RAILWAY WORKERS
AND
RAILWAY EXPLOITERS

INDIAN RAILWAY WORKERS' FEDERATION (AITUC)
PUBLICATION

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INTRODUCTION

The British built the railways in India to serve twin purposes—for easy and quick transportation of troops to put down people's revolt and as a cheap means of moving goods and materials for the benefit of the British monopolists and traders. To make railway transport cheaper for the monopolists colonial wage was imposed on the workers and a freight structure was evolved which subsidises the monopolists to earn super profits.

Even after independence, unfortunately, the same old colonial system is continuing for the benefit of Indian and foreign monopolists and traders. The pamphlet contains a compilation of data on various aspects of working of the Indian railways from the relevant publications of the Ministry of Railways and the Railway Board. The purpose is to acquaint railway workers and trade unions, and the public at large with the basic facts on the Indian railways and their finances. To controvert the demands of the railway workers, the railway administration and the Government of India, backed by the bourgeois press, plead that the railways have been incurring losses and therefore are unable to meet the demands of their workers. On the other hand, the facts enumerated in the pamphlet show how the railways have been subsidising the super profits of the monopolists and traders by deliberately maintaining a freight structure which does not pay even the actual cost of transportation. A list has also been given of the varieties of goods and materials being transported by the railways at huge losses for the benefit of the monopolists. More than 60 per cent of freight traffic were carried below the cost in 1973-74 against 28 per cent in 1972-73. These losses which are increasing year by year and running into hundreds of crores of rupees, have been characterised by the railway administration as "social burdens". Are the people getting these commodities or their end products at cheaper rates be-

cause of low freight? On the contrary, the consumers are being fleeced on account of galloping prices while the freight on the railways during the last 20 years or more has increased by only 84 per cent. Many in our country do not know that our railway freight rates are much lower than those in developed richer countries. A table provided by the railway administration itself, has been incorporated in this pamphlet.

Subsidy to suburban travelling mainly by office-goers is another source of loss. The railways are in fact subsidising the employers who should be made to make up the losses by paying their employees using suburban railway transport the proper railway fares.

One other source of losses in the railways is theft and pilferage and several crores of rupees annually are being paid as compensation to the consignees of goods.

On the part of the railway workers, labour productivity is continuously on the increase along with productivity of capital invested, both in workshops and in totality.

Since 1950-51, productivity has increased by 64 per cent. In workshops, while the number of workers has gone down by 9 per cent, the productivity has increased by more than 50 per cent.

The load carried by the railways compares favourably with any foreign railway system.

Functioning of the railway transport system for the benefit of a handful of monopolists and traders has resulted in losses to the country, the people and the workers.

It appears that the Public Accounts Committee of the Parliament has also gone into these aspects of the working of the Indian Railways, particularly the freight structure detrimental to the interests of the country and the workers.

We hope the pamphlet will help the workers and our trade unions to know the revelant facts and where the rot lies.

HIGHLIGHTS OF THE FACTS

1 While the Railway Administration and government plead lack of funds to meet the legitimate demands of the railway workers, low freight even below the cost of transportation are being charged for a large number of commodities to fatten the profits of monopolists and traders.

The Railway suffered losses on this count to the tune of Rs. 225.44 crores in 1973-74 and Rs. 127.06 crores in 1972-73. Thus, more than 60 per cent of the freight traffic was carried below the cost of transportation in 1973-74 which was 28 per cent in 1972-73.

2 In addition, the railways have paid as compensation for pilferage and losses in transit an estimated amount of Rs. 13.18 crores and during the last five years paid a tidy sum of Rs. 64.86 crores.

3 Average rate charged per tonne kilometre in India at only 5.83 paise (1973-74) is lowest compared to those prevailing in the railway system of any other country.

4 In all measures of efficiency in which the railway workers are no less contributors, in average gross load of goods trains, utilisation of wagons, net tonne kilometres moved per annum, utilisation of track, etc., Indian railways compare favourably with the railway systems in other countries.

5 Both labour productivity and productivity of invested capital has increased during the last 20 years or more

(a) During the period 1950-51 to 1972-73 the capital in real terms has increased by about 96 per cent, while the freight traffic measured in terms of 'tonne-kilometres has increased by about 209 per cent and total

traffic units (net-tonne-kms plus passenger—kms) by 144 per cent.

(b) Labour productivity has during the period from 1950-51 to 1972-73 increased by 64 per cent.

(c) Productivity of workers in Railway workshops has during the same period gone up by 54 per cent while the number of workers has gone down by 9 per cent and manpower ratio in respect of all three counts of repairs of locomotive, carriage and wagon, has steadily gone down during these years.

6 While freight traffic and passenger traffic has increased during the last twenty years by 108 per cent and 77.6 per cent respectively and net tonne-kilometres, in respect of goods have increased by 202 per cent, number of permanent employees on the Indian railways has increased by less than 50 per cent.

7 Whatever credit the Railway Administration claims for efficient performance of the Indian railways, it should mostly go to the skill and labour of the railway workers even though they are subjected to various kinds of inequities, onerous conditions of work and last, but not least, low wages.

8 In view of the admitted facts and circumstances, there is no reason to deprive the railway workers of their legitimate demands in respect of wages and other benefits and to make lack of funds as an alibi.

9 The railway workers are being made victim of a deliberate policy of incurring losses for augmenting profits of monopolists and traders.

HOW THE RAILWAY WORKERS ARE EXPLOITED AND FOR WHOM

All these years the railway workers have been exploited by low wages, onerous conditions of work and high productivity. High labour productivity in the railways and railway workshops has in turn increased the productivity of capital and efficient utilization of track and rolling stock to make it favourably comparable with the best railway systems in the richest countries of the world.

PRODUCTIVITY

As regards productivity of the worker, we copy below in full the paras and tables on the subject given in "A Review of the Performance of Indian Railways", February 1974·

"42. *Labour productivity*—The preceding paragraphs have dealt with the productivity of capital. It may be relevant to assess the staff productivity during the same period. Productivity of staff can be guaged by the number of traffic units (net-tonnes-kms. plus passenger-kms) moved per employee on the open line. The figures are given below for selected years since the commencement of the Plans:

Year	*Traffic units* (000) *moved per employee on the open line*
1950-51	122
1955-6	121
1960-1	147
1965-6	164
1970-1	186
1971-2	193
1972-3	200

This increase in the per capita output has been due not only to improvement in the equipment provided but also to improvement in the overall operating efficiency.

