

all the persons who took part in this discussion and I am sure that we have given some slight impetus to the spread of this movement whose good all of us have at heart.

**Shri S. K. Dey:** I am grateful to the hon. Member for bringing the Act to my notice.

**Mr. Deputy-Speaker:** The hon. Minister has no right of reply now. I shall put the motion to the vote of the House. The question is:

"That this House takes note of the Report of the Study Team on Co-operative Training (Vols. I & II) laid on the Table of the House on the 19th April, 1961."

*The motion was adopted.*

14.37 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

FOURTH REPORT

**Shri Hem Raj:** Sir, I beg to move

"That this House agrees with the Fourth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 8th August, 1962."

**Mr. Deputy-Speaker:** The question is:

"That this House agree with the Fourth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 8th August, 1962."

*The motion was adopted.*

14.38 hrs.

RESOLUTION RE: REPRESENTATIVE CHARACTER OF TRADE UNIONS—contd.

**Mr. Deputy-Speaker:** The House will now take up further discussion

of the following Resolution moved by Shri S. M. Banerjee on the 15th June, 1962:

"This House is of opinion that with a view to check the representative character of Trade Unions, rival Unions should be compelled by legislation to have their influence tested periodically by reference to a secret ballot of the workers concerned."

35 minutes are left. Shri Indrajit Gupta. He may take ten minutes.

**Shri Indrajit Gupta** (Calcutta—South West): Sir, this Resolution was moved on my behalf by Shri S. M. Banerjee.

**The Minister of Labour in the Ministry of Labour and Employment (Shri Hathi):** Are you replying?

**Shri Indrajit Gupta:** Shri Banerjee will reply because he has moved the Resolution and I am only speaking. I consulted the proceedings of the last day's discussion and I find to my surprise that two hon. Members who spoke after the hon. Mover, both of them gentlemen who are associated with the INTUC seemed to have felt some sort of an alarm or panic by this Resolution. Much of what they said was quite off the mark and irrelevant because this Resolution does not make any reference to the question of compulsory recognition by the employers. I drafted this Resolution and I know exactly what is meant to say. It says that rival unions should be compelled to have their influence tested periodically by reference to a secret ballot of the workers concerned. It does not refer to the question of recognition explicitly because that is a totally different question and I am not taking it up here in the compass of this Resolution. Whatever means you adopt, whether it is to be a secret ballot or the existing method of verification under the code, it does not necessarily follow that the employers will honour it. My experience as a

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trade unionist in Bengal at any rate is that even after this code has been adopted and verification procedure had been adopted, hardly one or two per cent of the employers come forward voluntarily to recognise the unions whose representative character has been established by the verification proceedings. They will not necessarily do any better on the basis of the results of the ballot. I do not mean to imply that at all. That is not my question. We are not debating here the question of recognition because that will never come about until there is some statutory compulsion on the employers. Otherwise, they will continue to go their own free way and only where the unions have the requisite strength to compel them we may be able to get recognition. But this question is different. This is a question of trade union democracy. I would request the Minister to pay a little attention to that. I am not quarrelling here with the INTUC or any other thing. I find that the speeches were made in the spirit as though there was a battle between the INTUC and AITUC or something like that. I am not at all concerned here for the moment with that. I am concerned with the question of trade union democracy irrespective of the union's affiliation; it may be with the INTUC or the AITUC or anybody's union. It is not that question. This is not a question of competition between the INTUC and the AITUC. I am only concerned with Government policy regarding the question of bringing about some sort of greater democracy in the functioning of the trade unions because I consider that to be a question which is vitally bound up with the whole question of industrial relations and industrial peace which are the professed aims of everybody. We want you to carry out the Plan. If it was only a question of rival unions belonging to different central trade union organisations, the question would be a different one. I cannot refrain from mentioning a very un-

fortunate event which is probably still continuing.

