

**MR. DEPUTY-SPEAKER :** The question is :

“That clauses 2 and 3 and the Schedule stand part of the Bill.”

*The motion was adopted.*

**Clauses 2 and 3 and the Schedule were added to the Bill.**

**Clause 1, the Enacting Formula and the Title were added to the Bill.**

**SHRI JANARDHANA POOJARI :** I beg to move :

“That the Bill be passed.”

**MR. DEPUTY-SPEAKER :** The question is :

“That the Bill be passed.”

*The motion was adopted*

13.22 hrs.

*The Lok Sabha then adjourned for Lunch till Twenty Minutes past Fourteen of the Clock.*

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*The Lok Sabha re-assembled after Lunch at twenty four minutes past Fourteen of the Clock*

[**MR. DEPUTY SPEAKER** *in the Chair*]

**STATUTORY RESOLUTIONS RE : DISAPPROVAL OF PAYMENT OF BONUS (AMENDMENT) ORDINANCE, 1985 AND PAYMENT OF BONUS (SECOND AMENDMENT) ORDINANCE, 1985 AND PAYMENT OF BONUS (SECOND AMENDMENT) BILL**

[*English*]

**MR. DEPUTY-SPEAKER :** The House will now take up items No. 16, 17 and 18 together. Two hours have been allotted for this.

**SHRI INDRAJIT GUPTA (Basirhat) :** Mr. Deputy Speaker, Sir, I beg to move :

“That this House disapproves of the Payment of Bonus (Amendment) Ordinance, 1985 (Ordinance No. 6 of 1985) promulgated by the President on the 27th September, 1985.”

We in the last few months, were faced with a curious situation, where the Government come forward with two ordinances, one after the other, within a space of less than two months. The first ordinance was promulgated on the 27th of September and the second ordinance on the 7th of November.

Now, I think that resort to ordinance making is not something which is done except under pressing circumstances and in very abnormal situations. The Payment of Bonus Act has been with us for the past 20 years now. The Payment of Bonus Act was first passed in this House in the year 1985, and we have a long experience also about the working of this Act. What was the situation which suddenly necessitated the Government for promulgating not one, but two ordinances within a space of less than two months, amending this Act ?

So, the first point I want to make is that Government's thinking on this whole subject, in my opinion, is very very confused and muddled. The idea was first to extend the coverage and also to extend the quantum of bonus, because Government accepts this fact that the concept of bonus is no longer as it was in the beginning, i.e. some sort of an ex-gratia payment or some sort of an Act of generosity or something on the part of the employer; it is now a well-defined concept in industrial law that bonus is recognised as a deferred wage. Everybody knows that in our country, since the cost of living has been steadily increasing over the years, the real value of the employees' wages and salaries has been declining. In spite of dearness allowance that they get, the percentage of neutralisation of the cost of living which is given by those dearness allowances is never adequate to cover the entire rise. Therefore, in real terms, in terms of the purchasing power, in terms of the consuming capacity of the people and in terms of their capacity to make purchases from the market of the essential commodities which they required, that has always been declining. Therefore, a time came when Government also thought about it and the trade unions were also agitating for a long

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time that the eligibility for this bonus should be widened and the quantum of bonus, or rather, the method of calculation of the bonus should also be changed in such a way that the actual benefit accruing group increases. How is this to be done? The Government has come forward in the first ordinance with a provision that anybody who is drawing not more than Rs. 1600 per month shall be eligible to get bonus, but the actual calculation of the bonus should be made in such a way, as though notionally, the employee's salary would be Rs. 750/-. I had asked the Labour Minister here in this House, at that time, as to what was the basis of fixing this figure of Rs. 1600. It could be any figure. It could be Rs. 1500 or it could be Rs. 1700. What led them to decide that it should be Rs. 1600? What is the calculation or the logic or the basis of it? No reply was forthcoming. And I had said that this is an arbitrarily fixed figure. There is no logic behind it. That means that you are in fact creating a sort of discrimination between employee and employee without any valid ground for it. Somebody by virtue of the fact that he is earning just Rs. 1600 or a little less, he will be eligible for bonus, if he is earning Rs. 1700, he will be excluded from bonus. Why? What is the logic behind it? And I had reminded the Hon. Labour Minister at that time that this type of discrimination between employee and employee is not only unjust, but perhaps it is legally unsound. Because I had in mind, what had happened, I am glad the Home Minister is here, a couple of years ago when there was a great deal of discussion and controversy going on the question of Government's liberalisation of Pensions for its Central Government employees. There the Government had also come forward and arbitrarily fixed a date and said anybody who had retired after that date will be eligible to get the liberalised rate of pension. Anybody who has retired before that date will not be eligible to get liberalised pension. So what was the basis of this? No basis. And ultimately, somebody went to Court. The Supreme Court heard this issue and held against the Government and said that you cannot practise this kind of discrimination between employee and employee. If somebody subsequent to that date get that pension,—enhanced pension, liberalised pension, what crime the fellow has committed who

retired before that. Although the Supreme Court struck down that order and ordered that everybody must be paid at the enhanced liberalised rate which the Government had been very stoutly resisting it on the grounds of financial capacity and so on. So in this case of bonus also Sir, I contend that this kind of discrimination has no meaning at all. The point is who are you making eligible for getting this Bonus? What categories of people? In the Payment of Bonus Act, the definition in Section 2, Sub-Clause 13 of the Original Payment of Bonus Act of 1965 of employee is given. It reads as follows :

“ “employee” means any person (other than an apprentice) employed on a salary or wage not exceeding one thousand and six hundred rupees per mensem in any industry to do any skilled or unskilled manual, supervisory, managerial, administrative, technical or clerical work for hire or reward, whether the terms of employment be express or implied”.

This is the widest definition of employee that prevails at present in any of our legislative measures. Because it does not include only workers and clerical staff and so on or supervisory staff, it even includes managerial and administrative staff also. People belonging to the management, provided they are not earning more than Rs. 1600 per month, they will be eligible to get bonus under this Act. But now, we are talking a lot about modernisation and new technology to be brought into industry, computerisation and so many other things. I presume in another five or ten years time, if the Government's policy is really put into practice, there will be quite a radical change in the types of jobs that people will be called upon to do. Everybody knows it will require a great deal of training or retraining, deploying people or redeploying people and making them capable of handling much more sophisticated type of jobs and types of equipments also. Such people after a few years time may well be earning much more than Rs. 2500 without being a part of the managerial establishments. There is no reason why, skilled or highly skilled workers who are trained to do the new types of jobs which we are anticipating will not be paid higher salaries which may be DA and Basic Salary together will come to more than Rs. 2500. Nobody has ever laid down a criterion

that you are considered to be a workman or employee only if you earn upto so much; if you earn Rs. 5/—more than that, you become part of the managerial establishment. There is no such criterion or law laid down in our country. That is why, I had earlier argued, at the time of the first amendment, against this arbitrary laying down of a ceiling of Rs. 1600, because it has no meaning, and there is no explanation also.

Now, in the second amendment, when it was raised to Rs. 2500, nodoubt the coverage has been extended considerably; a number of people who were left out, have been brought within its scope. To that extent, it is no doubt a positive step. But after all, it is not an act of generosity or something on the part of Government. They have done it. Many people who are in the income brake between Rs. 1600 and Rs. 2500 are feeling relieved now, because they were excluded from bonus; and now they will be eligible for bonus. But I am still arguing on the old point, viz. why should you have this kind of a ceiling at all? The mistake you are making is in trying to fix a ceiling in terms of a figure. The ceiling should not be on the figure. The ceiling should be on the category of people. For exmaple, I am against managerial people being brought into this. Why should they be brought into this at all? Which Manager is getting a salary of upto Rs. 1600? It makes no sense. So, my proposal or demand if you like to call it so, is this : I know it is not going to be accepted just now; but many things which we had said earlier are now being accepted only now, after many years. It relates to those people who are not part of this managerial establishment. Please see the definition of workman in Industrial Disputes Act. 1947 which is another very important Act of ours—we legislated it just at the time of independence. What is the definition given there of workman? Section 2 (s) of that Act says :

‘“Workman” means any person (including an apprentice) ..’

In the Bonus Act it says ‘excluding Apprentices’. I quote again from I.D. Act :

“ ‘Workman’ means any person (including an apprentice) employed in any industry to do any manual, un-

skilled, skilled, technical, operational, clerical or supervisory work for hire or reward...

but does not include any such person...

(iv) who, being employed in a supervisory capacity, draws

wages exceeding one thousand, six hundred rupees per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature.”

Supervisors who are above that ceiling are excluded from the Industrial Disputes Act. If they have dispute over bonus, I do not know where they have to go to get that dispute settled, because they cannot avail of this machinery of the Industrial Disputes Act.

Under the Industrial Disputes Act, supervisory staff earning more than a certain quantum, and all people who are doing functions which are mainly of a managerial nature, are excluded from the Industrial Disputes Act’s purview.

If these people have any dispute relating to their bonus, they cannot avail of the machinery of the I.D. Act. Anyway, I am saying that in the case of bonus too, this present enhanced ceiling of Rs. 2500 should be done away with. There should be no ceiling. You can change the definition of employee; and I suggest it should be changed, so that it does exclude, i.e. it does not include people belonging to the managerial cadre. I think they can look after themselves without getting this bonus; or some other provision can be made for them. But in the general Payment of Bonus Act, for the workers, employees; manual, clerical and supervisory staff, there should be no ceiling on bonus. To-day, most of them may not be earning more than Rs. 2500/-. But after five years, many of them will be earning that much. Not all of them. Some of them or many of them will be earning that. If you are really going to modernise your industry, make them acquire new skill and train them and all that. Then why should they for that reason, be excluded from the Payment of Bonus Act? So, my first demand is that this ceiling should be removed in the case of workers,

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employees and the supervisory staff. Even now I do not know if somebody will go to the court. I am tempted very often to provoke somebody to go to the court on this issue remembering what happened in the case of enhanced pension of the Central Government Employees. I don't think you can justify this kind of arbitrary distinction between an employee and an employee simply on the basis of figures which you have fixed arbitrarily, which have no logic, no validity or no legal sanction behind it. So, please consider this and remove this ceiling.

Secondly, I am saying that the managerial staff should be excluded because, obviously, if you remove the ceiling, then I do not know the managerial staff, may be people earning Rs. 10,000/- or Rs. 15,000/- a month, will also be eligible for bonus; this will become a bit ridiculous, in my opinion. But the others should be brought into this without any ceiling. Secondly, when we legislated this Act in 1965, 20 years ago, what was the most radical feature of that Bill? It provided for a minimum bonus, statutory minimum bonus irrespective of profit or loss. This was something which was a clear recognition of the fact that this bonus is recognised as a deferred wage. Of course, it arouse a lot of hostile criticism from the employers and all that; and that view of the employer holds good even today. But the fact remains that this House, in its wisdom, decided to legislate the Payment of Bonus Act. It does provide that irrespective of profit or loss, a minimum bonus has to be paid; and then the formula is provided that in case a concern is making profits, a formula is to be applied to those profits to work out, to compute, whether a higher rate of bonus can be paid in a particular concern with a ceiling of 20 per cent. The minimum bonus laid down being 8.33 per cent which every concern has to pay, whether they make profit or loss, the ceiling is put on the bonus of 20 per cent. in any case, no concern should give more than 20 per cent. That is what the Act says. This 8.33 per cent means roughly one month wage. So, the workers used to talk that it means we are getting 13 months wages for 12 months work. But this was meant to be minimum. In practice, if you collect data from the Labour Ministry also, you will find that in practice

over the years this minimum has become the maximum. In the overwhelming majority of cases, even, where concerns are showing profit, in their balance-sheet, they do not pay more than 8.33 per cent to their workers. There are very few concerns where through negotiations and all that, it is possible to get higher bonus than 8.33 per cent. So, I think, this is not the spirit of the Act as it was passed. I have not got the time, otherwise, I would point out some defects in that formula, which computes bonus, which computes allocable surplus. After making certain provisions out of the profit, what remains as the allocable surplus can be distributed as bonus. Generally, it leads to a result where he never gets more than minimum of 8.33 per cent. So, I am suggesting in the case of lower paid workers, say, workers earning upto Rs. 750/—that was one of the criteria earlier—in their case, the minimum bonus should be raised from 8.33 per cent to 10 per cent; they should get minimum of at least 10 per cent. Twenty-five years ago, it was 8.33 per cent; it does not mean very much today; and I think with the progressive development of these laws for the betterment of labour conditions, this 8.33 per cent in the case of those categories of workmen, who are earning Rs. 750 per month or below, that their minimum bonus statutorily should be raised from 8.33 to ten per cent and as far as the general recipients of bonus are concerned excluding the managerial staff, I say in any case there should be no ceiling because the ceiling has no meaning at all. That is invalid, that is discriminatory and it is not better for the future at all. Otherwise you will again have to come forward after a couple of years with another amendment saying that “Now we want to raise this Rs. 2,500 limit further”. It is better that you remove the ceiling altogether and change the definition of “employee” excluding the managerial staff. I hope the Government will bear this in mind.

MR. DEPUTY-SPEAKER : Mr. Janga Reddy. You can move the next Resolution.

SHRI C. JANGA REDDY (Hanamkonda) : I beg to move :

“That this House disapproves of the payment of Bonus (Second Amend-

ment) Ordinance, 1985 (Ordinance No. 8. of 1985) promulgated by the President on the 7th November, 1985”.

