

this not only for the posterity, but also in our national interest. In this way, we can create a sense of national integration. It will be different from communal and parochial standards. We shall not lose anything.

Mr. Vice-Chairman, Sir, before I finish, I want to say that there is a sense of irresponsibility everywhere. I do not say it is in the Government only. It is in the Opposition also. But let us not be reckless or irresponsible when we talk about men like Netaji, as was done by Panda Ji. In today's newspapers, there is another such responsible statement by no less a man than Shri Bansilal in regard to Jayaprakash Narayan. I would cite this to caution the Government and to caution those who utter disrespectful language about our national leaders. There is a news item in the Hindustan Times of today which says:

"Pro-J.P. Haryana students would not get Government jobs."

This is not my point, but this is incidental to it. Are we going to punish our boys for participating in democratic movements? This is the big question. Are we and everybody else bound to toe the line of the Government? In a democracy, Government is nobody's property or monopoly. I am a non-party man. But those who are in the opposition today have a chance to go to that side also. The news item is about no less a man than the Chief Minister of a State. I would not have mentioned it, but he has a duty to be responsible. The news item says:

"During the past 27 years of Independence, Shri Jayaprakash Narayan has not dared to fight a single election. The way he was behaving now indicated that he was hungry of office." (What a shame. Mr. Bansilal should know that he is talking about Jayaprakash Narayan). "If Mr. Jayaprakash Narayan wants a post, he has just to approach the Prime Minister and she should oblige him."

Bill, 1970

It is scandalous. I have not the words to condemn it. I would like to Prime Minister to take note of it. The Prime Minister should reprimand Bansilal, a man of her party. I know that Mr. Bansilal is thriving on the patronage of the Prime Minister. Otherwise, he would have been removed from office. Thank you, Sir.

THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR): Are you pressing the Bill?

SHRI DWIJENDRALAL SEN GUPTA: I am not pressing it.

*The Bill was, by leave, withdrawn.*

#### THE PAYMENT OF BONUS (AMENDMENT) BILL, 1970

*(Substitution of New Section for Section 10)*

SHRI DWIJENDRALAL SEN GUPTA (West Bengal): Sir, I beg to move—

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

Mr. Vice-Chairman. Sir, here is a Bill which has outlived its utility to a large extent. When I introduced this Bill, I claimed for the working class of India a minimum bonus of one month's pay, may be, 8 per cent or 8-1/3 per cent. Since then, the Government has revised the minimum from 4 per cent to 8 and 1/3rd per cent. But this position was not appreciated when I introduced this Bill. I am glad that they have seen the merits of what I thought much earlier. I am taking this Government as correcting themselves though late where there is room for correction. And with this faith in this Government, I am drawing the attention of the hon. Minister to different sections of the Bill to make necessary amendments at least in the comprehensive Labour Bill that was promised long before.

[Shri Dwijendralal Sen Gupta]

Sir, in Section 3 of the Payment of Bonus Act, they have laid down the conditions when a particular branch or unit will be taken as a separate one though forming a part of a company. Mr. Vice-Chairman, Sir, let us take the case of the Hindustan Steel Ltd. That is a big concern. If it will have a branch tomorrow, that branch does not get the benefit of the company as a whole. If that unit starts today, the workers there will have to wait for six years to get the benefit unless certain conditions are fulfilled. Or, it so happens that the union people belonging to one particular branch get the bonus at a particular rate if their balance-sheet was not separated. Sometimes, the workers get the advantage of Section 3 and sometimes they are put to a disadvantage. So, there should be a Provision conferring benefit on the workers in either case. They should provide that whichever is more advantageous to the worker should prevail. Sir, in Section 16, special provision, with respect to certain establishments, has been provided. Here, we find that certain concerns, unless they satisfy the profit clause or production clause, are not covered by the Payment of Bonus Act. I submit, Sir, that this rigidity should be removed. It should be made eligible to all workers irrespective of all barriers. In Section 20 there is a provision that public sector workers shall get bonus under the Payment of Bonus Act, if it is in competition with private concern, and if the private concern is not less than 20 per cent supplier of the same thing in the market. For example, who will determine whether it is 20 per cent, or 90 per cent, or 80 per cent. So, how is the public sector covered by this?