"43. *Productivity in Railway Workshops.*—While dealing with productivity of staff, mention may be made of the incentive scheme in railway workshops. In 1958 it was decided that the increase of output necessary to cater for the expanding holdings of rolling stock should be realised mainly by improvement in the level of productivity of manpower and assets in railway mechanical workshops through incentive scheme as was done in the Chittaranjan Locomotive Works, rather than through increased capital and recurring expenditure. *It is gratifying to note that with the cooperation of organised labour, the expectations in this regard have been largely realised.* (Emphasis ours—Ed).

Against the target of 92,345 men to be brought within the scope of the incentive scheme by the end of 1972-73, the number of men actually covered is 80,952 representing about 88.9 per cent of the target. Workshop repair output increased from about 335,000 equated broad guage wagon units in 1957-58 to about 4,69,562 equated broad guage wagon units in 1972-73, while the staff strength came down from about 116,000 men in 1957-58 to about 111,634 men in 1972-73, of which about 6447 men are employed on other than rolling stock repairs, such as the manufacture of wagons and steam cranes.

This achievement represents an overall increase in productivity of 54 0 per cent since 1957-58. The increase in productivity year by year. indicated by the number of men employed to carry out a standard unit of repair, is shown in Table XVIII. (see Table next page)

"44. In the two production units where the incentive scheme was in operation, viz., the Chittaranjan Locomotive Works and the Integral Coach Factory, the improvement in productivity has raised the level of out-turn, despite diversification of the type of rolling stock manufactured. In the Diesel Locomotive Works, Varanasi, the incentive scheme was introduced in 1968-69, and is beginning to yield results.

"45. Progress was maintained in extension of the scheme to electrical sections attached to 21 mechanical and signal work-

TABLE XVIII. Increase in productivity and improvement in manpower ratio in Indian railway workshops

Year	Repair work done during the year in terms of equated BG wagon units	Manpower ratio (staff per unit of repair)			Percentage increase in productivity with 1957-58 as base
		Loco-motives	Carriage	Wagon	
1957-58	335,030	14.9	1 49	0 34	..
1958-59	355,535	14.5	1.45	0.33	5 0
1959-60	376,857	13.6	1.36	0 31	12.4
1960-61	378,212	13 2	1.32	0.30	15.0
1965-66	427,752	9 9	0.99	0.23	53.0
1966-67	431,408	9.8	0.98	0 22	54.8
1967-68	436,287	9.7	0.97	0.22	55.9
1968-69	445,505	9.6	0.96	0.22	58.3
1969-70	463,009	9.1	0.91	0.21	67.2
1970-71	451,629	9.6	0.96	0.22	58.3
1971-72	445,263	9 9	0.99	0.22	53.8
1972-73	469,562	9.7	1.00	0.22	54.0

(The discrepancy between 1969-70 and 1972-73 is not explained—Ed).

shops. In some of the civil engineering workshops, however, for insufficient work-load the scheme had to be withdrawn. But in those of the civil engineering workshops where the scheme is in operation, progress was maintained in respect of the performance.

"The progress to the end of 1972-73 was as follows·

Department	Percentage of target achieved in respect of		
	Coverage under the scheme	Average percentage increase in earnings	Performance compared to standard of 33½ % earning
Electrical	89.0	41.00	124 0
Civil Engineering	38.9	30.00	90 5
Signal	72.2	35.00	106 0

Rise in labour productivity has also played a role in raising the productivity of capital investment.

The following para 41.1 on Page 46 of the Review (February 1974) shows as follows:

"41.1. It will be seen from Table XVI that during the period 1950-51 to 1972-73 the capital in real terms (i.e. equated to 1950-51 price/wage levels) has increased by about 96 per cent, while the freight traffic measured in terms of tonne-kilometres has increased by about 209 per cent and total traffic-units (net-tonne-kms. plus passenger kms.) by 144 per cent. This indicates the extent of more intensive use of railway assets, and is clearly brought out by the following table giving the capital-at-charge per billion-net-tonne-kms/traffic units.

TABLE XVII. Capital-at-charge rated against traffic-units

(in crores of rupees)

Year	*Capital-at-charge per billion net-tonne-kms moved*		*Capital-at-charge per billion traffic-units (net-tonne-kms. plus passenger kms.)*	
	Capital as per books	*Capital equated to 1950-51 price/wage levels*	*Capital as per books*	*Capital equated to 1950-51 price/wage levels*
1950-51	18.91	39.92	7.54	15.92
1955-56	16.31	31.63	7.96	15.47
1960-61	17.38	26.30	9.22	13.95
1965-66	22.95	25.77	12.58	14.13
1970-71	26.18	26.00	13.58	13.49
1971-72	26.44	25.38	13.63	13.08
1972-73	27.30	25.30	13.80	12.79

"The capital-at-charge per billion traffic-units, adjusted to 1950-51 prices, has been brought down steadily over the years, reflecting the improvement in operating efficiency and intensive utilisation of assets. The set-back in the figures of capital-at-charge per billion net-tonne-kms. in 1970-71 has been reversed in subsequent years, with some modest increase in traffic".

OTHER INDICES OF OUR WORK AND SYSTEM

Without reproducing all the statistical tables, we give below the conclusions that the report draws on the basis of their statistics of the working of our railway system.

ENGINE UTILISATION

TABLE XIII—Number of goods locomotives utilised for moving one million net-tonne-kms. of freight traffic per day expressed in terms of BG/MG° steam locomotives

Year	*BG*	*MG*
1950-51	25	65
1955-56	22	50
1960-61	20	46
1965-66	20	41
1969-70	21	40
1970-71	21	38
1971-72	20	37
1972-73	20	37

° BG — Broad gauge goods steam locomotive with 17,640 kgs tractive effort.

