

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

SHRI SYED SHAHABUDDIN: I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

[English]

(Amendment of Seventh Schedule)

DR. C.S. VERMA (Khagaria): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

CONSTITUTION (AMENDMENT) BILL*

(Insertion of a new article 333A)

[Translation]

CH. LACHCHHI RAM: I beg to move for leave to introduce a Bill further to amend the constitution of India.

[English]

MR CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

[Translation]

CH. LACHCHHI RAM: I introduce the Bill

15.34 hrs.

STATE OF GOA, DAMAN AND DIU BILL

[English]

SHRISHANTARAM NAIK (Panaji): I beg to move for leave to withdraw the Bill to provide for the establishment of the State of Goa, Daman and Diu and for matters connected therewith.

MR. CHAIRMAN: The question is:

"That leave be granted to withdraw the Bill to provide for the establishment of the State of Goa, Daman and Diu and for matters connected therewith."

The motion was adopted

SHRI SHANTARAM NAIK: I withdraw the Bill

15.35 hrs.

ERADICATION OF UNEMPLOYMENT
BILL

[English]

MR. CHAIRMAN: The House now shall take up further consideration of the following motion moved by Shri G.M. Bantwalla on the 10th April, 1987, namely:-

"That the Bill to provide for a scheme for eradication of unemployment from the country, be taken into consideration".

SHRI HARISH RAWAT (Almora): Mr. Speaker, Sir, in 1980 the number of such people as were either underemployed or were not employed at all, was above 16 crore. There were about 16 million unemployed people registered with Employment Exchanges in 1981 which has risen to 28 million in 1986, which shows that inspite of all of our programmes and efforts, the number of un-employed persons goes on increasing. It is also a fact that of the total number of unemployed persons, very few people go to employment exchanges for registering their names, because the rural people neither have this facility nor do they have this much of money that they could go to the cities and register their names. The unemployment problem in the country is gradually becoming a threat to our social, political and democratic structure and the Government and all of us must find a solution to this problem before it is too late. Otherwise we all will have to hear the consequences. If the people do not get some sort of employment, it will prove disastrous for the society as well as for the Government. The Government must come forward to tackle the problem. In this connection, I would like to suggest that all the people registered with the employment exchanges, should be given un-employment allowance. It has also been noticed that those people who are called for interviews are required to attend 10 to 15 interviews because it is very rare that one can get a job on the first chance. Therefore, they have to spend a lot of money in attending the interviews. I would suggest that either the Central Government or the institution which calls for interviews should bear the expense of candidates attending interviews on the lines of the Government of Haryana which has issued such orders. Since the sources with the Government are limited, a national fund should be set up for this purpose and those who can contribute, such as the people of private industries, should be compelled to contribute to this fund.

The main reason for unemployment appears to be that somewhere there is some

lacuna. On the one hand we claim that our industrial growth is increasing and on the other hand un-employment is increasing at the same proportion. There should have been some control over it, but just the opposite is happening. It means that somewhere there are shortcomings in our planning which are giving rise to un-employment. Or there are some shortcomings in our industrial policy and we have not been able to set up such sectors wherein people could be provided with employment. We have given several exemptions to the industrial houses in the name of modernisation, in the name of technology up-gradation and by taking advantage of these exemptions, they are adopting such methods as are responsible for rendering people un-employed every year. I would like to urge upon you to impose some restrictions in this regard. It should be mandatory on those who are given big loans that they should create employment potential proportionate to the amount of loan they receive from Government and financial institutions and they must not resort to retrenchment. Until you do this, and they continue to retrench more and more people in the name of modernisation, in the name of setting up of new technology, I am afraid, the un-employment problem will become more acute. According to the National Sample Survey, 80 percent people in the villages are un-employed. The condition of marginal farmers is very deplorable. You must improve their condition and give the agriculture a right reorientation. Until and unless you bring reforms in the rural lending system and strictly enforce the land reform laws, you cannot think of providing employment to the large number of unemployed villagers. I would like to submit that Government should take initiative in this regard and enforce the land reform laws strictly. Efforts should be made to formulate more and more programmes and policies for the welfare of marginal and small farmers. We spend huge amounts on R.L.E.G.P., N.R.E.P., I.R.D.P. or TRYSEM and such other programmes. But our objective to provide jobs to un-employed people is not being fulfilled. The main reason for that is that the machinery entrusted with the responsibility of implementing these

[Sh. Harish Rawat] schemes, is not dedicated to the objectives. We have to ensure that the machinery working in the rural areas works with a sense of dedication and see that the loans granted for this purpose are paid in full to people and are properly utilised and the recipients should be able to support their families. There is a scheme to grant bank loans to educated unemployed. But the amount given is so small that they cannot make any profitable use of it. It has been observed that instead of any sign of improvement, the condition of the families of such educated unemployed persons is becoming more deplorable. The financial institutions should be asked to modify their policy of granting loans in such a way that loans become beneficial to people both rural and urban. Then only will we be able to solve the problem of unemployment. With these words I support the Bill of Shri Banatwala.

