

## NOES

Banerjee, Shri S. M.  
 Bhattacharyya, Shri Dinen  
 Bhattacharyya, Shri Jagadish  
 Bhattacharyya, Shri S. P.  
 Chandrappan, Shri C. K.  
 Chatterjee, Shri Somnath  
 Chowhan, Shri Bharat Singh  
 Das, Shri R. P.  
 Deshpande, Shrimati Roza  
 Gupta, Shri Indrajit  
 Halder, Shri Krishna Chandra  
 Joarder, Shri Dinesh  
 Krishnan, Shrimati Parvathi  
 Mehta, Shri P. M.  
 Mohammad Ismail, Shri  
 Mukherjee, Shri Samar  
 \*Pandey, Shri Tarkeshwar  
 Reddy, Shri B. N.  
 Reddy, Shri Y. Eswara  
 Saha, Shri Ajit Kumar  
 Sambhali, Shri Ishaque  
 Sen, Dr. Ranen

MR. DEPUTY-SPEAKER: The result of the division is. Ayes 106; Noes 22.

*The motion was adopted.*

16.02 hrs.

LIFE INSURANCE CORPORATION  
 (MODIFICATION OF SETTLEMENT)  
 BILL

MR. DEPUTY-SPEAKER: Now, we take up the Life Insurance Corporation (Modification of Settlement) Bill.

Mr. C. Subramaniam.

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): Mr. Deputy-Speaker, Sir, the Life Insurance Corporation (Modification of Settlement) Bill was introduced in the House on the first of last month. I beg to move:

"That the Bill to provide for the modification of the settlement arrived at between the Life Insurance Corporation of India and their workmen, be taken into consideration."

Hon. Members are aware that the Payment of Bonus Act does not apply to LIC, GIC and the nationalised Banks. When the Bonus Act was recently amended, Government simultaneously took certain decisions in respect of ex-gratia payment to be made to institutions outside the scope of the Bonus Act. The employees of these institutions can now be paid ex-gratia amounts upto ten per cent of their salary, this payment being admissible only to those drawing a maximum salary of Rs. 1,600 per month. The maximum amount of payment is also restricted to that calculated for the salary of Rs. 750 per month. In other words, the maximum payment is limited to Rs. 900

However, in the case of LIC, under subsisting agreements between the management and Class III and Class IV employees, the amount payable by the Corporation to these categories of employees is at the rate of 15 per cent of their annual salary (basic pay, special pay and dearness allowance)

\*Wrongly voted for NOES.

†The following Members also recorded their votes for AYES:  
 Sarvashri Hari Singh, Lutfal Haque, S. N. Singh Deo, Bibhuti Mishra, Shankarrao Savant, Manikrao Palodkar, Tarkeshwar Pandey, Shrimati Maya Ray, and Dr. Sankata Prasad.

without any maximum limit. Hon. Members would be interested to know that, on this basis, a Superintendent drawing salary at the maximum scale would be entitled to as much as nearly Rs. 4,000 as bonus whereas in all other sectors, the maximum could be only Rs. 900.

As these existing agreements are enforceable till 31-3-1977, and can be set aside only by legislative action, the Bill was introduced to enable the Government to apply these decisions to LIC employees. The justification for the Bill is:

- (i) Having applied the provisions of the Payment of Bonus (Amendment) Act, 1976, and of the Government decision restricting *ex-gratia* payment to 10 per cent (and that too on a maximum deemed salary of Rs. 750 per month) to all other employees it would be difficult to make an exception in the case of the LIC employees who are relatively in receipt of much higher emoluments.
- (ii) When the Payment of Bonus Act has already set aside agreements which contemplate payment of bonus higher than that provided by the amended law, it is but logical that in the case of those who are now to be paid *ex-gratia* payments in lieu of bonus similar settlements should be set aside.
- (iii) The interest of the class of insured persons also has to be protected, more so, when it has not been found possible for a number of years now either to increase bonus or reduce premia rates. The renewal expenses of the Life Insurance Corporation should normally be 15 per cent of renewal premium income according to Rule 17D of the Insurance Rules (read with Section 40B of the Life Insurance Act, 1938). The accounts of the LIC for the financial

year 1974-75 disclosed that its renewal expenses ratio was 18.97 per cent. A careful control has therefore to be exercised over LIC expenses. In this back-drop, LIC can ill-afford to make *ex-gratia* payments at the high levels visualised in these settlements.

At the time of introduction of the Bill, some hon. Members took exception to the introduction of a Bill to annul a settlement. This is not something new, since the amendment to the Bonus Act had provisions to annul settlements which caused distortions. Again, Government have taken initiative in a number of cases to re-open settlements to provide additional benefits to workers. Hon. Members would recall that this was done in the Life Insurance Corporation of India itself when the payment of *ex-gratia* bonus was reopened during the currency of the settlement in the year 1972 and the management decided, with the approval of the Government to pay bonus to Class III and Class IV employees at the rate of 10 per cent of basic pay, special pay and dearness allowance with effect from 1971, even though under the settlement which was current from 1-4-1969 to 31-3-1973 bonus had to be paid according to the award of National Industrial Tribunal at the rate of 1½ months' basic pay. Likewise, at the intervention of the Labour Ministry, revision of wages in the Cement Industry was agreed to by the management effective from 15-9-1973 overriding an agreement which was in force till 31st March, 1977. I can cite several other such instances. Cases of reopening settlements are therefore, not unusual. The larger interests of workers as a whole and the health of the national economy has to override the limited interests of certain selected categories. Hon. Members will, I hope, consider this Bill in this perspective and will extend their full cooperation to the passing of this Bill.

I would also like to inform the House that the Management would have consultations with the representatives of the employees for the pur-

[Shri C. Subramaniam]

pose of fixing the actual rate and how to make further adjustments, if necessary. But I am sure, this House will not take a partisan attitude with reference to the LIC workers, who are, what I call in the high-wage island.

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill to provide for the modification of the settlement arrived at between the Life Insurance Corporation of India and their workmen, be taken into consideration".

Mr. Banerjee—You move your amendment?

SHRI S. M. BANERJEE (Kanpur): Yes, Sir. I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 16th August, 1976."  
(1)

MR. DEPUTY-SPEAKER: Mr. Ramavatar Shastri and Shri Madhukar are not here.

Mr. Dinen Bhattacharyya—you move your amendment?

SHRI DINEN BHATTACHARYYA: (Serampore): Yes, Sir. I beg to move:

"That the Bill to provide for the modification of the settlement arrived at between the Life Insurance Corporation of India and their workmen, be referred to a Select Committee consisting of 9 members, namely:—Shri S. M. Banerjee, Shri Tridib Chaudhari, Shri Prasannbhai Mehta, Shri Samar Mukherjee, Shri Era Sezhiyan, Shri Ramavatar Shastri, Shri Digvijaya Narain Singh, Shri C. Subramaniam; and Shri Dinen Bhattacharyya with instructions to report by the last day of the first week of the next session."  
(12).

MR. DEPUTY-SPEAKER: Now, Mr. Sreekant Nair is not there. So, now, these amendments are before the House Shri Somnath Chatterjee.

SHRI SOMNATH CHATTERJEE (Burdwan): The hon. Minister said that while dealing with the Bill we should not take up a partisan attitude. When the Government is taking a partisan attitude in favour of the affluent section of the people, we have to take a partisan attitude in favour of the weaker sections of the people of this country.

Like the last Bill which the House has now passed, this also is a pernicious and atrocious measure and is another glaring instance of the calculated anti-working class policy adopted by this government and this Bill is being rushed through this House by the use of a sledge-hammer majority to bulldoze the hard-earned rights of thousands of LIC employees.

This anti-people measure is not only going to deprive the LIC employees of their legitimate as well as legal rights but it is also going to tarnish the image and record of this august House and will also make this House a party to the deliberate nullification of certain rights which have accrued to the LIC employees under another valid piece of legislation, namely, the Industrial Disputes Act which sanctioned this agreement and which gives it sustenance in law.

Under the Proclamation of Emergency various emergency powers have been taken by this Government ostensibly for the purpose of using them against the so-called anti-national forces in this country but it seems that these emergency powers have been utilised as a sword by this government to strike down the interests of the working class and to use them against the legitimate rights and interests of the working class in this country.

I am sure the sanction behind this immoral legislative measure is not the will of the people to be expressed and ascertained by a free voting according to the conscience of my hon. friends opposite but by the whip of Mr. Raghu Ramiah under the exercise or threat

of exercise of the draconian powers like MISA and DIR and what not, against those who might dare to oppose it outside. This is the only sanction behind this piece of legislation.

This is a Bill which clearly shows the antipathy of this Government towards the interests and the legitimate rights of the working class whose rights are being denuded every day and day by day, while this Government is making concession after concession—see the recent ones in the rates of income-tax and wealth-tax—for the benefit of the affluent sections of the society of this country.

This Bill further shows a complete antipathy of this Government towards the effect and operation of the existing laws in this country and the rights derived by the people under the existing laws which are also inadequate for the working class of this country.

