

MR. DEPUTY-SPEAKER : The result of the Division
is :

Ayes : 100
Noes : 45

The Motion was adopted

MR. DEPUTY-SPEAKER : Now the House stands
adjourned for lunch to meet again at 2.45 P.M.

13.45 hrs.

*The Lok Sabha then Adjourned for Lunch till Forty-
Five Minutes past Fourteen of the Clock.*

[English]

14.51 hrs.

*The Lok Sabha re-assembled after Lunch at Fifty-
One Minutes past Fourteen of the Clock.*

(Mr. Deputy-Speaker in the Chair)

MR. DEPUTY-SPEAKER : Item Nos. 18 to 21 will be
taken up together. The time allotted is two hours. Shri
Girdhari Lal Bhargava.

STATUTORY RESOLUTION RE: DISAPPROVAL OF
THE BUILDING AND OTHER CONSTRUCTION
WORKERS THIRD ORDINANCE, 1996

BUILDING AND OTHER CONSTRUCTION
WORKERS BILL

STATUTORY RESOLUTION RE: BUILDING AND
OTHER CONSTRUCTION WORKER'S WELFARE
CESS THIRD ORDINANCE, 1996

AND

BUILDING AND OTHER CONSTRUCTION
WORKERS' WELFARE CESS BILL

[Translation]

SHRI GIRDHARI LAL BHARGAVA (Jaipur) : Mr.
Deputy Speaker, Sir, I want to move the following
Resolution pertaining to both the Bills, regarding
construction workers ordinance and imposition of
Welfare cess by the States, promulgated by the
President. I move this Resolution to seek repeal of both
the Bills. I move :

"That this House disapproves of the Building
and Other Construction Workers (Regulation
of Employment and Conditions of Service)
Third Ordinance, 1996 (No. 25 of 1996)
promulgated by the President on 20 June,
1996."

[English]

THE MINISTER OF LABOUR (SHRI M.
ARUNACHALAM) : Sir, I beg to move :

"That the Bill to regulate the employment
and conditions of service of building and
other construction workers and to provide for
their safety, health and welfare measures and
for other matters connected therewith or
incidental thereto, be taken into
consideration."

[Translation]

SHRI GIRDHARI LAL BHARGAVA : Mr. Deputy
Speaker, Sir, I beg to move :

"That this House disapproves of the building
and Other Construction Workers' Welfare
Cess Third Ordinance, 1996 (No. 26 of 1996)
promulgated by the President on 20 June,
1996."

Mr. Deputy Speaker, Sir, I have a right to speak
twice. First time to speak on the question of workers
engaged in construction activities and second time to
speak on imposition of cess by the States. I made my
separate points forcefully.

MR. DEPUTY SPEAKER : Please cover them in
one speech.

SHRI GIRDHARI LAL BHARGAVA : Yes, Sir, now I
have no option. I have to speak only once because of
this voting. I have lost my right to speak twice. I request
the hon'ble Minister that...

MR. DEPUTY SPEAKER : Please move your
Resolution and then speak.

SHRI GIRDHARI LAL BHARGAVA : I have already
moved. Let the hon'ble Minister do first whatever he
proposes to do.

[English]

SHRI M. ARUNACHALAM : Sir, I beg to move :

"That the Bill to provide for the levy and
collection of a cess on the cost of construction
incurred by employers with a view to
augmenting the resources of the Building and
Other Construction Worker's Welfare Boards
constituted under the Building and Other
Construction Workers (Regulation of
Employment and Condition of Service) Act,
1996, be taken into consideration."

MR. DEPUTY-SPEAKER : Motions moved :

"That this House disapproves of the Building
and Other Construction Workers (Regulation
of Employment and Conditions of Service)

Third Ordinance, 1996 (Nos. 25 of 1996) promulgated by the President on 20 June 1996."

"That the Bill to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto, be taken into consideration."

"That this House disapproves of the Building and Other Construction Workers' Welfare Cess Third Ordinance, 1996 (Nos. 26 of 1996) promulgated by the President on 20 June, 1996."

"That the Bill to provide for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Worker's Welfare Boards constituted under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, be taken into consideration."

[Translation]

SHRI GIRDHARI LAL BHARGAVA : Sir, more than 85 million workers are engaged in construction of building. All of them are unorganised. After completion of a particular project, they move from place to place in search of work. I want to make one thing very clear that the Government have not given sufficient benefit to the workers engaged in construction activities through this Bill. Although the Government propose to introduce this Bill for the benefit of workers but this is incomplete. They should not make banks. There is no danger to the Government at least for the present. They have Garnered 100 votes recently. My submission is that the Government should go through it again. In order to provide security to the worker and for his welfare, Ministries of Surface Transport, Urban Development, Railways and Finance should have been consulted. It would have been better if the Government had included the welfare schemes already in vogue in Kerala and Tamilnadu for the welfare of construction workers in the Bill. I do not know to which State does the hon. Minister belong. However from his looks, I can presume that he is from Kerala. A legislation already exists in Kerala and Tamil Naidu for the welfare of construction workers and welfare schemes are already in operation in those States. Had you included them. This Bill would have been better and comprehensive but he has not paid any attention towards this. He has brought it in a haste because they had mentioned it in their manifesto. It is

