caused a very great alarm, and I thought I should bring it to the notice of this House and the hon. Minister.

There are certain areas which are very inaccessible. During the First Five Year Plan road construction had just started in those areas which are inaccessible. They may be taken up at once, at least the tehsil headquarters such as Chopal and Kharsog, where there are absolutely no means of communications and people remain cut off from the provincial or district headquarters for a major part of the year may be connected with roads during these five years. That will remove a very great complaint which the people of that area have.

While talking of road construction programmes, I may just in passing also draw the attention of the hon. Minister to the nationalised road transport. There is no doubt that ever since nationalisation was taken in hand in the matter of road transport in Himachal Pradesh the passengers have received a very great benefit. And this has helped the movement of the people from one place to the other and make it easy and quick. There are certain matters in that connection which can be looked into, namely, in the matter of reservation of seats and numbering them. Such and other minor matter can be decided upon without difficulty. But in the matter of goods

traffic, there has been a very serious complaint some of which were brought to the notice of the Transport Minister when he went to visit Himachal Pradesh about a month ago. I do hope that he will see to it that facilities are offered, especially in the matter of vegetables such as peas and also seed potatoes, apples and all that, which have to be transported from the interior to the headquarters at Simla or Mandi or Nahan. Facilities are to be given to lift whatever quantities are available and it should not be insisted upon that full wagon load have to be booked before any transport is made available to the people. It has caused real hardship to the grower and it does not do any credit to the Transport Department at all.

Similarly, in places like Rampur which are rather away, at the other end, bottle-necks appear quite often and attention is required in respect of such places also.

A word about tourism may not be out of place, particularly in a State like Himachal Pradesh. There, something has been done, probably more than what was expected, and it cannot be denied. The rest houses, etc., have been furnished, arrangements for blankets, eatables, bedding, etc., have been made. But some financial help has to be given to the small hotels and keepers where middle class tourists can go and stay. In the rest houses which are managed by the Government itself only a particular class of people can stay and the middle class which is growing in number and which should really be able to go and take advantage of that hill climate, are not able to stay there. So, facilities for them have to be provided and as such, hotels have to be subsidised.

Mr. Deputy-Speaker: The hon. Member's time is up.

Shri Y. S. Parmar: A little more time may be allowed. This is the only forum that I can have. I would not take very long.

[Shri Y. S. Parmar]

For some years, the Himachal Pradesh Government had been recommending to the Ministry of Transport the matter of putting up a ski lift for various winter sports which have become quite an attractive feature in Himachal Pradesh, and a lot of people from the plains come there not only to see these sports but also to have an idea of the snows and see some of the skills in skiing in our country. People from distant places come to see this. But one thing which bothers especially the people from the plains is the steep climbs particularly in places where the winter sports are held. It is not only the climbs but the snow also, which together make it difficult for the tourists to get to the slopes. One cannot get up the climb or come down the slopes unless one gets accustomed to the snows and the steep heights. There has been a proposal that a ski lift should be put up at Kufri where winter sports are held so that all the people from the plains can come up and watch the sport. Generally in winter and even in summer, when there is neither snow nor a sport, people can come for a picnic and get to the Mahasu peak and have a beautiful view of the snow and wonderful scenery of the Himalayas. It will be something which will thrill them. Unless this ski lift is provided, I am afraid they just cannot reach that place. If that is done, it is bound to attract a lot of people, young boys and girls, from all over the country. This proposal requires a very sympathetic consideration at the hands of the Government.

Similarly, we should also provide a permanent ice skating rink in Simla. This will provide very great entertainment and sport even in summer to the young boys and girls. Young people from the south and Bombay particularly, could then go over to Simla and enjoy not only the beautiful scenery of the hills and mountains, but also spend some time on the skating rink. These are the

few points I wanted to submit to the House. And with these words, Sir, I close.

Shri Geray (Poona): While moving my cut motion to the defence demand, I had pointed out that our expenditure on the three wings of defence was lop-sided. I would like to level the same criticism against this demand of the Ministry of Transport and Communications. When we are thinking of the next Five Year Plan, we must see to it that we do not develop only our railways, but also the other means of communication and transport.

