

**RESOLUTION RE SETTING UP OF
WAGE BOARDS FOR ENGINEER-
ING, IRON AND STEEL AND
CHEMICAL INDUSTRIES**

DR. R. B. GOUR (Andhra Pradesh): Mr. Deputy Chairman, Sir, I rise to move my Resolution before this august House:

"This House is of opinion that Government should take early steps to set up separate Wage Boards for the Engineering, Iron and Steel and Chemical Industries."

Sir, my Resolution stands on a radically different footing when compared to the Resolution that we have just disposed of. Firstly, this is not a Resolution that might even indirectly smack of gambling, because this is a Resolution which, in fact, prevents the gambling that the employers indulge in in relation to the wage structure of the workers. Secondly, Sir, it cannot be said that this Resolution even in an indirect manner smacks of anything that impinges on the moral precincts that we so much cherish. In fact this Resolution tries to prevent and put an end to the present atmosphere of immorality and degradation to which the workers in these particular industries are subjected because the wage norms have not been rationalised and standardised and fixed. Now, therefore, this Resolution of mine is absolutely a different type of Resolution, and I hope, Sir, that this great House, all sides of this House, will kindly look at this Resolution from that angle and extend their support to it.

Sir, the Second Five Year Plan had envisaged a certain approach to the question of wages. I am quoting, Sir, from page 578 of the Second Five Year Plan where under the chapter on 'Wages' this is what the Plan has said:

"A wage policy which aims at a structure with rising real wages requires to be evolved. Workers' right to a fair wage has been

recognised but in practice it has been found difficult to quantify."

So the Second Five Year Plan, after a lot of consultations has found this position, that the question of giving a proper wage to the worker was never questioned, was never posed, was never challenged. The only question was that this fair wage could not be quantified. Therefore the Plan-framers were struggling to find a way out, to see that this knotty problem is solved. Now what is it that the Plan considered to be the solution? On page 580, in> paragraph 25, this is what the Plan says:

"Statistics of industrial dispute* show that wages and allied matter* are the major source of friction between employers and workers. The existing machinery for the settlement of disputes, namely the Industrial Tribunals, has not given full satisfaction to the parties concerned. A more acceptable machinery for settling wage disputes will be one which gives the parties themselves a more responsible role in teaching decisions. An authority-like a tripartite wage board, consisting of equal representatives of employers and workers and an independent chairman will probably ensure more acceptable decisions."

That means that the Second Five Year Plan had agreed that the question of wages of the employees was not tackled satisfactorily. The Second Five Year Plan having accepted in principle and in theory that the worker must get a proper wage, agrees that it was not properly quantified, and the Second Five Year Plan also agrees, on the basis of the statistics available, that the maximum number of disputes arises out of wages and allied matters, and the Second Five Year Plan also agrees that the Industrial Tribunals that were appointed to go into the wage structure and give awards could not satisfy the parties concerned. And, therefore, the Second Five Year Plan had laid down that tripartite wage boards for~

the various industries should be ap- | pointed to see that a "proper wagfc structure is evolved, not by some sort . of arbitration, but by mutual agree- J ment among the parties. That was j the principle laid down by the Second I Five Year Plan. Later on, Sir, j the Indian Labour Conference dis- cussed this question of wage policy during the Second Five Year Plan period, at its 15th Session in the year 1957 in this very capital city of ours. There what is it that they discussed? They tried to further expand on this particular provision in the Second Five Year Plan and laid down certain details of the approach. Now what did they say? It was that the wage has to be based on certain norms. Earlier, Sir, it was argued, the paying capacity of the concern and all that. There were awards; there were remarks; there were judgments that paying capacity could not be taken into account for a minimum wage. There was the famous Australian award. Later on many Indian judgments have also come. More and more awards I can quote— there is a good publication by the Labour Bureau of the Ministry of Labour and Employment. There is "Industrial Awards in India". It is a recent publication, where they have given a whole resume of all these things; the question of what should be the basic wage norm has been discussed.

SHRI J. S. BISHT (Uttar Pradesh): you please clarify whether you mean by 'wages' money wages or real wages?

DR. R. B. GOUR: I mean money wages, and I also mean real wages, because I do not want real wages to fall.

Now, Sir, having laid down this question of what should be the norm of the wage, they said it should be need-based. And then they said that if in a particular unit you cannot ^ive them a need-based wage, you will have to give an explanation as to why you are not able to give that, •hat escape clause was also given. And this tripartite conference also

decided that the appropriate machinery for wage fixation—that is clause 4 of that agreement—would be tripartite wage boards similar to the one already appointed for the cotton textile industry. The wage board for the cotton textile industry was appointed in May, 1957, and this conference was meeting in June or July, 1957, and there the setting up of wage boards was suggested; it was accepted that wage boards will have to be appointed by the Government for the various industries. Now the, trade union representatives, all the representatives of the Indian National Trade Union Congress, the All-India Trade Union Congress, the Hind Mazdoor Sabha, and the United Trade Union Congress, all of us un-animously suggested a list of industries for which wage boards must be appointed; and the industries are —jute, plantations, mines other than coal, engineering, iron and steel, chemical, sugar, cement, railways, posts and telegraphs, civilians employed in defence establishments covered by the Industrial Disputes Act, 1947 and ports and docks.

THE DEPUTY MINISTER OF LABOUR (SHRI ABID ALI) : Where is it said that it was unanimously suggested?

DR. R B. GOUR: I say that all the trade union organisations unanimously suggested it.

SHRI ABID ALI: Where is it?

DR. R B. GOUR: The actual wording may not be what I say but that is what it comes to. Can the hon. Minister tell me if any representative of any of the four all-India workers' organisations has apposed it?

SHRI ABID ALI: Where is it stated unanimously?

DR. R. B. GOUR: The labour re- presentatives have suggested it. You have recorded it in this agreement. You have said:

"Setting up of Wage Boards were suggested by workers' representatives for the following sectors of employment."