° MG — Metre gauge goods steam locomotive with 10,367 kgs tractive effort.

Note: The newly added diesel and electric locomotives on the broad gauge/metre gauge have been equated to 2.5 BG/MG type steams locomotives.

"The reduction in the number of locomotives per unit of traffic broadly indicates the extent of *saving in capital investment* (Emphasis added—Ed.) and consequently in the recurring expenditure on repairs and maintenance and provision for depreciation and interest charges, which would otherwise have been incurred."

COMPARISON WITH FOREIGN COUNTRIES

"23.4. A measure of efficiency of the utilisation of locomotives on goods services is the load behind the engines. The following table compares the average gross trailing load of goods trains on

Indian railways with those of leading railway systems of other countries:

Average gross load of goods trains (tonnes)

	(*Excluding weight of engine*)		
	Steam	*Diesel*	*Electric*
Indian Railways° (1972-73) BG	1,052	1,512	1,527
MG	584	832	1,053
British Railways	— Not available —		
Canadian National Railways (1971)		3,052	...
Canadian Pacific Railway (1971)		3,191	...
French National Railways (1971)	711	548	870
German Federal Railway (1971)	839	490	878
Italian State Railways (1971)	283	424	686
Japanese National Railways (1971-72)	538	430	727
U.S. Class I Railroads (1971)	. .	3,426	...

"It will be seen from the above table that the gross load of goods trains on Indian railways compares favourably with those of foreign railways, under all the tractions barring those of American and Canadian railways. It may be mentioned here that on the American and Canadian railways the freight trains are usually hauled by two or three and some times even four diesel units, whereas on Indian railways double-heading of diesels is resorted to only to a limited extent on ghat sections, etc." (p. 26, A Review of the Performance of the Indian Railways, February 1974)

WAGON UTILISATION

"24. *Wagon utilisation*—Indices of wagon utilisation are given in Table XIV. (See page 12)

"The figures given in Table XIV indicate that although there has been an improvement in the wagon utilisation since 1950-51, the utilisation has been adversely affected since the end of the Third Plan on the broad gauge, mainly because the materialisation of traffic, particularly under the programmed streams, has

lagged behind the original anticipations for which assets had been created. Special wagons such as BOX, BOBS, BOBX, tank wagons, etc. are being increasingly used. This augmented fleet of special stock is, however, prone to idling whenever the industries requiring the use of such stock suffer a set-back in their production programmes for any reason. Wagon utilisation in 1971-72 and 1972-73 has improved. Better results could have been achieved, if the materialisation of traffic had come up to the anticipated levels. The set-back in wagon utilisation in the current year (1973-74), is the reflection of the decline in transportation output for reasons already discussed.

"Also noteworthy is the fact that the utilisation of wagons compares well with those of foreign railways as will be seen from the following figures of number of wagons utilised to move a million net-tonne-kms. per day, expressed in terms of standard four-wheeler broad gauge wagons on Indian railways.

Indian Railways (BG) (1972-73)	1,056
British Railways (1972)	3,984
Canadian National Railways (1972)	1,254
Canadian Pacific Railway (1971)	1,025
French National Railways (1971)	2,348
German Federal Railway (1971)	2,478
Italian State Railways (1971)	2,858
Japanese National Railways (1971-72)	801
U.S. Class I Railroads (1971)	1,589

"25. The improvement in the utilisation of wagons over the years can also be measured by the number of wagons utilised to move one million net-tonne-kilometres per day. To make the comparison with the past valid, the number of wagons has been equated in terms of four-wheelers of standard carrying capacity. It will be seen from the figures in Table XIV(a) that compared to 1950-51, fewer wagons are now being utilised to move the same amount of traffic.

TABLE XIV—Indices of wagon utilisation

		1950-1	1955-6	1960-1	1965-6	1971-2	1972-3	1 April to 30 November* 1972-3	1973-4
Wagon-kms, per wagon-day	BG	62.3	74.5	76.9	72.7	74.1	74.4	74.2	69.6
(in terms of four-wheelers)	MG	50.2	45.9	51.6	59.7	58.8	60.2	60.9	52.4
Net-tonne-kms, per wagon-day	BG	710	885	998	934	935	943	1,076	990
(in terms of four-wheelers)	MG	304	332	405	507	540	552	585	510
Average wagon-load	BG	16.4	16.4	18.5	18.6	17 9	17 9	20 4	20.6
(in terms of four-wheelers) during the run (tonnes)	MG	7.76	9.00	10.4	11.6	12.5	12.3	13 1	13.3
Average carrying capacity per wagon	BG	21.9	21.9	22.0	21.9	21 9	21.9	†	†
(in terms of four-wheelers) (tonnes)	MG	12.3	14.3	14.6	15.1	15 2	15.2	†	†
Percentage of loaded wagon-kms	BG	69.2	72.0	69.6	68.6	72.6	72.9	70.9	69.1
to total wagon-kms	MG	76.2	78.1	73.7	72.0	74.0	75.3	73.2	73.0

* Based on train documents and are provisional.

† Not available for part of the year.

TABLE XIV(a)—Number of wagons (in-terms of four-wheelers) utilised in moving one million net-tonne kms, per day, expressed in terms of standard carrying* capacity

Year	*B.G.*	*M.G.*
1950-1	1,402	2,771
1955-6	1,125	2,950
1960-1	1,002	2,469
1965-6	1,066	2,040
1969-70	1,087	1,994
1970-1	1,098	1,987
1971-2	1,065	1,928
1972-3	1,056	1,886

* Broad gauge standard carrying capacity is 22 tonnes per four-wheeler; Metre gauge standard carrying capacity is 14 6 tonnes per four-wheeler.

"As in the case of locomotives, the reduction in the number of wagons for given quantum of traffic indicates a saving in capital outlay, etc.

"26. Another measure of the efficiency of utilisation of wagon capacity would be to compare, over a period of years, the net-tonne-kilometres moved per annum per tonne of wagon capacity available. As the unit of comparison is each tonne of capacity and not the wagon as a whole, the comparison would not be vitiated by the increase in the average capacity of a wagon due to the introduction of a larger number of higher capacity wagons, such as the BOX, BOBX and BOBS types, which incidentally has also had the effect of increasing empty haulage. The figures given in Table XIV(b) follow the trend disclosed by the other indices of wagon utilisation discussed in the earlier paragraphs.