[Translation]

Mr. Deputy Speaker, Sir, We have before us two ordinances for amending the Bonus Act. We have otherwise already discussed this issue in the month of August in Lok Sabha and the October session was also to be held. Then, what was the urgency to issue the Ordinances during the two months intervening these two sessions.? In the month of May also we took part in the debate and at that time also we had demanded amendment in the Bonus Act..... (Interruptions). Shri Panika, you are right. That is why it had to be extended but kindly listen to me. You wanted to increase the limit of the Bonus in the sixth Ordinance. The sixth Ordinance was issued to increase the ceiling fixed in 1984 and the eighth Ordinance seeks to further increase this ceiling. But what was the objection in issuing both the ordinances simultaneously? There is an anecdote that a passenger was travelling in a train in Bombay. After a while he remembered something and pulled the chain. When the Guard asked the reason for pulling the chain, he replied that he had forgotten his bag at home. Later on when he boarded the train with the bag, he again pulled the chain of the train after some time. On being asked to give reason for the chain pulling, he stated that he had forgotten his *paandan* at home. In this matter also, the same thing seems to have happened. But this is a bad practice. We had sent you suggestions in writing. Had you agreed to our suggestions at that time, your botheration would have lessened and the time of the Lok Sabha would also have been saved. Shri Anjiah, our Minister from Secunderabad is not present here. He issued two Ordinances to provide bonus to the workers, (Interruptions) .....It is good that he has gone to attend a meeting in ILO. What I want to say is only this that on the one hand you have extended the ceiling of bonus on the Diwali occasion but on the other hand you have increased the prices of sugar. I want that you should bring the amendment in one lot. Earlier you extended that limit of the bonus through the sixth Ordinance. The Lok Sabha at that time was to meet after some time and that

work could have been done during that session. The power of issuing Ordinances should not be misused in this manner. We want to express our disagreement on this point. Otherwise we agree with the contents of the Bill but this good work could have been done in May itself which you are doing in November because in issuance of the ordinance the President is put to unnecessary trouble. For him it is difficult to sign. It is better if all the work is done in one lot.

My second suggestion is that you should remove the ceiling of Rs. 2500 which you have fixed. I would submit to the Hon. Minister that it should be unlimited and should exclude only General Managers, M. Ds etc. All others should get bonus. Such an amendment should be brought in the form of a Bill in the current session.

So far as the ceiling of Rs. 2500 is concerned, the people who get more than Rs. 2500 become income tax payers and the public exchequer earns income tax from them. I, therefore, suggest that the limit of Rs. 2500 should be removed and instead, managers, executives and General Managers should be excluded from it. An amendment to this effect should be brought by the Government.

The Hon. Member Shri Gupta who spoke before me was talking about the supervisory staff. He stated that there were supervisory employees who earned more than Rs. 1600 but there are certain public undertakings like BHEL where workmen in spite of getting more than Rs. 1600 have no supervisory responsibilities, but this law does not apply to them.

In the Industrial Disputes Act, the definition of workmen covers the employees who get less than Rs. 1600. The definition of workmen, in the Industrial Disputes Act is required to be changed in respect of the employers having powers of supervision, transfers and appointments. There is the case of a person who used to get Rs. 2300 as salary but was not covered under the definition of the workmen. He was treated as supervisory staff and was excluded from the payment of bonus. He went to the Supreme Court and won his case. That is why I say that you will have to bring amendment to the definition of the workman in the Industrial Disputes Act.

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It has been emphasised by many unions and in many articles written on bonus that the limit of Rs. 2500 should be removed. I also suggest to the Government that the limit of Rs. 2500 should be removed.

Similarly, I want to bring to the notice of the Hon. Minister that the procedure of calculating the bonus should also be improved. Alongwith it I want to submit that endeavour should be made to do something for those workers also who work in private small scale industries. Besides, the employees working in concerns covered under the Shops and Establishments Act in Andhra Pradesh are not covered under it for bonus

Similarly, as Shri Gupta has stated the bonus should be paid even if there is no profit to the concern. For this purpose minimum bonus should be fixed and the Government should try its best to ensure payment of bonus the workers.

Mr. Deputy Speaker, Sir, now I want to say something about the agricultural labourers and tea and coffee plantation workers. There is no specific provision for them. That is why Bonded Labour Act is being brought. I would suggest that there should be provision for secured bonus or salary for the labourers working in the rural areas. We should think of doing something in this connection also.

Sir, in conclusion, I would like to say that I am against this Ordinance and the Bill but not against the contents thereof.

THE MINISTER OF STATE IN THE DEPARTMENT OF RURAL DEVELOPMENT (SHRI CHANDULAL CHANDRAKAR) : I beg to move :

“That the Bill further to amend the Payment of Bonus Act, 1965, be taken into consideration.”

Mr. Deputy Speaker, Sir, the veteran labour leader Shri Gupta has mentioned two things in particular. Firstly, he said that the limit of Rs. 2500 should be done away with because the bonus was for the workers and

that the managerial staff should be excluded; secondly, that the 8.33 per cent bonus has been in force for the last twenty years and it should be increased to 10 per cent.

Sir, the first thing is that today we are discussing the Bonus Act in which the ceiling has been increased to Rs. 2500. I think all the workers and labourers of the country are happy with this increase. Government have raised the limit to Rs. 2500 because the labour unions had been demanding this. Now the question arises as to what is the reason for fixing the limit at Rs. 2500. Why it was not fixed at Rs. 2600, Rs. 2700 or Rs. 3000. Whatever may be the limit, disagreement is bound to arise. This limit has got to be fixed somewhere.

As Shri Gupta just now pointed out, there are still a large number of persons who get large salaries or whose salaries are increasing but they are not entitled to bonus. It is natural that as the country progresses, the salaries will increase. When the condition of the country improves and the workers start getting salary upto Rs. 5000 we shall increase the limit also. Changes are made according to the situation. Presently, most of the workers get salary upto Rs. 2500, that is why this ceiling has been fixed at Rs. 2500.

It is not that by providing this facility to the workers we are obliging them. Our Government have never thought like this. We consider it our duty. We know that our workers work hard. It is only because of them that production has increased so much. Our workers have tried to increase production in the sick mills also. We have increased this ceiling to Rs. 2500 keeping in view all these things.

I think it is an ordinary Bill. There is not much scope of discussion on it. We should, therefore, support it. If necessary, we shall increase the ceiling further. It is not at all our intention to keep the ceiling static. With the change in other things, this will be changed in due course. Today, the country is progressing industrially and the economic condition of the people is also improving. It will go on improving day by day. We shall increase the limit in due course.

Shri Gupta has said the bonus limit should be increased from 8.33 per cent to 10 per cent. It is a separate issue about which I do not want to speak at this moment. So far as I think, with the increase of the ceiling to Rs. 2500 not only the House but the entire working class will be happy. Happiness is being expressed that the matter which was pending for quite a long time has been solved. Shri Gupta is an experienced man and he has long experience of the labour field. He will agree with me.

Government have to think of many things while fixing the ceiling. They have to think whether it will cause sickness to the mills or put unnecessary burden on the mills. Keeping all these things in mind, this ceiling of Rs. 2500 has been fixed.

So far as the question of justification of promulgation of ordinances is concerned, which has been raised by Shri Janga Reddy, the Ordinance has been promulgated for the welfare of the workers and not for causing harm to them.

SHRI C. JANGA REDDY : You should have done it in May. We had discussed the issue in May and you should have taken action at that time.

SHRI CHANDULAL CHANDRAKAR : You should be happy that we acceded to your demand and have brought this measure. You made the demand in May and in November we have taken action.

SHRI C. JANGA REDDY : You should have agreed in May when we had demanded this thing. Instead of November you should have brought this measure in May.

SHRI CHANDULAL CHANDRAKAR : Any act for betterment is always for the better, whether it is done after a month or after 15 days, it does not matter much. This has also been done for the betterment, it is for the welfare of the workers. Therefore, I think this Bill should be passed at the earliest unanimously because it is for the good of the workers.

The issue of increasing the bonus limit from 8.33 per cent to 10 per cent is a

separate issue. I do not want to say anything about that at this moment. But, I would say that the Bill under discussion should be passed unanimously.

[English]

MR. DEPUTY-SPEAKER : Motions moved :

"That this House disapproves of the Payment of Bonus (Amendment) Ordinance, 1985 (Ordinance No. 6 of 1985) promulgated by the President on the 27th September, 1985."

"That this House disapproves of the Payment of Bonus (Second Amendment) Ordinance, 1985 (Ordinance No. 8 of 1985) promulgated by the President on the 7th November, 1985."

"That the Bill further to amend the Payment of Bonus Act, 1965, be taken into consideration."

15.00 hrs.

MR. DEPUTY-SPEAKER : Mr. Datta Samant, are you moving your amendment ?

SHRI DATTA SAMANT (Bombay South Central) : Yes, Sir, I am moving my amendment. I beg to move :

"That the Bill further to amend the Payment of Bonus Act, 1965, be referred to a Joint Committee of the Houses consisting of 24 members, 16 from this House, namely :—

- (1) Shri T. Anjiah
- (2) Shri Saifuddin Chowdhary
- (3) Shri Mool Chand Daga
- (4) Shri Sharad Dighe
- (5) Shri Oscar Fernandes
- (6) Shri C. K. Kuppuswamy
- (7) Prof. P. J. Kurien
- (8) Smt. Geeta Mukherjee
- (9) Dr. A. K. Patel

[Shri Datta Samant]

- (10) Shri Balasaheb Vikhe Patil
- (11) Shri Banwari Lal Purohit
- (12) Shri Harish Rawat
- (13) Shri M. Raghuma Reddy
- (14) Shri S. Jaipal Reddy
- (15) Shri Sunil Dutt
- (16) Shri K. P. Unnikrishnan

and 8 from Rajya Sabha;

that in order constitute a sitting of the Joint Committee the quorum shall be one third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the first day of the next session;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

that this House do recommend to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of 8 members to be appointed by Rajya Sabha to the Joint Committee." (1)

**SHRI CHINTA MOHAN (Tirupati) :**  
Mr. Deputy Speaker, Sir, I think you very much for giving me this opportunity to speak on the Payment of Bonus (Amendment) Bill. It shows how the Government is anti-labour and pro-industrialist. This Bonus Bill started in 1965 with a ceiling limit of 750 rupees; in the middle of 1980 it came to a ceiling of Rs. 1600; today we are introducing a bill with a ceiling of Rs. 2500. When there is no ceiling for an industrialist, why there should be a ceiling for the poor workers of Rs. 2500? I would like to ask the Minister to give an answer to this. Compared to 1965 and that of 1985 today the price rise has gone up by 600 per cent. The living index is 137 today.

We are talking about the poor workers. The salary which the workers get is not sufficient to meet both ends. The bonus given is not upto the mark. It shows the half-hearted attitude of the Government towards the workers. We are all producing only words but the workers are producing something to the nation. So, we should all try to help the workers. In Japan there is no ceiling of bonus to workers. Why should we have a ceiling here of Rs. 2500? I would like to ask the Minister about it. The Payment of Bonus Bill is covering only the Government sector. What about private sector and public sectors? Nobody is paying the bonus and nobody is paying the full salary in the private sector. There are workers who are paid Rs. 300 a month. They are not able to live on that salary. They are facing all sorts of problems. What about these poor workers? Are we really thinking about them? The Minister should think about the agricultural workers and poor labourers. They get Rs. 5 a day. They are not able to get even a square meal per day and they are starving today. We must give opportunities to them to fill their bellies at least.

Coming to Bombay Port Trust, in 1984-85 they got an income of Rs. 50 crores; they paid a bonus of Rs. 7.5 crores; Rs. 42.5 crores went to the employer. Why cannot much more amount be distributed to the poor workers? My point is that Government should have a liberal attitude towards its workers and see that the workers are benefited.

We are talking today about modernisation of industry, we are talking about modernisation of technology. Why not modernisation of salaries of workers? Have you thought about this?

With all this, I would suggest and make an amendment in the Bill as follows :

"In section 2 of the Principal Act, in clause (13), the words, 'Rs. 1600' and 'Rs. 2500' may be substituted as

'bonus may be paid to the workers without any ceiling.' "

With this suggestion, I would conclude my speech.

**PROF. NARAIN CHAND PARASHAR (Hamirpur) :** Sir, I welcome this Bill because it would convert the Ordinance into a regular Act. The Opposition should have welcomed this measure because as our Minister said, the Government is giving something to the employees and the objection has been raised as to why it was done earlier. Because the Parliament was to meet on 18th and Diwali was on 12th, so in order to accommodate the employees and in order to give them something before the coming of the Diwali, it was some sort of a good gesture on the part of the Government.

Sir, one or two things have been said, to which I will make a reference. One is the coverage and quantum referred to by Mr. Indrajit Gupta. I find that addressing the Labour Ministers' Conference on 11th May 1985, our Labour Minister, Shri Anjiah had said that he would consider raising of the upper limit to Rs. 3000. That was one of the demands of various unions that was placed before him at that Conference and he had promised to do this. Similarly, some other associations, especially the Indian National Trade Union Congress (INTUC) and other labour organisations have also been raising this demand. So, there is considerable weight in what Mr. Indrajit Gupta says that instead of creating a ceiling as the point of determination, if you consider the category as the point of determination for eligibility for the payment of bonus, it would be much better and it would simplify the matters and also it would obviate the necessity of bringing ordinances and bills from time to time. So, I am in favour of removing this limit, but he has said, the reference to categories can be made—which categories of workmen are eligible for the payment of bonus, that will be determined and clearly mentioned.

