

सूचना प्रौद्योगिकी उद्योगों में कार्यरत लोगों के पारिश्रमिक में कमी किया जाना

\*362. डा. मुरली मनोहर जोशी:

श्री राज मोहिन्दर सिंह मजीठा:

क्या संचार और सूचना प्रौद्योगिकी मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि देश के सूचना प्रौद्योगिकी उद्योगों में कार्यरत लोगों के पारिश्रमिक में और कमी किए जाने के संकेत मिले हैं;

(ख) यदि हां, तो क्या यह सच है कि इन उद्योगों में कार्यरत लोगों के पारिश्रमिक में विगत वर्षों में की गई 16 से 20 प्रतिशत की वार्षिक वृद्धि की तुलना में 10 से 12 प्रतिशत की वार्षिक वृद्धि होगी;

(ग) यदि हां, तो इस संबंध में तथ्य क्या हैं; और

(घ) क्या इस कमी का मुख्य कारण अमरीकी अर्थव्यवस्था में आ रही लगातार मंदी है?

**संचार और सूचना प्रौद्योगिकी मंत्रालय में मंत्री (श्री ए. राजा):** (क) से (घ) एक विवरण पत्र राज्य सभा के पटल पर रख दिया गया है।

#### विवरण

(क) से (घ) पिछले वर्ष में अमरीकी डॉलर में तेजी से हुए मूल्यहास का उद्योग के लाभांश पर काफी प्रभाव पड़ा है, जिसे कम्पनियां आपनी आंतरिक कार्यक्षमता में सुधार करके और कर्मचारियों की उपयोगिता में वृद्धि करके ठीक करने का प्रयास कर रही हैं।

राष्ट्रीय सॉफ्टवेयर तथा सेवा कम्पनी संघ (नैसकॉम) के अनुसार, उन्हें सूचना प्रौद्योगिकी/बीपीओ कार्मिकों के पारिश्रमिक के विद्यमान स्तर में कमी के समर्थन में किसी प्रकार के आंकड़ों की जानकारी नहीं है। इस बात के संकेत मिले हैं कि बाजार के दबाव के मद्देनजर कर्मचारियों की वार्षिक वेतन वृद्धि डॉलर के मूल्यहास के कारण लाभांश में कमी, लागत में वृद्धि के दबाव और मांग के संबंध में सतर्कता जैसे कारकों के कारण पिछले वर्षों में कुछ कम हुई हैं/वही रही हैं। नैसकॉम ने बताया कि इस संबंध में आंकड़े इन कम्पनियों द्वारा घोषित किए जाने वाले वार्षिक नतीजों के विश्लेषण के बाद ही उपलब्ध होने की संभावना है।

नैसकॉम के अनुसार, अमरीकी अर्थव्यवस्था में मंदी का अभी तक भारतीय सूचना प्रौद्योगिकी-बीपीओ क्षेत्र के विकास पर समग्र रूप से कोई महत्वपूर्ण प्रत्यक्ष प्रभाव नहीं पड़ा है। यह अनुमान है कि वर्ष 2006-07 में हुए 31.3 बिलियन अमरीकी डॉलर की तुलना में वर्ष 2007-08 में सूचना प्रौद्योगिकी/सूचना प्रौद्योगिकी समर्थित सेवा निर्यात लगभग 40.3 बिलियन अमरीकी डॉलर होगा, जो 28.3 प्रतिशत की वृद्धि का सूचना है। किन्तु आगामी वर्षों में व्यवसाय के प्रति दृष्टिकोण में अभी सतर्कता रखनी होगी क्योंकि यह प्रतीत हो रहा है कि अमरीकी ग्राहक अपने सूचना प्रौद्योगिकी-बीपीओ संबंधी बजट निर्णय लेने में विलम्ब कर रहे हैं। इसके अलावा, वर्ष 2007-08 में प्रत्यक्ष रोजगार लगभग 2 मिलियन तक पहुंचने की संभावना है, जो वर्ष 2006-07 की तुलना में 375,000 कर्मिकों की वृद्धि, प्रति वर्ष लगभग 23 प्रतिशत की वृद्धि का सूचक है।

#### Reduction in remuneration of people working in IT industries

†\*362. DR.MURLIMANO HARJOSHI:ftt

SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that there is an indication of further reduction in the remuneration

of the people working in Information and Technology Industries of the country;

सभा में यह प्रश्न डा. मुरली मनोहर जोशी द्वारा पूछा गया।

† Origins! notice of the question was received in Hindi.