[Dr. R. B. Gour:] And I have already given you the list of the twelve industries. Now the workers' representatives suggested these industries and the employers did not oppose it in principle. The employers' representatives said that the thing should be left to the discretion of the Government. As I said, the employers in that meeting did not oppose the appointment of a wage board for any of the industries specified, or rather suggested by the workers' representatives. They only said that the matter should be left to the discretion of Government, and I do not think that point is disputed by my friend, Mr. Abid Ali.

SHRI ABID ALI: I am not disputing.

DR. R. B. GOUR: Now that is the position, and so far as the appointment of wage boards is concerned, there is no dispute about the policy—the Second Five Year Plan has laid it down. And so far as the question of these industries is concerned, there is no opposition from any side to the appointment of wage boards for these industries. It was left to the discretion of the Government, and no party connected with this question of wages, the employers or the workers, is against the appointment of wage boards. That is my contention. Let there be no mistake about it. Now, the whole thing is that the Central Government has to appoint Wage Boards. I am also not giving the entire list. I only say specifically that the Central Government now take steps to appoint Wage Boards for specifically three industries: chemical, engineering and iron and steel. Why do I single out these three industries only? There is a particular purpose, there is a particular point in it.

The Government has, since 1957, appointed two Wage Boards, namely Cement and Sugar. The Cement Wage Board has given its award. The Sugar Wage Board is still carrying on. I understand they are also going

to appoint Wage Boards for plantations and jute. Decisions have been taken. I do not know when the final decision is going to come. But, anyway, these two Wage Boards are on their way, -as I understand them.

About the chemical industry, some time back a decision was taken that a Wage Board would be appointed. About iron and steel, Shri Gulzarilal Nanda, Labour Minister, in his speech at Bhilai said that the Government was considering the question of appointing a Wage Board for the iron and steel industry. Therefore, the question of chemical, engineering and the iron and steel industries is very simple. A decision had been taken and a suggestion had been made. Yet we find that the Wage Boards are not coming.

In fact, Sir, some time back—I am glad that the hon. Deputy Minister is here, and even if he were not to be here I would have quoted him and criticized him because the Minister need not present for his criticism—on the 12th December, 1958 he told Parliament that the Government did not propose "to appoint any more Wage Boards at present". Now the representatives of labour and employers left the appointment of the Wage Boards to the discretion of the Government. What were the circumstances that forced the hon. Deputy Minister to tell Parliament in December, 1958 that they were not prepared to appoint a Wage Board for any industry for the present? That is why my resolution is here. The Government will have to give us an explanation and we have to take steps to appoint Wage Boards for these industries.

Sir, what is the position in these industries? Why is it that we are asking for the appointment of these Wage Boards? I am quoting from the Indian Labour Year Book for the year 1958 where we have figures for the year 1957. The position of units and employment in these industries is as follows. Take the chemical industry. I need not give the figures head-wise. It is fairly categorised on pages

406 onwards. I shall give you the totals. There are about 1,05,942 workers in 1,195 units.

SHRI J. S. BISHT: Are you thinking of State undertakings?

DR. R. B. GOUR: I am sorry Mr. Bisht does not know that a Wage Board is not merely for State undertakings.

SHRI J. S. BISHT: But your resolution is confined only to State undertakings.

DR. R. B. GOUR: Who says? Kindly read it again.

SHRI J. S. BISHT: Is it not No. 10?

DR. R. B. GOUR: No, it is No. 3.

In 1957, all over the country 1,05,942 workers were employed in 1,195 units. That is the position of the chemical industry.

Take the engineering industry. We have got a total of 1,20,312 workers in a total of 840 units. This is inclusive of iron and steel. I am not going to take you through the various units such as transport manufacturing units or the shipping manufacturing units. They all come under the engineering units. Iron and steel, engineering and chemicals constitute such a vast industry in the country.

Now what is the position of this industry? It is growing daily. I am quoting from the article written by Mr. Shriyans Prasad Jain, Chairman, Dhrangadhra Chemical Works, Ltd., on page 61 of the Industrial Number of the *Hindu*:

"The country produced about 20,000 tons of sulphuric acid before the last war. In 1946, there were 36 factories with an installed capacity of 80,000 tons. Their production was 60,000 tons. Today there are 34 units with an aggregate installed capacity of 3,48,000

tons. The actual output in 1968 was 2,27,000 tons."

The year to year strength of the various units has been given in **this** article on page 61 of the *Hindu*—"Survey of Indian Industry 1959." The various chemical industries have grown in number and productivity. Sulphuric Acid from its installed capacity of 80,000 tons in 1948 mounted to 2,90,000 tons in 1958. Bleaching Powder mounted from 2,832 tons to 14,640 tons during the same period. Thus you will find that a tremendous advance has taken place in the growth of the chemical industry in our country in the number of units as well as in its productive capacity.

Similarly, on the engineering side also, it is a growing industry. Units—large, medium and small—are coming up. So, this sector of our industry—engineering, chemical and iron and steel—is a very **growing** sector. It has no problem of market. It has no problems that some other industries might be facing. Here is a growing industry. Here is an industry which is a new industry. Here is an important industry. If you want me to tell you the actual production—it has increased from year to year in these industries—I shall quote from the "Eastern Economist", Annual Number, page 6 of the Statistical Supplement. For the base year 1951 the figure is taken as 100. The Chemical Industry from 117.9 in 1952 grew to 206.2 in 1958 and to 216.3 in June, 1959. Similarly, in respect of Iron and Steel, the production is increasing. With 100 as the figure for the base year 1951, the production has increased to 155.1 in June 1959. Similarly, the index for engineering—with the same base year—stand at 267.1 in June, 1959. So, production has been rapidly increasing in this sector—Engineering, Iron and Steel and Chemicals. Therefore, it is these industries where the nation feels that the worker must be properly paid. He should not only—not merely—be paid but at least in this sector it is expected that there will

