

Fourteenth Loksabha

Session : 4

Date : 09-05-2005

Participants : [Rao Dr. Dasari Narayan](#), [Acharia Shri Basudeb](#), [Venkatswamy Shri G.](#), [Kumar Shri Shailendra](#), [Rao Dr. Dasari Narayan](#), [Reddy Shri Suravaram Sudhakar](#)

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Title: Shri Basudeb Acharia called the attention of the Minister of Coal to the situation arising out of non-finalisation of National Coal Workers Wage Agreement –VII and steps taken by the Government in this regard.

12.04 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

Situation arising out of non-finalisation of National Coal Workers

Wage Agreement-VII and steps taken by the Government in regard thereto

SHRI BASU DEB ACHARIA (BANKURA): Sir, I call the attention of the hon. Minister of Coal to the following matter of urgent public importance and request that he may make a statement thereon:

“Situation arising out of non-finalisation of National Coal Workers Wage Agreement-VII and steps taken by the Government in regard thereto^[r2].”

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYAN RAO): Mr. Speaker, Sir, it is submitted that prior to nationalisation of coal industry, the wage structure and other service conditions including fringe benefits were covered under the recommendations of the Central Coal Wage Board for coal mining industry. However, after nationalisation of coal industry during 1971-73, since private parties had been removed from coal mining industry, it was felt that a bi-partite forum for wage negotiations where the central public sector undertakings would directly negotiate with workers (trade unions) would be more functional. Accordingly in 1973, Government of India decided to review the wage structure and set up a Joint Bi-partite Committee for Coal Industry (JBCCI). JBCCI has equal representatives of Management and Trade Unions. The agreements reached in JBCCI are formalised in the form of National Coal Wage Agreement (NCWA).

*(Also Placed in Library, See No. LT 2148/05)

So far, there have been 6 wage agreements on this pattern. The wage agreements are signed for five years. The last agreement NCWA-VI expired on 30.06.2001 and a new wage agreement became due from 01.07.2001.

In the course of this period many private sector companies entered coal mining for captive purposes and therefore, it was felt necessary that they should also be brought within the ambit of JBCCI. JBCCI-VII was constituted on 28.07.2003. Coal India Ltd. (CIL) invited private companies like Integrated Coal Mining Pvt. Ltd. (ICML), Bengal EMTA Coal Mining Pvt. Ltd. (BECML) and Jindal Steel and Power (JSPL) to participate in the negotiations. However, these companies and others like TISCO and IISCO declined to participate. Consequently, further negotiations have proceeded only between subsidiaries of CIL and the trade unions.

Department of Public Enterprises circulated guidelines on 11.02.2004 for wage negotiations in the Central Public Enterprises. These guidelines inter-alia provide that public sector units registered with BIFR should not take up wage negotiations until BIFR approved the revival plan and 100 per cent DA neutralisation is permitted only in case of ten year wage agreement. JBCCI-VII, after a series of negotiations could work out an acceptable package covering various issues but could not resolve some others.

I held two rounds of discussions with the representatives of Coal India Management and Central Trade Unions in September 2004 and the issue of basic pay was sorted out. However, certain issues like 100 per cent DA neutralisation, implementation of wage agreement by loss making PSUs required the consideration of the Government in view of the existing guidelines. Accordingly, the Government constituted a Group of Ministers (GoM) on 16.11.2004 under the chairmanship of hon. Defence Minister to look into the larger issues concerning the ongoing wage negotiations in the best interest of industry, labour and national economy. In the first meeting held on 24.03.2005, the GoM gave an opportunity to the Management to present their views. In the next meeting held on 13.04.2005, Central Trade unions presented their views to the GoM. In the third meeting held on 29.4.2005, the GoM considered various viewpoints and advised me to hold further discussion with the representatives of Trade Unions and the Management. I held discussions with these representatives on 3rd May 2005. I am pleased to report to this august House that an understanding was reached on all the contentious issues. The positive outcome of this meeting was reported to the Chairman of the Group of Ministers for further consideration. Both the management and the Central Trade Unions have agreed to hold Core Group Meeting on 18-19 May, and full JBCCI meeting on 29-30 May 2005 to finalise the agreement.