There are some interests in the country who are opposing the payment of bonus. I would refer to the statements of the All India Organisation of Employers and the Indian Chambers of Commerce, who had opposed this payment of bonus, and opposed especially that Section which makes it mandatory. This is not our stand, we like that bonus should be given to all the workers who are working by the sweat of their forehead for the benefit of the nation. And the concept

of productivity-linked bonus should also be modified in the sense that productivity is not the sole responsibility of the workers, it does not depend on the workers alone that productivity should be increased, but it depends on so many factors. So, the workers alone should not be punished.

The other point which Shri Indrajit Gupta has referred is, the minimum of 8.33 per cent. I think what he was saying was that the Act of 1965 provides for the payment of a minimum of 8.33 per cent. And it is not the maximum, he says, and there is validity in what he says. It has become the maximum. So, most of the organisations have been paying only this 8.33 per cent as the maximum.

**SHRI INDRAJIT GUPTA :** Some of them do not pay even the minimum.

**PROF. NARAIN CHAND PARASHAR :** Yes, they do not pay even the minimum. So we should see—you may not raise it to 10 per cent, but you should see that where the companies are in a position to pay more, where the allocable surplus is there, where their profits are more, why not they pay more? The Government does not debar anybody from paying more than 8.33 per cent. So, in case they can, they should pay. So, I think that is the spirit in which he has made this point and I agree with this that we should try to...

**SHRI CHANDULAL CHANDRAKAR :** If somebody wants to pay more, there is no restriction.

**PROF. NARAIN CHAND PARASHAR :** There is no restriction, but what he says is that hardly anybody pays, and I would request him to give us the statistics, to take the House into confidence as to how many companies are there which have given more than 8.33 per cent during the last three years, so that the House comes to know the actual position in this regard. So, I would plead that these figures would be brought before the House and in the light of that, the Government should take the attitude which may be towards the betterment of the workers.

[Prof. Narain Chand Parashar]

Sir, these ordinances were in right spirit and they were brought in good time. Though these views could not be given effect to in May, before the Diwali festival, these were accepted and the workers all over the country have got the benefit.

The Minister was right in saying that the attitude of the Government was for the welfare of the workers and for the betterment of the workers. If there are certain irritants here and there and certain parties and certain companies do not pay bonus, it is for the Government to find out these companies which do not pay bonus and the Government should be in a position to penalise them. When the companies get some benefit, the profit or the surplus, it is to be shared to some extent with the workers also who are responsible for bringing about that surplus and profit.

With these words, I support the Bill.

DR. DATTA SAMANT (Bombay South Central) : Sir, this is a very important issue concerning the working class of this country. It is discussed in this House after a long span of 20 years. The working class population is about 30 or 40 per cent of the total population. This Bonus Act was first brought in 1965. In that, the workers who were to receive the bonus were given the ceiling of Rs. 750. But the maximum eligibility of the salary could be Rs. 1600. So, when somebody was drawing a salary of Rs. 1200, his bonus should be restricted as per Rs. 750 level. It was done in 1965. At that time, the index was 550. Now, it is 2750. Five times the index has gone up. But I am constrained to say that it is really shocking that the Government which has got so much so called love for the workers has slept over the matter for 25 years to amend this small figure. But they are very important as far as the working population is concerned. We are agitating for the last 25 years to increase the ceiling but nobody was bothered. We have been kept behind the bar as far as this increased ceiling is concerned.

Now, in the last Parliament Session, the Government had come with the suggestion

that the bonus ceiling be raised from Rs. 750 to Rs. 1600. But it was so strange that the Bill was not brought before the House during that session. In May again the Bill was brought and the ceiling was amended. I am talking about the first amendment. It was raised from Rs. 750 to Rs. 1600. It was brought in the month of May. It is so interesting that the Government is having so called love for the workers. But in that amendment, subsequently when the Bill was approved in the Monsoon session, no date was given as to from which date it would be implemented. I brought an amendment but nobody was bothered for that. An half-hearted thing was done because the employers would not be happy. In the ordinance again, from which date it was to be implemented was left to the employers and workmen. We have to face a lot of difficulties because of that. Employers have to make the query. Fortunately or unfortunately, the Minister is not there. When I asked the Minister, when to be implemented, from which date this should be implemented he said he would decide it. There was so much confusion and the workers accepted the bonus. Then in the month of September again, the second ordinance came. Then, the Prime Minister said "No, no. Before Deepavali, the workers should get the bonus". Then, the ordinance came that it should be implemented from such and such date. Therefore, the ordinance was brought again for the implementation of or to give effect to the first law. Really, I do not know what we are doing in this House. I am a new Member. But I am really surprised that we are much negligent of the workmen and their problems. Again in the month of November, ceiling of Rs, 1600 was to be raised to Rs. 2500, regarding which amendment we are discussing today. But we are not going to pay bonus as per Rs. 2500.

The workmen who were not covered up to Rs. 1600 would be covered now. But the bonus will be paid at the level of Rs. 1600. All these three thing could have been done in the Monsoon session itself. But you have brought in three ordinance and two bills and lot of publicity for doing small things. A big propaganda about this and that has been given. I may say that, what you have done about publicity, propaganda etc., is not good. So much time has been taken. What

about the index level? What were you doing for the last 20 years when you have so much love for the workmen? About 10 years back, this index should have been raised proportionately. You should have gone on increasing this level. Otherwise, the workers would not have been benefited. Workers in Bombay, in my area, and in Calcutta are organised workers. Our salaries have gone around Rs. 2,000 or 3,000. We are already getting much more than the bonus limit in Premier. We are taking Rs. 4,000 or Rs. 5,000, we all above ceiling. In Rallies, we get Rs. 6,000. In all our factories, we are getting Rs. 4,000 or 5,000. So, your laws are coming subsequently and gradually. So, these ceilings which you are bringing now are not going to benefit all the workers. That is why, the working class has been deprived. In Rs. 750 ceiling maximum, a workers could get Rs. 800 as bonus.

These multi-nationals and the big factories earn crores of rupees but because your law has come in and workers were deprived from going to industrial courts, because more than 20 per cent are as per Rs. 750-1800 ceiling, we have no right to go to the court.

Now you are raising this from Rs. 1600 to 2500. But workers while drawing Rs. 2,000/- will get the bonus only Rs. 1,600/- and, therefore, what I am going to ask this Government is why there should be any limitation on this. You have deprived the working class. Suppose somebody is drawing Rs. 2,700/- salary. As per this law, you are not going to tell him "Give the bonus as per Rs. 2,700/-." You are telling him to give bonus as per Rs. 1,600/-. You are giving bonus of Rs. 1600 to the man who is drawing Rs. 1,800 up to Rs. 2,000. That is why, the managerial class you leave it. But other workers who are working in any factory, at least they must be entitled to get Rs. 1,600/- which amendment I am giving. Government should consider this very sympathetically.

Even for an infant to come out of its mother's womb, it takes nine months. But this is a small amendment which should have been done in one Act. Rs. 1,600/- is the level. Maximum up to Rs. 2,500/-. You will receive Rs 1,600/- and it will be implement-

ed from December. The passing of the whole Bill it should have been done in Monsoon Session. But you have done it by promulgating three Ordinances. For discussions, ten months you have taken. Somebody said that it was because of Diwali season that Ordinances were issued. But your implementation is in December, 1985, year ending. Year started from January, 85, upto December, 1984 they are entitled. As per Bonus Act, bonus should be paid within 8 months. All this bonus should have been paid prior to August, 1985. Why the Prime Minister should make the statement in September? Why is there the need of bringing this amendment? Nobody will be benefited. Last year bonus was already paid. They must be paid within 8 months as per Bonus Act. Government is feeling that much ignorance. Just to make political propaganda, we are giving something. What did the workers think? Rs. 1,600-2,500/-. They all thought that they will get the bonus as per somebody who is getting Rs. 2,000/-, he will receive Rs. 2,000/-. It is not that. It is only the qualifying level which has been increased. But more propaganda is made for giving this bonus.

How many people will be benefited because of this Act? Who are drawing more than Rs. 1,600/-? I think not more than 10-20 per cent. What about remaining 80 per cent workers who are in this country? That is the need of this country. With this amendment; my workers in Maharashtra, who are organised unionised workers, they are benefited. What about the masses, those who are drawing Rs. 700, Rs. 600/-, Rs. 900/- and Rs. 500/-? No mill worker is drawing more than Rs. 1,600/-. What about such workers? You have kept the figure same. If you raise this figure, then automatically, the upper slab people are going to get more. Therefore, what I request is as you say that, somebody is drawing more than Rs. 1,600/- to Rs. 2,500/-, he should receive the bonus from Rs. 1,600/-. If somebody is drawing less than Rs. 1,000/-, let him receive bonus as per Rs. 1,000/-. 80-85 per cent the poor mass of this country, will be benefited and, therefore, I humbly request that the Government should consider this amendment also.

As per Bonus Act, 20 workers are

[Dr. Datta Samant]

required for any establishment. Employers employ 20-21 workers. Why not give bonus even where one worker is working? Otherwise, we give Diwali bakshis. You are going to give one salary. Why not you consider where even one worker is working he should be entitled to receive some bonus?

I have given the suggestion. You refer it to the Joint Committee. In Maharashtra, I am happy, ten workers are given this bonus. Time-limit given for the bonus is 8 months. We talk of the year, 1984. It was announced just now by the Ordinance. 8 months is the waiting period. That should be reduced. At the time of 8 months, the bonus disputes are referred to the court and it takes five years. Immediately that amount should be paid. It is a very interesting point. They are saying that they have given. I am asking the Government what they have given. They have not given anything. Ultimately, the quantum of bonus is calculated as per net profit taking into account the depreciation, reserve, taxes and so on. There is a bonus formula. Ten figures are added and ten figures are deducted; and many of them are hypothetical figures. If you take a cross section of a hundred Balance Sheets, you will find that fifty per cent of them are in losses and the others show only marginal profit. And the bonus figure is decided as per these calculations. You have not changed the bonus formula. As my colleague, Shri Indrajit Gupta, has said, the bonus formula has not been changed. The man has made a profit of Rs. 1 crore and he has to give about Rs. 40 lakhs. He has to distribute that. You have increased the level, but by that the 20 per cent quantum will fall down. Therefore, the Government has not given anything from their pockets. They are only helping some of the high-salaried people who will be benefited. The low-salaried people will not be benefited by this.

As per sections 23 and 24 of the Companies Act, the Company's Accountant should audit, and it cannot be challenged either by the government or by the union under the industrial code. All these loopholes are there. Whatever figure the employer gives, that figure should be accepted. The Union cannot challenge the employer's

figures in the court because whatever figure the Company's Accountant, has given, as per the Companies Act, should be accepted.

There is another loophole. A person drawing a monthly salary of Rs. 2,000 gets Rs. 24,000 in a year. As per the 20 per cent formula with Rs. 1600 ceiling, he will get Rs. 3,840. By this, he is going to the other income-tax slab. My workers are getting good bonus in Bombay, but you are taking away Rs. 300 or 400 or 500 by way of income-tax because only the working class pay the income-tax.

Therefore, all these things should be changed. The bonus formula should be changed; then, even if one worker is there, he must get bonus; then, all these levels should not be arbitrary; the employer's figures should be liable to be challenged and should not be accepted *in toto*....

MR. DEPUTY-SPEAKER : Please conclude.

DR. DATTA SAMANT : Although it is a little better move for the workers who are drawing more, as far as the poor working class is concerned, this does not benefit them. And the delay the Government has made is really pitiable.

I have got a number of suggestions which are really genuine. If you want to do something genuine for the working class, let us discuss; we are prepared to help you and give the figures. Therefore, the whole matter should be referred to a Joint Committee where all these can be properly discussed.

[Translation]

SHRI K. N. PRADHAN (Bhopal) : Mr. Deputy Speaker, Sir, I rise to support the Payment of Bonus (Second Amendment) Bill which has been moved here. I would like to congratulate the Hon. Labour Minister and the Hon. Finance Minister that this Bill provides for welfare measures in addition to the measures announced for the welfare of the workers and labour during the Budget session. This measure is a step forward

because a provision has been made in this Bill, under which bonus would be paid to the workers drawing pay between Rs. 750 to Rs. 1600 also in accordance with their pay. Earlier, under the Bonus Act, the entitlement for bonus was for those workers who were drawing pay upto Rs. 750 only, but now that entitlement has been raised to Rs. 1600.

At that time we had suggested that this definition had been provided in the Act of 1965 and since then situation had changed a lot and, therefore, this ceiling should be enhanced further. I am happy that our Hon. Labour Minister and the Hon. Finance Minister have accepted that suggestion and that ceiling has been enhanced to Rs. 2500. Now the persons getting salary upto Rs. 2500 would also get Bonus.

15.25 hrs.

[SHRIMATI BASAVA RAJESWARI  
*in the Chair*]

Madam Chairman, When this Bill was introduced, I was trying to anticipate the reaction of the people to it and especially the reaction of the Opposition to it. You may be sure, it was my definite opinion that the improvements brought about through this Bill would certainly be welcomed and this step taken by the Government would definitely be appreciated.

