

MR. CHAIRMAN: Now, the question is:

"That clause 2 stand part of the Bill"

The motion was adopted.

Clause 2 was added to the Bill.

MR. CHAIRMAN: Now Clause 3. Mr. Naik, are you moving your amendment?

SHRI B. V. Naik (Kanara): No, Sir.

MR. CHAIRMAN: Now, the question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

*Clause 3 was added to the Bill,
Clauses 4 and 5 were added to the Bill,*

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

SHRI C. SUBRAMANIAM: I move:
"That the Bill be passed."

MR. CHAIRMAN: The question is:

"That the Bill be passed."

The motion was adopted.

16 24 hrs.

MOTION RE: SUSPENSION OF
PROVISO TO RULE 66 IN RELATION
TO DEPARTMENTALISATION
OF UNION ACCOUNTS
(TRANSFER OF PERSONNEL)
BILL,

THE MINISTER OF FINANCE
(SHRI C. SUBRAMANIAM): I beg to move:

"That this House do suspend the proviso to rule 66 of the Rules of Procedure and Conduct of Business

in Lok Sabha in its application to the motions for taking into consideration and passing of the Departmentalisation of Union Accounts (Transfer of Personnel) Bill, 1976, inasmuch as it is dependent upon the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Amendment Bill, 1976"

MR CHAIRMAN: The question is:

"That this House do suspend the proviso to rule 66 of the Rules of Procedure and Conduct of Business in Lok Sabha in its application to the motions for taking into consideration and passing of the Departmentalisation of Union Accounts (Transfer of Personnel) Bill, 1976, inasmuch as it is dependent upon the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Amendment Bill, 1976."

The motion was adopted.

16 26 hrs.

STATUTORY RESOLUTION RE:
DISAPPROVAL OF DEPARTMENTALISATION OF UNION ACCOUNTS (TRANSFER OF PERSONNEL) ORDINANCE, 1976 AND DEPARTMENTALISATION OF UNION ACCOUNTS (TRANSFER OF PERSONNEL) BILL.

SHRI DINEN BHATTACHARYYA (Serampore): I beg to move:

"This House disapproves of the Departmentalisation of Union Accounts (Transfer of Personnel) Ordinance, 1976 (Ordinance No. 2 of 1976) promulgated by the President on the 1st March, 1976."

While moving this Resolution, I may say that to some extent it has been discussed here. The issue requires proper and considerate thinking. We should deeply go into the

merit, lest the House should need passing another such Bill in a short span of time. So, proper time should have been given to the members to understand actually what is the state of things prevailing under which the change is necessary. What efficiency has already been achieved in the departments where the accounts have already been separated, has not been made known to the House. The hon. Minister while replying did not say anything, but now he is contradicting about the excess expenditure in Tele-Communication department.

My first point is that it will increase the expenditure further in all the departments. In the Department of Industry and Civil Supplies separation has already taken place. I know that so long as the work was with the Comptroller & Auditor General, only 40 employees were working for the Accounting work. Now the number has increased three times i.e. 120 employees had to be employed for the same job. The hon. Minister may contradict, but these are the facts which I possess.

This is going to be implemented w.e.f. 1-4-1976. We are left with a few days. But no blue-print has yet been circulated by the Government as to what is going to happen. To this date, the administrative Ministries of the Central Government have not been able to finalise Schemes of their Departmentalised Accounting Units indicating the set-up and terms and conditions of transfer of Staff. The Indian Audit and Accounts Department also has, therefore, not been able to finalise the set-up of the residual audit offices effected by this huge reorganisation.

The officers and employees of the Indian Audit and Accounts Department are naturally very apprehensive as their future prospects are quite uncertain. Discussions in the Departmental Council of the Indian Audit and Accounts Department (J.C.M.)

on 13th January, 1976 and 11th March, 1976 too have not yielded any results in allaying these fears, and uncertainty, loom large. And all this has been due to the fact that Ministries excepting the Ministry of Communications could not take timely action to finalise their scheme.

As a result of this measure, about 80 per cent of the employees now working in various audit offices will be allocated in different numbers to different Ministries. At present they are having office-wise seniority and cadre compositions and, therefore, horizontal promotional prospects in their own offices, no transfer liability and several other entitlements.