This is another example of the supreme contempt which this Government is showing towards the principles of collective bargaining in respect of the demands of the industrial workers which is being recognized the world over. That is now being treated with the contempt it does not deserve.

When the Bill was sought to be introduced in this House first on 31st March, there were protests from all sections of the House. I hope Mr. Kulkarni will not be a mute spectator today and I hope Mr. Stephen—I do not find him—and Mr. Sathé—they are not there—will express the views they did on the last occasion. Not only Members from all sides did not feel happy about that but even the hon. Speaker intervened and said, 'Why are you associating the House in passing this measure?' and made certain observations and because of that, the Government had the matter adjourned for the day and on the next day, a meeting was held in the room of Shri Pranab Kumar Mukherjee—Mr. Mukherjee and Mrs. Rohatgi were also there—and at the short time at our disposal we could place our view

points not fully but we requested them to take the workers into confidence, to sit with them and the employers' representatives across the table and discuss the matter, but that was not to be. They do not want to take the employees who are going to be affected into confidence and they want to make a short-shrift of a valid agreement by show of arrogance. The spirit of accommodation which one would expect from an ideal employer, if at all there be, and the sense of co-operation, so far as this Government is concerned, have become the victims of the emergency. They are not willing even to show an ordinary attitude of fairness and fairplay towards the employees of this Corporation.

We should recapitulate very shortly the implication of the Bill which seeks to abrogate it retrospectively. This is important—retrospective operation is being given to nullify the provision of a comprehensive agreement. Bonus was being received by the employees of the Insurance Companies in this country long before the nationalisation of the life insurance business. As a matter of fact, for the last forty years the employees have been receiving bonus without any interruption and after the LIC came into existence, agreements have been entered into from time to time, the last one being the agreement which is now sought to be partially abrogated.

The important thing to notice and to remember is that this bipartite settlement does not deal with bonus only. It covered various aspects of the service conditions of the employees and it was entered into after prolonged negotiations, discussions, with the full knowledge of the Central Government and even with the active participation of the then Finance Minister Shri Chavan and the present Labour Minister, Shri Reddy. Nothing was done behind the back of the Government. As a matter of fact Shri Chavan and Shri Reddy had assisted in arriving at a settlement. It was in the nature of a package deal. Various terms of the agreement provided the

[Shri Somnath Chatterjee]

consideration for each other and it was a solemn agreement which was entered into openly, lawfully and with the approval of the Central Government which gave a statutory approval under the LIC Act for the purpose of its enforcement.

Please permit me to indicate the nature of the agreement that was entered into on the 24th January, 1974. It dealt with the questions of scales of pay, method of fixation of the scales, dearness allowance, house rent allowance, compensatory allowance, provident fund contributions, gratuity, bonus (one of the terms of the agreement), and then about gradation, option to the existing employees and also the period of settlement.

One of the clauses was very important, to which reference was made by Shri Kulkarni on the last occasion, viz., Clause 9 which provided that the Government in the third year and in the fourth year will make available Rs. 1 crore each year on account of the medical benefits, provident fund and leave travel concession, etc. It was left to the good offices of the Corporation which had given an undertaking in this agreement that they will take up this matter in the third and the fourth year and will take decision so that Rs. 1 crore provision for each year could be utilised for the purpose of giving this benefit. This was openly violated. The agreement on Clause 9 still subsists. The LIC has not taken a single step to implement it. Therefore, an important thing is that this is not merely a bonus agreement, various provisions relating to the conditions of service were agreed to in respect of carrying out the provision which was to be done by the L.I.C. One particular clause is now being sought to be deleted and mutilated. The truncated agreement is being thrust upon the employees. This unique achievement this Government is seeking to have. Kindly remember that this Bill does not seek to prevent something happening in the future. It seeks to take away the

change and alter with retrospective effect the existing agreement to the detriment of one of the parties without their knowledge, without their consent, without any discussion with them, without even taking their views in the matter, as if they do not exist so far as this Government is concerned.

This is another example, another infamous attempt, to rewrite an already existing operative agreement to which Government has given its expressed approval only 2½ years back. If this attempt succeeds I shudder to think how far this Government can and will go to take away the accrued, valued, minimum rights of the working class. This agreement was approved by the Central Government. Till today that agreement is binding and it is in force. In spite of that agreement, which is binding on the LIC because of the provisions of the Industrial Disputes Act, which make it statutorily binding on the LIC, another law is sought to be passed today to nullify a part of it. That is to say, a part of that agreement is being nullified which agreement has the sanctity of law which is not being challenged. Does it not show a supreme indifference on the part of the Government? They throw away any law which does not suit them, in their crusade against the working class.

This agreement is operative since January 1974. Under this they worked out the amounts and bonus was paid. Bonus was to be paid now along with salary of April 1976 and in April 1976 this Bill was not there. There was no law which prevented L.I.C. from paying this money.

In gross violation of this agreement which is binding on the Government just now, at 4-25 PM on 16th of May, deliberate and wanton violation of this agreement is being sought to be given legislative shield by us. Why should there be such deliberate breach of an agreement which is lawful and binding on the LIC? Why should you do this, without any written legal authority or moral authority and

without the knowledge and consent of the employees, without taking them into confidence. Government has not only condoned this illegal breach of this agreement but they have attempted to provide a legislative stick to the LIC to beat the workers with. Is this not a travesty of justice and fair-play in this country? I will tell you why they are taking this inconsistent stand.

The All India Insurance Employees Association and some of the employees have gone to the Calcutta High Court and filed a writ proceedings saying that as long as this agreement is a legal and a valid agreement, the LIC is obliged to honour it. There is no right as far as LIC is concerned, to refuse to carry out this agreement. I have the fortune and privilege to appear for the employees association in that case before Calcutta High Court. In the affidavit in those proceedings which LIC had filed, they have taken this stand. They say, they are unable to pay, because the Central Government has issued a directive to them. They say that this Central Government directive is legal under the LIC Act and it is binding on LIC itself. They have produced a D O letter. I don't know whether Mr. Kulkarni knows it. This is dated 17th October, 1975. One Mr. D.K. Singh, Director, Ministry of Finance has written a D O letter to Chairman, LIC, requesting him not to make any further payment of bonus without getting the same cleared by the Government. When the Government had nothing to do with it in October 1975 or even, for that matter, in April 1976. This is the accepted position. Mr. Pranab Kumar Mukherjee said solemnly in this House that without the legislative authority or without this Bill the Central Government has no power to stop payment of this amount to L.I.C. workmen. LIC has no authority to stop payment to its employees. Today Mr. Subramaniam said the same thing as Mr. Mukherjee said earlier.

But, Sir, LIC is making solemn affidavits in the courts of law that because of the letter from the Central Government—which according to them is a statutory direction—they are unable to pay. If Central Government has given any direction his is nothing but high-handed interference in that matter of carrying out an agreement which is lawful and binding on all concerned. Before the court they are saying that under the existing law they have the authority to stop payment whereas here the Finance Minister comes and says that I have no authority and give me the authority. What stand has to be believed? The position is that the LIC justified their illegal stand on Central Government directive and Central Government says that LIC cannot refuse to make payment and, therefore, give me the authority under this law.

I am sure the hon. Members are aware that it is nobody's case—even not that of Mr. Subramaniam—that the employees do not deserve to receive this money. It is not that they have not carried out any part of this agreement or broken any part of this agreement or not rendered devoted and loyal service to the LIC during the period that is over. Nor is it the case of the Government or the LIC that LIC's financial condition does not permit payment of this money.

Sir, some facts have been stated but some facts have not been disclosed. During the last few years, especially the last year, LIC's business has gone up by record proportions. Whereas in 1957 the ordinary new business was of the order of Rs. 282 crores in 1967 it is Rs. 2197 crores. Likewise the number of policies from 7 lakhs became 20 lakhs. So far as the profit—what is known in the insurance parlance as valuation surplus—is concerned, in 1956-57 it was Rs. 30 crores whereas in 1975 it has become Rs. 181.50 crores. There is an increase of 600 per cent. The Central Government is also taking a greater and greater slice of it. From Rs. 1.5 crores now it is Rs. 9.07 crores from

[Shri Somnath Chatterjee]  
LIC's profit. Sir, worth Rs. 5,387 crores of new business has been transacted by LIC in 1975. Could you have done that with your Chairman, Managing Director and the officials of the Ministry without the active and loyal service of the LIC employees! This could not have been achieved. Because of the good service rendered to the LIC by their employees this is the wonderful return and response from these over-lords and masters in Delhi for these employees. This is the response they are getting for their dedicated service.

So far as the quantum of this amount is concerned, I had expected Mr. Subramaniam to come out with more particulars in supporting an indefensible case. In 1974, when the matter was being negotiated before the agreement of 24th January was entered into, LIC repeatedly said, we can provide Rs. 6 crores for all the different heads of demands, not for bonus. The break-up that was agreed upon was that the cost of increase of bonus would be Rs. 1.81 crores and the rest of the money, out of Rs. 6 crores, was to be taken up with regard to the other items of demands, which I do not have the time to read. Mr. Puri repeatedly said, "Rs. 6 crores are the maximum limit to which I can go." But that is not being exceeded. It is within Rs. 6 crores. It is not correct to say that the entire amount agreed upon will go on account of bonus.