because they had fear in their mind about the stability of their Government. People are expecting a mid-term poll I have neither asked for Identity Card nor for allotment of new house. My friends suggested that I should have best changed the house. The Government have brought this Bill in a haste to show that they are interested carrying out same welfare schemes. It could benefit them if elections are hold in a couple of months. But it is not going to take place. They commend a Conference of Labour Ministers and suggested that they will impose cess through the promulgation of a ordinance, who will impose cess? It will be the State Governments who will levy cess and collect the same.

As stated by Sh. George Fernandes, that the money will go to the Consolidated Fund of India and Government of India will introduce a Bill in the Parliament and give the money so collected as cess to the State Governments. It will not be more than one percent. The State Governments will not get more than one percent. I feel that it will bring bad to the States. They will have to fight employers with determination. There will be agitation and stogans of "murdavad". It will result in holding Dharnas, Strikes and there could be incidents of Lathi Charges etc. The workers will be killed and relations with the employers will be spoiled. They are going to provide one percent cess to the State Governments which is not justified. How the rest of amount will be utilised? I think, it will be misused. I think a building for the Central Advisory Board of Government of India will be constructed with the remaining amounts. This money will be spent on furniture, coolers fridge, and salaries of the staff. A person of their pointing would be appointed as Chair, and some staff will be appointed. It will not be utilised for the welfare of the workers. It will be spent on construction of some building of the Central Government. They have not made any provision to provide more money to the State Governments.

What I mean to say is that this present plight of the workers is miserable. They do not get drinking water in the factories. There are no facilities of toilets and Urinals. They have to do all these things in the open on the road side. The Municipal employees harass them. The women workers do not have creche facility. There are no primary health Centres. There are no arrangements for security of women workers. They have to work under fear. A sort of casual relationship exists between employers and workers.

15.00 hrs.

They do not have job security. An atmosphere of uncertainty exists. Working hours are not fixed. The employers can terminate the services of workers any

time without any reason being assigned. The rich people of Jaipur appoint 'munim' on the more sites. They call them at any odd hour, even at midnight. They are also workers. They do not have basic amenities. There are no welfare schemes for them. The existing schemes are not adequate. Since the labourers do not have any knowledge of the accidents. This Bill has been brought forward here, but it is an incomplete Bill.

Mr. Deputy Speaker, Sir, a meeting of State labour Ministers was held on May 18, 1995 under the Chairmanship of the Union Labour Minister in which it was indicated that a legislation of this nature will be introduced. Since there was neither to no provision for taking care of health and welfare of the construction workers. At that time it was stated that this legislation will be applicable to factories having 50 or more workers in them. It was also decided that a worker will get salary up Rs. 1600/- per month. Under the proposed legislation. It was a clear violation of provision of minimum wages. Is it possible for a worker to feed his entire family of 5 members if he earns Rs. 50/- a day? Even under the family planning norms fixed by the government there will be at least 5 members in a family. If some guests came in the house, should he be driven out? If the son-in-law of somebody comes, what should he do? In view of all this I want to say that the provision of Rs. 1600 per month is too meagre and against the provision of labour laws. Besides, has any levy been imposed on employers?

Mr. Deputy Speaker, Sir, a labourer starts digging for the foundation of a house. The employer has simply to ask the labour to dig and the latter has to do the job at the risk of his life. He can be buried alive if the wall gives way. A provision should be made for undertaking a technical study before the workers are asked to do the digging work in order to know whether the work is hazardous or not. At least a worker should be able to make his both ends meet. One has to feed his family members also. There is no provision in the Bill for fixing minimum reasonable compensation for a labourer who could be killed and lose his limb during the course performing his job. Their problems are not being solved because of their being in an unorganised sector. It has been stated that there will be a Central Advisory Board. The State Governments will also constitute advisory committees. There will also be the experts in the committee. A time limit from 60 to 90 days has also been prescribed for registration. There will be a Secretary to the Board and they will have Identify Cards like that of ours. All sorts of things have been said. Provision has also been made for direct negotiations for the welfare of the workers.

15.04 hrs.