On their transfer to the Departmentalised Accounting Units, those who would be drawn from the various offices would be knit together into a Ministry-wise vertical cadre so that even a petty promotion in their career might entail shifting from their present stations. Since details of the schemes are still not known it is quite unimaginable how their existing promotional prospects and other entitlements, like examinations etc. would be affected I have heard that there are efficient hands in these existing departments and within 6 years they may become Section Officers by appearing for the departmental examination. Where is this prospect here? Everybody is in doubt about his future service prospect. They do not know what will happen to them. Viewed in this light, it would be very apparent that the provisions of the Departmentalisation of Union Accounts (Transfer of Personnel) Ordinance, 1976 might operate harshly as these are quite insufficient and rigid.

Sir, the vital points on which this Ordinance is silent are the following:—

Firstly, certain Advisory Committees have to be constituted by the Government as per sub-section (2) of Section

[Shri Dinan Bhattacharyya]

2 of the said Ordinance for the purpose of assisting it in regard to the transfer of staff from Audit offices to the different Accounting Units. No criterion has now been spelt out in the Ordinance according to which these Advisory Committees would select persons and allocate them to the different Accounting Offices.

So, Sir, in the absence of some healthy norms, it may so happen that the employees are selected by 'pick and choose' method. This is bound to cause grave injustice to affected employees. A seniormost person may thus be allocated to a very small Ministry where his next promotion might materialise very late, while many who were junior to him in the parent audit office might be promoted much earlier, only because fortuitously they are allocated to some larger units. Such a possibility is more than certain also because the Advisory Committee also does not know the complete details and the set-up of Accounting Units of all Ministries. Therefore, it would be well high impossible for them to keep all the relevant factors affecting future prospects of the transferred employees in their view while allocating them.

Secondly, while effecting compulsory transfer of employees from one department to another, in the public interest, it is also necessary, even as per the Government's own guidelines issued in the year 1955, to make sure, not only that there is no loss of pay, but also that the employees' reasonable expectations in the original service or department are preserved or at least equal prospects are provided in the service or department to which a particular employee is transferred.

In sub-section (4) of section 2 of the said Ordinance, however, the protection to the scale of pay being not less favourable than that of the post which the transferred employee held immediately before his transfer only has been accorded. No provision for preserving the promotional

prospects, examinations, incentives etc., admissible to these employees in Audit Department when they are transferred to Accounting Offices has been made in the said Ordinance. Therefore, it is clear that even the guidelines framed by the Government have not been borne in mind while finalising the Ordinance in question.

As a result of such a large reduction in the strength of Audit Offices, the residual staff in these offices are bound to suffer a very heavy reduction in their promotional prospects. As the selection is going to be at random, the existing expectations of employees *inter se* for further promotions are going to be considerably damaged. The Railways, when they introduced mechanisation, electrified employees *inter se* for further promotions for creation of shadow posts to protect the then existing promotional prospects. But the Ordinance is quite silent about this very important aspect. There is no machinery.

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM). This is a written speech. Let it be laid on the Table of the House.

SHRI DINAN BHATTACHARYYA: This is not a written speech. I am only consulting my notes. There is nothing to be worried about.

This is something gigantic as spoken by Prof. Mukerjee. So, I ought to consult my notes. It is a matter which is not so easy to understand. The problems that are faced by the employees have to be taken note of. And that is why I am mentioning this that while bringing in this Ordinance, why Government forget to bring in what will be the conditions of service of people who will be transferred from their parent department to the other departments? The hon. Minister who is so much conscious about his own ability should have brought this before the House and we could have judged it and I would have had no occasion to bring in this disapproval motion. In the absence of this, what is the way out?

Therefore, to make that point, I have to consult my notes while speaking here. I should say that there is nothing wrong or improper.

SHRI S. M. BANERJEE (Kanpur): You follow the Minister because the Minister generally reads his speech!

SHRI DINEN BHATTACHARYYA: I am only consulting my notes and not reading my speech. I was telling that there is no machinery or forum for employees to point out the anomalies and hardships and seek redressal (*Interruptions*)

MR. CHAIRMAN: Mr. Bhattacharyya, it is an accepted Parliamentary Practice and Convention that whatever you have to submit, you will have to do that by way of a speech and not by reading the speech which you have brought here. Your attention has been drawn to the fact that you are reading out something. Please go on.

SHRI DINEN BHATTACHARYYA: Excuse me, Sir. If it is so, you will kindly bear with me. While you speak also, I would bring this fact to your notice and let me see how you are going to speak without consulting any notes or points. This is such a complicated issue. I do not take credit that I know everything. But I have to consult the notes.

MR. CHAIRMAN: Please carry on.