†The question was actually asked on the floor of the House by Dr. Murli Manohar Joshi.

(b) if so, whether it is a fact that there would be an annual increase of 10 to 12 per cent in the remuneration of people working in these industries in comparison to 16 to 20 per cent increase during the past years;

(c) if so, the facts thereof; and

(d) whether the main reason of this reduction is continuous recession in the American economy?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI A. RAJA): (a) to (d) A Statement is laid on the Table of the House.

**Statement**

(a) to (d) The sharp depreciation of the US Dollar over the past year has added significant margin pressure in the Industry, which the companies are trying to address by improving their internal efficiencies and increasing employee utilization.

According to National Association of Software and Service Companies (NASSCOM), they are not aware of any data supporting reduction in existing level of remuneration of IT/BPO professionals. There have been indications that the annual increments to employees may be slightly lower/same as the previous years in the light of market forces, due to factors which include: margin pressure due to Dollar depreciation, increased cost pressures and caution regarding demand. NASSCOM has indicated that the data on this is likely to be available only after the analysis of the annual results to be announced by these companies.

As per NASSCOM, the slowdown in the US economy has so far not had an overall significant direct impact on the growth of the Indian IT-BPO Sector. It is estimated that IT/ITES Exports will be around US \$ 40.3 billion in 2007-08, as against US \$ 31.3 billion in 2006-07, a growth of around 28.3 per cent. However, the outlook for business in the coming year is still cautious, as US clients appear to be delaying their IT-BPO budget decisions. Further direct employment is expected to reach around 2 million in 2007-08, an increase of about 375,000 professionals over 2006-07, a growth of around 23 per cent year over year (YoY).

**डा. मुरली मनोहर जोशी:** सभापति जी, यह प्रश्न बहुत ही महत्वपूर्ण हैं। आई.टी. कंपनीज में रोजगार में जिस प्रकार की गिरावट आ रही हैं, यह प्रश्न उससे संबंधित हैं। माननीय मंत्री जी हिंदी समझ लेंगे or should I speak in English?

SHRI A. RAJA: I will be pleased if you speak in English. I can understand it quickly.

DR. MURLI MANOHAR JOSHI: Okay. The statement laid on the Table of the House says that there may be some indications of some shortfall in the increment of the employees. The question is not that. I don't know whether the Minister or the Government has seen the reports and the statements of the various Chairpersons of the companies. I quote from the *Times of India* news, the statement made by Mr. Manish Agrawal who is Chairman of Team Lead Services. I quote, "In IT companies, we are bound to see a reduction in head count and blunted wage acceleration over next two years." So, the head counts are going to be down. Then, further, Mr. Chibber says, who is the head of the Human Resource at Kelly Service India, "The bench strength in IT companies has reduced, and, in some cases, completely evaporated." Now, these are very alarming statements. Then, Mr. Chibbar also says that India's cost advantage as an outsourcing destination has eroded as salaries have risen because the dollar has depreciated; it is only that, not that you have raised the salaries. Countries like the Philippines, Indonesia and Ireland are more attractive destinations in terms of costs and, therefore, there is a shift in outsourcing to those countries. Now, has the Ministry seen these reports and taken some action on them, or, will you just depend upon the NASSCOM? I don't know how far these are correct; there is a mismatch between these two statistics. One if them is given by the companies themselves. They are saying that the benchmark has been

reduced by 20 to 25 per cent and the headcount is reducing. And you are saying there will be very little impact. The effect will be very appreciable especially for the smaller companies. It would have a very cascading effect; once the job situation in the IT sector is reduced to this extent, it will have a very serious impact on other sectors of technology also. Would the Minister respond to these reports?

SHRI A. RAJA: Sir, it is true that conflicting statements have been given by various IT companies. But, as the hon. Member is aware, Government has no regulator to regulate all these things on its own. The only reliable inputs are being received from the National Association of Software and Service Companies, NASSCOM. Every year, NASSCOM apprises the Government of what is happening in the field. Since we have no regulating system, we are not able to assess what is actually happening in the industry, and I have to admit that. On the other hand, Government is committed to facilitate all types of incentives to promote the industries so that they, in turn, could give more emoluments and increments to the personnel working in the Government. The Government is seriously working on it. Of course, we are expecting the correct, authenticated report from NASSCOM and other organisations. As soon as the authenticated reports are received, we can discuss them in the Parliament and Government would decide what could be done.

