



# Indian Airlines vs People Of India

**In the 20 years of its existence, Indian Airlines has become known for its delays, inefficiency, low productivity and unionism. How has this reputation been earned? Has the Management been weak and ineffectual? Do IA's powerful Unions hold the Management and the people to ransom? Or are their grievances legitimate?**

by K. C. KHANNA

**I**NDIAN AIRLINES will never be the same again—and that is a mercy. For much too long it has been behaving like a fattened calf which avidly bites the hand that feeds it and yet goes on asking for more. But now at last somebody has had the sense to take it by the scruff of its neck and put it on a leaner diet.

The outcome of the tussle between IA's Chairman, Air Chief Marshal P. C. Lal, and the employees about overtime payments is hardly relevant any more. The main issue is the Management's right to manage. Not content with fleecing the passengers, the staff shamelessly mulcts the state exchequer. What is worse, it refuses to do an honest day's work in return.

The public knows it. And Lal knows it, too. That an IA air-hostess (by no means as lissom as Air-India's and half as courteous) gets more than an Air Vice Marshal of the Indian Air Force has cut him to the quick. But he would have never dared openly to give vent to his feelings if he was not so sure that public opinion is strongly on his side. In invoking its support, he has quietly pushed the Government—whose record of

benign indifference, if not overindulgence, inspires no confidence anyway—to the sidelines. The showdown between him and the employee unions is thus only a facet of the bigger battle between them and the people of India.

The sad part of it, of course, is that things need not have ever come to such a pass. Air transport was the first industry in the country to be nationalised after Independence; and in the early fifties, IA was the pet child of the public sector. But instead of running it as a model enterprise, the Government seems to have been obsessed with the idea of acting as a model employer.

It was during this period that the incubus of indiscipline among the IA's staff took root, the craft unions began to flex their muscles and every category of workers, privileged or otherwise, developed a penchant for holding the Corporation—and the country—to ransom.

Indeed, by the mid sixties, the industrial relations in the airline had deteriorated to such a point that the Committee on Public Undertakings of the Third Lok Sabha, which first looked into its affairs, grimly concluded that delays in take-off or cancellations of IA's flights "are now routine". More often than not, it went on to suggest,

**THE BAGGAGE HUNT BEGINS.** Over three million passengers fly IA every year over a network of 216,472 million kilometres. Indian Airlines touches 75 stations, which means one airport for every 50,000 square kilometres





## IA And Money

Indian Airlines operates 87 routes at a loss. In 1971 it lost Rs 1,169.30 lakhs on unprofitable flying.

A former Chairman of Indian Airlines lived in a house rented for him at Rs 2,000 a month. The house belonged to an IA employee. Another leader in Delhi drives to work in a Mercedes.

While the Chairman's daily allowance is Rs 55, an air-hostess in Indian Airlines gets a Rs 90-a-day room in a top hotel plus allowances.

The average salary of an IAC Captain is Rs 6,149, a Commander gets upwards of Rs 7,500 and a First Officer gets around Rs 4,100. A loader gets Rs 380 as start but picks up 100 to 150 per cent more on overtime. A Catering Superintendent makes Rs 750 plus similar overtime.

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this was happening because "the crew fails to turn up in time or refuses to fly on account of minor staff grievances".

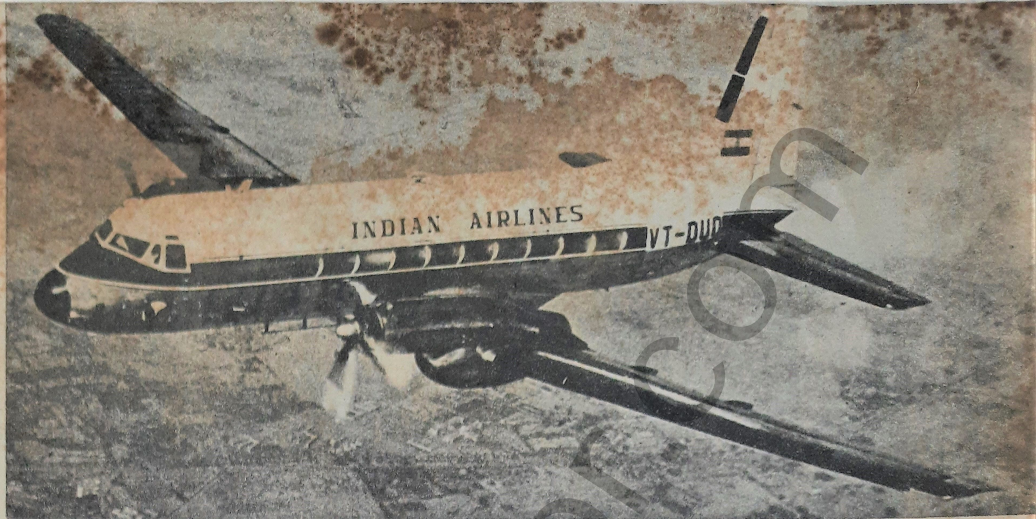
Such guerilla tactics have of late been refined by the unions and they are now in a position to run virtually a parallel administration. This is how they go about it:

In 1967 the Indian Aircraft Technicians Association, which was then an unrecognised union, struck work simply because Air-India's management had asked it to explain why it had held a meeting in its premises. The stoppage did not affect Air-India very much, but it crippled for eight harrowing days the services of IA, with which the association had no dispute, and entailed a loss of Rs 64 lakhs to Indian Airlines. By keeping up pressure in this high-handed manner, IATA finally managed to win recognition from both Air-India and Indian Airlines.

In January 1968 the non-technical staff of IA resorted to a lightning strike in Delhi and go-slows elsewhere, after the Management's legitimate refusal to permit the Air Corporations' Employees Union to hold a meeting in an office building during working hours. The Management bought peace on bended knees.

In 1969, the Indian Commercial Pilots' Association served a strike notice to protest against the appointment of the firm's financial adviser to officiate for the Regional Director in Bombay when the latter was on leave. The ICPA wanted an executive pilot, who was on temporary duty in the city, to get the job instead. The Management meekly gave in.

In November 1971, the Regional Chairman of IATA in Delhi curtly told the Chief Engineers on the telephone that its members would not sit in the same class room with the technical officers during the proposed Boeing engine training course and that the association would be the sole authority to select the trainees. In panic, the Chief Engineer buckled in.



**THE HOME-MADE PROBLEM.** The HS-748 Avro built at Kanpur, of which IA has 15 in service, has frequently been the centre of controversy. On September 13, 1973, thirteen Avros, which had flown 5,000 hours, were grounded after fatigue-type cracks were detected in four craft. The aircraft were made active again in October. IA earns Rs 2.5 lakhs a day on the Avros which carry 1,000 passengers every 24 hours.

In September 1972, two mechanics and two electricians were ordered to go to Porbandar for rectifying a minor snag in the innards of a Dakota. They refused to proceed without a chargehand in tow. They won their point.

Such reckless defiance of executive authority keeps IA's top managers constantly in jitters. But the unions do not stop at that. They have a habit of raising demands and launching agitations in a spirit of competitive bravado so that disruption in one section of the airline or another has come to be regarded by the demoralised manager as a normal feature.

In March 1970, for instance, ACEU began to clamour for higher wages and more benefits. Four months later, IATA chipped in and started "work-to-rule". In November, ICPA followed suit and resorted to go-slow. By February 1970, IATA was back in the fray and, within a month, ACEU followed suit.

In the face of all this, the Management declared a lockout on March 13, precisely six weeks after the then Chairman of IA, Mr Mohan Kumaramangalam, had resigned to contest parliamentary elections. But the lockout was lifted 15 days later, in view of the Bangladesh emergency, and the employees undertook to maintain "normal, uninterrupted and efficient air services". Within 48 hours, however, the members of IATA threw their plighted word to the winds and resumed their go-slow campaign with renewed vigour!

By a strange coincidence, industrial relations during Mr Kumaramangalam's stewardship, even by IA's deplorable standards, were the worst ever. But IA's executives, who have had occasion to work closely with him, swear to a man that he never mixed politics with his duties as Chairman and gave no quarter to professional agitators in

—Continued

**I HAVE BEEN WAITING HERE SINCE MORNING?** Indian Airlines has a poor public image. But the good they do is often forgotten. During the three wars, IA flew troops and supplies to the forward areas. Its fares are halved for the blind, for cancer patients, for the Army, the Navy and the Air Force, and for teachers and students. IA charges 28 paise per km as against the USA's 43 paise, France's 50 paise and Malaysia's 39 paise. Between 1967 and 1970, IA bore a loss of Rs 20 crores by plying uneconomical routes.