SHRI DINEN BHATTACHARYYA: Sir, it would appear thus that the entire scheme of the departmentalisation would be left in the hands of officers and authorities to be implemented in a most unilateral and arbitrary manner. I am telling this from my experience. The hon. Minister has not said anything about what will be their conditions of service and what would be their prospects. So, I would submit that these aspects may be highlighted by the hon. Minister while replying and he should see that the

situation does not take place here like the private auditing system in the private sector institutions where once the accounting is done, the auditor is bound to put in his signature to it. Here it appears that you are going to repeat the same thing in the case of Government accounting and auditing system. While bringing this measure the Finance Minister forget that 40,000 employees are employed under Comptroller and Auditor General and you have not even stated that you are going to bring some rules under which the service conditions of these employees will be guided.

With these words I move that my motion may be accepted by the House.

MR. CHAIRMAN: Resolution moved:

"This House disapproves of the Departmentalisation of Union Accounts (Transfer of Personnel) Ordinance, 1976 (Ordinance No 2 of 1976) promulgated by the President on the 1st March, 1976."

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): Sir, I move*:

"That the Bill to provide for the transfer of officers serving in the Indian Audit and Accounts Department to any Ministry, Department or office of the Central Government for facilitating the efficient discharge by such Ministry, Department or office of the responsibility in connection with compiling the accounts thereof, be taken into consideration."

As the hon. Members are already aware I had mentioned in my budget speech that the existing system under which accounts are maintained by an agency external to the Ministries and Departments is not conducive to effective financial management. Accounts and Finance should form an integral part of overall management

*Moved with the recommendation of the President.

[Shri C. Subramaniam]

and should play a more meaningful and effective role in selection of projects, allocation of funds, monitoring of expenditure in relation to physical progress, and evaluation of results. In order to integrate accounts with administrative Ministries and Departments, it is proposed to separate accounts from audit and initial a Departmentalised Accounting System. The process of this separation is scheduled to be completed by 1st October, 1976, for all Central Ministries.

The takeover of accounting functions from the Comptroller and Auditor General involves the transfer of about 10,000 employees from the Indian Audit and Accounts Department to the Ministries and Departments of the Government of India and offices under them. To forestall the administrative and legal problems that may arise in the transfer of such a large number of persons from the administrative control of the Indian Audit and Accounts Department to the Ministries and Departments of the Government of India and to ensure that necessary expert man-power is available to Government for discharging the newly acquired responsibilities, it was found necessary to issue the Departmentalisation of Union Accounts (Transfer of Personnel) Ordinance, 1976. The Bill seeks to replace that Ordinance.

According to the Bill, it shall be lawful for Government on the advice of a Committee to be constituted for the purpose, to transfer any of the officers and employees of the Indian Audit and Accounts Department to any Ministry, Department or any of its attached or subordinate offices, on the issue of an Order by the President relieving the Comptroller and Auditor General from the responsibility for compiling the accounts of the Union or of any Services or Departments as may be specified. Officials transferred from the CAG's organisation will be entitled to be appointed to posts

carrying scales of pay not less than those of posts held immediately before such transfer. The Bill also provides for an opportunity to a person proposed to be transferred, to express his unwillingness for such transfer but at the same time, makes it clear that Government can transfer even a person who has expressed his unwillingness if it is considered necessary to do so in public interest.

In this context, I would repeat what I had already stated in my budget speech, namely, that every care will be taken to see that minimum hardship is caused to the employees and the Comptroller and Auditor General is able to discharge his constitutional responsibility effectively and without disruption.

As hon. Members will see, the Bill has been introduced with a view to facilitate the smooth implementation of the scheme of separation of accounts from audit with the ultimate objective of securing continuous process of planning programming, budgeting, monitoring and appraisal.

I move.

MR. CHAIRMAN: Motion moved:

"That the Bill to provide for the transfer of officers serving in the Indian Audit and Accounts Department to any Ministry, Department or office of the Central Government for facilitating the efficient discharge by such Ministry, Department or office of the responsibility in connection with compiling the accounts thereof, be taken into consideration".