The Five Year Plan has very clearly stated that we shall have to cope up with nearly 60 million tons of additional traffic during the next five years in addition to the present traffic of nearly 120 million tons. In the same paragraph, the framers of the Second Plan have stated that the railways that we can hope to build up and the railways that we have just now are not in a position and will not be in a position to cope up with all the traffic. They have said that neither the goods nor the passengers that we are likely to handle can depend entirely on the railway transport that this country can afford. They have said that most probably other means of transport will be needed. In the light of this, let us try to find out whether we have a national transport policy.

I would like to point out in this respect the opinion expressed by the Estimates Committee in its sixtieth report wherein it says that there is nothing like a national transport policy so far. The exact wording is,

"Roads, inland waterways, coastal shipping and railways have, therefore, to be developed simultaneously as complementary means of communication in the country."

But the simultaneous development has been neglected. Later on it says:

"The necessity for such a policy is clearly brought out in the following words in the report of the study group on transport and planning submitted as recently as in 1955 "Though some measures have been taken and policy statements made from time to time regarding the importance of developing other means of transport, no definite policy giving due recognition to the part to be played by road transport, inland navigation and coastal shipping has been finally adopted by the Government" If we compare the figures of expenditure on railways in the next five years and the expenditure that we are going to incur in the building of our roads and developing our inland waterways, it will be seen that it is a lopsided policy. We are almost neglecting this particular branch of transport roads, as well as internal waterways as also harbours and ports. It is worth while to turn our attention to what is happening in Europe. Economic development in Europe in post-war years has been reviewed by a Committee of the United Nations. It has brought out a bulky volume dealing with the year 1956. It is found there that in Eastern Europe, particularly, they have made it a point to develop road transport to such an extent that in Italy, 67 per cent of the total inland transport is carried by road. In Denmark, the average is 64 per cent. In U.K. the percentage is 38. Road transport not only helps the railways and the nation by bearing the responsibility for a major portion of the traffic, but it also does some other valuable work. In this regard, the example of the United States has been cited in this report. I think a few lines will bear reading. They say

"There is a clear tendency for large-scale industries to move away from the big towns and set up in less congested regions and a tendency for large firms to

break up their production into several independent branches which have been located far from each other. Extensive shopping facilities have also been built up in suburban areas where space is available for parking motor vehicles."

This aspect of road transport will also have to be borne in mind when we are working for an industrial economy and when we think of cities like Bombay, Calcutta, Madras and Kanpur, which are growing bigger and bigger every day, with the attendant inconveniences and problems which are very difficult to deal with. I suppose good roads will be able to disperse the over-crowding that is taking place there. Therefore, I submit that more attention will have to be given to the development of roads in this country.

Just now, my hon friend pointed out that Himachal Pradesh is a neglected area. I come from Maharashtra. A similar situation exists there. When I suggested to the Railway Minister that a railway line was necessary there, he frankly pointed out that it was not possible to build a railway there not only in the next Five Year Plan, but, perhaps, in the Plan next after. There will be no railway for the western coast.

I turned the pages of the report of the Estimates Committee and I found that they had recommended and the Government had also taken a decision that a very good road would be built from Bombay to Mangalore. But I do not know what has happened to the scheme. Most probably the west coast people are very unlucky. They are not going to have a railway, and most probably they are not going to have a good road also. Therefore, I would like to point out that this road system throughout the country and particularly in regions which have to keep in contact with each other should be developed.

17 hrs.

Now, I would go to the next point which is inland water transport.

[Shri Goray]

The story of inland water transport is really a story of very grandiose schemes and very pitiable performance. The improvement of inland water transport or waterways has been recognised over a period of nearly a century. When I was turning the pages of this committee's report, I found that as long ago as 1828 one Mr. S. T. Princep who was at that time the Secretary of the East India Company pointed out the importance of the Ganges and at that time he calculated that there were nearly 60,000 boats plying on that river. Then this question was taken up by Sir Arthur Cotton in 1862. It is again mentioned by John Bright, a friend of India, in 1878, and Romesh Chandra Dutt said because the railways were given importance out of all proportion, it was not possible for the Government to take up inland waterways.

I think after the advent of *swaraj* there is no reason why we should give the railways primary importance, though, of course, railways are important. Whenever we think of transport, we should not think of the railways alone. They have been given an importance which is out of all proportion. I think the railways should be considered as a part of the whole system, and the railways, the road system, the inland waterways system and the coastal system should all be simultaneously developed and due importance should be given to them.

