

thoroughly, then only Government decides whether a particular item should be exported or not.

PROF. (MRS.) ASIMA CHATTERJEE : Sir, soyabean is an extremely important foodstuff as it is a good substitute for meat. It has a high content of protein and it also contains essential amino acids. So, from the nutritional point of view soya meal is extremely important and it can be consumed by poor people of our country as it is, at the same time, cheaper. May I know, what its total production in the country is, whether efforts are being made for plantation of soya plants in other States also and whether any further research is going on to have better variety of seeds of soyabeans so that the yield may be increased and the demand of the country is fully met?

MR. CHAIRMAN : This is the question with regard to export, Madam, No answer. Next question.

Strike Notice by the Bank Officers' Organisations

*202. **DR. BAPU KALDATE :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the All India Confederation of Bank Officers' Organisation (AICOBBO) has served a notice to go on strike in August, 1985;

(b) whether it is a fact that the strike is over the changes made by Government in the wage settlement reached in December, 1984;

(c) if so, what are the details of the changes made by Government; and

(d) what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI) : (a) to (b) A statement is laid on the Table of the House.

Statement

The Indian Banks' Association (IBA) had in March, 1985 recommended for Government's consideration certain propo-

sals relating to wage revision of officers in public sector banks. These recommendations provided for an increase in the total wage bill of officers by about Rs. 100 crores representing an increase of 16.7 per cent which was higher, than that approved for the Award staff. Government after examining the recommendations, agreed for a wage revision in terms of which the wage bill of officers is estimated to go up by about 13.5 per cent and resulting in an increase of about Rs. 80 crores per year.

Wage revision for officers in public sector banks is not an issue for negotiation or settlement with the association of officers. However, as per the practice, IBA had consultations with the major unions representing the officers in the public sector banks and had thereafter forwarded these recommendations to Government.

Indian Banks' Association has reported that the All India Confederation of Bank Officers' Organisation (AICOBBO) has served a notice of strike on IBA making its intention to observe one day's token strike all over the country on 13-8-85. Its major demands include giving retrospective effect to the wage revision from 1-7-83 as against 1-7-84 as has been agreed upon and non-recovery of 10 per cent of basic pay towards house rent from such officers who have been provided with bank accommodation. After considering all aspects, including the capacity of the banks to absorb an expenditure of another Rs. 80 crores as arrears for the period 1-7-83 to 30th June, 1984 out of its profits, Government decided to make the wage revision effective from 1-7-84. As regards waiver of 10 per cent of pay, it is the considered view of Government that like other employees in the Government and other public sector undertakings bank officers should also pay 10 per cent of their pay towards house rent, where houses are provided by the banks.

DR. BAPU KALDATE : Sir, the AICOBBO people are agitating for many demands for a long time. In March the IBA submitted certain recommendations with regard to pay revision which, ac-

according to your own statement, were agreed to by you to a certain extent. May I know, when this agreement will be implemented?

What is the reaction of AICOBBO people to the changes suggested by you in the revision of the pay scales? There is one more point which I would like to mention, and that is, the question of promotion and the parity with the private sector banks. What is the position regarding these two things?

SHRI JANARDHAN POOJARI: Sir, the Indian Banks' Association (IBA) submitted their recommendations in March, 1985. They want the date of effect from 1-7-1983 but we gave the date of effect from 1-7-1984. They were not satisfied with this.

Secondly, there cannot be any settlement or negotiation with our terms. In fact, that is why they have given a notice to go on strike on 13th August, 1985. It is the All India Confederation of Bank Officers' Organisation that has given the strike notice. No other notice of strike has come from any other association, but we have read it in the paper that another association will be going on strike on 29-8-1985.

Coming to their demands, as the hon. Member wanted, they want additional basic pay plus D.A. to the tune of Rs. 58.22 crores, percentage-wise increase of 9.50; house rent allowance to the tune of Rs. 4.62 crores, percentage-wise increase of 0.75; city compensatory allowance to the tune of Rs. 9.17 crores, percentage-wise increase of 1.50; provident fund to the tune of Rs. 12.46 crores, percentage-wise increase of 2.03; gratuity to the tune of Rs. 4.48 crores, percentage-wise increase of 0.73; house rent deduction to be waived to the tune of Rs. 9.52 crores, percentage-wise increase of 1.55; medical benefits to the tune of Rs. 3.90 crores, percentage-wise increase of 0.64. Not only that, they want a free accommodation. Even the employees of the Government and other public sector undertakings, they have been paying 10 per cent of their basic pay, but here they want free accommodation. The Government did not agree

to this. The banks are not in a position to absorb the expenditure. Here we have agreed to give Rs. 80 crores for the officers and we have already given to workmen about Rs. 120 crores. In a year we have to give about Rs. 200 crores. Unfortunately, the banking sector is not in a position to absorb more expenditure. That is why we are not in a position to meet their requirements. We feel that whatever we have done to them is a reasonable one and just one and we are not in a position to concede any more.