Then Section 22 of the Payment of Bonus Act. It has a reference to tribunal. When there is a dispute, Government should refer it to tribunal. Sir, I have a statutory claim. For this

statutory claim, why should I not take the dispute straight to the tribunal, why should I go through the Labour Ministry as such? If I go through the Labour Ministry for such conciliation, then it means delay. I am going to recover my dues and why there should again be a conciliation and the subjective satisfaction of the Government for considering the propriety of our preference or not?

Then Section 23. It is a very dangerous and pernicious provision. It makes the balance-sheet audited by the company as sacrosanct. It says that all accuracies will be there the moment the balance-sheet is audited. Mr. Vice-Chairman, Sir, you are now in this House for quite a long time. If the balance-sheet as already audited by the chartered accountant is sacrosanct, then for neither the Birlas nor the Dalmias any investigation was necessary. All the balance-sheets are audited. But still Section 23 provides that in case of bonus the balance sheet should be presumed to be accurate. Mr. Vice-Chairman, Sir, why I say this is that this provision is very much in favour of the employers.

Then comes the question of application of the factors in Schedule 2. This bonus calculation is done by reference to Schedule 2, Schedule 3 and Section 6. In Schedule 2, we find what are the items to be added or subtracted for arriving at gross profit. There is one item 'salary, wage or bonus' in the balance-sheet. In every audited balance-sheet you will find that consolidated amount is shown for all the three. Unless you refer to the record, you do not know what portion of that is bonus. But in the second Schedule, when you are to calculate this gross profit, you will have to add something for bonus paid a year ago. But how to do that? You make profit and loss accounts and balance-sheet sacrosanct, and you put the bonus along with basic pay and dearness allowance.

Then, Mr. Vice-Chairman, in the second Schedule, there is an item, viz. that if a capital expense has been made but charged to the profit and loss account, to that extent that amount will be added back. Ordinarily, capital expense is not to be charged to the profit and loss account. So I see the anxiety of the Government when they say if it is charged, then it will have to be added back. But it is a question of fact. Whether one is a capital expense or a revenue expense, is a question of fact. Unless one gets a right to see the letters, vouchers, cheque books, challans, how can one say what was the character and nature of the expenditure incurred? The character and nature of the expenditure incurred can only be appreciated by reference to the records, not from the balance-sheet or the profit and loss account.

Mr. Vice-Chairman, Sir, similarly in Section 6, there are some deductions for depreciation according to the Income-tax Act.

4.00 P.M. So far as the profit and loss account is concerned, there is a provision for depreciation. It is normally according to the provisions of the Income-Tax Act. Now, whether it is according to the Income Tax Act or not is a question of verification. There is an Asset Register. If in that Asset Register, on the different items of assets you apply the rate of depreciation as provided in the Income Tax Act, you will come at the correct figure. But unless there is the record available, how can it be done? So no employer helps the workers or helps the trade union by supplying all these things. So what happens is, everybody has got to wait for a tribunal or arbitration. By process of law only, these records are made available there. If that is so, then why invariably should all these cases not be referred to tribunal? So my submission is that Section 23 should be deleted.

Then Section 22. A reference should be made straightaway. Parties should be allowed the option to go straight to arbitration otherwise this Act will become infructuous. It has already become infructuous. What I say is, this Act suffers from basic defects and these defects are of such a grave nature that we have failed to achieve the purpose for which it was codified. You can best use it by making the workers agree to a reference for arbitration and by deleting this clause, this Section which makes the presumption of accuracy in the balance-sheet. This is very unfair for the Government. This is very much loaded in favour of the employers and consequently the workers suffer from it.

Mr. Vice-Chairman, Sir, before I take my seat, I should mention that this Payment of Bonus Act should be extended or made available for necessary amendments in the manner they have amended this minimum bonus clause in the case of railway employees. Their history of strikes reminds me of their claim for bonus and that was one of the important demands which have not yet been fulfilled. There was a confusion created in those days by saying that if we give bonus to the railway workers, it will mean 50 crores of rupees and all that. But I had shown that it is not so and the Minister had to admit that it will be Rs. 48 lakhs only by giving the minimum bonus. It is simple. Let us take the amount of the Railway budget on total salaries and wages. If we divide it by 12, we get one month's figure, that is bonus, that is Rs. 48 lakhs. Then the Minister says, well, in that case other departments also will have to be given and this will come to much more. Mr. Vice-Chairman, Sir, if I am not very incorrect, two-thirds of Government employees are in the Railways and one-third in other Departments. If this calculation is correct, if Rs. 48 lakhs are needed, as ultimately admitted by Shri L. N. Mishra, the