SHRI YOGESHWAR PRASAD YOGESH (Chatra): Mr. Chairman, Sir, while I express my thanks to the hon. Minister of Labour and the Department of Labour for bringing such an important Bill, I want to draw the attention of the Government towards the un-employment problem in the country which is aggravating day by day. As several hon. Members have drawn attention towards this problem, the way big factories/establishments are being closed one after another, it is creating the problem of bread and butter for the labourers working in them and for their families and also for a large number of other people including shopkeepers of township areas. This problem is becoming more acute and complicated day by day.

I want to draw the attention of this August House towards Dalmia Nagar Factory where 15 to 20 thousands labourers were working. Due to the closure of this factory, lakhs of people are faced with the problem of employment and livelihood. Similarly, 4500 labourers were working in Japla Cement Factory. Due to closure of that factory lakhs of people have been affected. Not only that. A number of factories in Bihar have been

closed or are on the verge of closure. I also want to draw the attention of this august House towards Bhaily Refractory where 1500 labourers are working. When these labourers demanded the right of trade union, the management of the refractory started retraining them and when they resorted to strike the management removed the workers from service, got them beaten by musclemen and instituted false police cases against them, besides perpetrating many atrocities on them. Not only this. The Labour Department has also been neglecting them and as a result their problems have aggravated further. Recently, when the management wanted to declare lock-out the Government granted permission. Similarly, when the management wanted the Government permission for declaring the strike illegal, Government granted that permission readily. And when the workers returned to work after having suffered all kinds of harassment, the management felt uncomfortable and began throwing them out of jobs with the intention of retrenchment. Today, the situation is that the factory owners have closed down their factories and one reason for it is that they want to evade taxes. They do not want their black money to be taxed which they spent on hiring goondas, or in framing criminal cases or for indulging in such other corrupt practices. I want that Government should make an impartial inquiry into their conduct so that the workers are able to get their rights. If the rights of the workers continue to get neglected in this manner all our efforts towards better planning will get jeopardised.

The problem of rural unemployment can be solved to a great extent by encouraging cottage, artisan and traditional industries. In the areas predominantly inhabited by adivasi and harijans like Chota Nagpur, huge mineral deposits are available and we can establish many small and large industries based on the minerals found there. I want to submit that traditional industries should be set up in those areas, as it will considerably help in solving the problem of unemployment. Cane baskets are widely used in the coal mines and in other mines. Crores of baskets are required in the mines. More-

over, no special skill is required for preparing such baskets. If the work of weaving cane baskets is encouraged it will provide employment to thousands of people and consequently help in removing their unemployment problem. I want to inform the hon. Minister that in the coal mines especially, a large number of bamboo mats worth crores of rupees are required. This work does not involve any special skill. Bamboo mat is an essential requirement in the mines. If we can make efforts to encourage this work a large number of landless labourers can be gainfully employed and we will be able to solve the problem of unemployment in the rural areas to some extent.

Crores of rupees are spent in buying material for tools' handles. The rural unemployed young carpenters can be employed in large numbers for making handles of spades etc. Similarly, there is the work of carpet weaving, tailoring, etc. The big organisations, for example, Bharat Coking Coal, Sindiri, Hatia or such other large establishments need uniforms worth crores of rupees. A large number of people can be gainfully employed if they are provided with tailoring work.

Mr. Chairman, Sir, I am very grateful to you for giving me time to be able to draw Government's attention to this issue.

[English]

SHRI SHANTARAM NAIK (Paraji): I am sure, unemployment is not a new problem. This House, in some form or the other, has discussed unemployment a number of times. It is not that with the introduction of a Bill by Mr. Banatwala or my addressing to the problem it is going to be solved. The problem is of a vast magnitude and despite efforts from all of us it may still remain unsolved for many years. It is a bitter truth which we cannot side-track.

Whenever a Member introduces a Private Member's Bill, the idea behind is to give to the Government a skeleton of a new law or to amend the existing law and to show as to

where the lacuna lies. There are some Bills with notional idea of amending an existing law or giving a new legislative idea altogether. But whenever legislative proposals are to be backed by financial proposals, then the matter is quite serious. Unless and until Mr. Banatwala shows in a clear and responsible manner how the legislation can be effective from all fronts, how the finance would come, what will be the additional taxation on the common man and all classes of people that will have to be imposed in order to give doles of unemployment, the Bill has no effect. A Bill can be drafted or the process of thinking can be done. But here more than the Bill as such, there is the financial aspect of this Bill. And the Bill is lacking in this regard altogether.

If you go to the clauses of the Bill, you will see that the substantive aspects of the Bill are left to the rule-making. If you see clause 7, it provides for making of rules on the rate of contribution to the Unemployment Insurance Scheme under section 6, the rate of unemployment allowance referred to in section 4 and different rates may be prescribed on the basis of qualification and skills, the necessary details of the unemployment insurance scheme. So, everything is to be decided by subsequent rule making power. Therefore, what is the idea of the mover? How the scheme is going to be adumbrated, how is the finance going to come, how we are going to eradicate unemployment by virtue of such a legislation, is not given in this Bill. Therefore, to that extent the Bill is incomplete or rather suffers from all the implied defects. Secondly, what is required today is not an effort to give dole or anything of that sort because this country cannot afford, however we may like. We will not like an unemployed person to go without any money in his pocket, we would very much like that he should have something in his pocket but presently, as per our economic status, this is just not possible for a big country like ours. So, what is to be done is to improve our employment system that is existing today. For instance, we have put a blanket ban on recruitment. I still do not know what is the rationale behind it. I have stated it

