MR. CHAIRMAN: Now we shall take up the next item—Clarifications in relation to Statement on Calling Attention Notice. I would like Members to put questions for clarifications only and not to make speeches. If any Member makes a speech, then I will have to go to the next Member. Shri Chitta Basu.

SHRI CHITTA BASU (West Bengal): Sir, having regard to the fact that there is growing unemployment in the country and automation results in a sharp decline in the employment potential of the country, having also regard to the fact that the Study Group of the Administrative Reforms Commission gave its opinion to the effect that automation is not urgent in the L.I.C, having regard to the fact that the Labour Ministry also expressed concern over the effect of automation and computerisation and also having regard to the fact that the Standing Labour Committee could not decide upon the matter as to the effect of automation and computerisation, will the hon. Minister kindly assure us or say that automation and computerisation should be abandoned and it should not be taken resort to? That is number one. My second question is whether the Government's attention has been drawn to the recent decision of the L.I.C. authorities in the matter of withdrawing the temporary D.A. with effect from this month and, if so, I would like to know what steps the Government proposes to take for restoring the cut in D.A. because it affects to a very large extent a large number of employees there.

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI): Sir, there is no question of giving up automation. That has been decided upon. In one place it is done and in other places also it will be done. Therefore, there is no question of giving it up. It is not necessary. On the contrary, it will help the working of the L.I.C. if it is done. The potential may appear to be less, but it will not be less. (Interuption) What is the use of shouting in the middle? When automation is introduced, a few people less...
SHRI M. PURKAYASTHA (Assam) : Mr. Chairman, I am not satisfied with the answer given regarding automation. I would like to draw the attention of the hon. Finance Minister to the remark of the President of the I.B.M. Corporation. The I.B.M. computer system has been introduced in the L.I.C., Bombay. He says "Automation's greatest potential benefit is the elimination of labour". Again I shall quote the opinion of the All India Management Association. It says: "Unemployment at the clerical level is a natural corollary of computer installation." I shall also invite the attention of the hon. Minister to the expert opinion of the International Labour Organisation which says "Displacement among clerical employees doing bookkeeping, filling, accounting and invoicing will be very high. It should be borne in mind that an I.B.M. 7094 is capable of doing in an hour's computer time the equivalent of a million man-hours of desk work."

MR. CHAIRMAN : Kindly do not read documents.

SHRI M. PURKAYASTHA : So I should like to know how it can be said that automation will not lead to unemployment or blocking of future employment. Moreover, the L.I.C. has resorted to victimisation and served suspension notices and dismissal notices on a large number of employees. And recognition has been withdrawn for the union which represents the majority of the workers. Of course, the Implementation and Evaluation Committee by a majority decided to withdraw the recognition. But I am sure that the hon. Labour Minister will certainly agree with me that whenever a charter of demands is placed before.

MR. CHAIRMAN : I have already said that Members should not make speeches.

SHRI M. PURKAYASTHA : Sir, I am making pointed remarks.

MR. CHAIRMAN : Please put your question.

SHRI M. PURKAYASTHA : Sir, it is the general practice that when a charter of demands is placed, the whole charter of demands is referred either to adjudication or arbitration. And because there was no conciliation meeting with the parties,

SHRI JAISUKHLAL HATHI : There was.

SHRI M. PURKAYASTHA : Without any conciliation proceedings, the issue was arbitrarily decided. I want to know whether the Government will refer all the demands in the charter of demands and whether this cut in the D.A. will also be included in that reference.

SHRI JAISUKHLAL HATHI : Sir, it is not true that there was no conciliation. There was conciliation. Only after conciliation failed this matter was referred to adjudication. So it is not that without conciliation it has been done.

SHRI A. G. KULKARNI (Maharashtra) : Sir, May I know from the Minister of Finance whether it is true that the L.I.C. cannot meet the demands of its workers because their expenditure is top heavy and their expenditure ratio is also heavy? In this connection, may I know whether the Minister of Finance is aware of a demand from knowledgeable persons to examine the working of the Life Insurance Corporation as such so that economy can be effected and the workers will get a better share and the policy-holders also will get a better share? May I also point out to him that at present at the local level, in the mofussil areas, the premium agents, whenever they are called, are running in motor cars which also might be increasing the expenses? The entire L.I.C.'s business must be examined by a competent authority so that the workers will be satisfied and die policyholders will be satisfied. In this connection, may I know whether he has given a thought to it?

SHRI MORARJI R. DESAI : A committee called the Morarka Committee was appointed. It is going into it. It is examining the expense ratio and the issues involved in it. Therefore, when we receive that report we will be able to further look into it.