(Shri P.M. Sayeed *in the Chair*)

Mr. Chairman, Sir, you have been quite active in labour Union movement. You have organised various movements while in Lok Sabha and Rajya Sabha. We have also been participating in these movements alongwith you. Please look into this Bill. It is not proper. The hon'ble Minister has also been participating in various movements but his attitude has changed now since he became a Minister. So long one remains in the opposition, he in all right but the moment he becomes a Minister, he changes. I have saved myself. But after making a Government of 13 parties they claimed that they will make the country paradise. In the past, poor skilled workers, who used to do excellent job were deprived of their hands on the order of the rulers of the State. Taj Mahal is an explicit example of this act. Jaipur is famous for making ideas. It has a large printing industry. Printing of sarees is done on a large scale. Bangles made of lac are manufactured there. Sarees of Jaipur are famous throughout the country. I am neither a businessman nor am I making any publicity of these articles. In winter quilts are made there with 1/4 kg cotton. In good olden days hands of such skilled workers, engaged in these works, were chopped off. Even now-a-days such incidents do occur. We read such news in the newspapers off and on. The contractors exploit the labourers engaged in construction of buildings. There are many beautiful buildings in Delhi. The workers engaged in construction are harrassed in many ways. They have their own problems. What I mean to say is that sometime they become victims of accidents and sometime they cannot afford the cost of their treatment. There is no provision to help them. The workers, who work in front of the furnace throughout the day, are prone to contact tuberculosis. Shri Parikh is a doctor. He knows all about this. We should ponder over these problems. While making improvements in the Bill, the interest of the State should not be ignored. There is no use of causing a confrontation between State and the Centre. It has been provided that the State Government will collect the cess and deposit the same in the consolidated Fund of India. Only 1 percent of the cess given by the employees will be given to the State. Is it not fully unjustified? Then in that case the Centre should collect the cess direct. The Centre will spend large amounts of the cess collected in this manner on the construction of buildings in Delhi. Therefore, it should not be only 1 percent but it should be determined on the basis of number and plight of workers in the State. The plight of workers in Rajasthan is miserable. The situation may be worse in the Bihar and U.P. this limit should be enhanced keeping in view these facts in mind. A provision should be made for rehabilitation of those workers who become victim of accidents. The

Government should ensure work and payment of wages to them. Many people come from backward areas. The Government should look after their interests. The Government should bring a comprehensive Bill after incorporating all the aforesaid points. They have got 100 votes and they need only 45 votes more. Had I known this, they would have been elected today itself. But they are lucky. They had a narrow escape, perhaps, since they respect Govind Dev Gopinath ji Bhoumyaji and Gogaji. They should have brought Money Bill and this Bill to the Home separately.

While concluding, I request this Government once again to bring a comprehensive Bill to safeguard the interests of the workers. I shall listen to the hon. Minister's reply carefully and try to convince him on taking steps in the interest of workers. I am thankful to all of you for giving me time to speak and listening to me carefully.

[English]

SHRI M. ARUNACHALAM : Sir, I thank you for giving me this opportunity.

This Bill has emanated from the 31st Labour Ministers Conference recommendations in 1980. As my friend and colleague rightly pointed out, there are an estimated 8.5 million building and construction workers in the country. These workers are mostly unorganised. The industry is characterised by migratory nature of work, temporary relationship between employer and employee, long working hours, lack of basic amenities, and unsafe working conditions.

Although the provisions of certain legislations like the Minimum Wages Act, the Equal Remuneration Act, the Contract Labour Act, the Inter-State Migrants Act, etc., are applicable to the building and construction workers, a need has been felt for a long time for a comprehensive legislation for regulating their safety, health, welfare and other conditions of service in view of their vulnerability to exploitation. After consulting the various interested groups, the Government had in fact introduced the Building and other Construction Workers (Regulation of Employment and Conditions of Service) Bill, 1988 in Rajya Sabha in December, 1988. However, its consideration was deferred on the recommendations of the Lok Sabha Committee on Petitions in the context of the suggestions made by the National Campaign Committee for National Legislation on Construction Labour. While these legislations were being examined, the National Commission on Rural Labour which had, *inter alia*, gone into the working conditions of the construction workers submitted the report to the Government on 31st July, 1991. The Commission was of the view that the main suggestion of the National Campaign Committee to constitute Construction Labour

Boards on the pattern of Dock Labour Board is not a feasible proposition in view of the widely dispersed nature of construction workers and specialised skills required and felt that the 1988 Bill was well-conceived and comprehensive which will when finally passed cater to the improvement in the working and living conditions of workers. At the same time the Commission made some recommendations for providing hutments/shelters to the workers at work-site.

The suggestions given by the National Campaign Committee and the recommendations of the National Commission on Rural Labour have been thoroughly examined. Extensive consultations have also been held with the State Governments and the Ministries and Departments concerned. As a result, the legislative proposals contained in the 1988 Bill have been suitably modified in the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Ordinance, 1995 (Ordinance No. 14 of 1995) which the President was pleased to promulgate on 3rd November, 1995 as Parliament was not in session and in view of the urgency attached to the matter. In order to ensure sufficient funding for the Welfare Boards proposed to be constituted at the State level under the Ordinance to undertake suitable welfare schemes, it has been considered necessary to levy a cess on the cost of construction works and, therefore, the Building and Other Construction Workers Cess Ordinance, 1995 was promulgated on the same day as a dependent legislation. Two Bills to replace the said Ordinances by Acts of Parliament were introduced in the Lok Sabha on 1st December, 1995. Since the two Bills could not be passed during the Winter Session, 1995 and the Budget Session, 1996 of the Tenth Lok Sabha, Ordinances were again promulgated on 5th January, 1996, 27th March, 1996 and 20th June, 1996. Meanwhile, the two Bills have lapsed consequent to the dissolution of the Tenth Lok Sabha.