[Dr. R. B. Gour] not be an anarchy as to the standardisation of job norms or wage norms. That is exactly our complaint. It is the same person and the same job but he is differently paid in different units. There is absolutely no standardisation of norms. There is absolute anarchy in the norms. You cannot stand it. Similarly you will find that in job norms there is absolute anarchy and also in wage norms there is absolute anarchy. Take the iron and steel industry. You have got the IISCO and the TISCO where the dearness allowance is only Rs. 35. The minimum dearness allowance in the Central Government is round about Rs. 45—I think, before the recommendation of the present Pay Commission. In the textile industry it is as much as Rs. 90. Don't you think that in this iron and steel industry this dearness allowance of Rs. 35 is a mockery of dearness allowance? That is not an industry which is suffering or which has any such troubles as other industries. Don't you think that this thing ought not to be allowed to continue, that this sort of anarchy should end? Take the wage rates. In the Indian Iron and Steel Co., these wage rates have not been revised for the last 13 years. New steel units have been coming up. New steel plants have come up. But when workers are employed, there is absolute disparity in the fixation of their pay. The same grade is there, Rs. 30 to Rs. 90, but the pay fixed will be Rs. 40 or Rs. 45 or Rs. 50. Why this anarchy in fixing the initial salary in the same grade and for the same category of workers in these units or for different persons in the same unit? That means there is absolutely no principle for fixing the initial salary or the grade. There are cases where fitters have been classified or categorised as assistant fitters. There are cases where apprentices are actually doing the job of assistant fitters. Don't you think the time has come when also in the interest of the industry itself, proper standardisation of job norms and proper fixation of wage

norms are brought about? Don't you think that such wage norms and job norms are necessary? Who will do it? Do you think the Tribunals will do it? Or do you think the negotiations between the employers and the unions can do the job? No, because obviously it will not be on an industries basis or on a national basis. A wage board is, therefore, amply justified for this industry.

I may tell you Sir, that in Calcutta Engineering, dearness allowance is not linked with cost of living but in Bombay it is linked to cost of living. In Hindustan Machine Tools the dearness allowance is very low, not, linked with the cost of living index. So there is anarchy even in the same unit. Whether it is in the private sector or in the public sector, that does not worry me. That is not my worry. The question is that units in the same industry are behaving differently so far as job norms and wage norms are concerned, also in the matter of dearness allowance. Take the recent agreement with the construction workers at Bhilai. Even after the agreement some 3,000 workers get a total emolument of Rs. 70 per head per month whereas some 8,000 or 10,000 others still continue to take only Rs. 48 all inclusive. That is in the same industry, mind you, and for the same type of workers—construction workers. They get different wages. That is the position. There is anarchy in wage norms and anarchy in job norms. And so the industry suffers because of that. Only a wage board can go into all these things and standardise wages and standardise the job norms. This is absolutely necessary for all these industries, for iron and steel, engineering and chemical industries.

Recently there was a tribunal. Now, let us see whether the tribunals have done anything to standardise wage norms or the dearness allowance or the provident fund and gratuity. I am quoting from this book—Industrial Awards in India. On" page 148

here, certain awards have been mentioned in synopsis. Take the Chemicals and Chemical Products. For the Western India Match Co., Ambernath the basic wage is Rs. 28. For the Thana Match Works, Thana, it is Rs. 1/8 per day. Then take the Pharmaceutical Works. The Continental Drugs Co., Bombay and the Zandu Pharmaceutical Works have Rs. 30 as basic salary and Boots Pure Drug Co. of Bombay has it at Rs. 35 per month. The Eastern Chemical Co. has it at Rs. 1/2/6 per day and the Hindustan Chemical Works, Bombay has also Rs. 1/2/6 per day. The Narbada Valley Chemical industries has Rs. 22/12 and the Chemical Industrial and Pharmaceutical Laboratories, Bombay have it at Rs. 62/8. I will not quote more instances. There are any number of such instances where you will find that the same workers doing the same job get different minimum basic wages in the pharmaceutical industry, in the chemical industry, in the engineering industry and in the iron and steel industry. The wages fixed are absolutely different.

Take the case of the dearness allowances paid. I will give a few examples from the engineering industry, that is to say, Basic Metal Industries etc. including Engineering. The minimum basic wages are like this. For instance, Arthur Butler & Co. of Muzaffarpur have it as Rs. 22/8 per month. Mukand Iron & Steel Works, Bombay at Rs. 1-2-6 per day, National Garage Ltd. Bombay at Rs. 30—thus Mukand Iron & Steel, Bombay give Rs. 1/2 per day, and, in the same place, Bombay, the National Garage Ltd., give Rs. 30. Take another concern at Bombay—Greaves Cotton. There it is Rs. 30 per month. For M/s Larson and Toubro, it is Rs. 1/4 per day. What is all this? Do you mean to say that in the same city of Bombay, for the same type of engineering concerns, one should adopt daily wages and another monthly wages?

If you take the dearness allowance, - the position is still worse. Now let

us take the dearness allowance for chemicals and chemical products. For the Western India Match Company, it will be according to the Bombay Mill-owners' Association scale with a minimum of Rs. 60 per month on the first slab of Rs. 100 per month. For the Continental Drug Co., it is 50 per cent of the Textile Scale. For Hindustan Chemicals it is Rs. 1/8 per month. For the Imperial Chemical Industries, it is the Revised Textile Scale. I don't know what this Revised Textile Scale is. Then in Gujarat you have Ahmedabad as the textile centre and they pay a certain dearness allowance. The Petlad Turkey Red Dye Works, Petlad has it as 55 per cent of Ahmedabad Textile Scale. For Atul Products it is the basic pay. So about this dearness allowance, you will see that there is anarchy.[^]

