

13.35 hrs.

STATEMENT GIVING REASONS FOR
IMMEDIATE LEGISLATION BY RESERVE
BANK OF INDIA (AMENDMENT)
ORDINANCE

[English]

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) On behalf of Shri Yashwant Sinha, I beg to lay on the Table an explanatory statement (Hindi and English versions) giving reasons for immediate legislation by the Reserve Bank of India (Amendment) Ordinance, 190. [Placed in Library. See No. LT—1698/91]

13.35 hrs.

The Lok Sabha then adjourned for Lunch till Thirty Five minutes past Fourteen of the clock

The Lok Sabha re-assembled after Lunch at thirtyeight minutes past fourteen of the Clock

[MR. DEPUTY SPEAKER *in the Chair*]

PUBLIC LIABILITY INSURANCE BILL

[English]

MR. DEPUTY SPEAKER: No, let us take up the legislative Business. Shrimati Maneka Gandhi.

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRIMATI MANEKA GANDHI): I beg to move:

"That the Bill to provide for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and for

matters connected therewith or incidental thereto, be taken into consideration."

In doing so, I beg to submit that this Bill seeks to fulfil a long felt demand for some mechanism to give immediate relief to victims of accidents in hazardous industries or operations. The growth of hazardous industries and operations which produce the many goods needed by us is essential for our development and in recent times there has been a tremendous increase of such industries. However, it has also increased the risks of accidents not only to the workmen but also to others who may be in the vicinity of the accident sites. Very often, the people affected belong to the very poor and weak strata of society with little or no capacity to secure compensation for their sufferings. Workers who are victims of such accidents in hazardous industries are protected by the Workmen's Compensation Act, 1923 and by the Employee's State Insurance Act of 1948, but the members of the public are not assured of any relief except through long legal procedures.

The Supreme Court of India in the case of M/s Sriram Foods and Fertilizers, have held that the hazardous industries are strictly liable to compensate for any damage caused by an accident in their industries. The liability to give relief in such cases is based on the principle of no fault. The claimant for relief shall not be required to plead and establish that the disaster, injury or damage in respect of which the claim has been made was due to any wrongful act, neglect or default of any person. However, it is our common experience that industrial units seldom have the willingness to readily compensate the victims of accidents and, therefore, the only remedy available to the victims is the legal one. Even when a court orders relief, the industries and operations where such accidents occur may not be financially sound and an unanticipated liability often cannot be met by them. These enterprises also run the risk of bankruptcy in case of large accident liability. This is particularly true of small scale industries.

Keeping these in view, we have thought of a scheme whereby every industry or operation which handles hazardous substances would mandatorily take an insurance policy covering their liability to provide immediate relief on a specified scale to any person who suffers an injury or damage to property or, in the event of death, to the legal heirs of the deceased persons. We have considered this issue from various angles and consulted the various interests involved in these matters. They include the Ministries/Departments of Labour, Industrial Development, Economic Affairs, Chemicals and Petro-Chemicals, General Insurance Corporation, Indian Chemical Manufacturers Association and the Federation of Indian Chambers of Commerce and Industry. This Bill is therefore based on such wide consultations.

It was also examined if such a measure could be introduced under the provisions of the Environment (Protection) Act of 1986 by framing rules. We were advised by the Ministry of Law and Justice that a separate legislation would be necessary to cover all aspects relating to the proposal since the objective of the proposal is to provide relief to the victims. As far as is known, an exercise of this nature is being undertaken for the first time in any country, with the specific aim of providing quick relief to the members of the public who are victims of industrial accidents.

With these words, I move the motion for consideration.

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill to provide for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto, be taken into consideration."

Well, there are amendments suggested by some members. Shri Girdharilal Bhargava.

SHRI GIRDHARI LAL BHARGAVA: I want to move my amendment.

MR. DEPUTY SPEAKER: Shri Kirodi Lal Meena—not present.

Prof. Rasa Singh Rawat—not present, Shri Gulab Chand Kataria—not present.

