

You have rejected the recommendations of the Committee on Defections, and ...

*(Interruptions)*

MR. DEPUTY CHAIRMAN : Order, order, please.

SHRI SHANTI BHUSHAN : Since this august House is short of time and I have dealt with the relevant matters, I would not like to take further time of the House. With these words, I commend the Bill to the House.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill further to amend the Presidential and Vice-Presidential Elections Act, 1952, as passed by the Lok Sabha, be taken into consideration."

*The motion was adopted.*

MR. DEPUTY CHAIRMAN: Now we shall take up clause-by-clause consideration of the Bill. There are no amendments.

*Clause 2 was added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI SHANTI BHUSHAN : Sir, I beg to move :

"That the Bill be passed."

*The Question was proposed.*

SHRI BHUPESH GUPTA : Sir. . .

MR. DEPUTY CHAIRMAN : We had allotted one hour for this.

SHRI BHUPESH GUPTA : Sir, the third reading is a procedure which cannot be disposed of like this.

MR. DEPUTY CHAIRMAN : Please take your seat.

SHRI BHUPESH GUPTA : Shri Shanti Bhushan touched the point, but did not

answer. All I say is that the Opposition is more keen on the anti-defection Bill than anybody else.

MR. DEPUTY CHAIRMAN : The

question is:

"That the Bill be passed."

*The motion was adopted.*

[The Vice-Chairman, (Shri H. M. Trivedi) in the Chair].

# **THE PAYMENT OF WAGES (AMENDMENT) BILL, 1977**

THE MINISTER OF PARLIAMENTARY AFFAIRS AND LABOUR (SHRI RAVINDRA VARMA) : Sir, I beg to move :

"That the Bill further to amend the Payment of Wages Act, 1936, as passed by the Lok Sabha, be taken into consideration."

Sir, this Bill is a simple Bill to enable the introduction of an insurance scheme for Central Government servants. The Third Pay Commission had recommended the introduction of an insurance scheme for Central Government servants, which, on a monthly contribution of Rs. 5. would provide a cover of Rs. 5.000 on death while in service to the family of the deceased Government servant and return of the actual amount contributed by him without addition of any interest in case of superannuation or demission of office for any reason. The Scheme, as recommended by the Commission, was to be optional for the existing employees and compulsory for future employees.

This scheme was discussed with the representatives of the staff side in the National Council of the Joint Consultative Machinery in 1973. The staff side did not favour the scheme on the ground that it would cover only the risk of death during service, and would not provide for any additional benefit on retirement. They wanted a scheme which would provide equal benefit, both in case of death in service, as well as

[Shri Ravindra Varma]

at the time of retirement. A modified scheme was, therefore, worked out and circulated to the staff representatives. In a meeting held on the 18th December, 1975, the staff side accepted the modified scheme worked out by Government. Thus, Sir, the House will see that the scheme that is being introduced now has received the acceptance of the staff as well.

The Scheme is compulsory for all Central Government employees, both those who are now in service as well as those who join the service of the Central Government in the future. For purposes of contributions and entitlement to benefits, the employees are divided into three groups depending on their age at the time of entry into the scheme. Each group is covered in a separate stage in the scheme.

A large number of Government servants employed in Government factories and railways come within the purview of the Payment of Wages Act, 1936. Deductions from the Wages of the employees for contributions to the insurance scheme the Government is introducing cannot be made unless sub-section (2) of Section 7 is suitably amended. The Bill now before the House seeks to add a new clause (q) under subsection 2 to permit the necessary deductions being made. Government have decided that the insurance scheme should be introduced with effect from 1st July, 1977.

To make this possible, it is necessary to amend the Payment of Wages Act as proposed in the Bill without any loss of time. I need not say that this is a very short, simple and non-controversial Bill. I have every hope that the House would itself be keen to pass the Bill so that the insurance scheme framed by the Government to promote the welfare of their employees may go into operation without any difficulty on the 1st of July itself.

With these words, Sir, I commend the Bill as passed by the Lok Sabha, for the acceptance of the House.

*The Question was proposed.*

SHRI N. K. BHATT (Madhya Pradesh):

Mr. Vice-Chairman, Sir, this is a welcome measure. The Third Pay Commission had recommended the introduction of this scheme for Central Government employees. It was to be optional for existing employees and compulsory for future incumbents. The objective is that though this does not give any additional benefit or interest, this covers the risk of death while the employee is in service. Sir, it is a happy thing that the scheme has been brought before us in a modified form. It will be equally beneficial both to the existing employees and the future incumbents. Sir, one thing which I would like to point out here is that while it is a good measure which has been brought about, it would have been still better if a large number of employees under the State Governments could also have been covered. While I fully appreciate the difficulty of the Government that labour being a Concurrent subject, they cannot bring it straightway in this, but I hope the Government will take into consideration the interests of the large number of State Government employees all over the country.

Sir, the Payment of Wages Act has been amended in the past a number of times with a view to ensuring that the labour is not denied of its legitimate claims and dues. But these amendments have proved futile in the matter of achieving this objective. Sir, we have come across a number of instances where the management of a number of undertakings both in the private sector and the public sector, particularly in the private sector, defied this, and they have gone scot-free by paying only a paltry penalty of Rs. 200. Sir, it is not enough just to bring in this Bill. It is necessary that rules have to be framed in such a way under this Act that there is strict implementation of the provisions of the Bill.