Take the question of gratuities. Some units pay provident fund and gratuity both and some others have no provident fund, but some gratuity. Those that have provident fund, do not get gratuity and those who want gratuity do not have provident fund. So the workers will have to choose between the two, either provident fund or gratuity. What is all this? Examples for all these are here in this book and I need not go into all these things, because this is all printed material. Therefore, I say it is in the interest of the industry as a whole that we should have standardisation of job norms and wage norms. That is absolutely essential for the iron and steel industry, for the engineering industry and also the chemical industry. Who will do it? Not the Tribunals, because the Tribunals will create further confusion and the anarchy will be further accentuated. Therefore, a Wage Board is the only solution and I do not think the Government is in any way justified in postponing the appointing of a Central Wage Board. Let them not confuse it with cement and textiles. Let them not say, let us see how the employers behave and all that. Here is this problem of growing industries, of industries where units are coming

[Dr. R. B. Gour.] up, of an industry where production is expanding, and in the case of the engineering industry of an industry which is even entering the export market. So here is a case where such anarchy should not be tolerated any more, either in the adoption of wage norms or job norms and this "Wage Board is amply justified. It is with this intention that I have moved this Resolution and I hope the House will take this Resolution into very careful consideration and with the entire emphasis at my command I commend this Resolution to the House and I hope the House will adopt it.

The question is proposed.

SHRI ROHIT M. DAVE (Bombay): Mr. Deputy Chairman, I rise to support the Resolution which has been moved by my hon. friend, Dr. Gour. The question of wages is going to be a very important question during the Third Five Year Plan because as has been accepted on all hands, such an ambitious and big Plan can be successful only if there is industrial peace.

4 P.M.

We must realise that political parties or no political parties, trade unions or no trade unions, the working class in this country has now become sufficiently conscious to understand the position which it occupies in the economy of our country. It realises that the development of our economy depends upon its cooperation and if that co-operation is withheld or if that co-operation is grudgingly given then naturally industrial development would not take place at the same rate and pace as we want. We are, therefore, Sir, dealing with a section of our population which is everyday growing conscious of its strength and which is also exploited today. Sir, I need not go into the various figures to show that the working class in this country today is not getting what it is entitled to. I was very happy to read in the newspapers the other day that before the panel of economists associated

with the Planning Commission no less a person than the Labour Minister had quoted figures to show that the lot of the working classes in the Second Five Year Plan period has worsened and that justice has not been done to them. According to the press reports, the Labour Minister was replying to an argument, advanced by the economists that if wages are increased, cost will be inflated and that if cost is inflated, there will be inflation, rise in prices and that, therefore, in order to check inflation it was desirable that the wages should be kept in check. In other words, there was an opinion among the members of the panel of economists that the wages should be frozen during the Third Plan period. It was to this argument that the Labour Minister was replying and he quoted figures to show that it was just not possible to keep the wages frozen and that something would have to be done about it. This being the case, and knowing as we do that the workers read newspapers as we do, when they are assured that even the Union Labour Minister is of opinion that justice has not been done to them, they are bound to demand higher wages, they are bound to demand that an enquiry be made into their wage structure and that justice be done to them. If that justice is denied, then naturally they will resent it, and even if they co-operate with us, they would cooperate only grudgingly and this will affect the economic development of the country. Then, Sir, there is another point. As a result of growing industrialisation, the entire cost structure of various industries is changing. Rationalisation takes place; automation takes place; and new units are added. They have modernised plants and equipments and, therefore, the entire cost structure has changed. Here again, Sir, I have the authority of the Union Labour Minister to say that in this changing cost structure, the labour component of the cost structure is coming down. If the labour component in the cost structure is coming down, it only means that the worker-

is not getting enough or even an equitable share out of the commodities that are produced and sold in the market. If that is the case, then there is at least a *prima facie* case for enquiring into the wage structure and to see whether justice is being done to the workers or not. There is a further question which we have to take into account and that relates to the capacity to pay, the capacity of the various industries to pay. Sir, I fully realise that we have to keep our eye on the various objects that are before us and that we should not go into a wrong direction by just concentrating on one objective or industry. I am prepared to go to the length of saying that if it is necessary we should see that maximum capital formation takes place even if social objectives are for some time kept in abeyance but having said that I must also say that social justice cannot be denied completely merely because we have got the objective of economic development before us. We have to balance the various objects and ultimately to see that a *via media* is found, a *via media* which is good for the broad masses of our people. We cannot expect a solution for our economic difficulties by just ignoring the cause of the workers, by just ignoring social justice. If we look at the industries that my hon. friend, Dr. Goqr. mentioned, we find that these are the very industries in which profits are accumulating very fast. Sir, there is one very sure indication of whether a particular industry is doing good or not and that is the barometer of the share market. If we examine the price of shares in respect of the chemical industry, the engineering industry and even the iron and steel industry, we find that these shares are appreciating in value from time to time because of speculative reasons, because of the policies of the Government and because of the credit policies of the Reserve Bank. At times there may be recession and at times there may be boom but over a long period, the value

of these scrips have been rising and

rising continuously. The value has been rising because, according to the economic commentators, the financial experts, who write in the commercial papers owned by the industrialists of our country, the investor is sure that even if he is not getting enough dividends today, the dividends that he would like to get, he would get later on because the capital in these industries is appreciating at a very fast rate. It is because of future gains which would accrue to him as a result of capital appreciation that he is investing in these various industries.

This clearly shows that as far as the investors are concerned—and these investors are fairly well informed people because they are staking their money and they would not stake their money without taking proper precautions, without making proper enquiries—they are today investing in these industries in the hope that as a result of capital appreciation they will get better yields on their investment. When that is the case one is entitled at least to suggest that this particular problem might be gone into and if capital appreciation is taking place so fast, there is certainly a case for at least a part of that going to the workers in the form of higher wages, in the form of better allowances and in the form of deferred payments also if the trade unions agree to that.