The inland waterways system was reviewed by one Mr. Suri who was brought here as an expert, and he submitted his report in 1952, and we find the committee remarking here:

"The committee note with regret that the information collected was not put to any useful purpose in that no perspective plan has so far been drawn up by the Ministry regarding the development of river navigation in India, which no doubt is a difficult and hard task, though it has possibilities of

achievement at a time when it is most needed to supplement other means of transport which are strained to the utmost at this moment."

So far as this inland waterways question is concerned, I would draw the attention of the Ministry to the fact that in France out of the total transport tonnage, 16 per cent is handled by the internal waterways. This proportion rises to 20 in Germany. Similar percentages can be given for other countries, especially the U.S.A. where they have linked up the great lakes by canal. There you will find that a lot of transport is handled by waterways and also by roads. This question, therefore, is in my opinion of very great importance, when we are thinking of developing our country generally, and particularly the tract stretching from former Vindhya Pradesh to Calcutta. We have been thinking of setting up steel mills and plants of various kinds, and it is quite possible that during the next five or ten years, this particular tract becomes the Ruhr of India.

Fortunately, you will find that the scheme suggested for the inland waterways connection with Calcutta can be linked up with the Gulf of Cambay, if we join the Ganga and the Narmada. I do not know how far that scheme has been surveyed, and how far any planning has been done. There was which another scheme also suggested that from Calcutta down to Madras, and from Madras, round the Gulf of Manner up to Mangalore, there could be a continuous waterway. I do not know what has happened to that. All that I want to say is that all the while we have been stressing the need for development of the railways, but so far as the development of our waterways and road transport is concerned, we have been rather negligent.

I now come to shipping. I find that shipping has received a very step-motherly treatment throughout. Even

the Plan says that after the completion of the Second Plan, we shall have only about 9 lakh tons. This target seems to be so small. It is such a niggardly target that I do not think that a country of the dimensions of India, with a long coast-line, and with so many major and minor ports should even mention this target. 9 lakh tons is hardly a target to be mentioned in the Plan.

I say this because when I turn to other countries, I find the position is somewhat different. In Italy, in 1955, the tonnage was of the order of 39,11,000 tons as against 29,70,000 tons in 1951, which means there was an increase of 34 per cent. In Germany, there was an increase of 157 per cent from 10,30,000 tons to 26,53,000 tons. In Japan, the increase was 71 per cent. In India, on the other hand, we crawl from 3,90,000 tons to 4,80,000 tons, which is an increase of just 20 per cent. Now, the target that we have fixed for ourselves is only twice the target that we had attained in 1955.

We have said very plainly in the Plan that we shall be handling about 15 per cent of the overseas traffic and 50 per cent of our coastal transport. Beyond that, we do not even dream. I suppose that so far as shipping is concerned, if countries like Japan and Germany which were completely destroyed during the war could make such a headway, I think we should take a leaf out of their endeavour, if not to surpass them, at least to compete with them in regard to percentages.

My hon. friend pointed out the other day—I think it was Shri Raghunath Singh—that shipping has become a sort of a weak point, so far as our economy was concerned. We are depending every time on other countries. We want food, but still we have not the bottoms through which we can transport the food-grains to our coasts. Sardar Panikkar has very pointedly drawn our attention to this aspect, and I feel that this neglect of the mercantile marine is

likely to prove very dangerous; if tomorrow a calamity like a world war takes place, what will happen to us. We are importing oil, we are importing foodgrains, and we are importing heavy machinery, and for everything, we have to depend on foreign countries, not merely for the goods but even for the transport. I think that is a very dangerous situation. We are planning, and our targets have been fixed pretty high, but we have not taken care to see that so far as transport is concerned, we should become independent of other countries. Any day any country in the world which is providing us with vital materials can strangle us; they can say that they have not the ships to transport the goods we have bought. They may say: 'If you want the goods, you can certainly have them here; but we have no transport for you'. Therefore, I want that even shipping should be given more attention.