Mr. Vice-Chairman, Sir, unfair labour practices have become the order of the day, particularly in the last few months. This is so both in the private sector and the public sector. Sir, I do not want to quote a number of instances. By way of illustration, I

would like to make a mention of a Government of India undertaking under the Ministry of Finance, the Bank Note Press of Dewas. Sir, in this Undertaking, simply because the General Manager did not like a particular worker to be the leader, suspended the worker without any charge. Even during the reconciliation proceedings, it was proved that the charges of the management were futile. They did not go by the recommendations of the Regional Labour Commissioner. They even went to see that the person was transferred from that Undertaking to another Undertaking which was also not correct. Sir, I am drawing the attention of the hon. Minister to this matter by way of illustration. A number of irregular and unfair labour practices are going on and there is a lot of highhandedness and victimisation, I hope the honourable Minister . . .

SHRI KALYAN ROY (West Bengal) : Honourable or vulnerable ?

SHRI N. K. BHATT : . . . will take due care and strict measures to put a halt to this so that the interests of the workers are protected. Sir, in the same breath, I would like to make a submission that a number of undertakings are also resorting to lock-outs and closures. This is not a new thing. Whenever we point out this, we simply get assurances. This morning, our hon. friend did make a mention about the crisis in the jute industry. In a number of textile such a situation is coming up. There was a suggestion that before an Undertaking wants to declare a closure or lock-out, it should seek the permission of the appropriate authority.

When I say that it should seek the permission of the Government, I mean to say that when the Government is seized of the situation and if the undertakings in any difficulty that difficulty can be looked into and the workers point of view also can be understood. But, in the absence of such a provision difficulties are coming up and closures and lock-outs are becoming the order of the day.

Sir, under the existing law the penalty clause should be heavy and in fact the posi-

tion is such that the entire industrial law needs to be thoroughly gone into. Sir, I am sure that a thought will be given to this aspect and all these questions will be considered.

The present Bill has a very limited objective. I am happy to say that this Bill has been brought forward as a result of the recommendations of the Third Pay Commission. There are several other recommendations of the Pay Commission which still remain to be implemented. I hope proper steps will be taken to give effect to those recommendations also. There are other larger questions, such as, bonus, wages linked with productivity, etc. All these questions are there and I am sure that the hon. Minister will take care to look into all these questions.

Sir, with these words I commend this Bill and give it my support. Thank you.

SHRI KALYAN ROY : Sir, I will be rather brief. I welcome the Bill and it deserves the support of the entire working class. I do not know why this Bill has stopped half way; in other words, I do not know why it has not been extended to the employees of the State Governments as, that too could have been done. I would like to know what the Government is doing about it.

Sir, I would like to know from the new Minister in charge of the Ministry of Labour whether this is the basic, most important thing that is now facing the Ministry. I think the hon. Minister today is not aware of what is happening in the country or is unable to intervene because of the lack of any proper coherent labour policy which has not been evolved, as we have seen today that the Bill regarding the Compulsory Deposit Scheme, which was to be discussed today, was surreptitiously and hurriedly withdrawn because of the serious differences inside the Janata Party. So, I would like to know whether he is aware of the situation which is developing and which is rather grim and the Government is drifting and there is an atmosphere of confrontation throughout the country and

[Shri Kalyan Roy]

I do not think it is good because the bolt is impending and tree may fall. That is the situation ?

I think Mr. Verma knows that the H.M.T. is entirely on strike. The Indian Express belonging to one of the corrupt tycoons of the country. Mr. Goenka, has been closed down and we are going to lace an indefinite strike not only by the journalists of the Indian Express but perhaps by the journalists all over the country. There is a strike going on in a colliery in Singrauli for the last 20 days. The bank employees are also restive and they are also giving a strike notice. Sir, the situation is far from complacent and it may develop into a thunderstorm and already we are hearing the rumblings. What is the Government doing about it, that is the question asked by the working class. Unfortunately, I find, Sir,—although I do not like to be harsh on the first day—that the Government is simply aping the methods and manners of the previous regime because at a certain stage the previous regime also refused to discuss with the trade union leaders before they brought forward any Bill affecting the working class. Whether it was the Bonus Act or the Compulsory Deposit Scheme, the labour representatives were not even consulted, nothing at all. It came just like that and their attitude was either you accept it or go to hell. I am afraid. Sir, perhaps a similar line is being taken in a different manner.

Now, Sir, on the 6th and the 7th of May, the Indian Labour Conference was convened. The most important items which should have been discussed, like, price rise, the C.D.S., bonus, lockouts and closures, were not even included in the agenda. What is surprising is that just after the meeting was over, the Government came with this wild and foul ordinance on Compulsory Deposit Scheme and the All-India Trade Union Congress issued a statement :

"It is also regrettable that though the Indian Labour Conference took place

only a couple of days before the Ordinance, the new Government did not place the issue on the agenda of the tripartite conference for discussion with the trade unions and acted unilaterally as was done during emergency by the previous Government."

Sir, apex body has been scrapped. I do not think the apex body was much useful, although it did some good here and there but the entire working class was suppressed. There is no doubt about it. If anybody doubts it. I would say he does not belong to the working class or does not know the mind of the working class. But there were certain bodies which were at least the forum where the employers and the representatives of the trade unions met and discussed and tried to settle some problems—not all the problems were settled—like the body they had in steel and coal industries. They discussed and they tried to settle. I do admit that it was not broad-based. Now, since the Janata Government took over, there is no place where the employers and the employees will meet and discuss and thrash out their problems, resulting in a deadlock and a stalemate which is developing, which is leading to irritation and misunderstanding, gheraos and all these things. And it is, to a certain extent, provoked by the management. Here also, I do not find any definite clear-cut line by the Government of India. As a matter of fact, the Minister has received a letter from the General Secretary, All-India Trade Union Congress, Comrade K. G. Srivastava where he mentioned that what he is going to do about the tripartite committee in the steel and in the coal. I do concede absolutely that it should be expanded; more people should be taken in and the deadlock should be removed and it should be given top priority.