When I was a student, I remember, that there was a teacher. Whatever I had written was absolutely corrects, even then he put certain red marks below what I had written. When I asked another teacher as to why red marks had been put below what I had written when that was absolutely correct. He replied that the teacher felt that if whatever had been written by the student was taken to be correct by the teacher, then the student would come at par with the teacher. It was, therefore, the duty of the teacher to find fault with the work done by the student. Same is the situation of the Opposition these days. The opposition behaves like a person who has lost his confidence and doubts the fidelity of his wife. If his wife wears a mile for him, he thinks that it is for somebody else. Same is the situation of the members belonging to the opposition parties.

When it was proposed to pay bonus upto the ceiling of Rs. 1600, it was necessary to promulgate an Ordinance. Therefore, the question of raising the bonus ceiling was being considered and when a decision to raise the ceiling was taken, another Ordinance was promulgated. It is not only the capitalists but the workers also who need the blessings of goddess 'Lakshmi' and, therefore, in order to make the payment of bonus before 'Diwali' another Ordinance was promulgated. But I am surprised that a veteran member like Shri Indrajit Gupta criticised and said as to why these Ordinances were promulgated.

Another criticism was also made as to how this ceiling of Rs. 2500, Rs. 2600 or Rs. 2700 was fixed. It is correct that there should be some basis for fixation of wage limit but we can say this only when we think of bringing a fresh bonus Bill. The basis for this amending Bill is the Act of 1965. At that time the Legislature i.e. Parliament of that time had taken into consideration all these things and had fixed eligibility ceiling for Bonus at Rs. 1600.

Madam Chairman, I would like to draw the attention of the Hon. Minister toward this that when we made a demand to raise the ceiling for entitlement of Bonus, we tried to know from all the available sources as to what was the spirit of the Legislature or the framers of the law in fixing the eligibility limit at Rs. 1600. The persons who were getting Rs. 1600 at that time are definitely getting more than Rs. 3000 these days. Therefore, we again repeat this point that if this ceiling is viewed in that context, the eligibility limit should be enhanced further. I am of the view that not only the Bonus Act, but all the labour laws are required to be revised and a new beginning should be made in this direction. We shall have to decide as to what would be the shape of those laws in the new perspective and the new context. But, at present, we are considering only this amendment. Shri Chandrakarji, has just now said that whatever the ceiling, there would always be difference of opinion. But I would like to submit that when we passed the Act in 1965, we must have taken all the factors into consideration and these fixed the limit at Rs. 1600. But the person who used to get Rs. 1600 at that time are

[Shri K. N. Pradhan]

definitely getting more than Rs. 3000 now. I would, therefore, like to submit that almost ninety per cent demand has been accepted and the eligibility ceiling is proposed to be raised to Rs. 2500. It needs to be raised only by Rs. 500 more. My amendment says that in line 2, Rs. 3000 may be substituted for Rs. 2500. I hope you will accept my amendment.

[English]

SHRI SHARAD DIGHE (Bombay North Central) : I rise to welcome this Payment of Bonus (Second Amendment) Bill, 1985. I also oppose the motions which are brought for disapproval of the Ordinance. I need not further say that I also oppose the amendment of the motion that it may be referred to a Joint Select Committee.

This Bill seeks to achieve two objects. The first part of the Bill is to fill the lacunae that crept in the Payment of Bonus (First Amendment) Act. When that Act was passed, it was not provided as to from which date it would come into force. Therefore, according to the usual canons of interpretation, it would have come into force only when the President had given his assent to that Bill and, therefore, the consequences would have been that the accounts which were closed on 31st March, 1985 would not have been covered by that amendment and the workers would not have got the advantage of the amended Bonus Act during the last year, namely, at the time of Diwali. Therefore, it is in order to give full benefit of that amended Act to the workers that this Ordinance had to be issued which we now seek to convert into a Bill.

I am generally against legislation by Ordinances. But when the object of that Ordinance is to benefit the weaker sections and thereby to prevent a wrong which would be done to them if the ordinance was not issued and if the Government had waited till the Parliament session was called, the issuance of the ordinance is fully justified. Now in this case, that very effect would have occurred. If the Ordinance had not been issued and if the Government would

have waited till this session, then the workers would not have got the advantage of the amended Bonus Act in the last Diwali. Therefore, it is for the benefit of the weaker sections and it is in order to prevent a greater loss to them this ordinance had been issued and, therefore, it is to be justified. I do not appreciate the motion for disapproval of that ordinance coming from the champions of trade unions and the champions of working class people. In fact if the ordinance had not been issued, the working class would have lost and their interests would have been suffered.

Now the second part of this Bill really seeks to increase this higher limit of Rs. 1600 to Rs. 2500. At that time also in our speeches we had stated that the Government should have raised the upper limit also in that Bill and I had suggested in my speech that it should be Rs. 3000. Not only that I also introduced a Private Member Bill, Bill No. 128 of 1985 in which I have suggested that it should be raised to Rs. 3000. I understand that even the conference of the Labour Ministers also has suggested that it should be increased to Rs. 3000. I do not know why the Government has stopped at Rs. 2500 as far as the upper limit is concerned and I would urge upon the Government to review this point of view and if possible, bring even through the Labour Minister himself an amendment that instead of Rs. 2500 the amount should be substituted by Rs. 3000 because the earlier amount of Rs. 1600 was fixed in 1965. So considering the erosion of the salary and devaluation of the rupee, we must see that now in 1985 this Rs. 1600 should be converted into Rs. 3000 at least and not to Rs. 2500.

The third part of the Bill is that we are restoring again the original section 12, because the Government again wants to say here that even though we are raising the higher limit of salary to Rs. 2,500/- for eligibility of bonus the salary should be considered as Rs. 1600/- only. It is a sort of a redeeming clause, namely, even though a person is getting a salary of more than Rs. 1600/- for the payment of bonus his salary would be deemed to be Rs. 1600/-.

My submission is that in the first Bonus (Amendment) Bill we had wisely dropped

Section 12 so that there was no discrimination and no redeeming clause and whatever bonus was to be paid according to the salary and there was no bar that only salary should be considered as Rs. 1600/-. That bar was wisely removed by the government in the first Bonus (Amendment) Bill. I do not know why the same idea has been again introduced here and Section 12 has been restored.

Therefore, my submission is that further re-thinking should be made in this direction. A reference to the Select Committee would be a further dilatory measure. My view is that if any further amendments are to be made they can be made through another Bill but these amendments which are urgently needed should be passed in this Session and, if possible, today itself. Therefore, from urgency point of view I would urge upon Dr. Samant to withdraw his amendment for reference to the Select Committee. For the benefit of the workers what we are giving today should be given immediately and if further improvements are to be made they can be made through a separate legislation.

With these words I support this Bill.

**SHRI AJOY BISWAS (Tripura West) :**  
Mr. Chairman, the Government has brought forward a piece of legislation to amend the Bonus Act to increase the eligibility ceiling from Rs. 1600/- to Rs. 2500/-. In the Monsoon Session also there was an amendment to the Bonus Act. I do not know why the Government is not bringing forward a comprehensive legislation so that more workers and employees can be covered under this Act.

Sir, inspite of this amendment a large number of employees and workers will be left out from the purview of the Bonus Act. What is the conception of bonus ! All members have said that bonus is a deferred wage. According to the Constitution, Government should pay to the worker a living wage. I quote Article 43 :

“The State shall endeavour to secure, by suitable legislation or economic organisation or in any other way, to all workers, agricultural, industrial or

otherwise, work, a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure....”

After thirty-eight years of Independence Government has failed to provide a living wage to the worker. There is a gap between the living wage and the wage that the worker is now getting. So, bonus is nothing but a compensation for the living wages. If that is the concept, I would like to know why the State Government employees are not getting the bonus and why the semi-government employees are not getting the bonus when they are getting far below the need-based minimum wage. I also want to know why the Central Government employees are not getting their bonus as deferred wage. So, the Government is maintaining a double standard.

In 1965, the Central Government enacted the Bonus Act. But before, that, several High Courts, several Labour Courts and even the Supreme Court gave a verdict that bonus should be linked to the concept of deferred wage. But it is a funny thing that when the Government enacted the Bonus Act and when the Government itself has linked it with the deferred wage, lakhs and lakhs of Central, State and Semi-government employees and workers of other sectors have been left out from the purview of this Bonus Act. Then the Central Government employees, the railway men fought against it and they started agitation. Then the Central Government started giving bonus to the Central Government employees, but the bonus has not been linked to deferred wage, but it is linked to productivity. When it has been stated in the Bonus Act itself that bonus should be linked with deferred wage, the Central Government is giving bonus to its own employees, linking it to productivity. This will enthuse the capitalists because they want that bonus should not be linked to deferred wage, but it should be linked to productivity.

So, I shall request the Hon. Minister to bring another comprehensive bill including all sections of the employees, so that all the employees in our country will get bonus.

Bonus is actually earned by the workers

[Shri Ajoy Biswas]

through bitter struggle. They earned it through their blood and sweat. It is not the charity of the capitalists and the Government. They have to fight to get it. But it is a matter of great regret that the Government has not covered all sections of the workers in the Bonus Act. Nearly 80 lakhs of State Government employees are not covered by this Bonus Act. Some State Governments are giving some ex-gratia payment to their employees. But that is not the bonus. It is only the Central Government who can pass a Bill in this Parliament, from where it can be passed on to State Governments so that the State Government employees also will be covered. What the State Governments are doing now is out of sympathy. So, I request the Minister to bring a comprehensive Bill to cover all sections of the employees.

Secondly, the maximum ceiling has been put at 20 per cent. Why should there be a ceiling? You are not able to put any ceiling on the profit of the capitalists. Then, why should you put a ceiling on bonus? I will quote some instances. There are many companies which are earning huge, enormous profits. But they are giving only 20 per cent of the profit. The J & K Synthetics, Kota Rajasthan earned a profit of 100 per cent in 1971. The workers demanded more bonus. But you have put a ceiling. There was a struggle and several workers were killed in Kota. About seventeen Textile Companies entered in the business in 1971-76. These companies have earned huge profits during this period and what is their position? In the list of monopoly houses, their position is 11 or 12. But they are also giving 20 per cent Bonus. Something is vague. So why you are putting the 20 per cent ceiling? You have no authority to put a ceiling, when you are not able to put a ceiling on the profits?

Another point is regarding allocable surplus. It is a hoax. How the company will determine the allocable surplus? It is all full of ambiguity. So, it is not possible for the workers to go into the details of the accounting of the companies. What companies will submit is what they have to accept. So this allocable surplus section is nothing but to cheat the workers.

Madam, another point that I would like to request the Hon. Minister is to bring forward a comprehensive Bonus Bill, so that it can be extended to all sections of the people, including the Central Government employees and semi-Government employees. Already, the All-India State Government Employees Federation have observed one day token strike in 1984. In 1983, they also observed a strike throughout the country. In the recent national conference of the State Government employees, they have decided to observe one day token strike on 26 February, 1986.

So, I shall warn the Government that if you will not consider their demands and if you will not expand the scope of the present Act and cover all sections of the employees and workers, definitely in the near future, you will see that wherever struggle is there, the State Government employees and Central Government employees and other sections of the workers, they will definitely go on the path of the agitation and they will force the Government to change the present Act.

So, I shall request the Hon. Minister to come to this august House with a comprehensive Bill and extend the bonus to all sections of the workers.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Madam Chairman, there is not a single Member in this House who has not spoken on this Bill eloquently. When our great labour leader initiated the debate, you should have removed the ceiling. All our workers would learn through TV today what our Datta Samantji and Guptaji have said in the House in this regard...*(Interruptions)*

SHRI RAM PYARE PANIKA (Rohats-ganj) : They deliver speeches simply to please the workers.

SHRI MOOL CHAND DAGA : All your Undertakings are incurring losses. I had also asked a question in this regard as to how many thermal power stations were incurring losses. The reply had astonished me. I found that a single thermal power station has incurred a loss of Rs. 211.60 crores in one single year. Such losses have been incurred in the thermal

units in Andhra Pradesh, Assam, Bihar, Rajasthan, Tamil Nadu, U.P., West Bengal and Rajasthan. There are other States also. Whatever you have said is all right that ceiling should be removed. But you should also see the loss being incurred by all the Transport Corporations in India. The persons who support the public Undertakings should see that our public Undertakings are incurring losses...

AN HON MEMBER : It is not the workers but the higher officers who misappropriate funds.