I am mentioning the strike which has taken place in the Parbelia colliery in Purulia district which was formerly within the State of Bihar, and later on included in the State of West Bengal on the border. That colliery is situated on the border. It is a very distressing fact that at a time when coal production should be increased and everybody wants that, a strike is going on in this colliery. Section 144 has been declared. The mine is closed due to the quarrel between two unions both of which are affiliated to the INTUC, one owing allegiance to the West Bengal branch of the INTUC and the other to the Bihar branch of the INTUC. It is not a question of the INTUC or the AITUC. My point is that this verification which is the present procedure that is being followed, namely, the membership claim of unions is checked only on the basis of the books and papers and registers, by officials of the Government, is not, in my opinion, satisfactory at all. I am not saying that this should be given up, because, under the Indian Trade Unions Act itself, whether we like it or not, every year, every registered trade union has to maintain its books, records and accounts and submit them to the Registrar of Trade Unions. So, there is no question of giving that up. But my experience is that this verification procedure, with which has been connected the problem of recognition, which can be or should be given voluntarily by the employers, has led to very many abuses.

I am not blaming anybody. I am saying that the unions feel that on the very basis of this paper verification, our claims to recognition will be either upheld or rejected. The way has been opened to a lot of what is called bogus membership, inflated membership, being shown. I know of cases where sometimes the employers themselves provide certain unions with

lists of names from the registers of the company, and help that way to show an inflated list of membership. False receipts are maintained and there is no possible way that I know of, by which this can be effectively checked.

Therefore, to claim that this procedure of verification is a satisfactory one for establishing the claim of a union is, in my opinion, completely wrong. I am not saying that any particular party is to be blamed or not. But by this very nature, this procedure leaves the way open for a certain amount of intimidation being exercised on the workers both by the employers and by the official agencies.

Secondly, bogus claims are put forward and bogus membership rolls can easily be maintained, and are being maintained. Therefore, the point that I want to raise is, do you want to have unions in the context of the third Five Year Plan which claim to be representative on the basis of their manufactured, paper-returns but are not in a position to deliver the goods, whose leaders enter into an agreement with employers sometimes behind the back of the workers and even without consulting them. Then, when they go to implement that agreement, it is found that the overwhelming majority of the workers repudiate that agreement because there was no consultation at the stage when the agreement was being entered into. Is that conducive to industrial peace? I do not think so.

There are one or two exceptions among the employers in individual units who have been realistic enough to understand that if their production is to be increased, and if production is to be maintained uninterruptedly, then it is better, irrespective of other extraneous considerations, to have dealing with a union which really commands influence and strength among the workers so that if they enter into any negotiations or agreement with that union they at least have the confidence that they will be

honoured and maintained and accepted by the workers. By the present procedure it cannot be done. Therefore, I am suggesting in this resolution that further steps should be taken towards proper recognition. Not that books and registers will not have to be maintained. They have to be, but I submit that that should be supplemented by another provision to the effect that the membership of registered unions should be periodically checked by a secret ballot. It does not matter whose union it is. It may be that in a particular place the claims of the INTUC union cannot be substantiated and in another place it may be that my union's claims cannot be substantiated. But when it is put to the test of the ballot, what is there to be afraid of? I do not understand why my hon. friends of the INTUC get so frightened about it whenever this is raised. Nor do I understand the Government's argument against this thing. Of course, some may argue that after all, ballots and elections can also be open to malpractice and abuse. That is true. I do not think there is any hon. Member in this House who can put his hand on his heart and say that the very elections on the results of which he is sitting here—and we are all sitting here—are free of malpractice and abuse. However much we are trying to avoid it, everybody knows what goes on, and the elections are the commonly accepted way in our country, the most democratic means that are available to us in the present context. Beginning from panchayats and municipalities, right up to the State Assemblies and the Parliament, this is the method which we have adopted whatever may be its shortcomings and certain abuses to which it may be open and so on.

