

[Mr. Deputy Chairman]

(4) Notwithstanding anything contained in the foregoing sub-sections, where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, [not being a person nominated under sub-section (2)] such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purposes of this section—

(a) 'company' means any body corporate and includes a firm or other association of individuals;

(b) 'director', in relation to a firm, means a partner in the firm; and

(c) 'manager', in relation to a company engaged in hotel industry, includes the person in charge of the catering department of any hotel managed or run by it."

*The motion was adopted.*

MR. DEPUTY CHAIRMAN : The question is:

"That New clause 13A stand part of the Bill."

*The motion was adopted.*

*New clause 13A was added to the Bill.*

*Clauses 14 to 21 were added to the Bill.*

*Clause 1—short title and commencement.*

DR. KARAN SINGH : Sir, I move:

2. "That at page 1, in line 4, for "1975" substitute "1976".

*The question was put and the motion was adopted.*

MR. DEPUTY CHAIRMAN : The question is:

"That clause 1, as amended, stand part of the Bill."

*The motion was adopted.*

*clause 1, as amended, was added to to the Bill."*

*Enacting Formula*

DR. KARAN SINGH : Sir, I move:

1. "That at page 1, in line 1, for "Twenty-sixth", substitute "Twenty-seventh".

*The question was put and the motion was adopted.*

MR. DEPUTY CHAIRMAN : The question is:

"That the Enacting Formula, as amended, stand part of the Bill."

*The motion was adopted.*

*The Enacting Formula, as amended, was added to the Bill.*

*The Title was added to the Bill.*

DR. KARAN SINGH : Sir, I move:

"That the Bill, as amended, be passed."

*The question was put and the motion was adopted.*

# I. STATUTORY RESOLUTION DIS- APPROVING THE PAYMENT OF BONUS (AMENDMENT) ORDINA- NCE, 1975 (11 OF 1975) PROMUL- GATED BY THE PRESIDENT ON THE 25TH SEPTEMBER, 1975

## II. THE PAYMENT OF BONUS (AMENDMENT) BILL, 1976

SHRI BHUPESH GUPTA (West Bengal):  
Sir, I move:

"That this House disapproves the Payment of Bonus (Amendment) Ordinance, 1975 (No. 11 of 1975) promulgated by the President on the 25th September, 1975".

Sir, I do not wish to speak on this Bill very much: Whatever I have to say, I will say in the course of my reply. Shri Kalyan Shankar Roy will speak on this Bill on behalf of our group. I would only like to make one or two observations before I sit down.

[The Vice-Chairman (Shri V. B. Raju)  
in the Chair]

This is an Ordinance which was issued three months after the emergency was proclaimed, thus mocking at the emergency. It was a blow against democracy, a gift to monopoly capital and indeed a bonus to right reaction. The 8.33% minimum bonus which had been won by the working

people and accepted, if somewhat grudgingly, and incorporated in an Act of Parliament of 1973, was abandoned, discarded by the promulgation of an Ordinance without consulting the trade union organisations and others, to please and appease monopoly capital. Therefore, this is regarded rightly as an anti-working class measure, contrary to the spirit and purposes of emergency, a measure which puts all of us in discredit before the eyes of the nation if Parliament passes it.

Sir, very many things have been said by people all over. But Government should explain as to why an Act of Parliament which had incorporated a minimum bonus of 8.33% was cancelled by an Ordinance post-haste, in a hurry, and without taking into account even the views of the Indian National Trade Union Congress. It was done at the behest of the Birlas and the Tatas and monopoly capital and it had nothing to do with the fight against right reaction or Fascist forces or against the forces of de-stabilisation.

On the contrary, it was a measure conceived of by evil spirit and directed against the working people of our country in a manner which is not worthy of a responsible Government and, therefore, Sir, we opposed it and we continue to oppose it. We demand the withdrawal of this Bill. I would ask the hon. Labour Minister to withdraw this Bill and retreat from this House with the shameless document which he has brought with him, at the introduction of which we walked out from the House, though it did not receive publicity in the press. Sir, I do not want to say anything more except that the whole measure, the entire Ordinance and the Bill is intended to propitiate the classes which bred fascism, reaction, sabotaged national economy and misused emergency power. The Bill itself is a bonus to all of them. This Bill has got to be opposed. We again register our strong protest.

Before I sit down, I only inform the House that on 1st October, five days after the Ordinance was promulgated, our party delegation led by Comrade S. A. Dange, which included the Leader of the House, Shri Indrajit Gupta and I was also there, met the Prime Minister and we

wanted her to withdraw the Ordinance, keep the measure in abeyance and discuss the whole thing with the leaders of the trade unions, organisations, apart from the fact that we protested against this Ordinance. We register our protest again.

*The question was proposed.*

THE MINISTER OF LABOUR (SHRI K. V. RAGHUNATHA REDDY) : Sir, the payment of Bonus (Amendment) Bill, 1976...

SHRI BHUPESH GUPTA : On a point of order. He is saying, "Bonus (Amendment) Bill." I say its nomenclature should be changed to "Bonus (Robbery) Bill" because you are taking away bonus. Therefore, its title should be changed. You make it 'Bonus (Robbery) Bill.'

SHRI K. V. RAGHUNATHA REDDY: Sir, the Payment of Bonus (Amendment) Bill, 1976 before the hon. House seeks to repeal and replace the Payment of Bonus (Amendment) Ordinance, 1975. The Bill closely follows the Ordinance with slight modifications of clarificatory nature to clearly state the intention in the provisions of the Bill in order to avoid any kind of wrong understanding of the provisions.

At the very outset I would like to contradict the statement made by Shri Bhupesh Gupta that the Government acted under the influence of the monopolists. It is a completely wrong statement of fact. The de-stabilisation that arose out of the economic crisis; it is precisely out of this understanding that the economic crisis must be prevented, that such measures had to be taken. These measures have been taken in the broad strategy of fighting economic crisis, inflation and providing more employment to unemployed people. This economic measure had been taken with a good intention and I would like to dispel any impression that has been sought to be created by my good friend and Leader of Opposition, Shri Bhupesh Gupta. In the course of my speech he will clearly see the reasons and logic that prompted the Government to introduce this Bill.

The changes made by the Ordinance with respect to some of the provisions of the Principal Act, namely Payment of Bonus

[Shri Bhupesh Gupta]

Act, 1965, are well known to the hon. Members. However, with your kind leave I wish to explain some of the changes for putting the matters in their proper context and perspective.

Workers' right to a share in the profits of the concern, they serve in, is an unassailable right. Production and productivity incentives are equally well recognised principles and are related directly to the effective participation of workers in the production processes and contribution made by them to production and productivity. Keeping in view these principles as guidelines, the bonus, in the Bonus Ordinance as well as in the proposed Bill before the House, is sought to be related to profit

or alternatively to production 4.P.M. and productivity. It may be

recalled that the Bonus Commission of 1964 discussed in its report the concept of bonus in India. The Commission was of the view that—I quote—"it is difficult to define concept of bonus in rigid terms, but it is possible to urge that once profit exceeded a certain base, labour should legitimately have a share in them. In other words, we think it proper to construe the concept of bonus as sharing by the workers in the prosperity of the concerns in which they are employed. This has also the advantage that in the case of low paid workers such sharing in prosperity augments their earnings and so helps to bridge the gap between the actual wage and the need-based wage" This statement is sufficient to emphasise the profit-sharing character of bonus. The concept was not embodied in the Payment of Bonus Act, 1965; it was left to be gathered from its provisions. In the course of arguments in their case for fixation of car prices, the manufacturers urged that the minimum bonus should be reckoned as an element of cost since it was payable statutorily even in case of loss. The Supreme Court did not accept this contention as would be evident from the judgement in the case of Premier Automobiles Ltd., and another, Vs the Union of India. According to the judgement—I quote—

"Section 10 of the Bonus Act at first sight may appear to be a provision for granting additional wage to employees but that section is an integral part of a scheme for payment of bonus at rates

which do not widely fluctuate from year to year. This Act has thus provided that bonus in a given year shall not exceed one-fifth and shall not be less than 1/25th of the total earning of an employee. It has been ensured that the excess share shall be carried forward to the next year and that the amount paid by way of minimum bonus not absorbed by the available profits shall be set off against the profits of the succeeding year. The object of the Bonus Act is to make an equitable distribution of the surplus profits of the establishment with a view to maintain peace and harmony between the three agencies (capital management and labour which contribute to the earning of profits). . . . . The Commission came to the correct conclusion that bonus is connected with profits and it cannot be included in the ex-works cost."

In spite of this decision of the Supreme Court, certain quarters continued to regard bonus as a kind of deferred wage. It has now been clarified that bonus is a payment linked either to the profits of a concern or alternatively to the contribution made by the workers towards its production of productivity.

As the hon'ble Members are well aware, while schemes of profit-sharing of varying nature are in vogue in various countries of the world, the basic postulate of such schemes is that there must be a "profit" to be shared. We are not aware of any country, whether following the capitalist or socialist economic order, where concerns not making profits are required by law to give a profit sharing bonus to their workers. The basic foundation on which the doctrine of bonus rests is profit. Out of this, the principle of profit-sharing is derived. In the absence of profit, the concept of profit-sharing loses its validity. Even in India till the enactment of the Payment of Bonus Act, 1965, the Bonus formula, which had emerged as a result of decisions of industrial tribunals and the Supreme Court, stipulated that, if there was no surplus, there was no question of paying bonus either.

Thus, the two basic socio-economic principles that govern the concept of bonus are firstly, profit-sharing and secondly, production or productivity. The formula

for computation of bonus based on profits is provided in the Act itself. According to the amendment proposed to section 10 of the principal Act, even if a small allocable surplus is available—the amount being even as little as a paise—the employer shall be bound to pay to every employee a minimum bonus equal to 4 per cent of salary/wage. The surplus for this purpose is to be calculated taking into account the 'set-on' or 'set-off', as the case may be, for four years on a 'Roll-on' basis. This has been illustrated in the Third Schedule. The alternative to profit sharing is bonus linked with production or productivity. In order to keep parity by way of the maximum amount of bonus linked to profit-sharing or production or productivity, the ceiling of 20 per cent has been made applicable in both the cases. Beyond these two basic, well-recognised socio-economic principles, there can hardly be any other rational basis. Hence, section 34 of the principal Act is proposed to be amended to give over-riding effect to the provisions of the Act itself.

