Chapter 8
SUMMARY AND CONCLUSIONS

Transport – the very basis of modern civilization – has become largely synonymous in India with the Railways. Rail transport serves as a crucial instrument in influencing the economic destiny of the nation. Railway facilities greatly influence the course, volume and structure of economic activity. Development schemes and their successful implementation depend largely upon the extent and quality of such facilities. During the last six and halts decades, especially Indian Railways have been facing intense competition with the road transport. Further, the need for improvement in quality of service, effecting economy in revenue and capital expenditure, carrying out programmes of modernization and renovation, cost consciousness, improvement in railways competitive activity vis-à-vis other forms of transport etc., to improve the Railways’ working and their efficiency are urgently called for. But all these can be achieved largely through bringing out effective Human Resource Management in Indian Railways.

The attitude and effectiveness of the employees are considered to be the most important elements in solving questions of public relations and operating efficiency of Railways. The enthusiastic and efficient railway employee speaking and acting as a loyal adherent to the organisation is the greatest possible instrument for public good will. This desire for a loyal service can only
be stimulated by taking steps which promote the welfare and interests of the employees.

Harmonious relations between the administration and labour are also essential in view of the fact that railways must run 24 hours a day and for three hundred and sixty five days in the year, operations must be continuous. The demands and the necessity of transporting passengers and freight are such that any interruption in service (due to labour trouble) results in serious hardships and must be avoided at any cost. The consequences of the strike (July 1973) by loco staff are to be considered in this context. The possible adverse effects of the all-India strike – one in July 1960, in other in September 1968 and the third in 1974 have also to be considered. Frequent industrial conflicts not only affect the management and labour but also tend to impoverish the community as a whole. They affect production and national income. They lead to wastage, foment class hatred, embitter mutual relations and inflict damage on the progress of the nation.

But, the management of labour, especially in a democratic society, like that of India, is a highly complicated and difficult task. It is more difficult and complicated than the management of other factors of production. This is because of the fact that people are essentially self-managing. They themselves decide about the nature, time and place of their employment (of course, subject to the society’s policies and objectives). And the industry can thrive only when employers adopt such policies as are suited to the legitimate aspirations,
ambitions and capacities of these people. Further, in the present day industries, where principles of democracy influence the management of labour, many novel schemes which envisage participation and voluntary cooperation by intelligent and informed employees have had to be introduced. But the key to industrial peace lies ultimately in a changed outlook on the part of workers and employers. The relationship between employers and employees should be conceived of as 'a partnership in a constructive endeavour to promote the satisfaction of the economic needs of the community in the best possible manner.'

A historical study of the evolution of Government's attitude towards industrial relations reveals that only since Independence has the Government's encouragement of the aspirations of labour been intensified. India's Five Year Plans have rightly recognised the worker as the principal instrument in fulfilment of the targets of the plan and in the achievement of economic progress, generally. The First Five Year Plan has clearly demonstrated the fact that "an economy organised for planned production and distribution, aiming at the realization of social justice and the welfare of masses can function effectively only in an atmosphere of industrial peace". The whole outlook and objectives of industrial relations and labour policy underwent a radical change. While retaining the necessity of satisfying labour (by paying adequate wages and by providing satisfactory working conditions), the Government have during the past few years placed increasing emphasis on the participation of labour in the management of undertakings. According to the Second Five-Year Plan, industrial democracy is a
prerequisite for the establishment of a socialist society. The Third Five-Year Plan envisaged further extension of the participation of labour in management. Further, the Government have pledged themselves to the evolution of a socialists pattern of society by following a policy of progressive reduction of the concentration of income, wealth and economic power through appropriate policies and institutional changes. However, it was opined that the managements in India have been slow in changing their approach towards harmonious labour management relations. There is a strong belief among not only union leaders and Government but also among some progressive employers, that many managements in India are more authoritarian in their relationships with labour and supervisory personnel. But changes in management's thinking and organisation to deal more effectively with industrial relations are inevitable in India under the impact of an increasingly articulate labour movement, a Government which supports the aspirations of industrial labour, the development of professionally trained management and lastly due to the influence of western practices in the field of labour management relations. To what extent this change in the outlook is reflected to Indian Railways, the biggest industry in the country, is quite interesting and necessary to know.

The Railway administration is also the largest employer of organised labour in India and their working policy as regards wages, terms of employment and their working conditions influences to some extent the conditions of industrial labour throughout the country.
Indian Railways is also the largest industry with unions membership scattered all over India belonging to different economic backgrounds, educational levels and different ethnic groups. The study of trade unionism in railways helps to determine the unions’ role in moulding the industrial relations which may be taken advantage of by unions belonging to other industries.

