

in facing the truth and what kind of calumny they have got in forging the untruth.

Thank you Sir.

(Interruptions)

THE MINISTER OF HOME AFFAIRS (SHRI S. BUTA SINGH) : The role of the opposition seems to be to hit and run !

19.45 hrs.

HALF-AN-HOUR-DISCUSSION

[English]

Guidelines on wage policy of public Enterprises

MR. DEPUTY SPEAKER : Now we will take up half-an-hour discussion. Dr. Datta Samant.

(Interruptions)

KUMARI MAMATA BANERJEE (Jadavpur) : May I ask for quorum now Sir.

(Interruptions)

Mr. DEPUTY SPEAKER : Order. Order.

DR. DATTA SAMANT (Bombay South Central) : They cannot face the labour problem. (Interruptions) About twenty crores of labourers are there in the country. My colleague Shri Sathe is talking regarding public sector workers. This is a very important discussion regarding wage structure. The Bureau of Public Enterprises gives guidelines regarding salary of the workers. This shows the attitude and the way in which the party in power is trying to solve the problems of the workers in the country.

(Interruptions)

SHRI AZIZ QURESHI (Satna) : Where are they ?

(Interruptions)

DR. DATTA SAMANT : You want to run away... (Interruptions) You are afraid... (Interruptions)

THE MINISTER OF PARLIAMEN-TARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT) : We are not afraid... (Interruptions)... Let them speak. We will not act like others. We are a different people—a different set up.

(Interruptions)

DR. DATTA SAMANT : About Rupees ninety thousand crores is the involvement of the Government money in the public sector. Therefore, this is one of the things which shows which side the economy of the country is moving. It is sorry to see the way in which it is going, we have been observing for the last three years, whatever may be the talks of the party which is in power, but the whole thing is going towards privatisation and there is a lot of negligence in the way in which you are looking towards the public enterprise and its working. Even the people who have committed FERA violations have been made as Chairman of Air India and Indian Airlines. Now there is a move from the side of the Government even to give some of the losing public undertakings to the private management. 50 per cent of the public undertakings i.e. mainly the textile mills which the Government has taken over, these people have drained out their resources and made them sick.

THE MINISTER OF INDUSTRY (SHRI J. VENGALA RAO) : The half-an-hour discussion is about the wage policy, but he is going to other subjects.

DR. DATTA SAMANT : The Bureau of Public Enterprises plays an important role. Now, the hon. Minister is talking about the BPE.

SHRI H.K.L. BHAGAT : He should give time to others to speak and the Minister to reply.

SHRI J. VENGALA RAO : He should confine himself to the wage policy in the public sector and not to go to other subjects.

MR. DEPUTY-SPEAKER : Please confine yourself within the parameters of wage policy and do not go beyond that,

DR. DATTA SAMANT : The broad outlines given by the BPE are like the red label. They say that the rise in salaries should not be more than 10 per cent, the agreement henceforth should be for four years and also they insist on introduction of industrial DA. All such type of red-tapism is done in BPE. With the result, there is a lot of dis-satisfaction among 21 lakh workers in the public sector units. The policies of the BPE, it seems, are not laid down by the Government. Nobody has applied his mind as to the position of the workers and the public sector undertakings. In 1984 some of the Secretaries have given these broad outlines and as a result of that everywhere the workers are suffering. There are 222 public enterprises. The Bharat Petroleum is making a profit of Rs. 2100 crores per year. And more than 114 textile mills which have been ruined and drained out by the big houses, are losing concerns. How can you apply these broad outlines equally to all ? Is there any common sense in this ? The broad guidelines say that there should not be more than 10 per cent rise in salaries. Those who are drawing Rs. 2000 or Rs. 3000 will get Rs. 200 or Rs. 300. But those who have got the minimum wage of Rs. 700 they will get only Rs. 70/-. Is there any principle in this ? You are going to treat all the 21 lakh employees and 222 public sector undertakings on the same line. The officers of these undertakings come to the office of the BPE and the bureaucrats there tell them nothing doing, go back.

Why is there dis-satisfaction among all the public sector units ? While giving 10 per cent rise in the salaries of the workmen, why do you not consider the existing wage structure ? In some of the units it is less than the minimum wage and in some others it is Rs. 3000. The officers in the BPE are saying that these are the broad outlines, if you want to accept it, accept it; otherwise, go back. So you are not going to consider the existing wage structure, financial position of the units and other things. Living in Bombay and other cities is quite high. So their DA is also quite high. Therefore, you cannot apply the same principle everywhere—the working structure in backward areas in the country, the new

units, the old units which you have taken over as sick units. If you are going to use one tape for all, which is going on in the BPE for the last three or four years, the workers are bound to suffer.