[Sh. Shantaram Naik]

earlier also. Today the system is that every department has to apply to the Government to lift that ban on individual cases. If there are exceptional circumstances, then the ban is lifted. Therefore, I would say that we should not have a blanket ban altogether unless there are very strong reasons in a particular department where the staff is there very much in excess. Secondly, what is required is that in all the employment exchanges of the States and the Union Territories we have to see that corruption is minimised. I will not say that we should remove all sorts of corruption existing in all the exchanges because practically it is difficult to do so. It is very simple to make a statement to that effect. But I would say that whatever corruption is there in the employment exchanges, it should be minimised so that every person who is seeking employment knows what is his position in the register, by what time roughly his name is likely to be sent to the concerned department for interview, etc. so that people are taken into confidence. Thirdly, we have got laws on recruitment of all sections or all departments. Today litigations are in the courts because our recruitment laws are with flaws. If recruitment laws are clear, every man, right from the person who is seeking a job for a peon up to the man who is seeking a job in higher grade, knows what is the law which will give him employment. Then only we can educate our people. Then the discontent with respect to that will be very much minimum. Therefore, by doing this, we will be educating people on this aspect of employment. No doubt these are short-term things but if we implement these things, it will mean that we will be taking into confidence our people who are seeking employment, who are on the wait list. With these words, I thank you for giving me this opportunity to speak on this Bill.

MR. CHAIRMAN: Now the time allotted to this Bill is over. Still there are two Members who have expressed their desire to speak on this Bill. Then there is to be intervention by the Minister and reply by the mover. So, I think we should extend the time by one hour. Already we have taken seven hours. So,

does the House agree that the time should be extended by one hour?

SOME HON. MEMBERS: yes.

MR. CHAIRMAN: So, the time is extended by one hour. Now Shri T. Basheer.

16.00 hrs.

SHRI T. BASHEER (Chirayinkil): Mr. Chairman, Sir, I support this Eradication of Unemployment Bill brought forward by Shri G.M. Banatwalla, in its spirit. The unemployment problem is one of the biggest problems in our country. In every session we discuss so many problems with urgency—the communal situation in the country, the violence and soon. But I feel some time that we do not give importance to this subject of unemployment as it deserves. We know the magnitude of this problem in our country. Our members of the Planning Commission are now finalising the broad parameters of the Eighth Five Year Plan. So, I hope they will consider this problem of unemployment as one of the major central elements in the development strategy of the Eighth Plan.

I had been a worker in the Youth movement of course in the Youth Congress and many wings associated with it. I know the feelings of the young-sters in the country, the educated people and uneducated rural youth. They are struggling for their bread. The figures of unemployment are increasing in a staggering manner. Our Sixth Plan has closed with a back-log of 12.3 million educated unemployed. The number of unemployed people in India at present is more than 30 million. It is increasing by half a million every year. The problem of under-employment is also there. It would not be wrong to say that we have mass unemployment. Everybody will agree that this mass unemployment is a threat to the harmony of our country. This mass unemployment can cause disruption in the socio-economic process of this country. So, the magnitude of the problem is very clear.

I do not want to take much time of this House. But I would like to point out if we do

not handle this problem with urgency then of course the future of this country will be very much bleak. Our young people are very much disturbed. We know many trends in the various parts of the country are very disturbing. The unemployment situation also contributes to such things.

Sir, in this connection, I would like to urge upon the Government that in a country like ours, a country which aims at socialistic society, right to work should be made a fundamental right. I would also like to point out that the Government must take the responsibility of providing at least one job for one family. I have said that this kind of "unemployment" can be called "mass unemployment". The mass unemployment could be solved only with the execution of projects and schemes on a mass scale so that mass employment is possible. Sir, we have introduced so many schemes like IRDP, RLEGP and self-employment schemes for the educated youth. These schemes help a lot in providing jobs to the rural poor. But these schemes alone will not help solve the problem on a permanent basis. It will help only temporarily to ease the situation but it will not be a permanent solution.

Sir, about self-employment scheme, I would like to say that poor banking service is a great concern for all of us. You will agree with me on this point that to create entrepreneurial spirit among the educated youth it is necessary that there should be cooperation and assistance from the banking system. The attitude of the banks is not satisfactory at all. It is very disappointing. So, the Government should take this into consideration and take steps to make the bank assistance and their cooperation available to the unemployed youth of this country.

Sir, I come from a State where unemployment rate is very high. I come from Kerala State. Sir, in Kerala, the number of the educated unemployed persons registered in the Employment Exchanges, upto December 1984 is 24,58,000. I would also like to point out that only 11,500 persons were able to get job through Employment

Exchanges in one year. The job opportunities, I have to say, Sir, are at a ridiculously low rate in that State. I would also like to say that employment in farm sector in the State has reached a saturation point. So far as Kerala is concerned, the solution is rapid industrialisation of the State. So, I would like the Minister to keep this point in mind so far as Kerala is concerned.

Sir, in the Bill it is suggested that employment allowance should be given. I can say that the Kerala State is giving unemployment allowance for the unemployed persons. Similarly, some other States are also giving unemployment allowance. In this context, I urge upon the Central Government to come forward with a scheme to provide unemployment allowance to all the unemployed persons until they get employment.

With these words, sir, I join my colleagues in supporting this Bill.