SHRI D. THENGARI (Uttar Pradesh) : I want to know whether the Study Group of the Administrative Reforms Commission has stated that in the L.I.C. automation is not necessary, whether on the point of automation in the L.I.C.—I am addressing Mr. Hathi, I want the attention of Mr. Hathi—no unanimous decision could be taken in the tripartite meeting and in
view of both these facts the question of automation and consequences flowing from automation were not referred to the tribunal.

SHRI JAI SUKHLAL HATHI: So far as the report of the Administrative Reforms Commission is concerned, I am not aware of it. So far as the question of automation in the L.I.C. is concerned, in fact, this matter had been gone into in detail in 1966. The Committee on Petitions of the Lok Sabha also examined this and they said that in view of the assurances given by the Corporation and the Ministries this matter need not be pursued further. And moreover, in the tripartite conference we wanted that the management should assure that there would be no retrenchment and that categorical assurance had been given.

(Interjections.)

SHRI MORARJI R. DESAI: About the A.R.C.'s report, we have not yet received it. It is a working group's report which has been received by the A.R.C. But we have not received it.

SHRI P. CHETIA (Assam): Sir, out of 53 varieties of jobs which are there in the L.I.C., at present the management is feeding on only 7 varieties of jobs due to automation with the result that there has been a persistent decrease in the recruitment of third grad; employees since 1964. In 1967, only 256 or so third grade employees were recruited. There has been a gradual reduction in employment since 1964 on account of feeding on only 7 varieties of jobs due to automation. Is it not a fact?

SHRI MORARJI R. DESAI: When there is over-staffing in any branch we do not retrench the people, but we recruit less people and absorb the staff which is redundant. That is what is done. That might have been the cause for it.

SHRI A. P. CHATTERJEE (West Bengal): I am asking a question, Sir. I think Mr. Hathi may kindly answer it. Mr. Hathi, the honourable Labour Minister, in reply to the questions of Mr. Thengari, "has given an impression as if the question of automation is almost a settled question, saying that the petitions Committee said something, the tripartite committee said something and that, therefore, nothing can be done. But is the honourable Minister aware that as far as Calcutta is concerned, for the last three or four I months there has been a sustained struggle on the pan of the L.I.C. employees against the installation of automation machines? Not merely that, they had a day-long, night-long vigil before the Floss. House to see that the automation machine is not installed in Calcutta. Now, in view of that, will the honourable Minister be still insisting that the question of automation is not a live question? And if the honourable Minister agrees with me that it is a live question, and as a matter of fact the struggle is going on against the installation of automation machines, then, will the honourable Minister assure this House that the reference to adjudication will be amended and the question of installation of automation machines and the justifiability also of the automation machines will be within the purview of this body to which the matter has been referred? In this connection, the honourable Minister should also keep in view that Hollerith machines, for example, which was a kind of automation machine—it was admitted by the honourable Finance Minister even on the floor of this House in answer to a question of mine some sessions back—have made some mistakes and that they are known to make mistakes. Therefore, efficiency is not the question. The question is really of retrenchment or the necessity for the continuance of the employment of the employees of the L.I.C. But apart from that, this is a live issue. I want to know whether the Minister will assure this House that this live issue will also be referred to the adjudicating machinery that has been set up.

SHRI JAI SUKHLAL HATHI: So far as the general question of automation is concerned, it is a live question, the general question. And whenever any application for import of any computer or automation machine is placed, it is screened by the Labour Ministry. The unions are consulted. This is the procedure. Unless there is an assurance that there will be no retrenchment, foreign exchange is not given. So far as the L.I.C.'s matter is concerned, it was a live issue, it is a live issue with the unions. I understand it. But the Labour Ministry is concerned with the employment, the retrenchment of any employee on account of this. On this we have been assured that there will be no retrenchment, and therefore, there is no need to refer it to adjudication.
SHRI ABID ALI (Maharashtra): Sir, with regard to automation, is it not a fact that on the occasion of the last meeting of the Standing Labour Committee we have agreed to a procedure? May I know why the honourable Minister is not prepared to follow the procedure which was agreed upon there? And if we do that all this objection might be eliminated or minimised. Sir, another question is, is it not a fact that the communist union in the L.I.C. has been committing breaches, violent acts...

SHRI ABID ALI: First sit down, Have decoram. Learn decoram... (Interruptions).... Sir, as I was submitting, is it not a fact that that union which was a recognised union, has been committing breaches, violence, goondaism? And this went on for more than two years. This was brought to the notice of the management, to the notice of the Labour Ministry and to the notice of the committee concerned, and the management of the L.I.C. went on evading action thereon. Even in the meeting of the committee concerned, this matter was discussed and the L.I.C. consented to its postponement. Is it not a fact that on this ground an adjournment was agreed to between the union representatives and the L.I.C. management that there would be reduction in the emoluments of the workers and actually they agreed to the reduction of the emoluments of the workers to the tune of 30 lakhs of rupees?