[Shri Dwijendralal Sen Gupta]

Railway Minister, as 8.3 per cent bonus for the Railway employees, then another 28 lakhs of rupees would be needed for the remaining one-third of the Government employees. So Rs. 48 lakhs plus Rs. 28 lakhs, that is Rs. 76 lakhs would be required, for giving bonus. This is a very small amount considering the impact on our total budget. As a result of the strike, our country has lost enormously and it was a small matter. I do not like this thing to be repeated. Who knows that the Railway people would not go on a similar strike six months or one year after this? If the Railway industry is to survive, if the Railway is to continue then the workers have to be kept satisfied. The workers will not take their present position lying down; workers never take a position lying down. They may wait for time.

As a matter of fact, the Government should read the writing on the wall. They should have a reappraisal of the situation and consider what they can do. In this connection I can tell you that the Calcutta High Court has already held that the Railway is an industry and I believe there has been no appeal against that. That is why when all the industrial workers get bonus the railway employees also should get bonus. The Railways have also a different status. The Railways were commercially managed in pre-independence days. They were under the companies and they were assured that all the benefits and advantages of commercial employees would continue. Now, when they demand bonus they are treated as Government employees. When they were taken over they were assured that they would be treated as industrial employees. They have a genuine grievance and it remains unremedied. During the last railway strike, the Labour Ministry of the Government of India was completely immobilised. It did not function at all. I am taking this occasion to tell the Labour Minister that he should take up this matter

again and act in such a manner that all the Government employees are also covered by the Bonus Act.

Thank you.

*The question was proposed.*

SHRI D. THENGARI (Uttar Pradesh): Mr. Vice-Chairman, Sir, as my hon. friend, Mr. Sen Gupta, has said, the objective of this Bill has been already fulfilled through the belated action of the Government, which only shows the unerring wisdom that prompted this Bill. Regarding bonus it cannot be said that all issues have been properly thrashed out. As a matter of fact, the basic point, i.e., the character of bonus, the definition of bonus, has been made controversial by Government. Bonus is not profit-sharing in all cases. So long as there is a gap between the living wage and the actual wage, bonus has the character of a deferred wage and only after the actual wage attains the level of a living wage, bonus assumes the character of profit-sharing. If this definition is incorporated in the law itself, many of the controversies would be eliminated. Consequently we find that every wage-earner in the country, whose actual wage is below the level of a living wage, should be entitled and has a right to bonus. From this point of view there is no reason why the Government employees should be excluded from the purview of this Act. Recently, during last May, the Railway employees staged a strike and one of their demands was for bonus. Even the International Labour Organisation's standards and conventions have accepted railway as an industry, but making it a prestige point the Government has denied this right to the railway employees. We demand that every wage-earner, whether in the private, public or co-operative sector, must have the right to bonus. Secondly, the minimum bonus should be raised from the present 8.33 per cent to 12.5 per cent. This is the common demand of the entire working-class of

the country in view of the recent economic conditions. Therefore, if industrial peace is to be ensured, it is the duty of the Government to come forward with a further amendment that the minimum would be raised from 8.33 to 12.5 per cent. Again, Sir, as my hon. friend, Mr. Sen Gupta has said, regarding balance-sheets, the present provisions are quite inadequate. I should like to add that the workers should have the right not only to scrutinise the balance sheet or the profit and loss account as it is prepared but even to go beyond, and to challenge, if they think it so necessary, the deployment of capital, the various items of expenditure and their propriety so that the employees should be compelled to consult their workers before formulating their plan of deployment of capital. And therefore it would be possible if such a right is granted to challenge the propriety of various expenditures by the employers and it would then be possible for us to have more co-operation and a cordial atmosphere in every industry.

Recently, the Bonus Review Committee has submitted its Report and it is very unfortunate that the Government has deemed it necessary or advisable to declare that they would not have any consultation with the representatives of organised labour, that is, with the representatives of the central labour organisations about the Report of the Bonus Review Committee. When we are aware that the workers' representatives on the Bonus Review Committee have given dissenting notes, it has become all the more necessary that the Report should be placed before Parliament and discussed with the representatives of organised labour.