## The Hours Are Changed

The old timings in the shift pattern were 6 a.m. to 1.40 p.m., 1.30 p.m. to 9.10 p.m.; 9 p.m. to 6.50 a.m. On each shift the number of workers was the same, whether they were needed or not. There was no work between 11 p.m. and 5 a.m.

Under the new shift, the timings are 5 a.m. to 12 noon, 1.30 p.m. to 9.10 p.m. and 9 p.m. to 7.30 a.m. Besides these three "fixed-strength" shifts, there will be one equally strong "floating" shift. There will also be three additional shifts from 12 noon to 7.20 p.m.; 5 a.m. to 12.20 p.m. and 2.30 p.m. to 9.50 p.m. These shifts will be uneven in strength, depending on work to be done, and will supplement the regular shifts accordingly.

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**NO FARE FOR THE SMILE.** Air-hostesses are selected after the age of 19 and trained for a period of six months on a stipend of Rs 150 a month, plus Rs 20 a day in allowances. The retirement age is 30 years—extendable by five years.

the airline. If this is true, it only shows how deep the rot has sunk.

In any event, IA remains the supreme example of an undertaking in which indiscipline pays. A press note issued by ACEU now claims that post-graduates working in the airline as traffic assistants start on an all-inclusive salary of Rs 330 a month while a non-matric peon in several Government undertakings gets a minimum salary of Rs 415 a month!

This is a lot of poppycock.

Far from being "post-graduates", an overwhelming majority of IA's traffic assistants have not been beyond school. Besides, the wage structure in the public services is so crazy that nothing whatever can be gained by indulging in comparisons. If a union can point out that the Shipping Corporation pays its illiterate peons nearly Rs 600 a month, the Management can contend with equal force that even the Government of an affluent State like Maharashtra cannot afford to pay school-teachers much more than Rs 200 a month!

## Too Much Overtime

In any case, the traffic assistants in IA make a lot more by way of overtime than their grades indicate. I happen to have in my possession a list of the annual pay-packets of nearly 35 traffic assistants (certified for purposes of filing income-tax returns) working in the Bombay region. It shows that they earned anywhere between Rs 10,182 and Rs 23,004 during 1972-73! In fact, their carry-home salary was 50 to 100 per cent higher than that of their officers, even though, by way of basic pay and other fixed allowances, they were getting only a quarter, or a fifth, as much.

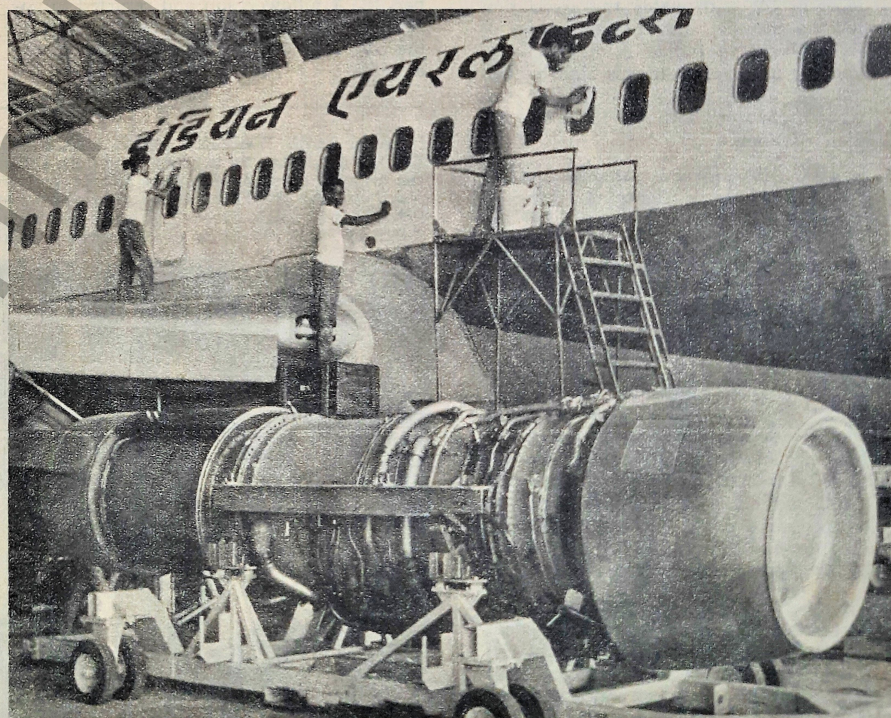
What is most galling to the officers of the airline is that wage differentials, always loaded against them and in favour of the so-called operating staff, have been widening from year to year. Under the present dispensation the basic pay of carpenters, tailors and welders can go up to Rs 770 and