Even in factories, in industrial establishments, there is one provision, namely, that a statutory works committee of that establishment has to be elected by the workers in that factory. It is a very good thing. But when it comes to the question of

[Shri Indrajit Gupta]

verifying claims of a union regarding its membership, why is it that the same democratic procedure is not extended there? Why is it that the workers are not being given a chance to express their will through a secret ballot which will guarantee to some extent that they will be free from coercion of any kind? Some hon. friends may say that it is the INTUC which does not indulge in coercion. I may say the same thing about another union. But put it to the secret ballot where nobody can coerce anybody else and see what the result will be. I do not know if the Minister is aware that an experiment of this type was tried out in Madras. The State Labour Minister, Shri Venkataraman, did agree a year or two ago to having a plebiscite or something like that in the case of some rival unions in respect of the Madras City State Transport. This was agreed to and a ballot was held. It was agreed before the ballot was held that whoever or whichever union got the majority of votes would be recognised by the Madras State Transport Department. But I regret to say that when the result of the ballot was announced, they went back on that assurance and refused to recognise that union. The same thing happened in one of the big textile mills in Madurai. I do not know exactly what is there in the Government's mind, behind this aspect. I would submit that they should consider themselves not in their spiritual or political affiliation to any particular trade union organisation, but as a Ministry, not only of Labour but of Planning also—both are combined—and look at the problem from this point of view, namely, how to bring about more democracy in the inner functioning of the trade unions so that they are in a better position to deliver the goods and therefore contribute to a better industrial relation and industrial peace.

**Mr. Deputy-Speaker:** The hon. Member's time is up.

**Shri Indrajit Gupta:** You have rung the bell. I have a lot to say, but since there is no time, I will just conclude. If this provision is accepted by the Government, it will do good. I am not going into the details, because it is only a question of principle that is involved here. The parties concerned can sit round a table and discuss how it is to be worked out and how it can be implemented in practice. But if the principle is not accepted, I am afraid there will really not be much of a change in the present position and industrial strikes will continue, because very often they are based on the fact that unions which are not really representative of the workers, put forward claims or enter into agreements which have no basis of support among the workers. I hope the Minister will consider this question and give a favourable reply.

**Shri Hathi:** Sir, I have followed the speeches of the hon. mover of this resolution and other Members who supported the motion. I tried to see if I could convince myself of any strong and sufficient reasons or advantages of the system of secret ballot over the present system, namely, verification. I could not, however, persuade myself and I shall give my reasons. But I am happy that the last speaker, Shri Indrajit Gupta, dealt with the question in a way which was different from the previous speakers. Before he spoke, it looked as though this was a question not about the procedure of determining the strength of a union, but a question of testing the superiority of one union over the other, each trying to blame the other for malpractices. I would like to take out that portion and deal only with the merits. I am not accustomed to create that sort of heat in the debate. I would simply deal with merits.

I tried to go through the whole speech of the mover, Shri S. M. Banerjee, and except at one place, he dealt with the history and various other things. In one part of his speech, he has said:

"In the Sixteenth Labour Conference, thanks to the hon. Minister, he came out with a verification procedure. According to the verification procedure the Government may say that the membership of INTUC is far more than that of AITUC or any other organisation. That may be true, but on the basis of the procedure, I am sure the membership is inflated."

He feels that because of the present system, there are chances of membership being inflated and that is why the other method has to be adopted. I am happy, however, that Shri Indrajit Gupta did not at all deal with the question of this union or that union. He said that he is restricting himself to the question of procedure, as to which procedure is better.

**Shri Indrajit Gupta:** I have also mentioned the inflation theory.

**Shri Hathi:** He gave reason in support of the fact that secret ballot would be a better procedure. He said there were less chances of inflating membership in that procedure than in the present procedure of verification.

If there are two unions, of course, the most representative union should be recognised. There is no quarrel over that. Let us see how the present procedure of verification was arrived at. Is it purely a unilateral action? It would be interesting to the House to know that this procedure is not one which is forced by the Government. We have a conference where all the four major central labour organisations, the representatives of the employers and the representatives of the State Government and the Central Government meet together and evolve this procedure. The present procedure is the outcome not purely from the secretariat of the Government, but it is the outcome of common deliberation and conclusion arrived at the labour conference. All had their arguments for and against and in the collective wisdom of those

assembled there, the representatives of the four central labour organisations, the employers, the State Government and the Central Government—the present procedure has been adopted.