On this occasion, I only insist that before long, before the matters are further complicated, the Government should invite the Indian Labour Conference including the representatives

of the central labour organisations and in consultation with them, with their consent, finalise the policy of the Government regarding bonus.

**SHRI U. K. LAKSHMANA GOWDA** (Karnataka): Mr. Sen Gupta's Bill was introduced in the House sometime in 1970. Our esteemed friend, Mr. Chitta Basu, who was also in this House had earlier introduced a Bill to raise the minimum bonus from 4 per cent to 8.1/3 per cent, and we all know the discussions that have gone on from that time on this proposal, and also the State Governments' views and later on, the minimum bonus was increased to 8.1/3 per cent by the Government. So far as this particular question of increasing it to one month's salary, which means 8.1/3 per cent, is concerned, I have no objection and actually it has become a fact since the ordinance and the subsequent ratification of it in the House increasing it from 4 per cent to 8.1/3 per cent. But I would like to say one thing here that this whole question of bonus is one which emanated from the time when immediately after the war due to various reasons, in addition to the wages, a certain amount of bonus which started as a matter of *ex-gratia* payment came into existence. Ever since then, this question of bonus has given rise to innumerable industrial disputes all over the country whether it is in the private sector or in the public sector, and this continues to be so till now. I personally feel that this concept of bonus as a deferred wage or whatever it is should not be there. We must have a proper wage revision. We must find out a way of fixing proper wages whether by wage boards or whatever other machinery you have, and the bonus should always be linked to production. I particularly object to the sections which relate to the minimum Bonus where an establishment has not even made a profit,

[Shri U. K. Lakshmana Gowda]

It suited the Government in order to gain popularity and they said that after the Bonus Commission's recommendation whether an industry makes a profit or a loss minimum bonus should be paid. First it was 4 per cent., then it is 8.13 per cent. now and the demand is for 12 per cent. But they had two yard-sticks. So far as the private sector was concerned they said even if there is loss you should make the payment. But when it came to the question of the public sector or the railways they were not prepared to accept that position. Why this injustice? So the question of making a person pay bonus when the establishment has not made any profit is wrong. There should be fixation of proper wages. I stand for proper wages fixed in whatever way Government can decide. Now there is the latest concept of linking dearness allowance to the cost of living that also has led us to a lot of difficulty. You try to compensate the increase in the cost of living by providing sliding dearness allowance. You have a proper wage fixing machinery where you fix the minimum wages or fair wages or whatever it is, and this question of considering the bonus as deferred wage should be given up; as it has no relation to production. So for an establishment which makes profit, of course, we have the Bonus formula and we have the minimum bonus question. When an establishment makes profit we have a certain formula as given by the Bonus Act which provides a ceiling up to 20 per cent. and if it is more than that, it is carried forward to the next year. There is no objection for this when profit is earned. This is the view that I take on this.

Having accepted the principle of minimum bonus even when there is loss, the Government stands in difficulty in the case of railways. On the one hand they have accepted it as deferred wage and when they have accepted it as such there is no point in saying that they would not give it

to the public sector or the railways. So I am one with Mr. Sen Gupta and Mr. Thengari when they say that sections which relate to precluding the public sector industries which have no competitive counter part in the private sector are unjust.

Sir, then I go into the questions of other subjects which were raised by Mr. Sen Gupta. If we say that every balance sheet is to be queried from even the conciliation stage the disputes will never end. That is why in the case of corporate sector the audited balance sheet which is a recognised document for every purpose including income tax and everything, that should be taken as a document. And if we say that the balance sheet is to be queried at every stage then it leads to further industrial disputes and there will never be settlement of any bonus claim. Therefore, I say that so far as corporate sector and their balance sheets are concerned what is in section 23 of the Act is quite right; it should be retained. Of course, there are other matters, namely, what should be added back? Capital expenditure was mentioned. It is there. Where you directly say that capital expenditure is not to be taken into consideration for calculating bonus or whether it is added back into it there is no difference. I would like to mention here that so far as the interest rate allowed on working capital is concerned, that is outdated. What was the interest rate in the bank in those days and what is the interest rate of the banks now? If you go into the question, now you cannot even secure even hypothecation loans for anything less than 17 to 18 per cent. interest from even the nationalised banks. Then what is this 10 or 12 per cent. which is provided in the Act? If you go into that question that also must be properly reviewed. I am one with Mr. Thengari when he says that this question be taken up in the Indian Labour Conference and let some settlement be arrived at on that, where the

question of balance sheets also should be taken into consideration and let the question of the present rate of interest, which should be made available for the establishment for working capital and the interest on capital investment, be taken into consideration in view of the enormous increase in the interest rates which the banks are charging.