of flight stewards up to Rs 920 while officers, who are supposed to supervise their work, start on Rs 640 and take several years to reach that level! In fact, the pay scale of foremen is already on a par with that of the officers and of inspectors in blue overalls much better.

That is not all. On one pretext or another the unionised workers have managed to fork out umpteen additional benefits from IA. These include overtime pay, transport and washing allowance, increased meal and

check-cabin-crew allowance, special allowance, increased compensation, technical pay, increased layover, increased annuity benefit, driving, radio telephone, flying productivity, kit telephone and command allowances. And the list is by no means exhaustive.

Though almost all categories of IA's staff, except the officers, are recklessly pampered, none are more so than the pilots. Indeed, a case history of this particular breed is a bizarre commentary on the Congress brand of socialism at work. No one, as a rule, can get entry into the profession unless he is born with a silver spoon in his mouth: the flying clubs charge on an average Rs 30,000 to provide basic training. IA then takes over and spends the staggering sum of Rs 20 lakhs on "further training" of the lucky man to



**CHECKING UP THE BOEING.** The first Boeing 737 landed in Delhi on December 12, 1970. Of the seven 737s purchased in 1970, one crashed on May 31, 1973, near Delhi. IA is one of the few airlines in the world which flies multiple aircraft: 6 Boeings, 7 Caravelles, 13 Avros, 9 Fokker Friendships, 6 Viscounts and 6 Dakotas.



fly a Boeing. Once so equipped with the taxpayer's money, he can reap the bonanza.

The average salary of an IAC commander is Rs 8,906 a month, of a captain Rs 6,149 and a first officer's Rs 4,014. In addition, all of them, like other members of the crew, are entitled to free bed and breakfast in a top-class hotel whenever they are called upon to spend a night out which, of course, happens often enough. For other meals, they get anything up to Rs 200 per night tax-free! (In contrast, the Chairman and Managing Director of IA on tour has to fend for himself on a paltry allowance of Rs 55 for hotel accommodation, meals, transport, tips and all.)

Since the salaries of the pilots are taxable and their meal allowances tax-free, they never hesitate to get the latter by hook or by crook. They and the crew can easily fly from Madras to Bangalore and back on the same day, for instance, but they insist not only on making a night halt but also on the airline keeping another crew ready and waiting to take the aircraft back to the base!

### Scandalous

Mercifully, they have agreed to make the return journey from Bombay to Poona because it is all over in a matter of ninety minutes, including the 30-minute halt at Poona. But they have made that concession on the condition that a cashier is posted at the Bombay airport to hand out Rs 101 in cash, allegedly for meals, to the captain just before take-off.

Ironically, the cashier also earns overtime pay for the trouble—according to my list the taxable income of IA's chief cashier in Bombay last year was a hefty Rs 27,098. It would be difficult to imagine a more

## HOW MUCH DOES A LOCKOUT COST?

The IA lockout is proving financially disastrous. While the organisation is suffering a loss of Rs 25 to 30 lakhs daily, subsidiary concerns are also affected. Airports are losing money on landing fees and sale of 1,000 to 1,500 visitor tickets. In Bombay alone, the landing fees for 54 daily flights at Santa Cruz is Rs 5,000.