DA is paid on the basis of the consumer price index. Although actually prices are going up, by some jugglery the consumer price index is going down, as a result of which, the LIC is saving Rs. 4.30 crores on account of DA alone. Because of the artificial decline in the consumer price index which is being manipulated, the LIC employees are going to lose DA to the extent of more than Rs. 4 crores. Under the infamous Bill which we just now passed, to which I had to be an unwilling party, the DA is being further reduced and impounded. You are making a bite on the bonus, which is called bonus

but which is nothing but a part of the wages of the employees. This was part of the service condition. In addition, 50 per cent of the increase in DA is being impounded and the employees are losing more than Rs. 4 crores on DA because of the manipulated consumer price index.

Whenever the judgments go in their favour, they pay respect to the Supreme Court. Let us know what is the attitude of this government towards this judgment on the bonus question where the Supreme Court said:

"It has been recognised that in industrial law, collective bargaining, union representation, conciliations, arbitrations, adjudications, appellate and other proceedings is a welcome development and an enlightened advance in industrial life."

But they are repudiating the principle of collective bargaining. They do not want union representation or conciliation or negotiation or adjudication. The Supreme Court has expressly said that so far as the concept of bonus is concerned, bonus is payable outside the ambit of the Payment of Bonus Act because there is customary bonus payable under custom which has acquired the force of law, bonus payable under the service conditions entered into between the employer and the employees not wholly covered by the Payment of Bonus Act, etc. Mr. Kulkarni knows about the recent judgment of the Supreme Court in the Mumbai Kamgar Sabha case, in which the Supreme Court has recognised some rights of the employees in this country. The very basis of that judgment is being scuttled to be taken away by the Bill that is before the House. Perhaps, this judgment is anathema of this Government. So far as the Statement of Objects and Reasons is concerned, in this it is said that in respect of non-competing public sector undertakings, there should be an *ex-gratia* payment alone. We do not know as to what is to be paid to

them. The Bill is conspicuously silent on this. These employees have not been taken into confidence as to what is the payment to be made to the employees in lieu of this. No indication has been given today by Mr. Subramaniam. He gave four or five justifications for this anti-labour and anti-people Bill. He has said that the Bonus Act has brought about changes in the payment of bonus so far as others are concerned and so, why should these people be in a better position? Because one wrong was done to somebody, it has to be perpetuated to others also,—that is not a logical argument. This fact has also not been brought before the House as to whether there was a package deal and a bipartite settlement covering all terms and conditions of service of those employees. We are kept in the dark about that. Certainly, we are opposing this. They have themselves fixed the *ex-gratia* amount and so they want that must be accepted. That is why, I say this is a deliberate and calculated attempt to scrap the solemn, legal and honest agreement. They think that they are the only arbiters of the fate of the people of this country and so, whatever they say must be the law, and either you accept it or you face the consequences.

It has been said that it is difficult to make exemption for one section of the people and the Bonus Act having set aside other agreements, they should also not get any better privileges. Sir, a new plea has been put forward today, namely, the interest of the insured people should be looked into. The expense ratio in LIC has gone down from 18 per cent to 15 per cent last year. That is the definite case of the employees. There has been reduction in the expense ratio and larger and larger profit as a result of new business. For this good service rendered by these people, this is the return they are getting. The hon. Minister only thought that some of these people might be getting Rs. 4000/- as bonus. But kindly take into consideration that this agreement expressly excludes payment of profit-sharing bonus.

This 50 per cent was fixed as part of the additional wages. It was nothing but additional wages to be paid along with the salary at the end of the year. It was agreed that this should be paid in April.

In view of this, I submit that this is a Bill which only those who want to avoid payment of bonus, can support. This is a Bill which has been conceived not in the interest of the people of this country. This is in continuation of the arrogant attitude on the part of this Government. On the one hand, they are speaking of inflation being contained, and on the other, we find that rights of the employees are being taken away. Their purchasing power is going down day by day and their carry-home pay is being reduced every day. This is not for the benefit of the people of this country. This is really doing injustice to the LIC employees. This is the fate of the people who do their best for the organisation they are working in and this is the return they are getting. You cannot expect people to make sacrifices for somebody else's satisfaction.

I oppose this Bill. I oppose every word of this Bill.

**SHRI RAJA KULKARNI (Bombay-North East):** This bill has come to-day, after its introduction a few days earlier. No doubt this bill and the explanation given by the Finance Minister have raised a number of questions. I was listening to our friend, Mr. Somnath Chatterjee. I would like to put the whole issue in a correct perspective.

It is true that the main issue behind this bill which has become a matter of dispute,—is more about the method and the manner with which it has been handled. The agreement has been modified unilaterally and this was resented when the bill was introduced on that day.

So far as the question of streamlining the bonus system in the industry, Services, public sector and private sector are concerned, there has been a



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general opinion in favour of streamlining, in the light of the new policy. But the Government has not studied the specific issue of LIC in a proper perspective; and has not appreciated the factors which exist in regard to the background relating to the bonus agreement in the LIC.

It has been stated by the Finance Minister that the Bonus Act itself has got an over-riding clause which gives power for making a unilateral modification of agreements. That is true; but that is in respect of all those agreements which are covered under the Bonus Act, and the industries which are covered under the Bonus Act. Suppose there is a company in the private sector which has entered into a package deal settlement of 20 per cent bonus. Now under the new Act, there is no doubt, a statutory intervention. However, the Act assures bonus as per the bonus formula of the Act itself.

16.44 hrs.

[SHRI P. PARTHASARTHI in the Chair]

It may happen that in accordance with the bonus formula, the bonus might come to 16 per cent or 18 per cent. Under such circumstances, i.e. under the Act, when the statutory bonus in any private sector undertaking is less than the contractual bonus the parties might come together and agree on some kind of an efficiency or productivity bonus, as supplementary to profit sharing, so that the employees do not suffer; and the total quantum, under the original agreement, is maintained. Statutory profit-sharing bonus, is there supplemented by productivity bonus. Similar situations can also exist, even in a public sector undertaking where contractual bonus is higher than the statutory bonus. But such benefit is not available to the LIC under the present Bill.

This is a very big difference. What is offered here is *ex-gratia*. There is no formula. What is proposed, that the LIC employees would be given like all other non-competing public sector undertakings employees. It is upto 10

per cent and on par with GIC or banks who have been paid from 7 per cent to 10 per cent. But in the GIC and banks, there are no package deal settlements covering bonus.

What is to be safeguarded is that employees do not suffer in the total monetary benefit entitled under contractual terms. This should have been the approach. When the *ex-gratia* directive was issued to all the public sector undertakings in October 1975, it was possible for the Government to tell the management of the LIC and unions to come together. Guidelines could have been given that in view of the Government's policy of streamlining the bonus system, they should either revise it and come to a new settlement on package deal or on a bonus based on productivity system.

We do not know why the Finance Ministry did not issue this advice to the LIC from October till today. As a result of this, a new settlement would have come into force. It was possible. Then there was no necessity for bringing this Bill forward. The main objective for streamlining it is that there should be no industry getting any preferential treatment. Well, that, of course, is not a disputable issue.

In most of the industries, besides streamlining the bonus system, there is an effort to streamline the D.A. One and uniform type of D.A. rate is being attempted in public sector. No body is against such system, whether it be a uniform rate of D.A. or payment of bonus or payment of fringe benefits in all the public sector undertakings. The question is what is the method and the manner adopted for this system? It is here I have got some observations. I do agree with the main objectives of the Bill for streamlining this system in all the public sector undertakings, including the LIC.

Although the Government did not issue the instructions to the LIC about it earlier, at least they could do it now and tell them that whatever commitments the LIC has made under the

agreement, let them unilaterally announce those commitments, implement them and create an atmosphere for a new type of bonus system. But that has not been done. This has created a sort of discontent among the employees.

I know that we have to approach the employees also, but, at the same time, I have faith in the Government that they will reconsider all the effects of this method and the manner which has been used in streamlining the bonus issue. I do agree with the basic objectives of the Bill. But, at the same time, I would request the Government to see that employees do not lose in their earnings.

There is one argument which is not very convincing. It is regarding the capacity to pay. This concept has got its own definition. I have got the figures about the productivity and the capacity to pay here. The statutory bonus formula is based on expressly stated concept of profits which is considered as capacity to pay. In LIC the business has gone up. The capacity to pay will be according to the statutory bonus formula and not according to any other concept as given by the Finance Minister. If the premium has not been reduced during the last so many years, it is not because the employees were getting a very high salary. High or low salary is a relative comparison to other industries, but does not give indication of high or low unit cost of production in the industry concerned.

