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Title: Need to expand the operation of Air India and take suitable steps to make it more competitive.

SHRI DINESH TRIVEDI (BARRACKPUR): Air India has been suffering huge losses year after year. In the past seven years alone, Air India has suffered losses of Rs. 38,630 crore.

Financial support under the Turnaround Plan for Air India runs into thousands of crores. While the Ministry states that Air India has taken various steps to improve operational and financial performances such as rationalization of loss making routes, redeployment of staff, etc, the 2012 NTDPC report on Civil Aviation states that "the Air India group of airlines has not been able to absorb the shocks of competitive play of market forces. The operating losses of the national carrier have only increased since 2005-06 reflecting its inefficiency in operations". The 2013 report further goes on to state that "with excessive and unproductive manpower, its failure to invest in technology, and with sub-scale operations, Air India's future prospects remain precarious".

In this light, infusion of tax-payers money will be a waste if the faulty government policies, particularly those of allotting capacity/route entitlements (traffic rights) to foreign airlines, are not corrected.

I would request the government to expand Air India's network to more points so that it can become more competitive. Also, Air India should continue to have the right to priority route assignments to ensure an actual turnaround for the carrier. I would also request the government to allow airports in Delhi and Mumbai to be created as primary hubs for Indian air traffic, especially for traffic originating from India and not allow unbridled access to foreign airlines to create hubs outside the country.