I would also like the Minister to tell us whether he is aware of what is happening in Ranchi. Some examples have been quoted by Mr. Bhatt. Sir, I am reading here the report which appeared in the *Times of India* of 23rd June :

"There has been an alarming fall in

the production of heavy engineering units in the past two months which has now become a matter of serious concern.

The public sector units under the Department of Heavy Industry were doing extremely well till March. Their combined output was of the value of as much as Rs. 86 crores in February and Rs. 123 crores in March. But this dropped sharply to Rs. 33.46 crores in April and Rs. 40.13 crores in May. In these two months, only 65 per cent of the production target was achieved as against 97 per cent in 1976-77. . . ."

"One of the major reasons for the difference in performance is that morale is high in steel but sagging in heavy industry. Some prominent Janata leaders, including the Industries Minister, have persistently been running down heavy industry in public speeches as well as in committee meetings.

There is an obvious atmosphere of drift in heavy engineering managements, and there is no sign of any ministerial initiative to check this. The former Industries Minister, Mr. T. A. Pai, watched production statistics like a hawk, and at the slightest sign of a falling trend took remedial action.

This constant monitoring put managements on their toes and oriented them to the attainment of detailed monthly targets. Efficiency, production and profits all went up.

Now the process seems to have gone into reverse gear. The Janata Minister has made it plain to his officials that he is interested mainly in rural and small industries, and only marginally in heavy engineering. . . ."

"The trend is now in danger of being reversed. The deterioration has spread to all the big units. In May, Bharat Heavy Electricals reported a production fall of 7 per cent compared to the figure of May last year."

"The Heavy Engineering Corporation suffered a shortfall from Rs. 5.47 crores in May, 1976, to Rs. 1.23 crores this May thanks to labour trouble."

The same is the case with the Hindustan Machine Tools and the Mining and Allied Machinery Corporation. Without being disturbed by our new Health Minister, Shri Raj Narain, who has created a little chaos in his Ministry.

There is an alarming situation in the Ministry. I have pointed this out. This is a matter of great concern to all of us, to all people who come from U.P., Bihar, Bengal and so on. Large number of people from the States of Eastern India are engaged in the jute industry. I am quoting from what has appeared in the Calcutta's Statesman today. It says;

"The jute industry has suggested that in view of the acute shortage of raw jute which will continue till the end of August, jute mills should be allowed to close for at least ten days a month in July and August. It will be known as "block closure". Groups of mills will close in phases."

It also says :

"He admitted that the closure of jute mills for ten days a month during July and August would mean a lay-off of a third of the total work force in the industry."

When this is the position and when this is the labour situation today, I do not find that kind of alertness, that kind of promptness and that kind of determination that is required to tackle the situation.

Mr. Bhatt has pointed out about the massive unemployment in the organised sector. Thirty-two textile mills have been closed. Eighteen jute mills have been closed. Many engineering factories have been closed. They have been closed in a *mala fide* manner, in a manner which is shocking to any democratic country. We have restored democracy. Yes. We have

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the voting power. But you have taken away my bread. You have taken away my butter. You have taken away my job. I will be democratic only when you are in a position to give me bread, butter, shelter and medicines. If this is denied what is the meaning of democracy ?

I would like to know, has one single factory been opened since the Minister took over. Half a million people were laid-off between May, 1975, and December, 1975, as per the statement of the former Minister of Labour. At least half a million people have been thrown out of their jobs permanently in 1976. All these problems are there. Mr. Varma has said at the Indian Labour Conference and I quote :

"Severe inroads were made into the recognised rights of collective bargaining and the tradition of prior consultation before the alteration of work loads, hours and conditions of work etc."

In other words, the workers were bullied to work more and deliberate curtailment of the workers' rights was carried on in a planned manner and with the support of the State machinery. Have all these been curbed ? Have these things been talked over with the representatives of the central trade unions ? In this regard, I say, Sir, not much has been done. I agree that three months are not enough. But you did not take much time in dissolving the Assemblies of the nine States. You did not take much time in withdrawing certain cases. If you have the will, you can do it. But I find that this will is not there.

I am surprised to see a statement of the Prime Minister against gheraos and strikes. I did not see a single statement of the Prime Minister castigating the employers about resorting to lock-outs, illegal closures, lay-offs and retrenchments. Not a word of warning has been given.

THE VICE-CHAIRMAN (SHRI H. M. TRIVEDI): Please conclude.

SHRI KALYAN ROY : I am concluding. We will be meeting again in July per-

haps. I am coming to my last point. It was very unfortunate that our Prime Minister, Shri Morarji Desai, while addressing an election meeting at Bhubaneswar, said that he would not support strikes and gheraos. I was surprised to read this. I can understand his admonishing the workers that they should not disrupt production and that they should not take law into their own hands. I can understand that. But I expected at least a warning to the employers that they should not resort to illegal lockouts and arbitrary closure of factories, throwing a large number of workers into the streets, whereas, we are aware that about one crore of people have registered their names in the employment exchanges. I see, Sir, a certain slant towards the private sector employers. A certain pro-employer policy is developing. I hope Mr. Varma, when he replies, would allay the fears that this Government is a Government of the monopolists and big business Houses. It is for him to allay our fears. Otherwise, Sir, unfortunately we will have to decide the things in the streets. That will not be good either for the country or for the people who are now sitting in the Treasury Benches after sitting for the last 30 years in the Opposition Benches.