DR. MURLI MANOHAR JOSHI: Sir, you are aware that the IT sector is a hugely earning sector for the country. It also earns the country foreign exchange and provides jobs. But the situation is alarming. And if the Government has no control or if the Government has no agency to take care of this very sensitive and very important sector contributing to the country's technological development on the one side, employment on the other side, and foreign exchange earnings on the third, then I am very disappointed. The Government has not cared to take any interest in this. And I am worried because in another report they say that companies in India, especially the smaller companies are treading with caution and overall recruitments are expected to see a drop of 30 to 60 per cent this year compared to last year.

Now, Sir, this is a very serious situation and I am disappointed by this reply that the Government has no regulator. I don't say that they must have a regulator but can't they keep an eye over what is happening on this front? An IIT graduate needs much more in terms of educational expenses. We spend too much money on them. And now if such a situation has arisen when there is a slight change in the dollar value and there is a recession in USA, should the Government not take any advance measures for it? This recession is not going to evaporate in a day or two. As the report says, the situation is not going to ameliorate within two or three years. What does the Government intend to do? How are you preventing this loss of foreign exchange and loss of job opportunities? What are you going to do about the money value that this country has already spent? Many of them have taken bank loans. And what happens if these people do not get employment? There is another phenomenon occurring — students are not going to the IT sector. They report that they are given an appointment but they don't show up. They are expectant about the wage structure. So, a serious situation is emerging now in the IT sector. May I appeal to the hon. Minister to take urgent steps and inform the House about the measures which the Government intends to take? If they have not taken any steps so far, how long will they take to take certain steps? Can they assure the House that such a situation will not be allowed to arise?

SHRI A. RAJA: Sir, with due respect to the hon. Member, I can request him that he need not despair about these issues. The reason behind is that the speculations which were mooted by various press and various industry people are being noted very carefully and very sensibly. We are interacting with the NASSCOM. Not only that, the Government is committed through various measures, first time in India ...*(Interruptions)*... Of course, I must be categorical to this House. We have not received any single specific complaint or we are not able to assess or infer that the emoluments are coming down. What we have been told by NASSCOM is

that the incremental measures are being diluted slowly. But the Government is concerned. But I want to submit before the House that the measures taken by this Government cannot be compared with the past because this is for the first time that the Government on par with China, on par with Vietnam and on par with Ireland has cleared a few days back in the CCA, an investment exclusive regime for IT which will be constituted in 40 sq. km. What I want to place before this House is that all this facilitation is likely to give a positive impact on the emoluments of those who are looking to this industry. In spite of the hurdles that have been mentioned by the hon. Member, Infosys earned this year Rs. 4600 crores. So, we cannot say that the industry is losing money. We can interact with industries through NASSCOM as to how the incremental emoluments can be promoted in the future. The Government is considering it. I took note of all your sentiments that have been expressed here. We will discuss them with NASSCOM and come to this House.

DR. MURLI MANOHAR JOSHI: Will the hon. Minister give us a list of industries with whom the NASSCOM is interacting and with whom the Government is interacting?

SHRI A. RAJA: If you are saying that NASSCOM cannot be relied on, I have every liberty to say that I cannot rely on your statement also. So, collectively you have to work.

DR. MURLI MANOHAR JOSHI: I just want the list of industries with which they are interacting, and that is all.

SHRI A. RAJA: We are interacting with the NASSCOM and we will look into it.

SHRI N.K. SINGH: My question is somewhat congruous to the question raised by Dr. Joshi because international reports suggest that it is rising wage rates and the growing disequilibrium between demand and supply and emerging skills which are fast eroding India's comparative advantage to be an IT hub. Does the Government have any plan, one, to sustain India's long-term comparative advantage in the area of IT, and second, to move into higher value added activity through inculcation of emerging skills?

SHRI A. RAJA: Sir, in terms of export-import, our achievements are substantial and phenomenal. The points which were given by the hon. Member need some discussion in the Ministry. In terms of export and import, in terms of GDP and hardware and IT production, the achievement is being made within the domain of the target earmarked by the Government.