Hon. Members may kindly appreciate that sincere efforts are being made to resolve the issues so that an acceptable wage agreement is arrived at. The Government is committed to the welfare of the workers and is accordingly facilitating early finalisation of National Coal Wage Agreement-VII.

I thank the hon. Speaker for giving me this opportunity and the hon. Member Shri Basu Deb Acharia for raising this matter.[\[r3\]](#)

MR. SPEAKER: He has answered it fully.

SHRI BASU DEB ACHARIA : Sir, the statement made by the Minister of State for Coal is not satisfactory.... *(Interruptions)* The last wage agreement, NCWA expired on 30-6-2001. Already four years have passed. This Government has been in power for the last 11 months. As he stated in his Statement, only two meetings were held in the month of September by the Minister of State for Coal. The JBCCI was constituted in the year 2003. So, even from 2003, in these two years, the Government had not taken any decision in regard to the National Coal Workers Wage Agreement-VII.

There are a number of contentious issues. It is not only of basic wage. There is a difference in the perception in regard to the basic wage also. But there are issues like 100 per cent DA neutralization. He has stated in his statement that in case of two subsidiaries, namely BCCL and ECL, unless there is an agreement for 10 years, the 100 per cent DA neutralization cannot be done. But in case of officers, there is already a provision for 100 per cent DA neutralization. Why are the workers being deprived of that? The Minister should clarify the position of the Government whether he agrees that there should be 100 per cent DA neutralization or not. If he agrees, then where is the need for recommending it to the Group of Ministers?

We know both the ECL and the BCCL are incurring losses. Why are these two subsidiaries incurring losses? It is because a large number of underground mines are closed both in the ECL and in the BCCL. The quality of coal available in the ECL is the best in our country. We cannot close down such underground mines. Better quality of coal is available in the underground mines. If we go deeper, we get better quality of coal.

As has been stated by the Minister, the revival package of the ECL and the BCCL has not yet been approved by the Government. The ECL has already submitted its revival package and that revival package was prepared in consultation with all the trade unions. All the Central Trade Unions agreed and they started taking certain measures in regard to the revival of the ECL. It has been pending with the Government for the last 10 months because that was submitted, I think, in the month of August. The Government has yet to take a decision on the revival package of ECL.

Now, the Minister is stating, for the first time, that these two subsidiaries are being taken out of the wage agreement. Certain conditions are being sought to put in regard to the wage agreement on wage revision of more than two lakh workers. The ECL today has one lakh and seven thousand workers and the BCCL has also one lakh and five thousand workers[\[m4\]](#).

More than two lakh workers are being taken out of this wage agreement. This should not be done because up to NCWA-VI, it was never told. During last wage agreement also, these two subsidiaries and also the Central Coal Field (CCF) were incurring losses. In spite of that the wage agreement in regard to these subsidiaries also have been given effect to. Why? For NCWA-VII, these two subsidiaries - ECL and BCCL - are being separated, and the workers are being

denied. In the month of May - on 18-19 May and then in the last week, that is, on 29 – 30 May, 2005 – there will be a full meeting of JBCCI. I would like to know from the Minister whether both ECL and BCCL would also be included when the wage agreement will be finalised.

Sir, a large number of workers are today outside any wage agreement. There are a number of collieries belonging to TISCO. When coal mines were nationalised in 1972 and 1973, coal mines of IISCO were not touched. ... *(Interruptions)*

MR. SPEAKER: TISCO does not come in here.

SHRI BASU DEB ACHARIA : After the nationalisation of coal mines, and after the amendment of Coal Mines Nationalisation Act, a number of captive coal mines have come up, and there are a large number of workers. These workers are being exploited today. They do not get the wages as per the wage agreement arrived at in different times.... *(Interruptions)*

MR. SPEAKER: Please put your another question.