[*Translation*]

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad): Mr. Chairman, Sir, Shri Banatwala has presented a very significant Bill.

The number of unemployed people is constantly increasing in our country. In 1980 the total number of the people registered with the employment exchanges was 16.2 million which increased to 25.2 million in 1985. Thus, unemployment is growing at the rate of 62 per cent annually. Again, hardly 25 or 30 percent of our unemployed people get themselves registered and there are crores of unemployed people who have not enrolled themselves with the employment exchanges. In this Bill it has been proposed to provide unemployment allowance. I think the steps which the Government has taken or is taking to remove unemployment have helped in providing employment to a large number of people. The proposal of giving unemployment dole will be a heavy burden on the government exchaquer and it will increase inflation and result in price rise. On the whole, frustration will be many times more than the relief provided. Hence, I do not

[Dr. Chandra Shekhar Tripathi] support this provision. Instead of solving the problem it will create new problems and the people will have to bear the burnt.

Regarding the measures initiated by the Government for removing unemployment, efforts should be made to remove the shortcomings wherever they occur and make them more useful. So far as the question of increasing social and economic tension on account of unemployment is concerned, I want to submit that as the number of unemployed people increases, criminal tendencies will also increase and that is why we should work with the maximum possible speed in this regard. In the employment programmes of the Government it has been seen that a definite ratio does not exist between productive and unproductive services and in the name of social welfare and law and order, unproductive services are being expanded while limiting the scope of productive services.

I do not agree with hon. Shri Banatwala on the point that imported and up-to-date technology will increase unemployment. This is not true because in the international market our products have to be competitive and economical. Only then will we be able to sell our products and earn foreign exchange. Hence, modern technology is required for our development and for having a balanced economy and maintaining our industrial reputation in the international market. But along with it we should not neglect our cottage industries which are essential for providing employment to crores of people.

I think, Government has made all efforts under the 20-point Programme, the Khadi Gramudyog programme and through such other schemes to provide employment opportunities to all the people living in the rural areas.

In this connection, I want to say that the industry whether it is the small scale or the large scale sector or the heavy investment based industry, all are facing acute power shortage. Take any industry in which crores have been invested and where thousands of

workers are employed. There are serious power shortages due to which two shifts are running instead of the regular three shifts or one shift is running instead of the regular two shifts. Therefore, Government should pay attention to the fact that unemployment is increasing due to power shortages and highest priority should be accorded to generation of electricity to reduce unemployment.

It is true that agriculture is a big industry in our country. But the reason of migration of rural population to the urban areas which induced Shri Banatwala to bring this Bill is that there are more employment opportunities in urban areas than rural areas. The development of urban areas has not taken place to the desired extent and the facilities are not available there to the extent these are available to the urban people. If all these facilities are made available there and the people get only a little lower wages than they are available in urban areas, large scale migration of labour to cities in search of employment will stop. This will help development in urban areas to the maximum extent and reduce population burden on cities.

In this connection, I would like to state that the Government should develop modern villages and some nodal points be developed within 10 Kms or 15 Kms. each which should have all facilities like education, medical, small scale industries, communication, transport and entertainment etc. Thereby Government can check the migration of population to cities, and we will not only be able to solve the problem of unemployment but the villages will also be developed, the whole country will be developed.

The Government has created development authorities and housing boards in small tehsils and districts and has started other schemes. It will solve the housing problem of the people living in rural areas and at the same time many persons will get employment opportunities. But I want to make a request. We already have so many schemes, namely I.R.D.P., N.R.E.P. and R.L.E.G.P. All these programmes are our

crash programmes. They are meant for the benefit of small, poor and unemployed persons in rural areas. They can get work on daily wages and better their standard of living. Sir, these schemes are very good schemes and their objectives are to provide train facility, road facility, primary schools, health centres and job opportunities and daily earnings to labourers and to construct dams, godowns for fertiliser and seeds etc. But unfortunately the funds are being misused throughout the country. Instead of giving jobs to labourers on muster roll basis, contractors have come in a big way in these schemes and these middlemen are taking away the wages of the labourers and employment of the unemployed. The Government must look into this and ensure that the schemes meant for giving employment to the unemployed are utilised properly.

In this connection, I want to point out one more thing. Under the self-employment scheme, the limit of loan has been fixed at Rs. 25,000/- Just now, it has been stated that the limit has been raised to Rs. 35,000/-, but even this is not sufficient for constructing building, purchasing machinery and making production. Therefore, I request that the limit should be raised further so that unemployed graduates would get employment under the self-employment scheme. Similarly, improvement should be made in the working of those institutions which lend money to unemployed persons so that they get loans on time.

In the end, I would like to submit that the problem of unemployment will not be solved simply by making laws or speeches. We will have to check the increasing population. All the programmes of population control have proved ineffective. The country is being misled by presenting false reports. The population control programmes require the maximum attention and only then will we be able to solve the problem of unemployment.

[English]

THE MINISTER OF STATE OF THE
MINISTRY OF LABOUR (SHRI P.A.

SANGAMA): Sir, I am grateful to Banatwallaji for having brought forward this Eradication of Unemployment Bill and he has given, by this, an opportunity of spending almost eight hours discussing the problem of unemployment on the floor of the House. Unemployment is a very big problem for us, it is a national problem for us. I have no quarrel at all with Banatwallaji at all in this that we should try to eradicate unemployment from our country. It is the wish of every one of us. But where I have difference with Banatwallaji is about the method by which we will be able to eradicate unemployment in our country.

