

**Speech of Shri Lal Bahadur Shastri
introducing The Railway Budget
for 1956-57, on 23rd February 1956.**

Mr. Speaker,

Sir, I rise to present the Railway Budget for 1956-57, the first year of the Second Five Year Plan.

Financial Results For 1954-55

2. I shall first outline the financial picture of the Indian Railways as it has emerged from the completed accounts of the previous year. Gross traffic receipts for 1954-55 actually amounted to 286.78 crores, recording an improvement of 3.98 crores on the revised estimate, mainly under goods earnings. Ordinary working expenses came to 205.87 crores, the increase of 3.1 crores on the revised estimate being due mainly to heavier expenditure on repairs and maintenance, and an increase under suspense. With a saving of about 1.7 crores under miscellaneous expenditure and other minor variations, the surplus rose to 9.1 crores against the revised estimate of 6.57 crores, and the entire amount was credited to the Development Fund.

Revised Estimates For 1955-56

3. Turning now to the current year, the traffic trends, which showed signs of improvement towards the end of last year, have continued to be encouraging. Passenger traffic has improved by about 7½ per cent in terms of passenger miles with heavy traffic on account of marriage parties, the Indian Industries Fair, etc., and the revised estimate of passenger earnings has now been placed at 108.5 crores against 104.5 crores in the budget. An increase of 2½ crores is also anticipated under other coaching earnings, mainly on parcels traffic. There has been a substantial increase in goods traffic, in spite of interruptions during the year due to the severe floods in the north and cyclones in the east and the south. The revised estimate of goods earnings has, therefore, been placed at 180 crores, which is 16.1 crores more than the budget. With an improvement of 50 lakhs in sundry earnings and variations in suspense, the total gross traffic receipts for the current year are now estimated at 314.1 crores.

4. There is a corresponding increase of about 7½ crores under Ordinary Working Expenses. About three-fifths of this increase is on repairs and maintenance, which partly reflects the heavy damage done by floods and cyclones, and partly the increase in repairs to rolling-stock and machinery, arising out of the higher level of traffic and increased out-turn from the shops. The rest of the increase is mostly under operational demands and generally reflects the increase in the tempo of activity on the Railways, in the process of gearing up for the big effort that they will be called upon to make during the Second Five Year Plan, which, even in the reduced scale, is nearly three times as heavy as the First Five Year Plan.

5. It is proposed to increase the contribution to the Depreciation Reserve Fund from the budgeted figure of 35 crores, to 45 crores for special reasons which I shall explain presently. There is an increase of 1½ crores in miscellaneous expenditure, mainly due to a larger 'allotment for Open Line Works chargeable to Revenue, and sundry increases under surveys and miscellaneous establishments.

The net result of all these variations is that the surplus is now expected to be 9.58 crores against the budget estimate of 7.14 crores. It is proposed to appropriate this increase of 2.44 crores to the Development Fund.

In recent years, naturally the Railway Budget has increasingly been influenced by the progress of the Five Year Plan. Not only does it register the progress in the railway segment of the Plan, it also reflects to a degree the effects of the rest of the Plan on railway extensions and improvements. It will, therefore, be appropriate, before proceeding to the Budget Estimates for 1956-57, to refer briefly to the implementation of the First Five Year Plan on Railways that is now coming to an end, and the magnitude and implications of the Second Five Year Plan that is due to commence in the next financial year.

First Five Year Plan

6. The central objective of the First Five Year Plan was rehabilitation of railway assets, which had fallen heavily into arrears during almost two complete decades before the commencement of the Plan and the cumulative effect of this was very considerable. There were also pressing demands from the public for the restoration of dismantled lines and the provision of more passenger amenities, and from the staff for

more housing and welfare measures. The allotment made to the Railways originally was only 350 crores, which was later raised to 400 crores. I am glad to inform the House that not only has this allotment been fully utilised, but the actual expenditure is likely to be of the order of 432 crores which figure has received the approval of the Planning Commission. Rolling Stock has accounted for over 240 crores spread over the purchase of 1,589 locomotives, 4,837 coaching vehicles and 61,773 wagons on additional as well as on replacement account. All the lines recommended for restoration by the Central Board of Transport, except one, have already been re-opened to traffic. Five new lines, which were in progress at the beginning of the Plan, as well as seven more sanctioned during the Plan have been completed, and considerable progress has been made on a number of other new lines commenced during the Plan. The Chittaranjan Locomotive Works, which was expected to produce 268 locomotives during the Plan period, has actually produced 337 locomotives, i.e., an improvement of 25 per cent over the target. The Integral Coach Factory at Perambur is making good progress and, as the House is aware, production therein was inaugurated by the Prime Minister in October last. The Ganga Bridge construction is well under way and good progress has also been made in the provision of facilities at the Vishakhapatnam Port. The Railways can surely look back on their achievements during the First Five Year Plan with some satisfaction and embark upon the Second Five Year Plan with confidence.

Second Five Year Plan

7. I now come to the Railways' Second Five Year Plan. Originally, the Railway Board had prepared a plan costing 1,480 crores, on the basis of an increase of 30 per cent in passenger transport -15 per cent for increased traffic and 15 percent to alleviate overcrowding - and 60.8 million tons in goods transport, assuming that the demand at the end of the First Five Year Pan will be 120 million tons. The Planning Commission, whose task was none too easy, have, in the context of the overall requirements to be met by the limited financial resources of Government, indicated that the allocation for the Railway Plan will be only 1,125 crores, of which 375 crores will have to be found by the Railways from their own revenues during the Plan period. It has been agreed also that, if the resources of the Railways exceed this figure, they will be allowed to expand the Plan outlay accordingly.