I am glad to tell the House that keeping in view the interest of the weaker sections of the workers, the minimum amount of bonus is proposed to be raised to Rs. 60/- in the case of employees who have not completed 15 years of age and to Rs. 100/- in the case of others, as against Rs. 25/- and Rs. 40/- payable under the principal Act. Furthermore, as regards the minimum bonus for the accounting year commencing on any day in the year 1974, an amount equal to 4 per cent shall be payable irrespective of the fact whether there is any allocable surplus or not. For the present year, irrespective of the fact whether there is any profit or loss, the minimum bonus of 4 per cent is protected, and for the next years, it would be according to the various provisions of the Act on the basis of 'Roll-on'.

Coming to the coverage of the Act, it may be recalled that prior to its amendment, the Act was applicable only to factories and to other establishments in which 20 or more persons were employed on any day during an accounting year. There have been persistent demands for enlarging the coverage to bring in the smaller establishments. Hon. Members will be

glad to know that the Bill seeks to empower the "Appropriate Government" to apply the provisions of the Act by notification, even to establishments employing 10 to 19 persons. This would enable a very large number of workers, till now excluded from the benefits of the law, to be brought within its beneficial meridian.

Hon. Members are fully aware that section 32(i) of the principal Act excluded employees employed by an insurer carrying on general insurance business and the employees employed in the Life Insurance Corporation of India. Financial institutions like the Reserve Bank of India and certain other corporations were also excluded. Fourteen major banks of the country were, however, nationalised after the principal Act was passed. Thus, there was hardly any rationale of treating the banks in a manner different from that of insurance and other financial institutions with regard to bonus. However, the Government have decided that *ex-gratia* payments in lieu of bonus could be made. These would be determined from time to time taking into account the wage levels, Financial circumstances etc., in each case, the payments being subject to the ceiling of 10 per cent.

While I would not like to burden the hon. Members with minute details, I would be failing in my duty if I do not explain the important changes that are proposed to be made in the computation of the gross profits to safeguard the workers' interest. In the past, deduction of various kinds were reported to be made under the heading 'subsidy'. It has now been clarified by an amendment to item 6(g) in the First Schedule corresponding to the second Schedule in the principal Act that what is to be deducted is the cash subsidy, if any, given by government or by any body corporate established by any law or by any other agency through budgetary grants, whether given directly or through any agency for specific purposes and the proceeds of which are reserved for such purposes. In the absence of this, previously, the companies used to deduct all kinds of subsidies. Now this is limited only to cash subsidies, as I said. Therefore, this is a very beneficial act to the workers.

[Shri Bhupesh Gupta]

Representations were received that some employers had debited huge amounts by way of national liability of gratuity to the expenditure in a particular year thus wiping out the available surplus and depriving workers of their bonus.

This practice is now sought to be prevented by an amendment in the Schedule. It has now been made clear that any amount debited in excess of that actually paid will be an add-back item in the computation of gross profits. Previously the employers used to calculate gratuity on a national basis and they used to keep it as deductible item, thereby reducing the profits that could be shared by the workers as bonus. Now what we have done is this : The law makes it very clear that except the amount of actually paid, no other amount can be taken as a deductible item for the purpose of calculating the allocable surplus. Therefore, this will help increase the allocable surplus made available to the workers to be shared. Both these changes are expected to guard against unfair devices used to reduce the amount of surplus and consequently the bonus payable to workers.

Coming back to the basic principles behind the Bill, may I invite the kind attention of the hon. Members of this House to the overriding economic circumstances, both national and international, which compelled the Government to evolve a rational basis for bonus. As the hon. Members are well aware, over the years ours has been a shortage-ridden, high cost economy in which savings and investments have been declining. With little scope for plough-back of funds or generation of new resources, there has been hardly any scope for accelerating the growth of the economy to provide jobs to the unemployed. Our high-cost structure has been weakening our competitive strength in foreign markets. Unless measures are taken now to remedy this, the prospects of future cannot be bright. In fact, the working class may itself be the first victim of high-cost economy. Through control of money supply, drive against economic offences and emphasis on the essential sectors and utilisation of capacity, we have been successful in the battle against inflation. For the gains to

be durable, the war against inflation potential, stagnation and unemployment has to be carried on relentlessly and won. The basic questions that we have to face are how to invest more and to produce more, how to reduce our costs and prices; and how to expand the economy and provide more employment. These are the basic considerations one should keep in mind when one is to deal with the questions arising out of this Bill. Un-economic units would only add to the problems of unemployment rather than solve them. The changes made in the law have to be appreciated in this socio-economic context.

The Government is fully aware of the difficulties of workers and equally of the economic situation. To quote our respected Prime Minister:

"I am not minimising your difficulties. I am not minimising what the management tries to do and the advantage the management tries to take sometimes. All those things are there. But we have to consider them in the larger perspective. We have to deal with that aspect of it. We do not want any injustice. We want better working conditions, greater participation of the workers, and even of women workers. But we would like you also to look at the difficulties which the nation is facing. And if the nation cannot stand up to its difficulties, even if you get some rights for yourself, how long will they last if the nation is not strong enough to protect itself, to protect its general economy? If inflation is galloping as it was before, what is the worth of the bonus or the salary or anything that you get? If the value of the rupee falls, does it matter if you get 100 or 200 or a thousand if it is worth only a few paise?"

May I once again request hon. Members to consider the provisions of this Bill in the perspective highlighted by the Prime Minister? I now beg to move:

"That the Bill further to amend the Payment of Bonus Act, 1965, be taken into consideration."

*The question was proposed.*

THE VICE- CHAIRMAN (SHRI V. B. RAJU): The Resolution and the Motion are for discussion. Mr. Kalyan Roy.

**SHRI KALYAN ROY : (West Bengal):** Sir, I speak not only for the CPI group nor only for the AITUC—neither would I inject any partisan spirit into the discussion on the Bill—but I am speaking, I think, for the entire working class, not only of this country but for the working class and the toiling people all over the world. If anything has horrified the working class after the emergency, it is this Bill. Sir, it is dangerous, because we thought that all the democratic forces would come together; and ‘democratic forces’ means the working class, the poor peasantry, the sharecroppers, landless labourers and a part of the middle class

This is the very class which has to unite to fight the dangers posed by the right reaction, fascism and internal and external subversion above which both Shri Barooah and the Prime Minister and stressing so much. If this class does not stand united today, the danger to democracy is indeed very grave. This Bill poses the danger of splitting the democratic unity of the vast masses of toiling people. The Bill is suicidal. Today the right reaction, the, Jan Sanghis, the RSS, the Anand Marg is the Maoists and the left adventurists are bitterly frustrated. They have not been able to recruit a single man from the working class. I was in Jaria last year when the wage settlement in the coal mining industry reached a stalemate. The AITUC and INTUC called for a strike. The workers were bitter. And the strike did take place. After a few days, J. P. and his supporters called for a strike. You can understand the anger of the workers at that time. Not a single worker joined the strike called by J.P. and his supporters—whether he was a dock worker, jute worker or textile worker or miner or a worker in the factory or bank. None joined. You can see from the photographs that none of them participated even in his meetings. How can they participate? How can they participate in the meetings addressed by Shri Charan Singh who openly opposed the nationalisation of coal mining which, according to the working class, was one of the greatest achievements of the present regime? Now attempts are being made to win over this class. And this unfortunate, sinister Bill is the greatest recruiting weapon for those frustrated left adventurists and right reactionaries. This Bill is arrogant, 6—1105 RSS/75

arbitrary and illegal. Previously whenever an important Bill affecting the working class was introduced in either of the Houses of Parliament, the Government at least consulted and discussed with the Central trade unions. Here, leave aside individual consultations. There was no consultation whatsoever. In this critical moment—I emphasise the words critical moment—when you need the support of the entire working class, you are bringing forward this illegal, this arbitrary and this utterly arrogant Bill. This is a stab at the back of the working class who are contributing their maximum to the victims of the disaster which took place in Chasnala colliery. It is not the Chamber of Commerce or the Federation of Indian Chamber of Commerce and Industry which has come out with their contributions. It was in fact the factory workers, whether controlled by the INTUC or ANTUC or HMS, who have contributed their one day’s wages or two days’ wages to the Chasnala victims. If the Government wants money for national development, they could come to the working class; they would give their entire bonus to you. They are prepared to pay their bonus as unemployment allowance to the unemployed people. This is the only one country in the world—only one country—where there is no unemployed benefit, where there is no social security for the old. It is said that bonus is not paid when losses are made, whether it is in the capitalist country or socialist country.

Mr. Reddy, would you give me the wages and the facilities and the perquisites which are given to the workers of the developing countries or the socialist countries or the capitalist countries? Would you look after my widow when I am dead? Would you give unemployment benefit to my young engineer-son who is not having a job? You will import the latest technology from abroad, whether it is for Bhilai or for Durgapur, or whether it is for oil drilling or for the coal mines or for the drug industry. But the wage level is at the primitive level which would not even be glanced at by any worker of a capitalist country. That is why I say, Sir, that it is not only dangerous and suicidal, it is not only arrogant, arbitrary and illegal, it is also sinister and retrograde and it is also utterly demoralising, Sir. It is utterly

[Shri Kalyan Roy]

demoralising and this is not only the view of the AITUC. I think Mr. Reddy is well aware of the fact. Now, Sir, I would like to read from "The New Age" of November 2, 1975. I am quoting from it:

"A joint meeting of the West Bengal leaders of the AITUC, INTUC and HMS was held in Calcutta on October 27, 1975. The meeting asked the Union Government to reconsider the bonus Ordinance and restore the minimum bonus of 8.33 per cent as well the relevant section 34(3) of the Payment of Bonus Act. The meeting in a resolution emphasised that while the patriotism of the workers in implementing the 20-point economic programme particularly in regard to boosting production is being exploited by the capitalists and the multi-nationals, the latter are violating all the agreed principles and decisions of the State apex body".