About civil aviation, my hon. friend has defended his department very ably, no doubt. But I would just like to mention one thing. Before nationalisation of civil aviation, what was the expenditure on overheads? It has been pointed out that at that time that particular branch of transport, civil aviation, which was managed by private companies, was running at a loss. There was a committee of inquiry and it pointed out that unless the expenses and overheads were curtailed, civil aviation would not be a success. At that time, the company which was in charge of it had stopped all increments and recruitment and tried to slash the expenditure as much as possible.

But what happened later? As soon as nationalisation took place, money ceased to be of any concern. Immediately we find that the heads of various departments in civil aviation began to draw salaries which, I suppose, are twice the salaries of Ministers. Now, is it really desirable or is it really necessary that a nationalised industry should be so free with its own money?

[Shri Goray]

The same thing has happened about other things. Vast palatial buildings are being built. There is no reason whatsoever for going in for such expenditure. I would not like to say that we should not have our own planes; I do not say that we should not have our national service. We should have it; we are proud of it, and we do not want to see India lagging behind other countries. But after all, we must also remember that nationalisation does not open the door to waste of money. But that, I suppose, is exactly what has happened in the civil aviation department, whether it is international aviation or it is internal aviation.

Therefore, I would request that roads, inland waterways, harbours and shipping should get more share from the budget, and civil aviation which we have nationalised, should be run on a more economic basis.

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): Mr. Deputy-Speaker, Sir, I think I should begin by taking up a subject and a department with which I have had associations extending over a period of the last six years. And I do so because during these last six years, from year to year, I have had the privilege of participating in the budget discussions and listening to the suggestions and criticisms of Members. From year to year, the workers of the P. & T. department got encomiums from all corners of the House. I have been a witness to that thrilling drama in this House when from Members of all sections and groups we had nothing but praise for the workers. It is a somewhat tragic irony of fate that this year's discussions have been overshadowed by a strike threat by a section of these very workers. And, if I may digress a little here and just point out how all this situation has developed, and whether the criticism that has been levelled at the Government can be borne out or not, on facts, I think I will be doing only a duty.

It has been mentioned that we have been rather slow and tardy so far as the negotiations with the workers were concerned in regard to their demands. It has also been claimed or alleged that what we could have done about six months or one year before we have not done that, and it has come to this pass that the workers have given a strike notice and we find ourselves in a difficult predicament.

I will try to analyse the situation in the few minutes that I have got at my disposal this evening, by dividing the whole period into three parts, if I may say so. When we first heard the rumblings of the strike or the strike notice, it was perhaps the middle of 1955 or end of 1955; we were then hearing that at the time of the general elections this strike might come. I should say, that whatever was done by the Government in regard to the demands prior to that was the first phase and from the time when we first heard those rumblings to the actual notice of strike constitution the second phase, and, the period after the strike notice to this date forms the third phase.

I will try just to point out how much the Government has done and could do, without claiming to say that all that was done this has been sufficient, I may also just to point out that within the limitations that we have got to work under we went as far as we could. I will take back some of the hon. Members who have had close associations with the P. & T. unions and know something of their functioning, to the period when we were discussing their demands that arose out of the Central Pay Commission's Report, or out of the Expert Committee's recommendations.

I will in brief place before the House, for the consideration of the House, how much was done in regard to these demands what they cost the national exchange. I have got approximate figures to show that as a result of the application of first Pay Commission scales to the P. & T. staff as

much as Rs. 3 crores by way of non-recurring expenditure was incurred and, I am told, another Rs. 3 crores—that is, along with other Central Government employees—by way of recurring expenditure. The amount spent as a result of application of the Expert Committee's recommendations comes to another Rs. 3 crores recurring. The amount which was incurred in respect of application of other demands accepted, which were either closely linked up with the recommendations of the Expert Committee or others, comes to Rs. 50 lakhs. So, it would be observed that a budget which stood at about Rs. 35 or 40 crores went upto Rs. 47 or 48 crores, in the course of the last five or seven years. The amount that has been increased in the budget on the wages is to the tune of about Rs. 6 crores non-recurring expenditure, and Rs. 3 crores non-recurring. On buildings—which mean post office buildings and staff quarters, during the course of the First Five Year Plan we have spent as much as Rs. 6.5 crores. We also know that for the Second Five Year Plan, whereas deductions have been made in regard to other items although they were equally important, so far as the provision for buildings and staff quarters was concerned we did not make any cut and Rs. 15 crores have been provided for them. I refer to buildings particularly because that was the sore point with the staff and every year we have been taken seriously to task in regard to the slow progress made in the construction of buildings. I only want to point out that so far as these things were concerned we went as far as that, and that was long before, we first heard the rumblings of the strike.