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Bill 1996 and its complementary Bill the Building and Other Construction Workers Cess Bill 1996 to replace the two Ordinances dated 20th June, 1996 by Acts of Parliament have been introduced in the Lok Sabha on 15th July, 1996.

Sir, the salient features of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Bill, 1996 are provision to cover every establishment which employs or had employed any day of the preceding 12 months fifty or more workers in any building or other construction works; definition of appropriate Government in respect of various establishments and enabling the Central Government to notify any public sector undertaking in respect of which the Central Government will be the appropriate

Government; constitution of Central and State Advisory Committees to advise the appropriate Governments on matters out of administrations of the law; constitution of Expert Committees to advise on matters relating to framing of rules by appropriate Government; registration of establishments employing construction workers and appointment of registering officers; registration of Building Workers as beneficiaries and provision for their identity card etc.; constitution of Welfare Boards by the State Governments and registration of beneficiaries under the Fund; provision for financing and augmenting resources of the Welfare Boards constituted by the State Governments; provision for temporary living accommodation to all building workers within or near the work-site; fixing hours of normal working day, weekly paid rest day, wages for overtime, provision for basic welfare amenities like drinking water, latrines and urinals, creches, first-aid, canteens etc, for the building workers; making adequate provisions for safety and health for construction workers including appointment of safety committees and safety officers and compulsory notification of certain accidents; empowering the Central Government to frame model rules for safety measures; provision for appointment of Inspecting Staff headed by the Director General of Inspection at the Central level and the Inspector General at the State level; special provisions regarding fixing responsibilities on employers to ensure compliance of safety provisions and with regard to prevention of accidents, timely payments of wages etc.; provision for penalties for contravention, obstruction, violations and offenses taking cognizance by the Court of Offenses punishable; and protection of action taken in good faith; application of the Workmen's Compensation Act, 1923 to Building and Other Construction Workers; and empowering the Central Government to give direction to the State and to remove difficulties arising in giving effect to the provisions of the law.

The salient features of the dependent Bill namely, the Building and Other Construction Workers Welfare Cess Bill, 1996 is to provide for the levy and collection of Cess not exceeding 1 per cent of the cost of construction incurred by the employers and to make over, after due appropriation by Parliament by Law, the proceeds of the Cess collected to the Welfare Boards constituted at the State level after deducting the cost of collection not exceeding 1 per cent of the Cess collected for payment to the State Governments.

Sir, these proposals have been formulated keeping in view the peculiar nature of the construction and building works and the need for giving sufficient flexibility to the State Governments in the matter of implementation which was considered necessary by the Committee of State Labour Ministers in their meeting held on 18.5.95 with the Union Labour Minister.

Sir, coming to the point raised by my distinguished colleague that we are afraid of the election, I would like to say - as the hon. Member may be aware - that I am never afraid of the elections. I am in the House from 1977 without any interruption even for single day, that too from the same constituency.

This Government has committed to do something to the labourers, I do not know why the so-called champions of labourers who are sitting here are opposing the Bill. With these words, I request the hon. Members to withdraw the Statutory Resolution. I move the Bill for consideration of the House.

MR. CHAIRMAN : Shri Hannan Mollah, are you moving your amendment?

SHRI HANNAN MOLLAH (Uluberia) : I beg to move:

That the Bill to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto, be referred to a Joint Committee of the Houses consisting of 15 members, 10 from this House namely :

1. Shri Basudeb Acharia
2. Shri Chitta Basu
3. Shri Sunil Khan
4. Shri M. Arunachalam
5. Shri Sanat Mondal
6. Smt. Geeta Mukherjee
7. Shri Haradhan Roy
8. Shri Tarit Baran Topdar
9. Shri Mahboob Zahedi
10. Shri Hannan Mollah

and 5 from Rajya Sabha;

that in order to constitute a sitting of the joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the first day of the next session;

that in other respects the rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker, may make; and

that this House do recommend to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names 5 members to be appointed by Rajya Sabha to the Joint committee.

[Translation]

SHRI BANWARI LAL PUROHIT (Nagpur) : Mr. Chairman, Sir, I rise to express my views on this important Bill in the House. I am not against this Bill but I want to say that this Bill has been brought forward in haste. There are many deficiencies in it and many points have not been covered in it. It will not be wrong to say that it is a half approach.

Mr. Chairman, Sir, we need big hospitals, huge Railway Stations, roads made of cement, concrete, tar, large industries for the development of our society and our country. The most important factor behind all this developmental activity is construction and the labourers engaged in it. In the progress that the nation has made, their contribution is the most notable and unforgettable.