So, I would again say that I would rather have a properly fixed wage, taking into consideration the present trends and also a properly fixed dearness allowance, and have bonus only as incentive bonus for production purposes, and do away with these industrial disputes which arise even when the best balance-sheet is available for consideration. In this connection, I would like to urge the Labour Ministry to consider bringing a comprehensive legislation on this when they are bringing the Industrial Relations Bill. I do not know when it is coming. It has been said to be coming for the last two years and we do not hear anything about it. Even the other day, the Labour Minister made some statements about it which were not satisfactory to the House. But when that is done, I would like to urge the Labour Ministry to have a comprehensive legislation by which proper wages can be fixed and then we can be rid of these bonus disputes. And, as I have already said, when something is fixed like that, it should apply whether it is private sector or public sector. This sort of discrimination between public sector and private sector in the minimum bonus is not morally justified. When you are asking an establishment which is about to close down to pay minimum bonus, there is no point in saying that the public sector industries which make a profit, do not come under that. I would suggest and support Mr. Thengari's contention that this

question may be taken up again at the Indian Labour Conference. All sections, trade unions and employers should be consulted on this question and some rational basis should be found out, which in my view would be to have a comprehensive wage legislation rather than this ever-continuing bonus legislation which lands us in innumerable industrial disputes. Thank you.

**SHRI VISWANATHA MENON** (Kerala): Sir, on behalf of my party, I welcome this Bill as an occasion to discuss the most discussed subject, that, is bonus. Once upon a time there was an impression that bonus was profit-sharing. And the Labour Appellate Tribunal Formula was considered to be most important theory to decide the profit and so on. But at that time the workers were challenging the theory of profit-sharing and saying that bonus must be considered as deferred wage. Now the Government of India also, by the Payment of Bonus Act, has come to that conclusion that bonus is considered as deferred wage. If bonus is considered as deferred wage, why should it be denied to certain sections of the people? In the last session, we have heard about the Railway strike and all those discussions were there. That question still exists. Irrespective of whether the Bonus Review Committee or somebody has said that Railway workers are not entitled to bonus, the question still exists. Sir, I am coming from a State where the State road transport workers—it is a public sector undertaking—are getting bonus for the last 20 years. Even at the time when it was run as a department of the Travancore-Cochin Government, the workers were getting a minimum bonus of 11½ per cent. Sir, if the road transport workers can get bonus, why are railway workers denied that rightful claim? So the railway workers' demand is 100 per cent just and reasonable. Sir, I go a step further

and say that not only the railway workers but all employees, including Government employees, are entitled to bonus, if bonus is considered as [Shri Viswanatha Menon]

deferred wage. And India Government is considering bonus as a deferred wage. My Party's view is that all Central Government employees, all State Government employees and all employees working in public sector and private sector must be given a minimum bonus of at least 12½ per cent every year. My previous speaker was trying to impress on the House that bonus is not an important factor and he said that wages must be revised. I am not against any wage revision. You know that in this country nobody is getting fair wages and nobody is getting even standard wages and every day prices are increasing. To cover up the price increase, there is a so-called variable dearness allowance system in this country. For the sake of your information, even on that question India Government is taking a very deterrent attitude towards workers.

Sir, in my State we have the Indan Rare Earths Ltd. functioning. This organisation comes under the portfolio of our Prime Minister. There the workers have been on strike for the last two months and the reason for their strike is very simple. There was a settlement and the period for that was over. They were then negotiating with the management. The management insists that there should be a ceiling on the variable dearness allowance. If dearness allowance is given to cover up price increase, such kind of ceiling on dearness allowance is a danger that is being brought out by the Prime Minister's own public sector undertaking. So, that fight is going on. Workers under the leadership of INTUC, workers under the leadership of AITUC, workers under

the leadership of independent Union and CITU and all workers have combined and are fighting for a just cause. Why I say this at this juncture is that the theory that variable dearness allowance is given to cover up price increase is itself being challenged and sought to be changed by the present Government. My humble submission is that we must have a rethinking on the question of bonus and bonus must be given to all Central Government and State Government employees including Railway employees and employees of public sector undertakings.