Shri Nath Pai (Rajapur): Could we have a break-up of those Rs. 6 crores; how much for office buildings and how much for staff quarters?

Shri Raj Bahadur: That can be given. As I said, this is not the first time that I refer to these things here.

I have given that information to my friends of the union and other people concerned a number of times. This is the first time that I place these figures before the House, because the occasion is such that I have to do so but it is not in any spirit of saying that we have done all that should have been done. I can only say that every-time we were called to the meetings of the union, the demands and points were discussed. Here, I may further digress a little. We took a new line and established a new system or convention. Formerly, it was not customary for the officers or for the Ministers to attend the union conferences. But as I said we developed a sort of convention by which we made it obligatory upon the divisional officers to meet the divisional union every month, the circle officer to meet the circle union every month and we also made it obligatory upon ourselves to meet the central union as many times as we could. The purpose was that we should try to settle across the table any points that arise, in respect of any demands that they may have got to make, and we think that that system worked fairly well. But I may painfully add that we found that the tone and temper, especially the tone of the publication of the union began to grow harsh, or shall I say, sharp. To say the least, it could not be considered desirable.

Shri Nath Pai: In proportion to the rise in prices and the cost of living.

Shri Raj Bahadur: I will come to that, if the hon. Member is patient and bears with me. I may point out that for the first time that we had the demand of the second Pay Commission put before us was 1953 or 1954. It has been said that we have been rejecting it outright and that we have accepted it only when the threat of strike came or we came to think about it and do something about it only when the threat came. I think Shri Pai's association with the federation or with the posts and telegraphs workers is only of recent occurrence.

Shri Nath Pai: No, Sir. In 1946, I was arrested for leading a strike, by Congressmen, when the first general strike came about.

Shri Raj Bahadur: For the past six years, I have grown with the posts and telegraphs department, and out of the normal span of 30 years in the postal service, I have spent six years in the department but he did not ever come with any union and I have known these things intimately enough during the course of these six years, and let my hon. friend remember that the demand for the Pay Commission first arose, if I remember aright, in 1953-54.

I can only refer to certain relevant facts here, which are often quoted or made the basis of argument. Let us examine what was the consumer price index at that time. It being 100 in 1949, in 1953, it was 106. But in 1953, this demand was not perhaps there, I say that it began for the first time in 1954. Then the consumer price index came down to 101 and when we were confronted with this demand, we even suggested that with regard to this demand there might have been some justification. The prices were going up. But from year to year thereafter, it went down. To any student, this new index price will be a pattern. Since 1953, when it was just 106, it came down to 101 in 1954, to 95 in 1955, and so, during these periods, we said that this demand at this time was misplaced.

Then, as soon as we ourselves noticed in 1956 that the price index was going up—it went to 105—we thought about it. I shall show from the papers and the records what reply have we been giving in regard to this particular demand. This was so in as the consumer price index was concerned.

Now, I may also refer to the cost of living index. In 1953, it was 100. In 1954, it was 95. In 1955, it was 90. Obviously, I think the House will agree with me there was no case for us to consider so far as the question

of the second Pay Commission was concerned, especially in view of the fact that the last Pay Commission's recommendations were implemented or accepted about the year 1949, if my memory does not fail me. It was only five or six years later that this demand came up.

Shri Anthony Pillai (Madras-North): If I may correct him. The last Pay Commission's recommendations were implemented with effect from 1st January, 1947.

Shri Raj Bahadur: It was in 1954, and that means that in less than six or seven years' time, the demand came for the second Pay Commission. We said that the effects of the first Pay Commission's recommendations were not yet fully felt; that the price index was going down. I have got the comparative figures for other countries, but I will not burden the House with those details. All I mean to say is that at that time, we could not have actually considered that the demand was appropriate or one that could be conceded in those circumstances that obtained at that time.