SHRI RAMA CHANDRA KHUNTIA: It may be true that Government has no control over the salary structure and increment. But I do believe that in our country the Government has the control over the working hours. Is it a fact that in the IT industries people have to work for more than twelve hours or fourteen hours? I do believe that the Government can control it. Will the Government take steps to control it? It is happening because they do not have any organisation, association or union. Will the Government allow them to form associations or unions to agitate their views and negotiate with the management to go for settlement?

SHRI A. RAJA: Sir, the existing laws, whether it is labour law or other law, no doubt, are applicable to IT industries. Those who are working in the night times in BPOs may have some difficulties. If any specific complaint is received by the Ministry, I will look into it.

SHRI PRAKASH JAVADEKAR: I want to take further the question that shri N.K. Singh has asked. The question is not that whether the salaries are reduced or not, we are really discussing the competitive advantage that India has. Sir, the IT industry is not only a sunrise industry but it has also given lead to India in the last decade. Now, the real issue before us is that to maintain that competitive advantage in the world as IT hub—as he was rightly asking—we have to ensure that we do value addition and move up the quality ladder.

MR. CHAIRMAN: Please put your question.

SHRI PRAKASH JAVADEKAR: Sir, the question is that the tax breaks offered to IT industry had worked phenomenally in our favour, to our advantage to get the business and become the IT hub of the world. As these tax breaks will be over by the year 2009, and, as the whole industry is shifting towards SEZ only because to gain the IT tax breaks, I want to ask the Minister whether the tax breaks which will be over by 2009 will be continued for a further period or not.

SHRI A. RAJA: Sir, as the hon. Member put it, the sunset clause that has been available, now in the Income Tax for STPI is going to be over by 2009. I interacted with the Finance Minister. Of course, as the Minister for this department, I wanted to extend it for a further period of ten years. But the constraints being entangled, the Finance Minister is having some reservations that (a) by using this sunset clause, those big industries, which have earned more and more in the past, may again get the concession and (b) the unlawful enrichment should not be permitted using the legal means. The discussion is going on with the Finance Minister. I personally met the hon. Prime Minister and the Prime Minister was also inclined to give some relief subject to the reservation of the Finance Minister, it is being examined and we are working out something so that, at least, the small and marginal enterprises should not suffer on this sunset clause. The matter is under consideration.

\*363. [The questioner (Shri Jesudasu Seelam) was absent, For answer *vide* page 21.]

\*364. [The questioner (Shri Rudra Narayan Pany) was absent, For answer *vide* page 22.]

#### **Funds for sports at school/college level**

\* 365. SHRI SU. THIRUNAVUKKARASAR: Will the Minister of YOUTH AFFAIRS' AND SPORTS be pleased to state:

(a) the amount of money allotted to every State to develop sports or games at school level and at college level: and

(b) whether there is any proposal to construct stadiums at the Block level?

THE MINISTER OF STATE OF THE MINISTRY OF YOUTH AFFAIRS AND SPORTS (DR. M.S. GILL): (a) and (b) A Statement is laid on the Table of the House.

#### ***Statement***

(a) The Government of India has been facilitating the development and promotion of sports and games in schools and colleges by providing assistance for (i) creation of sports infrastructure and procurement of sports equipment, which has been transferred to the State sector w.e.f. 31.03.2005; (ii) the grant of sports scholarship to talented school and college students. The details of State-wise release of grants during the last 3 years are given at Statement-I; (iii) the conduct of inter-school competitions at district, state and national level, and interuniversity competitions. (*See below*) The details of State-wise release of grants during the last 3 years are given at the Statement-II (*See below*).

In addition to the above, the Sports Authority of India (SAI) provides intensive training, both residential and non-residential, to talented students in the age group of 8 to 21 years.

(b) There is no proposal to construct stadia at the block level. However, under the Panchayat Yuva Krida Aur Khel Abhiyan (PYKKA), all the village and block panchayats will be provided with basic sports infrastructure, in a phased manner, over a period of 10 years. Under the scheme, each block panchayat will receive Rs. 5 lakhs one-time capital grant for the creation of sports infrastructure, out of which 25% will be the contribution of the State Government and the balance will be central grant.