SHRI GIRDHARI LAL BHARGAVA (Jaipur): I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 5th April, 1991."

SHRI THAN SINGH JATAV (Bayana): I have also given my amendment.

MR. DEPUTY-SPEAKER: These amendments are for the consideration of the Bill. When we come to consider different clauses, then we will take up your amendment.

Shri K.S. Rao.

SHRI K.S. RAO (Machilipatnam): I welcome this Bill particularly keeping in view very poor people who have already suffered due to serious accidents while working in the hazardous industries or operations or living nearby them. I am equally happy that, while bringing forward this Bill, the Madam Minister is very clear in assigning the responsibility, time limit for various aspects, powers for different people and the jurisdiction, etc.

This Bill was contemplated three-four years back and kept pending for the cabinet approval till last year. I am happy that she has been able to bring forward this Bill during this session. I am also happy that she is trying to get it passed even today. So, we do not want to take more time in discussing this Bill in detail except to suggest certain improvements which can be made, if she feels fit.

It is known to every one of us that the people who had suffered due to carbide incident at Bhopal four-five years back, could

[Sh. K.S. Rao]

not receive even Rs. 1/- as assistance for years together. It is purely due to the judicial delay and indecision or the clear-cut powers not being given to different authorities. I do not want to repeat all the aspects of the Bill with regard to victims other than workmen and the property other than public property, which are dealt with by different Acts which are already in existence.

I do not know whether any assessment about financial implications on the insurance companies has been made assessing the number of people who have suffered in such industries keeping in view the great increase in the number of chemical industries in the last couple of years. I understand that their production is of the order of Rs. 20,000 crores every year, which constitutes 10 per cent of the total GNP.

I am also happy to know that they have identified 245 hazardous industries out of 8,500 chemical industries working in the country.

I also wanted to know from the hon. Minister whether there are enough schemes already laid down in the General Insurance Corporation, to safeguard this and if so what are the premiums that are to be paid by different organisations, or other things. If it is not looked into, the total quantum of finance involved in this has to be calculated and if the insurance companies were not to come forward with different schemes immediately after passing of this Act then purpose will not be served. I am sure by now the hon. Minister must have had discussions with the insurance companies also, though she has not mentioned it here.

SHRIMATI MANEKA GANDHI: I have mentioned it.

SHRI K.S. RAO: If it is mentioned, it is all the more good. Then, in regard to the reimbursement of medical expenses a sum of Rs. 12,500 is made available. But I am of the opinion that as we already have the

Medical Care Insurance scheme in the General Insurance instead of paying Rs. 12,500 if some amount is paid for medical insurance then it can look after the entire expenditure that has to be met for reimbursement to these people. Then this amount of Rs. 12,500 need not be there. A link up can be arranged between these two. So, I request the hon. Minister to consider this.

As regards the loss of private property it was mentioned that the ceiling is only Rs. 6,000 which appears to be very low. I request the hon. Minister to see in terms whether it can be raised a little more, if not substantially.

No where in the Bill has it been mentioned about the workers working on contract labour in unauthorised units while they are there working in quite a number in this country. This Bill covers only those who are legally existing in this country and it takes care of only such workers. But every one of us knows, particularly with regard to Diwali crackers lot of industries are there indifferent parts of the country and lot of people also are there, who are very low paid workers in those areas not only in manufacturing, handling or several other areas incidents of death or damage of injury to several people are common. One aspect which I want the hon. Minister to look into particularly is the industries in Shivakasi and other areas where these crackers are being manufactured in good quantity.

PROF. N.G. RANGA (Guntur): Many of them are being treated as casual labour.

SHRI K.S. RAO: Yes, they are treated as casual labour.

SHRIMATI MANEKA GANDHI: They are covered under the Workmen's Compensation Act.

SHRI K.S. RAO: I know. I am only speaking about the casual labour but not those covered by the Workmen's Compensation Act. The earlier Bills on this subject have covered the workmen under

the workmen's Compensation Act. But this is not reflected here about these who are not coming under the Workmen's Compensation Act.

