

Sixteenth Lok Sabha

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Title: Introduction of the Code on Wages Bill, 2017.

HON. DEPUTY SPEAKER: Now, we are taking-up Revised Supplementary List of Business, Item A, Shri Bandaru Dattatreya.

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI BANDARU DATTATREYA): Sir, I beg to move for leave to introduce a Bill to consolidate and amend the laws relating to wages and bonus and matters connected therewith or incidental thereto.

HON. DEPUTY SPEAKER: Motion moved:

“That leave be granted to introduce a Bill to consolidate and amend the laws relating to wages and bonus and matters connected therewith or incidental thereto.”

SHRI N.K. PREMACHANDRAN (KOLLAM): Sir, I strongly oppose the introduction of the Bill. This Bill is circulated today morning at around nine o'clock. It is a very important Bill where structural changes are being brought in the Labour Acts like Minimum Wages Act, Payment of Gratuity Act, etc. I am not going into the details of it because of paucity of time.

My first objection is that the Bill was circulated only today morning around nine o'clock, and a Supplementary Business is being brought in the House for the Bill to be introduced. This can never be agreed upon as per Rule 72 (2) of the Rules of Procedure. According to Rule 72 (2) of the Rules of Procedure: “A Member is entitled to raise objection regarding the Constitutional or Legislative competence of the Bill and can be opposed at the time of introduction of the Bill.”

Today, at this time, I am not able to oppose the Constitutional as well as the Legislative competence of the Bill. It is because I could not go through the contents of the Bill. It means that the right of a Member is being infringed, which cannot be allowed. I am saying this because this is affecting the entire workforce in the country. The Government of India is going to bring drastic labour reforms, and the Government of India is going to codify 45 labour legislations into four legislations. The first legislation is coming to the House in the last moments of the Session when it is to be concluded and that too in a hurried and hasty manner. Why is the Government bringing this Bill in a hurried and hasty

manner? It means that you want to avoid the opposition to the introduction of the Bill, which cannot be allowed. This is my first objection.

I got these points within the limited time that I could go through the Constitution as well as the Rules of Procedure. Otherwise, if you go through the contents of the Bill, then we find that so many existing labour legislations are being drastically changed. So, we could have made so many oppositions relating to Constitutional as well as on Legislative competency. Since, I could not go through the Bill in-depth, so I am making some objections for the time being.

My second objection is that this matter comes under Schedule Seven List 3 and entry number 22 - - Trade unions, industrial and labour disputes; entry number 23 -- Social security and social insurance, employment and unemployment; and entry number 24 -- welfare of labour including conditions of work, provident funds, employers' liability, workmen's compensation, invalidity and old-age pensions and maternity benefits. It means that most of the labour legislations are coming within the jurisdiction of the Concurrent List or the subject comes under the Concurrent List. The Concurrent List means that the State as well as the Union Government is well empowered to make legislation. I do accept it and if the Parliament is making a legislation on labour laws, then definitely it will override the State legislations.

Not only in Kerala but in almost all the States, many labour legislation in respect of payment of wages, fair wages and other legislation are still there and the Government of India is going to codify the labour legislation. First code is regarding wages. But unfortunately, none of the States in the country is even consulted. That means, it is totally against the federal principles of the Constitution, which is the basic feature of the Constitution. Now, the Government is trying to alter or attack the basic structure of the Constitution. That cannot be allowed. Since it is a matter concerning the Concurrent List, States should be consulted before making such labour reforms. That is my second objection.

Third is about the Payment of Gratuity Act. You are well aware.... .. (*Interruptions*)

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS SHRI S.S. AHLUWALIA: This is not a point of order.

SHRI N.K. PREMACHANDRAN : This is not a point of order. Kindly see... .. (*Interruptions*)

SHRI S.S. AHLUWALIA: He is objecting to the introduction as per Rule 72, which categorically says, you can object on the ground whether the Bill is within the competence of Parliament to pass such a law

or not. He is showing his own ignorance by saying that he has not gone through it, etc. It is a new Bill; it is being introduced. Now, he started discussing the merits of different labour laws. That is not the purpose.

SHRI N.K. PREMACHANDRAN : Hon. Minister, you are absolutely wrong. Kindly withdraw the observation you have made – ignorance of the Member. Why am I ignorant? It is because of you, and the Government. You have circulated the Bill only today morning. How can we be well versed with the Bill? You are denying my right; you are denying me the knowledge of the contents of the Bill. And the Minister is saying that it is Member's ignorance and a fault. Kindly withdraw that observation.

SHRI S.S. AHLUWALIA: This is not happening for the first time. Tomorrow, the House is going to adjourn. We are only introducing the Bill and the Members would have enough time to go through the Bill before passing it. ... (*Interruptions*)

PROF. SAUGATA ROY : What is the hurry?