The discussion in the House has gone on the figure of the unemployed registered with the various Employment Exchanges in our country as on 31st December, 1986-which is 301 lakhs. I want to make it clear in the House that, as far as the Government is concerned, the figure of the unemployed registered with Employment Exchanges is not taken to be an authentic figure because all those who are registered with Employment Exchanges are not necessarily unemployed, and this has been proved by a special survey conducted by the Government. It is because the Employment Exchange registers are reviewed after every three years and within this period of three years so many people get employed. We have also found that there are so many students who are in the colleges and in the schools who register themselves and yet they pursue their studies. Therefore, we don't take the figure of the employment exchange as the authentic figure. We depend on the figure of the Plan Document itself. Now, according to the Plan Document which is based on the 38th round of the National Sample Survey Organisation, the number of unemployed people at the end of the Sixth Five Year Plan was 9.2 million. During the Seventh Five Year Plan, there will be a net addition of work force to the tune of 39.38 million. That make the total number of unemployed people in our country for the period of Seventh Five Year Plan to 48.58 million, roughly 48 million. The Plan Document provides for the generation of employment during the Seventh Five Year

[Sh. P.A. Sangma]

Plan to the tune of 40.36 million standard persons years. If we achieve that target of 40.36 million standard persons years of employment generation by the end of Seventh Five Year Plan, we would be left with a smaller backlog of the unemployed. So, that is a position of unemployment in our country.

When we talk of employment in our country, it has to be realised that the problem of unemployment does not confine to a country like India alone. It is a world phenomenon and every country in the world whether developed or the developing country, face this problem of unemployment.

AN HON. MEMBER: What about the communist countries?

SHRI P.A. SANGMA: Yes, of course. China is facing a very big problem of unemployment. There has been a big article in the magazine. I will not touch that.

Now if we take the problem of unemployment as a percentage to the total labour force in the country, our position is not bad. It is quite comparable to the rest of the world. But because of the size of the population of our country, when we come to an absolute terms, to absolute numbers, it is a very big figure. I have a document which is a document published by ILO, where they have brought out the unemployment problem all over the world. I will not cite all the thing. Spain has the highest rate of unemployment which is 22% to the total labour force. Italy 10.6%, Canada 10.5%, Denmark 9.2%, Japan 2.6%, Philippines 6.1%, Australia 8.3%, U.S.A. 7.2%, India 3.04%. Therefore, if you take the number of unemployed people as a percentage to the population.

(Interruptions)

SHRI UTTAM RATHOD (Hingoli): One clarification, Sir. May I know the per capita income per annum of the people of all the countries that you have said as compared to India?

SHRI P.A. SANGMA: I do not want to go into this detail.

(Interruptions)

MR. CHAIRMAN : No dialogue like this. Please address the chair.

SHRI P.A. SANGMA: I will clarify this. I am just reading all the documents which have been published by ILO. The word 'unemployment' itself has different definitions in different countries.

For example, our Plan document says that around 48 million people unemployed during the seventh Five Year Plan are those people in the age group of five plus—those people who are aged five years or more. This is what we have taken. There are countries who don't consider people who are ten years and below to be unemployed because they are not supposed to be employed at all. Some countries take it as ten plus and some other countries take it as fifteen plus. We, for our purpose, have taken it as five plus. So, it is not very much comparable. It differs. I am just quoting this figure to give you some idea.

I am conceding freely that unemployment is one of the biggest problems that the country is facing today. The formulae which have been suggested by the Hon. Member to face this problem are; firstly by granting unemployment allowance, secondly to have a compulsory insurance scheme and thirdly to have an Unemployment Allowance Fund. These are the three solutions that the Hon. Member has suggested in his Bill. I can assure him that all these suggestions have been thoroughly examined by the Government of India.

16.32 hrs.

[SHRI SOMNATH RATH *in the Chair*]

As far as the unemployment allowance is concerned, this question was gone into as far back as 1970-73 when the Government

of India appointed a Committee which is known as Bhagawati Committee. The Bhagawati Committee in 1970-73 went into this question. I quote the operative part of their Report. They said:

"The grant of unemployment allowance to the unemployed would call for mobilisation of substantial resources and also raise very difficult issues such as determination of criteria for giving relief, quantum and duration of such relief, organisational arrangement needed for satisfactory operation of such a scheme and the inflationary pressures likely to be built as a result of the implementation of such a scheme.

This is the finding of the Bhagawati Committee which was appointed by the Government of India in 1970.

Mr. Banatwalla in his financial memorandum has said that if this is accepted, the financial implication will be to the tune of Rs. 100 crores. With utmost respect I beg to differ from the opinion of the Hon. Member. Without conceding the number of unemployed people as appeared in the employment exchange, as I have said we don't accept it, and just for argument's sake if you take that figure as 301 lakh people whose names are registered in the employment exchanges as unemployed as on 31.12.1980, and if you give a lumpsum of Rs. 100 per month to these unemployed people, the total financial implication would be Rs. 3612 crores. This is what Mr. Banatwalla has proposed. Therefore, it would not be just Rs. 100 crores. Nobody is going to accept Rs. 100 per month, it is very clear. If you think of giving unskilled work and if the cost of providing a manday of unskilled work is Rs. 15/- a day for 300 days in a year to all the unemployed on the registers of Employment Exchanges, that is, by taking that figure again as the figure of the unemployed people in our country, the total financial implication would come to Rs. 13545 crores in one year. I must respectfully submit to the

House that the Government do not, and repeat do not, consider it at this stage to be a feasible proposition.