8. The Railway Plan has, therefore, been reviewed, and it has been found that, within the revised allocation, it will be possible to provide only an additional transport capacity of 15 per cent for passenger traffic and 47 million tons of goods. The total goods movement during the current year is likely to be 115 million tons, against an estimated demand of 120 million tons, leaving a gap of 5 million tons, which is also to be covered by the expected increase, and, therefore, the net increase during the Second Five Year Plan would be of the order of 42 million tons, against the original estimate of 60.8 million tons. While this increase is expected to meet fully the additional traffic load of 25 million tons on account of coal and other raw materials required for the expanding steel industry and its finished products, 6 million tons more coal and 4 million tons more cement, I am afraid it will leave a meager margin for increases in trade and output in other sectors of our economy. It is also feared that the small increase of 3 per cent year in passenger train miles now planned will not help much to relieve overcrowding as long as passenger traffic continues to grow as anticipated.

9. The Planning Commission, no less than the Railways, are concerned at the prospect of a shortfall in passenger and goods transport capacity from the targets originally envisaged in the Plan. We are, however, most anxious to step up the capacity.

10. An assessment of the earnings and expenditure of Rail ways during the Plan period shows that, against the 375 crores which they are required to provide, their resources would amount only to 325 crores, made up of 225 crores to be contributed through the Depreciation Reserve Fund during the Plan period, and 100 crores from Revenue including expenditure on open line works, interest on Railway fund balances, and Revenue surpluses, which will be very small since a large proportion of the additional traffic will be low-rated and the dividend liability to General Revenues on account of increases in the Capital overhead will rise very steeply during this period. The gap of about 50 crores has to be filled to avoid a further restriction in the scope for the development of the transport capacity, and the Railways must, therefore, endeavour to increase their earnings so as to meet the contribution required of them, and, if possible, something more, in order to reduce the margin between the present lower targets and the original targets of transport capacity.

11. It is in these circumstances that I have to approach you to agree to a surcharge of one anna in the rupee on all freight traffic, with the exception of grains and pulses, fodder, manure, khadi, newspapers, newsprint and books. This will add 11.6 crores to our earnings during the ensuing year and will, I hope, ultimately help in building up capacity to the original targets. I have proposed a flat increase instead of a selective variation in the basis of charge, which, I feel, would not be desirable while the Freight Structure Enquiry Committee is already examining this question. The increase freight in the case of individual movements will, however, be small and should cause little or no hardship. The incidence of increase in

goods freight will, on the average, be in the neighbourhood of 8 pies per maund or less than a quarter pie per seer.

12. In the case of parcels moving at full parcels rates, the surcharge for a lead of 300 miles, for example, will be about one and half pies per seer. The increase will be only about half a pie per seer on vegetables, which move at half parcels rate generally for distances up to 200 miles, and on fruit, which moves at quarter parcels rate for distances up to 600 miles.

13. A substantial portion of the allotment under the Plan is intended to be utilised on the provision of rolling stock for carrying the extra traffic, including new stock required for sections to be electrified. Another large portion of the allotment is for line capacity works designed to relieve pressure on trunk routes on which traffic has already reached saturation point, and for electrification or dieselisation of certain routes, which cannot take more traffic under steam traction. The Plan provides also for enhancing workshop and stores capacity for the increased holdings of rolling stock, and expansion of goods sheds, improvements in signalling and inter-locking, safety measures and increase in stores holdings incidental to the large works programmes and the higher level of traffic as well as for the projected increase in the capacity of the Chittaranjan Locomotive Works.

14. The reduction in the Plan allotment will, however, fall heavily, initially at any rate, on new line constructions other than those integrally connected with the increase in coal and steel traffic. In the context of our developing economy, however, we should look ahead boldly and not take a pessimistic view. The Planning Commission have assured us that the position will be kept under constant review and necessary adjustments will be made in the allotment to Railways as the Plan progresses. In no way less important is the co-operation forthcoming from the people, either in the form of voluntary labour or contribution in the form of land and money. I, therefore, propose to proceed with the survey of new lines on the original programme of 3,000 miles so that the construction work may be commenced immediately funds become available.

15. The extra load that would fall on the Railways, due to anticipated increase in traffic and the general upsurge of activity anticipated during the Plan period, will indeed be very substantial. I am glad to tell the House that the Railway Board and the Railway Administrations have already applied themselves vigorously to the tackling of the manifold problems that will arise out of the actual implementation of the Plan. An all-out effort is being made to build up capacity on the Railways for handling this load, on the works side as well as on the administration and operating sides. The programme of recruitment and training of staff required on the Railways under scores of categories has already been intensified.

16. Advance procurement of materials which are in short supply, like steel, etc., is also being planned in consultation with the Ministries and other interests concerned, and it has been decided to send a high-level delegation of officials abroad to procure the requisite quantity of steel, the shortage of which has been causing us some concern.

17. Now I would like to say a few words on some of the financial aspects of the Plan. On a rough break-up of this, expenditure of 1,125 crores, it has been worked out that there will be an increase of 680 crores under Capital, a withdrawal of 293 crores from the Depreciation Reserve Fund, and expenditure of 92 crores chargeable to the Development Fund, and of 60 crores chargeable to Revenue for open line works. Against the anticipated withdrawal from the Fund, during the period, of 293 crores, the balance in the Depreciation Reserve Fund at the commencement of the Second Plan is, expected to be 101 crores. Appropriations to the Fund during the period have, therefore, to be so adjusted that there will be enough left in the Fund at the end of the period to finance at least one year's expenditure on renewals and replacements. In other words, the balance in the Fund should not be allowed to fall much below 50 crores. In order to ensure this, the contribution to the Fund is proposed to be raised to 45 crores from 35 crores per year recommended by the Convention Committee of 1954 on the basis of an anticipated withdrawal of 250 crores only in five years and agreed to by Parliament. Since this will be a modification of the Resolution of Parliament fixing the contribution at 35 crores per year. I, would request the specific approval of the House to this. It is in this context that it has been proposed that the contribution to the Fund for the year 1955-56 should be raised by 10 crores.

Budget Estimates, 1956-57

18. I now come to the budget estimates for the next year. On the basis of the present trend of passenger traffic, the estimate under this head has been fixed for the next year at 111.4 crores - an increase of 2.9 crores over this year's revised estimate of 108.5 crores.

The budget estimate of other coaching earnings is being placed at 21.8 crores, an improvement on the

current year of 1.3 crores, of which about one crore will be due to the supplementary charge of one anna in the rupee proposed on parcels.