The point is, what is the percentage of total wage bill to the total business or the earnings of the L.I.C. This percentage is more relevant than the salary of an individual employee in an individual concern to understand high or low labour cost in the industry.

I would only request the Government, if at all this Bill is to be passed, it should be passed only on the ground

that they want to streamline the bonus system. So far as the method and manner is concerned, I hope, they will take some steps later on and see that the employees do not suffer and that a new revised agreement comes up on the service conditions of the employees as early as possible and that all their commitments which still remain unfulfilled are fulfilled.

I would have liked this Bill to be delayed by a few days. But there was also the pressure from Mr. Somnath Chatterjee who has gone to Calcutta High Court against LIC for alleged offence of a breach of settlement ...

SHRI SOMNATH CHATTERJEE: Is this Bill to pre-empt the High Court judgment? Let the Government say that. We will know then.

SHRI RAJA KULKARNI: In any case, the Bill has come. I agree with the intention of the Bill.

With these words, I support the Bill.

SHRI S. M. BANERJEE (Kanpur): Mr. Chairman, Sir, I rise to oppose the Bill. It has been brought with *mala fide* and immoral intentions.

I was a party to this Agreement. On 24th January, 1974, this Agreement was signed by five all-India organisations, the All-India Insurance Employees Association, the All-India National Life Insurance Employees Federation—Mr. N. K. Bhat, the Member of the other House is the Chairman—the All-India Life Insurance Employees Federation, that is, my Federation and two other Federations. What were the terms of settlement? After two months of negotiations, it was decided that the total amount should be Rs. 6.5 crores. Mr. Puri who signed this Agreement who has been elevated to the post of the Governor, Reserve Bank of India, was the Chairman of the L.I.C. at that time. What was the period of settlement? I read from the Agreement:

"This settlement shall be effective from 1st April, 1973 and shall be for a period of four years, from 1st

[Shri S. M. Banerjee]

April, 1973 to 31st March, 1977. The terms of this settlement shall be subject to the approval of the Board of the Corporation and the Central Government. This settlement disposes of all the demands raised by the workmen for revision of terms and conditions of their service."

As my hon. friend, Shri Somnath Chatterjee, pointed out, the portion of bonus should be Rs. 1.80 crores. The rest of the Agreement was on the method and fixation in the new scales, dearness allowance, provident fund contribution, city compensatory allowance, house rent allowance and other things.

In that Agreement, it is written—I read from clause 8:

"No profit-sharing bonus shall be paid. However, the Corporation may, subject to such directions as the Central Government may issue from time to time grant any other kind of bonus to its Class III and IV employees.

"An annual cash bonus will be paid to all Class III and Class IV employees at the rate of 15 per cent of the annual salary (i.e., basic pay, inclusive of special pay, if any, and dearness allowance and additional dearness allowance) actually drawn by an employee in respect of the financial year to which the bonus relates."

This Agreement had the blessings of the then Finance Minister, Shri Y. B. Chavan, and Shri Raghunatha Reddy, the Labour Minister, who is missing from the House today. It was done after two months and with the assistance of these two Ministers. We could never imagine that this particular Agreement which was never discussed in this House—it was not placed on the Table of the House, the Members were not given an opportunity even to see the Agreement—would be sought to be annulled by this House. It will be a sad commentary on the history of this Parliament, to which I have had the honour to belong for the last 20

years, if we have to pass a legislation annulling a particular agreement which has nothing to do with this House. At no stage was this House consulted, it was not even announced. It was registered under the Industrial Disputes Act which still remains shining.

Mr. Subramaniam has tried to justify this Bill by saying that many Agreements were modified, annulled and so on. But those agreements were annulled not to the detriment of the employees but to their benefit.

Even after the Ordinance was brought reducing the bonus to four per cent, an agreement was signed by the hon. Member, Shri Raja Kulkarni, in the ONGC for payment of 18 per cent bonus—18 per cent of the pay. But here the LIC employees who have increased the business beyond expectations and who have put life into the veins of the Corporation suffer today. The Chairman becomes the Governor of the Reserve Bank and the employees lose their bonus of 15 per cent. This is how the employees are rewarded.

I cannot understand why this particular Bill was brought. The hon. Minister, Shri C. Subramaniam, while concluding his speech said some good words for the employees. He said that instructions would be issued to the management to negotiate with the employees on fixing the quantum of bonus and other things. Why should the discussion not have taken place before? Heavens were not going to fall if this Bill were to be taken up for discussion on the 25th or 26th of this month.

An assurance was given in this House by Shri Pranab Kumar Mukherjee when he introduced this Bill. I am quoting from his speech:

"Before a final view was being taken, I suggested to them or rather I assured them....."

That is, to the delegation of the Members of Parliament. The Bill could not be introduced on that day; the Speaker.

in his wisdom, said, "Let it not be brought today; let us have it tomorrow let there be a discussion". Mr. Raghu Ramalah was also present and he suggested that the Members would be given a chance to discuss it with the Finance Minister, in the absence of the Finance Minister with the Minister of State, Shri Pranab Kumar Mukherjee. After discussion he said in the:

"Before a final view was being taken, I suggested to them or rather I assured them that all these views would be looked into, and the questions which the Hon. Members have raised in this connection shall be taken into account before arriving at a final decision."

This solemn assurance was given in this House. But after that, we were never consulted; the employees were not consulted; the Members of Parliament were not consulted; I do not know whether the hon. Minister consulted his own party colleagues at least; I do not think they were also consulted; I do not think Mr. Raja Kulkarni was consulted. Now, what is the use of consultation after the passage of this Bill? With a sword hanging over their head, with a pistol on their chest, the employees are being asked to surrender their 15 per cent bonus - because of Emergency, because of MISA, because of DIR, because of mass arrests and other things. Is that moral? Do you still say that you have a conscience? And the hon. Minister said that many awards were modified. He said that there is a history in this House when a particular award was modified in the case of Punjab National Bank. At that time, the calibre of the Ministers was different. They would not cling to their chairs, they were not depending on one man and they were different persons. Shri Giri resigned at that time. Do you think that these Ministers have the guts to resign? They will be asked to resign, but they will never resign. Naturally that calibre is not there. I include myself also. Do you think that a man like me would have come to this House?

17 hrs.

Now, I am reading from a chart showing the LIC new business in crores of rupees. It was Rs. 248 crores in 1956-57, Rs. 1295 crores in 1970-71, Rs. 1629 crores in 1971-72, Rs. 2062 crores in 1972-73, Rs. 2575 crores in 1973-74, Rs. 3113 crores in 1974-75 after this agreement and Rs. 5387 in 1975-76. This is all within six crores. It is not that employees have demanded that since the business has gone up, since the profits have gone up, they want more than six or six and a half crores of rupees. This is all within the ambit of six crores of rupees, not a copper more. We never demanded 16 per cent or 17 per cent.

Now, it is said that a Superintendent will get Rs. 4000 as bonus, but what does the Chairman get? What about his luxurious house, what about his expenses? Has somebody taken into account that? Nobody will do that and nobody talks of that. The Minister has said the LIC employees are the highest paid in the country. I do not know, how they are highest paid.

My submission is that this Bill should be circulated to elicit public opinion. Let the people of our country know it that this Government has come to a stage, and which is a climax, when they want to annul an agreement reached between the employees and the Corporation and which had the blessings of the Minister also. But today, to deprive those employees, they want to annul it. The country will not know what we say here. If you circulate it, that will be banned. The press has not the courage to say anything; it will be immediately censored. But the LIC employees know it that this Bill is there and without any threat. Sir, if this Bill is passed, some of the LIC employees will have the courage to sacrifice more for their cause and they will definitely oppose it. Do you want that? Why can't we sit and decide this? On behalf of my Federation, I assure my fullest cooperation in deciding this issue amicably and to the satis-

[Shri S. M. Banerjee]

faction of both but give us a chance to do that.

I must congratulate Shri Kulkarni for his nice speech. It was some sort of a tight-rope walking, but he walked very well without any risk involved. The substance of his speech is that he also did not like this, because this is going to be dangerous. Today, you may pass this, but tomorrow or day after, when we are not here, we do not know, what will be the attitude of this House? You will annul everything whatever you do not like. This is not going to be a good thing. It is going to be a sad commentary on our parliamentary democracy. What is this parliamentary democracy? Because you are in a majority, you can annul this. Then, what is the sanctity of this agreement? I am not going to quote the Supreme Court judgement which had been read by my hon. friend, Shri Sonnath Chatterjee and perhaps followed by others. In the Calcutta High Court a case is pending and this letter was written. From 1st April onwards they are entitled to 15 per cent and this letter was sent. In the Bombay High Court nearly 7-8 adjournments have been asked for. For what? Because 'the Central Government is taking a decision.' When we met the Deputy Minister, my respected Sushilaji, something was brewing up, but she perhaps did not know. When we told Mr. Subramaniam that something was brewing up, he said, 'We do not know what will happen.' Who decided this? Which is that Cabinet? Whether it is a Cabinet or a sub-Cabinet, what is that Cabinet, I want to know, who decided it? Which is that invisible hand that decides such an issue? Today when we say this, it is not that LIC employees are going to lose.