Yesterday, in the Question Hour when I asked the question about the Bombay's cycle unit, the hon. Speaker was not happy with me. The Birlas' Bombay cycle unit was taken over by the Government. This unit was totally drained out by the private management. Its former Chairman had sold its machinery and flats. I have written about 25 letters to the Government in the last five years. Now a good man has come over there.

The hon. Minister says that the workers are doing the work. The hon. Minister of Energy always issues press statement that the public sector is not doing well because the workers are not doing the work. Your management is not doing well. Do you know what sort of corruption they are indulging in ? In the NTC mills people are taking out cloth. Everybody there has become rich. You have removed about seven Chairmen last year. But there is always criticism that the workers are not doing the work. If there is any small criticism I can accept that. But you always make the workers as scapegoat.

SHRI VASANT SATHE : Sir I want to intervene and clarify one position because I do not want to participate in the debate. I have never, at no stage, in none of my public statements or writings, said that the workers do not work. Dr. Samant must know that this sector is a holy cow. He must understand what is the meaning of that. I have said that we have made our public sector units sick by over-manning. He must understand the meaning of these words. This is what I have said.

DR. DATTA SAMANT : That is not the only reason, Sir.

SHRI VASANT SATHE : That is one of the reasons. But do you accept that as one of the reasons ? Please accept

that as one of the reasons.....
(Interruptions). The other reason is—
this I have also said in my writing—mis-
management, That also I have said. So,
you must take it as a whole and you must
accept it as a whole, Mr. Datta Samant.

DR DATTA SAMANT : Sir, we
are shocked to hear this because the hon.
Minister himself was a trade union leader.
I can understand anybody else talking like
that and ultimately calling the workers as
'scapegoat. I am associated with 5-6
public sector units. Mazgaon Dock is
one. Last year their turn over went
down by Rs. 100 crores but the contract
labour wages went up by Rs. 130 crores.
And you are saying that the unit is going
into losses.

MR. DEPUTY SPEAKER : You
put your question now.

DR. DATTA SAMANT : So, it is
the administration and your faulty plan-
ning and the corruption which are the
main reasons for the losses.

SHRI VASANT SATHE : That is
why I have said that we must have
workers' participation, and the real
workers' participation.

DR. DATTA SAMANT : Yes, I am
coming to that.

SHRI VASANT SATHE : That is the
solution. But he is opposed even to
that. Dr. Datta Samant is the biggest
enemy of workers in this country. He is
not believing in workers' participation.

DR. DATTA SAMANT : Sir, now I
am coming to this point. I am thankful
to the hon. Minister. I am demanding the
workers' participation not in the manage-
ment but on the board of directors. Is
he prepared for that ? I accept it. This
is the suggestion I am going to make that
there should be workers' participation on
the board of directors.

SHRI VASANT SATHE : Yes, the
Government has already accepted it.

DR. DATTA SAMANT : No. I have

been in the public sector. In respect of
82 public sector units, the Government
has been shouting for last twelve years
that workers should be on their boards
of directors. But have they held elections
in any unit and taken the workers' rep-
resentatives on the boards of directors ?
The President of their union, Mr.
Ramanujam is on the board of directors..
(Interruptions)

MR. DEPUTY SPEAKER : What is
that you are saying ?

DR. DATTA SAMANT : They are
misleading the public. On the contrary, I
am going to suggest that.....
(Interruptions)

MR. DEPUTY SPEAKER : You
keep it relevant to the discussion. Don't
go beyond that. You put the questions
otherwise I will go to the Minister.

DR. DATTA SAMANT : Not the
union leaders but the elected representa-
tives of the workers should be taken on
the board of directors. During the last
twelve years this Government has not
done this in any unit ..(Interruptions).

MR. DEPUTY SPEAKER : You put
the question now.

DR. DATTA SAMANT : Therefore,
I am going to suggest two more things.
The Bureau of Public Enterprises has
appointed a high-power committee for the
pay revision.....(Interruptions). The
industrial D.A. is forcefully introduced
and this is causing dissatisfaction among
the 60,000 workers.

SHRI A. CHARLES : Sir, he has
not spoken anything about the wage
policy. This is a political speech.....
(Interruptions)

DR. DATTA SAMANT : Sir, this
Government is forcefully reducing the
D.A. in the Bharat Petroleum and also in
seventy other units, and therefore, *dharna*
is being observed today...(Interruptions).

MR. DEPUTY SPEAKER : Please
order.