SHRI MOOL CHAND DAGA : When did I say so ? I have not said this. I have stated the situation which is prevailing. I have said that all the Public Undertakings are incurring a losses. I had told yesterday that the industrial units in the Public Sector had incurred a loss of Rs. 120 crores. The proposal to raise the ceiling for eligibility Bonus to Rs. 2500 would be supported by all, but where is the need to distort it ? Despite so much period after independence, no wage policy has been formulated. There is difference in the wages of workers doing identical work. At one place a worker gets some wages and at another place a worker doing similar work is getting less pay than his counterpart. There is difference in the wages of workers doing identical work. One worker gets less wages than the other worker. Under the Bonus Act, a legislation should be enacted so that all the workers whether they are domestic servants or the agricultural labourers are paid wages according to a uniform policy. But these workers are not organised and do not constitute a vote bank. We talk only about those labour organisations which constitute a vote bank. We concentrate our attention only on those organisations. Datta Samantji espouses the cause of only those labour organisations which are organised. But nobody thinks about the unorganised labour whose condition is quite pitiable. Has the country power to formulate a wage policy for them or consider payment of bonus to them ? You speak in favour of bonus. I also say that it must be raised. But before you raise the ceiling for entitlement of bonus, you should also take into consideration as to what is the financial condition of all the workers in the country. What is the condition of migrant

labour ? But nobody thinks in this direction. Only one attitude has been adopted. When there was strike in West Bengal, Public Undertakings had incurred a loss of Rs. 800 crores. Who was leading at that time ? If you look into the affairs of NTC, you will find that against an investment of Rs. 900 crores, it has incurred a loss of Rs. 600 crores. Figures regarding NTC are being furnished now. I am not opposing the payment of bonus. The question is that the poor section of the society and the person who is at the lowest rung of the ladder in the society, who works in the scorching heat of the summer, who has left his native place to work elsewhere, the migrant labour and the workers who are being exploited, what are they getting ? What is the way out for them ? Defence Minister is present here. One may ask him how much loss would be incurred by the undertakings under his Ministry. Let the Labour Minister tell us how much more money will have to be spent in the Public Undertakings as a result of this measure ? You should calculate the financial implications on account of the enhancement of the ceiling to Rs. 2,500. Hon. Finance Minister has proposed certain measures which have been disclosed here, but even these measures have not been appreciated by the Opposition. They want to find fault somewhere. They are doing it with an eye on the ballot box. If this is their attitude, they might give their suggestions. You may say that bonus must be paid, but a wage policy should be formulated so that all the wage earners may get the benefit. I had asked a question regarding Delhi Transport Corporation. I had asked what the details of the Medical Panel Scheme for them are and how much amount has been spent on this scheme. It was replied that a sum of Rs. 7,72,85,318 was spent on the Medical Panel Scheme during the period 1-5-1985 to 31-10-1985. A huge sum of more than Rs. 7 crores has been spent. I asked when this Scheme was introduced and whether this scheme would be discontinued or not. The reply was "yes, it is being considered". This was the reply to the question. The money spent in this manner. If you want to make certain payment to the workers, it is all right, but there are certain workers who indulge in *goondaism*. What do you propose to do in such cases. They would accept the payment of bonus and would also indulge in *goondaism*. (Interruptions) Bonus

[Shri Mool Chand Daga]

is a good thing. It is deferred wage, but the purpose behind it should also be kept in view. What is proposed to be done in respect of those workers who do not work at all and indulge in *goondaism* and simply chew tobacco...? I would, therefore, like to suggest that a new comprehensive Bill for bonus should be brought forward. The present Bill is not going to serve the purpose. At present, you pay 8.33 per cent bonus to the workers, but would you please tell us how many man-days have been lost during the last three years on the issue of demand for bonus? At present, only that Trade Union leader is considered to be a good leader who can get higher amount of a bonus to the workers. I would, therefore, like to submit that a comprehensive Bill regarding bonus should be brought forward. Everybody should get bonus. I do not have any objection to it, but bonus policy should also be understood properly. The workers should be paid full amount of bonus, but they should also put in their best like the workers in Japan. There should be a spirit of discipline among them. I would also like to know how much more funds from the exchequer would have to be spent on payment of bonus in the public Undertakings due to enhancement of ceiling to Rs. 2500.

**SHRI RAM PYARE PANIKA (Roberts-ganj) :** Sir, I rise to support the Payment of Bonus (Second Amendment) Bill. It is not a comprehensive Bill. All are supporting this wholeheartedly. Shri Indrajit Gupta is also supporting it and I am one with him on the points he has raised. I want that while replying, the Hon. Minister should tell us the number of industrial units which have been paying bonus and which have not been paying it for the last two or three years and also, the number of units or corporations who have been paying minimum bonus. What I want to say is that the Government have not fixed any such criterion that the balance sheet of the private companies, corporations and Government Undertakings will be checked at the time of payment of bonus. That is why private companies are playing with the hard earned money of the workers. At present there are many companies in the country which have one president and 26 vice-presidents, who squander the hard earned money of the workers. You

should, therefore, tell us about the criterion you have fixed in this regard or if you have not fixed any such criterion what arrangement are you going to make in future so that the hard earned money of the workers is not squandered. Whatever profit is earned in the companies is shown as spent on construction or expansion and the workers get only 8.33 per cent bonus. Shri Gupta is asking for increasing it to 10 per cent. I am also of the view that this ceiling of 8.33 per cent should be enhanced. Not only this, our Government have started many welfare programmes for the workers. Consequently, there is no loss of man-days now-a-days. All told, the industrial relations are congenial at the moment, The mills in the country are not sick because of labour strikes, the mills are sick because of the mismanagement or because of the financial institutions as they have invested money in them. You will find that in all the sectors whether it is the joint sector, the private sector or the cooperative sector, the mill-owners are not utilising the funds properly, I want to draw your attention to the measures being undertaken by the mill-owners for the welfare of the workers. Though we have many laws in the country, yet the Central Government do not have the power to implement those laws. When it comes to implementation, you put the responsibility on the State Governments. The result is that the State Governments are enforcing the labour laws half-heartedly. In this connection, I want to draw your attention to the situation in Uttar Pradesh.

16.00 hrs.

In the Labour Department there, the posts of Inspectors have been lying vacant for the last 10 to 12 years and the officers responsible for the implementation are not taking any action. I, therefore, demand that you should issue strict guidelines to the State Governments that they should implement the laws meant for the welfare of the labourers. Over the years, the Labour Department has enacted several laws about which, what to speak of the Minister, even the officers have no knowledge. What is needed is that a committee should be set up which may compile all those labour laws at one place which have been enacted both by the States as well as by the

Central Government. If these laws are studied in depth, you will find that they contradict each other. At many places, the definitions are contradictory. You should pay attention to this aspect.

You are framing laws for the organised sector. It is a welcome step. But you should do likewise for the unorganised sector, e.g. 40 lakh Bidi workers also. You have fixed minimum wages but under that arrangement, what to speak of bonus, provident fund or other facilities, the workers are not getting even the minimum wages. In this connection, I would like to give you example of NTPC. It was decided by NTPC that with effect from 1980, so much amount will have to be paid but that was not paid to the workers. Some multinational companies have also not done so. In this case, our union approached the Labour Department and presented a claim of Rs. 4 crores. You will be surprised to know that the Commissioner there, who was nearing retirement, decided 10 days before his retirement that it should be enforced from July, 1985. Those companies had terminated the services of hundreds of labourers simply because they were demanding their rightful wages. I, therefore, submit that if you enact any law concerning minimum wages, you should have the power to get that implemented also. What happens is that you enact a law and Shri Gupta and Shri Choubey get the chance to incite the workers. Yes, it is true that you give them and to us also opportunity to do such things.

One thing more. I am vice-president of INTUC in Uttar Pradesh. I observe that we ask one thing and they reply something else. Recently, the wages of the road workers were fixed at Rs. 16.65 but when we visited the site, we saw that the male labourers were being paid Rs. 8 and female labourers were being paid Rs. 6. Now whom should they approach and which Government or Department should they request to. When they appeal, they are told that that is the law. You have fixed equal pay for the male and female labourers for equal work but this law is being violated with impunity not only in Uttar Pradesh but in every State. You go to Forest Department, you go to PWD, you will find that if the male labourers get Rs. 10 the female labourers get Rs. 6 or 8 or 5. I do not know when will you enforce minimum

wages in the Forest Department. You are providing funds from here for the NREP, RIEGP and DPAP but in the case of minimum wages this law is not being implemented in the entire country. You are enacting laws after laws and as the necessity arises, you enact laws for the welfare of the workers but these are not being implemented. I, therefore, urge you to set up a machinery for implementing all the laws already enacted. The problem is not going to be solved by merely issuing directions by the Central Government. I want that while replying, you may assure us that the female and male workers will get equal pay for equal work in the country. You have enacted a law but that is gathering dust in the almirahs. I want that it should be implemented. I, therefore, emphatically support this measure and oppose the proposal of Shri Gupta and Dr. Datta Samant. Their only objection is why this was not done in the earlier Amendment. They should recollect that at that time all the Hon. Members had demanded only one thing that the ceiling should be increased to Rs. 2500. At that time, the Hon. Minister had stated that the matter would be considered at an early date. Now, if the Government have considered the matter at an early date, then what crime has they committed? It is not a crime that the Government have taken an early decision and the Hon. Prime Minister has given a Diwali gift to the people. I, therefore, welcome it.

Along with it, in the Labour Minister conference, he had assured that this limit of Rs. 2500 will be increased to Rs. 3000. You need not take another two months to do this, otherwise Shri Gupta will again criticise on this score. You may increase it to Rs. 3000 just now.

**SHRI INDRAJIT GUPTA :** There should be no ceiling.

**SHRI RAM PYARE PANIKA :** That will be seen latter. In principle, I agree with you.

**SHRI INDRAJIT GUPTA :** Why should there be any ceiling for the workers?

**SHRI RAM PYARE PANIKA :** The country is not in a position at present to do

[Shri Ram Pyare Panika]

this. There is consensus in the entire country that this ceiling should be raised to Rs. 3000. Therefore, you should raise it to Rs. 3000.

Just now Shri Mool Chand Daga was saying that the Managers and the General Managers of the Public Undertakings live *Rajahs* like *Maharajahs* of by gone days. You see the grandeur of their guest houses and standard of living. At the time of awarding contracts, they charge certain percentage from the contractors. It is a reality. Why are the Public Undertakings incurring losses? We have already told you about the practice being followed by the Private Undertakings. Government will have to keep control over the Public undertakings. About Rs. 35,000 crores have been invested in this sector. Similarly, around Rs. 36,000 crores have been invested in the Private Sector also. To ensure that all this money is properly utilised, we shall have to create a machinery to oversee the expenditure. You will have to investigate extravagant and unrestrained spending also. You should find out how many officers' children are employed as officers in the private companies. How many children of the Judges and the Heads of the Departments have been employed in these companies. They act in collusion with each other and employ each other's sons in their units. There is need to look into this matter.

While submitting these basic things before you, I would urge that this ceiling of Rs. 2500 should be raised to Rs. 3000 and the minimum limit of 8.33 per cent bonus should also check the extravagant and unrestrained expenditure both by the Private Sector and the Public Sector.

Once again. I extend my support to the Bill and thank you.

[English]

SHRI S. JAIPAL REDDY (Mahbubnagar) : Madam, we have had experience with the payment of Bonus Act for the last twenty years. This is a long period and in this period many wide-ranging and fundamental changes have come about in the industrial

sector. But the Government is content with piecemeal and periodical amendments. I, therefore, feel that it is high time that the Government really came forward with a comprehensive approach to the whole problem. I think it was in this perspective that Dr. Datta Samant suggested that this matter be referred to the Joint Select Committee. It was never a part of his intention that the little benefit accruing from this amendment should be deferred. Even as the benefit flows the whole question of legislation could be studied by the Joint Select Committee in consultation with the leading trade union organisations in the country. That is the basic purpose behind the amendment and I really support the amendment.

I would not have really taken the trouble of participating in this debate if I was not disappointed by the reply of the Minister. When Shri Indrajit Gupta asked the Minister as to what exactly was the rationale or the set objective criterion behind the fixation of this limit or ceiling, be it Rs. 1,600 or Rs. 2,500, our Minister was not able to throw any light on that aspect. On the contrary, our confusion was worse confounded. In May, 1985 this Government thought that Rs. 1,600 was a high limit. I still remember the euphoric mood of the House when the Finance Minister Mr. Vishwanath Pratap Singh said the limit was being extended to Rs. 1,600. But within two months the same Government thought that the limit should be raised to Rs. 2,500.....(Interruptions)

SHRI INDRAJIT GUPTA : Because of Diwali, they say.

PROF. MADHU DANAVATE : Due to Congress centenary.

SHRI S. JAIPAL REDDY : That means in May our Finance Minister could not really anticipate the arrival of Diwali. Diwali was another imponderable factor.....(Interruptions)

SHRI INDRAJIT GUPTA : Unexpectedly arose.

SHRI S. JAIPAL REDDY : Which unexpectedly decended on the nation. Therefore, Madam, I plead that some criteria must

be evolved. If you cannot dispense with the ceiling altogether, this should be linked to some general criterion. As Prof. Dandavate Ji was telling, it could be linked to the falling value of the rupee. What one rupee was in 1960, is now 16 naye paise only. So, the rupee has been devalued in terms of its purchasing power by 600 per cent in the last 25 years. Therefore, if this criterion could be applied for fixation of the eligibility limit or the qualifying level, it would be rational. I do think that the Government has been a bit generous because it has been parsimonious otherwise for the last 25 years, and the generosity is to be adjudged in relative terms. Would the Government explain as to why it slept over the whole matter for the last 20 years ?

PROF. N.G. RANGA (Guntur) : Everybody has slept over it.

SHRI S. JAIPAL REDDY : No, we did not. When your party during the Emergency reduced bonus to 4 per cent, we increased it to 8.33. Please remember that.

As Gupta Ji has pointed out, bonus in this country at any rate is no longer viewed in terms of its relationship to profit. It has come to be looked upon as a deferred wage, as the wage of the 13th month. Therefore, why should the Government adopt a hesitant and halting approach on an issue which merits national consensus ?

Lastly, I do not want the Government to tinker with this legislation. Let the approach be integrated and that of a structuralist; let the whole piece of legislation be subjected to a thorough review. I do not know how whether it is better to refer it to the Joint Select Committee or to an expert committee. but I am certainly of the view that it is high time the whole issue was reviewed again in the light of the experience that we have gathered during the last 20 years.