SHRI BASU DEB ACHARIA : Initially, there was an attempt, and a notification was issued to all the coal companies. ... *(Interruptions)*

MR. SPEAKER: Now, you are talking much beyond Mr. Acharia.

SHRI BASU DEB ACHARIA : It was issued not only to the public sector companies, but also to the private sector companies like TISCO, Bengal EMTA and Singhereni Coal Companies also. But they did not attempt. What action had Government taken to include those companies where a large number of workers are also working or engaged? They are exploited, and they are not getting wages as per the wage agreement. I would like to know from the hon.Minister whether he would seriously consider to include other private coal companies so that the workers also get the wages as per the wage agreement.... *(Interruptions)*

MR. SPEAKER: Please conclude.

SHRI BASU DEB ACHARIA : This is a very important question. In NCWA-VI, the provision for employment to the dependents of the coal workers was there. That has not been implemented.... *(Interruptions)*

MR. SPEAKER: On the question of completing the agreement, he says that they have all agreed. It is a question of finalising the terms of the agreement.

... *(Interruptions)*

SHRI BASU DEB ACHARIA : There are certain differences. I have gone through the minutes. I have with me a copy of the minutes. ... *(Interruptions)*

MR. SPEAKER: You have mentioned that. Please finish.

SHRI BASU DEB ACHARIA : I have reactions of the five Central Trade Unions regarding what they have written to the Minister as well as to the Secretary of the Ministry of Coal. So, there is not the question of agreement. In NCWA-VI a clause stating that 'The employment to the dependent of the workers who died in harness' was included. I would like to know would the same clause also be included in NCWA-VII?

My final question is this. As already four years have elapsed, and seven lakh coal workers are yet to get the revised wage which was due four years back.... (*Interruptions*)

MR. SPEAKER: You have mentioned whether they would finalise in May.

SHRI BASU DEB ACHARIA : They are deprived. Would the Government take a final decision, and would the Government finalise NCWA-VII by the end of the current month[15]?

MR. SPEAKER: There is no other notice but I would accept the request of Shri Shailendra Kumar.

Shri Shailendra Kumar, just put your question please. Do not give any speech. Let us follow the rules.

श्री शैलेन्द्र कुमार (चायल) : माननीय अध्यक्ष जी, मैं आपके माध्यम से माननीय कोयला मंत्री जी से कहना चाहता हूँ कि भारतवा के हर नागरिक को रोजगार के अवसर ढूँढने का मौका मिलना चाहिए। उत्तर भारत की बहुतायत जनसंख्या वाले राज्यों, बिहार और उत्तर प्रदेश से महाराष्ट्र और नागपुर की कोयला खदानों के ठेकेदार लाखों मज़दूरों को सस्ती दर पर लाए हैं, लेकिन आज उनकी स्थिति यह है कि उनके बच्चे बड़े हो गए हैं, वहीं पर पढ़ रहे हैं, उन्होंने घर बसा लिए, शादी कर ली, लेकिन उनको न्यूनतम मज़दूरी बहुत कम दी जा रही है। इसके साथ-साथ जो बस गए हैं, उनको दोयम नागरिकता की दृष्टि से देखा जाता है और बाहर निकालने की बात कही जाती है। ... (ब्यवधान) उनके बच्चों से 50 वॉ की स्थायी नागरिकता का प्रमाणपत्र मांगा जा रहा है। सवाल यह है कि क्या वे भारतवा के नागरिक नहीं हैं? ... (ब्यवधान) मैं आपके माध्यम से निवेदन करना चाहता हूँ कि उनको दोयम नागरिकता की दृष्टि से न देखा जाए और उनके बच्चों को शैक्षिक और आर्थिक आधार पर सुविधा मिलनी चाहिए।

MR. SPEAKER: Shri Sudhakar Reddy, you may also please put only a question without giving any speech. I would allow you though you have not given any notice.