The West Bengal Labour Minister, Shri Gopal Das Nag, has admitted that 80 per cent of the jute and textile workers have refused to accept four per cent bonus.

Sir, Mr. Reddy wants me to rely on the balance sheets. Who does not know that the balance-sheets reflect anything but the truth? If the balance-sheets are to be relied upon, then, Sir, I would like to draw the attention of the honourable Minister to a news item that appeared in the "Hindustan Times" of the 7th December, 1975 regarding the searches made in the house of Mr. Modi. Sir, I quote from the news item:

"The Intelligence Wing of the Government has received information that members of the industrial house have been evading taxes of an alarming magnitude and have transferred funds abroad through devious means. A total of 27 lockers and 2 safes have been sealed and a large number of incriminating documents, account books, correspondence, blank papers signed by certain persons and other documents have been seized at various places. According to the official sources, preliminary examination of the papers shows that the members of the industrial house which has foreign collaboration in several industries has been evading taxes in various ways by having huge quantities of unaccounted stock,

suppression of sales, disposal of imported raw materials in the market, debiting fictitious purchases and payments and by having unaccounted pro-notes, etc."

Sir, questions after questions have been asked, the Finance Minister described the functions of the Special Cell which was set up to find out the methods and extent of evasion of Income-tax. Sir, on the 6th May 1975 and also on the January 1975, Shri Pranab Mukherjee, gave detailed account of the loot by the companies belonging to the Modi Group, the Jaipuria Group, the Shapurji Pallangi Group, etc. Again, on the 20th January, Pranab Mukherjee described the loot and fraud committed by the Birlas, by M/s Rajasihan Industries, by M/s National Bearing, by M/s National Traders, by the Jaipur Development Corporation, by Shri R. M. D. Dalmia and so on. Then again, Sir, he referred to the large-scale tax evasion to the tune of ninety lakhs by the Bajoria Jalan Group. Sir, raids after raids have been conducted which have shown that they have made hundreds of crores of rupees and whatever things were produced as balance sheets are just fake ones and fictitious ones. Who does not know that auditors themselves are shareholders? Who does not know that the entire editing business is monopolised by a few big companies? So, Sir, if Balance Sheet has to be believed, then not a single company will declare profits. Whatever little profits they were showing because they knew that even if there was a loss they would have to pay 8 per cent. Now, if they do not show any profit or if they do not show any surplus, they won't have to pay a single paisa. So, now the tendency or incentives to all the companies or concerns is: Please do not show any more allocable surplus. That's why I say that Balance Sheets are all fake. What are the hundreds and thousands of raids revealing? They are revealing that these companies were making, not millions but billions of rupees—these Jalans, these Goenkas, these Birlas, these Mafatlals. Their names have been listed by Mr. Pranab Mukherjee in this very session during the emergency. And do you want the working class to believe their Balance Sheets? Do you want them to go by their Profits & Loss Accounts?

It is because you do not accept their Balance Sheets that you are conducting raids, which is leading to the discovery of huge black money. So, the net result, the net product, of your so-called amendment of the Bonus Act is that from now on the working class of this country will not be able to get a single paisa bonus.

Sir, this latest Ordinance on Bonus and this Bill will lead to a severe conflict. I am afraid that the working class cannot be suppressed.

This annual bonus has a long history in the country, dating back to the years of the First World War. In 1924 it was taken up. Then, again, after the Second World War workers succeeded, through a series of decisions of courts and tribunals, in getting recognition for the claim to annual bonus as a matter of right.

There are eight major steps in the payment of bonus to the working class: (1) The formula evolved by the Industrial Court, Bombay in the year 1949, while adjudicating disputes in the cotton textile industry in Bombay; (2) the Labour Appellate Tribunal formula laid down in the year 1952; (3) the five-year bonus pact between Millowners' Association, Ahmedabad, and the Textile Labour Union, Ahmedabad, (4) the Supreme Court decision in 1959 in the Associated Cement Company's dispute in appeal; (5) the Bonus Commission's recommendations in 1964; (6) the Bonus Ordinance followed by the Companies Act, 1956; (7) the Khadiolkar Formula in 1971; (8) the interim recommendations of the Bonus Review Committee and the amendment of the Bonus Act on the basis of interim recommendations in the year 1973.

Sir, as I have pointed out just now, the profit sharing committee was the first series and authoritative effort to evolve the formula for computing the quantum of bonus. And it stands to the credit of the Industrial Court that this formula even during the last 25 years it has remained intact.

Sir, this is integrated package programme? If there is a loss, I will get 8 per cent; but even if you make 500 per cent profit, I will not get more than 20 per cent: this is the ceiling or floor. That's all evolving

out of many negotiations, many compromises, many discussions during all these 20 years. You knock out the bottom. You keep the ceiling at 20 per cent. Is it fair? Is it fair, Mr. Reddy, that even if you make 1000 per cent profit—say, in drug industry, in engineering industry, in textile industry—I will not get more than 20 per cent? That portion you have kept in the Bill. Mr. Reddy said: Show me the capitalist country where it is being paid. I have just got the News Bulletin of the WFTU about France. Commercial employees have been able to get 13 months' wages for 12 months' work. This is in France over and above what unemployment allowance, social security, old age pension and all those other things they get. So, please do not try to mislead us. Do not try to distort the picture of other countries. Do not try to fend something to suit your own purpose.

Sir, I would go to the Ahmedabad bonus pact of 1955. Sir, the Ahmedabad bonus pact of 1955 was a landmark because this pact was brought out not as a result of imposition by anybody, not at a result of coercion. The employers are too willing to pay the working class a quantum irrespective of loss, and Ahmedabad textile mill-owners are not fools. This is an agreement which is welcomed by the employers all over the country. And the Bonus Commission itself said, and I quote:

"However, if there is a maximum so that however high the profits in a year the workers cannot be given more bonus than at a certain rate expressed in terms of wages, it stands to reason that there should be a minimum also. Labour cannot be expected to accept as reasonable a formula which provides for ceiling on bonus without also providing for a floor. An arrangement of minimum and maximum would have the added advantage of evening out bonus payments over the years and thus avoid the obvious disadvantage of widely fluctuating bonus, with years in which there may be no bonus at all and others in which bonus would be very large."

This is the Report of the Bonus Commission, para 7.9. So, Sir, you have seen how the whole question of payment



[Shri Kalyan Roy]

of bonus in spite of loss was evolved out of persuasion, out of struggle, out of reasoning, and then came the Khadilkar formula. Sir, something was said about the impact of payment of bonus on the economy. Sir, I draw your attention the Reserve Bank Bulletin, September, 1975, where it has given the share of salaries, wages and bonus in value added to production from 1970-71 to 1973-74. It has shown that the share has either gone down or remained stagnant. In 1972-73, it was 38.1 per cent; in 1973-74, it was 38.2 per cent.

Similarly, Sir, in the Reserve Bank Bulletin, September, 1975, it has been shown that the remuneration to employees in 26 industries has remained more or less constant in between 1970-71 to 1973-74. It was 15 per cent in 1970-71; 14.8 per cent in 1971-72; 15.4 per cent in 1972-73; and 15.8 per cent in 1973-74. So, it is a total lie to say that the impact of bonus was proving disastrous to the economy. Was it proving onerous to the employers? Did the employers come forward to carry out very hostile propaganda against payment of bonus? It gave them a cushion, it gave them even a way out. And there is no way out at all. The whole field is open. You have stated in your Bill that it is related to production and productivity.

Sir, I would only quote what the Profit Sharing Committee which had gone into the proposal and stated that it was not practicable, commented in 1948:

"Conditions of production vary from industry to industry and from undertaking to undertaking within each industry. The productivity of labour is dependent among other things on the nature of the equipment and efficiency of organisation and supervision. Then again the measurement of total production in terms of a common unit is a very difficult task. Even the products of an industry or an undertaking are not always uniform and easily measurable. To prescribe a norm of annual production is even more difficult. Besides, the basic conditions in any one year may be quite different from the conditions on which the norm has been determined."

To compare actual production in any given year with the norm would, therefore,

be extremely unscientific and unsatisfactory. Sir, the employers themselves opposed this linking of bonus to productivity because you understand and I will quote again the formal recommendation of the Bonus Commission on this point: "In view of the objections to the proposals by large sections of employees as well as by almost all the unions and the practical difficulties inherent in any such proposal we are unable to recommend that the concept of bonus based on profits should be replaced by annual bonus linked production or productivity". It is doubtless true that properly devised incentive system in the manufacturing concerns forms a useful part of the wage-structure and would help to increase production but it cannot be suggested as a substitute to replace the annual profit sharing bonus: Recommendations page 7. Relating to productivity again, Mr. Reddy, you know it does not depend on the labour at all. It depends on the availability of inputs, power-supply, market conditions, credit and taxation policies, changing technology and changing product-mix, management policies and competence, transport conditions, industrial relations, changing organisation, etc. So, this productivity and production hoax. I will give an example. In the coalmines in 1971, Mr. Reddy knows, the same number of workers were working as they are working today. The only difference is that at that time all the names were not shown in the registers which have been done after nationalisation. In 1970, the production was 71 million tonnes and in 1975 it was 98 million tonnes. The same number of workers in Singareni about which you are much more intimate than I am; in Jharia, in Madhya Pradesh, in Asansol, the same number of workers, in difficult conditions, in grim conditions, without proper inputs, without proper safety conditions, have produced 20 million tonnes more. And, how much have you paid? This year you have paid 4 per cent as *ex gratia*. Is it proper implementation of the Bill? Workers now understand how the Bill is going to be implemented and that is why for one week out of six lakhs, three lakhs of workers refused to accept. Even today, Mr. Reddy, please inquire in an entire area near Rani-ganj not a single worker accepted 4 per cent bonus. The emergency will not be a permanent feature. This Bill has dealt

a terrific damage to the emergency, to the goodwill you created, to the atmosphere of co-operation you created. You have nearly shattered it. But today working class irrespective of the trade union affiliations, whether it is Mr. Dange or Mr. Bhagyati, whether it is Mr. Ramanujam or Mr. Indrajit Gupta or whether it is Makhan Chatterjee, all unanimously agree that this most sinister piece of Bill has brought about the greatest demoralisation of the working class, the class which fought industrialists the gangsters of R.S.S., the gangsters of Anand Margis, and the Maoist gangsters. Do you think you do not need this help any more? Sir, is it fair? On the one hand you take away my 8.33 per cent bonus and, on the other hand, what do you do? I am reading, Sir, a reply by my friend, Mr. Pranab Mukherjee, on 20th January, regarding bonus shares issued by the companies and this is what Mr. Pranab Mukherjee replied to Question No. 293. He said: "In July—that means after the emergency in 1975—Government issued a press note relaxing guide line No. 18 in regard to the issue of bonus shares which, *inter alia* envisages that at any one time the total amount permitted to be capitalised for the issue of bonus shares out of free reserves shall not exceed the total amount of paid-up capital of a company and again in November 1975 another press note was issued announcing relaxation of guideline Nos. 13 and 14 as a result of which the time-lag between two successive announcements of bonus issues was reduced from 40 months to 24 months and the time-lag for making applications for bonus issues was reduced from 36 months to 12 months.