SHRI G. VISWANATHAN: I beg to move:

"That the Bill to provide for the transfer of officers serving in the Indian Audit and Accounts Department to any Ministry, Department or office of the Central Government for facilitating the efficient discharge by

such Ministry, Department or office of the responsibility in connection with compiling the accounts thereof, be referred to a Select Committee consisting of 9 members, namely: (1) Shri Dinen Bhattacharya, (2) Shri K. Hanumthaiya, (3) Shri Vayalar Ravi, (4) Shrimati Sushila Rohatgi, (5) Shri S. C. Samanta, (6) Shri Era Sezhiyan, (7) Shri C. M. Stephen, (8) Shri H. N. Mukerjee and (9) the Mover, with instructions to report by the 8th April 1976". (2)

SHRI S. M. MANERJEE: Mr. Chairman, many points which concern the employees have been mentioned by my hon. friend, Shri Dinen Bhattacharya. The Minister has stated that there are provisions in the Bill which safeguard the interests of the employees. I find that some provisions are there. But still I had a discussion with the representatives of the various units and their all-India organisation. My information is that they also met my hon. friend, Shri A. P. Sharma, because he was the leader of the staff side of the National Council on the JCM. I do not know what advice Shri Sharma gave either as a leader or as a Minister. But definitely he also shared their views and some of their apprehensions and he advised them to get some clarification from the hon. Minister.

The difficulty is that the employees did not get any clarification from the Comptroller and Auditor General because, still after the 1973 strike, many employees are either facing suspension or have had their services terminated. I would like to mention this specially for the consideration of the hon. Minister that before this scheme is implemented, at least the cases of those employees who are still facing suspension or whose services were terminated because they are temporary, either at Gwalior, or at Rajkot or anywhere else, should be settled, and the Auditor General should be asked to take them back, because in almost all the departments including the Railways, the majority of the employees have been

taken back. In the Railways, some of the temporary employees or in those cases where court proceedings are going on they are out; otherwise, thousands of employees who went on strike have been taken back. It will be something good if the hon. Minister takes the trouble to advise the Comptroller and Auditor General to take-back those employees.

Coming to the various clauses, one of the apprehensions or fears lurking in the minds of these employees is as to what would happen to their promotional avenues, whether promotions would be horizontal as is done now or it would be, what they call, vertical. Will the Advisory Committee consider this aspect also? Will an Expert Committee be constituted to go into the various aspects of the case?

Then what happens to those employees whose services are transferred to State Governments? Now a provision has been made in Bill No. 45, which was discussed and disposed of just now where they say in the statement of objects and reasons:

"So far as accounts of a State are concerned, it is, however necessary to provide for prior approval of the President before the Governor of the State issues an order relieving the Comptroller and Auditor General of the responsibility of compiling the accounts of the State in order to make sure that due provision is made by the State Government for absorption of the employees of the Indian Audit and Accounts Department under the State Government and for safeguarding their scales of pay and other conditions of service on absorption".

In Bill No. 46 of 1976. I do not know whether this provision is necessary. In this connection, it is pointed out that Bill No. 46 of 1976 is going to provide for such safeguards in respect of audit employees who are going

[Shri S. M. Banerjee]

to be transferred to the Central Ministries. On the same analogy, is it not necessary to have a separate Bill or rules which would help the State Government to fulfil this responsibility before seeking approval of the President for taking over the accounts? They should ensure the same conditions of service here. There should be uniformity between employee and employee, whether his services are transferred to a State Government or to a Central Ministry. There is no provision here. There is a fear, which seems to be genuine, as to what would happen to staff transferred to State Governments, whether they would have the same service conditions, whether they would enjoy the same safeguards as any other employee whose services have been transferred from audit to any Central Ministry—Defence, Railways, P & T and so on

The hon Minister argued that it was in the larger interest of the country and that the legacy of the British Imperialism should go. I am one of those who welcome the abolition of British Imperialism's legacies. What was the view expressed in 1971 by Shri Ranganathan, who was the CAG then? While giving evidence before the Joint Committee of Parliament, he said:

"On merits, my view is that there is no virtue in separation. The popular impression is that the combination of accounting and audit functions somehow impair the independence of audit and therefore detracts from its value. I think that this is a misconception because what the Accountant General does is only the final compilation of the accounts; he is not maintaining the initial accounts. From my experience in this post which confirms my previous view, what I can say is that if you leave the compilation with them, they are in a better position to know the areas in which the mistakes are likely to occur and it acts as an aid to audit rather than otherwise."

He was asked other questions by various hon. Members about the cost factor and he says:

"the cost factor is there; it is bound to be very expensive; whether it will be three or four times, one cannot say but there is bound to be considerably more expenditure if you separate accounts from audit."

This is not what Dinan Bhattacharya or Hiren Mukerjee says. These are the views of Shri S. Ranganathan, ex-CAG. Let us examine whether it is worth the expenditure.

MR. CHAIRMAN: You are going back to that Bill; it has been passed.