THE STUDY:

The purpose of the present study is to conduct a dispassionate enquiry with a view to analysing the factors which have influenced the industrial relations over the past 10 years (1990-2000) in Indian Railway Systems (excluding independent and manufacturing units) from the standpoint of the possibilities of developing harmonious relations between the management of Railways and those who serve them in the various labour capacities. In fulfilment of this objective, a close study has been made of all aspects of industrial relations in Indian Railways, in an endeavour to ascertain the nature of problems they present and to suggest lines along which a solution of these problems may be sought. The position prior to Independence is also studied with a view to appraise better the changes during post-independence period.

OBJECTIVES OF THE STUDY

The objectives of the present study are seven fold in character:

They are;
1. to analyse the importance of Human Resource Management in South Central Railway and to highlight the Human Resource Management policies practised by South Central Railway.
2. to appraise the Human Resource Planning in South Central Railway.
3. to describe the recruitment pattern adopted in the programme of placement in South Central Railway.
4. to assess the Human Resource Development and training practices and programmes of South Central Railway.
5. to evaluate the pay and other allowances and other Reward Management Practices in South Central Railway.
6. to examine the Human Relations in South Central Railway and to review the functioning of trade unions and their contribution to sound industrial relations, and
7. to offer suggestions and conclusions for the reorganization and re-orientation of Human Resource Management in South Central Railway.

METHODOLOGY

The present study is based on both secondary data and primary information. The secondary data was collected from the records of the administrative offices of South Central Railway zone, its Divisional Offices, and
its other related offices. The Annual administrative reports, the General Manager periodical performance reports, office files, circular and orders, relevant Acts, service regulations, delegation of powers, recruitment rules and various reports and publication of Indian Railways and South Central Railway as well as reports of various study teams and consulting agencies were also made use of. Further, various books and journals pertaining to the theory and practice of Human Resource Management, Transport Management, Indian Railways were also studied. Data was also collected from Railway Institutes, offices of trade unions and railway employees unions, University Libraries and institute of public enterprise. Finally, the national and regional newspapers, brochures, pamphlets and other published and unpublished literature on the subject were also studied.

The primary data was collected by means of on-the-spot studies, observations, and interviews. To make on the-spot study of working of various wings of South Central Railway personal visits were made to Central Office, Divisional Offices and other related offices. A well structured questionnaires were also prepared and made available to various officers and employees of South Central Railway and necessary information was collected. Personnel interviews were conducted and discussions were also held with officials recognized trade union leaders, and employees. Thus, both qualitative and quantitative approaches were adopted to collect and analyse the data.
Indian Railways has a total number of 15,77,192 employees working all over India. These employees are grouped as Group A, B, C and D. The break up of employees are as given below.

**GROUP-WISE AND DEPARTMENT-WISE BREAK-UP OF RAILWAY EMPLOYEES AS ON 31.3.2000 VIS-À-VIS 31.3.1999, IS AS FOLLOWS**

<table>
<thead>
<tr>
<th>Group-wise break-up</th>
<th>As on 31.3.1999</th>
<th>As on 31.3.2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group A</td>
<td>7,815</td>
<td>7,722</td>
</tr>
<tr>
<td>Group B</td>
<td>6,740</td>
<td>6,863</td>
</tr>
<tr>
<td>Group C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Workshop &amp; Artisan</td>
<td>3,32,842</td>
<td>3,37,096</td>
</tr>
<tr>
<td>(ii) Running</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(iii) Others</td>
<td>87,885</td>
<td>87,572</td>
</tr>
<tr>
<td></td>
<td>4,79,325</td>
<td>4,83,935</td>
</tr>
<tr>
<td>Group D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Workshop &amp; Artisan</td>
<td>1,69,740</td>
<td>1,73,433</td>
</tr>
<tr>
<td>(ii) Others</td>
<td>4,94,087</td>
<td>4,80,571</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>15,78,434</strong></td>
<td><strong>15,77,192</strong></td>
</tr>
</tbody>
</table>

Source: Indian Railways Annual Report and Accounts 1999-00

There are as many as 1,25,706 employees working as on 31.3.2000 in South Central Railway. The details of the employees are as follows.
A sample of 300 employees representing all A, B, C, D Groups were selected for the study. Each group of employees represents 75 employees.

Two possible methods have been adopted for this study. One is to embark on a tour on Indian Railways to ascertain the significant changes in industrial relations by personal observation and by eliciting the views of and holding discussions with railwaymen, their unions, the management and members of the public interested in harmonious industrial relations in Railways. It would be thus possible to formulate conclusions regarding the features, the reasons therefor and the remedial measures on the basis of the information collected.
The other method is to collect data on different aspects of industrial relations, and to make a detailed statistical analysis of their causes and consequences in order to assess the patterns and trends of their incidence so as to locate the factors responsible for their existence.