[Translation]

SHRI GIRDHARI LAL VYAS (Bhilwara) : Sir, I rise to support the Payment of Bonus (Second Amendment) Bill, 1985. Speaking on the amending Bill, an Hon. Member had just now suggested that

a criterion should be fixed for bonus in view of the devaluation of Rupee. The upper ceiling for bonus had been fixed at Rs. 1600 in 1965 by the Central Government and now after 20 years, this ceiling has been raised to Rs. 2,500. The raising of the ceiling to Rs. 2,500 is not adequate keeping in view the fast devaluation of Rupee and increase in the wages. Irrespective of what the worker gets, there should be no ceiling on bonus. Even if the worker earns Rs. 4000 to 5000, he should get bonus because he works hard and helps in increasing production. That is why there should be no ceiling on bonus. The inclusion of the Managers, Directors, etc. under the Bonus Act is certainly not a welcome step. They earn money by fair and foul means and it has often been observed that the industrialists appoint their own relations as Managers or Directors in their companies to look after every area of operation, from marketing to purchase and they swindle money in all these activities and, as a result, the mills become sick. If these people are covered under this Act, it would harm the interests of the workers and it would not be a welcome step. The Managers, Directors, etc. should be kept out of the scope of the definition of bonus. Shri Indrajit Gupta has rightly stressed this point and I support him. There should be no upper ceiling for bonus. The ceiling was recently raised to Rs. 2500 and efforts are being made to raise it to Rs. 3000. As a result, the wages will again increase and prices will further rise and the value of rupee will further erode. It is, therefore, advisable that instead of moving the amendment for raising the ceiling for bonus over and over again, the upper ceiling for bonus should be removed once for all. Everyone who is covered by the definition of a worker or workman should be given bonus. If this is done, there will be no need to move any amendment in this respect in future and bonus will continue to be given proportionately. At the moment, those getting Rs. 2,500 and those getting Rs. 1,600 will get equal amount of bonus. There should be no such discrimination. Earlier, the ceiling was raised upto Rs. 1600 but bonus was calculated at Rs. 750 and now when the ceiling has been raised to Rs. 2500 why is the bonus being calculated at Rs. 1600 ? What are the reasons for calculating it at Rs. 1600 only ? I would like the bonus to be calculated on the basis of

*{Shri Girdhar Lal Vyas}*

the amount of ceiling. All employers, whether they earn profit or are incurring loss, should give minimum bonus at the rate of 8.33 per cent. I have actively participated in the trade unions of the private sector. The balance sheets of most of these companies contain many irregularities. The expenses shown in them are inflated.

16.02 hrs.

[MR. N. VENKATA RATNAM  
in the Chair]

The depreciation fund is also not utilised by any management to make up the depreciation and many units turn sick as a result thereof. The depreciation fund is used for modernisation and the money is withdrawn so as to obviate the need to pay bonus. Later, that amount is not utilised for that purpose and instead used for their own benefit. As a result, the unit becomes sick. It should be ensured that the amount which is deducted from the profit for a particular item is certainly used on that item only. This provision should be implemented. If these funds are utilised for the purpose for which they are earmarked, it would then be possible to utilise the funds for the welfare of workers and other activities in a proper manner. If it is done, the workers, the management and the unit can function smoothly. There is a provision that nobody can raise objection once auditing is done, though it may be wrong. But the way the auditors are appointed and the way they assess the profit made by a company, it is clear that the auditors do not try to go into the details. In a bid to evade taxes, the big companies and trade establishments maintain two separate accounts for white and black money. Similarly, small entrepreneurs also maintain double accounts and the auditors are not able to know whether the company is earning profit or incurring loss. Therefore, there is need to bring about necessary changes in the accounting system to enable them to know whether a particular company is incurring loss or earning profit. There are many such companies in the private sector which do not make timely payment of bonus at the rate of 8.33 per cent. They keep it pending for four to six months or even upto

*eight months. In this regard there is a provi-  
sion in the Industrial Disputes Act and the  
Bonus Act to the effect that bonus should  
be paid by a specified date. The Ministry of  
Labour is as casual as the Labour Depart-  
ment of the State Government in this respect.  
Nobody has ever cared to initiate action  
against the private industries and this results  
in undue delay of payment of bonus, which  
may be as much as eight months. Finally,  
when the worker is left with no other alter-  
native, he goes on strike and this causes  
heavy loss to the industry as well as the  
worker. Therefore, provision should be made  
so that payment of bonus is made well with-  
in the stipulated time. This system can work  
smoothly only if timely payment of bonus  
is made to the workers,*

Bonus is a deferred wage and a worker is given 13 months' wages instead of 12 because it has been agreed that this is a reward for his hard work. He has earned it by the sweat of his brow and no favour is being shown to him in this regard. Therefore, there is need to implement it in letter and spirit.

There is also the need to raise the minimum rate of bonus which at present has been fixed at 8.33 per cent. Shri Gupta has stressed in particular that the minimum rate of bonus should be raised to 10 per cent for those getting salary of Rs. 750. It is your sweet will whether you raise the ceiling of bonus or not, but those getting meagre salaries should get more bonus and a Bill to this effect should be brought in the House in this very session. If an amendment to this effect is brought, it would be more beneficial to the low-paid workers.

In the end, I would like to say that the Bill which is before the House deserves to be commended and I hope the Hon. Minister will pay attention and remove the shortcomings that are there in it. Members from the Opposition opposed it when an Ordinance to this effect was promulgated and then, at the introduction stage, it was again opposed by them, but I would like to point out that their opposition should be taken lightly. Their intention was to oppose it just for the sake of opposition. So far as promulgation of the Ordinance was concerned, it was essential to promulgate it because without

it, the earlier measure could not be enforced as no date had been fixed and, secondly, the ceiling was raised to Rs. 2,500 and it was necessary to promulgate an ordinance because the payment had to be made before a particular date. Therefore, the Ordinance was not improper in any way and they had opposed it just for the sake of opposition. I would, therefore, request the Hon. Members of the Opposition to point out the shortcomings in the measure and try and co-operate with the Government in removing them, instead of just opposing it for the sake of opposition. If they have any suggestion in this regard, they should put it before the Government. If they are worth considering the Government will certainly agree to them. With these words, I support the Bill.

[English]

SHRI G.L. DOGRA (Udhampur) : Sir, I rise to support this measure. Much has been said by Members on both sides. But it is a fact that this bonus question requires a thorough study. The Labour Ministry has done well in bringing these measures. Now, there should be no objection in moving step by step and that is the wisest way of moving, but they should get the whole issue examined in consultation with the State Labour Ministers and Tripartite Conference also. The conditions have changed very much and whatever you want to do, it has a certain financial implication on the general economy also, and as far as the labour is concerned, they also need a fair treatment, may be bonus, may be the wage policy, may be such other issues which deal with the welfare of labour. Therefore, I would suggest to the House that we should pass this measure as it has come, but I should also request the Labour Ministry to get the whole issue examined *de novo* in detail with the help of all concerned so that we do not waste much time and the people are not able to exploit the labour on these issues.

With these remarks, I support the Bill.

DR. G. VIJAYA RAMA RAO (Siddipet) : Sir, the Payment of Bonus Act has been there for the last 20 years. In spite of your implementation of this Act, we still find that there are a large number of labours who did not get this bonus. When you talk about

the labour, you cover only the labour who are working in the industry and the labour who have got some skill or the labour who are doing some clerical work. But still there is an abundant amount of people who are working in the rural areas like agricultural labour and the labour who are working under the major contractors or big contractors. They work in the major project work and they are changed from one project to another project; they are changed from one district to another district. But the Government never wanted to cover those people. They have been neglected for the last 20 years. It is not only that. The labour who are working in the small scale industry, in a small industry have never been paid bonus. Whenever they go to management or the owner for bonus or to improve their salary, that owner simply says, "No, we did not get profit this year". Like that, every time, the employers escape from paying anything extra.

So, the ceiling limit of Rs. 1600 or Rs. 2500 is not a reasonable rationale for giving bonus. So, what I advise the Government is, you take the labour as partner in the management or let the labour participate in the management so that they will pay more interest, they contribute more and we can get more production. So, what I feel is that the labour should be paid bonus according to the contributions made, the time spent and the skill displayed and not on the basis of salary.

[Translation]

SHRI DILEEP SINGH BHURIA (Jhabua) : Mr. Chairman, Sir, I rise to support the Payment of Bonus (Second Amendment) Bill. Sir, there are many definitions of a worker in this country. Dr. Datta Samant wants the ceiling of bonus to be raised further from Rs. 2500; but I would like to remind him that there are workers in this country even today who make both ends meet on a paltry sum of Rs. 250. The organised worker gets off-days both on Saturdays and Sundays but there are workers in this country, particularly in the villages, who do not get any off-day either on Saturdays or Sundays and work tirelessly round the clock. The number of such people is quite large in the country. When will we think about these

[Shri Dileep Singh Bhuria]

people ? I think this is the right time when we should do so.

Sir, some Hon. Members pointed out just now that if the Government did not concede their demand they would resort to strike. But this is not the right approach. Sir, both the rich and the poor live in our country. We shall have to check strikes by a few organised classes which result in extensive damage to the country. If we did not check them, time has come when the poor will not bear it anymore. Till all of us, irrespective of our party affiliations, do not work together to check them, there shall be no change in it.

Sir, is the worker engaged in the fields entitled to medical allowance or leave ? He is not entitled to anything at present. We may be constructing roads, laying railway lines and constructing five star hotels in the country but the poor in this country still live on the footpaths and do not have a roof over their head. Have you ever thought about them ? I would like to request the Hon. Labour Minister to give some thought to the problem of the farmers of the country also, who are the backbone of the country and who work round the clock along with their wives and children. They should also be given some facility like bonus. The organised labour of this country is able to secure its rights, but the poor villager does not know the law of the land, nor is he aware of his rights. We shall have to think seriously about his problems. The person who works hard, should be given his due. Today, Japan and West Germany, etc., have developed to a great extent, because these countries had linked bonus and wages with work; we would have to introduce such a system in our country also. If we continue to talk of wage increase, it is not going to serve the purpose, or make the country strong. With a view to bring the country on the path of progress, we must think about the poor farmers, labourers and the persons living on the footpaths. I would also like to urge you that bonus should be paid to all the workers, whether they work on the roads or in the fields. This would encourage the people and would instil a feeling of discipline among them.

At the time of framing of the laws, you take into consideration the interest of certain categories only. Why should you not discuss the issue with the State Governments ? The problem of the employees of the State Governments should also be discussed here. At the time of enactment of the laws, you should also take into consideration its implications whether the measure would benefit all the categories or not. This House must think about the welfare of all. If we accept the plea of only Datta Saheb, how will it serve the purpose ? Benefit should be given to the rich as well as the poor and the weaker.....

AN HON. MEMBER : M.Ps. should also be given some benefit.

SHRI DILEEP SINGH BHURIA : An M.P. is strong enough to manage his affairs. If you want to increase his facilities, you may discuss it with the Finance Minister and thereafter a Bill might be introduced for them also. The maximum loss might have been suffered by Datta Saheb, because I am aware of the luxurious life which our labour leaders lead. I have also been a labour leader and I know the luxurious life they lead. That is why so many trade unions are formed. Even in a small industry, there may be as many as fifty labour leaders. They become labour leaders, because after their election as labour leader, they enjoy maximum facilities. Many things are done only with this end in view.

In the end, I would request the Hon. Minister that he should think in this direction and adopt measures to provide bonus to all. With these words, I once again support this Bill.

[English]

SHRI VIJAY N. PATIL (Erandol) : Mr. Chairman, Sir, this Bill seeks to raise the limit the salary from Rs.1600 to Rs. 2500 per month for bonus eligibility. Government have come forward with this Amendment with a good intention that, if the employees getting more salary also get this benefit of bonus, they will work more. But our experience is not good. Specially in public sector undertakings, we find lethargy on the part of senior officers also; we have experienced it ourselves. The

public sector undertakings get all kinds of priorities, in the matter of raw material availability and other infrastructural requirements; everything is given on a priority basis and the market is also assured. Even then there are huge losses in these industries. It is not that the other conditions alone are responsible. It is also the management which is responsible, and the management constitutes the upper strata of the employees drawing above Rs. 1600 per month. We give this bonus as an incentive for good work; we have not increased the scales of salaries; it is to be given in the form of bonus. But we see that this type of incentive does not work. That is why my friend, Mr. Bhuria, has suggested that payment of bonus or other incentives should be linked with output. We have tried many methods in our socialistic pattern of society; in the Government sector and also in cooperatives, we have directed that the management should take employees' representatives on the Board of Directors. All these measures are being taken, but the results are negligible. The working has not improved. We find that militant trade unions, whatever you may give them, always find out some excuses to adopt the practice of go—slow or even strikes at regular intervals. That does not stop. When strike takes place it lasts for months. If it is in Communication and public sector undertakings like Telephone Industry and other industries, the loss is not known. Nor it can be calculated in monetary terms. But in the long run we find that the nation suffers. These unions don't realise, and the industries go sick. This sickness has increased in a number of industries in the States where the labour union activities are more. For example west Bengal. We cannot deny this fact.

So, it is also necessary that the labour and industrial management relations should improve. The union leaders also should realise that the profit to the industry is necessary, the output and production is necessary and not only to adopt to "go slow" or demand their rights.