That was to be cut from the salaries of the workers. Is it not a fact that the union has gone to the High Court of Bombay and has obtained an injunction from the court that the L.I.C has no business or legal authority to cut the emoluments of these workers without their consent or without following the regular procedure? Then the strike notice which was given by the workers was done in consultation and in conjunction with the L.I.C management which has increased the emoluments of the high officials to the tune of lakhs... May I know how much is that amount? Is it not a fact that the management wanted to benefit the high officers at the cost of the workers whose emoluments were cut? May I know why this recognition was granted? Of course that union has now been derecognised. Why did the Labour Ministry allow it to go on for such a long time?

SHRI A. P. CHATTERJEE (Uttar Pradesh): Mr. Bhupesh Gupta twice called Mr. Abid Ali * It is unparliamentary. (Interruptions)...

MR. CHAIRMAN: Mr. Abid Ali, you need not refer to individual unions.

SHRI A. P. CHATTERJEE: Mr. Chairman, Sir, on a point of order, on a point of order.

SHRI ABID ALI: All right, all right. If the honourable Members...

(Interuption)

MR. CHAIRMAN: You have put your question, Mr. Abid Ali. Let the answer be given. But do not refer to that individual union or this. It creates trouble.

SHRI ABID ALI: If there are more than one union, should I not signify it? You can say some union.

MR. CHAIRMAN: But don’t particularise it. You can say some union.

SHRI ABID ALI: All right, I will say some union. I was only making it more specific...

(Interuptions)

SHRI BHUPESH GUPTA: Sir, * * * *

(Interuptions)

SHRI ABID ALI: You should sit down. ***Expunged as ordered by the Chair.

What is all this?

SHRI BHUPESH GUPTA: He is an *****. (Interruptions) Sir, you are conducting the House very well.
SHRI JAIJSUKHLAL HATHI: Shri Abid Ali has asked a number of questions. Some questions relate to the Labour Ministry and I shall reply to them. Some relate to the internal management and the agreement of the workers with the employers and of course I may not be able to reply to them. So far as the question of procedure is concerned, we have been following the procedure. Regarding the decision to appoint a committee which will look into the whole question of the selectivity for automation, a committee is being set up. As for the other procedure, we do screening before a foreign exchange application for a computer is sanctioned and the Labour Ministry looks at it, the Labour Commissioner concerned also goes to the unions. Where the unions agree, there only or where it is found that there will be no retrenchment, then only such cases are sanctioned, otherwise they are not sanctioned. There is the general question of having a committee with all the persons interested to lay down the standard as to where it should be allowed because we also know that it should be a selective use and not to be allowed everywhere. This committee is being set up as we have decided.

Regarding the second question about the union which has been committing breaches very often or more often, the question of whether a union has committed a breach or not, and if it has committed, whether it should be derecognised or not is a matter which rests with the management itself but before it is derecognised the breach has to be established. Therefore the management approached the Central Implementation and Evaluation Committee. They approached us in August.

SHRI ABID ALI: How many months after?

SHRI JAIJSUKHLAL HATHI: That is for them. It is for the employers to refer and they approached us. Then we had a meeting of the Implementation Committee and when the committee was considering the question, it is true that both the parties asked for a postponement. They wanted to discuss it. The Committee thought that if the parties wanted an adjournment they should get the adjournment because they wanted to settle the issue between themselves. Ultimately the Committee was informed by both the parties that a settlement has not been reached and therefore the Committee took a decision.

SHRI ABID ALI: My definite questions have not been replied. Will the Minister kindly say why my union was kept out of the consultations? They were asked to go out of the room.

SHRI JAIJSUKHLAL HATHI: His union at that time was not a recognised union.

SHRI ABID ALI: Under what rule of the Industrial Disputes Act?

SHRI JAIJSUKHLAL HATHI: In some of the matters we are governed by the Code of Discipline. In this case because that was a recognised union, that was called.

SHRI B. K. P. SINHA (Bihar): I would like to know from the Finance Minister whether a committee known as the Morarka Committee is going into the question of the top hea viness of the administration? Is it going into (he other aspects of the proper working of the employees of that great organisation? I speak from personal knowledge that in many of the L.I.C offices, at whichever time of the day you go, at least 50 per cent, of the chairs are vacant. The clerk or the employee does not sit at the chair and if you ask the officers where they have gone and why they have gone, they say that they did not know about it. I would therefore like to know whether this aspect of the problem will also be investigated by the Morarka Committee. I can understand the plea for better emoluments but there should be an urge also for better work to be associated with better emoluments. Will that be done?