After weighing the implications and prospects of the two methods, it has been decided to follow both the methods so that the statistical information collected from records and reports of Railway administrations, federations and from various Railway Centres may be supplemented by the personal observation and also the evidence collected from the railwaymen, their unions, management and the public. For this purpose, two informal questionnaires – one for labour leaders and the other for management representatives have been used. The leaders of both the Federations – All India Railwaymen's Federation and National Federation of Indian Railwaymen – and of their affiliated zonal unions have been covered in this interviewing programme. In selecting the management officials for this purpose, mostly the people who are concerned with the administration of programmes of industrial relations – like personnel officers and assistant personnel officers – have been chosen. The works manager who is the executive head in the workshop and who has got much to say about the employees working under his management, has also been chosen for this purpose. In addition, the officials of Railway Board have also been contacted.
In addition to this field work, reports and books available in various libraries and Railway Board have also been made use of.

This study is not claimed to be an exhaustive study of the industrial relations in Indian Railways. Railways are both extensive in area and complex in structure. They are stretched over thousands of miles and as such their hundreds of different categories of employees are widely scattered geographically. They are profoundly affected by varying conditions of locality and the individual practices of Railway systems. Probably no other industry experience in the nature of things, a more difficult problem in the management and coordination of its working forces as Railways. As such, an accurate picture of the existing relations between management and labour could not be drawn without a more detailed investigation of the specific conditions prevailing at different places on different lines, workshops, locosheds and on different Railway systems, than a non-official and an individual's inquiry could undertake. Further, the literature available on Indian Railways, especially in the field of labour-management relations, is surprisingly very limited. However, within the limits of time, finance, information and other facilities available, every effort has been made to collect, study and evaluate the situations as accurately as possible.

The Indian Railways is not only the biggest public utility concern but also the biggest public sector undertaking with an invested capital of over Rs.29,655 crores and an employment of nearly 1,577.2 thousands of people. As
such, it is no exaggeration to say that the success of labour policy in the public sector could be expected to depend largely on to what extent it is effectively implemented in the railways. Further, the harmonious relations between labour and administration in the Indian Railways in general and South Central Railway in particular are of great importance as they play a crucial role in the economic destiny of the country, as the principal means of transport carrying over 80 percent of goods traffic and more than 50 percent of passenger traffic. It may be noted here the co-efficient of correlation between the freight traffic handled by the Indian Railways and the national income is higher than that of the Roadways.

The Indian Railways have developed significantly during the planning era in terms of route kilometrage, number of locomotives, coaching stock, wagons, electrification of railway lines, etc. The South Central Railway which came into being in 1966 also fell on line with the Indian Railways in all the development parameters.

ORGANISATIONAL FRAMEWORK:

The administrative control of railways in India has been entrusted to a Board in 1905. Since then, several changes with regard to the composition of the Board have taken place. The present Board consists of a Chairman and Five Members also one Financial Commissioner. There is a strong demand from labour as well as the public to entrust Railways to an autonomous corporation,
which would, as rightly observed by the Indian Railway Enquiry Committee, be in the interests of more efficient working of the railways.

The South Central Railway with the General Manager as its Chief Executive Officer has been organised with a separate branch to deal with personnel matters has been created and alongwith a Railway Recruitment Board. This personnel branch has been expand from time to time and it now consists of a number of Personnel Officers, Asst. Personnel Officers and Welfare Inspectors to deal with various personnel aspects. However, a separate cadre of personnel officers has not yet been developed. This makes specialisation difficult and in the complexities of the present situation when personnel problems are receiving increased attention allround, it is certainly a desideratum to have a specialised personnel cadre so as to complete continuity in the execution of policies formulated from time to time to the fullest satisfaction of the organisation and its employees.

**SELECTION OF EMPLOYEES:**

The selection and development of efficient and effective work force is one of the most important activities of any undertaking so is in South Central Railway. The selection of personnel of Railways is made principally through (a) Union Public Service Commission (for recruitment to the Officers' cadre, (b)
Railway Service Commissions (for recruitment of Class III Staff) and (c) Railway Administrations (for recruitment of Class IV Staff).

The intake of officers to Class-I Service by the absorption of temporary officers and by promoting Class-II officers to Class-I and the retirement figures of Class III and IV services were observed to the fluctuating from year to year during the study period. These fluctuations indicate the absence of proper planning of manpower in the past. This was also confirmed by the Railway Accidents Committee. The ban on recruitment for Class III and IV services was found to have shortages in the strength of various Categories particularly of operating staff. The Railway Board explained that this deficiency was due to the existing procedure of recruitment through Railway Service Commissions. The Railway Accidents Committee found fault with both the Railway Service Commissions and certain Railway administrations for these shortages. It is felt after careful examination of the existing procedures of recruitment adopted by the Railway Board Service Commissions, that there was considerable scope for improvement.

