

STATEMENT REGARDING RECOMMENDATIONS OF THE RAILWAY FREIGHT STRUCTURE ENQUIRY COMMITTEE

THE DEPUTY MINISTER OF RAILWAYS (SHRI SHAH NAWAZ KHAN): Sir, the House will recollect that during the discussions on the Budget in the month of February this year, the hon. Minister of Railways promised to make a statement when the recommendations of the Railway Freight Structure Enquiry Committee had been fully considered. The examination in regard to the freight scales has since been completed, and after due consideration decisions have been taken by the Government.

I lay on the Table of the House a statement giving broadly the features of the freight rate structure as it now prevails, the main recommendations in regard to the structure as made by the Freight Structure Enquiry Committee, and the modifications which the Government have deemed necessary in the proposals of the Committee. [See Appendix XXII, Annexure No. 13A.]

As will be seen from the statement, the new rates will take effect from the 1st October 1958. From the same date, there will be revision of the scales of rates for parcels traffic, and both the new goods rates and parcels rates will be expressed in the decimal coinage.

An estimate of additional revenue on goods traffic from the new scales of rates, at the present level of traffic, of Rs. 9.6 crores per year, has been given in paragraph 17 of the statement. The additional revenue yield from the revised parcels rates is expected to be about Rs. 2 crores per year.

I would like to explain, in this connection, that these additional revenue yields are without making any allowance for the additional responsibility for loss and damage to goods, which the Committee have recommended that the Railways should undertake as

common carriers instead of as bailees as at present. The Committee have stated that this change-over should take effect within one year of the introduction of the revised rates structure.

This matter is receiving attention, and should the responsibility of the Railways as carriers be enhanced as has been recommended, there will undoubtedly be substantial additional expense to the Railways by way of increased payments for compensation. In the absence of factual data, it is difficult to assess what the quantum of these extra payments will be, but Railway Officers of experience in compensation claims work guess that it might well be of the order of Rs. 2 to 3 crores. After examination of this matter has been completed, necessary legislation to implement this recommendation will be put through.

Before I sit down, Sir, I will take this opportunity of expressing my appreciation of the valuable work of this Committee.

STATEMENT REGARDING POSITION OF MEMBERS OF THE RAILWAY BOARD

THE DEPUTY MINISTER OF RAILWAYS (SHRI SHAH NAWAZ KHAN): Sir, the Minister of Railways has made the following announcement in the Lok Sabha:—

"The House is aware that the Railway Board at present consists of the Chairman, the Financial Commissioner and three other Members. Each Member of the Board, including the Chairman, has certain functional duties especially assigned to him. The Chairman is the *ex-officio* Secretary to the Ministry of Railways and the Financial Commissioner, since the announcement made by the late Shri Gopalaswami Ayyangar in his Budget Speech for the year 1951-52, functions as the Secretary to this Ministry in financial matters. With the considerable