The policy of the Government of India is to invest whatever resources we have got in productive employment. Our aim should be to generate employment and utilise whatever small resources that we have within our country in productive employment and not to spend over Rupees thirteen thousand crores in an unproductive manner by giving an unemployment allowance. I do not want to go into the success or failure of the scheme as such. Kerala and Maharashtra have the experience. I do not want to make any comment. But there are many countries in the world including developed countries which have gone in for this unemployment allowance including USA, Australia, Denmark, Sweden and U.K. This matter was also discussed this year in ILO conference and their experiences are not happy experiences because if a man is given a job he does not accept that job as he is going to get money without working. That implication is there. Therefore, the experience of other countries who have adopted this scheme is not a happy experience. This is what I have been told. I want to make it very clear that I have not gone into the working of the scheme thoroughly. But this is what has emerged in discussion in ILO. Of course, I did not participated in that discussion myself. Some of our officers represented us.

The second point raised by the hon. Member is about unemployment insurance scheme. Even this point was gone into by the Government of India to see whether it is feasible or not.

SHRI RAM RATAN RAM (Hajipur): Mr. Chairman, I want to seek a clarification from the hon. Minister. There is a Constitutional provision for the reservation of scheduled castes and scheduled tribes. May I have the figures as to what is the total percentage of employment amongst the scheduled castes and scheduled tribes?

SHRI P.A. SANGMA: Well I do not think I have this figure with me because it does not directly relates to this Bill. The Department of Personnel and the Ministry of Welfare will be having this figure. *(Interruptions)* I can collect the information and supply it to you.
(Interruptions)

Sir, the question of compulsory insurance was gone into by the Government. The question of introducing unemployment insurance scheme was considered by the working group set-up by the Economic Administrative Reforms Commission and it submitted its report in June 1984. This is what they have said:

"Comprehensive unemployment insurance has not been found feasible in India's present state of development given the magnitude and the nature of the problem although this issue cannot be ignored in principle".

So this question has been gone into by the Economic Administrative Reforms Commission itself. They have also come out with a finding that at this stage of our economic development, it is not practicable.

The third suggestion of the hon'ble Member was for the creation of Unemployment Allowance Fund. Even this has been gone into by the Government. Such a proposal was recently examined by the Ministry of Finance and a view was taken that the proposal would imply levying of an additional charge or a kind of tax by the Central and State Governments and would involve the issues relating to its form, the level of incidence and the class of people, commodities or economic activities on which it should be levied. Various complex issues, such as, administration of the Fund so created, its disbursement, monitoring, etc., would also arise. The proposal to constitute the Unemployment Allowance Fund was, therefore, not favoured.

That is the report. So, I am just saying this to emphasize to the hon'ble Member that all

the proposals which have been put forward by the hon'ble Member have been examined by the Government of India. I want to emphasize that at this stage of our economic development, we do not find it feasible. But I can only assure the hon'ble Member that the Government is really concerned about this problem. In fact, the whole Seventh Five-Year Plan document has been based on the principle of food, work and productivity. Prime Minister himself has been talking on these issues. I would like to remind the House that on the 1st of May when Prime Minister addressed the workers at Salem in Tamil Nadu, he had declared that it will be the endeavour of this Government to create more and more employment. In fact he has given a slogan. "Bekari Hatao" would be one of the slogans of the Government of India. When Government of India is so much concerned about this and so much investment is being made to create productive employment, I would request the hon'ble Member to withdraw this Bill. Thank you, Sir.

SHRI ANADI CHARAN DAS (Jaipur):
Sir, I have an amendment.

MR. CHAIRMAN: Amendment?

SHRI ANADI CHARAN DAS: Yes.

MR. CHAIRMAN: I think it was disposed of.

SHRI ANADI CHARAN DAS: That's different. But I want

MR. CHAIRMAN: Let him reply.

SHRI G. M. BANATWALLA (Ponnani) :
Mr. Chairman, Sir, I am grateful to the Members who have participated in the discussion on the Bill. A very large number has participated in the discussion. I am very grateful to them. I am also deeply grateful to the hon'ble Minister for his very enlightened intervention. He has raised several questions and has also assured that the problem of unemployment is engaging the serious consideration of the Government.

Sir, indeed a man cannot be allowed to languish in want. This question of unemployment has to receive our most serious attention because of its potentialities for serious political, social and economic tensions that can be created.

Sir, 40 years after Independence what is the position? A free citizen of India does not enjoy the right which even a prisoner enjoys. Even a convict in the prison has a right to proper food, clothing, shelter and medical facilities. Even a prisoner, even a convict has that right, but the free citizen does not possess it. He is left to languish in want. That is the state of affairs. You heard that the hon. Minister presented to this House so many difficulties which appear very insurmountable but then amidst those difficulties the misery of the people continues and they have to receive out attention. Sir, the payment of unemployment allowance, I must emphasise, will make the Government vigilant in its policies of creation of job opportu-

nities. Today, you shudder at the phenomenal figures of unemployment but then because there is no responsibility upon the Government to provide work as a matter of law or to provide the financial assistance by way of allowances, therefore, I must say, we find a kind of laxity in the working of bureaucracy.