Mr. Viswanathan quoted exactly the same passage in regard to that Bill.

SHRI S. M. BANERJEE. Great men quote alike, Sir.

The hon. Minister explained that this Bill is seeking this power. I want to know whether the Advisory Committee formed under this Bill will go through various aspects because the employees organisations could not discuss anything in the departmental council meetings. Those who come on behalf of the official side do not know what is happening and they cannot express a firm view and they often suggest: why do you not meet the Finance Minister? Whenever we wanted to have a discussion with the CAG, they said: bring it to the notice of the Finance Minister. We were told that the CAG is a sort of a touch-me-not. We should not interfere. He enjoys a particular position under the Constitution. When we are having this Bill, that gentleman who enjoys that position, is missing from the House. He should have been asked to come here and give expression to his views. Why should somebody else formulate his views and then say: in my opinion the CAG must be thinking like this. He should himself be called here and asked to explain his

views. We do not know the views of the CAG. When I quoted the views of one CAG, he says that he was an ex-CAG and he is not still employed as CAG and after retirement he has expressed his views.

Sir, that is not the only point. Now, what has happened in P & T Department? In the P & T a Committee was appointed and ultimately they came to the conclusion that this was an extra expenditure.

Now, this departmentalisation will create a lot of difficulties not only to Class IV staff but to other staff also. There will be difficulties in the matter of promotion and seniority. Not only that. At this juncture it will be very difficult for them to adjust if they are transferred from one place to another. Sir, what will happen if a person who is working in AG's Office, Trivandrum, is transferred to a far of place like Delhi? These matters will have to be considered. Unfortunately these matters were not discussed with the staff. Let the Hon'ble Minister say "I am sorry I could not discuss it with them". Now what happened is that the employees issued some pamphlets saying that they are not against the scheme, but the fears lurking in their minds should be clarified. So, Sir, in the matter of promotion, in the matter of transfers, what will happen to them? What will happen to their seniority? Now what will happen to the staff who will be transferred to the various States Departments? Moreover they will be confronted with another difficulty. I want to know whether the persons transferred to various Departments will have their seniority fixed along with those already working in those Departments. I do not know whether their service conditions will remain unaffected. Supposing a person is working in A.G.C.R. office and he is fit for promotion. His seniority and the confidential reports support him for his promotion. In such a case what will happen if he is transferred to a Ministry? In the Ministry he will

be considered along with other staff. Here I want to point out one thing. In the Audit Office the ratio between LDC and UDC is very good and the chances of promotion from LDC to UDC are more. Whereas in the Ministries and other Departments it is not like that. In the Audit Office, supposing there are two LDC's in a Section you will find 4 UDCs in the same section. But in the case of Ministries and other Departments the ratio may be 8 LDCs to 3 UDCs. So, this point should also be considered while working out the seniority list for these employees. Therefore, Sir, I would request the Hon'ble Minister to have a discussion, heart-to-heart talk, with the employees who have co-operated with this Government and worked hard and honestly.

Sir, it has been mentioned that these matters should be referred to the Governor. The Governor has been asked to give promotion on behalf of the President. If this is so, then their service conditions should also be considered by him. Therefore, I hope that their interests will be properly looked after and the Hon'ble Minister would throw some light on these points. Still I feel certain points are not clear in this Bill and they require further clarification. I request the Government to have a heart to heart discussion with the employees.

17.00 hrs.

SHRI VAYALAR RAVI (Chirayinkil): Sir, much time has been spent on discussing the merits of this Bill. I understand that the whole objection of the hon. members on the other side is to the passing of this Bill in a hurry. Unless there are proper safeguards, it can be misused. The main merit of the Bill is that it seeks to avoid duplication of work. I have talked to the employees and as Mr. Banerjee has pointed out, there is a fear in their minds about their future promotions, transfers, etc. This is a serious matter which should be thoroughly looked into

[Shri Vayalar Ravi]

and the employees should not be put to any difficulties.

The main problem is, as in the P&T, when these employees go to certain departments, there are already certain people existing there. If 10,000 people from the audit spread to various ministries and to different States for being absorbed there, there will be conflict between them and the people already existing in those departments. This is a matter which should be looked into very seriously. In the P&T, earlier there was a three-tier system and now it has been reduced to a two-tier system. There is the All India Postal Accountants Association who have given a memorandum. Government should discuss the matter with the employees of the different ministries and with the employees of the audit department also. You have to discuss with both the groups on both sides. Let us take the example of Communications Ministry. Unfortunately, the Communications Ministry is neglecting the existing employees.

