

Feb. 26, 2015

Reacting to the Railway Budget 2015-16, Shri Randeep Singh Surjewala, MLA & Spokesperson, All India Congress Committee has issued the following statement to the Press today:-

“Rail Budget 2015-16 is deeply disappointing, directionless and mere jugglery of accounting figures.

Indian Railways have three essential paradigms -

Firstly, Railways are about ‘Right of Mobility’ to the poor and common man. Secondly, Railways are about ‘Connectivity to the Nation’. Thirdly, Railways are about an ‘Aspirational India’s March Ahead’. Modi Government and Railway Minister, Shri Suresh Prabhu have miserably failed in this cardinal task.

NO REDUCTION IN FARE – ROBBING THE POOR OF THE ‘RIGHT TO MOBILITY’

In June 2014, Modi Government hiked passenger fare by 14.2% and Rail Freight by 6.5%. Now, freight fare has been hiked to collect additional Rs.4,000 crores. Following drastic reduction in International oil prices with crude oil seeing a free fall from \$105 per barrel to \$54 per barrel. Poor and common man expected a substantial reduction in rail fares. Admittedly, saving on fuel cost in the Railways as a result of reduction in diesel prices is over Rs.15,000 crore per year.

In 2013-14, Congress Government had implemented ‘Fuel Adjustment Component (FAC) Link Tariff Revision’ biannually in sync with movement in fuel cost in either direction. Reduction in fuel prices should have resulted in reduction of tariff. Rail Minister gave this policy a quite burial.

Rail Budget also failed to set up a permanent ‘Rail Tariff Authority’, which could independently determine tariff for Indian Railways and translate the boon of falling crude prices into reduction of passenger and freight fares. Rail Minister also did not disclose the additional increase in freight rates since the presentation of last Rail Budget as follows:-

- (a) Levying of 10% Congestion Surcharge on freight rates for goods that originate at Ports since November, 2014 putting an inflationary pressure on the economy.
- (b) Haulage Charges for transporting goods through trains have been raised by 27% starting 25th December, 2014 further putting inflationary pressure.

INVESTMENT FIGURES BEREFT OF BUDGETARY SUPPORT

Rail Minister promised 8.50 lakh crore of investment over next five years without any budgetary allocation or financing plan.

Rail Minister's statement of intent of raising capital from Multilateral Development Banks and Pension Funds failed to take into account that this investment will come only at a higher rate of interest for a sustained period of time. Naturally, cost for such expensive capital will be paid for by the ordinary rail passenger.

PRIVATIZATION AS THE PRINCIPAL PRESCRIPTION IN INDIAN RAILWAYS BUDGET

Rail Minister essentially laid focus on privatization of Railways – Opening Railway Stations for privatization, DFC Feeder Routes through private participation, sharing user facility with private players, setting up of private freight terminals and leasing out Railway land and goods sheds on minimal licence fee to private developers.

Railway Minister, perhaps, forgot that Railways has a key role in determination of inflation, providing connectivity and driving India's economy as a prime infrastructure. Across the world, privatization of Railways has failed and hurt the common man. Rail Minister also failed to examine the role of Railways as tenth biggest employer of India while unleashing his privatization moves.

NO EMPHASIS ON SUB URBAN RAIL SERVICES

Sub Urban Rail Services cater to 56.50% i.e. over 400 crore passengers per year. Various State Governments have demanded for introduction of Sub Urban Rail Services which is the cheapest alternative for movement of inter and intra city traffic in a growing urban India. Rail Minister completely failed India's rapid urban growth story.

NO EMPHASIS ON RAIL SAFETY

Kakodkar High Level Safety Review Committee 2012 had emphasized immediate steps for advance signaling system through SPV, elimination of all level crossings, new coaches of HLB designs for safety and speed and maintenance of safety related infrastructure.

Rail Minister paid little attention to these proposals.

PROMISES OF LAST RAIL BUDGET IGNORED

Promises made by BJP government in 2014-15 Rail Budget were not implemented and in fact ignored in the current Budget. For example, previous budget spoke of eco tourism and education tourism in North-Eastern States which is completely missing in the current Rail Budget. Provision of Rs.100 crore to create the Diamond Quadrilateral Network of high speed rail mentioned in last budget is missing. Promises made on bullet train, recruitment of 4,000 woman constables to ensure safety of women, 17,000 RPF constables for safety of passengers, RO drinking water at all stations and outsourcing of 50 major stations are completely forgotten.”

RANDEEP SINGH SURJEWALA