Restaurants and snackbars at airports are facing a cut of 50 to 75 per cent on their earnings. Hotels which accommodate air crews are also feeling the pinch. Those on strike will not be paid their wages and salaries for the lockout period. The lesser paid strikers are beginning to feel the strain. Travel agencies are facing a 30 to 50

per cent loss on their reservation percentage.

Many regular air passengers have either postponed trips or are opting for trains. The Railways are adding extra bogies on their main routes. The waiting list on trunk lines has almost doubled for First Class and A/C coaches.

The airmail services are also hit. Mail is being delivered two to three days late even to major cities. Private airlines and the Indian Air Force are being recruited to clear mail backlogs. Foreign tourists stranded in smaller places are being given priority seats for the major cities.

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scandalous case of mutual back-scratching with crisp currency notes.

The Parliamentary Committee on Public Undertakings of the Third Lok Sabha had drawn pointed attention to such "wasteful practices" in 1966 and much else that is wrong with IA. Seven years later the CPU of the Fifth Lok Sabha has had to go over the same ground in a report which, significantly, is three times as thick.

The reasons are not far to seek. The rot stems from the top. IA has always had birds of passage at the helm: in the last twenty years, it has seen ten chairmen and half a dozen general managers come and go. All of them used it as a jumping board for higher

appointments: two even managed to land lucrative jobs in international civil aviation organisations. What is worse, some left unsavoury reputations behind: one had the habit of giving short shrift to senior officers whenever he went on tour and walking off in full view of his subordinates with the most attractive air hostess in sight.

In this dreary tale, one can only turn to Lal's own innings as General Manager (1957-62) and Mr Kumaramangalam's brief span as Chairman (1969-71) for relief. Apart from restoring the shattered confidence of officers and giving them a sense of participation in decision-making, Mohan could not do much. But, in five arduous years, Lal was able to inject an element of sanity and order in the chaos that is IA. It was largely as a result of his painstaking spadework that the profits of the Corporation steadily soared from a paltry Rs 7.81 lakhs in 1959-60 to Rs 133 lakhs in 1964-65.

Can he do it again? Assuredly the answer must be "yes" if he continues to enjoy the popular support he is getting.

### What The "Shift" Means

The new shift is designed to improve IA's all-round efficiency. Are the demands it makes too harsh on the employees? Under the new routine:

- A man who has to make the 5 a.m. shift will be allowed to earn overtime by sleeping overnight at the airport.
- The Traffic Assistants will follow the usual practice of reporting on duty with the driver and the loader.
- Men will be kept on duty when the work so demands.
- A better service for passengers will result.
- The amenities for employees will improve.
- The vicious overtime circle will be broken.

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FOR HEAVEN'S SAKE, WHERE'S MY TICKET? Of the 1,095 complaints lodged against Indian Airlines in 1972-73, 398 were on airport handling (enquiry, baggage, security and flight information), 284 about catering, 211 about in flight service and 202 over reservations.



# Where Is The Key To The IA Lockout ?

by BIKRAM VOHRA

There are eight unions competing for the loyalties of Indian Airlines' 16,000 employees. The most powerful is the Air Corporation Employees Union with Mr P. K. Majumdar as its Secretary?

In the 20 years of its existence, Indian Airlines employees have gone on strike several times. Go-slow, work-to-rule, etc, have been recurrent features. The Management has been compelled to declare a lock-out on two occasions. The last one was on November 24 over a new shift pattern.

The Chairman of IA, Air Chief Marshal P. C. Lal, says the shift was revised to reduce overtime and increase efficiency and productivity of the Airlines. The Union claims the action was arbitrary and illegal and against the provisions of agreements signed by the Management and themselves.

Both sides have a story to tell.

If you have three shifts and, of every 15 workers, 3 or 4 are always absent either because they are sick or, what is more likely, they keep away by arrangement, then those at work continue after hours and earn both overtime pay and an extra day's holiday. This is called "manipulated overtime"—IA Management Spokesman

WHEN Air Chief Marshal P. C. Lal was appointed Chairman of Indian Airlines last August, there was considerable apprehension in the minds of most of the 16,000 employees. Many of them had known him earlier when he had been General Manager between 1957 and 1962. He was known as a tough man who brooked no nonsense. The unhappiest were the trade unionists who made three times their salaries on "overtime" by manipulating shifts. They knew that Lal had been appointed to "clean up the mess".