In the past the Federation expressed fears as to the possible adverse impact of dieselisation, electrification and other technological changes on employment. In the light of these changes which made much headway so far, Indian Railways and the South Central Railway had to keep in view the effects on the employment of existing personnel so as to minimise unhappy situations.
In the interest of developing disciplined and loyal working force reserved a certain percentage of posts in Class III and IV categories to the children of Railway employees who have put in at least 15 years of faithful and efficient service. This is also be in conformity with the recommendations made by Indian Railway Enquiry Committee and the Railway Accidents Committee.

The problem of transfer on the Indian Railways and as well as in South Central Railway has become a potential source of friction between employees and administrations. It was the frequent complaint by labour that the transfers were effected mostly neither to the benefit of the organisation nor the employees. Further, the periodical transfers recommended by the Railway Corruption Enquiry Committee were not given effect to strictly according to the procedure laid down. But as a result of the persistent demand made by both the Railway Federations for the last few years, the Railway Board finally decided to modify the instructions regarding periodical transfers with a view to mitigating the hardships caused to employees to some extent.

Though the allotted quota in respect of promotions from Class II to Class I had not been fulfilled before fifties subsequently there was an improvement. The erratic rate of recruitment to Class I service was found to have affected the rate of promotion of Class II officers, Class II posts are entirely filled up by promoting Class III employees after examining the service and confidential records and after holding an interview by the selection boards. The
rules in respect of promotion to Class III selection posts have been modified by eliminating marks for seniority. This caused resentment among employees. Though the rules in respect of promotion of Class IV employees, in the beginning were rather restrictive and in certain categories there were no chances of promotion at all, with the implementation of some of the measures suggested by the Class IV Staff Promotion Committee, the position has improved since sixties. The percentage of suitable Class IV Staff promoted to Class III posts varied from 15% to 18% on many Railway systems including South Central Railway. However, the labour leaders are not satisfied with the promotional opportunities of Class IV employees. Certain factors like introduction of incentive scheme in Railway workshops extension of the age of retirement, restriction of the strength of unskilled staff in workshops are found to have affected adversely to some extent these promotional opportunities.

The provision of reservation provided to the Scheduled Castes, Scheduled Tribes both in recruitment and promotions no doubt created a kind of irritation among other employees but this constitutional safeguard had no doubt contributed for the socio-economic development of these weaker sections in Indian Society.
LEAVES AND ABSENTISM:

The rules regarding leave have been liberalised by the recommendations of First and Second Pay Commissions. Leave can be earned during the period of service and not during the period of the duty only. Further leave salary is to be calculated on the average of ten months of duty and not 12 months of July as it was before. The percentage of leave reserve has also been raised by the Railway Board. But it was found that the South Central Railway administration has not strictly adhered to the directive of the Board to raise the percentage of leave reserve in some categories like engineering gangmen. Consequently in the absence of sufficient leave reserve, the staff were frequently refused leave; and in some cases where leave is sanctioned they could not be relieved for want of a relieving hand. It was also found that leave reserve for some categories of Class III was provided of Class IV. The rate of absenteeism varied from 13 to 17 in railway workshops. Sickness is found to be one of the major causes of absenteeism. The rate of sickness had gone up from 1078 to 1426361 during 1964-65 to 1999-2000. The number of retired persons also reduced from 2512 in 1998-99 to 1779 in 1999-2000.

We often hear from management, labour unions, committees and commissions appointed by the Government that there had been a lowering in the standards of discipline amongst railway staff since independence. No changes have been made since Independence in the disciplinary procedure to suit the...
requirements of a welfare state. The disciplinary rules are found to be not reasonable in some cases. The penalties imposed in some cases are found to be not corrective in purpose and proportionate in their application. There was also an undue delay in the finalisation of disciplinary enquiries. The average number of days more than two months taken for acceptance of findings of the enquiry committee was and for the finalisation of disciplinary action was also more than two months as against the targets of 27 and 63 days respectively as laid down by the Railway Board. The supervisors are also found to be responsible for lowering of standards of discipline among the staff. It should also be kept in mind that this deterioration in the standards of discipline is more influenced by external factors such as political situation, rising cost of living, increasing family burdens and general deterioration of discipline among industrial labour in the country.

ACCIDENTS:

The railways being the most important transport in this country, the public expects railwaymen to work with utmost efficiency and therefore an accident on railways receives so much criticism in the press and the Parliament. It is, therefore, necessary to balance the demand for safety with the demand for quickest and faster movement of traffic. Further, the cost of accidents on the railways is substantially high as it includes a number of items. Independence, there had been a steep fall in the total number of accidents on the Indian
Railways from 22,637 in 1947-48 to 6,848 in 1964-65 and 223 in 1999-2000 and in South Central Railway it was only 29 due to human failure perhaps due to the sustained efforts made in recent years. The failure of railway staff also was found to have been responsible for accidents every year. The Railway Accidents Committee also confirmed the responsibility of the human failure for a good number of accidents. Various measures – punitive and psychological are taken to minimise these human failures. But, they do not seem to have taken adequately into consideration the human aspects of the problem. A change in the present approach in investigation about the causes of accidents from trying to establish the guilt and fix the responsibility to an understanding of the circumstances under which the accident occurred is called for. The major important factor responsible for a large number of accidents was found to be failure of mechanical equipment and other anti-social elements like terrorists, naxalites etc.

