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Railway Privatization

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Summary:

Railways are one of the major ministries looked after, under the initiative of Atmanirbhar Bharat. In countries like USA and Canada, railways are mainly used for cargo transportation but in countries like India, China and Japan, railways are not just used for transporting cargo but for carrying passengers as well. The budget allocation for railways was not satisfactory in the past decades. But this year a satisfactory record allocation of 1.37 lakh crore rupees is made. Apart from signalling and electrification, the GOI has planned to focus upon three things with the budget allocation of 1.37 lakh crore rupees- stations, trains and security. Trains carry huge weight with themselves. The infrastructure of the station would be designed such that it is able to manage the load well and minimize the effect of vibrations made by the train. A well-maintained station would provide a better experience to travellers. Government is very successful with the Gandhinagar station of Gandhinagar, Gujarat. New generation trains are being designed to run at a speed of 180 kmph in India. The next generation of trains would focus upon energy efficiency as well. Under Kavatch (train protection system), it is targeted to increase the capacity of the trains.

Facts and Figures:

- The cost of logistics would only be 5 percent had there been a total railway economy and 18 percent had there been a total road economy. This proves the fact that railways help to lower the cost of logistics.

Opinion:

Unlike roadways (where it is required to only look after the vehicle and the road), railways are very complex as it involves looking after trains, signaling, electrification, tracks etc. Hence the privatization of railways would be very difficult. Railways help to reduce the cost of logistics to a great extent. Passenger service is seen as a social good in countries like China, India and Japan. In India, railways operate at 50 percent subsidy. Privatization of railways would make traveling in trains very costly. The Union Minister Ashwini Vaishnaw said that railways would never be privatized.