Indian Airlines is lowest down the list of the 22 major airlines of the world with a productivity rate of 17,601 tonne kilometres per employee as against Air-India with 65,547, Air Ceylon with 50,642 and Garuda with 72,452. (A tonne kilometre per employee is the total weight carried by the airline multiplied by the kilometres flown and divided by the number of employees. For example, if an airline of 20 people flew 100 tonnes for 200 km, the t|km productivity rate would be  $100 \times 200$  divided by 20, or 1,000 tonne kilometres per employee.)

In the three months that the former Air Chief has been Chairman, the management-labour relations have deteriorated, culminating in IA's second total lockout on November 24. This was preceded by 14 days of dislocated services.

Many flights had to be cancelled, all others were delayed. Everyone's patience with Indian Airlines was full to the brim. Then Lal went into action. "The worst thing the Unions call me is soldier," he said in an exclusive interview to the WEEKLY on November 23, "but this had to be done. When I took over, I made a thorough study of the

Report of the Committee of Public Undertakings. I read all about overtime and how it could be fixed. Then I did a familiarisation tour of all sectors and met Regional Directors and Managers and discovered that overtime was our major problem."

Mr P. K. Majumdar, Secretary of the ACEU (Air Corporation Employees Union), commented on P. C. Lal's reference to the Public Undertakings' Report: "Chairman Sahib read the Report but forgot how far it was valid for IA. We are not against the shift system being changed. We have two objections. First, that the Management did not consult us and thereby violated the agreement of 1969 which maintains that no decision will be taken without Union participation. Second is against the Management's

THE SKY IS THE LIMIT. The Air Corporation Employees Union is the largest of IA's eight unions. The ACEU, the IATA and the Engineers struck against a new shift pattern introduced by IA Chairman P. C. Lal to reduce overtime. In 1971-72 the overtime payment was Rs 298.97 lakhs, constituting 18.7 per cent of the total wages as against Rs 111.43 lakhs in 1966-67—an increase of 170 per cent in five years.



BROOKING NO NONSENSE. Air Chief Marshal P. C. Lal was born in Ludhiana on December 6, 1916. He took over as Chairman of Indian Airlines in August 1973. He had been General Manager of IA from 1957 to 1962 and was appointed a Director on the Boards of Air-India and Indian Airlines on August 28, 1972. P. C. Lal was Chief of the Air Staff during the 1971 conflict with Pakistan.

subtle change of attitude. On November 12, when they introduced the new shift, they said it was to save Rs 2 crores. Then suddenly they changed their stance and said the saving was incidental—it was efficiency they were worried about. This only shows they do not know their minds. Ask Lal that."

Lal: The question of the 2-crore saving was given undue importance by the Press. I still insist it is an incidental outcome, though a very welcome one. The new shift affects only 30 per cent of the 16,000 employees today. Instead of their picking up 100 to 150 per cent of their wages on overtime while 70 per cent of the employees get nothing, the money saved can be used for the benefit of everyone. The point about not being consulted is also wrong. We've been negotiating with them for two months."

What were the agreements that were terminated by the Management in November? A four-year wage agreement signed in 1971 but retrospective from 1969 has a clause binding Unions to cooperate with the Management for the general improvement of the service. Dissident unions like ACEU, IATA and the Engineers Union were signatory to this. A proviso was included that certain Management officers be given the power to make independent decisions so far as they did not affect manpower strength or workload requirements.

After Lal assumed command, he took up the question of overtime and the low-productivity rate with representatives of the Unions. P. K. Majumdar of the ACEU rejected P. C. Lal's assessments as incorrect. He also maintains that at a meeting on September 22, Lal assured the Union that no agreements would be violated. Majumdar also insists that the question of overtime was not discussed.

Agreements signed by the Unions in 1969, 1971 and 1972 had a binding force only until March 31, 1973. After that, they had to be renewed through mutual consultations. Since April the old agreements have not been legally valid and were only being used as guidelines. According to the ACEU, action taken by the Management on the basis of those agreements is invalid. This includes the decision to change the shift pattern.

On October 15, the Chairman again met representatives of the ACEU for a general discussion which included overtime and the new shift pattern. Lal says the Union