SHRI N.K. PREMACHANDRAN : Ahluwalia ji, kindly hear my third objection. Without hearing the third objection, he is saying this. I am not on a point of order. I am opposing the introduction of the Bill.

Third is concerning the Gratuity Act. Hon. Minister has assured before the House and outside that the gratuity will be enhanced from Rs.10 lakh to Rs.20 lakh. He said that he is giving priority to that and that it will be brought in this very Session. That was the assurance. The Payment of Gratuity Act by which Rs.10 lakh will be enhanced to Rs.20 lakh and would benefit the workers. Those workers who are getting retrenched or retired will be losing the benefit because they would be getting the benefit only prospectively. When the Payment of Gratuity Act is to be amended so as to enhance the gratuity from Rs.10 lakh to Rs.20 lakh, the Government is bringing a labour code Bill by which the right of the workers to get enhanced gratuity will also be infringed. Therefore, that is my third objection to introducing the Bill.

These are the three major objections; legislative competence is well there because Concurrent List is there, Article 72(2) is there. Hence, I am fully within the competence of my right to oppose this Bill. With these words, I conclude. Thank you very much. ... (*Interruptions*)

SHRI BANDARU DATTATREYA: Hon. Member, a senior Member, is interested in the rights of the workers. I fully agree with him. ... (*Interruptions*)

PROF. SAUGATA ROY : Then, you withdraw the Bill. ... (*Interruptions*)

SHRI BANDARU DATTATREYA: Regarding introduction of the Bill, he was mentioning three things. One is about 44 labour laws, which would be dealt with in four stages.

There are going to be four codes. One is the Code on Wages. This is the Bill that I am introducing. I will speak only about the intention of the Government about that. The Second National Labour Commission had given its Report in 2002 stating that all the labour laws should be tuned to the present-day time. That was in 2002 and now we are in 2017. This is related to only four Acts. One is about the Payment of Wages Act, 1936. Second one is about the Minimum Wages Act, 1948. The third one is the Payment of Bonus Act, 1965. The fourth one is the Equal Remuneration Act, 1976. These four Acts will be amalgamated into one Labour Code. My learned friend should understand that it is being done only for simplification, rationalisation and also doing away with the cumbersome process. I assure this House that no where the rights of the workers would be infringed. यह सभी वर्कर्स के हित में ही है। वर्कर्स के खिलाफ इसमें कुछ भी नहीं है। इसलिए मैं आपसे रिक्वेस्ट करता हूँ। आपने जो तीन बातें बताई हैं, इसमें वर्किंग कंडीशंस जिक्र का नहीं है। That is a separate part. Social security is a separate part. It is going to bring a historical change in the industrial arena. यह दुनिया के इतिहास में नंबर वन हो जाएगा। इसलिए हो जाएगा कि पहली बार देश में यूनिवर्सल मिनिमम वेज आएगा। अभी देश में संगठित और असंगठित मज़दूर हैं। चालीस करोड़ असंगठित मज़दूर हैं। There are about 40 crore unorganised workers. Now, with this Code, they may also be able to avail the universal minimum wage. It has a larger perspective.

I would request Shri Premachandranji, to go through this. ... (*Interruptions*) Let me complete. I had a tripartite meeting. In the tripartite meetings, I convinced trade unions. Secondly, the Regional Conferences were attended to by the respective Labour Ministers and the Labour Secretaries from the respective States. It took two years for this process. I would also say that there will not be exploitation of workers. वर्कर्स का एक्सप्लॉइटेशन कहीं भी नहीं होगा। उसका मिनिमम वेजिस, उसके पेमेंट ऑफ वेजिस एक्ट से मिलेगा। इसलिए अभी पहले मैं केवल इंट्रोडक्शन ही कर रहा हूँ। यह केवल इंट्रोडक्शन ही है। लेकिन बाद में मैं आपको समझाऊंगा। मुझे पूरा विश्वास है, मेरे मित्र प्रेमचंद्रन मेरे साथ बहुत अच्छे हैं, लेकिन ये हाऊस में थोड़ा अलग बात करते हैं, बाद में हमारे से अलग मिलते हैं। इसलिए मेरा अनुरोध है कि इससे एंप्लॉयमेंट जनरेशन होने वाला है। Many new enterprises will come. देश में हमारे बहुत से नौजवान बेरोज़गारी से मर रहे हैं, उनको इससे बहुत से रोज़गार प्राप्त होंगे, नई इंडस्ट्रीज़ की सुविधा मिलेगी और मज़दूर के हित में होगा तो कृपा कर के आप लोग इस बिल को इंट्रोड्युज़ करने के लिए मुझे अनुमति दीजिए।

HON. DEPUTY SPEAKER: The question is:

“That leave be granted to introduce a Bill to consolidate and amend the laws relating to wages and bonus and matters connected therewith or incidental thereto.”

The motion was adopted.

SHRI BANDARU DATTATREYA: I introduce the Bill.