In other words, Sir, whatever little restriction was there on the issue of bonus shares, that is being relaxed. As a result, about two hundred companies have issued bonus shares to the tune of over seventeen crores of rupees. And you compare the figure with 1974 and 1972. Both the number of bonus shares and the number of companies which issued bonus shares were much less. Take the Companies Act. In reply to my question, Mr. Gokhale said: "Yes, we have received more applications from the business houses, both big, multi-national and small, for more loans." And small, for more loans." And I quoted on

that day in the House how Directors after Directors of TELCO, of Century Rayon, of Hindustan Motors, of National Jute Mills, of Union Carbide, of Dunlop, of Firestone, of big tea estates, were all given special loans, to build houses, to build flats and make money. You are giving them relaxations in the issue of bonus shares, reduction of excise duty, more incentives in various forms, more subsidies, free licences. You are giving these concessions to the very forces, the forces of Ramnath Goenka who has not paid provident fund up till now to the tune of Rs. 1 crores. You said that day, Mr. Raghunatha Reddy, that the total non-payment of provident fund dues in India has come to Rs. 20 crores. Has the MISA been applied there where there is the real guilt? You could pass a simple Ordinance to arrest those who have failed to pay provident fund money which they deducted from the wages of the workers. Where is your gesture? Is it not a betrayal? Is it not a shameful act? Is it not treachery? Now after the disaster you shed tears on the Chasnala victims. But you took no action when we pointed out and the disaster was the inevitable product of your negligence. Similarly what about the working class, the class which stood by you, which shed blood for you? I want to know how many of your party people have shed blood. Three of our party people were butchered, I know, in Asansol, five men were beaten by the RSS *goondas*; we know in Jharia how our meeting was broken by Jayaprakash's men. You said: "All right; we stand by you." And then you struck at my pay packet. How do I live? My pay packet consists of the basic wage, the dearness allowance and the bonus. According to West Bengal Review which came in the *Anrit Bazar Patrika* of 4th January 1976, Dr. Gopal Dass Nag stated that 75 per cent of West Bengal Jute mill workers, textile workers, are heavily indebted and are in dire distress. This is the class which has been attacked, their wages have been frozen. This is the class which came in thousands in rallies to the Prime Minister's house when judgement of the Supreme Court was delivered. So it is not such an innocent piece of Bill at all, Mr. Reddy. I suspect that there is a deliberate conspiracy, a diabolical game to create a rift between the Prime Minister and the working class.

[Shri Kalyan Roy]

The CIA agents did not fall from heaven; the agents did not grow from grounds. This is a deeprooted conspiracy because that section which wanted to topple democracy, that particular section which has deep links with the CIA, found that the Prime Minister could not be shaken as the toiling masses and the progressive masses are with her and, therefore, thought that they should look for loose ends and there they struck. If you go to the working class areas whether they are in the Delhi Textile Mills of Mr. Charat Ram or in the public sector steel plants or in the mines, you will find nothing but hatred, utter hatred and this is the creation of this Bonus Ordinance. This has destroyed what has been established amicably in consultation with the employees and with the full support of the working class. I have mentioned the eight different stages through which it has been evolved. You have taken it away. Is it not a sinister attempt? It is provided that even where the employers have paid more than 4 per cent bonus in 1974, it has to be deducted. How was it resisted? How did the AITUC resist it? We only called for a day's *satyagraha*. The working class was shocked because it knows that this is an evil piece of Bill and that it is a criminal piece of legislation. The Government did not allow us to sit in the Boats Club lawns. Twenty-thousand workers attend *satyagraha* on this issue in the industrial areas all over India. Out of this, two thousand were arrested. These rights which have been earned through struggle and persuasion have been taken away. Even the apex body was not consulted. As I said in the beginning, it is sinister, undemocratic, illegal, unfair, dangerous and suicidal.

Sir, what is to be done? Now, the whole field is wide open. Once again, there may be a serious employer-employee conflict. Mr. Reddy, I visualise the worst kind of street battles and this is not an empty threat; I am not threatening. This is the mood of the workers. I see blood in the eyes of the workers. These are the people who have stood by you. But they have been betrayed in the most shabby manner. Would the Government consider one thing? Let there be no Bonus Bill at all. Let us bargain with the employees as was

done during the British regime in 1924, in 1935 and during the days of Pandit Nehru and Shri Lal Bahadur Shastri. Mr. Reddy, you will be surprised to know that the lesson of the past has been that a large number of bonus disputes can be settled through bipartite bargaining with the labour appellate tribunals or the Bonus Act formula as the basis.

Either you do not intervene; let us settle the disputes in the banks, in the LIC, in the mines and in the factories. Or, restore what we have been getting 8½ per cent. I will again repeat this. Do not say—it is sickening—that in capitalist and socialist countries they do not give this type of bonus. I say 'Please give us their wages.' 'You are not prepared to do that. But you think of pleasing the Birlas and so on by allowing the capitalists to issue more bonus shares. You give more concessions to the Hindustan Motors who are laying off workers even without paying their wages. What is the emergency for? Is the emergency for taking away bonus? Is the emergency for the Chasnala disaster? Is the emergency to arrest 2,000 AITUC workers because they dare to offer *satyagraha* for a day? This Bonus Bill, Mr. Reddy, is a stab in the back and I say it, as I said before about the Chasnala disaster in this very House, a serious disaster is going to take place. I say it today with all my humility. I am not making a partisan issue of it. I know that most of the Members of the House are with me and they feel the agony of the workers, the starvation of the workers and the misery of the workers. All I say is, if you do not withdraw the Bill, the working class will be out in the streets and that would be the greatest danger to the whole foundation which you are building up, it will be the greatest danger to the united fight against Fascism, the imperialists and external and internal subversion. By passing this Bill you will only help those subversive elements who are now trying to recruit the working class into their reactionary camps which they failed so far. Thank you.

SHRI D. D. PURI (Haryana): Sir, I was deeply distressed to observe that a very well balanced, sober and extremely reasoned speech of the Minister has brought forth a torrent of invectives: Jayaprakash Narayan, Ananda Marg, RSS, sinister, arbitrary, arrogant, treacherous, conspiratorial, cri-

minal, suicidal! And even the tragedy of Chasnala has not been spared. All that I will say is that the basic point made out by the Minister has not been dealt with at all, namely, the distinction between bonus and wages.

Whenever we debate wages, we can argue about 13 months' wages for 12 months' work or 14 months' wages for 12 months' work, but the basic difference between wages and bonus must be understood, and once that is understood the entire argument, the entire invective let forth by my friend on the opposite side becomes irrelevant in so far as the present Bill is concerned.

I have with me material hearing on the concept of bonus as to how it developed in this country and in 14 other countries in the world, including two communist countries, and if you give me a little time I will read out from the provisions there. And I maintain that the concept of bonus and the quantum thereof as it evolves out of this Bill is certainly more liberal than it is as compared to the parallel provisions in Czechoslovakia and Hungary that I have with me, and of 12 other countries—and I shall come to it as long as you do not mix up bonus with wages.

It has been said that balance-sheets are unreliable. Will they become reliable as soon as the concept of minimum bonus in the absence of profits is reinstated? Or will all the ills of illegal transfer of funds abroad and of the unregistered workers in the mines be cured if you introduce the element of minimum bonus? I want to ask one question. A great deal has been made out that a number of workers were employed, whose names were not on the register. How is minimum bonus going to help them? What has that to do with this Bill? It is as if all the ills in this country would disappear if the concept of minimum bonus was reinstated irrespective of profits and all of them would reappear in horrendous proportion from as soon as that is taken. That is what I respectfully submit. It has been stated also that the removal of the concept of minimum bonus is going to encourage falsification of balance-sheets further and therefore it is going to erode into income-tax revenue. I want to ask my friend: After the concept of minimum bonus was introduced, did the income-tax

revenue diminish or, did it maintain a steady pace? It has nothing to do with it. If people will make illegal balance sheets they will continue to do so, minimum bonus or no minimum bonus. Even previously, apart from the minimum bonus, the 20 per cent was not available, between 4 per cent and 20 per cent it had to be relied on balance-sheets, it is inescapable.