With your permission, I quote from the memorandum submitted by the All India Postal Accountants Association regarding the work of P&T audit:

"On receipt of monthly Cash Account from Head Post Office and bi-monthly cash account submitted by the Head Record Office (RMS) Foreign Post and P.S.D.S., all the particulars of year's transaction of Head Post Office are collected from month to month in a classified abstract with exception of adjustment made by the transfer entries which are incorporated in the detailed books. The bi-monthly cash account submitted by the H.R.Os, Fgn. Post and P.S.D.S. are incorporated in the Classified Abstract of the Head Post Office concerned."

All these works are done by their accountants themselves in the P&T.

What the audit department does is given in the end:

"In the end, the Receipt and Payments of the Postal Branch are incorporated in the General Abstract from the Circle Abstract in the A.G.'s office."

They only compile whatever has been already done by the postal accounting people themselves. Unfortunately, the Pay Commission could not do justice to them because the P&T Department itself objected to it.

When this memorandum was submitted by the employees to the Pay Commission, the Communications Ministry replied, "We are going to take the audit from the A.G.'s office. We are considering to absorb them."

They said that they would give them the special pay but nothing had happened. Now you are trying to bring people from other departments, what will be your accommodation strategy? It is the only question I am posing before you.

I have some knowledge about AG's office in Kerala. There are about 1400 employees. There are two groups. One of the groups is of loyal workers. But the AG does not discuss anything with them. He should give a chance to everybody. You cannot discuss anything with one man or one group only. He is angry with this group of employees. Why? So he is discriminating against one group of employees. Unfortunately, the Accountant General has done another wrong thing also. You know there is a one-lakh housing scheme in Kerala. We requested the Government of India to provide Rs. 5 crores for that scheme and the Government of India gladly provided Rs. 4.5 crores for acquiring land etc. The land was acquired. It is a big ambitious scheme. We completed about 70,000 houses. Unfortunately, it was made a political issue by the Accountant General. Such a marvellous scheme was taken up but

it was given a political colour by the Accountant General and attempted to malign it. When I objected to this, he called the Unions to issue a statement against me and Government. One of the groups said that they were not going to issue any such statement. Now, he is angry with them. They refused to do so. Another group issued a statement even personally abusing the then Finance Minister, Mr. K. G. Adiyodi. How they can abuse a Minister personally. But no action has been taken. After this incidence, one of the groups consisting of loyal workers wanted to put up the photograph of the Prime Minister in support of the 20-Point Economic Programme. But the AG said that that was a political propaganda. He asked them to remove the photograph. The employee supporting 20-point programme is not allowed. I want you to enquire into this matter. There are irregularities in the appointment of Class IV employees. I don't want to go into details but you must enquire. I want you to read the judgment of the Kerala High Court regarding a case against the decision of the A.G. The Judge has observed that the authorities of the A.G.'s Office have shown negligence and even they refused to produce any evidence and even the attendance register for this case. Is it loyalty to your own work? This is the attitude of the Head of the Department. He is not loyal to his own work. Even he has refused to produce the attendance register as evidence. Please look into this. I am only pleading the case of those workers who are working in the same department but are being discriminated against.

I fully support the measure brought forward by the Government. The reason is that it will avoid duplication of work. Mr. Viswanathan and Prof. Hiren Mukerjee have expressed their apprehensions about more expenditure. One set of people are doing accounting, compiling, etc., they are doing editing and the other set is doing auditing. This compiling has now been taken over to the same department or

Ministry. I am afraid I cannot agree with my friend that it would increase the expenditure very much. It might increase the expenditure, but not to that extent. But we must have safeguards, because all the States are also taking over the accounting functions. As Mr. Viswanathan had told me, governments like the erstwhile Tamil Nadu government or like the Jyoti Basu government in West Bengal can misuse it. (*Interruption.*) This is what I have to submit. Please give due consideration to the views of the employees and protect the interests of those employed both in the Audit office and in the Ministries. I welcome this long-awaited measure. It will improve the atmosphere, the efficiency and help in the presentation of the CAG's report to the Parliament in time. Even though, I disagree with many of the views of Mr. Baksi and with what he did in the case of Kerala. I do not want to say anything personally against him. Please protect the interests of the employees.