SHRI S. W. DHABE, (Maharashtra) : Mr. Vice-Chairman, Sir, though the Bill is welcome, this is a half-hearted measure and, as rightly pointed out by Shri Kalyan Roy, the Department of Labour is still considered to be a downgraded department. Previously, it was under the charge of a State Minister, Shri Raghu natha Reddy. Now it is under the charge of a Cabinet Minister but still I find the steps which have been taken by the Janata Government in matters of labour are not only contrary to what their manifesto says, but also a new practice has been started, that is, taking labour decisions without consultation with labour and their representatives.

Before I speak on this Bill I would like to bring two important facts to the notice of the hon. Minister. Firstly, it is with regard to the closure of the 'Indian Express' newspaper. It was debated in the morning

but he did not give a full reply in this matter. Now, a notice has been served on the workers. Sir, under section 25, sub-section (0) of the Industrial Disputes Act 1947, prior permission is necessary for any employer to close the business and without that it is not possible for any employer to discontinue the business. If a breach is made, it is punishable under the Industrial Disputes Act. I fail to understand why no action has been taken on this matter. The Labour Minister has also not given any explanation in this regard. Secondly, Sir, it is very important from the labour point of view that this Bill under the Additional Emoluments (Compulsory Deposit) Act, 1974, which was to come up here, has not been placed in this session. Having seen the division in the Lok Sabha, I think the Government must have rightly had a second thought on it. It was also sure that the Bill would have been defeated in this House because amendments were moved not only by us but by Mr. Kalyan Roy also. So, it is a good thing that this Bill did not come up in this session. When there has been a unanimous demand from the working class that there should be refund of the compulsory deposit, the Government is still insisting that it should be deposited in the provident fund. The decision was also taken without consulting the trade union leaders.

The most important thing that I would like to know from the Labour Minister is whether he was consulted about the retrenchment of Government staff. A d.o. letter was issued. I am quoting from the magazine "Indian Rail Worker" of June 1977. On 13th May, 1977 Shri H. N. Ray, Finance Secretary, Ministry of Finance, Department of Expenditure, New Delhi, has issued a circular to all Secretaries of the Ministries, saying :

"At the time of presenting the interim Budget Estimates for 1977-78, the Finance Minister indicated that all Ministries and Departments of Government and the Public Sector Agencies would be asked to observe the utmost economy in expenditure, keeping in view the Govern-

ments emphasis on austerity and avoidance of all forms of ostentation. Thought has, no doubt, been given to your Ministry/Department as to how economy in Governmental expenditure could be the best achieved. Besides any measures that may have been adopted in furtherance of the Government's policy in this regard you may like to explore the possibility of implementing the following suggestions to achieve this objective :—

(i) Every Ministry/Department of the Government should consider reducing their staff by at least 10 per cent of their existing sanctioned strength. A review of the staff strength of your Ministry/Department and the various subordinate formations may please be undertaken immediately to achieve this result."

4 p.M.

Having not been satisfied that the departments will take action, he has again issued a second circular letter on 27th May, 1977 wherein he has quoted the Minister's speech in the Lok Sabha and has given further directives to departments, including the public sector undertakings. I quote :

"There is complete ban on creation of new posts except for, operational purposes . . .

No fresh appointments are to be made to the posts of peons. In respect of all other posts also, there is a complete ban on filling up of all vacancies which are more than 6 months old except with the concurrence of the concerned Finance Adviser . . .

There is a complete ban on engaging additional staff on daily wages in all the Government offices."

Similar instructions have been sent to all the public sector corporations and the public sector undertakings meaning thereby that when we have got 30 lakh Government servants and near about 30 lakh workers in the public sector undertakings like coal, steel and others, 10 per cent of them—about 6 lakh workers—are facing retrenchment and they will be out of job

[Shri S. W. Dhabe]

if this circular is implemented. I would like to know from the hon. Minister when they talk so much about more employment for labour, whether, before the circular was issued, he was consulted and what was the stand taken by the Labour Ministry in this matter. It is a very serious matter concerning all the working classes and I am raising this matter specifically so that the Labour Minister, who has a soft corner for the working classes, will be able to see that such large numbers of employed persons are not affected.

When this circular was published in the papers in the month of May, there was much criticism of it by the trade unions... (*Time bell rings*) ... I would take just a few minutes more. Therefore, the first principle that I would like to state at this stage is that the procedure for joint consultation in all matters affecting the labour has to be adhered to by all, including the Government servants\* organisations. The Joint Consultative Machinery for Railway, Defence and other departments has not been consulted before taking any decisions on CDS or retrenchment of staff.

Now, Sir, I would like to say a few words about the Payment of Wages Act. It is very unfortunate that piecemeal bills are being brought. There is need for a comprehensive overhauling of the labour laws. It was considered at length by the National Labour Commission and it suggested what should be done. It has stated that this legislation should be taken under three groups and what should be done is also very clearly stated. One group should be about Industrial Disputes Act and service conditions; second should be for social security legislation; and the third for recovery proceedings. I quote from the report of the National Commission on Labour. On page 316, it is said:

"There are on the statute book about 108 enactments, both Central and State. Inevitably the necessity to legislate with speed, both in the Central and State, has led to prolixity and repetitiveness in legislation. However, out of this mosaic-pattern of Indian legislation, uniform

standards must be evolved and incorporated into an all-India Code without detriment, either to the national interest or the interests of the working class, and at the same time safeguarding the gains made by labour and also standardising terms and conditions of service in the interest of production and economic growth.

Any social law to be effective should not only be broad based and pervasive but should be simple and direct..."

I would like to point out that even this half-hearted measure is only an amendment made for the Central Government employees. The two other employers are the public sector corporations and the State Governments. I fail to understand why this has not been extended to them. It could have been extended to the public sector corporations and also to the State Government employees.