The estimate of goods earnings in the budget year is placed at 205.5 crores on the basis of the anticipated increase in traffic and the supplementary charge of one anna in the rupee on goods freight, which I have mentioned earlier. Other sundry earnings are expected to amount to 6.40 crores, which is about the same level as the revised estimate for the current year. Allowing for an increase of 10 lakhs in traffic suspense, the gross-traffic receipts have been placed at 345 crores during the next year.

19. The estimate of ordinary working expenses for the budget year has been fixed at 224.1 crores, which represents an increase of nearly 10 crores over the revised estimate for the current year. Of this increase, about 6½ crores is on the wage bill, mainly for the extra staff required for handling the large increase in traffic and intensification of other activities. There is an increase of 1.4 crores in repair expenses in consonance with the increase in traffic and increased out-turn of rolling stock after periodical repairs from the workshops. The rise in the cost of steel also has contributed to the increase in working expenses. The fuel bill will go up by about a crore, and miscellaneous other increases total another crore.

20. It is proposed to spend about 3¾ crores more on a larger programme of open line works chargeable to revenue. With the heavier capital expenditure on works, there is an increase of about 3.5 crores on the dividend payable to general revenues. Taking all these factors into account, the net revenue surplus is expected to be of the order of 23 crores. It is proposed to credit the entire amount to the development fund.

21. The revised estimate for the current year of expenditure on works, machinery and rolling stock, including open line works chargeable to revenue, comes to 140.55 crores, involving an increase of about 14 crores over the budget estimate. This increase is mainly due to earlier deliveries of rolling stock and machinery than anticipated at the time of the budget, the acceleration of certain works to increase line capacity and more expenditure on track renewals.

22. The estimates for the works, machinery and rolling stock programme for the budget year have been placed at 199.8 crores. Of this, rolling stock accounts for about 79.6 crores, plant and machinery for 5 crores, construction of new lines and restoration of dismantled lines for 16.6 crores, track renewals for 19.7 crores, other open line works for 50.8 crores, investment in road services for 1.3 crore and expenditure on Vishakhapatnam port for 1.1 crores. There is a large provision of 29.5 crores for building up reserves of difficult items of stores, so as not to hamper the progress of works. There is a credit, however, of 6.81 crores for the transfer of the cost of railway collieries to the ministry of production, and of about 3.8 crores for released materials, so that the net expenditure will be of the order of 193 crores.

New Constructions

23. The progress made on new constructions has been satisfactory and the projects have been executed with commendable despatch notwithstanding shortages of essential materials, particularly steel, required for permanent-way and bridge girders. The Pathankot-Madhupur line was opened to traffic in September 1955 and the Gop-Katkola Metre Gauge link in December 1955. The construction of the Champa-Korba, Quilon-Ernakulam, Khandwa-Hingoli, Noamundi-Banspani, Fatehpur-Churu, Indore-Dewas-Ujjain, Raniwara-Bhiladi and Gandhidham-New Kandla railway lines, totalling 454 miles, is in progress. Construction will be started very shortly on three new lines, aggregating 221 miles, required for the Steel work projects at Rourkela and Bhilai - namely, the Rourkela-Dumaro, the Bhilai-Dhalli Rajhara and the Barkakana-Rourkela connections.

Surveys

24. In all, about 2,000 miles of surveys for new lines were sanctioned during 1955-56. Of the surveys mentioned in the last year's Budget papers or which were already in progress then, those for Diva-Dasgaon, Tildanga-Khajuria-Malda, Kota-Ajmer and Ramshai-Binnaguri have been completed and traffic estimates of the Garo Hills lines worked out. Surveys for the Mangalore-Hassan and Madhopur-Kathua lines are nearing completion and those for the Gwalior-Ujjain, Nizamabad-Ramagundam, Sambalpur-Titilagarh, Baraset-Hasnabad, Sitamarhi-Sonbarsa, Bangalore-Salem, Trivandrum-Tinnevelli-Cape Comorin, Vellore-Conjeevaram, Kotah-Chittorgarh and Udaipur-Himmatnagar lines are still in progress. In addition, 11 new surveys were also sanctioned. These are the Satna-Rewa-Govindgarh, Rampur-Lalkua, Loharu-Pilani, Nipani-Raibag and Nipani-Sakleshwar-Ghataprabha, Kadur-Chikmagalur-Sakleshpur, Muzaffarpur-Darbhanga, Robertsganj-Garhwa Road, Bukhtiarpur-Rajgir, Bhaili-Bhadran and Sojitra-Dholka, avoiding lines in Delhi area, and branch lines in the Karanpura and Ramgarh Coalfields. The Loharu-Pilani survey has also been completed. The remaining surveys are in progress.

A proposal is also under examination for a second road-cum-rail bridge over the Jamuna at Delhi with an avoiding line connecting Tughlakabad and Ghaziabad. An aerial survey has been completed of the difficult country in the West Coast area from Dasgaon (to which a ground survey from Diva has already been done) up to Mangalore. The aerial photo mosaics are being studied with the object of exploring the possibilities of development of rail communication in the region.

During the coming year it is proposed to survey the following 15 new projects: -

1. A line from Bijuri to Khairadih with a branch line to Jhilimilli in the Central India Coalfields;
2. Nellore to Maidukur.
3. Kottur to Harihar.
4. Manamadurai to Virudhunagar via Arupukottai.
5. Chinnasalem to Chingleput via Kallakurichi, Tiruvannamalai, Wandiwash.
6. Kosi Kalan to Alwar or Bharatpur.
7. Dungarpur to Ratlam via Banswara.
8. Bhavnagar to Tarapore.
9. A Broad Gauge line into Saurashtra.
10. Hindumalkot to Ganganagar.
11. Kurukshetra to Pohwa.
12. Pandu-Amjanga-Darangiri.
13. Rudrapur to Nautanwa via Kushinagar and Deoria.
14. Jagadhri-Chandigarh-Rupar-Ludhiana.
15. Orai-Jalaun.