Something has been quoted about the GIC employees. It has been said that the GIC employees are getting 8 per cent. There was no agreement.

I am not afraid of it—whether they lose or not. If they have got the guts, they will gain more, but the question is: what we say in Hindi:

मरने का डर नहीं, लेकिनगीत घर बोज लेंगी

The question is this. We are not afraid of this, but no agreement, after this, is going to be entered into. This is the end of all bilateral agreements and I think if this is the funeral of bilateral agreements let it be that instead of passing this Bill by vote, we observe a two minutes' silence and say, 'The bilateral agreement is dead and long live the bilateral agreement.'

If the working class after this Emergency and during this Emergency have something which they can mobilise, let them unite on this common issue and I do not think this government will have the guts to suppress such an agitation and I oppose this Bill tooth and nail and I tear it.

SHRI M. RAM GOPAL REDDY (Nizamabad): A senior Member like Mr. Banerjee should not do this.

SHRI K. SURYANARAYANA (Eluru): After hearing our friend from the Opposition, I am very sorry that an always-calm-going Mr. Banerjee chose to tear this small Bill.

DR RANEN SEN (Barasat): Everywhere it is done.

SHRI S. M. BANERJEE: Even during the Telengana agitation, you have done the same thing.

SHRI K. SURYANARAYANA: I never tore the copies of the Bills. I am very sorry and surprised that even after hearing the speeches, including that of our learned lawyer and efficient parliamentarian, Mr. Sonnath Chatterjee, nobody has raised the question of the interests of the policy-holders who are the pillars of the Life Insurance Corporation. They have only quoted figures to show that the business has increased by 50 per cent

during the period 1973—1975. In 1973 it was Rs. 2075 crores and in 1975 it was Rs. 3112 crores. But, accordingly, the expenses also, instead of coming down, have gone up. I do not know wherefrom our friend Mr. Banerjee got his figures. But these have been given in the press reports. They say that the overall expense ratio was 27.58 per cent in 1973 and it went upto 30.48 per cent in 1975. In any business, as the business increases, the expense ratio should go down. But in spite of all these things, they argue as if they are the agents of the working class. I ask: does a person drawing Rs. 700—1000 and a bonus of Rs. 5000 belong to the working class? How many working class people are there in this country who are not even getting one rupee per day? Whenever any such legislation comes up, they think and speak as if they are the agents and advocates of the working class and we are not

Let me remind my friends on the opposite that in 1937—40 when our Ministers, when the entire Councils of Ministers resigned and went to jail opposing the British entering the war, you supported the British and their war efforts.

SHRI S. M. BANERJEE: I never supported. I supported the 1942 movement and you do not know

SHRI K. SURYANARAYANA: I am not concerned with the 1942 movement. You said that the Congress Ministers are not prepared to resign even though they are asked to resign. Many Ministers including Late Shri Rajagopalachari, the then Chief Minister of the Madras State, and the M.L.As. resigned and opposed the British Government in 1940. You were not there in 1940. You were with us in 1942, to oppose the British Government.

When the insurance business was nationalised in 1956, a substantial reduction in expenses was expected. In fact, while introducing the Bill in the

Lok Sabha for nationalisation in 1956 the then Finance Minister, Shri C. D. Deshmukh, specifically promised an improvement in the efficiency, improvement in efficiency being another name for the reduction in costs. But our friends in opposition have not mentioned about the costs or expenses. At whose cost is the LIC business being increased? The policy holders are the only sufferers. There is no efficiency, there is no service.

The officials come at 10.30 a.m. and leave at 5 p.m. They are not sincere to their job.

After the nationalisation of the general insurance four companies got registered and constituted the General Insurance Corporation. The four companies are competing with each other in service. The premium rates and other policy concessions are the same. But in service they are competing with each other. That policy should be observed in the LIC also.

I am proud of being an insurance worker once. In my career I have been associated with insurance. I have been maintaining my status in the political, public and social life with the earnings from insurance business. I have been trained by the late Dr. Pattabhi Sitaramayaya who advised me to serve myself and keep my dignity with self-earning without any capital. You can earn without any capital. That is ideal.

I am not against the working class. Their argument that they are only for the working class is as if they are the working class.

They always say 'the so-called bipartite agreement.' Did we not commit through the constitution to the Maharajas guaranteeing their privy purses and other rights according to their status? Did we not abolish the princely system and the zamindari system by amending the Constitution? You also joined us in this regard.

[Shri K. Suryanarayana]

You want to argue for equal salary and equal rights for each and every one. Does it not apply for the agriculturists also? Not even 1 per cent of them is getting this much of salary or the facility. It is no logic to oppose simply for the sake of opposition.

I have been associated with the insurance people. The insurance people have given me a memorandum to oppose this Bill. The last sentence of this memorandum is—

“We earnestly request you as our representative in the Parliament to oppose the Bill and thus honour the legally violated bipartite industrial agreement.”

If there are any difficulties cropping out of this Bill, Government is prepared to sit and settle them in a peaceful manner. I am not worried about MISA or the Defence of India Rules. I am interested in the service policy holders. People are not bothered about the LIC but only they are bothered about their bread. They are not bothered about the elections and the ballot. Government has committed itself to rectify these anomalies not only in the LIC but in other Institutions also. They want that the conditions of the working class should be improved. They want to bring down the privileges of the big people and increase the status of the low-paid employees. That is the principal objective of the Government now.

I appeal to the LIC employees' association also to give some service to the policyholders who are the pillars of this institution. I have 2 policies which are still continuing. These are whole-life policies. But I have not received any bonus certificate after nationalisation. 20 years back, I was an agent and an organiser of LIC. I do not know why they have not reduce the premium rate. Many years back they fixed these premium rates. At that time average life expectancy was 25 years as determined

by actuaries. Now it has gone up to 40 or 45 years but in spite of that the premium rates are not reduced. I appeal to the Government to reduce the premium rates. Then only policyholders will be satisfied. They should bring down the expenses and bring down the premium rates. According to the income only of the LIC they could pay reasonable salaries to all the officers and low-paid employees.

श्री भारत सिंह चौहान (झार) : सभापति महोदय, सदन के सामने जो जीवन बीमा नियम (समझौते में रूप में) विधेयक, 1976 लाया गया है, मैं उस का विरोध करने के लिए खड़ा हुआ हूँ, क्योंकि मजदूरों के अधिकारों के सम्बन्ध में पहले जो समझौता हो चुका है, उस को भांगतकाल में इस तरह तोड़ कर एक बहुत ही बुरा उदाहरण पेश किया जा रहा है।

विरोधी दल के माननीय सदस्यों ने बहुत अच्छी तरहसे एक्सप्लेन कर दिया है कि यह बिल लाने में सरकार की कुछ न कुछ कमजोरी है। इस बिल को लाने के पीछे जो भी कारण रहा हो, मगर इस बात में कोई शंका या सुबह नहीं है कि समझौते के अन्तर्गत कर्मचारियों को जो हक दिये गये थे, उन को खत्म किया जा रहा है। इस लिए यह बिल उन कर्मचारियों के लिए घातक सिद्ध होगा, और समझौते के अनुसार उन को जो लाभ मिलता रहा है, वह खत्म हो जायेगा और उन को करोड़ों रुपयों की हानि होगी। कर्मचारियों के प्रति सरकार की इस तरह की नीति उस की दुष्चिन्ता का परिचायक है। काफ़ी अच्छे प्रोग्राम्स के साथ यह बताया गया है कि इस विषय में कर्मचारियों के प्रतिनिधियों के साथ एक नया समझौता किया जाना चाहिए था और नामल स्थिति में ही इस तरह का बिल लाया जाना चाहिए था, जिस से कर्मचारियों का भी पूरा सहयोग प्राप्त होता। यह तो एक मनभाव ही इस तरह का बिल पेश कर दिया गया जिससे उस मर्यादा को खत्म किया, पिछली मर्यादा

को और समझौते को खत्म किया और एक तरह को प्रस्ताव जो शासन के प्रति होती है वह उससे हटती नबर आती है। ऐसा समय प्राप्त सकता है इस तरह के बिल खाने से कि लोग यह समझने लगेंगे कि जो समझौता सरकार करती है दो पक्षों में उस का कोई मतलब ही नहीं रहता, कोई मायने ही नहीं रहते। ऐसा बिल पेश करके इस तरह का एक उदाहरण सच में और देश में पेश करना यह बहुत ही घातक होगा। इसलिए मैं सुझाव दूंगा कि 77 तक का जो समझौता जिस तरह का है उस को जैसे का तैसा एक इट रख जाय, उस में कोई परिवर्तन न किया जाय और इस बिल को बपस लिया जाय। अगर सरकार इस में सशोधन करना चाहती है तो पिछले इतिहास को देखे कि गिरि जैसे मजदूरों के बहुत बड़े नेता ने इस तरह के घातक सुझाव जब आए थे तो उन्होंने इस्तीफा तक दे दिया। यह कोई छोटी बात नहीं है। कम से कम शासन को इस बात का तो ध्यान रखना चाहिये कि जो मजदूरों के इतने बड़े बड़े नेता हैं जिन्होंने उनके हित के लिए हमेशा काम किया लड़ाई लड़ी और अपना जीवन खराया उनके अन्दर इस तरह की भावना थी कि मजदूरों के अहित की बात लाई जाएगी तो उसे बर्दाश्त नहीं करेंगे तो सरकार को तो इस बात को ध्यान में रखना अत्यन्त आवश्यक था।