You are conscious of your rights but you are not conscious of your duties. I have calculated that in one Ministry, the employees enjoy holidays and leave upto the extent of 145 days out of 365 days. With the starting of five day week, the conditions have

not improved. On the contrary, I am sorry to say that the things have deteriorated further. We were expecting that the Government employees will come on time and leave the office after the office hours. But the experience is otherwise. For the first few days or weeks, even few months, there was some effect. But now they have gone back to the old method of their coming. Majority of them are coming according to the old schedule, old time table, as they were coming when it was six day week. Even the officers are finding it difficult to get the driver if they are to go on duty on Saturday or on Sunday when it is a five day week now. That experience is not good.

It is time to consider how much concessions we are going to give to the labour, to the Government employees and other employees if they are not properly improving their methods.

With these words I would like to go back what Mr. Bhuria has said on agriculture. If you compare the prices of agricultural produce of 1962 and 1982, you will find not much increase there in the prices of grains or in other agricultural produce.

My friend Mr. Datta Samant has suggested "why don't you form unions and why don't you put pressure on the Government." The farmers, especially the small farmers, are not that united. They cannot afford it and if they start doing this, then Mr. Datta Samant or other union leaders or the ladies from Bombay start shouting why the price of milk has gone up, why the prices of food commodities have gone up

DR. DATTA SAMANT : There is no link between the farm labourers wage and the prices of agricultural products.

SHRI VIJAY N. PATIL : There is a link because there is labour on the farm also. If you have to pay him more, the farmer should also get more. They are working day and night. The farmers and the labourers on the farm work for 12 or 14 hours. We are not considering about their bonus, we are considering about their minimum wages ! Here we are giving bonus to the people above their maximum salary.

[Shri Vijay N. Patil]

That is why I again want to suggest that this bonus and even the salary should be linked with the output. Especially this practice should be started in public sector undertakings where everything is available for the industry on priority and where the market is assured. That is why I again want to emphasize this.

With these words, the Bill the Government has brought, I support. I thank the Chairman for giving me time.

SHRI N. V. N. SOMU (Madras North) : First of all I would like to congratulate all the trade unions for having brought pressure on this Government to introduce this Payment of Bonus (Second Amendment) Bill. I am happy that at least after a lapse of 20 years the Government has developed a sympathetic attitude towards the labour.

First of all I want to say that there should be no ceiling of Rs. 1600. Hon. Members from all section of this House put forth clearly and categorically that this ceiling should be increased. The Bill says that for eligibility of bonus, Rs. 2500 is the maximum, but payment is only upto Rs. 1600. This is just like taking measurement for a coat for 6' person but stitching it for a 4' person. Such a ridiculous thing should be removed.

The State Government employees throughout the country are demanding bonus. In our Tamil Nadu also the State Government employees are demanding bonus. Teachers are demanding bonus. Now there are so many Boards functioning under the State Government. They are giving bonus to their employees. The Water Supply Board is there. The Housing Board is there. There is the Slum Clearance Board and also there are the Transport Corporations. They are all giving bonus to their employees, whereas a person employed in the State Government is not getting anything by way of bonus. So the Central Government should prevail upon the State Government to pay bonus to State Government employees also. For this purpose I would suggest that the Government can bring a legislation that the State Government employees also may be considered

under the definition of 'employee' for the purpose of bonus.

Teachers are also demanding bonus everywhere. In our Tamil Nadu there is an agitation going on by the school teachers. Now I am presenting to this august House that 50,000 teachers are in jail in our Tamil Nadu. 3 lakhs of teachers are in the streets and for the last one month schools are not functioning in Tamil Nadu. Education has completely stopped.....

SHRI HARISH RAWAT (Almora) : They must also get bonus ?

SHRI N. V. N. SOMU : They are demanding bonus and it is one of their demands also. And when we are asking bonus for agricultural workers, why not we ask bonus for teachers ? So teachers also should be given bonus.

Secondly, there is a discrimination in the payment of bonus. For example, in the National Textile Corporation the mill workers are getting bonus whereas their show-room employees are not getting. This discrimination should be removed and I would request the Hon. Minister to consider payment of bonus to the show-room employees also.

The third point I would urge is that the quantum of bonus should be increased. When the Bonus Act was introduced in the year 1965, the minimum bonus was 4 per cent. Then it was increased— and I may be permitted to say here that on the advice of our then Chief Minister, Dr. Karunanidhi, my father, late Mr. N.V. Natarajan who was then the Labour Minister in Tamil Nadu, in the all India Labour Ministers' Conference gave the first clarion call to increase the minimum bonus from 4 per cent to 8.33 per cent. That was in the Seventies. Now we are in 1985. All the Trade Unions—the AITUC, INTUC, CITU and the Labour Progressive Federation to which I belong and all the Labour federations, irrespective of their Party affiliation, gave a clarion call to increase the minimum quantum of bonus from 8.33 per cent to 10 per cent. One decade has gone. Please imagine. That was in 1972 and we are now in 1985. For 13 years the employees are receiving only 8.33 per cent. The value of

the rupee has gone steeply and now a rupee is worth only 16.84 paise. I would put it roundly 17 paise. What is the use of increasing the ceiling only upto Rs. 1600? You must increase the quantum of bonus also? Even during the life-time of the late lamented Prime Minister, Madam Indira Gandhi this demand was put forth by all sections of Labour Unions. So, I request the Labour Minister to apprise the Government of our views and get the limit increased.

Secondly, Sir, some employers are preparing the balance-sheet in such a way that they have only to pay the minimum bonus. I request to the Government to appoint a cell just like labour cell to hook those employers who want to cheat the workers and do not pay them their legitimate payment. An amendment to this effect may be introduced in the present Bill or a new Bill to this effect may be brought. Everywhere the workers are cheated. Supposing Government fixes the limit at 10 per cent they will prepare the balance sheet in such a way that the workers only get 10 per cent. I support the suggestion put forth by Dr. Datta Samant that an expert committee representing all labour interests should be formed and this Bill may be referred to it and in the light of their deliberations another Bill may be introduced.

I thank the Chair for the time having been given to me to speak on this Bill.

**SHRI CHINTAMANI JENA (Balasore) :**  
 Mr. Chairman, I rise to support this amendment. After we achieved our Independence the first Prime Minister of our country, late Pandit Jawahar Lal Nehru, embarked upon the process for industrialisation of the country and took many welcoming measures to make the country self-sufficient in case of industrial production. As a result thereof many industries—small, medium and heavy—could come up in the country and millions of people could get employment in those industries. With the increase of production in the industrial sector, Government thought about the welfare of the employees in the field of industry. So, many incentives were sanctioned and also awarded to them. In 1965 the Payment of Bonus Act was passed in Parliament resulting in benefits to thousands of industrial workers. The late Prime Minister, Shrimati Indira Gandhi, gave a clarion call for indus-

trial revolution in the country. Now, an amendment has been necessitated in the original Act. According to Section 12 of the original Act there was provision for payment of bonus to employees getting a salary of Rs. 750/-p.m. Later this benefit was extended to the employees getting Rs. 1600/- per month. Now, this benefit will be extended to the employees getting a salary of Rs.2500/- per month. Some may criticise but whatever Government has decided let this benefit be made available to the employees. At the same time, I must urge upon the Government to think with all seriousness to extend it to the agricultural labourers also, because as you know, Sir, they have no organisation of their own. In industrial sector, the workers have their own organisations, unions, federations, etc. through which they are fighting for their benefits. But in the case of agricultural labourers, no organisation exists. Therefore, they cannot fight. I am sure and confident that our present Prime Minister, with his able leadership, will think about the welfare of the down-trodden masses very seriously and the agricultural labourers come under that section.

17.00 hrs.

While welcoming this measure, I would request once again the Hon. Minister to think on the lines suggested by me. I am also very happy that a senior and seasoned politician like Shri Anjiah has brought forward this Bill. I whole-heartedly welcome it and request the Government to extend this benefit to the agriculture sector, as well.

Secondly, instead of Rs. 2500 per month the limit for the salaried people may be extended to Rs. 3000 per month. This may kindly be amended accordingly.

Some Hon. Members have suggested that the Bill may be referred to a Joint Select Committee. I must say that it is quite an absurd idea, because it will be unnecessarily delayed and ultimately the employees for whom we are fighting, will not benefit immediately.

I whole-heartedly support this Bill. With these words, I thank you for giving me an opportunity to speak a few minutes.

17.04 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

PROF. P. J. KURIEN (Idukki) : I rise to support this Bill. The bonus limit was fixed years back when it was decided that Rs. 1600 should be the maximum limit. Now that the limit has been increased from Rs. 1600 to Rs. 2500, I certainly welcome this Bill. But I feel that this is not enough, because when you compare the money value when we had fixed it and the consequent inflation today I feel that this ceiling itself is not adequate. Actually, bonus is a deferred wage and that is the definition which we have given to bonus and it has been accepted by all governments. If that is so, should there be a ceiling like this at all? Instead of giving a ceiling on the basis of a certain amount, why not we categorise and say that all those who are workers—industrial workers, irrespective of the amount they get, are eligible for bonus.

Now, any person, if he is a worker and his salary is above Rs. 2500 is not eligible for bonus. This, I feel is not just. I would suggest that the maximum amount can be limited at Rs. 1600 as has already been done but the eligibility limitation should be removed and all industrial workers irrespective of their salary should be made eligible and should be brought under the purview of the Bonus. This is a suggestion which I have to make.

Sir, Bonus, as I have already said is deferred wage. If it is deferred wage, there is no justification in denying bonus to other categories of people also. In Kerala, our State Government is giving festival allowance to our employees, though, it is not called bonus, but it is a type of bonus. The other categories of employees, even though they are not industrial workers, those who are getting less than this Rs. 1600 or Rs. 2500, they can also be given some allowance, you may call it bonus or otherwise. Therefore, I would suggest that the scope of Bonus Act should be extended to other categories of workers also.

Sir, there is already a provision for paying gratuity to the workers and employees. But there are cases, where employers are not able to pay the gratuity, when the workers are retiring. A number of cases are there. The gratuity is to be paid at the time of retirement and the employers either deliberately or due to the financial constraints are not able to pay it. I have to make a suggestion before the Hon. Minister that we should constitute a Gratuity Board. I think that suggestion has already been made in this House and it is said that a representation has been sent to the Minister also. This Gratuity Board should take care of the interests of the workers and see that gratuity is credited to their accounts every year instead of the total amount which is released at the time of the retirement. The employer or the Management can open an account in the name of the worker and the percentage of the gratuity, that is 15 days wages or whatever it may be that can be deposited in a Bank, is deposited in a separate account in the name of the employee so that on the one hand the employee will be getting the benefit of the interest of the gratuity amount and on the other hand, the Government will be keeping under this Gratuity Board, a considerable amount of money which the Government can utilise. This way, the gratuity amount can be ensured to the worker. So, I want the Hon. Minister to examine this suggestion. I also want the Minister to examine how many industries, how many employers in this country are not paying gratuity and are not complying with the provisions of this Act. There will be a number of them. I would like to know what the Government is going to do about them.

Sir, now I would like to say something about my constituency. Lot of plantation workers are in my constituency, especially in the tea gardens and cardamam gardens. The conditions of these plantation workers are very much deplorable in every respect. In this connection, I have to point out that these workers are demanding that they should have an office of Provident Fund in their district. There is no office in this district at present. They have to travel all the way to Trivandrum; and you know the difficulties the poorly-paid worker has to undergo, to travel such a long distance. So, I would request you to consider the suggestion to start an

office of the Provident Fund Commissioner in the district of Idukki, where the plantation workers are in a good number.

There are so many schemes for the welfare of the plantation workers; but actually, it is our experience that these welfare measures are not being implemented by the managements. There is no proper machinery to watch whether these welfare measures are being implemented by managements, e.g. housing, water, electricity and other facilities. Managements always try to get rid of this responsibility. It is for the Labour Officers to look into this, and take proper steps to punish managements. But actually, the Labour Officers are more or less siding with the managements. The Labour Officer should be very strict and see that labour laws are enforced by managements. But this does not happen. I know that the Labour Officers are under the State Governments, but it is for the Central Government to take up the matter with the States, and to see that labour laws are strictly enforced by the Labour Officers who should always side only with the workers. They should have no relation with the managements. They should be the spokesmen of the workers. Unfortunately, that is not the position in our country.

With these words, I support the Bill brought forward by the Government, and also thank the Hon. Deputy Speaker for having called me to speak, even though I had not asked for it.

[*Translation*]

SHRI BALKAVI BAIRAGI (Mand-saur): Mr. Deputy Speaker, Sir, I am grateful to you that you have given me an opportunity to express my views. I support the Bill which is before the House. I would also like to congratulate the Government that they have paid attention to the Bonus Act twice in a single year, which was enacted twenty years back. The limit of Rs. 750 was first raised to 1600 and again it was raised from Rs. 1600 to Rs. 2500. This new Government under the leadership of Shri Rajiv Gandhi twice reviewed the question of the bonus. It appeared from this that the Government is quite vigilant about the interests of the workers. I am very happy that Shri Anjiah has moved this Bill and

Shri Chandrakar, who is basically a farmer but works for the welfare of the workers is taking note of our plea and he would take steps to accept our demand. Just now Bhuriaji and other friends have said that we pay more attention to the workers who are organised, but we could not find time to pay attention towards the problems of the unorganised farmers and workers. We also pray God that such a Bill should also be brought forward in the interest of the farmers so that unorganised labourers could also be organised. The condition of the farmers working in the farms in the rural areas is very bad. They remain without work for as many as six months in a year. Sometimes, they have work only for three or four months. Attention should also be paid towards this. Taking advantage of the discussion on this Bill, I would like to draw the attention of the Government towards those matters which are not unknown to the Government, but I do not know why Government are not able to look into those problems. You might have noticed and it might have been your own experience also and the Hon. Minister is also aware of this fact that workers have been working in factories for years together and they are not able to achieve their rights till their death. They are denied justice in the courts and they do not get what is due to them. Nobody thinks about them. Their problems are not looked into, rather efforts are made and it is conspired to keep them away in one way or the other and all this happens within the knowledge of all the officials of the Labour Department. It would be very kind of you if you issue some direction in this regard or take some action. There are instances that in a factory, workers have put in 40 to 45 years of service, but despite that they do not have any permanent source of livelihood. Even today they are not considered as regular workers of the factory; they are treated as daily wagers. Attention should be paid towards this.