Restorations

25. Of the 12 dismantled lines the restoration of which was approved by the Central Board of Transport, 11 were restored with the opening of the Utratia-Sultanpur Section in June 1955. Of the remaining line, namely, the Rohtak-Panipat link, it is intended to take in hand the restoration of the Rohtak-Gohana portion in the coming year. Owing to the limited funds, it is proposed to undertake the restoration of only one more, namely, the Akbarpur-Tanda line. This is 11 miles long and will cost 12.4 lakhs approximately and will help in the rehabilitation of the handloom industry in that area.

Narrow Gauge Lines

26. The working of Government-owned Narrow Gauge lines situated in the plains is under review, and it is hoped that the critical studies being conducted now will enable the Railways to formulate a long-term policy, spread over possibly 10 to 15 years, for their rehabilitation or conversion to the gauge of the contiguous railway systems in a manner closely integrated to the transport needs of the areas served and the economics of railway operation.

Transportation Position

27. While dealing with the revised estimates of goods earnings for the current year, I had mentioned that there has been a substantial increase in goods traffic. The position at the commencement of this year was that, in spite of an increase in the later half of 1954-55 compared to the previous year of 8.2 percent in the total wagon loadings on the broad and metre gauges taken together, outstanding registrations commenced mounting up from February 1955, and heavy arrears of loading had accumulated. A drive was instituted to liquidate these accumulations by still greater improvement in operating performance, on the one hand by optimum utilisation of existing line capacity and rolling stock and on the other by the acceleration of certain works designed to ease bottlenecks and increase the throughput. The 1st of November 1955 was set as the target for a 15 per cent increase in movement capacity on all Railways taken together, made up of a 10 per cent increase on the Eastern and Southeastern Railways which already accounted for roughly 45 per cent of the wagon loadings, and a 20 per cent increase on the other Railways. Since wagons were short of requirements, steps were taken to improve their availability for traffic by a reduction in the number of wagons under repair, and by intensive utilisation. These efforts have borne fruit. The percentage of sick wagons in

November and December 1955 came down to 4 per cent on the broad gauge and 5.8 per cent on the metre gauge, from 7 per cent and 7.2 per cent in the previous year. Capacity for movement over the Madras-Bezwada section has increased from 350 to 450 wagons a day, and the daily movements over the Ratlam-Godhra section have improved from 490 to 630 wagons a day. The daily transshipment position during the last three months at Viramgam has improved by 90 per cent, and at Sabarmati by 22 per cent, as compared to the corresponding period of last winter. Movements via Ghorpuri to South India are now free. Movement across the Ganga has been stepped up, notwithstanding difficult river conditions resulting in frequent disorganisation of ferry crossings. The transshipment via Manduadih, particularly, has been stepped up and is 45 per cent better than last year. As a further relief for movements of traffic to North Bengal and Assam, an agreement was negotiated with the Pakistan Railways for through bookings via their eastern route, and on an average about 50 wagons daily have been moving that way. The daily average number of wagons passing through Moghalsarai has stood during the last three months at 1,778 as compared to 1,602 last year, and the allotment of coal above Moghalsarai has been 1,320 wagons per day during that period, which is an improvement of 15 per cent over the corresponding period of the last year. The cumulative result of all these improvements may be gauged from the tonnage lifted in the first 9 months of the current year, which was 81 per cent higher on the broad gauge and 18 per cent higher on the metre gauge than during the corresponding period for last year.

The Railway Board have set a target of further improvement ranging from 10 to 20 per cent during the coming year, and many works for development of sectional and transshipment capacity have been sanctioned and will be progressed rapidly so that these higher targets may be achieved during the next busy season. Before I leave this subject, I should like to mention two outstanding figures of operating performance in 1954-55. Net ton miles per wagon day during the year over the broad gauge reached the record figure of 483, which constitutes an improvement of 8 per cent over the war-time peak figure of 451, the highest ever reached before. Net ton miles per day per engine in use on the broad gauge rose to 29,345 - an improvement of nearly 9 per cent over the best previous performance in 1941-42, the corresponding figure over the metre gauge being 12,851, which is nearly 4 per cent over the best previous performance.

Experimental Scheme For Quick Transit Of Goods

28. It is proposed to introduce shortly, as an experimental measure, a special scheme for quick transit for consignments both in wagon loads and in smalls on important trunk routes. The basic features of the scheme are that the goods will be conveyed by express goods trains within a guaranteed period and that their movement will be specially watched. A small percentage of the normal freight will be levied extra for the service, which will be refunded if the guarantee is not fulfilled.

Railway Protection Force

29. I mentioned last year that a Railway security organisation was being built up on each Railway, into which the Watch and Ward organisation would be absorbed, and that arrangements are being made for the training of staff to make the force a really efficient organisation. Officers of the rank of Deputy Inspector General of Police have been appointed on each Railway as Chief Security Officers and an Inspector General of the Railway Protection Force is attached to the Railway Board. Adequate arrangements have been made for the training of the personnel of the force in special training schools, and an armed wing of this force is also now being built up which is expected to be of substantial assistance in the protection of railway property and of goods entrusted to the Railways for transit. A Bill to give this force a statutory standing is also proposed to be introduced during the current session. As a result of these measures and the efforts of the Claims Prevention Organisations on Railways, there has been an improvement in the position in respect of compensation claims. I may incidentally mention that the amount paid as compensation in 1954-55 was about half a crore less than in the previous year.