TABLE XIV (b)—Net-tonne-kilometres moved per annum, per tonne capacity.

Year	*Broad Gauge*	*Metre Gauge*
1950-1	11,833	9,021
1955-6	14,790	8,497
1960-1	16,558	10,125
1965-6	15,567	12,255
1970-1	15,117	12,583
1971-2	15,626	13,003
1972-3	15,717	13,225

"27. The utilisation per tonne wagon capacity on the Indian railways is compared in the table below with that on certain advanced railway systems of the world:

Net-tonne-kilometres moved per annum per tonne of capacity

Indian Railways (BG) (1972-3)	15,717
British Railways (1972)	3,518
Canadian National Railways (1972)	16,180
Canadian Pacific Railway (1971)	14,845
French National Railways (1971)	7,065
German Federal Railway (1971)	6,694
Italian State Railways (1971)	5,804
Japanese National Railways (1971-2)	20,721
U.S. Class I Railroads (1971)	10,113

Source: Reports of the respective railways and International Railway Statistics, 1971.

"It will be seen from the above figures that utilisation of wagon capacity on Indian railways compares favourably with that on railway systems of other countries."

"28. Track utilisation. The increasing intensity of utilisation of track on the Indian railways is illustrated by the freight traffic density per 1000 running-track-kilometres, as shown below:

Net-tonne-kms. (million) per 1000 running-track kms. per annum

Year	*Broad gauge*	*Metre gauge*
1950-1	1,232	243
1955-6	1,597	356
1960-1	2,189	537
1965-6	2,556	744
1969-70	2,654	783
1970-1	2,605	786
1971-2	2,664	797
1972-3	2,708	805

"The density of freight traffic has by and large steadily gone up on the Indian railways. This is now more than double what it was in 1950-51 on the broad gauge and over three times on the metre gauge.

Traffic density per route-kilometre per annum

(in millions)

	Net-tonne-kilometres		*Passenger-kilometres*	
	Broad gauge	*Metre gauge*	*Broad gauge*	*Metre gauge*
1950-1	1.30	0.25	1 77	0 85
1965-6	3.40	0.76	2 38	1 06
1970-1	3.61	0.81	2 88	1 25
1971-2	3.71	0.84	3.02	1 30
1972-3	3.80	0.85	3 25	1.34

"29. The broad gauge, with a route length of 30,126 kilometres, comprises half the total route length, but handled about 84 per cent of the net-tonne-kilometres of goods traffic in 1972-73 and 73.3 of the passenger-kilometres. During the same year, the metre gauge, with a route length of 25,497 kilometres and forming 42.5 per cent of the total route length, accounted for about 16 per cent of the net-tonne-kilometres and 25.7 per cent of the passenger-kilometres.

"30. The concentration of traffic on different sections of the Indian railways varies widely. In 1972-73, the density (or throughput) was over 10,000 tonnes per day on about 15,020 kms. of route length (roughly 25 per cent of the total). These sections carried about 74 per cent of the total net-tonne-kilometres on the entire Indian railways. The highest freight traffic density was 67,912 tonnes per day on the Son Nagar-Dehri-on-Son broad gauge section of the Eastern Railway. On the metre gauge, the maximum density was about 14,700 tonnes per day on the Katihar-Barsoi section of the Northeast Frontier Railway. Though on a few sections comprising about 1,650 route kilometres the density is over 7,500 tonnes per day, the overall average density on the metre gauge is only about 2,300 tonnes per day.

"31. The average utilisation of the track on the Indian railways compares favourably with that on foreign railways. The traffic density in terms of the total traffic units (namely net-tonne-kilometres plus passenger kilometres) on the broad gauge of the Indian Railways is next only to that on the Japanese National Railways. Comparative figures are given below for the Indian Railways and some of the leading railway systems of the world". (for Table see next page).

On all counts, the Indian railways operating efficiency compare favourably with the best railway systems of the richest countries of the world as admitted by the railway administration themselves. But no where the publications of the Ministry of Railways cited above, have compared the wages of the Indian railway workers with those of these countries. Compared to the richest countries, the Indian railway freight is the lowest and deliberately kept below the cost of transportation by ex-

Total traffic-units (net-tonne-kms. plus passenger kms.) per route km. per annum

(in thousands)

Indian Railways (B.G.) (1972-3)	7,052
British Railways (1972)	2,659
Canadian National Railways (1972)	2,364
Canadian Pacific Railway (1971)	2,641
French National Railways (1971)	2,968
German Federal Railway (1971)	2,796
Italian State Railways (1971)	3,170
Japanese National Railways (1971-2)	12,047
U. S. Class I Railroads (1971)	3,284

Source: Reports of the respective railways and International Railway Statistics, 1971

ploiting the railway workers and at the cost of the people and the country to enrich the monopolists and traders.

Even a tribunal award on working hours of different sections of the railway workers has set 10 to 12 years to regularise the existing inhuman hours of work.

RAILWAY WORKERS EXPLOITED TO FATTEN THE MONOPOLISTS

When the workers or people in general make any demand on the railways for higher wages and lower rates for travel, the railway authorities and government plead lack of funds. They even maintain that workers' refusal to increase productivity leads to a halt in the growth of the railway system and its finances.

We are here giving extracts from the report of the Ministry of Railways for the year 1974, entitled "A Review of the Performance of the Indian Railways" (February 1974) and "Central Facts and Major Problems," February 1974.

The Railways, it says, have to suffer losses in transporting certain goods at rates, which are below the normal cost of transport. We are reproducing below some portion of para 6.15 on pages 16 and 17 of the "Central Facts" on this subject:

"Ad-hoc studies of 70 groups of commodities, comprising 93 per cent of the total originating revenue earning traffic of Indian railways have been made recently. These studies have shown that certain low-rated commodities are carried below cost irrespective of the distance or (because of tapering rates) beyond certain distances as detailed below; the magnitude of the resultant problem can be appreciated from the fact that the originating traffic tonnage which does not pay at all for the entire movement on the different gauges accounts for about 60 per cent (which was 28 per cent in 1972-73—Ed.) of the total revenue earning tonnage originating. This percentage would go up further if the uneconomic tonnage of the commodities which pay only up to specific distances is also taken into account."