Now I wish to mention some of the clauses. In Clause 2(b) while giving the definition of the Collector it is mentioned that he has to decide and given away the compensation. But it may not be possible for the Collector himself if he is the only authority to assess all the cases and decide the quantum.

MR. DEPUTY-SPEAKER: Would you like to discuss it now?

SHRI K.S. RAO: I am only mentioning it. I think that apart from the Collector, in case one of his representatives is given the same authority then the purpose of the Act will be served better.

Similarly, in regard to clause 4(1) it was mentioned that the policies are to be taken by those industries within one year after the commencement of the Act. But what happens to those people when we are passing the Act today, and for whom the benefits were to be passed on at the earliest and if one year is to be given for taking the policy, that means the applications will not be made for another year to come. It is quite possible that every industry will take advantage of this. So, I request the hon. Minister to think about this, whether this one year could be reduced to one or two months. It may be known to every industry.

It is also mentioned that the Collector should give extensive publicity whenever an accident occurs. But it is absolutely and practically not possible for Collector himself to take action, considering the number of accidents that are occurring through out the length and breadth of the country, and in this own area. So, I think this publicity can be made through the Radio, TV and newspapers and the same publicity can be done by the Collector to be made initially or at regular intervals rather than whenever somebody is subjected to an accident. So, I think, this

would be more feasible rather than asking the Collector to do so.

I appropriate her care to ensure the time limit for most of the things. But no time limit has been mentioned about giving the award.

SHRIMATI MANEKA GANDHI: It is mentioned.

SHRI K.S. RAO: It is not mentioned here. It is only after giving the award, 15 days time is given to intimate the concerned people and one month time is given thereon to take action. It is quite good. I wish, this aspect also can be taken into account so that the good intention of the Government, the Minister and all of us can be felt by the poorer sections of the society.

While coming to punishment, it is mentioned in Clauses 14 and 15 that there shall be punishment of one year to one and a half years imprisonment if somebody were to violate the Clauses 4 (1) and 4 (2); if the renewal of the insurance policy has been violated, they will be subjected to punishment of 1 1/2 years imprisonment or Rs. 1 lakh fine.

MR. DEPUTY-SPEAKER: Mr. Rao, do you realise that you are suggesting amendments without giving amendments to the clauses?

SHRI K.S. RAO: I am mentioning the points. I did not give any amendment. My points are all very relevant.

Sir, at one time, you had asked us to speak only in regard to the Bill and the subject. Today you are asking me to speak on the general matter. I am saying everything relevant to the Act or Bill that she has brought in I am suggesting that certain improvements can be made.

MR. DEPUTY-SPEAKER: I wanted to help you. Please carry on.

PROF. N.G. RANGA (Guntur): He has made a good study on this. Let him speak.

MR. DEPUTY-SPEAKER: You can mention these points at the time of speaking on the clauses, not at time of the general discussion because there is a difference of opinion about what is mentioned in the clauses.

SHRI K.S. RAO: I wish to point out that this punishment of 1 1/2 years extendable to six years with a penalty of Rs. 1 lakh is very serious and it may be exploited by some of the unscrupulous officers at that level. So, there should not be so much punishment. There can be strict punishment. It should be reduced. This aspect has to be taken into account.

As regards advisory committee, it did not contain other than the officers, the insurers and the companies. I think, some of the social service organisations or the people's representatives who are committed particularly to the poorer sections of the society and whose commitment is known to everyone can be included in that advisory committee.

As both the Minister as well as the Deputy-Speaker is very particular that I should early...

MR. DEPUTY SPEAKER: Mr. Rao, I did not want to disturb you. I wanted to help you. For your benefit, for my benefit and for the benefit of the House, I will read out the rule no. 75 of Rules of Procedure & Conduct of Business in Lok Sabha, which says:

"On a motion referred to in rule 74 being made, the principle of the Bill and its provisions may be discussed generally, but the details of the Bill shall not be discussed further than is necessary to explain its principles."

