

The history of Bus transport nationalization



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The report that the Tamil Nadu government has decided to permit the private sector to operate a limited number of buses in Chennai has triggered debates on pros and cons of the move. The question is now getting more intense if it is right for the DMK government to rope in the private sector, given that half-a-century ago it took the progressive initiative of bringing transport under its control. Against this background it's never more relevant and more appropriate to remember the history of transport nationalization.

Post-Independence only a few states went about nationalizing transport and for them Tamil Nadu was a model and a pioneer. Considering the importance of transport, Tamil Nadu set up the transport department in 1956. After three years, it introduced express bus services on the 192-km routes.

Somasundaram Committee

The efforts to nationalize the buses and routes got a boost after the DMK captured power in 1967. When M. Karunanidhi became Chief Minister of Tamil Nadu for the second time in 1971, he set up the Somasundaram Committee. On the recommendations of the committee, the government decided to nationalize the ordinary and express bus services on the over 120-km-long routes in the first phase; to nationalize the bus routes linked to Chennai in the second phase and the Kanyakumari district routes in the third phase.

Subsequently buses, routes and corporations gradually came under the government's control. The government set up transport corporations under the Companies Act, 1956. That was the starting point of several government transport corporations.

On Jan.1, 1972 the Pallavan Transport Corporation was formally established. Thereafter the Tamil Nadu government set out to acquire big private transport corporations.

Nationalized buses

The government's early plan was to acquire buses and other assets from the private companies in possession of over 50 buses. Accordingly, the 346 buses belonging to the Madurai Roadways Company were annexed to the government-owned Pandian Transport Corporation and Madurai was made the headquarters of the corporation. In more districts, private transport companies were annexed to the government transport corporations.

The annexation was carried out methodically and carefully in such a way that a government transport corporation's buses plied in two or more districts. For instance, the Pandian Transport Corporation covered Tiruchi, Madurai, Ramanathapuram and Tirunelveli districts.

Similarly, the Anna Transport Corporation was formed with annexation of 46 buses run by the transport corporations under

the control of the cooperative motor service societies in Salem and Dharmapuri districts. This initiative expanded over the time very fast.

Crisis cropped up

The Tamil Nadu Stage Carriages and Contract Carriages (Acquisition) Act was enacted in Tamil Nadu way back in 1973. As per the law, it was planned to implement nationalization in the districts where fewer buses plied and to subsequently implement nationalization totally in five years in all districts.

Accordingly, 19 private transport corporations with a total of 121 buses in the Nilgiris district were nationalized on Jan. 14, 1973. At this juncture, crisis cropped up with a spate of writ petitions filed in court against nationalization of bus transport. Hearing the pleas, the Madras High Court quashed the Tamil Nadu's law.

SC verdict solved problem

The Tamil Nadu government went on appeal against the High Court judgment in the Supreme Court. After a decade, the apex court upheld the law.

During the hearing of the case in the Supreme Court, the nationalization of transport was stopped and picked up steam after the favourable SC verdict. It is noteworthy that the subsequent rulers focused on the nationalization initiative.

It was thus that the Tamil Nadu transport sector moved from the private hands to the government. Only after the government took control of transport, the Tamil Nadu Transport Corporation became a strongly connected and well-built edifice that it is now.

So, no wonder, the government's present initiative regarding the transport sector is met with strident criticism. It is an issue that the government needs to approach with the same attention and long-term vision as it showed half-a-century ago.

Translated by V.Mariappan