In secret ballot, how are we going to give the right to vote? Is the right of vote to be given to the members or to the non-members?

**Shri Indrajit Gupta:** Members.

**Shri Hathi:** If it is to be given to the members, it presupposes that each union will have a certain membership. All members would then be asked to go and vote. What happens at the secret ballot? In a secret ballot, as Shri Indrajit Gupta says, there are no chances of membership being inflated, but there are other chances. The chances are at the time or before the time of the ballot, maybe on sentimental grounds or on account of threat, intimidation, religious favour or so many other circumstances, a member might vote for one union rather than the other.

**Shri Indrajit Gupta:** It happens in the general elections to the Lok Sabha also.

**Shri Hathi:** I do not say that these things do not happen in the general elections. But it is all right if we are in a position to evolve a better method by which members are faithful to a particular union and they are not going to vote for the other union. But we know that human weaknesses are there. Whether they are members of one union or the other, they are amenable to weaknesses. It may be inducement in concrete terms or some other inducement in benefits or some threat or intimidation. These mobile people will go from one side to the other. What will be the result? Temporarily they may vote for a particular union, but their stability will not remain. At the other juncture, they might again go back. Let us compare the advantages of both systems.

[Shri Hathi]

15 hrs.

What is the present procedure? In this procedure, every union maintains a register. Then, those members who are on the register of a particular union and have paid their subscriptions for six months, three months prior to the date of counting, are only being counted as members of that union. Chances are given to all the representatives of the unions. Once this membership is counted the other unions are informed that that is the number of membership of that union. Objections, if any, are invited. Then again sample checks are taken and, ultimately, whatever is the result is accepted. That is how the strength of a particular union is tested. The union having the majority number is a representative union, and we have—not the Government, but all parties interested in the labour problems—have decided that the representative union will be recognised for the purpose of collective bargaining.

**Shri Indrajit Gupta:** Is it recognised?

**Shri Hathi:** Yes. Then, Shri Dinen Bhattacharya went a bit further. I have not been able to understand what his objection to the present procedure was. He said that the right of association is a fundamental right and this is deprived by the present procedure. Verification does not deprive the right of any association of its fundamental right. On the contrary, we all, either on this side or that side, believe in creating healthy trade unions. We do not want rivalries. We want that the collective bargaining power should be in a union which can deliver the goods. There also there is no quarrel. The only question is whether the present procedure is better or the procedure that is suggested by the hon. Mover is better.

I have, Sir, submitted what the present procedure is and how that procedure has been evolved. It was as a result of consultations and decision

taken at a conference where all the representatives of the workers were there. It has worked well.

A complaint was made that the unions of AITUC are not being recognised. I have tried to find out the position. There are unions in Delhi itself and unions, I should say, in Government enterprises which have been recognised. The Ashoka Hotel Employees' Union, a Communist union I think, has been recognised because it has the majority membership. Now, here is an enterprise run by the Government in the capital itself. The union which was found to have the greatest membership has been recognised. What more do you want? This is my information. If I am wrong I may be corrected. I checked it up only this morning. There are a number of unions which are not INTUC but AITUC which have been recognised because they have a greater strength. There is, for example, the Singareni Workers' Union in Andhra Pradesh. There are a number of them and I do not want to give all the names. I want only to remove the impression that although the AITUC unions have a greater membership according to verification they are not being recognised and INTUC or any other union is recognised.

I would like to assure the House that if the present procedure is followed and if any union, according to the present procedure laid down by us, shows that it has a greater strength, that it has the majority membership, and that union is not recognised, that will be recognised provided the procedure followed is correct and that has a majority of the membership. That is what we all want. We do not want that there should be any rivalry between the unions. We do not want that the atmosphere should be vitiated. We want that the union which has a greater strength should be recognised because that is the union which has the power of delivering the goods. I do not

think there is any doubt about it. That is what we have accepted, and we honestly want to stick to that.