Accidents are one aspect of railway working which affect the railwaymen’s life the most. They know it very well that even the slightest negligence on their part is like committing suicide as they are the first to become casualties themselves in a railway accident. It is, therefore, not only logical but natural that the only target of safety for railwaymen in Zero defects and Zero Accidents. Safety for them is their creed.
It is most unfortunate that they are forced to work in hostile circumstances, under heavy burdens, under rest, against safety rules, long loads without sufficient brake power, poorly maintained engines, goods, coaching, EMU rolling stock, on a hazardous permanent way, with many vacancies even in safety categories unfilled, inadequacy of even vital stores and material, dingy and dirty running rooms etc.

The Government has now appointed a Safety Review Committee under the Chairmanship of retired Justice H.R.Khanna to review this vital aspect. But, we would say what is the use of appointing committees when the Government does not implement their recommendations and their fate is gather dust in Railway Board's cupboards. After independence, three committees were appointed, i.e., Kunzru Committee, Wanchoo Committee and Sikir Committee, but their recommendations were not implemented and avoidable disasters hit again with greater fury. The Part-I of the Report of Railway Safety Review Committee, 1998, headed by Justice H.R.Khanna (Retired) was submitted in August, 1999 to the Railway Ministry.

It is heartening to note the frequency rate of injuries in workshops on all railways was declining gradually during the study period. The rate of employees killed and injured is also found to have declined. This was perhaps due to the introduction of several measures preventive as well as curative to deal with accidents in workshops. The accident frequency rate in railway workshops,
is found to be lower than the overall frequency rates for all industries in the country. Further, the frequency rate of non-fatal injuries to employees (open line, workshop and construction) on Indian Railways had been declining since 1956-57 and it was lower than the frequency rate of non-fatal injuries in all other industries in the country. But the number of attacks due to diseases has increased.

Incentive plans such as suggestion system, joint councils, incentives to ticket checking staff, awards for punctuality of trains, cleanliness of station premises, efficiency shield, incentive scheme in railway workshops, etc., have been introduced with a view to stimulating interest among the employees in their jobs. But the results of the suggestions scheme were not commensurate with either the number of employees or the magnitude of work that was being performed. This indicates the necessary of taking certain steps to made the scheme more popular and attractive. The meetings of Joint Councils in South Central Railway were not being held regularly as per the procedure laid down. The incentive scheme provided to ticket checking staff might have its own influence on the increase in the number of as well as amount realised from cases of ticketless travel and unbooked luggage during the study period. The percentage of trains arrived in time had gone up on both broad guage and meter guage during the period under study. Cash prizes awarded for cleanliness of station premises was found to have materially contributed to the maintenance of cleanliness at the stations. Cash awards are presented, half-yearly, to the best
drivers and firemen on each division who economise consumption of coal. Incentives are also provided to the employees/apprentices for acquiring higher or additional professional qualifications.

With a view to making use of the existing resources of finance, materials, plant, machines, buildings and manpower to the maximum extent, an incentive scheme has been introduced in all the railway workshops in 1959. This scheme enabled the workers to earn more than 25% of their standard wages as bonus per month. It had also resulted in increasing workers' productivity by more than 49%. The necessity for overtime working had also been reduced. The workshops had increased their capacities and undertaken new lines of production to utilise fully the staff that was declared surplus in various sections of the workshops. The number of staff required per unit repair of locomotives, carriages and wagons had come down. The increase in productivity in railway workshops who are reflected on the speed of turning out repair work. The cut in overhauling time of the rolling stock due to the implementation of incentive scheme in workshops, made it possible to increase the number in service without purchasing the new rolling stock. Thus this is the way in which better utilisation of existing equipment may serve as an effective alternative to new investment. However it was complained by the representatives of labour that the scarcity of raw materials, shortage of spare parts and the supply of substandard tools stood in the way of achieving still higher production and benefit from the scheme.
TRAINING AND DEVELOPMENT:

Training is a practical education in any profession. There is a greater need to update the officers as well as the employees of any public sector undertaking like Indian Railways so that they may lead the organisation with confidence and strength towards realisation of its avowed objectives. The training and development programmes adopted in Indian Railways as well as South Central Railway have proved to be effective and result oriented as is revealed though the evaluation of the performance of Indian Railways and South Central Railway in terms of Passenger Kilometres, Net Tonne Kilometres, revenue generated on the whole as the revenue generated per employee. The training institutions both at Central as well as zonal levels have been equipped with adequate facilities and qualitative faculty and are catering to the needs of every type of employee. Depending upon the course module, periodicity and duration has been fixed by the centre and accordingly training is imparted over the last decade. Further, the training modules, and methods have also been changed depending upon changing needs and requirement. However, it is need and necessity that the Railway Board should take further initiative to invite experts from various other training institutions functioning in foreign countries so as to make use of their expertise in training Indian Officers as well as the employees.
COMPENSATION MANAGEMENT:

Since the establishment of Indian Railways there were too many grades in scales of pay and men were blocked for years in lower grades until vacancies occur in the higher grades. With the appointment of Five Pay Commissions, the then existing Pay Scales were revised and the grades were reduced to necessary grades which kept the employees at their eligible and suitable places.