SHRI K.S. RAO: I am discussing the provisions

MR. DEPUTY-SPEAKER: Okay. You carry on.

SHRI K.S. RAO: Keeping the method of her working in mind, I suggest that the same

thing can be applied in regard to lakhs of acres of wasteland, which is lying unused in this country by atleast giving three *pattas* to those people in areas, where though it is under the name of forest, there is no forest and even bushes are also not there.

With these words, I welcome this Bill. I am sure that passing of this Bill will increase the confidence among those unfortunate people who are suffering all these years with several accidents for no fault of theirs. Now they will have an immediate assured relief with no loss of time in courts.

[Translation]

SHRI GUMAN MAL LODHA (Pali): Mr. Deputy-Speaker, Sir, I welcome Public Liability Insurance Bill as an appreciable and dynamic step in the direction of achieving social justice.

With the passing of this bill people handling hazardous substance would be able to get compensation in case any of them meets with an accident. Earlier these people were deprived of such benefits. Mr. Deputy-Speaker, Sir, I would like to raise an important matter in this regard in this august House. There is a great anomaly in our country as regard the matter of compensating the human life is concerned. It is a great irony that when a common agriculturist or a worker dies in an accident, a small amount is paid in compensation to his family, if the same persons dies in a railway accident while travelling in first class or Ac coach, his family gets about two lakh rupees and if he dies in an air crash his family receives about five lakh rupees. But if a person dies while serving the nation or doing some creative work for the society, his family gets a nominal amount of Rs. 5000/- 7000/-, the provision made in this Bill is very small in my views. We often talk of socialism, equality and unity and our constitution also says the same thing but it is most unfortunate that while enacting laws we forget everything. My submission is that a national debate should be held over this issue so that it could be to decide as to how much compensation should be given for the

loss of a human life—no matter whether the person dies while working in the factory or in any other accident. At least the cost of human life should not be less than the amount so fixed. My personal opinion is that "No fault" compensation proposed to be fixed by this bill should be raised at least to two lakh rupees, in view of the fact that compensation to the tune of Rs. five lakh is paid in case a person dies in an air crash. It is good that besides all this, a person can go to the court to claim more compensation.

I would like to submit that in our country unfortunately the number of uneducated and illiterate people is very large and they know nothing about the law. Therefore there should be no precondition of submitting the application. So far as social security or social justice is concerned the district Magistrate should himself take the initiative to complete the formalities of providing compensation. I would like to give an example in this regard. In Bhopal gas tragedy lakhs of people were killed, several injured and many were rendered physically handicapped, Government had to enact a separate law as earlier laws were inadequate to meet the situation. Even those who were ignorant of the fact that they could claim compensation received the same. Thus the conditions to submit application within a specified period and also in a prescribed manner, are against the principles of social justice. Therefore I would like that when our Government, our system, our Constitution want to provide compensation to the poor people as per the concept of socialism no pre-condition of submitting application within a specified period should be imposed.

15.00 hrs.

Mr. Deputy Speaker, Sir, I would like to add one more thing that, the District Collector is the busiest person in any district. Apart from wide-ranging powers to maintain law and order in the District the Collector has powers under at least 200-400 laws. Therefore, it is not advisable to confer the collector with this power as well. Such malpractices are going on in our judiciary,

business and other activities in our country and this provision would prove to be a shot in its arm. Therefore, a competent authority should be constituted in place of the Collector, to decide over such matters. If this is done, I am sure that inexpensive justice would be accessible to the affected people, without any delay, whatsoever.