DR. DATTA SAMANT : Sir, they cannot reduce the D.A. of the workers in this unit by applying Industrial D.A. In 30 to 40 public undertakings, the existing Government D.A. is reduced and industrial D.A. is introduced forcefully. On the contrary, the Director of Mazgaon Dock, that is, of my unit, has said that if the workers do not accept the industrial D.A.—which Britishers had introduced—then no agreement would be done with them. Therefore, for the last ten years the agreement is pending. So, such type of *dadagiri* and forcefulness is being adopted by Government. Therefore, my specific question is that the policies of the Bureau of Public Enterprises should be changed. It should be based on the profit or loss of the unit. The existing low wages should be increased. They are talking about the four-year agreement. Already seven years have passed. So, four years from now means eleven years. Your bureaucrats are sitting here. They say whatever has already passed, we do not know, but it is four years henceforward. It is a simple common-sense that you have to make this agreement for three years. The Government has forcefully reduced the D. A. They are not introducing the Government D. A. Whatever D. A. they have announced on the basis of the Fourth Pay Commission's recommendations, they have not given it to the 70,000 workers. Last three instalments they have not given. That is why there are agitations. So, I want the hon. Minister to reply on these points. They are avoiding listening to the workers' problems because they do not want to do anything.

THE MINISTER OF ENERGY SHRI VASANT SATHE : Mr. Datta Samant should have the courtesy at least to thank us because we all sat to listen to him only. None of the Opposition Members is present here.

(Interruptions)

DR. DATTA SAMANT : This the first time that this is happening in this House. *(Interruptions)* You are changing the rules because you have got the majority and you can pass the resolution...

(Interruptions)

MR. DEPUTY-SPEAKER : Nothing will go on record.

*(Interruptions)**

SHRI J. VENGAL RAO : Sir, here the discussion is about the Guidelines on Wage Policy of Public Enterprises, not a political discussion. I am not going to reply to the political points raised by Dr. Datta Samant. I will only clarify his points regarding the wage part and I am not going to reply to his points on political side. He is a leader and he is responsible for the closure of certain mills...

(Interruptions)

DR. DATTA SAMANT : A majority of mills are in the public sector.

(Interruptions)

MR. DEPUTY-SPEAKER : Nothing will go on record.

*(Interruptions)**

MR. DEPUTY SPEAKER : I am not allowing anybody. Only the Minister's reply will go on record. Please order. I have asked only the hon. Minister to speak. Whatever is said by other hon. Member will not go on record.

*(Interruptions)**

20.00 hrs.

THE MINISTER OF INDUSTRY (SHRI. J. VENGAL RAO) : Sir, the House has heard the lone Member, Dr. Datta Samant. He is the only Member who spoke on this Wage Policy.

Sir, I wish to clarify certain points that are raised during the course of discussion. Before I go into the various issues, I would like to briefly mention about the Wage Policy and the Interim Relief which has been subsequently announced by the Government.

The Bureau of Public Enterprises had issued guidelines to all the Administrative Ministries/Departments dealing with public sector enterprises laying down the wage policy with a view to facilitate wage negotiations which are due in the majority of Public sector enterprises. The Bureau of

* Not recorded.

Public Enterprises as a nodal agency for all public sector enterprises, is entrusted with the formulation of a wage policy for public sector enterprises. The B.P.E.'s responsibility is to examine all issues connected with the public sector in the context of overall policy where decisions and actions of one public sector undertaking have repercussions in others. In the public sector some undertakings are making profits and some are making losses. Profits or losses are not entirely due to the functioning of the individual PSEs. General policy decisions taken by Government like for instance pricing policy, has role to play in these matters. Hence merely because an undertaking is making profit it cannot be given complete freedom to fix wages or allow periodical increase in wages. Some enterprises are making losses because of locational reasons arising out of Government's decision to have balanced development of various regions. In those undertakings the workers cannot be denied periodical revision of wages which is a fact of life in the public sector undertakings. With a view to ensure increase in wages in a particular sector or a company does not have a cascading effect in the public sector as a whole, it is necessary for Government to lay down a wage policy. This acquires added importance in the context of the resource crunch we are facing and the onerous responsibility cast on the public sector enterprises to mobilise additional resources. Taking these into account it has been decided that increase in wages should substantially be absorbed in increases in productivity and other measures of cost reduction. A review of the existing work output norms is also called for. Keeping all these in view, general guidelines have been issued fixing percentages upto which wage increases can be given. Within this ceiling the negotiation can be finalised.

The question of paying interim relief to the workers was discussed by the Central Trade Union leaders with the Energy Minister and the Labour Minister. The Department of Public Enterprises placed the matter before the CCEA. Based on the decisions of the CCEA and the press note issued by the Labour Minister after discussions with the Trade Union Leaders, the Government issued orders regarding

payment of interim relief to the workers.