I would like to make one more submission, and perhaps the Hon. Minister might be aware of it. I can give some examples in this regard. Suppose an automatic plant or cement plant is installed in a factory. There, some persons work as workers and others work in the offices. In some factories, the number of workers goes

[Shri Balkavi Bairagi]

up to 3000 or 4000 and when the siren of the factory is sound, all the workers come out of the factory. Their number runs in thousands. All the workers are under the impression that they are working in the factory and for the mill owners. But, Mr. Deputy Speaker, Sir, they are not the workers of the factory; these workers work under some contractor. The mill-owner subdivides the entire work of the factory and gets it done through contractors. For example, the contract of electricity work is given to one contractor and the loading and unloading work to some other contractor. In this way, workers are not able to get any facility as per the intention of the Government and the Government wants to provide them those facilities. After three or four years when the work of the contract is completed, the workers are rendered jobless and they are on the road. We may bring any number of Bills here, but they do not bring about any change in their condition and they do not benefit them. Will the Government also think in this direction? It may not be possible now, but in future all the persons who work in the factories should be treated as the workers of that factory. When a worker working in a particular factory submits an application direct to the management that he has been working in a particular department of the factory for so many years and he should be regularised, he is not regularised and it is said that he is not the worker of the factory. It is the contractor who is supposed to bear the responsibilities. In this way, contractors escape from the provisions of the Act and also their responsibilities.

I would like to give another example. The case of gas victims was raised here yesterday also and an equally serious situation is prevailing in our district Mandsaur as well. Perhaps, the Hon. Minister might be aware of this and it might have been brought to his notice also that the slate pencil used by the children for writing on slates is produced in Mandsaur only. It is manufactured out of the stone available there and the workers working in those factories are found affected by a serious disease called silicosis. As a result, boys of 20 years and 25 years of age die in great

agony. Recently a team of doctors from Ahmedabad had visited that place and had pointed out about the prevalence of that disease. The dust is deposited in their lungs and they die the death of a jaundice patient. No arrangements have so far been made to save those workers from that disease either by the Government of India or by the State Government. If you do not have any information, I would like to give you the information in this regard and the Government should make some arrangements for the treatment of the disease and to save the workers. A team of experts may kindly be sent there. On the one hand it is proposed to make payment of bonus to the workers but on the other hand there are no arrangements for providing medicines for the treatment of the people there.

So far as the welfare of the workers is concerned, had the employers of the mills or factories of our country paid attention in this regard, there would not have been any necessity to bring the Bill. As Shri Vyasji has said, the appearance are deceptive. You may bring forward any number of Bills but they will find some loopholes in them. Unless these loopholes are plugged, nothing positive will come out of it. You may give money to the workers but you cannot give happiness and contentment to them. So, Mr. Deputy Speaker, Sir, I would like to request that some thought should be given to the welfare of these unorganised agricultural labourers. If, even after bringing forward these Bills, some institution or management does mischief cognisance should be taken thereof.

With these words, I welcome the Bill brought forward by the Government and convey my thanks to Rajivji and Anjiahji that twice in a year he had paid attention to the welfare of the workers.

**SHRI KALI PRASAD PANDEY** (Gopalganj) : Mr. Deputy Speaker, Sir, I would like to say a few words regarding the Payment of Bonus (Second Amendment) Bill which has been presented here. We have been passing Bills for the last 30 years in this Parliament House, but we have never considered one thing that the bricks, walls etc. of this building have been constructed not by any officer but by labourers. But

what is the fate of these labourers, whether they work under contract system or they work in a small factory or a private factory. This Bill should have provided for payment of bonus to such workers also. The suggestion made by Dr. Datta Samant that the Bill should be circulated to elicit public opinion is correct. You have brought a second Bill on the subject which shows your good intentions. It is a good thing that it is proposed to benefit other workers also by raising the ceiling for bonus. The raising of ceiling from Rs. 1600 to Rs. 2500 is a good step but, in fact, there should be no ceiling at all as both the high and the low salaried employees of the Government of India have to look after their families.

Sir, our Prime Minister had desired that the payment of bonus should be made on the auspicious occasion of Diwali and it was good gesture. But why have the Government restricted the bonus only to the employees of the Undertakings and why have the workers of the private and small factories not been covered under the Bill. The workers of these small factories also want this benefit.

Sir, an Hon. Member has suggested that the employees earning salary upto Rs. 750, should get bonus at the rate of 10 per cent in place of 8.33 per cent. It is a just demand. I also suggest that it should be fixed at 10 per cent. As the States and the Centre are equally concerned, our Labour Minister should have called a conference of the Labour Ministers of all the States prior to bringing forward the Bill so as to know their views about the amendments being brought. The mode of implementation of the Bonus Act should also have been discussed with the Labour Ministers of all the States.

Sir, I would like to say that Labour Inspectors should be appointed to assess the profit being earned by the private factories and you should have control over those Inspectors. Otherwise, at present the practice is that if a factory earns a profit of Rs. 10 crores, the management shows a deduction of Rs. 2 crores from it by way of hypothetical expenditure under some head, Rs. 4 crores under another head. The bonus is calculated on the balance amount. In this way, the bonus is paid only on 5 per cent

of the actual profit earned by the factory-owners. Unless positive steps are taken to check it, such practices will continue. You may enact number of legislations, but nothing will happen because these laws will be limited to you and us.

In our country, 75 per cent of the people live in the villages. The issues pertaining to the farmers have been raised here. Some Members have mentioned that a rally of the farmers would be organised. In our country, several rallies of the farmers have been organised in the past. Sir, I hope that whenever the third Amendment is brought here, a provision to this effect will definitely be included in it that efforts would be made to organise the farmers of the country and bonus would be granted to them, which would be based on their production capacity. With these words I welcome the Bill.

**SHRI HARISH RAWAT (Almora) :**  
 Mr. Deputy Speaker, Sir, I do not want to say much on this subject. As our friend has said there should not be any ceiling for the purpose of granting bonus. In this connection I would like to say that if we follow this suggestion it will put great burden on the exchequer and the Government. This should be kept in view. Had there been no intention of the Government to provide facilities to the workers, it would not have brought amending Bills twice in the House. The intention of the Government can be gauged from the fact that an Ordinance was promulgated to raise the ceiling because Parliament was not in session. It is a welcome step. Now we are all supporting it.

Shri Daga and some other Members have suggested that bonus should be linked with productivity. I hope that the demand of the trade union leaders and other for bonus, who will cooperate with the Government in increasing the productivity, will be limited.

The Hon. Minister while making legislation in this respect should ensure that the Act must also be made applicable to all the private industries. At present the private industrialists do not pay what is due to the workers by putting pressure on them or by colluding with the trade unions. You should also see this aspect.

[Shri Harish Rawat]

Secondly, I would like to say a few words about the organised sector. A large section of the workers of the country come under this category. They have the capacity to advocate their case but the voice of the anorganised sector does not reach you, which is also subjected to pressure. You should also see to it.

With these words, I conclude.

**SHRI ABDUL RASHID KABULI** (Srinagar): Mr. Deputy Speaker, Sir, I welcome the increase in the ceiling for eligibility of bonus. But I think it is not a big concession. In the present day, Rs. 2,500 is not a big amount for a worker to earn and to meet the expenses of his family. The Bonus Act should be looked in its entirety. It is not a comprehensive Bill which is evident from its content and the way it has been brought here.

The Bill should be brought here in a proper form for the benefit of lakhs of workers who work in the factories and in the organised sector, the private and the public sectors. Then the whole House will support you on this issue. I think there is unanimity among the Members on this issue, whether they belong to the ruling party or the Opposition, that the workers should get more and more facilities and they should produce more and more. In the matter of increase in production, we are one with you that unless there is increase in production the factories cannot be viable and the country also will not benefit. We should not, therefore, take any step which would discourage the workers and also they should not be used for political purposes which would be harmful to their capacity to increase production.

I would like to request that we should pay attention towards the sickness in the factories and mills. We often discuss this sickness but so far as the Public Sector is concerned, the sickness is due to the high officers in the management and the Government at the top level because they are deriving maximum advantage from these concerns and doing injustice to the workers. In the Public Sector, overhead charges are increas-

ing day by day. The people are drawing very high salaries. The managements are benefiting more and more. The Public Sector Undertakings are not functioning well, they are incurring losses. It is not because of the workers, it is rather because of the management which has created their vested interests in these Undertakings. You should look into it. We should not consider that the workers are at fault. So far as the Private Sector is concerned, the intention of the factory-owners is to derive maximum profit because their objective is not that the factories should progress and the workers should benefit. They are after getting more and more concessions and subsidy from the Government and thereby earn maximum profits for themselves. In the process, the workers are put to difficulties and they suffer. These are the two reasons for the sickness of our factories and undertakings, in which the intention plays an important role.

To my mind, the participation of labour in the management is quite necessary. Unless you allow the workers to participate in the management where they work, be it a public undertaking or a private undertaking, the things are not going to improve. In such a situation you will get only one-sided picture. The voice of the factory-owners or the management is heard and no heed is paid to the workers' point of view. It is necessary to listen to the workers' point of view. It is the duty of the Government to understand their problems and to pay heed to their views about the factory-owners and the managements. Government have repeatedly stated in this House that they follow pro-labour policy, but such a policy has not been followed so far and the workers are not being taken in the management. You should at least accept this in principle. You will then see that the production increases because the workers want to work but the factory-owners are demoralising the workers and depriving them of their rights. For this, the management, which is running the undertakings, is responsible because it considers the workers insignificant and treats them like machines. They are not prepared to understand their feelings and their difficulties and to solve their problems. It is, therefore, necessary to ensure equal participation of the workers in the management in order to maintain a proper balance.

Secondly, the workers do not work merely in the factories. In addition to the organised sector, there are crores of workers who work in the unorganised sector. What have you thought about those people? They do not get any pension, gratuity, medical facilities or educational facilities. It is a grave matter to which the Government should pay attention. Our practical experience is that crores of such workers are being subjected to the worst kind of exploitation. Big buildings are being constructed by the multinationals. If any labourer engaged by the contractor in the construction of the building dies during the course of Work, no compensation is paid to him. The contractors purchase their life for Rs. 15 or 18 and if they die, no one bothers about them, because they have no organised labour union. In this way, crores of labourers working in the unorganised sector have families to look after, they have the same feelings as we have, but there is no one to look after their interests. Every year thousands of labourers die before our eyes. They do not get any free legal aid. There is no one to support them. There is no provision of gratuity, pension etc. to them.

Similarly, there is one section of peasantry which is landless. They work in the fields and their number runs into crores. During the season, they are engaged and poor payment is made to them for that period. I, therefore, request that the Government should maintain a balance. Similarly, you must look to the difficulties being experienced by lakhs of labourers who come from Orissa, Bihar, etc., along with their families. You see the condition of their *jhuggis* and *jhonpris*. If they fall ill or even if they die, there is no one to look after them. New cities are coming up and these people are working there on wages. It is not the duty of the Government to look after their interests?

Some Hon. Members have criticised the labour leaders. I think there can be shortcomings in those leaders, but to question the necessity of the labour unions would be a great injustice. These poor people are illiterate and helpless. And if the labourers are not organised, who will solve their problems? There is no other way than forming labour unions to solve the problems of the labourers. I, therefore, feel that we should encourage

labour union movement; we should not weaken it. We should not do anything which may weaken the labour organisations.

In conclusion, I would submit that though I support the Bill which has been brought before the House, yet I think it is an incomplete Bill. You should bring a comprehensive Bill on the subject.

17.37 hrs.

STATEMENT RE : LEAKAGE OF GAS FROM DAMAGED OLEUM STORAGE TANK OF SHRIRAM FOODS AND FERTILISERS PLANT IN DELHI

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF STATES (SHRI P.A. SANGMA) : I deeply regret to inform the House that today morning at about 10.30 A.M. a leakage of gas occurred from the precincts of the factory of Messrs Shriram Foods and Fertilizers Industries Plant located at Shivaji Marg, Delhi. The leakage of liquid oleum resulted from damage to the outlet pipeline of the oleum storage tank, arising out of the collapse of the supporting structure of the tank. The plant personnel made attempts to neutralise the leakage with the help of line and capious quantities of water. Some of the liquid reacted with the water and formed thick fumes containing steam and possibly gaseous sulphur trioxide which moved in an easternly direction. The plant personnel were assisted by the members of the fire brigade which reached there promptly. The Lt. Governor and other officials from the Delhi Administration and Government of India also reached the site promptly.

The fumes caused coughing and irritation to the throat and the eyes and breathlessness of the persons exposed thereto. As per available information, the details of persons who reported to hospitals is as follows :