Passenger Travel Concessions

30. I would now refer to certain concessions we propose for the travelling public. We should very much like to have reintroduced all the old travel concessions so that the public at large could be benefited, but I cannot overlook the fact that over-crowding is still substantial. The return tickets at 1¼ fares for distances over 150 miles, which were issued in the current year during the Dassehra, Diwali and Christmas holidays have proved very popular. Representations have, however, been made to me against the restriction on break of journey on these tickets, and accordingly it has been decided that, in future journeys can be broken on these tickets on the outward trip. From a study of the monthly passenger traffic statistics it is seen that during certain periods in each year passenger traffic is low. We have, therefore, decided that general return tickets for distances over 300 miles may be issued between 15th July and 30th September 1956 at 1½ single journey fares, and with a graded period of availability varying with the distance. This should go some way to meet the demand that has been voiced in this House from time to time for really cheap return

tickets without at the same time aggravating over-crowding. Another change we have proposed in the coming year, is to permit the concession now available to students travelling in groups of four between their homes and their educational institutions to be granted even to students when travelling singly, on production of the usual certificate. In regard to season tickets, certain Railways issue quarterly season tickets at 2 monthly season ticket fares and it is proposed to extend this also to the Calcutta: suburban areas on the Eastern and -Southeastern Railways and to the Northern Railway and the old O.T. section of the Northeastern Railway where it is not now in vogue.

The Railway Freight Structure Enquiry Committee

31. As I indicated in my Budget Speech last year, a Committee has been set up to examine the Railway Freight Structure in all its aspects. The terms of reference of this Committee also include the examination of the existing statutory provisions governing the liability of Railways as carriers and the constitution, procedure and jurisdiction of the Railway Rates Tribunal. The Committee has addressed itself vigorously to the task entrusted to it and has issued comprehensive questionnaires to elicit the views of State Governments and commercial interests, and I expect their report will fully reflect the views of the public in regard to this important matter and take note of the changing pattern of the country's economy.

Passenger Amenities

32. I feel the House will agree with me that a sustained effort has been made during the last few years to make railway travel less irksome and inconvenient, specially for the third class passenger, and that, although conditions are still far from satisfactory on certain sections, it is not because the Railways have spared any efforts in this direction but because the chronic shortage of materials and some shortage of capacity for the execution of works have handicapped them in their endeavour to overtake the progressive increase in the number of Railway passengers. The introduction of the Janata trains and of sleeping accommodation for the third class passenger has, I believe, given some relief to the long distance traveller. I am deeply concerned with the continued overcrowding in the third class on some sections, especially on the Northeastern Railway and the Metre Gauge Section of the Northern Railway. Data has already been collected regarding overcrowding and, on sections, on which it is at its worst, new trains will be introduced, the run of the existing trains, extended or the composition of rakes strengthened, to the extent engines and carriages become available. 24 Broad Gauge and 12 Metre Gauge rail cars expected to be received during the next year will also be introduced on some sections.

From the 2nd October last a new type of Janata corridor train, with a well-equipped dining car and a conductor to look after the convenience of passengers, has been introduced between Calcutta and Delhi, and I am informed that the reaction of the public to this has been favourable. Three more such rakes are now under construction, which will ply between other important cities so that country-wide reactions to this type of coaches become available. A coach with only seating accommodation has recently been introduced for the benefit of first class passengers undertaking short journeys who are unable to find accommodation in the normal first class coaches, particularly for short night journeys during which they would find it difficult to obtain admittance to compartments bolted from inside by sleeping passengers.

As a token of the standard of service which the Railways would like to provide if they had adequate resources, and as a model to be kept in view for the future, it is proposed to introduce from 2nd October next a vestibuled fully air-conditioned fast train service, which would have only two classes, between Delhi on the one hand and Bombay, Madras and Howrah on the other. To start with, the service will be weekly or biweekly.

The House is aware that our objective has been to reduce the number of classes on the Railways to only two in addition to air-conditioned travel. In pursuance of that policy our present intentions are to abolish the existing third class and to re-name it as second class with sleeping accommodation in one or two separate coaches. This change would be in consonance with our objective of reducing class distinctions and I trust that the people travelling in the present second class would welcome closer contact with those travelling in the present third class. I would personally like to provide cushioned benches in these coaches but it seems it will have to remain a long-term objective.

Catering

33. As regards catering, most of the recommendations of the Committee on catering presided over by the Deputy Minister for Railways, have in consultation with the National Railway Users' Consultative Council, been accepted and implemented, and the House is aware that departmental catering has been started on a limited scale on Railways on which it did not so far exist, for example, at Delhi and Pathankot on the Northern Railway and Gorakhpur on the Northeastern Railway. It is proposed to extend it to a number of

other stations in the next year. Our experience is that this change has given genuine satisfaction to the travelling public, as the quality of food as well as of service has improved, and, with more experience in the line, further improvement is expected in a matter, which so far has been a constant cause of irritation and complaint. While every effort will be made to see that departmental catering covers costs, the House, I hope, will agree that the improvement will be worthwhile even if there is a slight loss. I would welcome suggestions from all quarters towards an improvement of this service in all its aspects. Special efforts are being made to improve the quality of food, which is taken by the large majority of the passengers, and to see that it is wholesome.

Railway Users' Consultative Committees

34. The Railway Users' Consultative Committees constituted at three different levels - namely the National Council, the Zonal Committees and the Regional / Divisional Committees have been rendering valuable assistance to the Railway Administrations. The scope of the activities of these advisory bodies is being steadily expanded. Local consultative committees of users at important industrial centres are now being constituted. Besides, a separate Time Table Committee for each zonal railway and separate Suburban Passenger Amenities Committees are also being set up. The Zonal Passenger Amenities Committees are also being expanded specially to include ladies.

Social Education

35. I propose to intensify the campaign initiated early in 1955 for a scheme of social education in regard to general problems as well as problems peculiar to Railways. Publicity media, such as posters, press notes and announcements through loudspeakers at stations have been used to invite the co-operation of the public to keep railway premises clean by depositing refuse in the receptacles provided, by developing the queue habit, by waiting for passengers to detrain before attempting to entrain and similar other matters. It is now proposed to provide loudspeakers at some more stations and even in some running trains. Such an experiment is being made in one coach on the corridor Janata Express train, the idea being to extend this to the other coaches with programmes carefully selected so as not to disturb the passengers. At stations, chiefly in third class waiting halls, the exhibition of documentary films is also proposed. A dual-purpose coach has been built in which films can be shown while the train is on the run and will soon be attached to one of our trains on which it will serve as a buffet-car-cum-Cinema coach. A small section is being set up in the Railway Board's office to organise the activities directed towards social education. With imagination and proper assessment of public taste, the scheme should be capable of being made both interesting and instructive, and thus help to ensure the co-operation of the passengers on the proper use and maintenance of the amenities provided.