यह परम्परा अगर इस तरह के बिल ला कर रखी जाएगी तो केवल कर्मचारियों और मजदूरों के लिए ही नहीं बल्कि जो एक मर्यादा कायम होनी चाहिए और अच्छी परम्परा कायम होनी चाहिए उस से भी इससे रुकावट पैदा होगी। यह बिल हर तरह से मजदूरों को नुकसान पहुंचाने वाला और उनका अहित करने वाला है। ऐसे कई बातें और मांगें जो कर्मचारियों के लिए आई हैं उन से स्पष्ट हो जाता है कि इस में शासन का कुछ उनका अहित करने का प्रयत्न जैसा है। हम नहीं कह सकते

कि क्यों शासन इस तरह का बिल उनके अहित के लिए ला रहा है। अगर ठीक से इस पर विचार किया जाए तो साफ हो जाएगा कि जीवन बीमा में अभी तक फायदे फायदे ही हुए हैं और ज्यादा से ज्यादा बिजनेस उसने किया है। तो फिर कोई कारण नहीं है कि उनको जो बोनस मिल रहा है या उन का जो हित हो रहा है एक समझौते के आधार पर उनको यह बिल ला कर खत्म कर दे।

तो मैं शासन से अनुरोध करूंगा कि इस तरह पूर्ण तरह से पुनर्विचार किया जाय और मेरा सुझाव है कि जो समझौता है उस को उसी तरह से कायम रखा जाय। 1977 के बाद अगर कोई उस में परिवर्तन या सशोधन करना है तो पार्टियों को, आर्गनाइजेशन को, एसोसिएशन को बुला कर उन से समझौता करके ही कोई हल निकाला जाय। आज भी कर्मचारी लोग शासन का हित चाहते हैं, वफादार हैं। ऐसा न समझे कि वे त्याग और बलिदान नहीं करेंगे। परन्तु एक तरीका है उन से सैक्रिफाइस या त्याग करवाने का। इस तरह का बिल ला कर जो उन के हित को नुकसान पहुंचाया जा रहा है उस को मनी महोदय रोकें और ध्यान पूर्वक इस पर पुनर्विचार करें यही मेरा विचार है।

**सरदार स्वर्ण सिंह सोखी (जमशेदपुर) .**

चेयरमैन साहब, मैं इस बिल का समर्थन करने के लिए खड़ा हुआ हू। लेकिन इससे साथ साथ मेरे कुछ सुझाव हैं। मैं टाइम की कमी की वजह से अमेन्डमेन्ट्स तो नहीं दे सका हू लेकिन मेरे कुछ सुझाव हैं। मेरे इलाके के जो वोटर्स हैं वह ज्यादातर लिबर क्लास के हैं। मैं जमशेदपुर के इलाके से चुनकर यहा आया हू। वहा से लोगों ने मेरे पास एक मेमोरेण्डम भेजा है। लाइफ इश्योरेंस कार्पोरेशन के लोगों ने भेजा है जिसमें बहुत सारी बातें लिखी हैं। जैसाकि अभी सूर्यनारायण जी ने कहा, हम लोक सभा के मेम्बर हैं और लोकसभा के मेम्बर को आखिर अपने इलाके में



## [सरदार स्वर्णसिंह सीधी]

बताना होता है कि उसने क्या सही काम किया है। हमारे जो बोटर्स हैं वह एल०आई०सी०के वर्कर्स हैं, टाटा के वर्कर्स हैं और बिजनेसमेन हैं। उनका कहना बहुत वाजिब है और गवर्नमेंट इस पर ध्यान दे तो बड़ी अच्छी बात होगी। यह एग्रीमेंट जो हुआ एल आई सी मैनेजमेंट और एम्प्लाइज के साथ उसमें लिखा है :

"The agreement is effective from 1st April, 1973 and it is binding on the LIC Management upto 31st March, 1977 and even thereafter till it is replaced by another agreement...."

बीज यह है कि एग्रीमेंट तो हमने कर लिया और जो सेटलमेंट हुआ वह उस समय के फ्राइनेन्स मिनिस्टर चक्रण साहब और लेबर मिनिस्टर, रेड्डी साहब की मर्जी से हुआ फिर मेरी समझ में नहीं आया कि उस एग्रीमेंट को अमल करने की क्या ज़रूरत आ पड़ी ? क्या 1977 तक आप इतज़ार नहीं कर सकते थे और क्या उसके बाद कोई नया एग्रीमेंट नहीं हो सकता था ? अगर आगे आपकी मर्जी नहीं होती तो आप कह दें कि हम अब तैयार नहीं हैं। लेकिन इन बीच में ही यह बिल लाने की क्या ज़रूरत थी ? अगर आप 1977 तक कुछ पैसा दे ही देते तो आपका कितना पैसा खर्च हो जाता ? आप 15 परसेन्ट बोनस को रेड्यूस करके 10 परसेन्ट कर देते, इस तरह से बोनस में कुछ कमी कर देते। मुझे पता चला है शायद गवर्नमेंट ने कुछ नेगोसिएशन्स किए हैं एम्प्लाइज के साथ कि 10 परसेन्ट बोनस देंगे लेकिन यह आप और उनके बीच की बात है। अभी पिछले हफ्ते जो बातचीत हुई जमशेदपुर में उनके रिप्रेजेंटेटिव्स के साथ उससे मुझे इस बात का अन्दाज़ लगा। उन्होंने कहा कि हमने आपको और दूसरे एम्प्लाइज को लिखा है। इस बात को आपके सामने पेश कर देना हमारा फर्ज है वैसे तो जो गवर्नमेंट की पालिसी है वह हमारी पालिसी है। मेरा कहना यह है कि

विश्वास के ऊपर ही सभी कुछ कायम है। वाई फ्रेंच में लिख हूँ, कोई दूसरा मुसलमान है या जैन है। अगर विश्वास ही उठ जायेगा तो उसका दिमागी असर पड़ेगा। विश्वास को जमाना तो बढ़ा सुशिकल है इसलिए गवर्नमेंट को सोचना चाहिए कि थोड़े से पैसों के लिए विश्वास को तोड़ने की क्या ज़रूरत है। मैं कहूँगा यह कोई प्रीवी पर्स नहीं है बल्कि आप लेबर को पैसा दे रहे हैं। फ्राइ टाइम टु टाइम आप उनको पैसा देते रहे हैं। इस बिल में कहा गया है, मैं स्टेटमेंट आफ् आब्जेक्टम एंड रीजन्स को कोट कर रहा हूँ।

"The bonus to Class III and Class IV employees is being paid under the terms of a settlement arrived at between the corporation and such employees from time to time."

जैसी जैसी ज़रूरत पड़ेगी वेसा फ़ैमल आप करते रहे। अगर हमने कोई एग्रीमेंट किया है तो गवर्नमेंट के लिए उसको तोड़ना में नहीं समझता क्या तक ठीक है। जैसा हम अपने घर के नोकर से वह दे कि तुमको इतना पैसा दोगे और फिर कह दे कि नहीं दोगे इसलिए मैं कहूँगा आप इस पर एक बार फिर सोचें और कोई न कोई नतीजा निकालें। बातचीत हो रही है, आप एकम-ग्रैशिया दे रहे हैं तो वही दें।

इसमें यह लिखा हुआ है :

"It is proposed to set aside, with effect from the 1st April, 1975, these provisions of the settlement arrived at between the Corporation and its Class III and Class IV employees on 24th January, 1974 to enable the Corporation to make ex gratia payments to such employees at the rates determined on the basis of the general Government policy for making ex gratia payments to the employees of the undertakings."

इसलिए मैं यह कहूँगा कि जो जनरल पालिसी है कि इतना देंगे, इसके बारे में दो-बार शब्द और लिख दिये गये होते, तो बहुत अच्छा होता

अगली बात यह कहना चाहता हूँ कि यह जो सेंटिलमेंट हुआ है, यह इंडस्ट्रियल डिस्प्यूट्स एक्ट के मुताबिक हुआ है और यह कोई जबानी नहीं हुआ है। इंडस्ट्रियल डिस्प्यूट्स एक्ट को इन्होंने कोट किया है। मैं इस में यहां पर पढ़ कर सुनाना चाहता हूँ :

“settlement” means the settlement arrived at between the Corporation and their workmen on the 24th day of January, 1974, under section 18, read with clause (p) of section 2, of the Industrial Disputes Act, 1947.