(a) Commodities freight on which is so low that it does not pay the cost of the transportation.

On both M.G. and B.G.	*On M.G. only*
1. Coal	1. Gur Shakkar and Jaggery
2. Foodgrains Divisions (A) and (B)	2. Manganese ore
3. Iron ore	3. Safety matches
4. Bamboos	4. Ground-nut oil
5. Bidi leaves	5. Gypsum
6. Bones	6. Salt
7. Charcoal	7. Cotton raw unpressed
8. Firewood	8. Caustic soda
9. Fruits and vegetables	9. Bone meal
10. Sugarcane	10. Edible oils Division (B)
11. Fodder-bran	11. Ground-nut with shells
12. Oil cake (fodder)	12. Tiles common roofing
13. Grass green and dry (fodder)	13. Timber logs
14. Molasses	

(b) Commodities freight on which does not meet the cost of carriage beyond certain distances.

On B.G.	*On M.G.*
1. Bone meal	1. Bricks (common)
2. Cement sheets	2. Bricks (refractory)
3. Edible oils Division D	3. Cement
4. Electrical goods Division C	4. Cement sheets
5. Glassware Division C	5. Groundnut without shells
6. Manganese ore	6. Lime stone and dolomite
7. Matches Safety	7. Oil seeds (other than groundnut)
8. Tiles common (roofing)	8. Pig iron
9. Timber logs	9. Sand
10. Groundnut oil	10. Soda Ash
11. Salt	11. Stones NOC
12. Cotton raw unpressed	12. Sugar

13. Tea
14. Timber-other than logs
15. Chemical manures Divisions A and B
16. Electrical goods Division B
17. Iron and Steel Divisions B & C
18. Iron and steel scrap
19. Paints and varnishes Division B
20. Petroleum Coke
21. Diesel oil
22. Kerosene oil
23. Liquid fuel
24. Other mineral oils nondangerous

Most of these goods are transported at the cost of the state and the people in order to enrich the traders and big manufacturers. As for example the bamboos supplied to the paper mills of Birlas or for the pulp factories. Edible oil transported at a loss to the railways have never benefitted the common man in the prices he has to pay. Fruits and vegetables are transported for the benefit of the big whole-salers and fruits particularly are beyond the reach of the common man. So is the wholesalers stocks of foodgrains. Sugarcane and molasses sent below cost benefit the sugar magnates, not the sugar consumer. As is the case with hundreds of commodities like iron ores and so on.

The Railway administration themselves admit that impact of freight on prices of commodities is negligible.

Para 6.8 on page 13-14 says:

"In this context, a close watch is being kept on the impact of rationalisation of fares and freights on the general economy. A number of economists, both in India and abroad, have emphasized that moderate increases made in the freight rates of industrial raw materials and other intermediate commodities do snow-ball but not to any significant extent as is generally believed. The impact dilutes off considerably for such commodities when they enter into the price of the end-products as inputs.

For example, the freight charges on the quantity of coal required formed 4.13 per cent of pig iron prices, 10.86 per cent of electricity rates and 5.69 per cent of cement prices in 1973. The impact of increase in freight rates of coal during 1965 to 1973 on the prices of these end-products has been only of the order of 0.92 per cent, 3.52 per cent and 1.77 per cent respectively. Similarly, cement constitutes about 13 per cent of the value of total material inputs of the construction sector. An increase of about 33 per cent in the freight rates of cement during 1962 to 1973 formed only about 9 per cent of the increase in the price of cement during this period. Its impact on the construction cost is only of the order of 1.2 per cent."

This policy of fattening the capitalist manufacturers in India and in England was initiated by the British Government in order to rob the Indian economy for the British imperialist interests. Now the British are replaced by the Indian capitalists who are being fattened by the Railway Board and the Government at the cost of the people. It is not for nothing that Railway Board members, who on retirement from government service secure fat jobs from big private firms, who employ them not only as a reward for the service they render to these firms while in government posts, but also because after retirement they are useful in canvassing concessions for these firms through their new pals who follow them. While in service they are "contact men" of the capitalists, after retirement they become "contact men". This para is an open confession of the robbery of our public railway system for the benefit of the capitalist.

Under the heading of "Social Burdens on the Railways" para 6.17 on page 18 says that "the rates for certain commodities like coal, important raw materials and foodgrains have been deliberately kept low in order not to impose too great a burden on the economy. The various social burdens borne by the Indian railways as a public utility organisation are detailed in page 22.

Some may say that the loss on suburban traffic helps the employees who travel for work. Well, let the employers then pay for that travel and not the employees, at the full rate. Why should the whole of the society—that is the national budget—

TABLE II. Social Burdens of the Indian Railways (Estimated)

	Items	(Rs in crores) 1972-73	1973-74
1.	Loss on unremunerative branch lines	7 50	10.98
2.	Loss on coaching services (suburban and non-suburban passenger traffic, parcels, luggage, etc)	63 00	95.06
3	Loss on low-rated freight traffic (e.g. food-grains—49 67 crores, coal—33.25 crores, ores—13 29 crores, fodder—5.40 crores, firewood and charcoal—2.74 crores, sugarcane—2 41 crores, salt—2.18 crores, fruits and vegetables—2.07 crores, bamboos—1.60 crores, gur, sakkar, and jaggery—1.58 crores, limestone and dolomite—0.83 crores, gypsum—0.35 crores, mollases—0.03 crores, etc.)..	55.00	115.40
4	Loss on freight concessions on export trade, relief measures etc	1 56	4 00
	Total	127.06	225.44

suffer for providing cheap services to their employees, to the fattening of capitalism?

RATES OF FREIGHT IN DIFFERENT COUNTRIES

The railway report says that we charge the lowest rate per tonne kilometre compared to other countries.

