

- (i) Review by the Government on the working of the Manganese Ore (India) Limited, Nagpur, for the year 1970-71.
- (ii) Annual Report of the Manganese Ore (India) Limited, Nagpur, for the year 1970-71 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon. [*Placed in Library. See No. LT—2067/72.*]

12'58 hrs.

STATEMENT RE DEMANDS OF THE EMPLOYEES OF THE EMPLOYEES' PROVIDENT FUND ORGANISATION

THE MINISTER OF LABOUR AND REHABILITATION (SHRI R. K. KHADILKAR): I beg to lay on the Table a statement on the demands of the employees of the Employees' Provident Fund.

Statement

I am glad to have an opportunity of making a statement on the demands of the employees of the Employees' Provident Fund, a subject which has exercised the minds of several Honourable Members.

2. The Employees' Provident Fund Organisation is a statutory one, set up under the Employees' Provident Funds and Family Pension Fund Act, 1952. Its main function is to collect Provident Fund contributions from employers and workers every month, to invest the accumulations in as profitable a manner as possible and to refund the amount standing in the name of each subscriber at the time he retires from service. Thus the Fund provides an important retirement benefit to our industrial workers. As the House is aware, by an amendment which was enacted last year, the Fund is also entrusted with the administration of a Scheme of Family Pension under which dependents of industrial workers who die while in service are paid a pension in addition to the accumulations standing in the name of the deceased subscriber.

3. The operation of the Scheme is entrusted to a tripartite Board of Trustees consisting of representatives of employers, workers and the Central Government and State Governments. The Organisation is an autonomous one but the Act reserves certain powers for the Central Government; these include the appointment of senior officers of the Organisation and approval of the pay and allowances and the terms and conditions of service of the employees of the Organisation. It is with this second matter that we are now principally concerned.

4. Till the year 1960, the pay and allowances of the employees used to be regulated by the corresponding terms and conditions of the respective State Governments; as members are aware, the Organisation has regional offices in all the States. In 1960, the Central Government decided, as a measure of concession to the employees, that the Central Government pay scales and terms and conditions of service should apply; this is the position now.

5. Of late, however, the employees have been asking that they should have separate and better pay scales of their own, unlinked and unrelated to Central Government scales. In particular, they have been saying that they should be equated with public sector organisations like the Life Insurance Corporation of India, the nationalised Banks and the State Trading Corporation. The Board of Trustees discussed this demand but were, on the whole, of the view that the Central Government scales should continue to prevail. Some members of the Board felt that as the Organisation is autonomous and not in receipt of any grants or other financial assistance from the Central Government it should have its own pay scales. The majority opinion, however, was that the work done by these employees is very similar to that in corresponding offices of the Central Government and that the Central Government pay scales were more appropriate than those of autonomous industrial undertakings like the Life Insurance Corporation, or the State Trading Corporation. Government have carefully considered this matter and in their view, the adoption of Central Government scales represented the right and correct course. The nature of the work and the degree of responsibility shouldered are similar to those in corresponding accounting organisations in

[Shri R. K. Khadilkar]

the Government. There seems to be inadequate ground for the demand that these employees should have better scales of pay; it is even more difficult to make out a case for equating them with employees in organisations like the Life Insurance Corporation of India or the State Trading Corporation. These are commercial, profit making organisations and have little in common with the nature of an Organisation like the Employees' Provident Fund. Whatever allowances or concessions are granted to Central Government employees are automatically passed on these employees. Although they are not formally covered by the Third Pay Commission, I understand that it is the intention of the Board of Trustees, after suitable consultation and discussion with the employees' Associations, to adopt the Third Pay Commission's recommendations with such modifications as may be considered necessary to suit the particular needs of this Organisation.

6. One other demand of the employees relates to the rates of House Rent Allowance. The Board of Trustees have made certain recommendations and these have already been partly accepted by Government and the employees of the Organisation at Madras, Calcutta, Delhi and Bombay are in receipt of higher House Rent Allowance than those payable to Central Government employees. The present demand is that this higher rate should be made applicable to all employees of the organisation and not only to those in the four cities, and secondly, that the rate of House Rate Allowance in the four cities should be further raised. Government have not so far found it possible to accept this but I have decided that the matter should be considered again and I hope that an early decision on this will be taken by Government.

7. The employees have also raised a number of other demands concerning workloads, avenues for promotion etc. I understand that the Board of Trustees have decided to set up a Small Committee which will consider these demands in consultation with the representatives of the employees Federations. I am sure that all these demands will be considered with care and sympathy and settled to the satisfaction of both sides.

8. I recognise that there must be adequate channels of communication between the employees and the management of the organisation. There is already some degree of consultation and mutual discussion but I am now considering what further steps should be taken to improve this process and to lay down machinery and procedures analogous to those obtaining in the Joint Consultative Machinery of the Central Government. I trust that when this is done the relations between the management and employees will be put on a sounder and more satisfactory basis. As I have stated above, the Organisation has been set up to provide an important retirement benefit to our industrial workers. The Organisation will justify itself only to the extent that it renders this service to the workers with promptitude and efficiency. In this the Organisation have an important part to play. While I recognise that they should be entitled to an adequate level of emoluments and fair terms and conditions of service, I would equally emphasise their responsibility to ensure that in the discharge of their duties, the interests of our workers are given the first and foremost place.

12:58 hrs.

FINANCE BILL, 1972—Contd.

Mr. SPEAKER : We shall now resume further clause-by-clause consideration of the Bill to give effect to the financial proposals of the Central Government for the financial year 1972-73.

There are no amendments to Clauses 29 to 68. The question is :

"That Clauses 29 to 68 stand part of the Bill."

The motion was adopted.

Clauses 29 to 68 were added to the Bill

Clause 69—Amendment of Bengal Act VI of 1941 as in force in Delhi.

Mr. SPEAKER : There is one amendment by Government.