

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2374
ANSWERED ON:07.12.2006
OUTSOURCING OF SERVICES BY AIRLINES
Scindia Shri Jyotiraditya Madhavrao

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the public sector airlines, faced with mounting losses and intense competition, have been considering to go in for outsourcing services like ground handling, engineering and others to cut costs;
- (b) if so, the details and the decision taken by the Government in the matter; and
- (c) the economy likely to result therefrom, annually?

Answer

- MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a), (b) and (c): Air India and Indian Airlines have outsourced certain activities like some components of ground handling, upkeep/maintenance of buildings, cleaning of aircraft, etc., not because of mounting losses but keeping in view the shortage of staff due to ban on recruitment in non operational areas, nature of activity, economy and the need for improvement in the quality of specialised services. These being predominantly qualitative factors the saving on costs due to outsourcing cannot be quantified.