DR. BAPU KALDATE: Sir, it is always better to have the negotiated settlement as you had agreed to a certain extent. They have also given a notice for going on strike on 13th. As you know, the banking sector is the key sector for the economy of the country. It is always better to see that it works properly. May I ask the Minister what steps the Government is taking to find out a negotiated settlement in a short period so that there will be no strike and everything moves smoothly?

SHRI VISHWANATH PRATAP SINGH: Sir, we do feel that there should be a negotiated settlement. After all they are a part of our public system of services to the people. Their suggestion regarding merger of D.A. with pay at CPI 322—that was one of their demands—has been conceded. We agreed to it. Regarding revised pay scales in the public sector, they had asked for a minimum of Rs. 1,175 and the maximum at the higher scale of Rs. 5,000. We agreed to Rs. 1,115 and against Rs. 5,000 also, which was their demand, we did agree to Rs. 4,600.

About their demand for recovery of 10 per cent towards house rent, after discussion with the IBA we have agreed that against 10 per cent of pay, banks may recover 10 per cent of the minimum of the scale of the officer. This we did in the spirit of negotiations and coming to an agreement.

On City Compensatory Allowance, we have accepted *in toto* the recommendation of the IBA.

About House Rent Allowance, we have accepted *in toto* the House Rent Allowance formula of IBA. But we have not

agreed to the waiver of 10 per cent and also of receipts etc.

So, there has been quite a bit of accommodation from the side of the Government. Only I want to put before the hon. Members in this House that the total bill of what they had asked for came to Rs. 102 crores and the total profitability of our public sector banks is about Rs. 80 crores. And we are agreeing to about Rs. 80 crores.

So far as workmen are concerned, what we had agreed to was upto the extent of 14.5 per cent. That is what we agreed for workmen. Now the officers are asking for 16.5 per cent. We cannot go beyond the workmen. Within these constraints we have to work and we are still trying to find a settlement. The IBA's representatives are in touch with officials here and we are trying to find a solution.

SHRI P. N. SUKUL : Sir, it is rather peculiar that when class III and class IV employee, do not get any free residential accommodation—whereas they might deserve it more—the bank officers now want to have free residential accommodation. However, as regards this question, I would like to have information on two points. Our Minister has just said that the profitability of the banks is of the order of Rs. 80 crores. What is the actual financial implication of the demands of the bank officers? That is number one. Number two, last time also when pay revision was effected, class III and IV employees got their revision from 1978 and the officers were given from 1979. So this time if the class III and IV employees got it from 1983 and the officers are being given from 1984, why should there be so much of clamour? What is the justification for them, when last time also they agreed to this pattern of things, why this time they are making an issue of it?

SHRI JANARDHAN POOJARI: So far as the wage bill of the officers is concerned, before this undersanding about giving Rs. 80 crores to them, it was Rs. 613 crores. So far as the wage bill of the workmen is concerned, that is about Rs. 829.36 crres before settlement. The total wage bill will be, after this settlement

with workmen and the understanding with the Officers' Association Rs. 1,642 crores. It is true, as the hon. Member has said that for the earlier settlement with workmen, the date of effect was 1-8-1978, and date of effect for officers' wage revision was after 11 months—i.e. from 1-7-1979—subject to correction. So, Sir, this time they want to make much about this. As I said earlier, we would have been very happy to do it but we are not in a position to do it. They must also realize the financial position of the banking sector and they must come to some reasoning. The request is that they should not go on strike on 13-8-1985 or 29-8-85. If they want to go on strike, the Government will definitely take stern action against such people.

SHRI VISHWANATH PRATAP SINGH : Sir, I want to bring a little amendment to the answer which I gave. So far as a negotiated settlement is concerned, I said it is only in a spirit of dialogue. Otherwise this subject is not formally subject to negotiations.