SHRI SURAVARAM SUDHAKAR REDDY(NALGONDA) : Sir, coal is one of the important sources of energy. ... (*Interruptions*) As I understand, this agreement between the unions and the Ministry would be for five years. This agreement is supposed to be from 1.7.2001. This means, it is going to be expired by next year. So, is it not a very irresponsible behaviour? I do not blame the present Government. But for the past five years this has been carried on and by 2006 again a new agreement would be there. This is not the procedure that, as a model employer, the Government should have adopted. There was a strike in Singareni Collieries. It could have been avoided. I would like to be assured that this type of a thing would not be repeated in future.

श्री जी. वेंकटस्वामी (पेदापल्ली) : अध्यक्ष जी, अभी मंत्री जी ने जो जवाब दिया, उसके एग्रीमेंट में सिंगरेनी कोलियरीज़ भी है या नहीं, अगर है तो उसका ज़िक्र क्यों नहीं आया? मैं इसलिए पूछना चाहता हूँ क्योंकि सिंगरेनी में अभी 15 दिन पहले स्ट्राइक भी हुई थी। इसलिए मैं जानना चाहता हूँ कि उसे इनक्लूड किया गया है या नहीं? यदि किया है तो उस बारे में बताएं।

DR. DASARI NARAYAN RAO : Sir, regarding the hon. Senior Member, Shri Basu Deb Acharia, I expected that he would congratulate me and appreciate me but instead he has raised some questions. ... (*Interruptions*)

MR. SPEAKER: Invite him for a cup of tea in your office!

DR. DASARI NARAYAN RAO: He says that this is very much delayed. The NCWA-V was signed only six months and the NCWA-VI was signed five months before the expiry of agreement but as soon as the UPA Government came into power in May last year, in the months of June, July and August, the Coal India had some negotiations. Those negotiations failed. After my assumption of office, I voluntarily called the union leaders on 22nd September, 2004, convened the meeting and resolved the major issues.

Regarding basic, he has said that the basic after the last revision was Rs. 3,300. Now, from Rs. 3,300, for the first time in the history of Coal India - no Government has given this much of a hike - we have given a basic of Rs. 5,550[e6].

Sir, I would like to give the information, through you, that as per the NCWA-VI agreement, the lowest worker was supposed to get a minimum of Rs. 8,139 per month, but today he will get Rs. 10,054 per month. The highest worker as per the NCWA-VI agreement was supposed to get Rs. 17,695 per month and now he will get Rs. 19,734 per month. So, this is the biggest increase in all the wage negotiations.

Now, I will come to 100 per cent DA neutralisation. This is very clear. There are DPE guidelines. The PSUs, which have got the agreements for ten years, have got 100 per cent DA neutralisation. However, in the case of five-year wage agreement, it is not there. ... (*Interruptions*)

MR. SPEAKER: He has said that you have given it to the officers and not to the workers.

... (*Interruptions*)

DR. DASARI NARAYAN RAO: Sir, he is right. Even in the discussions, I never behaved as a Minister. I behaved as a trade union leader. The trade union leaders know it. There were six leaders. I said, 'it is not six, it is seven - six plus one'. 100% DA neutralisation will be applied for employees with basic up to Rs. 6,550 per month. There are about 82 per cent who stand deprived of this. So, I am recommending positively to the GoM. The supply of coal and demand gap is so much. So, I requested the union members to cooperate in production. They have assured for the production. I think, today, evening we are having a meeting. I am recommending to the GoM for 100 per cent DA neutralisation. ... (*Interruptions*)

Regarding the BCCL and ECL, as you know, they are under BIFR. DPE guidelines of February 2004 prevent wage revision in companies that are under the consideration of BIFR and till their revival plans are approved. Trade unions are particular about implementation of wage agreement in Bharat Coking Coal Limited and Easter Coalfields Limited. I have discussed in detail various aspects of the issue. Finally, both the sides agreed that NCWA-VII would be applicable to these two sick companies also. But the modalities of payment of arrears will be worked out keeping in view the revival plans under the consideration of BIFR. I complement

both the unions and the management for demonstrating a positive spirit of accommodation of each other's point of view. This is going to be finalised.

