

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:3764  
ANSWERED ON:21.08.2003  
REDUCTION IN STAFF STRENGTH  
NAWAL KISHORE RAI;RAMJILAL SUMAN

**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether the Government have decided to reduce the strength of Railway employees from 15 lakhs at present to 12 lakhs by the year 2010;
- (b) if so, the facts in this regard;
- (c) the staff strength proposed to be reduced in the Railways in each of the ensuing years; and
- (d) the economy likely to be effected thereby, year- wise, by the Railways?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a) Yes, Sir.

(b) The Indian Railways has planned to right size the staff strength in the organization by controlling fresh recruitment in the vacancies caused by normal process of superannuation and natural attrition. Indian Railways' rightsizing activities are in accordance with the initiative taken by the Government to right size the manpower as reflected in the Budget Speech of 2001- 2002 of the Finance Minister.

(c) and (d) With an estimated 3% of staff retiring every year and by restricting the intake to 1% per annum, the staff strength is planned to be reduced by about 2% per annum. Moreover, the Railways have been adopting modern technology in various facets of Railway working e.g. modern track structure, signaling system, improved operating practice, etc. Railways have also been using the benchmarking principles to develop and implement the best practices, which would help in rationalizing the workforce vis-À-vis activities. These would result in reduction in overall expenditure (due to reducing staff costs), which would improve the financial performance of the organization and improve the economy. Improved financial performance of organization would also mean that more funds can be used in further productive areas, which would result in overall boost to the economy.