Railway Corruption Enquiry Committee

36. The Anti-corruption Enquiry Committee submitted its report in July last and I could like to sincerely thank the Chairman, Acharya J. B. Kripalani, and the Members for the pains they have taken in the compilation of this report. It is a valuable document with plenty of information and concrete and helpful suggestions.

The problem of weeding out corruption is an enormous one, and, although one might feel discouraged in tackling it because of its magnitude, the question must of course be seen in its correct perspective. The Railway Ministry will leave no stone unturned to fight and resist this evil, but it must get the help and co-operation of the staff and the people at large, chiefly the users of the Railways. The need for this cannot be better summed up than in the words of the Committee itself.

"It is not enough for the public to say that, if bribes are not given, their work will not be done and they will be harassed. Citizens of a free country have the right - nay the duty - to insist that public servants render due service for which they are paid from public coffers. It is rightly said that eternal vigilance is the price of liberty. Our democracy will not work unless there is honesty and efficiency in administration. Under present circumstances this is not possible merely through governmental action. Citizens themselves will have to be vigilant and they must insist upon their rights. They should also be prepared to pay, if necessary, the price of such insistence with some temporary loss or inconvenience to themselves. A strong public opinion must therefore be created and a determined effort made to withhold payment of illegal gratification".

Out of 146 recommendations which required consideration by Government, decisions have already been taken on all except 14, which also are in the final stage of consideration, and 128 of these have been accepted by Government. One of the important recommendations was for an anti-corruption organisation to be set up on each Railway with a senior officer at its head. On examining this, I felt that there should be provision for a coordinating link, and I have, therefore, decided to set up one in the Board's office under the

direction of an experienced administrative officer for overall supervision and the investigation of important cases. My intention is that the organisation on the Railways as well as in the Railway Board should work in close coordination with the Special Police Establishment, so that any case which can be better investigated by the Police could be handed over to them right from the start.

Divisionalisation

37. The Eastern Railway was divided into two units from the 1st of August 1955, the old Bengal Nagpur Railway section having been constituted into a separate unit called the Southeastern Railway. This decision was taken in view of the fact that the old Eastern Railway, which already had the heaviest work-load and served an area rich in mineral resources, would have to bear the main brunt of the vast developments imminent in the Second Five-Year Plan.

Experience of the working of the Regional set-up and the prospects of substantial development in traffic and work-load in the coming years have indicated the need for unified control of each area which is a feature of the Divisional pattern as obtaining on the Northern and Eastern Railways. Under this pattern, each Railway system is divided into territorial units of suitable size, the general administration of which is entrusted to a Divisional Superintendent, who functions in his sphere more or less as the General Manager does for the entire Railway. It is proposed to introduce this organisational change shortly on the Central Railway, to be extended thereafter to the Southern, Western, Northeastern and Southeastern Railways. It is hoped that this change will ensure fuller coordination and greater efficiency.

Efficiency Bureau

38. The scope of the activities of the Efficiency Bureau has been extended to cover some more important aspects of railway working, such as civil engineering repairs and maintenance and office organisation. The present procedure on Railway administrations for handling establishment work is now being studied by the Bureau, with a view to quicker settlement of staff dues and earlier disposal of representations made by the staff, thus removing a potent cause of staff grievances. The Bureau has also suggested ways and means of reducing the number of wagons, awaiting repairs in sick lines and workshops, so as to increase the availability of rolling stock for traffic, and is also tackling the problem of more, effective utilisation of wagon-time. Another problem which it is proposed to remit to the Bureau is that of devising suitable tests on the basis of which merit certificates could be awarded for exceptionally good work, which could be taken into account for the grant of accelerated promotion.

Research Organisation

39. I would like to say a word at this stage on the useful work, which the Research Organisation of the Railway Board with its headquarters at Lucknow and sub-centres at Chittaranjan, Delhi and Lonavla has been doing. Their activities this year mainly cover trials on new locomotives and coaches to assess their performance and riding qualities, and experiments with substitute materials for steel in order to reduce the Railways' requirements of this vital commodity, which is in short supply.

Towards Self-Sufficiency

40. We have attached the greatest importance to making the Railways self-sufficient in the matter of rolling-stock and other equipment and I am glad that it has been possible for us to secure appreciable results. The production at Chittaranjan has already been increased and will soon be reaching the equivalent of 200 average sized locomotives per year and, according to the scheme now approved, it will ultimately manufacture 300 locomotives per year. A scheme has also been approved already to accelerate the production of the Integral Coach Factory at Perambur, which will enable the target for the Factory to be achieved earlier than originally programmed. We have also invited the private sector to come forward and help the country in reducing its imported material for the Railways from abroad and the Railway Equipment Committee has informed us that they are in earnest to play their part. The progress we have already made towards self-sufficiency which is so vital, not only to the sound economy of the Railways, but also of the whole country, will be clear from the fact that last year this country produced 145 locomotives, 970 coaches and 10,689 wagons, against 63 locomotives, 791 coaches and 6,388 wagons only two years earlier. Deliveries in the current year are expected to be even better. The proportion of stores of Indian manufacture purchased by the Indian Railways to the total value of stores purchases made also rose within the same period of two years from about 70 per cent to about 78 per cent, while the percentage of stores imported direct has fallen from 16.8 per cent to 10.5 per cent.

Khadi

41. The House will be interested to know that the use of khadi on the Railways is on the increase. Khadi was not being used so far for uniforms, but this summer about 186,000 railway staff will receive uniforms made of khadi. It is expected that the Railways will purchase next year over 1.3 million yards of khadi valued at about Rs. 27 lakhs. The quantity might have been more if it were available.

Hindi

42. We are adopting a constructive policy in the matter of teaching Hindi. There will hardly be anyone on the Railways who would not want to learn Hindi. In some places the staff have taken the initiative in conducting evening classes. Steps are under consideration for departments generally to hold half hour classes during working hours, which, I have no doubt, will be welcomed by the workers. In every training school and the Baroda Staff College, Hindi teachers have been, or are being, appointed.