On the question of formulating or arriving at an understanding between the workers and the managements, specially in this country, I want to say that the biggest management or the biggest capitalist here is the India Government. So, to have an understanding with the Government, I agree with the previous speakers that there should be an Indian Labour Conference in which all the interests must be represented properly. All the Central trade unions must be invited to participate in it. Let us all have discussion and come to an agreement. I agree here with what other speakers have said.

Sir, I do not want to take much time. I take this opportunity to request the Government and the Prime Minister herself not to precipitate matters and put the workers to any difficulty. After the railway strike, the Prime Minister probably thinks that she can finish the workers and bring in any draconian law against them. She is trying even to have a ceiling on the variable dearness allowance. It is a very bad thing and it is a very bad attitude towards the workers. So, Sir, I take this opportunity to plead that the dispute



205

in the Indian Rare Earths Limited must be settled amicably and the workers' demand for variable DA must be conceded. Thank you, Sir.

THE DEPUTY MINISTER IN THE MINISTRY OF LABOUR (SHRI BALGOVIND VERMA): Sir, I have listened to the speeches of the honourable Members. The object of Mr. Dwijendralal Sen Gupta's Bill is to raise the quantum of bonus from 4 per cent to 8 per cent in any accounting year.

Sir, the demand for increasing the bonus from 4 per cent to 8 per cent had been a matter of agitation by the industrial workers for some time past. A Bill *inter alia* was introduced by Shri Chitta Basu, the then Member of this august House, on the 27th November 1970, and when it was taken up for consideration on the 26th March 1971, the Government had assured here that it would review the whole scheme of payment of statutory bonus in the light of past experience. Accordingly, Sir, the Bonus Review Committee was appointed on the 28th April 1972 to review the operation of the Payment of Bonus Act, 1965.

Sir, the Bonus Review Committee submitted an interim Report and it was not unanimous. Two separate Reports were submitted and they were considered by the Government and the Government took a decision in pursuance of the recommendations in these Reports and an Ordinance was promulgated on the 23rd September 1972 to provide that the statutory minimum bonus should be raised from 4 per cent to 8 1/3 per cent for the accounting year commencing on any day in the year 1971. Then, it was also laid down therein that the bonus would be paid in cash, but if there was a positive side of the bonus, that is, if there was a plus difference in the minimum bonus laid down and the bonus actually paid, then that extra amount should be deposited in the Provident Fund account of the employee. So, Sir, then also instruc-

tions were issued to this effect. The honourable Members may know that so far as the non-competitive public sector undertakings are concerned, they do not come within the ambit of this Bonus Act. But, Sir, in spite of this, instructions were issued by the Government to the effect that the public sector undertakings, whether they were competing with the private sector or not, would have to make bonus or *ex gratia* payment with a minimum of 8 1/3 per cent. So, this is what we have done. Later, Sir, the Ordinance was replaced by an Act of Parliament.

SHRI DWIJENDRALAL SEN GUPTA: May I know when that instruction was issued? The instruction that all the public sector concerns, whether they are new or not, whether they are competing with others or not, should pay the minimum bonus—when was this issued?

SHRI BALGOVIND VERMA: I may tell you that when we amended the Act here in this House, at that very time itself, instructions were issued to the effect that the public sector undertakings, which were not competing with others, would also pay bonus or *ex-gratia* with increased minimum like the other undertakings.

SHRI DWIJENDRALAL SEN GUPTA: Is it the position from 1965 onwards or later than that?

SHRI BALGOVIND VERMA: After the receipt of the Bonus Review Committee Report, Sir, the Government has issued these instructions.

Then, Sir, this Payment of Bonus Act was amended in September, 1973 to provide for the payment of a minimum bonus of 8 1/3 per cent for the accounting year 1972-73.

Sir, a part of it was required, in certain cases, to be deposited in the Provident Fund Accounts of employees. The hon. Members will bear in mind that there were representations from the labour side that they wanted the entire amount in cash,

[Shri Balgovind Verma]

and in deference to the wishes of the labour, we came forward with certain amendments on 14th December, 1973, and the Act was amended. Bonus has been paid in cash only.