Now a great deal has been said about bonus shares. I will deal with it briefly. Bonus shares are issued out of reserves which in turn are based on previous profits shown in the balance-sheet. Is it conceivable that the bonus was not paid in respect of shares issued out of reserves which in turn were based on profits? Give me one such instance. Therefore, Sir, I think there is need to go back to the very basic elements. What is the meaning of bonus? Bonus is of two types as I understand and as it is understood in law courts and I will deal with some of the cases referred to by my friend and also elsewhere. There is the production and incentive bonus and there is the bonus other than production and incentive bonus, namely bonus based on profits. Now, production and incentive bonus is: Supposing a workman produces 8 pieces in 8 hours. Now, the employer wants 9 pieces for sale. He asks him to work one hour extra and produce the ninth piece. Thus the worker earns overtime. But there may be some other workman who may say: Well, I am prepared to produce 9 pieces in 8 hours. So, he gets incentive. That has not been touched in the Bill. There are two basic elements of the production and incentive bonus. The one is the norm and the other is something surplus to the norm. These are the two basic ingredients of the production and incentive bonus. The same thing applies when you come outside the area of the production and incentive bonus, namely the bonus based on profit. Now, the profits in industrial undertakings or even in commercial undertakings need investment of capital and also the effort and endeavour of the labour. From the concept of capital, by way of equity capital, it should not be understood that it is confined to millionaires or multi-millionaires. Today ordinarily an equity share has a face value of Rs. 10 each and I know tens of

[Shri D. D. Puri]

thousands of shareholders who own two shares, three shares or ten shares, of Rs. 10 each. So, it is in that perspective that the number is to be viewed. When we deal with this aspect, we must bear in mind that in this a man has got the option of putting his money either in bank or in fixed deposit where he gets return without any effort or without taking risk; but there is another man who may like to invest his money in a commercial or industrial undertaking. He says: "Well, I am prepared to take the risk of loosing this money for the sake of increasing production. I should also get a better return." So, he puts the money in equity whether of a commercial or an industrial concern. Now, Sir, first of all there has to be a return on the capital and then there has to be a norm for return of this capital. If the norm of the profit is exceeded, then it used to be entirely the property of the investor. He said, well it is my risk if I lose all the money and it is my benefit if I made excess profits. No one has got any share in that. But that concept gradually changed "No, beyond the norms of profit, labour is also a partner." And then concept of partnership developed gradually. Formerly the bonus used to be an *ex gratia* payment depending upon the whims and fancies of the employer but then it came to be recognised by law also, by labour courts and by the Supreme Court also who held that the labour is a partner which is entitled to it. There is no generosity involved.

5 P.M.

And it is the partnership like the partnership or contract of a minor. Just as labour does not participate in any losses, if a minor enters into a contract and that contract results in losses, the minor is not responsible; but if it results in profits, then certainly he is entitled to his share. In the same manner, this concept gradually evolved, that it is not an act of generosity, it is not an *ex gratia* payment. But beyond a certain norm, when certain profits are made, labour is entitled as of law to a certain percentage thereof. That is the concept of bonus—again the same two ingredients, norms and earnings in excess of norms, like in production bonus.

Now, Sir, there is a basic difference between wages and bonus and there is a plethora of rulings, including some of those A.C.C.

and other cases, where again and again, again and again, it has been stated that bonus is not wage. Wages have to be paid irrespective of whether an undertaking makes profits or incurs losses. It has got nothing to do with incurring of a loss. Supposing I go to buy raw materials. No one will give me raw materials cheaper because I am making a loss. Similarly, I go to sell my finished goods. No one is going to give me higher prices than those prevalent in the market. It has got nothing to do with profits and losses. Wages have to be paid irrespective thereof. When it comes to bonus, bonus is essentially a participation in the prosperity of an undertaking. This is the essential difference. The same could be said about dividends also. In earlier cases—I won't quote them except one case of Buckingham Karnataka Mills—the court related bonus to dividend: No dividend, no bonus. Bonus payable only when dividend is payable. Then in the case of Cooper Engineering Co. V. their employees, it has been held that the bonus depended entirely on surplus profits, not merely on profits. And in the case of the General Motors (India) Ltd. V. their workmen, Justice Chagla's observation is extremely interesting. It is as valid today as it was on the day it was made. He says: "It is almost a universally acceptable principle that profits are made possible by the contribution that both capital and labour make in any particular industry and I think it is also conceded that labour has a right to share in increased profits that are made in any particular period. But the distribution of increased profits amongst workers is better achieved by giving an annual bonus than by a further increase in wages." There again he is again and again emphasising the basic distinction between wages and bonus. And this proposition has been followed in at least two dozen cases; I will not go into them. Only I will quote one Government order, passed by the Government of West Bengal, which seems to be very relevant to the point that I am making. This is Government of India resolution. It says: "A fair wage to labour must be the first charge on industrial production. Obviously, wages must be paid whether profits are made or not..." Then it says: "After wages are paid, provision must be made for reasonable reserves for maintenance

and expansion.. " Then also it says: "If profits exceed the provision required under (c) above, a share of such excess should be paid to labour as an additional remuneration namely bonus".

Therefore, Sir, once one recognises the distinction between the basic concept of wages and of bonus, then everything that my friend has said becomes irrelevant.

Now, Sir, I have with me here the bonus laws of 14 countries. I will briefly mention only two countries, Czechoslovakia and Hungary—very briefly. Now, Sir, in Czechoslovakia, the percentage of profits as bonus is not exceeding 10 per cent—10 per cent is the ceiling in Czechoslovakia—plus production bonus, if any, where production is in excess of the norms and the normal profits. And the norms of production are laid down by a Committee of seven—two representatives of workmen, one representative of salaried employees and four nominees of the employers.

This Committee of Seven lays down (a) what are the norms of profit before any bonus is to be attracted and (b) what are to be the norms of production for which, when they are exceeded, bonus becomes due. In Hungary, it is even more interesting. There, an undertaking must make profits due to the State according to the plan. When the country's plan has been framed they have allocated profits to each undertaking. First of all, whatever has been laid down in the plan must be paid to the State. Thereafter, the workers' share escalates in relation to how much the contribution made by that undertaking to the State exceeds the plan figure therefor. But there is a ceiling of between 10 and 12 per cent. Again, the most interesting part of this is, of this 40 per cent of the bonus that is to say, four per cent if it is 10 per cent—goes direct to the workmen; the balance goes into a fund which is administered for the general welfare of the workmen. These are the provisions regarding bonus in Czechoslovakia and Hungary. I have provisions for 12 other countries. I will not take the time of the House by reading them out. But there is not a single case that I have been able to see here, I think that ours is the solitary example speaking about bonus being given irrespective of whether you make any profits or not.

Apart from the theoretical objection, I will spell out precisely what it would lead to.

Now, Sir, payment of dividend out of capital is forbidden by Company Law. As a matter of fact, the recent amendment introduced by Mr. Reddy to the Company Law was that you cannot even declare a dividend out of past profits without going to Government. You have to declare a dividend out of current profits, for good reasons. If you permit industries to pay dividend in the absence of profits, you will be paying it out of capital, and that leads to the inevitable disintegration of the company, of the undertaking, of the industry. Similarly, if you continue to pay bonus when the company is incurring a loss you will inevitably be paying out of the capital; it is leading to an erosion into the capital, the disintegration of the undertaking, and the day when the undertaking will close its doors come much nearer. That will inevitably aggravate the unemployment situation in the country. And when there is no unemployment relief, there is a greater reason for us to see that nothing is allowed to happen which aggravates unemployment and which brings nearer the closure of concerns which are running today.

Sir, another aspect of this distinction between wages and bonus is this. Today, when the concept of minimum bonus is on its way out, the minimum wage is spreading its net wider and wider. In Haryana, for instance, ever since the 20-point programme has been announced, eleven new items have been included in the category of minimum wages, including agricultural labourers. While as far as possible we are increasing the application of the concept of minimum wage, we are doing away with the obnoxious principle which forces us to declare a bonus in the absence of profit.

Sir, I have only one suggestion to make in respect of the certain detailed formula that has been laid down about deductions. All I say is that the norms of return on capital should not be fixed across the board they should vary with the type of industry and the Ministry, by suitable amendments, take power to frame rules in this behalf. In industries which are more hazardous, the share of the workmen should be more than in industries which are not so hazar-

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dous. And correspondingly, in industries which are agro-based, which depend upon the vagaries of nature, the share of the employees should be a little more than in the other normal cases. Sir, bonus in the absence of profit was a step in the wrong direction which would have led to disintegration of industry and would have militated against national interests and even against the long-term interests of the workmen. I congratulate the Government taking courage to rectify that error. Thank you.

श्री ओ३म प्रकाश त्यागी (उत्तर प्रदेश):  
उपसभाध्यक्ष महोदय, मैं समझता हूँ यह जो विधेयक गवर्नमेंट लाई है यह गवर्नमेंट की अदूरदर्शिता और आर्थिक नीति की अस्थिरता का परिणाम है और जब आर्थिक नीति की आधारशिला इस देश में रखी गई उसी समय ही एक भारी भूल हुई और उसी का कुपरिणाम आज हम देख रहे हैं।

महोदय, मैं एक-दो मिनट इसके पिछले इतिहास में जाना चाहूंगा। वह यह है कि स्वाभाविक मनोवृत्ति है आदमी की—स्वार्थपरता। स्वार्थपरता मनुष्य का स्वाभाविक गुण है। चाहे वह कहीं का भी क्यों न हो, वह अधिक से अधिक लाभ चाहता है और कम से कम दूसरों को देना चाहता है, कम से कम परिश्रम करना चाहता है। गवर्नमेंट की योग्यता इस बात में है, गवर्नमेंट की क्षमता इस बात में है कि इस स्वार्थपूर्ण मनोवृत्ति पर किस प्रकार से काबू पाया जाए।

उपसभाध्यक्ष महोदय, इस देश में मालिकों की और पूँजीपतियों की, उद्योगपतियों की यह मनोवृत्ति है कि मजदूरों को कम से कम दिया जाए और अधिक से अधिक स्वयं को लाभ हो, लाभ हो...

THE VICE-CHAIRMAN (SHRI V. B. RAJU): Ganguliji, let the Minister hear the Member.

SHRI KALYAN ROY: The Minister is not hearing. He has already been briefed. He has no independence. He is a prisoner.

SHRI RANBIR SINGH (Haryana): No.