इस में बहुत सारी क्लोजेज हैं। अब में में क्लोज 18 को कोर्ट करना चाहता हूँ, जिम में यह दिया हुआ है —

A settlement arrived at by agreement between the employer and workman otherwise than in the course of conciliation proceeding shall be binding on the parties to the agreement.

अब सैकशन (2) की क्लोज (पी) क्या कहती है :

“settlement” means a settlement arrived at in the course of conciliation proceeding and includes a written agreement between the employer and workmen arrived at otherwise than in the course of conciliation proceeding where such agreement has been signed by the parties thereto in such manner as may be prescribed and a copy thereof has been sent to the appropriate Government and the conciliation officer.

तो जो एग्रीमेंट होते हैं उन के माइने बहुत बड़े होते हैं। इन्होंने सुप्रीम कोर्ट का हवाला दिया है और वह इस तरह से है :

The Supreme Court has recently held that the Payment of Bonus Act cannot interfere with bonus

which is customary in nature and has become part of the service conditions.

तो मैं फिर यह कहता हूँ कि आप घर में बैठ कर नौकर से बातें करते हैं और उन से एग्रीमेंट करते हैं तो उम को मानना चाहिए। इन्होंने 20 प्वाइंट प्रोग्राम में बड़े जोरों का काम किया है और ये लोग उस का समर्थन करते हैं। मैं तो यह कहूंगा कि इन्हीं की वजह से आप का जो कार्पोरेशन है, उस का बिजनेस 70 परसेंट इन्फ्रीज हुआ है 1975-76 में और बहुत मेहनत कर के इन्होंने बिजनेस बढ़ाया है। ये होलहार्टेडली 20 प्वाइंट प्रोग्राम को सपोर्ट कर रहे हैं। मेरे ख्याल से यह जो काम किया गया है यह इन के लिए बंद है। एक चीज आप इन को देना चाहते थे और देते देते रोक दिया और उन को पैसा नहीं दिया। या तो पहले ही कह देते कि हम नहीं दे सकेंगे। यह तो ऐसे ही हुआ कि किसी को खाने के लिए खाना दे दिया और बाद में उस को कहा कि खाना मत खाओ और खाने को उस के सामने खे हटा लिया। पहले क्यों आप ने कहा था कि हम देंगे। 15 परसेंट नहीं देना था, तो मत कहते कि हम देंगे। हम जानते हैं कि उन को तन्हाह बहुत मिलती है। एक आदमी को पैसा करने का हक है लेकिन पैदा कर के मारने का हक नहीं है। अगर मारियेगा तो फांसी हो जाएगी। मैं आप के सामने ये चीजें इसलिए रख रहा हूँ कि आप इन को एग्जामिन करें।

आप ने फिर एक बात कह दी कि इस को हम पिछले साल से लागू करेंगे। पिछले साल से क्यों लागू करेंगे? इस तरह की चीज नहीं होनी चाहिए। मैं तो यह कहूंगा कि अगर आप इस को पूरी तरह से इम्प्लीमेंट नहीं करना चाहते हैं तो कम से कम 31 मार्च, 1976 तक तो इन को दोजिए, आगे के लिए बंद कर दीजिए। मैं मिनिस्टर साहब से। कहना चाहूंगा कि जब वे जवाब दे तो वे

[सरदार स्वर्ण सिंह सोबी]

बताएँ कि इस की जगह पर वे क्या दे रहे हैं क्या कोई बात हुई है या हो रही है इस मामले में ? मैं यह जरूर कहूँगा कि अगर आप अपने नौकर को निगलेट करते हैं तो उस से आप का अपना ही नुकसान होगा और वह दिल से काम नहीं करेंगे और दिल से काम नहीं करेंगे तो नतीजा यह होगा कि नुकसान होता रहेगा ।

रेट जो प्रॉविडेंट फंड का है, जो इसके कांटी-ब्यूशन का रेट है उसको आपको रोज करना चाहिये । जो एग्जिस्टिंग बैनिफिट हैं, मंडीकल फंसिलिटीज हैं, ट्रेवल फंसिलिटीज हैं उनको भी आपको इम्प्रूव करना चाहिये ।

मैं फिर अंत में कहूँगा कि आप बैठ कर इनके साथ बातचीत कर ले ताकि काम स्मूथली चल सके, स्मूथ वकिंग के लिए यह बहुत जरूरी है । इससे बाद मैं पैदा होने वाली दिक्कतों से बचा जा सकेगा । आज तो एमर-जेंसी है, कोई बोलेगा नहीं लेकिन कल को अगर यह हट गई तो हो सकता है कि फिर ये लोग नहीं काम शुरू कर दे । इस वास्ते अभी आप दो बार सोच ले । बिल तो पास कर दें यह तो ठीक है और इस बिल का मैं समर्थन भी करता हूँ । लेकिन आप सोचें कि आप कर क्या रहे हैं । बोनस बंद होगा । पहले बिल पास किया और वह भी बंद हो गया । हम आते हैं लेबर एरिया से । वहाँ लेबर क्लास है । मैं जा कर उसको क्या जवाब दूँगा । कल को कहीं ऐसा न हो कि आप कहे यह क्या हो गया, वह क्या हो गया । इस वास्ते सेहरबानी करके आप सोचें ।

इन शब्दों के साथ मैं इस बिल का समर्थन करता हूँ ।

SHRI B. V. NAIK (Kanara): Mr. Chairman, Sir, I would like to give certain statistics which have been published in the Report and Accounts, for the year ending 31st March 1975, of the Life Insurance Corporation of India. Without rushing to pass a judgement one way or the other, I think it would be in the fitness of things if the figures are made to speak for themselves.

I have been trying to look into the certified balance-sheet. Of course, this is the latest report available, i.e. for the year 1975. Under the Insurance Act, LIC has a distinct form of presentation of its financial statements. But I have not been able to put my finger down on the amount of net profit. Various figures have been stated regarding Rs. 182 crores of nett profit. I know a bit of accounting—which I had learnt years back, without practising much of it. But it is only a statement under Section 10(2) of the Insurance Act. It is an old Act of 1938. And the actuaries who prepare the financial statement of the LIC usually do not give the figure; invariably never. Mr. Raja Kulkarni might kindly go through the entire statement of financial accounts and verify the validity of my statement. If we say that the profitability is indicated on the basis of the figures provided here, viz. rate of interest realized on the main life insurance fund, we can say that the LIC is quite healthy, and financially very sound. But the whole of the debate had provoked our hon. friend Mr. S. M. Banerjee to tear off the amending bill. Of course, it is a very recent occurrence. It has not been witnessed for quite sometime. It means that he is fairly agitated. His credibility cannot be questioned, or his sincerity, for that matter.

But I hope that he knows fairly well when he talks of the working class of the Life Insurance Corporation. He is speaking of a very important section of the working class, but it only forms a small minuscule of the total salaried employees of this country.

On the 31st of March, 1975, this gigantic multi-crore Corporation had a total strength of—all the classes put together, including Sweepers and its Chairman. At that time, Mr. Puri was its Chairman, but now, I think, Mr. Pradhan is its Chairman. 58540 employees. There are about 50—100 employees of my constituency. There is an alert set of employees.

I compliment them on their alertness, because they have also sent the telegram to me. To the extent that I can render my services to them, I will do it.

But if you see the whole texture of the argument, beginning right from our friend Sardar Swaran Singh Sokhi (Jamshedpur), Mr S. M. Banerjee (Kanpur), Mr Somnath Chatterjee (Calcutta) and our dear friend, Shri Raja Kulkarni, you will find that after all it is the employees of the big cities who have a tremendous influence. We are glad about it. We would like them to have such an influence rather than these money-bags who are not at all compromising. We do not hold any brief at all for the idle money bags. But there is a semblance of justice in looking into the grievances of the active money bags. I would say that these 58,000 employees do have an organised labour class, as the hon. Minister was kind enough to say. But the total amount of remuneration which they get is fairly fabulous, which at least a middle class Member like me should envy. During the year 1973-74, their salary and other benefits were of the order of Rs. 7257 crores. There were fewer number of employees then. But, at the time when the strength of the employees reached 58,000 odd, their

salary bill reached Rs. 93 crores; for a poor country like India, if this is worked out from A to Z, from Mr. Chairman (Mr. Pradhan) to the last man in the ladder or in the line, it was not less than about Rs. 15,000 on an average per annum. That means that the per month total take-home-pay-packet is above Rs. 1000 on an average for all the 48,000 employees.

The hon. Minister defends the case of the LIC employees. Many of them are personally known to us. We are also aware of the fact that we are defending the case of labour aristocrats, labour elites of this country. It is not that they are isolated as being the elites of the labour forces. They have got very good companions in Air India; they have got companions in other financial institutions like the Nationalised Banks; they have companions in the General Insurance which has also been nationalised. But to many of us who come from the rural area, who do not have towns beyond a population of 50,000, I think, socialism means something more, as the hon. Minister was kind enough to explain earlier, something more to the lower section. That is a fabulous figure. In India, those people who live below the poverty line seem to be of the order of 30,000 odd millions. That is where, I think, the first attention should go.