Then came 1956, when we found that there were certain mass signature campaigns and we were confronted with three or four unfortunate situations. There was the R.M.S. strike in Delhi; the R.M.S. threatened strike in Bombay and so on. But, as has been pointed out, the charter of demands was presented as late as August 1956. That was presented to the Prime Minister. It was sent to us for consideration and examination. That was going on, but at that time, there was no indication that they would go on strike on this point or any extreme step would be taken.

When the last annual conference of the Federation took place in Hyderabad towards the end of December, without their asking, without any pressure or threat of strike, without their making even a request for interview with the Government, I made a certain announcement at Hyderabad and this is how the journal, *The*

P. & T. Labour, which I think is the journal of the National Federation of P. & T. Employees, recorded the proceedings. On page 421 it is said:

"The high-light of the Minister's speech was that he produced from his pocket 2 or 3 typed sheets on which certain concessions regarding the demands of the P. & T. employees had been noted down, which he read out one after the other in the meeting. Reading out these concessions, the Minister said that these concessions might not be very big as far as the demands of the employees were concerned, but in giving these concessions, the Government hoped that the spirit behind the grant of the same would be soon. These should be taken as a token of goodwill from the Government to the loyal and sincere workers of the P. & T. Department, he said."

Then the 12 concessions are mentioned one after the other. They were not ordinary demands. Some were such that they have been agitating for them for some time. One of the concessions was that the P. & T. Department would be starting soon its own medical arrangements like dispensary, etc., in 8 important cities in the country. The next concession was about categorisation of ex-State employees. I said, many categorisation cases have already been settled and rest of them will be settled within 2 or 3 months. Then I said, dearness pay will be taken into account for allotment of quarters. This was a long-standing demand. Heads of Circles have been empowered for recruitment of sons and daughters of the P. & T. employees who die or sustain injuries during work or meet with some such mishap or accident and consequently are incapacitated. Idea of creating new cadre of Assistant Inspectors of P. O.s and R. M. S. will be dropped, but there will be direct recruitment to the cadre of Inspectors of Post Offices. This was a prestige demand. We thought of

creating a new cadre of Assistant Inspectors of Post Offices and R. M. S. with a view to making for greater efficiency. But when we found that our workers were rather impatient about it and felt that their promotion avenues might be diminished or reduced on account of that, we did not resituate at all and we dropped the idea of creating this new cadre. The idea of prestige, as is often boasted, never stood in our way and we always wanted to satisfy the worker.

Time in and time out, at every meeting, I remember—I have had the privilege of working with Shri Kidwai, then with Shri Jagjivan Ram and now with Shastriji—how they have felt about it. On many occasions, they have said, "I would like my smallest worker in class III or class IV to get a minimum salary of Rs. 100 or Rs. 120, but then can we afford it?" That was the attitude which the Government always had in regard to these problems. It is rather a cruel joke upon us to say that we have got no sympathy or the sympathy that we have got is only lip sympathy, that we want to dodge the workers. We have even gone out of the way and done whatever the exchequer permits us to do. Please view it with the whole background of all that has happened. Please view it with the justice and fairness that it demands and it deserves. These were some of the demands which I conceded in the last week of December, when there was no strike notice, nothing of the sort. Another concession I announced was, the scheme for providing consultative machinery so that the workers can be given a share—my words are misinterpreted here in the journal—I said the scheme for providing a consultative machinery for keeping the workers more closely associated with the administration is already under consideration. Then came the question of the Telegraph Enquiry Committee. It was also announced right there. Their demand constituted one of the items on which the go-slow movement was started. I only say this. The

[Shri Raj Bahadur]

important demands were conceded and sanctioned right at that time and there is no occasion or justification to say that we only yield to threats. In regard to the question of dearness allowance and Second Pay Commission, my own words have been quoted here. I have said exactly what we have been saying that these demands can be considered along with the requirements of the Central Government employees and that these cannot be considered in isolation. We have never said that we will reject the demand for a Second Pay Commission or the demand for increasing the dearness allowance. So far as

these points are concerned, I can only say this.

Then comes the period when we were having these negotiations.

Mr. Deputy-Speaker: The hon. Minister is likely to take some more time. He may continue the day after tomorrow.

17 32 hrs.

The Lok Sabha then adjourned at Eleven of the Clock on Thursday the 8th August, 1957.