श्री ओ३म प्रकाश त्यागी: तो मालिकों की, पूँजीपतियों की अथवा उद्योगपतियों की, नीति यह रही कि अधिक से अधिक मजदूरों से काम लिया जाए और कम से कम उन को दिया जाए। उसके विपरीत मजदूरों की मनोवृत्ति इस प्रकार की रही कि कम से कम काम किया जाए, अधिक से अधिक वेतन लिया जाए। ये दोनों मनोवृत्तियाँ साथ साथ काम करती रहीं। इसमें, जैसे अग्नि में घी डाला जाता है, उस तरीके से बढ़ावा दिया उन लोगों ने कि जो लोग रहते हैं यहाँ, खाते पीते यहाँ हैं, परन्तु जिनके दिमाग और दिल इस देश में नहीं हैं, देश से बाहर हैं, जिनका लक्ष्य देश-हित नहीं अपितु इस देश में एक विशेष प्रकार का शासन स्थापित करना है और उस के परिणामस्वरूप उन्होंने मजदूरों की उस प्रवृत्ति को और बल दिया और परिणाम एक यह भी निकला कि ऐसे नारे इस देश में लगे, और वह यह कि काम के घंटे घटाओ, वेतन बोनस बढ़ाओ, यह सब चला। पूँजीपति अपनी धांधली में चलता रहा और ये अपने तौर तरीके से। उपसभाध्यक्ष महोदय, मैं कहना चाहूंगा, और खास तौर पर कल्याण राय जी को—क्योंकि उन्होंने मेरे नाम का उल्लेख किया, इस लिए मेरा फर्ज हो जाता है कि मैं उसका जवाब दूँ वह यह है कि उनका ध्येय है कि अगर मजदूरों को लाभ नहीं पहुँचता है तो देश में असंतोष बना रहेगा और इस असंतोष के द्वारा वे इस देश में इस तरह का वातावरण पैदा कर सकें जिससे खूनी क्रांति करने का मार्ग साफ हो जाए। इस प्रवृत्ति के पीछे यही मूल चीज है। इसका परिणाम यह हुआ कि देश में इसकी वजह से लगातार हड़ताल होती रही, काम के घंटों की हानि हुई, उत्पादन कम हुआ और जब उत्पादन कम हुआ और खर्च ज्यादा हो रहा था, कीमतें बढ़ रही थी, आसमान

को छू रही थी और इस तरह से देश में व्यवस्था खराब होती चली गई।

उप-सभाध्यक्ष महोदय, सरकार को चाहिए था कि वह देश में सही नीति निर्धारित करती, पूँजीपतियों पर लगाम लगाती और मजदूरों के हित को सामने रखकर कोई नीति निर्धारित की जाती, तो इस तरह की स्थिति पैदा नहीं होती। आज जो विधेयक आया है वह सरकार की अदूरदर्शिता के कारण, विदेशी एजेंटों के षड़यंत्र के कारण और सरकार की दूसरी नीतियों के कुपरिणाम स्वरूप यह विधेयक आया है। कल्याण राय तो हमेशा ही मजदूरों का रोना रोया करते हैं। वे तो हमेशा ही मगरमच्छ के आंसू बहाते रहते हैं और यहाँ बात उनके दिल व दिमाग में हमेशा रहती है।

उप-सभाध्यक्ष महोदय, 1966 में बोनस की बात हमारे सामने आई और उस समय सरकार ने 4 प्रतिशत बोनस देने का सिद्धान्त को माना। 1966 में सरकार ने बोनस देने का आधार स्वीकार किया, लेकिन इस चीज को पब्लिक सैक्टर पर लागू नहीं किया। सरकार की दलील यह थी प्राइवेट सैक्टर वाले जो पूँजीपति हैं वे बेईमान हैं और उनको लाभ काफी होता है। उस समय यह कहा गया था कि अगर सरकार बोनस मजदूरों को देना चाहती है तो प्राइवेट सैक्टर के अलावा जो पब्लिक सैक्टर के मजदूर हैं, उनको भी बोनस दिया जाना चाहिए। लेकिन सरकार ने यह बात नहीं मानी और पब्लिक सैक्टर को इससे अलग रखा। इसको प्राइवेट सैक्टर पर लागू किया यह मानकर कि वे लोग बेईमान हैं और ज्यादा कमाते हैं। (interruption) मनोवृत्ति अब भी है। अगर ईमानदारी से बात की जाती तो पब्लिक सैक्टर पर भी यह बात लागू होनी चाहिए थी। लेकिन गवर्नमेंट ने यह बोनस देने की स्कीम पब्लिक सैक्टर

के लिए लागू नहीं किया और वहाँ पर डेफर्ड वेजेज कर दिया और यह कह दिया कि एक आध महीने की तनख्वाह मिल जाएगी। मैं समझता हूँ कि इसका परिणाम यह हुआ कि एक तरफ तो मजदूरों की स्थिति यह बन गई कि हमें बोनस मिलना चाहिए। चाहे उद्योग में लाभ हो या न हो। किसी उद्योग में हानि हो या घाटा हो, चाहे वह फेल हो जाए, हमें फिर भी बोनस मिलना चाहिए। इस तरह की स्थिति देश में पैदा हुई और सरकार जो समाजवाद का नारा लगाती थी परिस्थितिबश—मैं यहाँ पर परिस्थितियों का वर्णन नहीं करना चाहता हूँ—और विवश होकर कि वह समाजवाद हैं उसने 8.33 प्रतिशत बोनस देने का फैसला किया। उसका कुपरिणाम यह निकला जो इस समय मिनिस्टर साहब सदन में बतला रहे हैं। इस ऐलान के बाद देश में पैदावार कम हुई, असंतोष की भावना चारों तरफ फैल गई, वर्किंग आबर्स का भी बहुत नुकसान हुआ, देश व्यापी हड़तालें हुईं। इसके साथ ही साथ दूसरी ओर देश में ब्लैक मनी, अन्डरग्राउन्ड-मनी फैल गई। देश में हर तरफ उत्पादन कम हो गया, महंगाई बढ़ गई, बेकारी बढ़ गई और तरह तरह से असंतोष की भावना फैली। उसी का रोना आज यहाँ पर रोया गया है और आपकी नीति का यह कुपरिणाम है। सरकार ने 8.33 बोनस को पब्लिक सैक्टर पर भी लागू किया। इसका परिणाम क्या निकला? जो दूसरे वर्ग के कर्मचारी थे, जैसे पोस्ट आफिस वाले कर्मचारी थे, रेलवे कर्मचारी थे, उन लोगों ने कहा कि जब कुछ पब्लिक सैक्टर में बोनस मिल रहा है तो हमको क्यों नहीं दिया जाता है। इस तरह से देश में असंतोष की भावना बढ़ी सरकारी वर्ग के कर्मचारियों में और दूसरे वर्ग के कर्मचारियों में जिन्हें इस बोनस से वंचित कर दिया गया था। इसी नीति का यह परिणाम हुआ कि डम



[श्री ओ३म प्रकाश व्यागी]

देश में लार्ज-स्केल पर हड़तालें शुरू हुईं।

उप-मभाष्यक्ष महोदय, सरकार ने जो अब परिवर्तन किया है उसमें उसने लाभ और उत्पादन के साथ बोनस को भी जोड़ दिया है। मैं सरकार में यह जानना चाहता हूँ कि क्या सरकार अब प्रतिक्रियावादी बन गई है और समाजवादी अधिकार खत्म हो गए हैं?

या आप बोनस का जो परिवर्तन लेकर आए हैं तो क्या सरकार को यह विश्वास हो गया है कि जो पूँजीपति या उद्योगपति हैं वह अब बेईमानी नहीं करेंगे और वह अपने सही आंकड़े देगे अपनी आमदनी के? आप को ऐसा विश्वास है क्या? यदि विश्वास नहीं है तो उत्पादन और मुनाफे को आप ने एक साथ जोड़ कैसे दिया? दूसरी बात, अगर न्यूनतम वेतन के साथ जोड़ा है तो आप न्यूनतम वेतन इतना रखिए कि एक मजदूर अपने परिवार को उस में भली प्रकार चला सके। अगर कोई नालायक उद्योगपति या नालायक मैनेजर किसी कारण से अपने उद्योग में लाभ नहीं कर पाता, हानि करता है और उस के कारण मजदूर को बोनस नहीं मिलता तो मजदूर को अपनी मजदूरी तो मिलनी ही चाहिए। मैं तो सही बात को मानता हूँ और मैं खास तौर पर इस बात को मानता हूँ कि उद्योगपति और पूँजीपति बेईमानी न करें और मजदूर अधिक से अधिक काम करें और इस का एक ही इलाज है। मैं कुछ सुझाव दे रहा हूँ और वह यह है कि आप को यह चाहिए था कि जितनी मजदूर यूनियन हैं उन के नेताओं से सलाह कर के, लीडर आफ दि अपोजीशन से सलाह कर के, सोच समझ कर कोई विधेयक लाते तो सर्वसम्मति से एक अच्छी चीज बन जाती। लेकिन देश में बातावरण दूषित हो गया है। आप सोचें कि सही इलाज क्या है