SHRI ABID ALI: * * * *

SHRI BHUPESH GUPTA: * * * *

SHRI A. P. CHATTERJEE: * * * *

SHRI ABID ALI: * * * *

SHRI BHUPESH GUPTA: * t * *

SHRI ABID ALI: * * * *

SHRI A. P. CHATTERJEE: ♦ * * *

MR. CHAIRMAN: I say that all the things exchanged between the two of you after the Labour Minister's reply will not be found in the records.

* * * Expunged as ordered by the Chair.
SHRI ABID ALI:  * * * *

MR. CHAIRMAN : What are these challenges?

SHRI BHUPESH GUPTA :  * * * *

MR. CHAIRMAN : We are really wasting our time by saying things which have nothing to do with the matter under discussion. I want hon. Members who are very senior Members to know that this kind of discussion would not help this House. Mr. Gupta, put your question. Mr. Hathi to answer.

SHRI JAISUKHLAL HATHI: He said some of the Chairs are vacant in the LIC offices. That is not my business.

SHRI B. K. P. SINHA : Let me repeat it for the hon. Finance Minister. Now that the Morarka Committee is going into the issue of the functioning of the LIC, organisation, including the top-heavy management, high salary, high emoluments and other perquisites to the officers, is he aware, or are they aware that the working conditions are a bit abnormal? I speak from personal knowledge. At whatever hour of the day you go, during working hours, to the LIC office, at least 50 per cent, of the chairs are vacant, and nobody is sitting there. When you make enquiries from the officers as to where those people have gone, they say they do not know. When you ask them whether they are on leave, they say they do not know, and they seem to be helpless in enforcing the duty hours of work. I appreciate the demand for better emoluments for employees. But, Sir, better emoluments must always be associated with better and more responsible work. Is the Morarka Committee going into this aspect of the matter?

SHRI MORARJI R. DESAI : The Morarka Committee will go into all these aspects.

MR. CHAIRMAN: Mr. Bhupesh Gupta. You put your question for clarification.

SHRI BHUPESH GUPTA (West Bengal) : First of all, do I have an assurance that the Government or the Labour Minister . . . Will the Labour Minister kindly resume his seat? From pillar to the post will he come?

* * * Expunged as ordered by the Chair.

Now may we have an assurance that he would not give any quarter to demands by the INTUC to get a recognised union derecognised so that it could smuggle its unions in and secure recognition? I should like to know from the hon. Minister. That is what they have been doing in the LIC. There is really no union of theirs there but they want the other union to go so that they could but in.

Then, Sir, with regard to the policy. It appears that, despite all the assurances given on the floor of the House, in Lok Sabha and here, the LIC employees are by no means satisfied, and they feel they are going to suffer as a result of the introduction of the computer. Now, Sir, in this connection I would invite the hon. Minister's attention to a letter by the Prime Minister to me when I took up the subject with her, and I would like to know where we stand. The letter of the Prime Minister is dated the 13th of September. It says:

"The Deputy Prime Minister has given an assurance that there will be no retrenchment as a result of the introduction of the computer in the LIC, when he answered Unstarred Question No. 4179 in Lok Sabha on the 18th of March 1968. However, we are going into the general question of automation and its effect on the employment situation, and we will certainly keep your views in mind."

May I know, Sir, whether since September there has been any discussion in the Cabinet as to the general policy which the Government should pursue in regard to introduction of computers. I should like to know whether it is not a fact that as a result of the introduction of computers in the LIC, or other establishments in our country the employment potential is bound to decrease. It would have a negative effect on employment potential even if I assume that nobody at the moment will be retrenched. Well, Sir, we find unemployment is rising in the country and the need for creation of employment is all the greater. Is it not a fact, Sir, that the hon. the Finance Minister said that if the computer is introduced it would bring in more business, and hence more employment? It would be exactly the opposite, Sir. When the computer comes in, it may bring a little more business but it will also bring lesser and lesser
Re threatened strike by L. I. C. employees  

Shri Bhupesh Gupta. employment, both potential and actual. Therefore, Sir, I would like to know why the Government is not abandoning the policy of introduction of computers in the L.I.C. when almost the entire section of the trade union movement, the employees and others, and also the political parties and so on have demanded that this policy be given up at least for the time being when we are facing such a situation. I would request the Deputy Prime Minister to clarify the position from the point of view of policy and also from the point of view of employment, present and future.