Words in common usage for stations, offices etc. have been translated into very simple Hindi, retaining English words if they have become popular, and circulated to Railways as standard expressions for adoption. Steps have been initiated to translate the various railway codes, manuals, forms, etc. into Hindi. As a first step, selected composite forms in English and Hindi are proposed to be put into use.

Ex-State Railway Officers

43. It was stated in my budget speech in February, 1955, that the issues connected with the fitting in of officers of the ex-State Railways into service under the Government of India had been examined, and that orders, which we hoped would be acceptable to all the interests concerned, were being issued. It is regretted that, due to a variety of reasons, the issue of the orders was delayed. I am glad to announce that it is now possible to issue these orders. The main decisions are that

(a) on a review of the position, some more officers will now be fitted into the Class I service with effect from the date of integration;

(b) the declared date for the purpose of calculating seniority, already fixed for each permanent officer of the ex-State Railways initially absorbed in the Class I or Class II service, will remain unchanged;

(c) each permanent gazetted officer of the ex-State Railways, who was absorbed in the Class III service as a result of the equation of posts, will now be given the option to continue to serve under the conditions previously laid down for such officer, or to be permanently promoted to the Class II service with effect from the date of the Federal Financial Integration. Temporary gazetted officers, who were recruited with the expectation of permanent absorption in the gazetted ranks, will be absorbed permanently in the Class II service against vacancies as they occur, provided they are considered suitable. Probationers recruited for appointment as gazetted officers will similarly be absorbed in the Class II service, subject to the satisfactory conclusion of their training;

(d) a special quota of $16\frac{2}{3}$ per cent of the annual recruitment to the Class I service will be reserved for the promotion of the ex-State Railway officers previously on a common cadre but absorbed now in the Class II service from 1st April 1950 or earlier date. Each officer will be given a chance to have his suitability assessed by the U.P.S.C. and thereafter the quota will lapse.

Staff Requirements For Second Five-Year Plan

44. An appreciable number of gazetted posts on Indian Railways have remained temporary for a number of years in the expectation that the number could later be reduced. Work has, however, been increasing continuously in complexity as well as in intensity. There has also been an inadequacy of leave reserve posts. The situation has recently been reviewed on the eve of the Second Five-Year Plan, and an adequate gazetted cadre for the present requirements, including provision for leave and deputation reserve posts, is being sanctioned. This will enable permanent recruitment to be stepped up. It is planned to make good the shortfall against the current sanctioned strength within two years.

At the same time recruitment of temporary officers is being made for all departments, which will have to bear the brunt of the Second Five Year Plan. The appointment of 120 temporary engineers is at present in hand, and the recruitment of another 150 engineers is being planned. Full opportunities for promotion are also being provided to staff in service, and some of the shortage of officers is being met by the re-employment of retired officers, who, by virtue of their experience and their maturity, will provide a desirable

backbone to the temporarily expanded cadres. As envisaged last year, a planning organisation has already been set up in the office of the Railway Board as also at the railway levels, and posts for planning and execution are being sanctioned as required for each railway administration.

Training Of Staff

45. The necessity for imparting adequate training to recruits to the various railway services and arranging refresher courses for employees in service is constantly in our mind. The existing training institutions are inadequate and their expansion is necessary. It is, therefore, proposed to make a provision in the Second Five-Year Plan of 3 crores for the initial expenditure on these. In the meantime, a special officer in the office of the Railway Board has been appointed to review the existing facilities, to plan for the permanent expansion of the training facilities to cater for the normal and special requirements of Railways during the Second Five-Year Plan and to arrange for setting up temporary centres for training and refresher courses on each Railway, pending the completion of the permanent arrangements. Refresher courses for staff on an extended scale have just been started on all Railways. The number of employees requiring such refresher courses is considerable. It is proposed that everyone of these employees should go through a refresher course within the next two years.

The problem of the recruitment of technically trained personnel and the technical training of candidates for appointment as artisans, as technical supervisors and on other technical jobs, particularly in view of the requirements of the Second Five-Year Plan, is of considerable importance. Steps have already been taken to increase the annual training capacity at Chittaranjan from 270 to 360, and at Perambur from 201 to 260 and further expansion is being planned. It is proposed very soon to recruit candidates for training as artisans and as technical supervisors for the workshops that will be set up during the Second Five-Year Plan. An officer on special duty has also recently been appointed to set up training establishments for the training of junior technical personnel required for the execution of projects during the Second Five-Year Plan.

Medical Facilities For Railway Staff

46. As visualised by me last year a medical officer has been appointed in the Railway Board's office to review the existing medical arrangements on Railways and to plan for future expansion.

Under the scheme which I mentioned two years ago, for providing accommodation for railway men suffering from tuberculosis, 220 beds have by now been reserved for railway servants in certain selected sanatoria all over the country, and negotiations are at present proceeding for the reservation of 75 beds more. A scheme has also been sanctioned for setting up chest clinics at the more important railway hospitals for early diagnosis and treatment of tuberculosis. It is also proposed to attach to the new hospitals at New Delhi and at Bombay specialists in diseases of the eye, ear, nose and throat, the chest and teeth, as well as fully equipped laboratories for pathological examination. A proposal is also, under consideration for the association of surgeons and physicians of repute with Railway headquarters hospitals.

Maternity and child welfare centres, which were being run at the cost of the Staff Benefit Fund on the Railways, have now been taken over by the Railway Medical Department at an estimated cost to the Railway Revenues of about a lakh per year, in order to relieve the Staff Benefit Fund of this item of expenditure, and also to ensure the provision of adequate facilities at these centres. A similar measure is the extension of free medical treatment facilities in Railway hospitals and dispensaries to certain dependent relatives of employees.