Sir, we are being told about the paucity of resources. On the one hand we are being told about the paucity of resources and on the other hand we have a shocking phenomenon of the failure of Government to utilise the full amount of Plan allocation for the purpose. That is the situation which I would like to highlight. What comment should I make upon the phenomenal figures that have been presented by the Hon. Minister and the various Members and about the excuses of paucity of resources when one finds that even Plan allocations for Labour and Labour Welfare have not been fully utilised years after years. I may present a few figures over here:

Plan Allocation	Actual Utilisation
1981 - 82, Rs. 11.50 crores	Rs. 6.22 crores
1982 - 83, Rs. 10 crores	Rs. 6.61 crores
1983 -84, Rs. 15 crores	Rs. 8.38 crores
1984 - 85, Rs. 16.50 crores	Rs. 13.23 crores
1985 - 86, Rs. 18.30 crores	Rs. 14.03 crores

This is the state of affairs. We say that we are applying ourselves seriously to the problem of unemployment and here we have figures that even the Plan allocations are not being fully utilised. And this is what the case is. I will come to the other figures also. This is not the case with the Central Government only; that is the case with even with the State Governments also, under whichever political colour they may be. If we take the total Plan allocations and Utilisation by the Centre, the States and the Union Territories, again the same trend will be visible. I am not

here giving all those figures which are there with me, I am only making a point. Sir, I could see the Hon. Minister a little impatient. I know, I have the other set of figures ready with me. Take only the case of approved outlays and actual expenditure at the Centre on employment services alone. For creating employment services what is the position with respect to the approved outlays and the actual expenditure in the case of the Central Government? This exactly refers to the situation. There too the position is same.

[Sh. G.M. Banatwalla]

In the year 1984-85, approved outlay for employment services was 112 lakhs, whereas the actual expenditure was only 70.87 lakhs. While 112 lakhs were kept aside for employment services, the actual utilisation in 1984-85 was 70.80 lakhs by the Government.

In 1985-86, once again, it was 100 lakhs or one crore and the anticipated expenditure was only 52.00 lakhs. Therefore, I would suggest - I am not here in a spirit of confrontation - that this is a subject where everyone is very seriously concerned.

My first suggestion would therefore be that at least the plan outlays must be fully utilised. We must gear up our Departments for this particular purpose.

We have contradictions in our policies. We talk about creating employment opportunities and at the same time we have a blanket ban on recruitment. There is need to reconsider this blanket ban on recruitment. Since the discussion has started I have received several letters from various parts of the country pointing out that appointments are kept in obedience even though candidates are selected for different posts. From the last Session till date, I have been receiving several letters but now I do not want to read them. I have brought them and these are kept in my brief case over here. That is the situation which needs to be attended to.

There are various other small points that are to be taken care of. For example, we must not insist on postal orders with applications for services. Here this is the social phenomenon, you should at least give as much relief as is possible. Something should be done in this regard.

We need a double strategy. I am conscious of that and I frankly say that we need a double strategy. Only one strategy will not do. We cannot merely do by making the right to work a legal right without a corresponding strategy of reorienting the plan programmes and policies for a total strategy of full employ-

ment. So that reorientation, for which various suggestions have been made during the course of the discussion - and in my opening remarks also I made that suggestion - should be taken note of. Take the case of reorientation of the policies. Of course, before I go into that, I may say that the hon. Minister has pointed out several difficulties in having employment allowance programme or employment insurance programme or creating unemployment funds and so on and so forth. But where there is a will there is a way.

There are several States, like Maharashtra, Punjab, Gujarat, Karnataka, Rajasthan, Tamil Nadu, etc where, financial assistance is provided to the educated unemployed, registered with the employment exchanges for more than three or five years. In the case of the educated unemployed who are registered with the employment exchanges for a particular number of years and still have not got employment, we have some scheme or the other in Maharashtra, Punjab, Gujarat, Karnataka, Rajasthan and Tamil Nadu.

AN HON. MEMBER: Nothing of that sort is there in Karnataka.

SHRI G. M. BANATWALLA: I based my remarks on the Government's literature that I have, but I stand correct. It is based on literature supplied to us by the Government. If the income of a family does not exceed a particular amount and a member of that family is registered with the employment exchange for a particular number of years, say three or five years, in that case, we have a scheme in Kerala. There is also a scheme in West Bengal. In Kerala we have unemployment assistance scheme for job seekers between the age group of 18 years and 40 years who are registered with employment exchange for more than three years, if their family income does not exceed Rs. 4000 per annum.

In Kerala unemployment problem is very high. But look at this Government policy: This is just an example which I am quoting from the State that I represent. While unem-

ployment is very high in Kerala, the percentage of central investment in Kerala is on the decline for the past ten years or so. It is very shocking, that here is an area, here is a region where we have very — very high percentage of unemployment for various reasons, which I do not want to mention here, the central investment is on the decline. Instead of increasing your central investments in Kerala, we find that over a decade the percentage of central investment in Kerala as compared to total all-India investment is persistently, continuously and obstinately declining. There are the areas where corrections have to be applied.