Payment of dearness allowance has been started for the first time in September 1940, and since then, the rates of dearness allowance have been revised from time to time. But there is lack of a definite policy on the part of the Government in tackling the issue of adequate compensation for employees to meet the rising prices, and the failure of the Government to check the price level created discontentment among railway labour and other government employees.

In addition to the dearness allowance, the railway employees are also getting certain other allowances like night duty allowance, overtime allowance, rest allowance, etc. But for these allowances, the real earnings of employees would have gone down.
CONSULTATIVE MECHANISM:

Healthy and cordial relations between the management and the unions and among the unions is highly required in a labour-oriented organisation like South Central Railway so as to enable it to accomplish its objectives. Industrial unrest in the railways is mainly due to want of pay revision, for enhancement of Dearness Allowance and other service grievances, delay in confirmation of temporary staff, anomalies in pay structure and so on.

Staff councils had been introduced on Indian Railways as early as 1923 as an experiment in joint consultation. They had been setup at all important stations, at divisional level, at zonal level and also in workshops. But, the performance of the staff councils, as indicated by the number of the meetings held, nature of subjects discussed, nature of disposal of the subjects discussed and the manner of conducting meetings, was not encouraging and due to certain inherent drawbacks they could not function effectively. The unions also opposed the continuance of this machinery and as a result, the railway Board decided to abolish these councils in July 1967.

A negotiating machinery on a permanent basis has been set up on 1st January, 1952. The machinery, whose object is to maintain contact with recognised unions and to settle disputes which may arise, functions at four levels - divisional, zonal, board and at tribunal levels. The efficiency of the machinery
as reflected by the number of meetings, the nature of subjects discussed and the manner of disposal of subjects—was not up to the mark. The reply of the administration to most of the items discussed was either 'under consideration' or 'agreed to consider'. The spirit of give-and-take was found to be absent in the proceedings of these meetings. No doubt, the PNM offered a very good opportunity to both administration and recognised unions and federations to establish constructive and harmonious relations by resolving all the disputes by direct negotiation. But steps will have to be taken to see that the spirit with which the machinery has been established is carried to all levels. To eliminate avoidable delay in the settlement of disputes, a well-defined procedure may be laid down and time limits for disposal of cases at different levels may be prescribed and stuck to.

With a view to achieving harmonious relations and securing the greatest measure of cooperation between the administration and the employees, a joint consultative machinery had been set up in 1966. The machinery confers certain additional benefits compared to the staff councils or permanent negotiating machinery or Industrial Disputes Act. The most important benefit is the provision for reference of all unresolved disputes among the three subjects—viz., pay and allowances; hours of work; and leave—to arbitration. The unions are not required to forego any of their existing rights or privileges.
The Indian Railways being the biggest public undertaking, has to set pace for others by introducing labour participation in management. No doubt, there was already a good measure of workers' participation in such welfare items as the Staff Benefit Fund, Labour Welfare Advisory Committee, Cooperative Societies, etc. But participation in these committees is more a sort of consultation. The workers' participation does not rest with merely eliciting the opinion of the employees but it contemplates a scheme of active participation in certain affairs of the management. On an experimental basis, the scheme may be introduced in two or three railway workshops in South Central Railway where relatively more possibilities exist for the success of the scheme in view of the concentrated employment and definite work schedules.

Further, the most important step to be taken by the Management is to create a feeling of unity among the workers of the Indian Railways. A feeling of oneness must be developed among the employees of the railways. It is the responsibility of the management to treat all the workers and unions uniformly and extend cooperation to all of them irrespective of their union attachments.

There must be perfect comradarie between his lowest worker and the highest officer. The officers occupying the higher positions should not think that they handle things without the cooperation of the employees by sitting for away on an ivory tower. It is necessary that the officers should create an
impression in the minds of the employees that even the officers at the highest position is there to work for their safety and welfare.

DISCIPLINE :

The Railway Board must ensure that the individual disciplinary cases are disposed as quickly as possible. There is a need for shortening of disciplinary procedure and the appellate authorities must be imparted and unbiased in the application of the procedure and they must create confidence in the minds of employees.