	Average per tonne kilometre in paise
British Railways (1972)	15.43
French Railways (1971)	13.37
German Railways (1971)	23.17
U. S. Cl. I (1971)	7.95
Japanese Railways (1971)	9.76
Indian Railways (1971)	5.61

(*A Review of the Performance of the Indian Railways*, February 1974, p. 51)

No wonder the foreign as well as the Indian capitalists made huge profits at the cost of the Indian economy and particularly the working class.

Our government transports goods at rates which are lower than the rates in the richest countries in the world They say it is done to encourage industrialisation. That is a false plea It is to give a higher rate of profit to the capitalist and to enrich him at the cost of the country. The transport of matches and leather at low rates has helped the Swedish and Bata combines to make profits while the Indian worker and consumer sweats in paying for them.

This is the result of our anti-people and anti-national and pro-profiteer outlook of those in charge of policies

GROWTH OF PASSENGER TRAFFIC

"Taking a perspective view, passenger traffic has recorded a steady growth in each Plan period since the end of the First Five Year Plan. The average annual rate of growth of the number of passengers (both suburban and non-suburban) has been of the order of 5 per cent in the Second Plan and of 6 per cent during the Third Plan. In terms of passenger kilometres the rate of growth was of the order of 5 per cent during both the Second and Third plan periods. The average annual growth rate since the end of the Third Plan works out to about 4 per cent in number of passengers and about 5.5 per cent in passenger kilometres". (Page 22)

ANALYSIS OF NON-SUBURBAN PASSENGER TRAFFIC

"13.1. *Analysis of non-suburban passenger traffic*—From the point of view of contribution to total earnings from passenger traffic, the non-suburban traffic is by far the more important Forming less than half the total number of passengers originating, non-suburban passenger traffic accounts for about 80 per cent of the total passenger kilometres and yields about 90 per cent of the total earnings from passenger traffic". (Page 24)

"13.2. Excepting the Third class mail and express and air-conditioned chair car, there has been a decline in number of passengers under all other classes. The drop in Third Class ordinary is only nominal and offset by a significant increase in Third class mail and express. The drop in Air-conditioned and First

classes is also marginal. The drop in Second class both mail and express and ordinary should be viewed in the light of the policy of gradual withdrawal of this class of accommodation from trains.

"13.3. Third class ordinary passengers formed 84.8 per cent of the total non-suburban passengers, but contributed only 43 per cent to earnings owing to the comparatively low average rate and lead, the latter being 52.4 kms. against 257 kms. for Third class mail and express. Non-suburban passengers travelling by mail and express trains formed only 14 per cent of the total number of passengers, but accounted for 42.8 per cent of the passenger-kilometres and contributed 44 per cent to earnings owing to the comparatively long lead. Passengers in the upper classes of travel forming only 1.2 per cent of the total number of non-suburban passengers, accounted for about 13 per cent of the earnings, by virtue of the higher average, rate and longer lead, ranging from 390 kms, for Second class mail and express to 975 kms. in the case of the Air-conditioned chair cars." (See Table IX on next page).

SUBURBAN PASSENGER TRAFFIC

"14. The suburban passengers comprise over half the total number of passengers carried by the Indian Railways, but account for only one-fifth of the passenger-kilometres and contribute only one-tenth to the earnings from passenger traffic, owing to the short average lead and the special concessional rates at which season tickets are issued in the suburban areas of the metropolitan cities. About 71.5 per cent of the total suburban passengers avail of the season tickets, which yield to the railways only 44.8 per cent of the earnings from suburban traffic. The average rate realised per passenger-kilometre during 1972-73 on the suburban services was only 1.34 paise against 2.88 paise on the non-suburban services, taking all classes together. The average rate per passenger-kilometre for the suburban season ticket holders works out to only 0.81 paise for all suburban traffic. The average distance travelled by a suburban passenger was 19.2 kms against 84.3 by a non-suburban passenger.

TABLE IX. Classwise non-suburban passenger traffic in 1972-73.

	Air-conditioned class	First class	Second class (mail & express)	Second class (ordinary)	Third class (Air-conditioned)	Third class (mail & express)	Third class (ordinary)	Total all classes
1. No. of passengers originating (in millions)	0.30	5.82	3 29	5.57	0.39	177.99	1075.10	1268.44
	(0.02)	(0.46)	(0.26)	(0.44)	(0.03)	(14.03)	(84.76)	(100.00)
2. Passenger-kilometres (in millions)	168	2,439	1,313	472	382	45,804	56,353	106,931
	(0.16)	(2.28)	(1.22)	(0.45)	(0.36)	(42 83)	(52.70)	(100.00)
3. Earnings (in crores of Rs)	3.44	23.51	8.16	2 34	2 43	135 70	132.57	308 15
	(1.12)	(7.63)	(2 65)	(0 75)	(0.79)	(44.04)	(43 02)	(100 00)
4 Average lead (in kms)	574 4	419.5	389 9	84.7	975.0	257.2	52 4	84 3
5 Earnings per passenger kilometre (in paise)	20.5	9 64	6 21	4 95	6.38	2.96	2 35	2 88

Note: Figures in brackets represent percentages to totals.

Table IX on page 24-26 of the *Review* has been rearranged—Ed.

"46.2. Broadly, while the rates charged per passenger-km/ tonne-kilometre have gone up by 74 and 82 per cent respectively between 1950-51 and 1972-73, the prices of important items of stores have increased much higher, ranging from 99 per cent in the case of electricity tariffs to 259 per cent in the case of iron and steel manufactures. The increase in the case of coal is as much as 150 per cent and that of mineral oils is 130 per cent, while that of cement has gone up by 175 per cent during this period. The per capita cost of staff has gone up by 194 per cent.

"46.3. The percentage of staff costs to total working expenses excluding appropriation to the Depreciation Reserve and Pension Funds, works out to about 60 in the Indian Railways. Cost of fuel forms about 20 per cent of the total working expenses excluding appropriations to Depreciation Reserve and Pension Funds.