Secondly, this opportunity should have been taken to re-model the whole legislation on payment of wages. There are three legislations—the Industrial Disputes Act, this wage legislation and the Minimum Wages Act—wherein different procedures are provided for recovery proceedings. All this could have been brought into the Industrial Disputes Act and there could be a comprehensive legislation for recovery proceedings, this has created more problems than it has solved.

The other question is about the Payment of Wages Act, Section 21.

Under section 21, sub-clause (3)(a), any complaint in this matter is to be made only by the Inspector and without his sanction no complaint under the Act can be made even if the holidays are not specified and even if the wages are not paid. The power of prosecution has been completely kept in the hands of the Inspector and it has been our experience that the complaints were not at all filed. The best procedure which has been proposed by the trade unions is that the right of prosecution should be given to individual workers or trade unions so that they can directly go to the courts of law. I do



not want to go into other defects. The definition of "wages" there is very shabby. It does not include house rent or bonus. The main question is how to go about recovery of wages under section 15 of the Payment of Wages Act which provides a very cumbersome procedure. Secondly, there are no punitive sanctions against breach of the law in the Payment of Wages Act. There is no punishment provided in the law.

With these words, Sir, I suggest to the Labour Minister not to have more committees. The reports are already there. Committees means postponement of business. Let us have the amendment to the Industrial Disputes Act in the coming session. The only controversial question is about recognition of unions. Apart from that there are so many lacunae in the Act which require immediate remedy. I hope the hon. Minister will look into the matter.

SHRI N. H. KUMBHARE (Maharashtra) : Sir, it was expected that the Payment of Wages Act would have been examined closely and a comprehensive Bill brought forth to ensure its effective implementation, to make it more purposeful and more effective. As my friend, Mr. Dhabe has pointed out, this cannot be achieved if you go on amending the Act in a piecemeal way. There could have been no problem in examining it and bringing forth a comprehensive Bill so that the Act could have been more effective and more purposeful.

Sir, the Payment of Wages Act operates in a very limited way. Before anybody could make an application under the Payment of Wages Act, he must establish that he works in a factory or an industrial establishment. Therefore, a worker who does not work either in a factory or an industrial establishment has no right to move the authority under the Payment of Wages Act. Now, Rajnarainji is here. I may just tell him for his information that there are a large number of private hospitals and they do not pay their workers regularly. Now, if a person working in a hospital is not paid his wages, he will

not be able to move the authority under the Payment of Wages Act. The authority will ask him whether he is employed in a factory but because a hospital is neither a factory nor an industrial undertaking it will say that he has no right to appear before it. So, my submission is that this was really an opportunity when you could have enlarged the scope of this Act in such a manner that every person employed—I am emphasising the words "person employed"—whether in a factory or industrial establishment or elsewhere is entitled to approach the authority under the Payment of Wages Act. Therefore, the first and foremost requirement is to enlarge the scope of the Act by which a person irrespective of his place of work will have a right to move the forum to get back his due wages.

Secondly, Sir, the Payment of Wages Act prescribes the limitation that a person who is otherwise aggrieved because of nonpayment of wages must come to the authority within a period of one year. But, if he does not do it within one year, then he has to explain the delay for everyday. That is the present provision. Now, there is a provision in the Industrial Disputes Act, under section 33C(1)(2), where there is no limitation as such. If a certain amount is due to me from an employer, I can move the authorities or a court at any time, say, after 5 or 10 years. Therefore, there are two sets of provisions under two enactments. It is high time that the Labour Ministry co-ordinates and amalgamates and sees that the provision of the Act, under section 33C(1)(2), is brought on par with the other provisions. There should be no difference. Otherwise, this sort of anomaly will accrue. So, that is the second suggestion which I would like to make. Taking this opportunity to speak on the Bill, I would say that, since there is no limitation prescribed under section 33, let there be no limitation under the Payment of Wages Act.

Then I would like to bring to the notice of the honourable Minister that there are so many unscrupulous employers who will just not pay the wages. They know that the poor worker cannot do anything. He

[Shri N. H. Kumbhare] will have to go to the court and he will be required to wait for one or two years before a decision is made. And even if he succeeds, he will go to the appellate authority and then ultimately to the High Court. Therefore, the employer does get a lot of time, three, four or five years, and the poor worker gets his wages after agitating in various forms and waiting for a large number of years. Therefore, the provision ought to be made more stringent. Let the employer realise that, in case deliberately he does not make payment, he would be required to pay not only whatever is due to the worker but also some penalty along with it. *(Time bell rings)* Sir, I have not. . .

THE VICE-CHAIRMAN (SHRI H. M. TRIVEDI) : You had 7-8 minutes.

SHRI N. H. KUMBHARE : I am just coming to the points. I am not elaborating

THE VICE-CHAIRMAN (SHRI H. M. TRIVEDI) : You had 7-8 minutes.

SHRI N. H. KUMBHARE : Therefore, what I want to point out is that an amendment should be made in the Act whereby not only should the recovery be expeditious but also the employer should realise that, in case of non-payment of wages, he will be required to pay not only whatever is due to the worker but much more than. I will at this stage also invite the attention of the hon'ble. Labour Minister to the provisions which have been made in the Act enacted and the Rules framed by the Maharashtra Government. Now, once recovery is ordered, the employer will go in appeal. Under the provisions made by the Maharashtra Government, before you go to the appellate court, you must make deposit of a certain amount. Unless you do that, you cannot get the right to go in appeal. I think a similar provision should be made so that the moment there is a direction to the employer that the amount should be paid, he must deposit it by a specific date or he should be liable to pay interest thereon. Let them be more stringent in matters of wages because wage is something which is hard earned return for the

labour. In fact, I should say : Why not make a provision whereby we can send the employer to jail for contravention of the provision relating to payment ? If this is done, no employer will take recourse to delay the payment of wages. This is the only submission I want to make.