Another thing is why again the Minister should report to GoM. It is because I am authorised by the GoM to negotiate with the trade union leaders. So, in return, I have completed that job and today I am reporting to the GoM. Then, the GoM has to finalise it. ... *(Interruptions)*

MR. SPEAKER: You do not have to tell all the details.

... *(Interruptions)*

DR. DASARI NARAYAN RAO: As far as revival of BCCL and ECL is concerned, after the wage negotiation, we are very seriously acting on that. We need the workers and the management to cooperate. So, unless these two companies are revived, I do not think the production will be improved. So, we are at it.

On 29th of May, we are going to have the next meeting and that will be the final meeting of the JBCCI to work out the other modalities. We have discussed about six or seven more important issues. There are small issues like incentives, which they have to discuss, and then they will finalise the agreement. I requested them. Earlier, I gave the date of 22nd May for agreement, because we assumed Office on 22nd May. But they said that some leaders would not be available. So, they said that they would sit on 29th and 30th of May and most probably the agreement may be signed. ... *(Interruptions)*

MR. SPEAKER: They delayed the meeting!

... *(Interruptions)*

DR. DASARI NARAYAN RAO: Yes, Sir. Now, the agreement may be signed by the end of May. ... *(Interruptions)*

MR. SPEAKER: It should be given effect to retrospectively from 22nd May.

DR. DASARI NARAYAN RAO: Yes, Sir.

SHRI BASU DEB ACHARIA : What about other private companies? I would like to know whether they would be covered under this wage agreement or not. ... *(Interruptions)*

DR. DASARI NARAYAN RAO: I am coming to that point. As far as private sector is concerned, there is no legal mechanism, which binds on them. ... *(Interruptions)*

MR. SPEAKER: They are not government employees.

... *(Interruptions)*

DR. DASARI NARAYAN RAO: Yes, sir.

As far as Shri Shailendra Kumar's question is concerned, I do not think that it is relevant to this.

As far as Shri Suravaram Sudhakar Reddy's question is concerned, it has become a convention to sign this agreement late. Now, we are certainly going to put our efforts to start 8th wage negotiations early.[\[R7\]](#)

SHRI BASU DEB ACHARIA : IISCO is a Government company. It has three coal mines. Why can this not be extended to the mine workers of IISCO?

MR. SPEAKER: It is being discussed. No further questions, Shri Basu Deb Acharia.

... (*Interruptions*)

SHRI BASU DEB ACHARIA : When it covers all - private sector and public sector - why does it not cover IISCO coal mines?

DR. DASARI NARAYAN RAO: Sir, IISCO is a sick company. Again, it is related to BIFR. ... (*Interruptions*)

MR. SPEAKER: The same problem of behaviour.

DR. DASARI NARAYAN RAO: Sir, regarding the question of Shri G. Venkatswamy, I would submit that everything is applicable for Singareni also. Thank you very much. ... (*Interruptions*)

MR. SPEAKER: No more questions. Shri Chatterjee, please take your seat.

... (*Interruptions*)

MR. SPEAKER: No more questions will be allowed.

Shri Kanti Lal Bhuria, I am sorry because I had said something which was not correct. The information was not with me. Earlier I believed that it was Shrimati Kanti Singh who was to lay the papers. Now, it has been corrected. Shri Kanti Lal Bhuria, which was yourself, is to lay the papers on behalf of Shri Taslimuddin. I am sorry for the mistake on this side.

Item No. 6, Shri Kanti Lal Bhuria[\[reporter8\]](#).