"47. So long as the volume of *revenue-earning goods traffic* continued to increase steadily, the economies of scale and the benefits arising out of modernisation and more intensive utilisation of assets enabled the railways to absorb, to a large extent, the increases in costs on account of wages and materials and pass on the benefits to the rail-users by keeping the increases in fares and freight to the minimum. The attempt at absorbing as much of the increase in cost as possible through economies of scale and modernisation seems to have reached the saturation point. Though the *earnings from coaching traffic* (passenger and other coaching) have tended to rise from year to year, the fact remains that there is an overall loss on coaching services which worked out roughly to Rs. 63 crores in 1972-73. Despite marginal adjustments in fares, in 1973-74, the loss is likely to go up further on account of the substantial increase in the wage bill as a result of the implementation of the Third Pay Commission's recommendations, and increases in cost of stores and materials, coupled with the shortfall in traffic. The loss on coaching services is estimated to be of the order of Rs. 95 crores." (p. 50, A Review of the Performance of the Indian Railways, 1974)

And, as earlier stated, the Railways do not put up the rates on goods traffic and continue to enrich the capitalist rate of

TABLE XIX Increases in railway charges vis-a vis prices and wages

		1950-1	1955-6	1960-1	1965-6	1969 70	1971-2	1972-3	1973-4(Est.)
I	Average rate realised per tonne km								
	(Paise)	3 16	3 50	3 87	4 57	5 17	5 61	5 74	5.83
	(Index)	100	111	122	145	164	178	182	184
II	Average rate realised per passenger-km								
	(Paise)	1 48	1 72	1 71	2 28	2 46	2 55	2 57	2 76
	(Index)	100	116	116	154	166	172	174	186
III	Indices of cost—								
	(a) Coal	100	101	141	173	235	242	250	270
	(b) Mineral Oils	100	110	126	160	192	220	230	256
	(c) Electricity	100	100	121	156	180	193	199	203
	(d) Iron & Steel Manufactures	100	142	177	219	275	317	359	393
	(e) Cement	100	141	151	203	241	264	275	287
IV	Per capita cost of employees								
	(Rs)	1,263	1,476	1799	2,331	3,137	3,593	3,714	4,174
	(Index)	100	117	142	185	248	284	294	330

(Ibid p 50)

profit. They only keep on complaining about wages and passenger fares. Hence the struggle for higher wages and lower hours of work has to continue.

DIESEL AND ELECTRICITY

In order to know how vital it is for India to have oil and electricity for rail movement, one has to see how far we have moved away from coal and steam engines and how much of haulage is done now by Diesel and Electricity. In 1972-73, the percentage figures to total as calculated from Table XI on P. 30 of "A Review of the Performance of Indian Railways" (February 1974) is as follows:

1. Percentage of total gross-tonne kilometres (including departmental) operated by

	Passenger	*Goods*	*Combined*
(a) Diesel Traction	14.90	50.25	58.54
(b) Electric Traction	15.56	21.88	

	Diesel	*Electric*	*Combined*
2. Percentage of net tonne kilometres of freight traffic operated	52.36	23.11	75.45

The total route length of the three gauges on Indian Railways and their proportion to total during 1972-73 was as follows:

Gauge	*Route Length* (in kms.)	*Percentage to Total*
Broad	30,126	50.1
Metre	25,547	42.5
Narrow	4,476	7.4
Total	60,149	100.0

(Ibid. page 32)

In addition to low freights, substantial compensation was paid for losses and pilferages in transit.

The gross amount of compensation paid during the last five years was as follows:

	(In crores of rupees)
1969-70	11 81
1970-71	13 11
1971-72	13 54
1972-73	13 22
1973-74 (Estimated)	13 18

(*Central Facts and Major Problems*, February 1974, p 49)

"It would be of interest to know that, during 1972-73, 19 8 per cent of the total compensation paid was on grains and pulses, 8.2 per cent on sugar and jaggery, 3 4 per cent on tea, 1 8 per cent on spices, 1.8 per cent edible oils and 5 0 per cent on perishables. In other words, nearly 40 per cent is paid on these articles of human consumption which are more prone to thefts and pilferages." (Ibid, page 50)

COMPENSATION PAID ON SELECTED COMMODITY GROUPS

	Commodity groups	Amount paid as compensation (Rs lakhs)	Percentage of claim to total freight earnings
1	Grains and Pulses	243 10	3 64
2	Sugar and Jaggery	100 63	6 78
3	Coal and Coke for public	122 42	0 98
4	Oilseeds	62 83	7 78
5.	Fruits and Vegetables etc	62 04	15 24
6	Cotton Manufactured	70 04	23 26
7	Iron and Steel	102 52	1 25
8	Tea	41 44	12 71
9	Spices (provisions)	19 70	2 72
10	Vegetables and other edible oils	21 99	3 70

(Ibid, Table XX, Page 50)

APPENDIX I

ALL INDIA TRADE UNION CONGRESS
and
INDIAN RAILWAY WORKERS' FEDERATION

24 Canning Lane, New Delhi 1 Tel : 387320/386427
Grams : AITUCONG

9 April 1974

To all State Committees and General Council Members of AITUC
To all unions of the IRWF
To all railway unions affiliated to the AITUC

SUBJECT : Railway Strike

Dear Comrades,

The AITUC, which had participated in the National Convention of Railwaymen along with the other national TU centres and railway federations and unions, had forwarded to the railway ministry, the demands adopted by the National Convention of 27 February 1974.

Soon after, when the Indian Railway Workers' Federation was formed, they also forwarded the demands adopted by the National Convention to the Railway Ministry and also the Labour Ministry of the Government of India.

Since then the AITUC and the IRWF leadership had meetings with the Railway Minister and the Labour Minister with a view to impressing upon them the need to urgently take up the question of negotiations on the railwaymen's demands with all concerned, that is, with the AIRF, the NFIR, the IRWF and the All India Railway Employees' Confederation (of the category-wise unions) as also those category unions who may not be in the confederation.

The stand of the government spokesmen as reported in the Press that the railwaymen should talk only through the outmoded PNM machinery or only through the two federations and their recognised unions or through the joint machinery of the central government employees was not calculated to bring about a speedy settlement of the issues and would inevitably lead to a general strike.