SHRI SANTOSH KUMAR SAHU (Orissa) : Mr. Vice-Chairman, Sir, this Bill, the Payment of Wages (Amendment) Bill, 1977, is a small Bill. The Payment of Wages Act was a social legislation meant for the betterment of the workers in regard to the payment of their wages. The hon. Minister has very nicely told us the history behind bringing this Bill, i.e. the Central Government had discussion in the Joint Council with the employees' unions and they came to some agreement, as a result of which this legislation has been brought about. But, Sir, I would like to point out and specifically submit to the Hon. Labour Minister that only by enacting these normal laws, the ends cannot be achieved until it is followed by substantive and definite legislative rules, because I am telling you that the purpose of this Bill which the Joint Council has agreed, is that not only should the employees family get the benefits when he is dead, but the employee should get the benefits after his retirement. Sir, now, actually a vast number, a majority, of the Government employees belong to the lower classes, class III and class IV. After their retirement, they do not get their pension in time. They have to run to different offices. Take, again, the question of provident fund. Probably, many of the employees died without getting their provident fund. But, in this case it is not the pension or the provident fund; it is definitely the employees' contribution towards insurance. Sir, the ideal thing would have been when people would have been socially oriented towards insurance. This orientation is not coming for social insurance in spite of the fact that the people die. The State is a great organisation; it is a great power. But an individual, an employee, after his retirement, runs from office to office but does not get the benefit. A provision must be made that unless

the insurance money which is deducted from the wages is returned within a month of the retirement of the employee, the man who is in charge should *be* definitely booked. In case of death of the employee, his family members must get this benefit within a month, because this is the hard-earned money which the wage-earner is earning as employee and he is postponing his eniovmnts of this money by contri-butng for the future amenities. So, this must be followed by a substantive rule that they should get the benefit in real time. Sir, we see they are poor people. So, I humbly appeal to the hon. Minister that these things should be given immediate consideration and there must be certain substantial rules that this hard-earned money of which the employee is forgoing enjoyment at the present • moment for the benefit of himself and his family, must be given in time after his death or after his retirement and must not be postponed like the provident fund and pension.

Then the other thing, Sir, is that the present Government must also bring a rational and a comprehensive outlook in the labour laws and their wages. **These** are allied questions because if there is unemployment and lock-out, the human labour will be lost to the nation. That must have to be taken into consideration. On this question of lock-out, Sir, we are discussing about the lock-out in the newspaper, Indian Express, continuously for four days. There is no reply on that. Now we see the jute mills and then other mills being closed down. It is important that the Labour Ministry should play a vital role in avoiding such closures. This country has a vast reservoir of the labour force. The labour force is our capital and with proper perspective planning regarding the labour force, we can utilise them to create more capital which will increase the national per capita income. Without this, we cannot progress whatever our goals might be, whatever we may speak. Unfortunately, "we have been seeing that there, is no positive labour oriented policy framed by this Government. This should be framed so that these lock-outs, unnecessary lock-outs, could be avoided

and the sick mills revived. We cannot go on with a laissez-faire policy. We cannot tolerate that the capitalists put the industries idle and throw the labour out of jobs. The country cannot suffer in this way. Sir, I humbly appeal that this is high time that the Labour Ministry gets importance not only in the Secretariat but also in planning so that in future this labour can be made use of to build new capital, so that we can develop. And for that the labour laws must be comprehensive. In different International Labour Conferences and in the National Labour Conference, many things have been brought out. There is no need of any further committees. What we need today is just direction on how the country at large can benefit by a sound labour policy and how the human material available in the country can be utilised to the. maximum extent for the greater production in the country. These things must be synchronised and they must be brought out for the greater development of the country and for greater production in the country. I appeal to the hon. Minister that it is high time that we brought a comprehensive legislation. Piecemeal legislation does not give an ideal picture. Many of the hon. Members have rightly pointed out that these things must be extended to the other sectors, the State employees and other employees so that the conditions of employment and the living conditions of the employees become ideal and they contribute greater benefit to the country. Sir, I humbly say that it is very much necessary that the employees must be sure of the benefits that they will get That will give, the employee greater enjoyment of life, a greater certainty in his life so that he will work more and he will be more loyal. I think the Labour Minister is very progressive and I hope he will accept the suggestions made by the House. There must be a much more progressive labour policy pursued by the present Govern-ment.

SHRI RAVINDRA VARMA : Sir, while moving the Bill for consideration, I said that this Bill was a non-contro-

[Shri Ravindra Varma]

versal and simple Bill and I hoped that the House would accept the Bill without any opposition. I am very grateful to the hon. Members who have taken part in the debate and have supported the Bill. In fact, all the Members who took part in the debate have supported the Bill. Sir, the complain! is not so much about the Bill or the clauses in the Bill. The complaint is about matters that are related to the Labour Ministry in general. Sir, it was not our intention to bring forward an encyclopaedic legislation on this subject, and I hope I would therefore be pardoned if I do not speak about everything that can be said about every matter related to labour in the context of this Bill.