We have no quarrel even about this ballot procedure. I have no quarrel about it. I am only trying to weigh the advantages and the disadvantages of this system. I have told you the disadvantages. On account of sentiments or emotion at that particular time it may be possible that I may vote for A or vote for B. But those who are sincere followers of a particular ideology will always stick to that. That is known from the register maintained and the test that they have kept. On that particular day they should have been members prior to date of verification and they should have paid membership fee three months before the date of verification. What more proof can be had? Therefore, if there is anything wrong it may be at a particular place A or a particular place B where the proper procedure is not carried on. On that account we cannot denounce this practice.

Moreover, I have also tried to see the procedure in various other countries. I do not want to cite the instance in the United States because, there, there is one provision, which we do not want here, that the office-bearers must sign a pledge that they do not belong to the Communist Party. Therefore, I am not taking that case. But in other countries like Belgium, France and Luxembourg, the law has laid down criteria whereby the representative character of a trade union is assessed according to its membership. In Latin American countries, the size of the union is the most important factor taken into consideration when assessing the representative character of a union. In Costa Rica, for instance, if more than one union exists in an undertaking, it is generally the union with the largest membership in the undertaking which concludes the agreement. In Mexico also a similar provision is there.

There is only one more question. If we allow this kind of membership, we do not know if they are paying or not. If they are not paying their fees it will be difficult for the union to raise finances. We want the unions to be strong so that they can take up various activities. We want them to take up educational activities, schemes for training workers, cultural activities, management etc. All that they can do only if they have the necessary finance. If we allow anybody to go and vote without taking into account whether they have paid the membership fee or not, it would be very difficult for the union to stand on its own feet. Therefore, it is in the interest of the unions themselves that the present procedure should be adopted.

As I said, I have no quarrel with the procedure suggested. I have only tried to balance between the advantages and disadvantages, and it seems to me that the present procedure of verification which has been working well and which has been arrived at after common deliberation is the one which should be accepted. Therefore, Sir, the resolution that is before the House should be rejected.

**Shri S. M. Banerjee (Kanpur):** Mr. after working this for months together that this is the first occasion, I think, that I have to disagree with the hon. Minister for whom I have the greatest regard. Sir, the arguments which he has advanced in support of this verification procedure are already known to us. Unfortunately, the AITUC is also a party to this. But after working this for months together—years almost—we have come to the conclusion that even after the verification.....

**Shri Hathi:** Only yesterday we have finished this subject in the Labour Conference.

**Shri S. M. Banerjee:** I know. It is better still that the resolution has come today. The employers do not recognise a union if they so desire. Sir, I have no quarrel with INTUC. Even

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though that organisation is the very enemy, I do not want to quarrel with it. But still I can show instances in the defence industries in the railways, in the new Public sector undertakings like Bhopal heavy electricals, Rourkela and Durgapur steel plants etc., where the unions not affiliated to AITUC but independent unions are much more stronger than the recognised INTUC unions. In Madhya Pradesh it is happening. What was the cause of the major labour trouble in Bhopal? Their only demand was that a representative union should be recognized. That representative union has shown its strength and it was manifested in various ways during the strike. Then it was agreed that the Heavy Electrical Workers' Union was the only union with which negotiations should be held and the situation was saved. So, I would only request the hon. Minister to accept this Resolution. As I have suggested when I initiated the discussion on this resolution, I am prepared on behalf of the Federation of Defence Employees and on behalf of the other federations with which I am connected to accept referendum even in those bodies which are affiliated to the AITUC to see their representative character.

**Shri Sham Lal Saraf** (Jammu and Kashmir): The hon. Minister has already accepted that.

**Shri S. M. Banerjee:** Then, the procedure of verification has clearly proved in Bhopal and other places that the recognized unions of INTUC do not hold any ground there. Whenever there is labour trouble you will find the INTUC leaders are under-ground; they are never on the surface. That is the trouble of trade union movement in this country and if this is the only trade union democracy that we have in this country, I do not know what democracy really means.