The attitude of the AITUC general council, which met in Delhi from 27-29 March and also of the executive members of the IRWF was that if the government and the railway authorities stuck to the dead ritual of who is or is not entitled to speak and negotiate with them, there would

be no satisfactory settlement and a strike would be forced on the workers, whether by total stoppage or by work to rule. The confederation of category unions and some categories who are not in it, viz. the locomen, have already announced their decision to "work to rule" from 15 April, which in effect leads to a critical position if not a total stoppage of the system.

As a result of efforts of all concerned both from the side of the workers and the government certain steps have been set in motion, in order to open talks and negotiations both in an informal and formal way.

However, though it will be our endeavour to bring about a settlement and avoid a strike, one cannot predict the outcome of the talks. If a strike is forced on the workers by the bureaucratic attitude of the government and particularly the obstructive postures of the Railway Board, the workers will certainly not hesitate to fight for their just demands.

The press reports say that government is already moving the territorial army or the pensioned-off employees and other agencies to help in running the railways and fight the strike if it materialises.

The unions of the AITUC and the IRWF do not require to be told what to do to put their organisation in trim. Large-scale arrests and coercion to drive the workers from their quarters to go to work is bound to take place. And workers are bound to resist such coercion by their solidarity and united strength. Experience of the past is enough to tell them how to defend themselves.

At the same time, looking at some of the new trends that have appeared in the recent period in the strikes and protest actions of the people, the AITUC and the IRWF think it necessary to warn the workers against certain practices, which are used by some "doubtful" elements, which really do not belong to the working class, or the popular forces of the movement. The practices are alien to the working class movement and we should try to avoid them. We may give some directives on this question and the workers should pay close attention to them.

1. We should resist attempts to set fire to railway stations, wagons and coaches.
2. We should not permit sabotage of machinery or looting of goods, etc.
3. We should not allow tampering with the track, as it may lead to loss of lives, if a train happens to go by it.
4. We should not leave passenger trains half way but reach them to the nearest station, so that passengers, particularly women and children, are not left stranded or forced to walk long distances.
5. All categories should act together and support each other and not leave each one to itself.

A strike is always a serious battle and the government machinery uses all forces to crush the workers. In fact, they treat it almost as a war, in which even women and children of workers are harassed.

But for that reason, the working class cannot give up its principles

and code of conduct as a class, which is superior to its moral and behavioural values to that of the exploiting classes and their governmental power.

Some people may argue that the strike as a weapon of class struggle is an incident in a "civil war", in which the government even brings the army into action. Then why should not the workers also use all the tactics of a "class war" or "civil war"?

Anyone can see that this or any big strike anywhere in present conditions of our struggles and the country's political set up, in which there is still scope for democratic processes, we cannot speak of "civil war" conditions and then apply the so-called "revolutionary forms" of resistance as some term the acts of station-burning, track lifting, etc.

There are occasions when police provoke clashes even with a peaceful strike or procession or take blacklegs in a lorry, thereby tempting people to resistance by all means. But we are not dealing in this note with such acts and situations or with the question of violence and non-violence or theory or tactics of "peaceful and non-peaceful struggles". We are just limiting ourselves to certain types of actions in a strike.

For instance, in one bandh in Bombay called by a certain organisation (not TU) milk booths supplying milk to the city and hotels were set on fire. On another occasion, where drivers had not responed to the call of a total strike, the buses were sought to be stopped in one city by burning a bus and throwing crackers and bombs at passengers.

It is to put us on guard against such things that this circular is being sent. The working class fights in principle against the propertied classes and not property as such, which we, as workers, have to take hold of ultimately and use it for society. It is the lumpen class in bourgeois society that believes in destroying property and is used by the bourgeoisie against our movement.

A strike action is meant to stop the use of an arm of production or service by the exploiters for profit by our going on strike and not against the existence of property as such.

In the recent period, some people have ceased to separate acts of vandalism by the degenerate lumpens let loose by reactionary parties or leaders from the acts of genuine resistance by angry democratic masses.

Hence, to save our action or working people from being used by reactionary or pro-imperialist agencies for their nefarious game, we have felt it necessary to issue this circular. Unions are requested to circulate it, discuss it and act upon it with full political and class understanding on the most crucial TU and economic front.

With greetings,

Yours fraternally,
Parvathi Krishnan
Secretary, All India Trade Union Congress
P. K. Kumaran
General Secretary, Indian Railway Workers' Federation

APPENDIX II

INDIAN RAILWAY WORKERS' FEDERATION

LIST OF OFFICE-BEARERS :

President : S. A. Dange

Working President : Parvathi Krishnan, M.P.

Vice-Presidents : i) M. Kalyanasundaram, M.P.
ii) Sarjoo Pandey, M.P.
iii) Ram Avtar Shastri, M.P.
iv) Ch. Sivarama Sharma

General Secretary : P. K. Kumaran

Joint General Secretary : Sri Krishna

Secretaries : i) Roza Deshpande, M.P.
ii) J. M. Biswas
iii) K. Gopinathan

Treasurer : B. R. Shivankar

MEMBERS OF THE WORKING COMMITTEE

A. Bhuphathi, Madurai
Narayana Swamy, Guntakal
K. Chandra Sekharan, Cochin
Achuthan, Golden Rock
Sri Ramaswamy, Mysore
Satyanarayana, Hyderabad
Singh, Vijayawada
Lalaguda
Hubli
Sharma, Jaipur
Nadhi, Delhi
Singh, Dadar
Shrivastava, Amritsar
Singh, Tundla
Gorakhpur
16. Jai Narain Singh, Sonepur
17. Ram Pravesh Ram, Gorhara
18. J. P. Upadhya, Lucknow
19. Ram Balak Singh, Patna
20. Ramesh Das, Sealdah
21. S. B. Guha, Calcutta
22. Ram Jiwan Mandal, Jamalpur
23. Jyotirmoy Biswas, Maligaon
24. B. K. Bose, Pandu
25. Nimai Das Gupta, Katihar
26. Nathu Ram Yadav, Nagpur
27. R. Dakshina Moorthy, ICF, Perambur
28. A. Bhoopathy, Perambur
29. Biswanath Roy Choudhary, C.L.W.