

carriers compares favourably with private domestic airlines and foreign carriers. However, there is always scope for improvement in different areas of operations.

(b) and (c) Both the airlines being public sector undertakings face some competitive disadvantage *vis-a-vis* their private sector counterparts. In particular, the process of decision making involves various procedures and levels and as such takes a longer time. Besides, the two national carriers are also required to fulfil certain socio-economic obligations.

^d) Both the airlines constantly endeavour to take measures to improve their product and remain competitive in the market. The airlines are in the process of acquiring modern aircraft in order to revamp their fleet.

Merger of IA with AI

1374. SHRI SITARAM YECHURY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether there is any proposal for the merger of the Indian Airlines with Air India;

(b) if so, what is the basis of the proposal and what are the expected advantages;

(c) whether Government have consulted the trade unions and employees associations on this matter; and

(d) if so, what is their opinion?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Although the Government's attempt is to ensure better synergy between two national carriers, there is no proposal for their merger.

(b) to (d) Do not arise.

Mountain Airlines for North-Eastern Region

1375. SHRI R.P. GOENKA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is fact that a proposal has been mooted to establish a mountain airlines to cater to the specific needs of the North-Eastern Region which is always susceptible to vagaries of the weather;