Then there is the further question of standardisation of wages. My hon. friend, Dr. Gour, has already dealt with this aspect of the question in some detail and I do not wish to repeat the arguments which he has already advanced but it is common knowledge that if any industry is developing very fast today, it is the chemical industry, it is the engineering industry. New units are coming there; new lines are coming there. Some, of the chemicals which were not produced in this country before are now being produced. Some of the engineering goods that were not produced before in this country are now being produced by the new units that have come into being. In this way we have got a very confused picture of these

[Shri Rohit M. Dave.] industries, especially the chemical and the engineering industries. We have got old units that are employing old methods, that are paying wages according to the old scales and yet they are in the same market in which the new units are with their new methods, with their new scales and what not. Under the circumstances it is agreed on all hands that when such a situation develops in any industry it is desirable for the peace of the industry, for good industrial relations in that particular industry, that wages should be standardised. We have got a number of Awards by industrial courts in which the importance of standardisation of wages has been emphasised. We have got Resolutions of the International Labour Conference where again the importance of standardisation of wages has been emphasised and we have got a vast literature on labour matters in which the same tune is heard. If standardisation of wages is thus necessary, we require some machinery to do that and it is well known that in these industries we have not got trade unions on an all-India level. Unless we have got trade unions on an all-India level, unless we have got industrialists' association on an all-India level, standardisation on a national basis will become very difficult and, therefore the collective bargaining processes cannot be resorted to. Where collective bargaining cannot be resorted to, if voluntary arbitration is not possible, if negotiations are not possible, then the other best method is to see that wage boards are appointed and those boards should investigate the matter fully, and give their report so that justice is done to both the sides because in the wage boards there are representatives of the industrialists as well as representatives of the workers. Therefore, it is possible for the wage boards to do justice to both the sides and thus industrial peace might be preserved.

SHRI ABID ALI: Sir, I am at one with hon. Members who have participated in the discussion so far as the question of a fair deal to the workers

is concerned, because the workers no more are mere wage-earners. They are builders of modern India and they should be paid the maximum that the industry, in which they are working, can bear. From what the hon. friends there were emphasising, one might believe that the workers are not being paid even the minimum that the industry can pay and that there is no other avenue open to them to secure a fair deal. It is not as if only the wage boards can increase wages to the extent possible; there are other methods also and these are being adopted. My friend, the Mover of the Resolution, named certain industries which were mentioned at the time of the Indian Labour Conference. It is true that the Labour representatives suggested some industries. I was present there—one after another the labour delegates stood up and mentioned the names that occurred to them just on the spur of the moment without even giving due consideration to what they were suggesting. For instance, a suggestion was made about Post and Tiliqvaplo. Railways and so on. Now, the hon. Member knows — everybody knows—that a Pay Commission was appointed which covered all these workers and still there is a demand for another Wage Board to be appointed for the workers in these sections.

As far as sugar is concerned, we have already appointed a Wage Board. The Cement Wage Board Report has been submitted. For Plantation and Jute industries we had industrial committees and a decision was reached that a Wage Board should be appointed, but again certain difficulties have cropped up. We are trying to solve them and as soon as they are solved. Wage Boards concerning these two industries would be appointed. We also desire that action with regard to these two Wage Boards should be taken early.

With regard to iron and steel, the position is that in Tatas which is, apart from Durgapur, Bhilai and Rourkela, the major steel project at Jamshedpur, recently the workers and the employer have entered into an

agreement with regard to wage increase and that has come into force already. In Bhadravati, in Mysore State, also a wage increase was allowed some time back. The works in Rourkela, Bhilai and Durgapur will be coming up in course of time and, therefore, there is no urgency with regard to this particular industry.

About the engineering industry, my friend was reading out some names. One has got 18 workers while another has 1800 workers. If the suggestion is that a factory employing 1800 workers should be treated at par with a factory employing 18 workers or *vice versa*, then certainly I am not in agreement with him. It would not be proper to cover them all by one . . .

DR. R. B. GOUR: Do not try to say like that offhand. Let him tell which concern has only 18 workers and which concern has 1800 workers. Let him not say like that. I have given the names.

SHRI ABID ALI: He says engineering. Engineering covers all . . .

DR. R. B. GOUR: Yes, yes.

SHRI ABID ALI: . . . Establishments are classified as factories which employ 10 persons or more and work with power. Therefore, when we say 'engineering' all such establishments are covered.

DR. R. B. GOUR: Mr. Deputy Chairman, he comes from Bombay. He knows every *galli* of Bombay. I gave you instances. There are engineering units in Bombay. Tell me which engineering unit in Bombay has 1800 employees,

SHRI ABID ALI: Not only Bombay.

DR. R. B. GOUR: I spoke about Bombay. The demand is for appointing a Wage Board for the Engineering industry.

MR. DEPUTY CHAIRMAN: What he is saying is that it ranges from 10 to 1800.

SHRI ABID ALI: What I was submitting was that in most of these

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engineering establishments, not only in Bombay but in other places also, there have been tribunals. In Calcutta also there was an omnibus tribunal some time back and their award is prevailing there. In Bombay also in the case of *Mukands*, Garlicks, Richardson and Cruddas and so many others, their wages have been subjected to adjudication and the awards are enforced. About mines, we had . . .

DR. R. B. GOUR: I am talking of chemicals, engineering and iron and steel.

SHRI ABID ALI: This list was read and I am giving information to the hon. Member.

MR. DEPUTY CHAIRMAN: The not want any information.

SHRI ABID ALI: Then, he should not have referred to it.

MR. DEPUTY CHAIRMAN: The Resolution refers to only three industries—Engineering, Iron and Steel and Chemical Industries.

SHRI ABID ALI: The list is exhaustive. With regard to mines, we had a national tribunal. Subsequent to that by agreement between the parties an arbitrator was appointed, which again, increased the wages of some of the categories, and we are persuading the employers to accept the award of the arbitrator and implement it.