Sir, as far as this Bill itself is concerned, I would once again wish to state that the Government is well aware of the fact that the Payment of Wages Act and many other pieces of legislation in the field of labour need close scrutiny, in some cases need integration, in some cases need correction. I have said before. Sir and I would like to avail myself of this opportunity to say again in this House that the Government has made up its mind to bring forward a comprehensive legislation on industrial relations. It was said by the hon. Member, Mr. Dhabe, if I remember correctly, that the Bill should be introduced in this session. It is a physical impossibility. *(Interruption)*. In this session it is impossible to bring forward this comprehensive legislation. But I hope to bring forward this legislation in the next session, that is, the winter session of Parliament.

Now, Sir, hon. friends who have spoken on this Bill are all very knowledgeable and have many years of experience in the field of trade union work. I welcome the valuable suggestions they have made, and the thoughts that they have expressed in relation to this Bill as well as in relation to the labour situation and the Labour policy in general. Sir, my good friend, Mr. Bhatt, referred to the fact that this Bill applies only to employees of the Central Government. One or two other Mem-

bers also asked why this Bill is not made applicable to the employees of the State Governments.

SHRI S. W. DHABE : And also corporations.

SHRI RAVINDRA VARMA : Mr. Bhatt himself referred to the difficulty in this case and pointed out that labour is a concurrent subject. But I wish to tell him and the other hon. Members who raised (his question that the Central Government has decided to advise all State Governments to introduce similar schemes, and the Central Government will use its good offices to see in every case that the State Government introduce similar schemes for the welfare of the State Government employee;.

Now, Sir, a reference was made to some of the lacunae and loopholes and shortcomings in the Payment of Wages Act. (I was pointed out by Mr. Bhatt as well as Mr. Kumbhare and Mr. Dhabe that the penalty clause is very weak, that the penalty for infringement is very weak. And it was pointed out that sanctions are very weak too, and therefore this clause needs particular attention. I have already stated that the entire Act as well as other Acts related to this field are under consideration, are under scrutiny. I wish to inform the House—I think the House in fact knows—that the recent tripartite conference has set up a tripartite committee to study the existing legislation so that in consultation with the trade unions, employers and State Governments it might be possible for it to bring forward a comprehensive piece of legislation on industrial relations. Some honourable Members pointed out certain unfair labour practices and said that unfair practices are increasing in the last two months. I do not want to enter into any controversy. Unfair practices have been there in the past. They have been there in the past two months. But the attempt of this Government will be to see that unfair labour practices are eliminated by enacting legislation and enforcing it. Particular instances were refer-

red to by some honourable Members. I do not think it will be right on my part to take the time of the House by dealing with particular instances. I may tell the honourable Members that I will give due attention to the instances that they have pointed out, and see that there is no cause for complaint in the instances that were referred to.

There was a referent to lock-outs, the whole range of industrial relations, other recommendations of the pay commission that have not been implemented, and so on. In all these cases I would only like to say that in the context of this Bill I do not propose to answer all these at length especially because we propose to bring forward a comprehensive legislation taking all these factors into consideration. My friend, Mr. Kalyan Roy, who is not present here now, made a very impassioned speech. I wondered for a moment whether he was speaking on the Bill before the House or on a No-Confidence Motion that he had perhaps in his mind. He attacked the policy of employment or the absence of it, industrial policy, the problem of unemployment, and also said that not a single factory has been opened by the Janata Government or its Ministry after it came to power, etc. These are not strictly relevant to the Bill that we are discussing and therefore, you will pardon me. Sir, if I do not follow in his footsteps and enter into a controversy at length. He referred to the HEC as well. It is a fact that in the HEC, Ranchi, as well as some other places, there are instances of industrial unrest. Government has taken prompt steps to consult trade unions in this regard. It is wrong to say that the Government has not taken any steps. In fact, the whole machinery of tripartite consultations had been put in the cold storage by the previous Government. *hut* very soon after coming to power this Government called the tripartite conference and entered into consultations with representatives of trade unions. He said that we were following in the footsteps of the previous Government and not consulting the trade unions. I am sorry for lack of time I would

not like to cite every instance, but I say in all humility that there has not been perhaps a single instance when we have not consulted representatives of trade union organisations. In fact, in many of the committees and for many conferences where representatives of the trade unions were never invited in the past, we have invited them and we have seen that the committees are constituted to ensure that representatives of authentic trade unions are members of these committees.

Sir, he as well as other Members referred to the need to see that various Acts like the Minimum Wages Act, the Payment of Wages Act, the Industrial Disputes Act, etc. are scrutinised and their shortcomings removed. I have already answered these points and therefore I do not want to go into them at length. Then, Mr. Kumbhare made some very constructive suggestions about the Payment of Wages Act. the shortcomings in the Act, his own experience. what should be done to improve the Act, and so on. I will go into these suggestions, my Ministry will study these various suggestions that he has made. In fact, there are two amendments that stand in his name. I have looked at the amendments and I understand the spirit in which he has proposed these amendments. I want to study the amendments and see what we can do, not in this Bill, but in future in our policy as well as in the steps we take, bearing in mind the spirit of his amendments. I hope he is not pressing his amendments

The last honourable Member who took part in the debate talked of *laissez faire* and what not. He talked about having a sound labour policy. And he said that these matters have been discussed so often that there is no need for committees. I do not know whether I should welcome his suggestion. How are we going to have members of committees without having committees? One may have reports. But with the passage of time some of these reports may become outdated. And it is always necessary to have consultations and discussions and reviews even for implementation.