DR. SHANTI G. PATEL : Sir, I am happy that the Finance Minister has assured the House that they will carry on the dialogue and will try to find a settlement. I am sure the whole House is concerned that there should be no dislocation of work particularly when the key personnel are concerned, whether it is a banking company or any other company. In the reply to the question, nowhere has its incapacity to pay been pleaded. What has been pleaded is that the percentage of increase, which is going to be 16.7 per cent in this particular regard, according to them, is higher by some percentage and it should have been only 13.5 per cent. Sir, may I ask the Minister whether it is not true that the recommendations made by the Indian Banking Association were on the basis of an agreement after prolonged negotiations between the Indian Banking Association and the All-India Confederation of Bank Officers' Organizations and others in which certain anomalies, particularly with regard to the clerical staff, were sought to be removed and with this objective in mind certain revisions were proposed? Retrospective

effect is also one of the anomalies because this discrepancy of different years of revision leads to different pay scales and difference in their emoluments lead, to certain discontent and this was the reason. Of course, the Minister has now chosen to change the words to "negotiated settlement", but I would like to replace it by "healthy relationship." I am particular about the words.

MR. CHAIRMAN: Question, please.

DR. SHANTI G. PATEL: Are not those recommendations based on a certain agreed formula or terms between the Indian Banking Association and the federation of the employees organizations and will he not go into it, particularly because in a number of industries, specially in the coal industry, the rise has been 17 to 18 per cent?

SHRI VISHWANATH PRATAP SINGH: Sir, I quite agree that we have to deal with any situation in a spirit of healthy relations as part of the family. So far as pleading incapacity to pay is concerned, I am not saying "incapacity to pay." You can make budgetary support to any institution. But I am saying that the profit being Rs. 80 crores, there is a demand of Rs. 102 crores. We have to keep that variable also in mind. Now, so far as the workmen are concerned, we cannot go beyond what we have given to the workmen—the percentage rise. That is a sort of principle that you can accept; I don't think there can be argument on that. So far as anomalies are concerned, certainly we can look into anomalies, if there are anomalies. About timing of the two, there has always been difference. Just now Mr. Sukul raised this point and said, why are you putting it together? This difference has always been there and I think there is nothing out of place there.

DR. SHANTI G. PATEL: My question was...

MR. CHAIRMAN: No, no question, please. Mr. Ray.

DR. SHANTI G. PATEL: Sir,—
(Interruptions).....

MR. CHAIRMAN: No, nothing will go on record. Mr. Ray.

DR. SHANTI G. PATEL: *

MR. CHAIRMAN: No protection; I do not protect anybody. It is not a dialogue. Look here. This is not a debate. You have asked the question and got the answer. If you are not satisfied, you have to ask me to give some other time.

No. He will not go on record. Anybody who speaks without my permission will not be recorded.

SHRI DEBA PRASAD RAY: I want to know from the hon. Minister: How much has been the increase in the wages of the class III and class IV employees and how much has been the increase in the wages of the officers? Three, what is the increased average income of the bank officers? Four, what has been their role—I mean, the role of the bank officers—in implementing anti-poverty programmes?

SHRI JANARDHAN POOJARI: Sir, as I have already stated about the wage bill. The increase which we are giving after this understanding is, the officers would be getting Rs. 80 crores and already Rs. 120 crores are being given to workmen. Sir here the increase is about Rs. 200 crores.

Sir, the profit, as stated by my senior colleague, is about Rs. 80 crores. Out of that, we have to give bonus also at 8.33 per cent to the workers. That means, that will be about Rs. 35 crores, we have to give. Not only that. The dividend to the RBI and to the Government we have to give. Taking all these into consideration, what would be the amount that would be left? Practically we have to support the banks. We are coming now with a supplementary budget for Rs. 400 crores to strengthen the capital base of the banks. This is the position. And our employees who are working in the banking sector, that is why I said, should realise this position.

*Not recorded.

So far as their duty towards the weaker sections is concerned, after the nationalisation of the banks they have got the social obligation also. They have to work, they have to give their best service to the people. And, so far as the priority sector and other weaker sections are concerned, they have to implement these programmes.

SHRI DIPEN GHOSH: Mr. Chairman, Sir I have gone through the statement, and I have listened to the replies given by the Ministers of Finance, senior and junior. But I find that two points are there which are hanging fire. One is about the date of effect of the settlement. The Association has demanded the date of effect should be 1-7-83, and the Government is inclined to give effect from 1-7-84.

As the Minister of State for Finance has replied that earlier in the case of the wage settlement, in the case of class III and class IV employees, the subordinate staff, it was given effect from 1978, but that in the case of officers, was given effect from 1979. My colleague, Dr. Patel, asked how the anomaly has arisen between these two dates of effect one given in respect of the subordinate staff and the other in respect of the officers working in the same bank. Some people get the benefits of the settlement earlier, and some others get it later, and during this period some anomalies arise. The Minister has stated that he would look into the anomalies. That is good. But my question is that normally when a settlement is arrived at, it is given a tenure of either three years or four years or five years. What was the tenure of the settlement which was reached earlier in the case of officers? When did it expire? And is this new proposed settlement being given effect to from the date when the last settlement expired?