When our country became free, the freedom fighters of our country, who were responsible for the country's freedom, had cherished a dream that our nation may be prosperous, where no one should remain poor. Everyone should prosper. But what has happened during all these years. The poor have become poorer and the rich richer. In case you draw up a list of the top 100 industrialists and calculate and compare their present assets with those they had in 1947, you will find an increase of 1000 times in their capital. Where has socialism gone? It has been torn to shreds and only we are responsible for this situation. We have been talking of the poor man and much discussion has taken place in this House about him. Even elsewhere there has been much talk of getting justice to the poor man. But unfortunately the number of the poor in this country is on the increase instead of decreasing. We should make introspection in order to find out as to who is responsible for this situation. I would say that none else is responsible for it except ourselves.

If one goes through this Bill, it would be found that hon'ble Minister has not assessed the situation in the right perspective. Our colleague Bhargavji has not opposed it for the sake of opposition, he has made several suggestions. There are many loopholes in it. If you plug these loopholes, then it will benefit the poor. In that case we shall also support you and welcome the Bill. But it is not acceptable in the present form. When you talk of improving the lot of one constituent, you have to take steps to ameliorate the condition of all the workers in the construction industry. It has been stated that this Act will be applicable to those units who have 50 workers or more. That means if I have 49 workers in my unit, I can save my skin and the workers will not be benefited by this legislation. In my opinion the number of workers should be reduced to 10. Perhaps you find difficulty in monitoring if the number is less than 50, but it should be reduced.

Sir, under the Factory Act, if there are 10 working in a unit, even then the Act applies to it. A unit having 10 workers should also be covered under this legislation, only then you can provide benefit to maximum workers.

Sir, the Central Government have put the entire responsibility on the State Governments to draft the legislation but no definite time frame has been prescribed within which they should draft the legislation. There is no stipulated time limit within which all the State Governments should draft the legislation. There is no rule of law in Bihar. It would have been better if a time limit had been fixed for the State Governments also.

Mr. Chairman, Sir, at present every State has its own set of rules in respect of Sales Tax. In some State it is 2 percent and in the other it is 10 percent and in some other States, there is no sales Tax at all. The Central Government should not shirk their responsibility. They should supply foolproof rules to the State Governments and tell them that they were Model Rules and they are not obligatory on them but mandatory. They should formulate their own rules in accordance with these model rules. There should be rules and a stipulated time frame also. As it has not been taken care of, I am constrained to state that the Government is shirking responsibility.

Mr. Chairman, Sir, the definition given herein places responsibility on the contractor instead of the establishment. My submission is that the labourers will be benefitted only if the contractor and the establishment, both are made responsible. The responsibility should not be placed on the contractor alone.

According to the bill, these rules are not applicable on the persons getting constructed their own house and they won't be covered under the purview of these rules. In villages the construction cost of a house is one lakh to one and a half lakh rupees and five to seven labourers construct such a house in 8-10 months. Hence keeping such houses out of the purview of rules is appreciable. However in some cases the houses are being constructed at the cost of crores of rupees and hundreds of labourers are engaged in construction work for several years. We have now a new class of nouveaux riches. Taking advantage of the abovementioned provision contained in the legislation, he can argue that he is getting a house constructed for residential purpose. As you know that people are spending five to ten crore rupees for the construction of the house and 100-200 labourers are engaged in this work for months together. Hence my submission is that a cost ceiling should be fixed, say, if the construction cost of the house exceeds 10 lakhs, the rules should be made applicable. A

provision should be made so as to cover the house costing 10 lakh rupees under the purview of this legislation. Hence I reiterate that there are many loopholes.

Mr. Chairman, Sir, the concept of compensation is also not clear. In case a labour dies while working, the compensation has been made obligatory. My submission is instead of leaving this to the contractor, the welfare board being set up should be made responsible for making payment of compensation. In case of death of the labourer, his kith and kin should not suffer on account of frequent visit to courts for years together without getting any relief rather the family should get the compensation amount within a week. How can we leave the issue of compensation to those who exploit labourers.

Mr. Chairman, Sir, now the Government has drafted the legislation for the welfare of workers and it has been provided that where workers would stay, houses will be constructed for them. But the houses are being built with four slabs which have no protection whatsoever. What is the definition of such a house. A good portable house costs Rs. 40-50 thousand. Contractors should build good houses. The Government should lay down specification of latrines, bathroom etc. I would like to say that cost of the house should be minimum but some standard should be followed and the houses provided to the poor should not be below that standard. A model of such house should be prepared and that should be followed, otherwise there is no use. The houses built of four bamboo sticks and slabs will be of no use. It will not provide any protection for the wind, sun or water. The contractors exploit the people. You should lay specification. All these things should be included in the Bill.