Shri Morarji R. Desai: Sir, I have already explained the position very clearly. I have nothing more to say.

Shri Bhupesh Gupta: What is clear? I am not clear.

Mr. Chairman: Try another supplementary.

Shri Bhupesh Gupta: I am not clear; surely Mr. Morarji Desai is clear. I asked the question because I am unclear. Therefore it is his job to clarify.

Shri Sundar Singh Bhandari (Rajasthan): If there is going to be a discussion then it is another thing.

Shri Bhupesh Gupta: No, Sir, I put such a question because...

Mr. Chairman: I have followed you. Mr. Bhupesh Gupta is referring to the potential unemployment that may happen.

Shri Morarji R. Desai: I have spoken to you about the potential also. I have spoken about the present, I have also spoken about the future, what will be less, what will be more. I have said all in my statement, but I cannot undertake the capacity of making my hon. friend understand anything if he does not want to understand.

Mr. Chairman: Mr. Rajnarain.

Shri Bhupesh Gupta: Mr. Morarji Desai's arrogance is bad. Sincerely, Sir, I did not understand it. I wrote that letter and I want him to explain; maybe we will disagree, maybe that I do not have the capacity to understand him.

Mr. Chairman: You have put the question.

Shri Bhupesh Gupta: But the Finance Minister gets up like the dictator in a Fascist Grand Council and tells us, "I do not have the capacity to make him understand anything".

Mr. Chairman: Mr. Rajnarain.

Shri Bhupesh Gupta: You, Sir, must give us protection. And what is the protection for us against arrogance of that type?
MR. CHAIRMAN: The Finance Minister gave the explanation.

SHRI MORARJI R. DESAI: I may have to learn arrogance from the hon. Member, not he from me.

MR. CHAIRMAN: The Finance Minister has explained the point of view. No more.

SHRI A. P. CHATTERJEE: On a point of order, Mr. Chairman, Sir.

MR. CHAIRMAN: No more.

SHRI A. P. CHATTERJEE: I rise exactly on a point of order, Mr. Chairman, Sir, and if I am not on a point of order, Sir, you need not allow it; you may pull me up. I am exactly on a point of order. Mr. Chairman, Sir, the question which was raised was the question of employment potential. Now, Mr. Morarji Desai said that he has already answered and therefore he won't answer it. Now, Sir, I have looked at the statement which was given by Mr. Morarji Desai on the last day. Now in that statement there is nothing about employment potential. Why should he not answer this question then?

MR. CHAIRMAN: I am sorry; no
REFERENCE TO PROBE INTO THE BIRLA AFFAIRS

SHRI M. P. BHARGAVA (Uttar Pradesh): Mr. Chairman, with your permission, I want to draw the attention of the House to a news item appearing in yesterday's Patriot. It is about the Birla probe decision put off again. We have been told by the Minister of Industrial Development and Company Affairs, session after session, that a decision will be taken soon, but the decision is not forthcoming. I would request the Government to come to a decision and announce before the House rises this session as to what they intend to do about this matter.

STATEMENT BY MINISTER RE RECOMMENDATIONS OF THE INDIAN STATISTICAL INSTITUTE REVIEW COMMITTEE

THE DEPUTY MINISTER (DR. (SHRIMATI) SAROJINI MAHISHI): Sir, on behalf of Shrimati Indira Gandhi I beg to lay on the Table a statement on action taken on the recommendations of the Indian Statistical Institute Review Committee. [Placed in Library. See No. LT-2500/68J

SHRI BHUPESH GUPTA (West Bengal): Mr. Chairman, I have a submission to make about the statement. I submit that this statement be deferred because there are certain big and important policy issues involved in it.

MR. CHAIRMAN: It has been laid on the Table.

SHRI BHUPESH GUPTA: We will not be able to ask for clarifications. This is very important.

MR. CHAIRMAN: You can certainly ask for clarification.

SHRI BHUPESH GUPTA: For the last several years the Prime Minister is directly in charge of it. It is her personal portfolio, the Indian Statistical Institute.

MR. CHAIRMAN: It is there. You can move a motion.

SHRI BHUPESH GUPTA: Therefore, I request, let the Prime Minister come and make a statement, so that we can ask some questions. I may tell you that this matter has been brought to our notice by the scientific workers and this has been hanging fire for a long time. Therefore, I request you. We are not in a hurry to have the statement just now. It can be made in the afternoon. Let the Prime Minister come.

MR. CHAIRMAN: Mr. Bhupesh Gupta, the statement has been laid on the Table of the House, so that everybody can read it. Certainly I consider this to be an important matter and there will be occasion to discuss it.

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