Here I may state for the information of this House that a union has been

formed in the Khadi and Village Industries Commission (Khadi Gramodyog Bhavan) here in Delhi itself because the service conditions are horribly bad there. This union has been formed only very recently with a membership of 20 or 30 members. The next day a letter has been issued by the Sanchalak which reads as follows:

"This office has received information by a letter No. Nil, dated the 29th July, 1962, that you have joined a union which is not recognised by the Bhavan. Your attention is invited to clause 14 of Employees' (Conduct, Discipline and Appeal) Regulations, 1961, made by the Commission in exercise the power conferred by section 27 of the Khadi and Village Industries Commission Act, with the sanction of the Central Government. The clause runs as follows:

14. *Joining of Associations by employees:*—No employee of the Commission shall join or continue to be a member of any service Association,

(a) which has not, within a period of six months from its formation obtained the recognition of the Commission...."

This union, fortunately or unfortunately, has been formed only a few days back. So, what I want to say is that even in the Khadi Bhavan, which is a sacred place where khadi is kept, even there unions are not allowed to function for trade union purposes. I am really surprised that such a letter should have been issued from an institution where the portrait of Bapu is hung, who always wanted to protect the interests of the common toiling masses. It is most unfortunate that this threatening letter has been issued from Delhi, the capital city, itself.



Coming to the verification procedure, there are numerous difficulties. In industries like textiles the employers have not recognised the unions. I do not see why the ballot should not be accepted in those cases. Shri Indrajit Gupta referred to the Works Committee elections. Immediately after this formation of the Works Committee, in the Harness and Sadlery Factory elections have been held and all workers voted. Every worker has voted because he is a voter in the Works Committee Election, and the results have clearly proved that unions not affiliated to the INTUC are the strong unions.

Lastly, I will refer to the Audit Employees' Association. I would submit with all humility and with all my respect to the hon. Minister that in the case of the Audit Employees Association, even after the issue of the letter by the Home Minister that the recognition of those unions which was withdrawn after the strike should be restored, the all-powerful Auditor-General, who is not under any one, I believe, has not cared to restore that recognition of three unions in Kerala, Bombay and Punjab. This is really a sad commentary on our sovereign democracy, a sad commentary on the growth of healthy trade unionism in this country and a sad commentary on the functioning of the various Ministries. These unions were de-recognised during the strike. Even today when orders were already passed by the then Home Minister, the late lamented Shri G. B. Pant, when assurances were given by his successor in this House, the recognitions of those unions have not been restored. So, I would request the hon. Minister to kindly take note of all these things and order the restoration of the recognition of these unions immediately.

Since the suggestion I have made is the most democratic method of ascertaining the representative character of any union and as we profess to believe in democracy, if this sovereign Parliament rejects my proposal which

is very democratic, I do not know what is going to be the fate of this country. With these words, I would once again request the hon. Minister to reconsider his decision and accept my Resolution.

**Shri Sham Lal Saraf** rose—

**Mr. Deputy-Speaker:** There is no time.

**Shri Sham Lal Saraf:** I want to ask only one question, which is very important. We must bear in mind that there are backward areas and backward States in our country. All that has been stated about trade unions is with an eye on industrially advanced areas like Bombay, Calcutta, Madras and so on. There are two things in the statute book.

**Mr. Deputy-Speaker:** You are making a speech; not asking a question.

**Shri Sham Lal Saraf:** Taking notice of the trade union enactment which we have in our statute book and the industrial workers' education scheme, will they not be enough to educate our workers and make them fully vigilant and conscious of their rights, as far as their conditions of service are concerned, more particularly in the backward areas.....

**Mr. Deputy-Speaker:** That has nothing to do with the resolution.

The question is:

"This House is of opinion that with a view to check the representative character of Trade Unions, rival Unions should be compelled by legislation to have their influence tested periodically by reference to a secret ballot of the workers concerned."

*The motion was negatived.*

15.17 hrs. .

RESOLUTION RE: COMPULSORY  
 LIFE INSURANCE

**Mr. Deputy-Speaker:** The House will now take up consideration of the