Mr. Deputy Speaker, Sir, I would like to say that no provision has been made regarding the amount of insurance to be deposited by the owner to take policy. For example, when the gas tragedy took place in Bhopal, lakhs of people living in the nearby areas were killed and seriously affected. Now, the owners of this company, which deals with hazardous substances keep these things in suspense. If it is not specified whether the owner has to take a policy of say one lakhs ten lakh or twenty lakh, keeping in mind the danger any accident can cause to the people living in the nearby areas, then chances are that he may take insurance policies of five hundred on five thousands rupees, just to complete the formalities. Now, if an accident occurs and one lakh people are affected, how will they be compensated with the meagre amount of insurance? There is an anomaly and I am confident that the Government would pay serious attention towards this anomaly.

With these words, I once again extend my support to this Bill.

DR. BENGALI SINGH (Hathras): Mr. Deputy Speaker, Sir, I whole heartedly support this Bill and alongwith this, I would also like to say that the hon. Minister has done a Commendable job by introducing this legislation which aims at providing some facilities to the poor workers. I would also like to give some suggestions in this regard. Similar provisions should be made for farm labourers who lead a life of misery and poverty.

Further, it has also been observed that such accidents are a regular feature in pickles and jam producing units, which use hazardous gas. There are many such

[Dr. Bengali Singh]

factories in Hathras also. About to 10-20 casualties in a year is not an uncommon feature. Therefore, both the farm labourers and labourers working in such units should be brought under the purview of this Bill. Similarly, construction labourers should also be brought under its purview as many of them die in wall collapses and similar accidents, during the course of their work.

Sir, through you, I would like to request to the hon. Minister to incorporate the suggestions I had given on this Bill. With these words, I once again extend my support to this Bill.

[English]

SHRI RADHIKA RANJAN PRAMANIK (Mathurapur): Hon. Deputy Speaker, Sir, I rise to speak a few words on this Bill the Public Liability Insurance Bill, 1991. The Bill has come very late. It should have come much earlier, just after the Bhopal gas leak disaster in 1984, if not earlier. But it is better late than never.

I would like to say that in framing a Bill like this, and even while speaking on this Bill, one should fully understand the Bhopal gas leak disaster in all its dimensions because it is a lesson to be learnt from that disaster while framing this Bill.

As you know, Mr. Deputy-Speaker, Sir, in 1984 more than five lakh innocent people were injured and more than 3000 people were killed in this disaster and you know, after long legal proceedings—the original demand was for \$ 3,250 million, but the settlement was achieved, the out-of-court settlement legalised in the court came down to 470 million. So, it is a very painful settlement and it was in the year when Congress (I) was in power and when it was in the election year. So, it is anybody's guess as to how this settlement could come down so low at the cost of the thousands of innocent Indians and for the benefit of the multinational Union Carbide Corporation of USA. So, it is to be

remembered while framing this Bill and while speaking on this Bill. And I would request the hon. Minister—I could fully understand her interest keep the environment of this country in order, I appreciate her good intentions, but at the same time, I would request her and tell her that the case of more than 3000 people of Bhopal will not be in vain if she could take responsibility to assure this House that in the age of hazardous technology, she has got the machinery or she will look after the machinery to control, to monitor and to regulate the foreign collaboration because you know, the UCC and the UCIL, the parent concern of UCC of USA and the sister concern is UCIL, they maintain the double standards for these two industries for the same production. Yes, there was a difference in instrumentation and also about the system of control because they maintain this to earn more profit in India, they maintain a standard for the developed countries, and they maintain a different standard for the other countries as it is turned out so in India, in Bhopal, in respect of UCIL. So, how could one keep the region free when 3000 Kg of methyl isocyanate was kept for four long months at Bhopal? (*Interruptions*)

MR. DEPUTY-SPEAKER: I don't want you to go into the details. Please speak on the general principles of the Bill.