Now, our friends from the Opposition were very conscientiously telling us about the morality of it, about the moral issues. I do feel that, in a way, this moral posture have been reversed by this legislation. Two years back, many of the hon. friends here said that it was an arm-twisting of the Government that was being done by the labour force, the organised labour sector, in our country. The Government in this country, besides the monetary policy in regard to the amount of money in circulation, control through the interest rates, besides the fiscal policy of taxation, has one of the main responsibilities in re-

[Shri B. V. Naik]

gard to the personnel policy because, in this country, the Government is one of the biggest employers not only for the Central Government, the State Governments but also the mammoth public sector which has already crossed the limits of the organised private sector. In this, from time to time, we have or rather our friends in the Opposition have found fault with the management of the public sector and most particularly with the personnel policy in regard to the public sector

As has been repeatedly said, even within the public sector where the President of India is the sole shareholder in most of the cases except a few exceptions here and there, it is true that disparities persist and at times we have a feeling that, unless figures and facts to the contrary are furnished to us, perhaps the disparities are increasing between the lowest employees. For example, between an employee in a small town office, an employee in a small local self-government office and an employee, let us say, of the Shipping Corporation of India, the Class IV one, a sweeper in the Life Insurance Corporation, the gap is unmanageable particularly when we come to know that the employer is one single individual symbolically, the employer is one single institution which is the Government of this country. While we could understand that Tata gives one scale of pay and Goenka gives another scale of pay, here is a case where one employer gives separate set of conditions of service. This should not happen.

I do find fault with the Government on this count that they have not paid attention to rationalising the service conditions of its employees, particularly in all the sectors together. Why only in the public sector? Also, in regard to even the States as well as the Centre and within the Centre, in regard to the joint sector and the public sector.

The question is this. May I ask of my dear friends, of the progressive, leftist, trade-unionist initiative in them, as to what have they done in the last five years to concentrate the attention of the Government to come to have a broad discussion on this instead of wasting time on frivolous issues, it may be tearing of the papers or doing something like that. What is that the progressive forces even of the Opposition have done in trying to have a meaningful dialogue and concentrate not only on 53,000 employees or 58,000 employees of the L.I.C. alone but on the entire public sector employing more than a million people? Have they been able to bring forward a matter for broad discussion, for a fruitful dialogue, for a fruitful bilateral negotiation, instead of forming from time to time distinct pressure groups, looking into the cost vs benefit in regard to the backing of a particular proposal or leaving that issue high and dry? I wish that these things had been discussed threadbare in the year 1971 immediately after the mid-term poll. We have lost four precious years. Anyway, it is better late than never. I do hope, while supporting the Government in regard to the Bill that has been brought forward, that sooner, rather than later, the whole of the personnel policy of the public sector and its employees as a whole will be considered in depth and meaningful decisions will be taken.

**SHRI PRIYA RANJAN DAS MUNSJI** (Calcutta-South): Mr. Chairman, Sir, I rise to support the stand of the Government and not to identify myself or project myself as being opposed to the working class struggle or opposed to the employees who are working in the Life Insurance Corporation. But, I think, the time has come in this country when we have to identify what is a genuine working class struggle and what is not genuine working class struggle.

I think, the approach of the progressive forces to fight the forces of reaction should not always be ventilated by their political wisdom, by their theoretical interpretation, but should be ventilated in a very realistic manner, obviously in favour of the people within the ambit of the national economy and the resources. If the wisdom of the progressive elements in this country fails there, then directly or indirectly the only forces that will get the strength will be the forces of reaction. I would like to say, with all my due regards to the progressive forces in this country, specially on the Opposite, with all my tributes to their leadership in the working class struggle, that they have tried hard to learn everything in this country in spite of the appalling poverty in this country, but they have not learnt the real thing in the real time and they have not tried to practise what they feel every time. As a result of that, today, the progressive forces, specially on the Opposite, have been reduced to an absolute minority. The leadership of the progressive forces is not at all united, in spite of many United Front Governments, in spite of many leftist united actions in this country. I do appeal from the core of my heart to the leadership of the working class in this country as well as the progressive movement to judge the whole situation in the country not as a piecemeal business but as a whole

I was first thinking whether I should participate in this debate or not and if so, what I should speak. A large number of LIC employees reside in my constituency, in Calcutta; they have been coming to me for the last two months and have been submitting their papers, memoranda and telegrams. I had several rounds of discussions with them. After studying all those things, I came to the conclusion that I should not keep quiet, I should not just push the button to support the Government, but I should participate in this high-light something in the real perspective.

I was surprised to hear the remarks in the beginning from Shri Somnath Chatterjee, hon. Member from CPM, that he stood today to defend the weaker sections of the country. I know of Mr. Somnath Chatterjee's wisdom and talents in the Bar, in the Calcutta High Court and in the Supreme Court in arguing and defending very delicate Constitutional matters and legal matters, even relating to the working class, but I am sorry to say that I cannot pay my full compliments to him today. Today he has proved to be an utter failure when he has defined the LIC employees as belonging to the weaker sections of the country. It is not that I do not have any regards for the LIC employees. They are as good patriots as we are, they are as sincere as we are, they are as good as we are. But what I appeal to you is that we must decide two or three things today.

Before I begin with the main content of my speech, I would like Mr. Banerjee, the hon. Member on the Opposite, for whom I have tremendous regards—I know his personal contribution to the working class struggle in this country—to read the settlement draft. I do not know who did it. If it is analysed as per the speech of Shri Somnath Chatterjee, the hon. Member Opposite, the very working class will be divided into three groups. The agreement was very beautiful. The sweepers and cleaners start from the grade of Rs. 120 their increment is Rs. 5, Rs. 6, Rs. 7, Rs. 8, that is Re. 1 every year upto twenty years. This is the first beginning of their settlement and the last comes the Superintendents. Their grade is Rs. 370, increment Rs. 25, then Rs. 470, increment Rs. 30 and then Rs. 830 within 16 years. Where is the wisdom of the working class of this country? Do you like to absorb all just to get support in the rally and demonstration and identify all from the sweeper to the Superintendent within the same grip? It is only to serve their selfish tendencies and their political motivations that in the working class struggle they strengthen the reactionary forces, whether it is

[Shri Priya Ranjan Das Munsi] the management of LIC, or whether it is some people in the Government or outside. What was this agreement? While the Superintendent will get an increment of Rs. 25 and then Rs. 30, a sweeper will get an increment of Rs. 1 per year for all his life. Is it a weaker section settlement? It is nothing. The leaders of the working class are doing the white-collar job whether in the head office of the LIC or any bank. There the strength of the sweepers is 50, the strength of the clerks is 90, 80, and the strength of the manipulating authority, that is Superintendents is 15. We have to look to the majority interest, then to the minority interest, whatever weaker and poorer they are. It has become a traditional practice of the working class struggle in our country that the white-collar section look to their own interest. What is the struggle today? Karl Marx defined the class struggle in a different context. What the proletariat should get within the ambit of the communist philosophy, I am not competent to defend. What I would like to ask is, is there no class contradiction in the country today? A Superintendent having the same qualification will enjoy the grade of Rs. 350 with an increment of Rs. 25 and Rs. 30, while a graduate having the same qualification and working as a Record Keeper will get Rs. 2 as his increment. You are talking that these are all middle class people. A Section Officer in the Secretariat in the South Block is claiming that he is middle class, the Chief Secretary of the State Government claims that he is middle class, and the Superintendent is also claiming that he is a middle class. And you are shouting of the struggle of middle class. Below the shadow of middle class people, we find that there are so many classes which are put together into one basket. That is not the real struggle.

As a result of practising the working class struggle in this method for the last twenty years, we have strengthened the hands of the capitalists and the reactionary forces both in the management and outside and have deviated from the real progressive struggle of this country. This was the net result of this country's class struggle in terms of communist philosophy. This is what has happened in the country.

Now, I am really pained in my heart that the Parliament is going to nullify today a settlement which was reached between the employees of LIC and the management. I am not feeling very happy that I am pushing the button to nullify that settlement. But who is responsible? With all my due regards to Shri T. T. Krishnamachari, and with all my regards to Shri Morarji Desai, when he was in the chair of Finance Minister and Shri Sachin Choudhari, I would like to say that what we find today is the result of the past. The pinpricks and the situation which our Prime Minister, Shrimati Indira Gandhi is facing today, it is not because of today, but because of accumulation of things of the past. She is only burning the bushes, where the animals are residing to make it worth living for the people. This is all because of the accumulated result of all those leaders' contribution and foolish wisdom which paralysed the basic approach to our national economy in the country. We must realise it. When you realise it, why don't you share it with the leaders and help in clearing this jungle and burning these bushes?

MR. CHAIRMAN: The hon. Member may continue his speech tomorrow.  
18 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Thursday, May 20, 1976/Vaisakha 30, 1998 (Saka).*