With regard to Railways, Posts and Telegraphs and civilian employees and ports, there has been the Pay Commission. The ports and docks also follow generally what is recommended by the Pay Commission. With regard to the dock workers we had some adjudication also. The workers in the major docks are governed by a special Act and their requirements are taken care of fully, so far as emoluments and other service conditions are concerned. Therefore, it should not be assumed that because no Wage Boards are appointed with regard to any industry, the workers there have

[Shri Abid ALI] no avenue to get their claims settled through an impartial tribunal. It is true that the Second Plan recommended appointment of Wage Boards. As I have mentioned, Wage Boards have been appointed for certain industries. It is not as if by the appointment of a Wage Board and by the submission of their report all the problems are settled. On the other hand, they create problems as well, as it has happened in the case of the Textile industry. Government has recommended to the industry and the workers to accept the recommendations of the Wage Board for the Textile industry. But from the South there is a suggestion that if this is implemented, the mills there will close. Similarly, in Kanpur there is difficulty. Therefore, the question of the appointment of a national tribunal has arisen. Even after the appointment of the Wage Board for the Textile industry . . .

DR. R. B. GOUR: That mischief was in your/decision itself.

SHRI ABID ALI: If the hon. Member thinks that way that there was this mischief suggested in the decision itself, then I will have to give him a detailed reply.

MR. DEPUTY CHAIRMAN: We are not concerned with the Textile industry at all in this Resolution. It deals with three industries, namely, Engineering, Iron and Steel and Chemical industries.

SHRI ABID ALI: I am explaining the difficulties. It is not that by the suggestion in the Planning Commission's Report that it should be done, immediately everything is solved. I am explaining the difficulties which are created and we have to take into consideration those difficulties before deciding the question of appointing other Wage Boards.

MR. DEPUTY CHAIRMAN: So far as his Resolution is concerned, it refers to these three industries. He has no

complaint against the textile and other industries.

SHRI ABID ALI: Because these have been appointed.

MR. DEPUTY CHAIRMAN: He wants only for these three industries.

DR. R. B. GOUR: His point is that they are in a soup.

SHRI ABID ALI: I am explaining why more Wage Boards have not been appointed and why we are not appointing them immediately. Difficulties have been created because of the Wage Boards which have already been appointed and the way their reports have been received in some sections. That has to be taken into consideration by the Government before making their decision with regard to other Wage Boards. So, I was submitting that difficulties have arisen because of the Textile Wage Board. About the Sugar industry we have not yet received the report. First we want that these Wage Boards should submit their reports. When these are implemented, the experience gained by working, following the reports, should be before us. Parliament Members also may study them and in the light of that further action has to be taken. Of course, so far as the plantation and jute industries are concerned, I have submitted earlier that we ourselves want that these two Wage Boards should be appointed as early as possible. There are certain difficulties. These will have to be taken care of and I hope that these will be solved before long.

DR. R. B. GOUR: Who has created these difficulties, may I know?

SHRI ABID ALI: Whoever has created, difficulties are there and these have to be solved.

Again, it is known to my friends opposite that simply by an announcement—may be because of adjudication or Wage Board or arbitration or any other method—that workers will get it.

certain wage, workers do not get that. There should be a trade union organisation also to enforce the implementation of these decisions. He may also be knowing that in certain sections the workers should get certain amounts, but they are not being paid that. They do not know what they should get. There are unscrupulous persons everywhere. Some of them are in league with the employers. The employers pocket a portion of the workers' dues and workers' leaders also pocket a portion of their wages. They are exploited not only in money matters but also so far as party politics is concerned. Ultimately they are the losers. So, there should be genuine and sound trade union movement amongst the workers. If that is ensured, then whether there is a Wage Board or a tribunal or not, the workers can sit across the table and settle. Because of sound trade union movement, they get the amount which the industry can pay and to which the workers are entitled. That is the best method, for which we are trying. As the hon. Member knows, for the mining industry we got the appointment of the arbitrator by the consent of all the parties. Even the person was appointed by their joint agreement. So, that would be a better method, and is being attempted. If a settlement across the table does not materialise then there is appointment of an arbitrator. If that does not materialise, then appointment of an adjudicator. It may be local or national. That also is playing a major role in settling these matters. About the appointment of the Wage Boards, to which reference has been made, -I have already mentioned that other Wage Boards cannot be appointed at present. Firstly, as I have explained there is no necessity because their wages have already been settled by different methods. Secondly, after gaining experience, following the

reports and implementation of the reports of the Wage Boards—which have been appointed and which have submitted their reports and which are

already working—the further line of action will be clear.

Therefore, Sir, I oppose this Resolution. If the hon. Member does not agree to withdraw it, I would request the House to reject it.

DR. R. B. GOUR: Mr. Deputy Chairman, I thought that the hon. Deputy Minister felt the Resolution about the lotteries would go on and, therefore, he was rather unprepared for the debate on this Resolution on Wage Boards. Therefore, what he was trying to do to meet my point was sort of running riot in the field of imagination, and instead of tackling the facts that I had presented to him, he was giving all sorts of arguments. Now, for example, he said that they have appointed a Wage Board for the textile industry and that they are in the soup because problems are arising in South India, problems are arising in Kanpur, etc. Well, problems are arising because the employers are not in a mood to do certain things, even though the Wage Board's recommendations have been unanimous. So, they have got the problems. The Government, the employers and the Unions ought to see that these problems are solved. Obviously problems are bound to arise where the employees and workers want wages. So the existence of these problems either in Kanpur or in South India should not unnerve the hon. Deputy Labour Minister who thinks that he himself has been a big trade unionist and comes from small beginnings and has worked as a worker and all that. Therefore, it appears from the hon. Deputy Minister's speech that the attitude of the employers in the textile industry is one of trying to undo what the Wage Board has done, of trying to pressurise and black-mail the Government. That has completely upset and unnerved the Government, and it is surrendering to the pressure of these employers as a class and refusing to abide by its own com-