जब तक असंतोष रहेगा जब तक पूँजीपति अपने मुनाफे को छिपाने की चेष्टा करेंगे और उस समय तक मजदूरों में असंतोष रहेगा। आप इस को हल कैसे करेंगे यह तो आप जानें, लेकिन मेरे दिमाग में एक हल है। जैसा कि अभी हमारे भाई ने कहा था, जब नए आदमी में काम करने के लिए इंसैटिव नहीं होगा, आंतरिक उत्साह नहीं होगा तब तक न मजदूर का कल्याण होगा और न मालिक का। जिस तरह से मालिक के दिमाग में उत्पादन करने की बेचनी है उसी तरह की बेचनी मजदूर के दिमाग में होनी चाहिए। आप ने बीव का रास्ता निकाला है। ठीक है, लेकिन मैं समझता हूँ कि आप के विधेयक में यह दोष आएगा कि उद्योगपति अपनी आमदनी को छिपाने की कोशिश करेंगे और मजदूर को इस से वंचित करने की कोशिश करेंगे। मेरा सुझाव यह है कि अगर आप इस सिद्धान्त को स्वीकार करे कि किसी उद्योग को स्थापित करने में तीन चीजों की आवश्यकता होती है—पूँजी, श्रम और मैनेजमेंट। इन तीनों को बराबर का स्थान मिलना चाहिए और इन तीनों को उद्योग में बराबरी की साझेदारी मिलनी चाहिए ताकि हर काम करने वाला मजदूर कह सके कि यह मिल हमारी है, यह उद्योग हमारा है, बलक और एक मैनेजर कह सके कि यह मिल हमारी है। जिस तरह से पैसा लगाने वाला पूँजीपति कहता है कि यह मिल हमारी है उसी तरह में श्रम और मैनेजमेंट को भी हक रहे। क्या श्रम और दिमाग की कोई कीमत नहीं है? तो जब तक आप इस सिद्धान्त को स्वीकार नहीं करेंगे, श्रम और मैनेजमेंट को बराबर का स्थान नहीं देगे, समस्या हल होने वाली नहीं है। पूँजी का तो तीसरा स्थान होना चाहिए। लेकिन इन तीनों को समान दर्जा दिया जाए तो तीनों के हक बराबर होंगे और फिर उद्योग में लाभ होगा। अगर आप ने इस सिद्धान्त को

स्वीकार कर लिया तो देश में कभी हड़ताल नहीं होगी और देश में हमेशा उत्पादन बढ़ता रहेगा। फिर आप को चिन्ता नहीं होगी कि वोनस आठ परसेंट दे या चार परसेंट, आप को लाभ मिलता चला जाएगा। इन सिद्धांत को स्वीकार किए बिना इस समस्या का कोई हल नहीं हो सकेगा। इन विश्लेषकों के द्वारा आप पेड़ की पत्तियों पर पानी छिड़क रहे हैं, जड़ पर पानी नहीं डाल रहे हैं। धन्यवाद।

SHRI N. K. BHATT (Madhya Pradesh): Mr. Vice-Chairman, Sir, the concept of bonus has undergone considerable changes over the years. It is probably for the first time that payment of bonus has been linked to productivity in lieu of or in addition to profit sharing. It is an attempt which is being made by the Government only for the first time again to decide the payment of quantum of bonus....

SHRI K. V. RAGHUNATHA REDDY: This is not only profit sharing. This is in addition to profit sharing. This principle was there in the previous enactment. Now it has been given a very clear place.

SHRI D. D. PURI: This is not in lieu of this; this is in addition to profit sharing.

SHRI N. K. BHATT: This is now being improved. From this point of view, it is certainly a welcome move on the part of the Government to come forward and to give a proper shape and direction to the question of bonus once and for all.

Mr. Vice-Chairman, Sir, productivity-oriented bonus seems the only answer to the bonus question. We have had a number of strikes, a number of agitations and innumerable problems, and every time whatever solution was found it has been an *ad hoc* one. This time the linking of productivity with bonus has come as a guideline which, of course, may not be palatable, because whenever any new measure is introduced it is bound to cause some discomfiture somewhere. But, ultimately, for a proper approach to questions of permanent nature, sometimes you have to take some positive measures, and this time this measure has been taken.

Sir, the minimum bonus should be linked to profits and not allocable surplus. This

is because 'allocable surplus' is a general term, and when we talk of allocable surplus there is also a reference to available surplus. It is only proper that payment of bonus is linked to allocable surplus.

Mr. Vice-Chairman Sir, as I stated earlier, whenever any new step is taken, it is bound to create some problem. Ours is a traditional society, and from traditional society we are trying to enter into a 'new phase' where either it is income or it is wages or it is profits, they have all to be rationalized and a proper place is to be fixed and allocated for them. The working class has no doubt been perturbed by this particular move, viz, the bonus ordinance because they have had a period of struggle, a period of sacrifices, and now at this time when they have come forward to extend their fullest cooperation about the implementation of the economic programme enunciated by the Prime Minister, it has certainly come as a rude shock to them, more so when ungrudgingly they have contributed to increased production, they have contributed to higher productivity, and at this time when they should have been given some reward, the introduction of the Bonus ordinance at this stage has no doubt disturbed them very much.

Mr. Vice-Chairman, Sir, my learned friend, Mr. Puri, has referred to the concept of bonus. During the second World War, we were not a free country. The rulers of the day wanted more production to boost the war efforts. In those days, this element of bonus was introduced—I do not say it was *ex gratia*—just in the form of an incentive.

And with the increase in prices and consequential rise in the cost of living, naturally this amount which used to be given to them as an incentive was accordingly linked up. The more the prices went up, the more the quantum of bonus. In this way, the question of bonus since then has undergone a number of changes. When the prices used to go up, the workers used to demand more bonus. Then there used to be settlements and sometimes strikes. There were a number of strikes and a number of tripartite conferences that took place where the norms were evolved for bonus. This question so much agitated that ultimately, as nothing would satisfy either the workers or the industrial

[Shri N. K. Bhatt]

employees, it went up to the Supreme Court. There was the LAT formula. But the disputes still remained unsettled and they were being multiplied, and, therefore a suggestion was made to set up a bonus commission. Then the Bonus Commission went into the whole question of bonus—how it should be paid, what the basis should be, etc. The Bonus Commission had a number of sittings. They toured different parts of the country. They met economists. They heard workers; they heard industrialists. And the Commission made certain recommendations. The payment of bonus was recommended on the basis of certain principles. Collective bargaining included. Ultimately, the Bonus Commission did recommend general coverage of the workers. It was agreed that the minimum bonus should be paid to all irrespective of the fact that there was loss or profit. Those getting higher bonus were no doubt put to some uncomfortable position. But the principle was that minimum bonus must be paid to the lowest category irrespective of loss or profit. Sir, even after the Payment of Bonus Act was passed, agitations, etc. did continue. The workers felt that the provision of a minimum of 4 per cent was not at all commensurate with the continued rise in the cost of living index. The strikes continued and so did the agitations. All these workers were very much agitated with the result, I should say, with the good offices of the Government, the principle of 8-1/3 rd bonus was considered in 1970. In other words, for 12 months' work, 13 months' wages were paid so that the workers could adjust themselves. And this position continued. All the same, the position was not clear. Again, there had to be a Bonus Review Committee where the representatives of the workers were there, the representatives of the industrialists were there, and the representatives of the Government were there. And this Committee had its own sittings for a considerable period of time. The Committee was set up in April, 1972. It made certain interim recommendations and the Interim Report was presented in 1973, and the final Report was given in 1974. In this Committee, Mr. Vice-Chairman, there were three representatives of labour—two from the private sector and one from the public sector. There was one economist and

also one independent. The Bonus Review Committee consisted of eight experts representing various interests concerned. They did make certain recommendations. And even for the public sector undertakings this 8-1/3rd per cent was recommended.

Government accepted this and an Ordinance was issued. Then, Sir, came this Ordinance which is now being replaced by this Act. This created certain problems because workers used to get bonus on the eve of annual festivals such as Puja or Diwali or Onam. Bonus all over the country became part of the wages to workers. Due to the unchecked rising cost of living workers could not make enough savings and they could utilise this amount on such festive customary occasions and meet their other family obligations. The present law has come as a bolt from the blue.

Sir, the Bonus Review Committee in their recommendations covered the public sector organisations; of course, not the departmental undertakings. Now, the present recommendation of 4 per cent minimum bonus for 1974 in place of 8 1/3 per cent has created its own problem and for the future payment has been provided on the basis of allocable surplus. Sir, the Ordinance came at a time when it was the peak festive season and the workers had already budgeted their requirements on the basis of 3 per cent.

During the last six months of emergency prices have no doubt been contained and the Government have also taken certain positive measures. But, Sir, the workers would have very much appreciated if along with these measures a regulated well knit public distribution system could have been introduced in all the industrial undertakings so that the workers could procure their items of everyday requirements on reasonable price. As has been stated earlier, due to firm economic measures taken by Government the workers have benefited due to reduction in prices in spite of the Bonus Ordinance. It is natural when there is more money in circulation, the prices tend to rise. Judged from that point of view the Ordinance has served a purpose it has no doubt given a great relief to workers.

But, Sir, many undertakings both in the private sector and public sector have today payment of profit sharing bonus based on

productivity and performance. The provision in the Act to treat all such agreements as null and void and provide for recovery or adjustment of the difference of the amount to be determined under the Act will lead to considerable distress and resentment among the working class. Sir, there are certain other provisions also which do require certain consideration. I do not know at this stage as to how far it could be possible for the hon. Labour Minister to give thought to them. But, Sir, all the same, I welcome this measure as having certain very positive aspects which probably many other previous speakers have tried to undermine. For the first time a large number of workers in the country will get four per cent minimum bonus which they never got because according to the earlier provisions of the law only those establishments which employed more than 20 employees could award bonus. But according to the present Bill every establishment which is employing ten or more persons will have to any at least minimum bonus. It is a gift to thousands and thousands of workers who could not think or dream of getting bonus. Likewise, the increase in the absolute minimum from Rs. 40 to 100 is another welcome feature of the Act.

Mr. Vive-Chairman, Sir, retention of the provision of productivity linked bonus instead of profit sharing bonus will go a long way to meet the requirements of the economic compulsions of our national situation.

Mr. Vice-Chairman, I have no doubt taken some time but I would like to take a few more minutes.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): All right, two minutes.

SHRI N. K. BHATT : I will try to complete. Today the way the bonus amount is calculated, workers have to depend on the balance-sheets as published. They have no access to the inspection of accounts of the industrial undertakings. Sir, there should be a complete check and full accessibility to the accounts and scrutiny of balance-sheets. Employers or industrial magnates should not be allowed to resort to retrenchment, lay-off and closures as they like, I can quote number of instances

showing that during this period of emergency when the workers are voluntarily coming forward to increase production and productivity, there are certain sections of employers in this country who are taking undue advantage of this situation by declaring closures, lock-outs, retrenchment and lay-offs.