EMPLOYEE WELFARE :

Indian Railways have been the pioneers in introducing many types of labour welfare programmes aiming at social security. In fact, they are second to none to any other industry in the country. The total expenditure under selected labour welfare and retirement benefits spent by the Administration had increased from Rs.59.1 millions to 360.7 millions during 1950-51 to 1964-65 and 11024.9 millions in 1999-2000.

HOUSING :

Nearly 32% of Class II and 51% of Class IV staff were provided with railway quarters by the end of 1999-2000. As the administration cannot
meet all the demands for housing, it is also encouraging the staff to own their houses by providing loans (to permanent employees) and through co-operative housing societies.

MEDICAL FACILITIES:

The question of providing adequate medical and sanitary arrangements to railway employees had engaged the attention of the Railway Board right from 1924. Since then, the medical organisation has been improved and it now stands as one of the biggest welfare organisations in the country. Schemes of family planning, institutional and domiciliary midwifery services, chest clinics, dental treatment, malaria eradication have been introduced. Mobile medical vans are introduced with a view to take medical relief virtually to the door-steps of the employees posted at smaller stations. The Board have also extending medical facilities to the retired railway employees and their families. The Railway Accidents Committee was of the view that "medical facilities both in scale and quality, on the railways are second to none in India."

CANTEEN FACILITIES:

Railways established canteens on an extensive scale for the convenience of the workers. The number of canteens had increased from 141 in 1954-55 to 277 in 1964-65 and 268 in 1999-2000 on all the railways. Further,
with a view to associating the staff in the management of the canteens, they are being entrusted to committees of management outstanding of their representatives. The railway administrations provided, free of charge, the necessary accommodation, furniture, cooking utensils, etc. The setting up of consumer cooperative societies has been actively encouraged by the Administration since 1949 by providing accommodation on nominal rent and a subsidy amounting to not more than half of the administrative and the establishment charges for the first three years. In 1963, it was also decided to provide a matching share capital contribution, and to grant interest bearing repayable working capital loans to these societies. Special casual leave is also allowed to the office-bearers of these societies, whenever they have to attend the meetings. The statistics show that the growth of consumer cooperative societies on all the railways during the period was quite encouraging. Their number had gone up from 53 (1952-53) to 274 (1964-65) and 374 in (1999-2000). The value of purchases and sales had also increased. The labour representatives has expressed their satisfaction at the working of these societies.

In addition to these, there are large number of Thrift and Credit Societies, 29 Railwaymen’s Cooperative Housing Societies and 152 labour contract Cooperative Societies sanctioned and functioning during the year 1999-2000.
An important concession peculiar to railway servants is the grant of passes and privilege ticket orders on payment of one-third of the ordinary fares both on home and foreign lines.

Informing centres have been opened at all divisional and headquarters offices to provide information to the staff on all personnel and welfare matters; and the welfare inspectors in charge of these centres try to redress the grievances of staff.

STAFF BENEFIT FUND:

An important welfare scheme developed on the Indian Railways is the Staff Benefit Fund, which was created for the benefit of the railway staff out of the grants from railway administrations. Allocations out of this fund are utilised in respect of education of staff and their children; grant of scholarships; recreation and amusement of staff and their children; relief of distress among the railway employees; and for schemes of sickness of staff. The actual expenditure met out of this fund during the study period shows the relief of distress and sickness of staff and their families accounted for the largest increase in expenditure. However, the administrations as well as the unions felt that the funds will have to be increased to take up many other beneficial schemes. Social Welfare Centres are opened at Railway colonies to provide cultural, educational and social activities to railway employees.
The Railway Board have also set up Railway Ministers' Welfare and Relief Fund with a view to affording relief to railwaymen and their families in distress and to provide relief to institutions run by railwaymen. In order to provide immediate relief to the families of non-gazetted railwaymen who die while in service, a scheme has been introduced under which an advance is provided which will be adjustable against the arrears of salary due or gratuity or provident fund.

**RECREATIONAL FACILITIES:**

Railway Institutes provide recreational facilities of various kinds. With a view to providing facility to staff working at way-side stations, mobile libraries are also started. Children’s libraries have been opened in railway colonies, where there is large concentration of labour. Children camps are also organised by different railways enabling them to mix together in out-door life and to participate in cultural activities. Holiday Homes have been established on different railway systems as a measure of encouraging class III and IV staff to spend their leave/holidays with their families at hill stations or health resorts.

Railways are also running a number of schools for providing primary, secondary and also collegiate education to the children of railway employees.
RETIREMENT BENEFITS:

The retirement benefits to Railway servants are provident fund, gratuity, pension and passes apart from medical aid already referred to above. In 1964, Family Pension Scheme has been introduced to provide pension to their families. The provisions of this scheme have been further liberalised in January 1966 with a view to providing greater assistance to the dependents of deceased railwaymen in the first few years immediately after death.