[Dr. R. B. Gour.] mitments of appointing Wage Boards, commitments which are formal and implied, and they have not taken a decision on that. He has not denied that so far as the chemical industry is concerned. The Minister himself has spoken at Bhilai that a Wage Board for the iron and steel industry is being contemplated. When such is the commitment, how is it that the Deputy Labour Minister comes round and says that for TISCO there has been an agreement, for Bhadravati there has been an agreement, for Hourkela, Bhilai and Durgapur there need not be an agreement because they are in the public sector? Regarding IISCO, he does not touch it because for the last thirteen years nothing has been done. Just because there has been an agreement in two out of six units he thinks that no board for the iron and steel industry is necessary. I have categorically told this House while moving my Resolution that in their own Hindustan Steel, when they employ skilled workers, they are giving different starting fixations to different workers for the same job. One is fixed at Rs. 40 and another is fixed at Rs. 55. Why is there this absolute anarchy and confusion in the starting pay? Why is the same job being paid for in a different manner for different workers? Why has categorisation not taken place? There is no reply from the hon. Minister to the question that in the chemical engineering and the iron and steel industries the question of categorisation of jobs, standardisation of the job norms, is becoming an absolute necessity. The workers are being cheated. I can tell you, Sir, that in the Punjab for the small units of engineering—he is very fond of the small units and he is trying to play on that that there are units employing 18 workers and there are units employing 1800 workers—for the small units they have appointed a Minimum Wage Committee and a decision has been taken. They have fixed certain wages:

Rs. 2/- per day or Rs. 60 per month for unskilled workers, for helpers.

For semi-skilled, Grade II, Rs. 2¼ per day or Rs. 68 per month.

For semi-skilled, Grade I, Rs. 2½ per day or Rs. 80 per month.

For semi-skilled Grade I and Grade II various categories have been tention-ed. There is the skilled category of turners, die-makers, etc., who have been fixed at Rs. 4 per day or Rs. 120 per month, machinists at Rs. 3½ per day, and so on. These are the minimum wages fixed for various categories. But have the categories been standardised? Who is to be a skilled die-maker? Who is to be a skilled turner? What is the standard that you have fixed to see that a worker is under category I of the semi-skilled? What is the standard for putting a worker under category II of the semi-skilled? What is the criterion? There is no standardisation of job norms. Therefore, even if you have standardised the wage norms, you have not properly implemented them. The worker is cheated. A skilled worker is classified as semiskilled, category I. A semi-skilled worker in category I is classified as semi-skilled worker, category II. He is talking of the textile industry where these standards, at least in Bombay and other places, in the course of these years have come to stay. Here is a new have come to stay. Here is a new industry, a rising industry, since freedom it has risen very rapidly, and it is this industry which he is trying to compare with the other industries. He is not trying to tackle this problem of standardisation of the job norms and therefore even if the Tribunal or the Board fixes certain wages, they are not properly implemented. The worker is cheated.

Now, Sir, he was trying to play on this thing that there are 18 workers and 18,000 workers. Hindusthan Machine Tools and Praga Tools Corporation—I do not think that these two industries can be poles apart. You will categorise these two units as unit*

at par. Now are the wage standards the same? Is the dearness allowance the same? Are the job norms the same? What is the position of the apprentices? Are the rules for the apprentices the same in both the concerns? Don't you see how many apprentices carry on as apprentices? Have you got any proper approach to this question?

SHRI ABID ALI: Tribunal.

DR. R. B. GOUR: You are giving a tribunal. Praga, another tribunal. Hindustan Machine Tools, a third tribunal. Bombay Machine Tool Factory, another.

SHRI ABID ALI: They have got several of them.

DR. R. B. GOUR: That means, therefore, that the Hyderabad Tribunal has to define its own job standards that the Bombay Tribunal has to define its own job standards, the Calcutta Tribunal has to decide its own job standards, and so on. This is the position. Are you going to accept this? Is it going to help the industry? Will it not mean that workers will fly from unit to unit and from State to State and thereby there will be no stability in the employment in this key sector? Now in sugar engineering, for example, in Hyderabad in the Nizamabad unit a fitter was not paid properly and he shifted to some other unit in Vijapur in Aurangabad district. The Vijapur unit is a much smaller unit when compared to the biggest sugar factory in Asia, the Nizam Sugar Factory. In sugar engineering also, a smaller unit may pay a better wage and a bigger unit may not pay that wage. Textile engineering has similar problems. So, our wage norms have to be decided on an all-India scale for the highly skilled industries. It is not cottage industry; it is not handloom it is not *khaddar*. It is something where you have to deal with the same type of machinery, with the same type of jobs, and therefore the same type of job norms should apply there; otherwise, the stability of the workmen is going to suffer. Yet you are not enforcing

this in the engineering and other industries. The tribunals are further accentuating the anarchy, as I told you. And even when the tribunals fix the wages that the workers should receive, because the job standards are not fixed and because the wage fixed for one category of workmen is different from another category of workmen, the workers are cheated. How are you going to tackle this.

Then, Sir, in our country today we are developing national wage minima; we are developing national industrial forums for settling national wage standards. The Wage Board for the textile and cement industries was one such forum. The engineering, chemical and iron and steel industries are much bigger in that respect, particularly the iron and steel industry. Don't you see the six units in iron and steel industry from Bhadravati to Tatanagar? What is the position? Don't you think that they must have some standard? If the textile industry can have standardisation right through Kanpur, Calcutta, Bombay, Coimbatore and other places, don't you think that the iron and steel industry must have some standards? Don't you think that the engineering industry must have some standards? I do understand that there can be small engineering units, more particularly in the agricultural implements section and there can be larger units also. But I never understand that the Swastic Factory in Hyderabad which manufactures agricultural implements must be equated with the Praga Tools Corporation or with the Hindustan Machine Tools. Wage Boards will definitely go into this question and even categorise the units on the basis of their production capacity and all those things. Have we not categorised the banks as Class I banks, Class II banks, Class III banks and Class IV banks? Similarly, we can categorise the engineering units on the basis of their production capacity, machinery and all that. The Wage Board Can go into that. I want that if a unit in Punjab is categorised