Some issues have been raised in regard to guidelines issued by the Bureau of Public Enterprises in September, 1987, to all Administrative Ministries dealing with public sector enterprises in regard to payment of Interim Relief with effect from 1.1.1986 to workers. A total of 12.75 lakh workers in companies of industrial DA pattern were covered by these orders which *inter alia* stated that the payments made to various levels of workers would be adjusted in the long-term wage settlements which had expired before the date of issue of order or due to expire shortly thereafter.

Some issues relating to the date of applicability by these orders of Interim Relief which will affect an additional one lakh employees and the countability of this interim relief for various wage related allowances have been raised after the issue of these orders. These are under active consideration of the Government.

Questions have also been raised relating to applicability of these orders to West Bengal Engineering Units and cement, textile and jute sector where the practice has always been either for tripartite settlement or Wage Board's recommendations applicable to both the private and the public sector. Government is not inclined to alter the prevailing practices in these sectors since in the past when the West Bengal settlement was contrary to Central public sector interest the Government of India did not object to it. We hope Shri Jyoti Basu will succeed in the efforts to bring about a good tripartite settlement.

The Government is conscious of its responsibility as a model employer in the public sector and it carries out this responsibility equitably and justly. I hope the House will appreciate what we have done in this direction and in the larger interest of the workers in the public interest.

I will clarify the doubt also. Up to 1.1.1988, the number of employees under the wage revision is 12,71,085 lakhs. The remaining workers are only 1,03,598. The agreement is up to 1.2.1990.

[Shri J. Vengal Rao]

Dr. Datta Samant is very much interested in the case of Richardson & Cruddas at Mulund. Wage agreement with the workmen at Mulund was signed during April, 1986 with a wage rise of 14.74% and the wage settlement is in operation from 1.7.85 to 30.6.1989. This unit is incurring losses and he is the president of its union.

DR. DATTA SAMANT : This is a sick unit which has been taken over. For the last one year, there were no orders.

SHRI J. VENGAL RAO : The year-wise production and losses of R & C for the last 5 years and for the first seven months of 1987-88 are :

	Production	Loss (Rs. in lakhs)
1982-83	2873	—362
1983-84	3998	—477
1984-85	3877	—593
1985-86	4317	—598
1986-87	4226	—1500
1987-88 (April-Oct. 1987)	2459	—70

DR. DATTA SAMANT : It is 100-year old machinery taken from Mundra which you are running. This machinery is 100 years' old. I have written you a letter.

SHRI J. VENGAL RAO : Though this unit is running in loss, even then, these people will also get the interim relief. It is under the consideration of the Government. Their agreement will end on 30-6-1989. After this people will also get same benefit.

MR. DEPUTY SPEAKER : Dr. Chinta Mohan—not here.

Shri Shantaram Naik.

SHRI SHANTARAM NAIK : I want to ask only one question. If you want to rationalise the trade-unionism, the proposed draft of Industrial Relations Bill is the only answer. I would like to know, when are you going to bring the Industrial Relations Bill ?

DR. G. S. RAJHANS : I want to

know, how long will this country be blackmailed by militant unions and how long will the extremists in the labour force take the country for a ride ?

[Translation]

SHRI HARISH RAWAT (Almora) : Mr. Deputy Speaker, Sir, I do not want to make a mention as to how the workers' movement suffered or the workers interest got a set back due to Dr. Datta Samant. I know that he will be annoyed if any mention to that effect is made by me. Instead I would like to submit to the hon. Minister that there are two categories of public sector employees. Wages and D.A. of one category of employees are governed by the industrial wage pattern and the other category of employees are paid pay and D.A. on the basis of Central Government wage structure. The number of public sector undertaking in which the later category of employees are working is 70. Recently an order has been issued by the Ministry that the employees working in the these 70 public undertakings will also be paid D.A. on industrial pattern instead of on Central pattern. There is no proposal of revising the rates of their wages. It has only been said that they will be paid D.A. on the industrial pattern in place of the Central pattern. In a recent judgement the Supreme Court has directed that they should be paid some interim relief by the Government till such time the findings of the high powered commission set up for the purpose are received. I would, therefore, like to know from the hon. Minister whether the Government will direct the Public Undertaking and Enterprises to pay interim relief to their staff on the basis of Central Pay Commission's report till such time the findings of the high powered Committee are received ?

[English]

SHRI J. VENGAL RAO : We are waiting for the findings of the Commission. After receipt of the findings, we will certainly consider all the aspects.

MR. DEPUTY SPEAKER : The House is adjourned to reassemble tomorrow at 11.00 A.M.

20.11 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, December 10, 1987/Agrahayana 19, 1909 (Saka).