In so far as the question of safety is concerned, many multi-storey buildings being built. There is always a fear of falling down. There should be a provision of safety not as we see in the circus that if same body falls down, he does not die because he falls on the net. The provision of safety sets should be made compulsory in the multi storey buildings...*(Interruptions)*

MR. CHAIRMAN : Please conclude.

SHRI BANWARI LAL PUROHIT : This is very important subject...*(Interruptions)*

MR. CHAIRMAN : Four members of your party still remain who want to speak.

(Interruptions)

SHRI BANWARI LAL PUROHIT : Alright I shall conclude after making two points...*(Interruptions)* What will be the pattern of valuation of the aforesaid fund—say one or two percent. This should also be mentioned in

the Bill so that there remains no lacunae. We have reservation on this point. The money will be collected in the name of workers and for the workers and you intend to credit it to consolidated Fund of India. It would not be proper to mix this amount with 60-70 crores rupees. This amount is meant for the labourer and it should be maintained separately. Its appropriation should also be separate. We are against amalgamation with the consolidated Fund of India because it will be diverted for other purpose. This amount is meant for the welfare of workers and it should be kept separate. The Government should assure in that they would do so.

SHRI G. VENKAT SWAMY : (Peddapalli) : Mr. Chairman, Sir, I welcome Construction Worker's Bill because I know that this is an Unorganised working class in India. Their cause has not been taken up by the Trade Unions. Shri George Fernandes is sitting here. I have also spent nearly 50 years in trade union activities. I was President of the trade Union at the time of construction of Nagarjun Sagar Dam. I know how many thousand workers sacrificed their lives during the course of construction of this dam. Several lakh acres of land is being cultivated as a result of construction of that dam. No compensation has been paid for the sacrifices made by the workers. Only a few contractors earned crores of rupees at their cost.

I welcome this Bill because construction workers are an unfortunate lot. They are working since stone age. You are aware that one needs bread clothes and shelter but unfortunately we have not done any thing to ameliorate the condition of agriculture working class. We have not done any thing for the worker who provide us cloth. The Parliament House, in which we are moving this Bill has also been constructed by the construction workers. The plight of the people who have constructed big dam is miserable.

We are ourselves ashamed because we have been working in Trade Unions. There are many trade Unions leaders like George Fernandes, Mishra ji and others sitting in the House. We have worked for organised working class before independence and after independence also but have done nothing for the 75 percent unorganised working class. It is mockery of our trade Union movement.

When I became Deputy Minister in 1972, I discussed this matter with Shrimati Indira Gandhi. We should bring forward a Bill for the benefit of the unorganised working class on the lives of the Industrial Disputes Act, an industrial organised working class gets so many benefits, such as Casual leave, sick leave, privilege leave. They start demanding bonus right in the beginning of the year. Then they start demanding increase in the bonus and so on. They are covered by E.S.I. Provident Fund Scheme and get Gratuity on retirement.

I would like to say that I myself introduced such a Bill when I was Minister of Labour. This Bill remained pending. Then I suggested that it should be implemented through an ordinance. When I was Labour Minister, I wanted to expedite the matter. There are several deficiencies in this Bill. Government should introduce official amendments to plug the loopholes. Now I am a Member of Parliament only and Shri Arunachalam has to do all this. Construction workers live below poverty line. That means their wages are less than Rs. 1100/- I would request the hon'ble Minister to remove the discrepancies pointed out by several Members. Then there is agricultural labour and their number runs into crores. There is need to bring a Bill to ameliorate their condition also 75 percent population of our country is an unorganised working class. We should think about them. For how long they would continue suffering. We talk of making our country beautiful. Just look at the faces of our people who would make our country most beautiful and then go through provision of this Bill. The construction worker should get that much wage which may create an image in him to work better. There is no provision of risk allowance. It has been stated by an hon'ble Member that now, not only so but 40 storaged buildings are coming up. This may be good achievement but what is the condition of our worker? Nothing has been provided in the Bill for precautions. Construction workers should be covered under group Insurance Scheme. In case of individual death, they should be automatically covered.

I can very well realise the difficulties faced by the construction workers. They are killed while blasting rocks. Some workers lose their eyes and other limbs but there is no provision to help them is such an eventuality. They construct buildings at the cost of their lives. I request the hon'ble Minister to move official amendments to cover all the points raised by the hon'ble Members. They should be given all the privileges to which organised industrial workers are entitled.

Many hon'ble Members have pointed out that 1 percent cess is too meagre, it should be made 2 percent. It is learnt from the officials that 1 percent cess is in force for the last 20 years and if you want to change it, you have to circulate the entire proposal to all the Ministries, such as Railways, Industry and Finance and State Governments as well and then it may take 20 years before taking a final shape. I would, therefore, suggest that official amendments should be introduced and you get them passed. This matter should be discussed with the labour leaders. It cannot be passed today. We do not have time today. Therefore you can make changes after consultations.