[Dr. R. B. Gour.] as Class IV according to its capacity to produce, then it should pay the same thing as a unit of similar capacity based in Bombay, Calcutta or in Coimbatore would pay. So, don't try to play on this question by saying that certain units employ 18 people and some other units employ 1,800 workers. The units will be classified into various categories by the Wage Boards when they go into these question the trade-unions are not going to be oblivious of this fact. The trade-unions are not going to demand, for instance, that the same wages as a big concern like—Greaves Cotton or Rechordson and Cruddas or Hindustan Machine Tools are paying, should be paid in respect of that small cycle factory in Punjab manufacturing Atlas cycles. That matter will be gone into by the Wage Boards.

(Time bell rings.)

How much time have I taken, Sir?

MR. DEPUTY CHAIRMAN: Fifteen minutes.

DR. R. B. GOUR: No, no.

MR. DEPUTY CHAIRMAN: The time is over; you have to finish your speech.

DR. R. B. GOUR: I am sorry. I thought that I have got . . .

MR. DEPUTY CHAIRMAN: Half an hour's time is only while moving the Resolution; the time for replying is only fifteen minutes. Please wind up.

DR. R. B. GOUR: Therefore, Sir, this question of denying the Wage Boards for all these industries—iron and steel, engineering and chemical industries—has no rationale behind it. The hon. Deputy Labour Minister has not given any reason for denying these Wage Boards.

SHRI ABID ALI: Not to your satisfaction.

DR. R. B. GOUR: Not to anybody's satisfaction, not even to your satisfaction. Put your hand on your heart and tell us whether you are satisfied

with that or not, because you know that the employers are bringing pressure on you and you cannot tell that to us, that you are being subjected to pressure from the employers. Therefore, you cannot do it and you are giving all sorts of arguments. That is why nobody is convinced by those arguments. When once they have taken a decision, when once there is a rational basis and ground for such Wage Boards for the standardisation of the wage norms as well as the job norms to put the entire industry on a rational basis, the Government will have to take courage in both hands and do things. The trade unions, he says, have no bargaining capacity. I am sorry, he has a wrong understanding of the trade unions in the engineering and chemical industries and their approach. In the Wage Boards they will come and they will argue and they will, bargain. They have bargained in the textile industry; they have bargained in the cement industry; they will bargain in the engineering industry also.

Therefore, precisely because such a type of answer has been given by the Deputy Labour Minister which cannot satisfy anybody's conscience including his own, I would prevail upon this House to reconsider the whole question and not be carried away because the Government's Minister is speaking, and vote for my Resolution and see that the Government abides by its commitment and that a Wage Board for each one of these industries is established.

MR. DEPUTY CHAIRMAN: The question is:

"This House is of opinion that Government should take early steps to set up separate Wage Boards for the Engineering, Iron and Steel and Chemical industries."

DR. R. B. GOUR: I want the vote to be recorded.

MR. DEPUTY CHAIRMAN: All right. Those in favour of the Resolution may please stand up.

DR. R. B. GOUR: I want it to be recorded; standing up will not go on record. I would like to know who has voted for and who has voted against.

MR. DEPUTY CHAIRMAN: It is not necessary.

DR. R. B. GOUR: It is necessary; it is a question of so many lakhs of workers and the commitment of the Government.

MR. DEPUTY CHAIRMAN: The question is:

"This House is of opinion that Government should take early steps to set up separate Wage Boards for the Engineering, Iron and Steel and Chemical industries."

(After taking a count)

Ayes: 8

Noes: 16

The motion was negatived.

MR. DEPUTY CHAIRMAN: Mr. Bhupesh Gupta.

He is not here. We shall take up the next Resolution.

**RESOLUTION RE: APPOINTMENT
OF A COMMITTEE TO ENQUIRE
INTO INDUSTRIAL RELATIONS IN
STATE UNDERTAKINGS**

SHRI HARIHAR PATEL (Orissa): Mr. Deputy Chairman, Sir, I beg to move:

"This House is of opinion that Government should appoint a Committee consisting of Members of both Houses of Parliament to enquire into the industrial relations obtaining in State undertakings and to suggest measures to improve them."

Sir, the number of State undertakings in the country has been increasing. We have invested crores of

rupees in them and lakhs of workers are working there. In railways alone, which is the biggest State undertaking, lakhs of people are working. These State undertakings have been formed not out of mere fancy but with some purpose. The underlying purpose in bringing into existence the State undertakings is to enable the Government to fulfil the Directive Principles that we have got in our Constitution. Our Constitution enjoins upon the Government to see that the people are ensured about their right to work, right to a livelihood and right to proper conditions of working. Our Prime Minister has been defending the expansion of the State undertakings on the score that the Government must have a machinery, must have ways and means, to carry out these Directive Principles, and for this purpose, the number of State undertakings has been expanding every day. But, Sir, I am sorry to observe that this underlying purpose is completely forgotten. If we look into the working of these State undertakings one by one, we will come across a very dismal picture. For instance, I would like to say something regarding the steel plants. We have established three very big steel plants in the State sector at Rourkela, Bhilai and Durgapur. In the State undertakings one legitimately expects that the Government should act as a model employer. Even the Pay Commission, which has failed up to do justice to the cause of employees and workmen, has observed that in State undertakings Government must try to be a model employer. They may not be a model employer in regard to giving the highest wages in the country. Even then, in other respects, in the matter of proper housing conditions or in the matter of other facilities . . .

DR. R. B. GOUR (Andhra Pradesh): They want to be not a model employer but a mediaeval employer,

SHRI HARIHAR PATEL: In other respects at least they should set an example to other concerns. But, Sir, if you visit the sites of those steel