SHRI G. VISWANATHAN (Wandiwash): If there is anything of which the government employæ is afraid, it is transfer, next only to suspension and dismissal. This bill is seeking exactly to transfer thousands of employees; and that is why they are naturally afraid. They think that their future prospects are uncertain, because according to my information, only one Ministry, viz. the Ministry of Communications has finalized the scheme regarding service conditions. (*Interruption.*) I want to know from the Minister as to what is going to be done by the other three Ministries. Today, we want to transfer thousands of employees. You must finalise the scheme regarding the service conditions, before they are transferred. Once you transfer them, there will be confusion; and hundreds of thousands of persons will be affected. If you are going to finalise the scheme after their transfer, it would be like putting the cart before the horse. The Minister should be careful about this. Government has to make sure not

[Shri G. Vishwanathan]

only that there is not loss of pay for the employees, but also that their reasonable expectations in the original department or service, are preserved. Again, I would like to emphasize that for some period, there should be mobility between the government departments or the Ministries, and the office of the CAG. The bill says:

"An officer or other employee transferred to any Ministry, department or office of the Central Government, by an order made under sub-section (1) shall, on and from the date of transfer, cease to be an officer or employee in the Audit and Accounts Department."

This will completely immobilize the employees from going and coming back. I think that the Minister should either drop this provision or make some other suitable executive order providing that there can be mobility between the various Ministries and the office of the CAG, for some time. If this is the state of affairs at the Centre, what will happen in the States? At present there is no scheme at all. I want the Centre to draft a bill or to prepare guidelines or arrange to have a uniform scheme throughout the country, so that different service conditions do not exist in different States. I want the Minister to view these problems as human ones and see to it that the low-paid employees are not made to lose their hard-earned prospects.

MR CHAIRMAN: The Minister

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): Hon. Members have expressed some doubts. At the very outset, I would like to say that the Bill provides that an employee transferred from the Audit Department is entitled to be appointed to a post carrying a scale of pay not less favourable than that of the post held immediately before such transfer in the parent Department. Substantive status, if any, would also be

preserved. Even officiating pay in a vacancy of specified duration in which an employee was officiating in the parent Department would be protected for the unexpired period of the vacancy. As service will be continuous, previous service would also count for pension, in accordance with the Rules. The employee will continue to be governed by the same Rules like Leave Rules, Pension Rules, Fundamental Rules etc., even after the transfer. Till alternate rules are made for recruitment, promotion, etc., they will continue to be governed by the existing set of Rules. It is hoped that this will take care of the legitimate interests of the staff transferred from the CAG's organisation.

SHRI DINEN BHATTACHARYYA: I am sorry to mention that the doubts expressed have not been removed by reading two or three lines from the Statement of Objects and Reasons attached to the Bill. Is it not a fact that in the month of January, and subsequently also, the JCM met and there nothing was clarified? Why was it not clarified even in the month of March when J.C.M. met? Why was no assurance given to the concerned employees that their conditions of service will not be adversely affected? Why should she not ask for senior Minister to draft specific provisions to protect the interests of the employees, in case of transfer? As Shri Banerjee and Shri Viswanathan pointed out, 10,000 employees will be transferred, and they are existing employees, what is the guarantee that their seniority will be maintained and that they will have the same chances of promotion, as they were having in the audit department? Though the number has been mentioned here as 10,000, subsequently it may reach even double that number. Yet, they have not made any blueprint regarding the changes.

They say that they are very anxious that the officers should not play politics inside the office. I agree with that

completely. But it should be applicable to everybody. As Shri S. M. Banerjee has pointed out, some employees are still being victimised for having taken part in the strike some years back. Some of them have been dismissed and some are still under suspension. They have not yet been reinstated. Why do the Government not take them back?

Since the hon. Lady Minister is piloting the Bill, I may remind her that 60 per cent of the employees in the audit offices, especially in big cities like Bombay, Calcutta, Delhi and Madras come from the fair sex. What will happen if they are transferred from one place to another? Then, what is the guarantee that the officers will not settle old scores by transferring them to distant places? For example, a person can be transferred from Trivandrum to Delhi or from Calcutta to Bombay. In that case, what will happen to them? Why not say in clear-cut terms as to who will be transferred from the audit department, what will be the conditions of service of those employees, as also of the residuary employees in the audit department?

MR. CHAIRMAN: You want that to become a part and parcel of the Bill?

SHRI DINEN BHATTACHARYYA: At least the Minister should spell it out in the House, so that the employees would be satisfied that they have been given an assurance on the floor of the House.

So, I press my motion and appeal to the Members to vote for it.