Staff Benefit Fund

47. In pursuance of the proposal, which I mentioned last year, the annual per capita contribution of one rupee to the Staff Benefit Fund has been doubled during the current financial year, so that the contribution from Railway Revenues to this Fund now amounts to about 20 lakhs. Simultaneously, the Fund has been relieved of expenditure on the maintenance of maternity and child welfare centres and some expenditure on relief of distress due to sickness in the family. With the increased resources, Railways should be able to increase the tempo of the assistance from this Fund. A proposal is under consideration for awarding about 1,000 scholarships varying from 15 to 50 rupees per month in deserving cases to children of railway employees drawing pay up to a specified limit to assist them in the prosecution of technical education.

Relations With The National Federation Of Indian Railwaymen

48. The relations between the National Federation of Indian Railwaymen and the Railway Board

throughout the year have been cordial. The House is possibly aware of the fact that, at a meeting that was held between the Federation and the Railway Board in July 1955, it was possible within the short space of four days to come to an agreement in respect of three of the five terms of reference to the ad hoc tribunal. Of the two remaining items, the one relating to the distribution of posts in various grades covers a wide field and is of great interest to railwaymen, the other being a comparatively minor one. It is my firm conviction that differences of opinion can best be resolved by discussions across the table, and I trust that a meeting for this purpose will soon be arranged between the Federation and the Railway Board.

The load of work and the responsibility of railwaymen is increasing simultaneously with the complexity of the problems, which they have to deal with. There will be a further increase in these directions during the coming years. The fact that a larger number of employees at the lower levels of the Class III services now shoulder heavier responsibility can be recognised by a redistribution of posts in the lower grades so as to effect an appreciable reduction in the posts in the lowest grade with a corresponding increase in the numbers in the higher grades for categories like office clerks, train clerks and others, and by appropriate adjustment in the case of station masters. It is proposed to take concrete steps early in this direction. The exact pattern that such redistribution should follow needs detailed examination and discussion between the representatives of the Federation and the Railway Board.

Participation Of Workers In The Management

49. The question of participation of labour in management has been exercising our mind for some time now. All Railway employees are servants of the State and all are partners in this vast undertaking. It is my earnest wish that all grades of staff interest themselves in thinking of improvements in all phases of our activity. Many may have constructive ideas, and useful suggestions from them will be welcome. I need hardly assure them that these suggestions will receive consideration and suitable rewards will be given for those, which are accepted. I consider, however, that more positive opportunities for participation in the management of this undertaking should be provided for workmen in the lower cadres. We have decided to take a few important steps in this direction. A scheme will be drawn up to associate workers in the management and the running of the Railway workshops, and the Railway Board will be asked to select two or three workshops on Indian Railways to give it a trial. A proposal is being considered for sending a team, including representatives of workers, to other countries where such participation of workers, in management has been tried. The Federation will also be consulted in these matters.

It has also been decided that workers should be given greater power and responsibility in matters directly concerning their welfare. There are already the Staff Benefit Fund and Labour Advisory Committees and canteens managed by the staff on a co-operative basis. The Railway Board have now been directed to increase the elected element in each of these Committees and to give them the fullest possible freedom to take decisions. Further, a proposal of the National Federation of Indian Railwaymen for the association of labour in the implementing of programmes for the construction of houses is scheduled for discussion by them with the Railway Board in the near future.

Vandalism On Railway Property

50. I think I shall be failing in my duty if I do not briefly refer to the recent disturbances in some parts of the country, which have led to the infliction of serious damage on the Railways. It is a tragic thing for people wantonly to destroy the nation's property, in other words their own property. It has been our experience that, whenever any commotion or disturbance of the peace takes place, the Railways are chosen as the easiest target of attack. In the recent disturbances as many as 40 coaches were destroyed due to mob violence. I want that the conscience of the people should wake up in regard to this very vital matter. There will always be some mischief-mongers afoot to take advantage of particular situations to indulge in all kinds of anti-social activities, but the people in general and our youth in particular should see that they are not allowed to have their way.

I would also like to refer to the problem of misuse of the alarm chain apparatus in regard to which I would solicit the fullest public co-operation. During the calendar year 1955 there were over 40,000 cases of trains being stopped by the pulling of alarm chains, the largest number of cases being on the Northeastern and Eastern Railways. While there might have been justification in some cases there was none in most of them, and I trust that those who indulge in this pastime would realise the injustice they do to the hundreds of their fellow travellers and the dislocation they cause not only to their own trains but also other connected train services.

51. I owe it to the Railway Board to thank the Chairman and the other Members sincerely for the way they have discharged the heavy and most difficult responsibilities shouldered by them. They have shown great tact and ability in administering the Railways, which has led to the solution of many thorny and difficult

problems. They have now to direct and guide the Railways in the successful execution of the biggest Railway programmes ever undertaken. This is a heavy charge indeed, but I think they will consider it as a great privilege and opportunity to serve the country and the Railways in the changed conditions of today. At the same time I feel that the present set-up of the Board requires strengthening and proposals towards this end are under my consideration. The former status of the post of Secretary, Railway Board, has already been restored.

I must also acknowledge the conspicuous role of railwaymen as a whole in helping to increase the efficiency of the Railways in spite of many handicaps. Drawbacks and short comings could no doubt be pointed out against railwaymen and the Railways. The fact, however, cannot be denied that Railway staff have tried to discharge their duties in tune with the spirit of the times and that they have done very well indeed. They cannot afford, however, to be complacent because in the multifarious and complicated nature of their work they might err at any moment, and hence an attitude of vigilance and watchfulness on their part is always essential.

In unity lies the real strength of railwaymen. It has pained me to see that the trends in the field of Railway labour have not been quite happy for some time past. I am glad, however, that persistent efforts have been made to maintain the old unity although they may not have been fully successful. Still I believe that where there is a will there is a way, and I would earnestly appeal to them to put their house in order so that they will be able to function in the best interests of the Railways and the workers.

The Second Five-Year Plan is a big and bold venture, and the Railways have to play a significant role in the destiny of the nation in this respect with the cooperation of all, whether officials or non-officials. Railwaymen should feel proud of being partners in this venture and thus make it a great success. Needless to add, they will have all the good wishes of this House and of the whole country.