SHRI VISHWANATH PRATAP SINGH: Taking the date back means another Rs. 80 crores. It will not be out of place to mention that when the Pillai Committee recommendations were implemented, there was a gap of 10 to 11 months between the officers and that of workmen. The hon. Member also wanted to know whether there was an agreement with the Banks' Association? The Unions had a dialogue and certain recommenda-

tions of the Unions or proposals went to the IBA which it did not accept and other recommendations they referred to the Government. But after giving thought to that what the Government could accept, it accepted and what it could not, it did not accept.

SHRI DIPEN GHOSH: Sir, my question has not been answered.

MR. CHAIRMAN: It will not be answered. If you want any further discussion....

SHRI DIPEN GHOSH: Sir, my question was very specific. Well, you were also in the Ministry of Finance and you knew.

MR. CHAIRMAN: No reference to the Chair should be made. (*Interruptions*).

SHRI DIPEN GHOSH: My question was very specific: whether the date of effect from 1-7-1984 is the date when the last settlement expired?

MR. CHAIRMAN: He wants to know whether this new settlement will take effect from 1-7-1984 (*Interruptions*).

SHRI DIPEN GHOSH: When it expired and from when it is being given effect to?

MR. CHAIRMAN: Did you understand the point?

SHRI VISHWANATH PRATAP SINGH: To that I will pass on the information.

MR. CHAIRMAN: Mr. Desai.

SHRI JAGDISH DESAI: I would like to know from the Honourable Minister whether the Government will initiate steps to see that the emoluments in the public sector whether coal, mining or banking are brought to parity? Sir, the demand from the Bank Officers was that no rent should be charged to them. It appears to me quite exaggerated.

I would like to know whether the Government will take steps to see that there is parity between the emoluments including amenities received by the banking sector

and other sectors so that there should not be any heart-burning in the minds of the public sector employees.

SHRI VISHWANATH PRATAP SINGH: This is precisely because they had asked even officers who had been given accommodation by the banks, 10 per cent deduction should not be made. Now, for other public sector and Government employees, we do make the deductions. So, it was not possible to agree with it which the hon. Member sees to be in parity with what others are enjoying. I am informed that there is no tenure for officers revision. It is not under the Industrial Disputes Act.

WELCOME TO SPEAKER OF CITIZENS MAJLIS OF MALDIVES

MR. CHAIRMAN: Just a minute. I have an announcement to make.

We have with us this morning seated in the special box His Excellency Mr. Ibrahim Shihab, Speaker of the Citizens' Majlis of Maldives who is currently on a visit to our country.

On behalf of the Members of the House and on my own behalf, I take pleasure in extending a very hearty welcome to our distinguished guest and wish him a very enjoyable and fruitful stay in our country. We hope that during his stay with us he will have opportunity to see and learn more about our country and our people. Through him we convey our greetings and good wishes to the Members of the Citizens' Majlis of Maldives and the friendly people of Maldives.

ORAL ANSWERS TO QUESTIONS— Contd.

MR. CHAIRMAN: Now, can we go to the next question? Q. No. 203. (Interruptions). We have already spent 20 minutes. (Interruptions). Q. No. 203.

Bank Frauds

*203. **SHRI PARVATHANENI UPENDRA:** Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news item which appeared in the Deccan Chronicle on the 19th June, 1985 captioned "Banks losing Rs. 100 crores through frauds annually; and

(b) if so, what are the details thereof and what action Government have taken to check such huge losses through frauds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) A statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) The newspaper report refers to the increase in the incidence of banking frauds in the country as made out in a study conducted by a Criminologist on the Faculty of Kerala Police Training College and projected in his book titled "Bankers' Safety in Money Transactions". According to this book, the author has estimated that the banks lose rupees hundred crores through various fraudulent methods including cheating personation, forgery, theft, criminal misappropriation, false claims and misrepresentation. The author is of the view that some bank employees aid and abet in various criminal activities causing loss to the banking institution. According to the report, lack of knowledge and academic training for bankers and bank employees in the detection of forgery precludes an assured and in-built system against detection frauds. The author has identified the detective system of personal identification of customers at the time of opening an account as the major factor helping forgers and counterfeiters.

The newspaper report refers to two types of frauds (i) counterfeiting of currency notes, and (ii) other fraudulent methods such as cheating, personation, theft, criminal misappropriation, false claims and misrepresentation, etc.

In so far as the counterfeiting of currency notes is concerned, the Government takes two fold steps, viz., preventive and