Again, Sir, the Act was amended in 1974 to provide minimum bonus of 8-1/3 per cent for the accounting year 1973-74. So we have been passing these amendments of the Payment of Bonus Act year by year, simply because we had appointed the Bonus Review Committee which was going into the details and we were awaiting their report. Their final report has been received by the Government on the 14th October, 1974, and it is under the consideration of the Government and the amendment of the Act will be considered only after the report has been examined by the Government and decisions have been taken thereon. So, Sir, we are....

SHRI DWIJENDRALAL SEN GUPTA: Is your Bonus Review Committee a permanent committee?

SHRI BALGOVIND VERMA: It is not a permanent committee.

SHRI DWIJENDRALAL SEN GUPTA: Then who revises year by year?

SHRI BALGOVIND VERMA: It is the Government which brings amendments to the Act because we were awaiting the final report of the Bonus Review Committee. It has now been received. It is under the consideration of the Government, and the moment the report has been considered and decisions taken thereon, we will come forward with the suitable amendments, so that this (yearly amendment) does not become a regular feature.

SHRI VISWANATHA MENON: Did you discuss with the Central Trade Union? Now the report is there.

SHRI BALGOVIND VERMA: It has been considered at various levels. We have consulted the labour leaders also. There is no need of wasting

time unnecessarily in consulting these various organizations.

Sir, Mr. Sen Gupta has made certain suggestions for amending certain sections of the Payment of Bonus Act, which are not included in the Bill. I can only assure the hon. Member that we will take into account the suggestions he has made when a comprehensive review of the Act is made.

Sir, in view of the position explained by me, I request the hon. Member to withdraw the Bill.

SHRI DWIJENDRALAL SEN GUPTA: Mr Vice-Chairman, Sir, so far as the statement of the hon. Minister is concerned, it only reflects that there is a series of imperfections in the Payment of Bonus Act, for which they have to come with so many amendments in the course of last few years, and still many are to be made. So it is high time that there should be a second Bonus Commission to consider the working of the Act. Secondly, I have brought here for discussion one particular aspect of the Bill and the Minister has very kindly said that he will take into consideration all the suggestions I have made. Now, the point is this. Who will decide? How will it be decided? Will it be decided by the Government. We have seen the performance of the Government. We have seen how the Government works. We have seen that the Government is very much conscious of employers, and not of employees. As a matter of fact, my suggestion will be, let the Government appoint a second Bonus Commission. They had the First Pay Commission, the Second Pay Commission and the Third Pay Commission. They had adjudication of the dispute of working journalists two times and it is going to come about the third time. Similarly, there are various wage boards also. Bonus is such a subject in which the Government, on their own admission, had to bring forward amendments many times. Therefore, the time is ripe enough when there should be a new approach on the subject. Mr. Thengari has suggested

about calling the Indian Labour Conference. This has also been suggested by other friends. I have no opposition to that. But let the Government not consider that they have the absolute wisdom on this subject. A cross section of the employers, employees and other public representatives should be taken in the Bonus Commission to review its working and to review the various provisions.

Mr. Vice-Chairman, Sir, I have already indicated another aspect and I have drawn the attention of the Minister also. I do not know when a comprehensive labour legislation will come. It will be better if he makes a statement to that effect. At present Section 10 reads:

"Minimum bonus will be given whether there are profits in the accounting year or not."

A Bench of the Allahabad High Court interpreted this to mean that it does not include "in a year of loss, bonus will have to be paid". I have indicated this in my amendment also. I have suggested that "irrespective of profit or loss in the accounting year" should be clearly written. It is a minor correction. I do not think that the Allahabad High Court was right enough in taking that view. But

since they have taken that view, this amendment, as suggested by me, may be considered and accepted. I shall be obliged if it is done. I do not press this Bill. I shall also be obliged if the Government gives a firm assurance as to when they are bringing forward this comprehensive legislation. It is long overdue. We are hearing about it for the last three years. I do not know when it will come about. Every time, we are reconciling ourselves to the statement that it will be considered and there will be a comprehensive legislation. We do not like to embarrass the Government. But we should know when the comprehensive legislation is coming. With that submission, I would like to withdraw the Bill.

*The Bill was, by leave, withdrawn.*

**उपसभाध्यक्ष (श्री जगदीश प्रसाद माथुर):**  
सदन की कार्यवाही सोमवार, 25 नवम्बर, 1974, 11 बजे प्रातःकाल तक के लिए स्थगित की जाती है।

The House then adjourned at forty-five minutes past four o'clock till eleven of the clock on Monday, the 25th November 1974.