(*Interruptions*)

SHRI RADHIKA RANJAN PRAMANIK: I want only to say this because the law is there. (*Interruptions*) Hon. Mr. Deputy-Speaker, Sir, it is just relevant because the law is there, it is above you in all other countries, but in India we have seen the law is above the court. (*Interruptions*) So, the multinationals have maintained different standards here. So, you are going to have a very nice piece of law. But how to implement it? There must be an implementing authority. But the law can give benefits to the poor for whom the Bill is brought. So, I would only request the hon. Minister through you—she is very energetic and I appreciate that she is very much interested in the environment of the country. So, I would only request her,

through you and tell her that the Bill is nice, but the implementing authority should be such that these multinationals in particular while dealing in hazardous technology, must maintain the rules and orders and directives of the Government. Otherwise the law will be there, but the benefits will not come down to the people for whom this Bill is being passed. This is my maiden speech, you have given me a few minutes. So, I thank you very much. This is my first speech in the House. I thank all the Members for patiently listening to me.

[*Translation*]

SHRI SURYA NARAYAN YADAV (Saharsa): Mr. Deputy Speaker, Sir, I would like to thank the hon. Minister for bringing forward such a Bill, which aims at the welfare of the common people. So far, there was no provision to give compensation to the workers Sir, unfortunately, this Bill is a bit discriminatory in this sense that on the one hand people coming under certain categories are provided 5-10 lakh Rupees as compensation, while on the other hand, dependents of factory workers are eligible to get a compensation of only 5-10 thousand rupees, in case of death. I would like to say that after making some changes we should provide for maximum compensation to the workers.

Secondly, Mr. Deputy Speaker, Sir, even the Holy Ganga has got polluted, due to the effluents coming out of the factories. I would like to say that you have formulated various schemes to clear the Ganges, but unfortunately the work has not been done as efficiently as it should have been done. Both human beings and animal are affected thereby. Therefore, you should endeavour to improve the working of these projects and schemes, by paying special attention towards it.

Mr. Deputy Speaker, Sir, we have no dearth of wastelands in this country.

[*English*]

MR. DEPUTY-SPEAKER: Do not cover

the entire gamut of environment. Please come to the Bill.

[*Translation*]

SHRI SURYA NARAYAN YADAV: It is not possible to check the losses incurred by the country, due to these wastelands what I want to say is that, it is very necessary to effectively implement the laws that you formulate. As I said earlier, there is no dearth of barren land in our country and through tree-plantation in these areas, we can check pollution to a great extent, but you should also take necessary measures and make proper arrangements to check and control the pollution being caused by factories. You should formulate such a law under which it should be made mandatory on the part of the industrialists to plant trees in the vicinity of their units and thus create a clean, hygienic and pollution free atmosphere. I know that the hon. Minister is very much concerned about it. We had lot of alterations with her predecessor on this subject, but by bringing forward a comprehensive Bill, of this nature she has taken a revolutionary step. Therefore, I would like to thank you for it. With these words, I conclude.

SHRI MITRA SEN YADAV (Faizabad): Mr. Deputy Speaker, Sir, I am extremely grateful to you for giving me an opportunity to speak. I welcome the Bill introduced by the hon. Minister. However, I would insist that efforts should be made to plug the loopholes.

Sir, our Government provides a compensation of five lakh rupees to the dependents of those who get killed in air crash, it provides a compensation of one lakh rupees to the Kith and Kin of the victims of train accidents, but the near and dear ones of the workers who get killed due to some accident in the factories are paid 25,000 Rupees, 12,000 Rupees on just 5,000 rupees. Thus, there is a lot of difference in the amount of compensation. Human life is precious and there cannot be any difference in its value and there should be parity in this regard. If the amount of compensation varies from individual to individual, then it would mean

[Sh. Mitra Sen Yadav]

that we discriminate between individuals on the basis of their wealth. Therefore, we should do away with these disparities. Secondly, we should endeavour to prevent and check corruption and dishonesty in these matters. The link officers working under the District Collectors, present such wrong and distorted reports that the Kith and Kin of accident victims do not get the benefits that are due to them. Similarly, in cases of truck accidents, neither the truck owner nor the Mill owner are brought to book—It is only the poor labourers who lose their lives this Bill should be made applicable in Government, non-Government and private establishments equally. Farm labourers should also get benefit from it. I wholeheartedly welcome this Bill. Efforts should be made to plug the loopholes and there should be no scope for any kind of corruption. Parity should be brought about in the amount of compensation to be provided to the Kith and Kin of those who get killed in various types of accidents. At present, the lives of those who get killed in plane crash are considered much more precious than the lives of those who get killed in accidents that take place in factories. Our Deputy Prime Minister is a great champion of the cause of the farm labourers. Their life is valued at a meagre five thousand Rupees. Efforts should be made to remove this disparity.