We are thinking about amelioration of construction worker after 50 years of independence. In fact

construction worker is the real first industrial worker right from inception of the world. He has been providing shelter to the man. I would request the Government to give top priority to this problem so that construction worker may realise that atleast some thing has been done for him after 100-150 years.

We have to remove his poverty. In order to do this we will have to enhance wages of the construction worker. An all India wage Board should be set up immediately to undertake this work. A construction worker works on the 40th storoe of a building but how much wages he gets. His wage is not more than Rs. 100 per day. The reason does not get more than Rs. 100. Their wages should be fixed on all India basis. Therefore an All India Wage Board should be set up so that wages could be fixed at Central, State and provincial level throughout the Country. It should be done immediately after passing this Bill.

Mr. Chairman, Sir, I want to give a concrete suggestion. Industrial Disputes Act is going to be implemented, it should also cover unorganised sector. We are prepared to give our views in doing so. As stated by an hon'ble Member, some houses are built at the cost of Rs. 5 crore and there is no doubt about it. But I would suggest that persons working on the project worth Rs. 1 crore should be covered under this Act. A handful of contractors exploit labourers and they are supported by inspectors. These inspectors have their own houses in every State. So Inspectors have become all in all in this sector. When I was Deputy Minister in the Ministry of Labour, I received a notice from Inspectors of F.C.I. that they would go on strike. I told the chairman of F.C.I. to convene a meeting but he told me that these inspectors go to farmers and in turn farmers come to them. They purchase goods from the farmer who gives them maximum illegal gratification. I was told this thing in 1973. Inspectors including I.A.S. officers accept bribe. This matter should be enquired into. there is no exception. They behave in the same manner in every Ministry. So in the present case, if things are left to inspectors then on one side contractors will exploit the workers and on the other hand, they will be exploited by the inspectors. I would, therefore, suggest that you intend to constitute Board at Central level as well as at State level, you should appoint Gazetted officers to oversee the activities of inspectors.

Many hon'ble Members have suggested that several changes are required to be made in this Bill and I agree with them. We have brought this Bill after waiting for years. I want that all the points covered under Industrial Disputes Act should be covered in this Bill. A worker who works for a complete year, should be given bonus, Provident Fund and pension also. After working for a year, he should be entitled to get pension. The management should also give their contribution.

When I was Minister in the Textile Ministry then 3 percent cess was deducted. We demanded money for welfare of workers and Rs. 45 crore were given. When Janta Dal was in power in the Centre, then bonus were written off in respect of agricultural labour and weavers working in various districts. Rs. 45 crore were provided for urban areas. I asked the then Finance Minister Shri Manmohan Singh that Rs. 300 crore. Cess money on Textile was collected for welfare of the poor but you have given Rs. 45 crore only. Why should be not release more money. I was told that remaining sum has been deposited in the Treasury. Therefore I would suggest to the hon'ble Minister that cess money deposited in the Treasury will never come back. This amount should be utilised for providing them E.S.I. cover and giving them Provident Fund. These organisations should maintain and operate this account. It will remain safe with them. May I know as to what is Government's contribution towards this Fund?

When you collect 1 percent from the Construction, the Government should also contribute as this amount is meant to help the poor. Provision should also be made for compensation in the event of retrenchment. There should be a provision that if a contractor retrenches any worker after completion of the construction, then he should give retrenchment compensation to the worker for atleast three months. In case provision for retrenchment compensation is not made, the worker will not survive for more than a couple of days. You have a legislation on retrenchment with you, please enforce the same so that if the contractor removes someone, he will get retrenchment Compensation for three months.

Thirdly on completion of a building or a project, gratuity should be provided under the scheme. If we want to give to construction workers their due, then we have to extend all these benefits to them which are given to industrial workers. I think, hon'ble Minister would agree to our suggestions. In fact Industrial Disputes Act should be implemented in their case also and they should get provident fund cover, pension scheme and payment of Bonus as soon as the year comes to a close. I welcome the scheme pertaining to construction of houses for construction workers. But we should make provision to help them economically. In case, all the aforesaid steps are taken, they will have a sigh of relief.

I went abroad and delivered a speech in I.L.O. in 1959 that steps should be taken for the welfare of unorganised working class all over the world and I took initiative in 1973 and started some work in this direction. At that time I was Deputy Minister in the Ministry of Labour. This Bill has been deformed and should not be passed as it is. In fact it is hard labour of the construction workers which makes India beautiful. We shall how to

do a little bit for them so that their faces also look bright. There is a provision of setting up Boards in the Centre as well as States to monitor implementation of various provisions of the Bill. These Boards should not be politicised. We should seek advice of experts on the subject. Labourers dig foundations of the buildings very deep - say upto 50 feet or more - and many a time they are buried there in the process. Have you made any provision for eventualities? There are practical things which I am placing before you. I had led a union when construction of Nagarjun Dam and Sri Sailam was on where 3 lakh workers were working, several lakh people were working on the Canal sites. So I am talking on the basis of my personal experience. Sir, in my opinion this Bill should not go to the select Committee. If you want to delay its implementation, only then you can do so.