Our Government does not believe in doing these things without consultations, in a die-

[Shri Ravindra Varma] tatorial manner. Therefore, we call conferences, we meet people in conferences, discuss with them and set up committees to study questions, not because we want to shelve the issues, but because we want to ensure that there is maximum consultation and an identification of consensus. If the hon. Member has some scheme where by, without having conferences and committees, we can find the consensus by contemplation perhaps in some logic institute, to which my honourable and distinguished colleagues is going to refer, we may consider it. But in the processes of democracy one cannot do these things without consultation through conferences and committees. I wish to assure this House that we will set up no committee with a view to shelving any issue. Whenever we set up any committee we have insisted that it should submit its report within two months which is not a long period. In the case of the comprehensive legislation, in the case of consumer price, index, and in other cases also we have set up committees. In all such cases we have stipulated a period of two months for submission of reports. This I do not think the hon. Member will consider too long a period.

Sir, I think I have covered most of the points that have been raised. As I stated earlier, I do not wish to talk everything about everything that has some relation in same manner to labour. Therefore, you will forgive me if I conclude. I would once again request the hon. Members to support the Bill and I will request Shri Kumbhare in particular to withdraw his amendment since the spirit of his amendment is already understood and I have talked about it.

THE VICE-CHAIRMAN (SHRI H. M. TRIVEDI) : The question is :

"That the Bill further to amend the Payment of Wages Act, 1936, as passed by the Lok Sabha, be taken into consideration."

*The motion Was adopted.*

THE VICE-CHAIRMAN : We shall now take up clause by clause consideration of the

Bill. Shri Kumbhare is not moving his amendment to clause 2.

*Clause 2 was added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI RAVINDRA VARMA : Sir, I move :

"That the Bill be passed."

*The Question was proposed.*

SHRI LAKSHMANA MAHAPATRO (Orissa) : Sir, it is not sufficient if a law is enacted. The intention of the law is understood. Nobody has any dispute with the intentions that are expressed when the law is placed before the House for consideration. But the course of events taking place in the country, as far as labour laws are concerned, creates apprehension in our mind about this law. There is a law on contract labour seeking to regulate and abolish this system. But during the year 1976 itself 33,300 cases were detected. What did the Labour Department do about it ? They went to the court for prosecution only in 2,800 cases and out of these only 2,500 cases resulted in conviction of the contractors. The other cases were not taken to court.

In regard to payment of wages under this Act the Inspector is the person to authorise prosecution or sanction prosecution. Very rarely things are taken to court.

As far as payment of insurance money is concerned, the position is still worse. Under the Employees State Insurance Act, the dependents of the deceased employee who was insured should get the benefit. But here are cases where the illiterate widow or minor children of the deceased are not able to get anything for eight years or even more after the employee dies in an accident. The reason is that they are not able to get the succession certificates. What is the use of having such laws ? The rules made under these Acts are very stringent. The people who are to be benefited by the laws are not benefited because they have to produce certain certifier

Then, it would not be of any use and, therefore, I suggest that there should be a second thought given to this matter and the rules should be made in such a way that they cause the least possible delay in the repayment of the dues to which they are entitled.

SHRI KALYAN ROY : Sir, I would like to draw the attention of the honourable Minister to only one thing. In the jute mills which have been closed down and in the iron ore mines in Bihar and Orissa, at least a hundred thousand workers have not been given their dues which amount to crores of rupees. It has also been accepted by the ex-Minister of Finance that 58 companies which belong to the big monopoly houses have misappropriated the CDS money amounting to Rs. 8.90 crores. I would like to know whether the honourable Minister would specially investigate into this problem and take stern action against those who have misappropriated the money of the workers which was supposed to have been deposited with them under the CD Scheme and whether he would also arrange payment to the workers in the mines of their dues which have also not been repaid to them and which money has been misappropriated by their employers.

SHRI RAVINDRA VARMA : Sir, the honourable Member who spoke first raised a point which I have already answered because it had been raised at the earlier stage by another honourable Member. I had answered that in the course of my observations and I had said that the Payment of Wages Act needs being looked into in many respects including the question that he raised and the Government is at present engaged in the exercise of looking into it.

Then, Sir, Mr. Kalyan Roy raised another question about the CD money as well as the ESI money. He made some statements about the cases of employers not having deposited this money, but having made wrong use of it. I shall enquire into these cases. If there are such cases, and I hope to get more information from him and I shall look into them.

THE VICE-CHAIRMAN (SHRI H. M. TRIVEDI) : The question is :

"That the Bill be passed."

Those who are in favour may please say "Ayes."

स्वास्थ्य और परिवार कल्याण मंत्री (श्री राज नारायण) : हाँ।

SHRI KALYAN ROY : Sir, on a point of order. Mr. Raj Narain is not a Member of this House and he is a Member of the Lok Sabha. He has come from that House and he is voting. I do not know how he can do that here.

SHRI NRIPATI RANJAN CHOUDHURY (Assam) : Sir, there is no point of order. This is what he does to attract others' attention.

SHRI BHUPESH GUPTA (West Bengal) : Sir, the point is that Mr. Raj Narain is not a Member of this House. You asked for a division and he said "Ayes". He is not a Member of this House and he is not entitled to vote. Therefore, Sir, he has committed a grave electoral malpractice. I do not know how you are going to deal with him. This should also be included in the changed electoral laws because Mr. Raj Narain will come here again and again and say "Ayes". You know, Sir, he said it and he shouted.

THE VICE-CHAIRMAN (SHRI H. M. TRIVEDI) : The question is :

"That the Bill be passed."

*The motion was adopted.*

#### **THE YOGA UNDERTAKINGS (TAKING OVER OF MANAGEMENT BILL), 1977**

THE VICE-CHAIRMAN (SHRI H. M. TRIVEDI) : Now let us take up the next item. Yes, Mr. Raj Narain.

SHRI BHUPESH GUPTA (West Bengal) : Sir, we would request Mr. Raj Narain to deliver a speech which will not be expunged. We want an unexpunged speech.