15.16 hrs.

[English]

SHRI G.M. BANATWALLA (Ponnani): Mr. Deputy-Speaker, Sir, this is a welcome Bill and India now has the honour to be the first country in the world, as has been pointed out by the hon. Minister to provide for relief arising out of the industrial accidents. I congratulate the Government for that.

It is a welfare measure providing for public liability insurance for the purpose of providing immediate relief to members of the general public who are affected by accidents occurring while handling any hazardous substance.

It is also good to find that both man-made accidents and natural disasters are sought to be covered by this Bill. Another good point is the principle of 'no-fault liability' as a result of which, the relief has to be provided regardless of at whose fault the accident was caused and even if the accidents were caused by the natural events. These are very positive aspects of the Bill.

However, I would like to draw the attention of the Government to a few points. The very purpose of the Bill is speedy relief to the members of the public in case of natural accidents. The idea is not compensation. The idea is to provide speedy relief. We do understand that. But the provisions of the Bill do not mention time-limit within which an application has to be disposed of finally by the Collector. Of course, I do understand that clause 7 provides that the application should be disposed of as expeditiously as possible. But then, at the same time, this clause ought to have been elaborated enough to provide for a maximum time-limit also within which the application should be disposed off. I have an amendment on this aspect which I shall move at the appropriate stage.

Mr. Deputy-Speaker, I do not know whether damage to public property or damage to natural resources has been covered by this Bill. Perhaps that may not be the object of the Bill also. But then it would have been better if the question of damage that is caused to the natural resources or the damage caused to public property had been clearly provided for. At the same time, we have the harm being done to the members of the general public consequent to gradual pollution caused by the hazardous units. I doubt whether that aspect is covered by the Bill. Otherwise, greater attention has to be given to this particular aspects especially from the hon. Minister who has moved such a Bill which is the first Bill of its kind in the world.

The implementation of the entire scheme will depend upon one important factor and that is the adequacy of the insurance cover.

Hazardous units are supposed to calculate the risk potential. But then how is this calculation to be done? What would be the guidelines? What would be the position if there is a difference in the calculation of the risk potential by the officers appointed for the implementation of the Bill under various Clauses and the industrial units concerned? There are absolutely no guidelines provided as to how the risk potential is going to be calculated. It is on the basis of calculation of the risk potential that adequate insurance cover should be had so that in the case of any damage to the public, the funds are available in order to give the relief. I find that even in the rule-making power, there is no mention of any guidelines or any machinery or anything which has to consider this question of calculating the risk potential.

I think there could have been some machinery, some panel or some experts which could be referred to in case of any difference of opinion between the Department and the industry concerned.

However, an important lacuna that I find is that there is absolutely no guideline thought of in the Bill with respect to calculation of this risk potential. This would be not only creating difficulties for the industrial units but, at the same time, it may also create difficulties for the general public, if adequate insurance cover is not available.

The last point and I have done. I must express my dissatisfaction with respect to the schedule that provides for pitifully low scales of relief.

Even the medical expenses that are to be provided for are being limited to Rs. 12,500/-, I think here at least in this matter, the reasonable medical expenses incurred or may have to be incurred should be provided for as relief. Otherwise, the very purpose of providing relief is defeated.

Similarly, a point already made by the hon. Member Mr. Roy is about private property. A pittance of Rs. 6,000/- would be offered as relief. This is a mockery, I would

say, of the low scale of relief provided. It is a mockery of the very concept of relief. I do understand that the idea is to provide the minimum relief and not to provide the entire compensation which can be claimed under the provisions of any other law. But at the same time, relief that is provided must cover the reasonable medical expenses in the case of industrial accidents. The other point with respect to the low level of relief provided for has already been made by the hon. Members. I subscribe to them and I need not repeat them.