SHRI GIRDHARI LAL BHARGAVA : A meeting of some leaders should be commend before this Bill is passed.

SHRI G. VENKAT SWAMY : Before passing this Bill, some Members of Parliament should discuss as to what relief can be provided to construction workers. I hope, hon'ble Minister would agree. I think a meeting of officials should be called in which suggestions given by all of in should be discussed and incorporated in the Bill.

I would like to point out one more thing. I had got drafted a Bill on similar lives in respect of agricultural labour also I want that hon'ble Minister should present that Bill also. Their number runs into crores. If we do some thing for construction workers and agricultural workers, it will improve the image of our country as a whole. Their voice will...*(Interruptions)*

PROF. RASA SINGH RAWAT (Ajmer) : This Parliament House and the President House has been built by skilled workers of Jaipur. We should salute them.

SHRI G. VENKAT SWAMY : Shri George Fernandes is aware that Mumbai has been built by construction workers of Hyderabad. I am talking about entire construction workers class of the whole of India.

SHRI GIRDHARI LAL BHARGAVA : Parliament House was built by skilled workers of Rajasthan and we know as to where brick have been used and where stone has been used...*(Interruptions)*

SHRI G. VENKAT SWAMY : I agree that the many workers of Rajasthan have covered Parliament House, it has made them popular not only in India but in the whole world. They observe admiration. Now we are debating a very serious Bill. Do not pass it in this Session. A similar Bill in respect of agricultural labour should also be brought alongwith it. We should provide relief to entire unorganised working class.

With these words, I welcome this Bill. I hope that a meeting of 4-5 members and some officers would be convened within a week or so suggestions given by hon'ble Members would be discussed so that this Bill could be passed with necessary improvements made therein.

MR. CHAIRMAN : The debate will continue tomorrow. Now the House stands adjourned to meet again at 5 PM.

15.59 hrs.

The Lok Sabha then adjourned till seventeen of the Clock.

17.00 hrs.

The Lok Sabha re-assembled at Seventeen of the Clock.

(Mr. Speaker in the Chair)

17.00 hrs.

GENERAL BUDGET 1996-97

MR. SPEAKER : Item No. 24, the Budget. The Finance Minister.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) :

Sir,

I rise to present the regular budget for the year 1996-97.

An unusually peaceful general election produced an unusually complex mandate. It was the duty of every political party to be faithful to that mandate. Accordingly, political parties of different complexions and different ideologies have come together to form this Government. Many of them are regional parties, albeit with a national outlook. What has united us is a resolve to preserve India's secular heritage and to provide a representative Government committed to faster economic growth and enhanced social justice.

The United Front is a coalition. Before assuming office, the partners of the coalition finalised a document called "A Common Approach to Major Policy Matters and a Minimum Programme", popularly called the CMP. This historic document was released to the nation by our Prime Minister, Shri Deve Gowda, on June 4, 1996. When I began work on the CMP I was not even a Minister. When we completed our exercise I found myself in the office of Finance Minister. Therefore, my commitment to the CMP goes beyond the office I hold. Hon'ble Members will have many opportunities this afternoon to test my commitment and they will find that

the CMP has provided the foundation and set the agenda for this Budget.

An Update of the Economic Survey 1995-96 was laid on the Table of the House last Friday. It is a slim document of no more than 21 pages and I hope it made for good weekend reading. Our conclusions are that the economic indicators point to high growth but there are significant areas of weakness. The Update has identified these areas as the fiscal deficit, sluggish agricultural growth, inadequate infrastructure, high interest rates and the trade deficit. The most worrisome is the decline in the growth of agricultural crop production to 0.9 per cent in 1995-96. The Update has also listed fiscal challenge, infrastructure challenge and employment and poverty alleviation as key issues which need to be addressed on a priority basis.

The CMP has declared that the Government will follow economic policies that will promote growth with social justice and lead to greater self-reliance. We have no use for jobless growth, nor for growth that leaves untouched large sections of the people. We will remove controls and regulations over agriculture and industry. We will keep our economy open and competitive in order to encourage more foreign trade and attract more foreign investment. We will reform the tax system. We will broaden and deepen reforms of the financial and capital markets even while strengthening independent regulators like the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI). Above all, we will observe fiscal and monetary prudence which is the key to low inflation and rapid growth.

- * This Budget, therefore, has seven broad objectives:
- * To remain steadfast on the course of economic reforms and liberalisation aimed at accelerating economic growth.
- * To address the concerns of the poor and provide them with basic minimum services in a time-bound manner.
- * To ensure broad-based growth in agriculture, industry and services to achieve high employment.
- * To ensure fiscal prudence and macro-economic stability.
- * To enhance investment especially in the infrastructure sectors.
- * To strengthen key interventions to promote human development.
- * To ensure viability in the balance of payments through strong export performance and larger foreign investment flows.