SHRI S. M. BANERJEE: May I know if the Finance Minister will have a discussion, an exhaustive discussion, with the employees to clarify certain doubts?

SHRIMATI SUSHILA ROHATGI: I have already replied to it.

MR. CHAIRMAN: The question is:

"This House disapproves of the Departmentalisation of Union Ac-

counts (Transfer of Personnel) Ordinance, 1976 (Ordinance No. 2 of 1976) promulgated by the President on the 1st March, 1976."

The motion was negatived.

MR. CHAIRMAN: I put Amendment No. 2 to the House.

Amendment No. 2 was put and negatived.

MR. CHAIRMAN: The question is:

"That the Bill to provide for the transfer of officers serving in the Indian Audit and Accounts Department to any Ministry, Department or office of the Central Government for facilitating the efficient discharge by such Ministry, Department or office of the responsibility in connection with compiling the accounts thereof, be taken into consideration."

The motion was adopted.

Clause 2 (Transfer of officers and employees of the Indian Audit and Accounts Department)

SHRI B. V. NAIK: I beg to move:

Pages 1 and 2, lines 17 and 1 respectively.—

for "prospective" substitute—

"prospective not extending beyond 28th day of February, 1976"

(1)

I am moving this amendment on the basis of our experience at the time of the States' reorganisation. As provided in the Bill the transfer of the personnel from the AG's office to the respective administrative Ministries can go on for an indefinite period. I am quite sure the hon. Minister is aware that after the States' reorganisation took place, in many parts of the country, particularly in Maharashtra and other States, from 1st November, 1956 till this date there has been no settlement or finalisation of the shift from one area to the other, not from one Ministry or one department to the other, of some people.

[Shri B. V. Naik]

Therefore, the very spirit of the legislation will be defeated if you do not include in it a time-bound schedule. I know that within two years this herculean task cannot be completed, but at least my amendment will cast a responsibility on the Ministry of Finance to come forward for extension of the time on 28th February, 1978, to this House which will then be in a position to evaluate the progress of the work, and see whether the spirit of legislation that has been carried out. I want to know whether there have been any hardships so that our friends Mr. Bhattacharyya as well as Mr. Banerjee could have one more opportunity, at that time, somewhere in the month of February 1978 to evaluate whether there have been any hardships or not. Under these circumstances, I would press this innocent amendment to place a sort of time limit regarding implementation of your transfer for acceptance by the hon. Minister. I think there is nothing harmful in that. The only thing is that there will be a bit of hard work. We are giving a lot of hard work to the staff employed in the AG's office and a bit of more of hard work has to be done by the Ministry of Finance. I hope it will be accepted.

MR CHAIRMAN: Has the Minister got anything to say?

SHRIMATI SUSHILA ROHATGI: We hope that the departmentalisation will be completed within this year. That is why, I don't think that we can accept that.

MR. CHAIRMAN: I shall now put Amendment No. 1 to the vote of the House.

Amendment No 1 was put and negatived.

MR. CHAIRMAN: The question is: "That clauses 2 and 3 stand part of the Bill".

The motion was adopted.

Clauses 2 and 3 were added to the Bill, Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRIMATI SUSHILA ROHATGI: I beg to move:

"That the Bill be passed."

MR. CHAIRMAN: The question is:

"That the Bill be passed."

The motion was adopted.

17.38 hrs.

MOTION RE: SUSPENSION OF PRO-
VISO TO RULE 66 IN RELATION TO
IRON ORE MINES AND MANGA-
NESE ORE MINES LABOUR WEL-
FARE CESS BILL AND IRON ORE
MINES AND MANGANESE ORE
MINES LABOUR WELFARE FUND
BILL

THE MINISTER OF LABOUR
(SHRI RAGHUNATHA REDDY): I
beg to move:

"That this House do suspend the proviso to rule 66 of the Rules of Procedure and Conduct of Business in Lok Sabha in its application to the motions for taking into consideration and passing of the Iron Ore Mines and Manganese Ore Mines Labour Welfare Cess Bill, 1976 and the Iron Ore Mines and Manganese Ore Mines Labour Welfare Fund Bill, 1976."

MR. CHAIRMAN: The question is:

"That this House do suspend the proviso to rule 66 of the Rules of Procedure and Conduct of Business in Lok Sabha in its application to the motions for taking into consideration and passing of the Iron Ore Mines and Manganese Ore Mines Labour Welfare Cess Bill, 1976 and the Iron Ore Mines and Manganese Ore Mines Labour Welfare Fund Bill, 1976."

The motion was adopted.