[Translation]

SHRI MORESHWAR SAVE (Aurangabad): Mr. Deputy Speaker, Sir, the Public Liability insurance Bill, 1990 introduced by Shrimati Maneka Gandhi is indeed a laudable one. I whole-heartedly support this Bill, which seeks to provide for public liability insurance for the purpose of providing immediate relief to the persons affected by accidents occurring while handling any hazardous substance and for matters connected therewith, but Mr. Deputy Speaker, Sir, we should also take note of the loopholes in this Bill. Chances are that some crooked and unscrupulous factory owners may take advantage of them. Therefore, I would suggest some modifications in this Bill and that is that only the term 'accident' is not enough. It is very much necessary to explain the terms 'accident' 'incident' or 'occurrence'.

Mr. Deputy Speaker, Sir, recently about 30 people were burnt alive in an explosion in the gas cracker unit of I.P.C.L., situated in Nagthana in the State of Maharashtra. Now this was an 'accident' but few months back, there was leakage of chlorine gas at the Standard Alkalies Factory Situated in the Thane-Belapur belt which affected many people and due to which people are still suffering from breathing problems. Now this is an example of the term 'incident'.

I am confident that the inclusion of these three terms would give more teeth to this Bill and no unscrupulous manufacturer would be able to escape the provisions of this Bill by

[Sh. Moreshwar Save]

playing one or the other trick. This Bill should be passed without any delay whatsoever the term "Ashubhasya Kalharanam" should not be applicable here and therefore, there is no need to refer this labour welfare Bill to a Select Committee. With these words, I conclude.

[English]

SHRI P.R. KUMARAMANGALAM (Salem): Mr. Deputy Speaker, Sir, the Bill in itself is a very welcome Bill to say the least. It has been a long-awaited one because we have seen in the recent past many major industrial accidents which have caused deaths and horror to a very great extent. Of course, one of the most popular, well-known and famous accidents that took place was the Bhopal Gas Tragedy. In that tragedy we had seen not hundreds or thousands but hundreds of thousands of people who have been very badly limited in the help there were disabilities wide-ranging many a death and on top of it as if to and insult to injury it has taken many years even for the Government to legislate and for moving, on behalf of the victims, to court to settle the matter. Even today, the matter has been re-opened and pending in litigation before the Supreme Court.

It is clear that Public Liability Insurance Bill is not only welcome but also a very needed law and legislation. I would like to congratulate the hon. Minister for having brought it forward. But at the same time, I would only like the Minister to look into a few points.

15.29 hrs.

[DR. THAMBI DURAI *in the Chair*]

MR. CHAIRMAN: Mr. Kumaramangalam, you can continue next time. Now, we are taking Private Members' Business.

15.30 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTION

Eleventh Report

[English]

SHRIK. PRADHANI (Nowrangpur): Sir, I beg to move that this House do agree with the Eleventh Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 14th January, 1991.

MR. CHAIRMAN: The question is:

"That this House do agree with the Eleventh Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 4th January, 1991."

The motion was adopted

15.31 hrs.

RESOLUTION RE. MEASURES TO PROTECT THE INTERESTS OF FARMERS

[English]

MR. CHAIRMAN: We shall take up further discussion on the Resolution moved by Shri Dileep Singh Bhuria on the 17th August, 1990.

SHRI INDRAJIT GUPTA (Midnapore): Mr. Chairman, I think the discussion on this Shri Bhuria's Resolution has already taken more than two hours and some further time has also been allotted. I would only request that this discussion should be concluded today leaving sufficient time for the next Resolution to be moved at least so that it does not lapse. I have spoken to Shri Bhuria and he is quite agree to cooperate. And then Minister has to reply. I hope, you will oblige.