Vocational training centres for imparting technical training to staff during their off-duty hours and also to their children have been set up on different railways. The cumulative value of all the above fringe benefits was such that the railway service has become an increasingly attractive one with the result, the supply of candidates to railway service is generally in excess of the requirements.

TRADE UNIONS:

Immediately after the independence, the political differences led to the starting of a rival federation under the name of Indian National Rail Workers' Federation in 1948 under the aegis of the Congress Party. With the starting of this federation serious rivalries had started in the railway trade union movement. The efforts made by the labour leaders as well as the Railway Ministers from
time to time to forge unity among the two All-India Federations (AIRF and NFIR) failed. Ultimately the two federations have come to stay with their affiliated unions on each of the individual Railways.

As is true generally with the Indian Trade Union Movement, the Railway Trade Union movement is dominated by outside leadership and personality cult. The reasons which stood in the way of developing leadership from rank and file were found to be (i) poor finances, (ii) fear of victimisation and (iii) lack of active interest among workers. However, both the federations as well as the administration are interested in developing the rank-and-file leadership and with this end in view, they have taken steps for training the workers by providing them with other necessary facilities.

The most perturbing feature in recent times has been absence of discipline in the unions. Constitutionally, the federations have little scope to iron out such difficulties. The NFIR is thinking in terms of converting the federation into a national union with a view to exercising strict disciplinary control over the affiliated unions. This change in the structure of organisation, it is believed, would also help to increase the financial resources. Effective propaganda machinery is also required to be developed to secure uniform working and progress of trade unionism throughout the Indian Railways.
There were two important features in Railway trade union movement so far as membership is concerned. They were (i) constant flux or floating nature of membership and (ii) large number of railwaymen remain outside the hold of any trade union. The main difficulty experienced by the unions in the way of both enrolling and maintaining membership is the absence of frequent and adequate contact between unions and branches and the general membership spread over the entire length and breadth of the country. Further Class IV employees formed a large percentage of membership relative to Class III. The reason is they (Class IV) perhaps, cannot further their interests in any other manner. Categories like gangmen, pointsmen, kalasis, etc., are found to be more represented in the union leadership.

The financial statements of both AIRF and NFIR show that the income from affiliation fees was fluctuating throughout the period and they could not collect all that was due. The affiliated unions have also to increase their financial resources.

The Railway administrations with a view to helping the trade unions function successfully are providing facilities such as collection of membership subscriptions; display of notices; holding of meetings in railway premises; grant of special passes and casual leave; deputation of railwaymen to trade union work; provision of accommodation for union offices, etc.
Another tendency found in the Railway trade union movement has been the formation of categorical associations. Both the federations have come out discouraging the formation of these associations, which would weaken the trade union movement. In view of the fact that the zonal unions and federations are already organising categorical conferences with a view to studying the problems concerning the respective categories and taken them up with the Railway Board, formation of separate categorical associations is not justified.

Lastly, efforts will have to be made to bring about unity in Railway trade unionism to achieve the salutary principle of 'one union for one industry' which alone will strengthen their bargaining power and enable them to discharge their duties and responsibilities properly and effectively.

Thus, by and large, the relations between employees, unions and administration have been observed to be cordial during the period under study. Indian Railways, no doubt, earn a fair name for having introduced a number of measures with a view to promote closer understanding, amity and good-will. Nevertheless, these relations could be made much more efficient and effective by implementing the suggestions indicated in the above study.

The latest Railway Budget of 2002-2003 which was presented to Indian Parliament on February 26, 2002 by the Railway Minister Nitish Kumar in which he termed Railways as 'Visible Symbol' of the Government. He tried to
address concerns relating to passenger safety and hygiene, passenger fare hike, in the light of increased working expenditure. Moreover, a dynamic organisation such as the Railways needs continuous improvements to keep pace with changing scenario. The manner in which the Railway Minister has set out to get in his revenue increase – Rs. 910 crores from passengers fare revisions and Rs.450 crores from freight rates a total of 1360 crores – must mark the commencement of the process of correcting the distortions within. It is also important to recognise that the financial difficulties of Railways in India in general and South Central Railway in particular are far from over, and that is still has a long way to go on the track of restructuring as recommended by the Rakesh Mohan Committee. Unlike in the developed countries India’s rail system is not a marginal player in the transportation sector. It has been an integral part of the nation building process. The 1990s marked by high populism took it to the precipice financial decline, but the years ahead should be underlined by the political willingness to steer it along the track of resurgence. The best manner in which the people of India can celebrate the 150th year of the Indian Railways is to repose their confidence in the organisation and stand by it on the difficult path it has chosen to restore its lost glory. The Railways, for its part must move ahead with the single purpose of continuing with its long and unique tradition of ‘service to the commuter and service to the Indian Society at large’. This task is possible only through a committed, honest, sincere, hardworking and efficient personnel staff and with a modernised scientific and appropriate personnel policies and Human Resource Management.