I may say that we have to take up the question of our policies in various respects. The performance of the manufacturing industries in creating more employment opportunities and thus easing the unemployment phenomenon is also very dismal and unsatisfactory. The worst performers are cotton textiles, jute textiles, wood and wooden products and gas and steel. None of these could absorb extra labour at an annual rate of more than one per cent. So what is wrong with these industries? We will have to make a study on this and then we should see to it that the correctives are applied over there. Take the question of small scale industries and look at the percentage of employment growth in the industry groups where small industries are mostly found. They give us a very sorry state of figures.

Regarding food products, the percentage growth is only 7.8 in employment; Cotton textiles, 0.9 per cent; Woollen and synthetic textiles, 5.9 per cent; Jute textiles, 0.4 per cent; Machinery except electricals, 3.3 per cent; Wood and wooden products, 0.4 per cent and Repairs & Services, 1.9 per cent. This is the case with small scale industries where we have put a lot of emphasis. Therefore, my suggestion is that these figures show that our emphasis on the small scale industries has not been strong enough. More and greater attention is needed, so that the small scale industries are in a position to meet the question of generation of more and more employment.

17.00 hrs.

Therefore, the time is not to think of excuses. Have a beginning somewhere; identify some areas, have a phased programme in order to march towards the concept, at least march towards the concept of total employment. Take the sphere of educated unemployed. Take the question of having at least one member of the entire family duly employed. Some criterion can be fixed, and in my Bill I have laid down that this can be worked up in the rules; but then, the time is now here - the situation is grim, and the need of the hour is that a step be taken with confidence within, and God overhead. The necessary corrections have also to be applied in various places. Plan allocations have to be actually and fully utilized, and I am sure that with confidence and with proper re-orientation of our programmes, we will face this problem of unemployment that is there in our country.

Today, the Government has come forward with so many problems with respect to the schemes suggested in the Bill. But I am sure that more and more consideration will be given, that they will try to work it out if not wholly, if not taking up the entire population as such, at least taking up certain identified spheres and sections of the population where the problem is very grim, and then the rest in a phased manner.

Government has indeed expressed a serious concern. I also know that the Prime Minister has given slogans about 'Bekari Hatao'. But let us not remain content with slogans. The slogans have to be translated into reality.

With these hopes, I seek leave of the House while thanking all who have participated in the Bill - though a few may have taken a little narrow attitude towards the Bill and have not been very generous with the very idea of raising a discussion, that apart - and thanking the hon. Minister for his enlightened intervention, I seek the leave of the House to withdraw the Bill.

I beg to move for for leave to withdraw the Bill to provide for eradication of unemployment from the country.

MR CHAIRMAN: The question is:

"That leave be granted to withdraw the Bill to provide for a scheme for eradication of unemployment from the country."

The motion was adopted

SHRI G. M. BANATWALLA: I withdraw the Bill.

17. 04 hrs.

PROHIBITION OF USE OF RELIGIOUS, COMMUNAL, REGIONAL AND SECTORAL NOMENCLATURES FOR POLITICAL PARTIES AND PREVENTION OF MISUSE OF RELIGIOUS PLACES BILL.

[*English*]

MR. CHAIRMAN: Now Shrimati Basavarajeswari.

SHRIMATI BASAVARAJESWARI*
(Bellary): I beg to move:

"That the Bill to prohibit the use of religious communal, regional and sectoral names for political parties and to prevent the misuse of religious places, be taken into consideration."

[*Translation*]

Mr Chairman, Sir, I have brought this very important Bill in this august House with the main objective to check the use of religious, communal, regional and sectoral nomenclatures for political parties and to prevent the misuse of religious places. Especially in the present time, when there is a steep increase in the number of communal clashes this Bill assumes greater importance. It has to be discussed thoroughly to

find out the causes of such clashes. The Government after finding out the causes should take firm and immediate steps to check the communal clashes in the country. This has become very urgent in the interest of the unity and integrity of our nation.

Ours is a vast nation. It has its own cultural heritage. It has its own history and tradition. The father of our nation has shown the path of peace and non-violence. We have to follow this path and protect our democracy.

Our country has huge national resources. It has vast area of fertile land. Irrigation facilities are abundant and there is rich storage of ores. These resources have to be exploited to the maximum extent for the all round development of the country. Then only each citizen can feel happy about his life and the nation will be a model to the world. Unfortunately this is not happening. On the other hand we find communal clashes taking place almost every day. This should come to an end.

In our country there are different kinds of people. The regional differences of our country were manipulated and misused by the Britisher who ultimately managed to rule our country for about three hundred years. During the freedom struggle there was unity in the country in spite of several differences like language differences, regional differences, community differences etc. At the time of freedom, there were different groups of people who were demanding separate nations, like Khalistan, Pakistan and a separate country for the Harijans. We fought two important wars after independence. Victory in these wars once again demonstrated our strength of unity to the world. We have the history of working unitedly for protecting the country and for its progress. In fact our late Prime Minister Pandit Jawaharlal Nehru has said that India is a country of unity in diversity. Ours is a socialistic democratic republic country. There are several religions. People have the freedom of expression. From Article 25 to 30 there are provisions for the people to practice their

* The Speech was originally delivered in Kannada