This is highly objectionable. Sir, I would very much like that this Act should be made prospective and not retrospective. Whatever benefits have accrued to those workers who have been given advantage under the previous agreements, their interest should be protected and whatever recommendations have to be made, they should be made prospective and not retrospective.

Another point that I would like to say is that whenever any new measure is taken, it does create some discomfort here and there but all the same, the intention with which this Bill has been brought, I fully appreciate and I would request the honourable Labour Minister to fulfil his old promises which are still remaining unfulfilled. He has promised on the floor of the House to bring in a comprehensive industrial relations law, because this is very necessary for maintaining industrial peace. Unless there is industrial peace, whatever measures we introduce now will not serve the purpose. I hope that while he has come forward with this Bill for payment of bonus, he will also bring out very soon a comprehensive industrial relations law. For that also, Sir, he should resort to the old practice of the last 26 years, the system we have evolved of getting a consensus in a conference. We have been discussing all labour problems on a tripartite basis where representatives of all sections concerned are there and on that basis an agreement is arrived at. This will help considerably in giving stability to our way of working. The way in which the present Bill has been brought, is not desirable. I hope that in future, all these measures which he might bring either in respect of industrial relations law or whatever it is, will be on the basis of the old practice. He should convene labour conference where there will be Government representatives and the representatives of labour and industry—both private and public sector. That would go a long way in creating

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a climate which is very much required at this time when we are agreed upon doing some thing concrete and where the workers are also willing coming forward to implement the bold economic measures introduced by the Prime Minister to bring relief to the common man. Thank you.

**SHRI K. V. RAGHUNATHA REDDY:**  
With your permission, Sir, I may state for information that I hope to introduce the legislation tomorrow with regard to prevention of lay-off, retrenchment and closures.

**SHRI T. V. ANANDAN (Tamil Nadu):**  
Mr. Vice-Chairman, Sir.

**SHRI KALYAN ROY :** Do not give any more bluff; it is enough.

**SHRI T. V. ANANDAN :** I am on my legs. Mr. Vice-Chairman, Sir, all those hon. Members who spoke before me are interested in the 4 per cent or 8 1/3 per cent bonus. I now want to plead on behalf of those who do not even enjoy this 4 per cent bonus in this country although they belong to a very vital sector which produces more and more for the country. Sir, I represent the Central Government employees, especially the railwaymen who are the backbone of the progress of our country. Sir, in very good terms, the hon. Members spoke very highly about the railwaymen, their efficiency for the improvement in production, wagons production etc., and even the day before yesterday, it was said that the budget for the Railways will be a surplus budget, all on account of the efficient work rendered by the railwaymen of this country after the Emergency. Sir, there was a strike also on the question of bonus for the railwaymen, even for the entire Central Government employees but with a provision that those who have been classified as industrial workers in the Central Government or the State Government or the local body, they should be considered for a minimum bonus.

At the time when 8 1/3 per cent was the minimum bonus, naturally, the Government should have thought impossible to pay bonus for the Central Government employees, those who are classified as industrial workers. When this was brought down from 8 1/3 per cent to 4 per cent, we were under the impression

that this will be extended to other Central Government employees, but we have been disappointed. So far as this Bill is concerned, I was wondering whether a proviso that those who have been classified as industrial workers would be entitled for this minimum bonus of 4 per cent would have been added to Section 32 of the principal Act which excludes the Central Government employees, employees of State Government and employees of local bodies. But Sir, I am disappointed.

Sir, as you know, the workers are the major partners in the progress of the country. Not all these laws passed by this House or the Ordinances promulgated by the President would accelerate the progress of the country unless the workers do their bit. Sir, the Bonus Act of 1965 was very well received and it was working very well. Suddenly, in 1971, 8 1/3 per cent bonus was declared by Mr. Reddy's predecessor. From that time onwards started the struggle in the country. The capitalists had their own say and the working class also had to say something about it. Now, Sir, at a time when there is Emergency and when the working class is expected to do its best, I honestly say that the working class is rather disappointed. Whatever be the information that the Government of India gets through its intelligence department, I say the working class is roused because of the curtailment of bonus to 4 per cent. I do not know who gave this advice. I would appeal to the Prime Minister and the Government. The advice tendered to her is not proper at this hour when the working class is excited. The Prime Minister wants to banish poverty. How can poverty be banished when there is no production? This depends upon the workers and not on those who make laws here. Therefore, this curtailment of bonus to 4 per cent is derogatory. I do not know what the internal motives are of those who first declared 8-1/3 per cent bonus and then reduced it to 4 per cent. Therefore, Sir, the Prime Minister should take care of herself and her future, because out of the twenty million working class, eight million are going to be affected by this retrograde step. Of course, we have the Central Government employees numbering ten million who are

already aggrieved because they do not get even one per cent bonus. Sir, this is the time when the Government and the hon. Minister should consider this serious situation. The Minister may be attending conferences and so on. But it is we who are moving with the working class from day to day, meeting them and discussing their problems with them. Therefore, we know very well that it has affected the working class in this country. At the same time, Mr. Reddy, here is a suggestion that I am giving to you

You must know that in section 20 of the principal Act you say that any establishment which manufactures or produces, that is, in the public sector, and sells in competition with the private sector and 20 per cent of the gross income is derived, it is entitled for Bonus. You must know that this can apply to the railwaymen. Mr. Reddy, the railways are producing wagons, engines and coaches in competition with the private sector in this country and they are exporting through the STC to other countries and earning a profit in foreign exchange. Are you not now brave enough to reconsider that the railwaymen in this country are entitled, under section 20 of the principal Act, to bonus? Can you not do that? Consider that, because the railwaymen are the backbone of the country. You have experienced, the country has experienced it and you say—the Government of India said it—that no less than Rs. 600 crores has been lost to the nation because of their 24-day strike. And now you admit that these railwaymen work very efficiently. Therefore, is it not high time for Parliament and the Government to satisfy the workers and get their sympathy and goodwill for the country? Therefore, Sir, I say it is high time they considered it.

Mr. Minister, I do not know whether it is possible for you to withdraw this Amendment Bill and also tender advice to the President to withdraw the Ordinance and to call the trade union leaders, Government representatives, industrialists together for consultation and see that the workers carry the country in a forward march without having any deteriorating effect.

Sir, with these words I want to conclude. Whether I support the bill or not I do not

want to say but you can understand it from my speech. There is a danger: I can read the minds of the workers who were getting 8.33% of bonus and who are now deprived of 4.33% of it. Be careful about it, reconsider it and do good for the nation.

SHRI S. W. DHABE (Maharashtra): Mr. Vice-Chairman, this is a very important Amendment Bill which has been, as Mr. Bhatt rightly said, welcomed in the working class with mixed feelings.

There is a silver lining in that now coverage is made to establishments with ten persons also. But another feature of this Bill is that persons who are getting 8.33% bonus will definitely face a loss now. It is no use saying that they are not put to loss.

Sir, before I speak on the concept of bonus and suggest remedies, I would invite the hon. Labour Minister's attention to the Report of Bonus Review Committee of 1974. Its report dated 14th October, 1974 is not available in the Reference Library. I am not sure whether its copy was placed on the Table of the House. On inquiry I found that it is not available even at the Notice Office. Now, only the Interim Report of 1972 is available. What I say is, the full and final Report of the Committee be placed on the Table of the House so that we know what are the recommendations.

Secondly, Sir, I want to know whether the Government intends to bring a comprehensive Bill instead of an *ad hoc* arrangement like this. Two years earlier, the Khadilkar Formula came in through an amendment to the dismay of some people.

The management did not like it but the workers certainly hailed it and after two years we again reversed the policy. My friend, Mr. Anandan, has rightly said—he is the president of the biggest trade union in our country—“What about the coverage?” The coverage question has not been dealt with. I find that the public sector has been given exemption from giving bonus. In that the building contractor is included. I will invite the attention of this House to a thing which is really ridiculous, I do not know how it has been included. In section 32, sub-section (6) it is said:

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Employees employed through contractor on building operation. Therefore, those who are doing building industry, the workers who are engaged there, they get exemption under this section 32. Secondly, Sir, you will find that employees employed by an establishment engaged in an industry carried on by or under the authority of the department of Central Government or State Government or local authority, they are also exempted. Now, we are having the Hathi Committee report. Drug or pharmaceutical industries going to be taken over by the Government or going to be nationalised, those who were getting bonus for the last 20 years by their struggle, will be deprived of the bonus simply because of the provision here in section 32(4). My submission is that this way of *ad hoc* treatment to the question is not good. If you see the history of bonus, it is the struggle by workers that has given bonus to the workers, particularly in the State of Maharashtra, in Bombay and Nagpur, the places from which I come. Giving of bonus is not a question of sentiments now. Workers were getting bonus earlier also on the occasions of Divali or Dussehra but after the struggle of the working class in India—we are not to go to other countries for precedences, they will not help because their wages are different, their social security is different—you will find that

bonus has acquired a broad meaning. It will be wrong if we do not accept the realities in the life of the working class of India. As my friend, Mr. Kalyan Roy stated, the history of bonus is that it started with the bonus formula in the famous case of Rashtriya Mill Mazdoor Sangh, Bombay V. Association of Mill Owners in 1949. For the first time the tribunal gave a decision that it is the right for which the working people can assert and can convass in a tribunal. It was accepted on the concept of equality, justice and good conscience. Thereafter it did not come by way of legislation. It is out of the industrial court's decision that workers got the right of bonus. Sir, with adjudication came in the formula of Labour Appellate Tribunal which was adverse to the working class and, as you know the history, there was demonstration and ultimately the Labour Appellate Tribunal had to be abolished. The LAT also agreed with the principle laid down by Industrial Tribunal.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): I think Mr. Dhabe, you can continue your speech in the next sitting. Therefore, we shall adjourn now. The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at six of the clock till eleven of the clock on Wednesday, the 28th January, 1976.