

Mr. Chairman: Order, order. Now, we shall take up the half-an-hour discussion.

17.30 hrs.

JOB SECURITY IN OIL
COMPANIES*

Shri Dinan Bhattacharya (Serampore): Mr. Chairman, I am sorry that I have to initiate this discussion when the Minister in charge of Labour and Employment is absent from the House.

Mr. Chairman: He is sitting here.

Shri Dinan Bhattacharya: I am referring to Shri Jagjivan Ram who can deliver some goods. Otherwise, what is the good of raising this matter?

Mr. Chairman: You may rest assured about the Minister who is present.

Shri Dinan Bhattacharya: My question is very vital and long standing but a simple one. It is whether Government is in a position to guarantee security of job for the employees of the oil companies. This issue has been raised so many times here and outside. But every time we have seen some sort of bungling, whether it is on this or that; that is why the employees are suffering. So I had asked for this half an hour discussion. Some positive assurance and commitment must come from Government, from the Minister in charge, who is not only the Labour Minister but also a Cabinet Minister, because it concerns a policy matter of the whole Government.

Hundreds of complaints were made by the employees and their trade unions about the anti-labour scheme and backdoor retrenchment method adopted by the foreign oil

companies. The matter also came up before both Houses of Parliament for discussion. I can here cite a letter addressed to the Chief Controller of Import and Export by the employees of these oil companies regarding the importation of accounting machines. Long ago, in 1963, the employees of these companies cautioned Government and requested them not to issue any permit for import of these machines which will cause a serious situation regarding the employment position in these oil companies. But unfortunately as everybody knows, this Government does not care for the interest of the employees; it always looks to the interest of the monopoly concerns, specially the foreign monopolies, in this case the foreign oil companies. This request of the employees was not heard by the Government as a result of which the companies brought in these machines and in a very tricky way introduced method of 'voluntary retirement' in these companies.

There was a tripartite committee consisting of Government representatives, the employees' representatives and the employers' representatives. After hard labour, the Committee produced a report. I do not know why upto now that report has not been laid on the Table of the House so that Members would be enabled to know what are its contents. Even now I request Government to place it on the Table so that we can know what is there in it.

So far as I have gathered, the terms of reference of the Committee are as follows:

"The Tripartite Committee would look into the whole problem of job security and reduction of staff.... The investigation would include an examination of the nature and extent of introduction of machines and

[Shri Dinen Bhattacharya]

automatic devices and their effect on efficiency and other relevant matters”.

This Committee in which the employers' representatives were there, the employees' representatives were there and Shri R. L. Mehta, who was for a long time, Additional Secretary in the Labour Ministry was Chairman, has made some recommendations. I will refer to some of their findings and indicate what happened after that. Government has watered down, intentionally diluted, the main points of the commendations of this Committee.

Then, I will refer here to the findings. During 1960-65 the total number employed in the three major oil companies came down by 25.3 per cent—the reduction in Burmah-Shell being 31.5 per cent, in Esso 13.8 per cent and in Caltex 18.2 per cent.

Another finding is this, that in spite of mounting surpluses recruitment does not appear to have ceased in any of these Companies and the Committee has not been able to appreciate fully the logic or the consistency of these two processes operating simultaneously. On the one side there is recruitment, and on the other side there is retrenchment. I do not know what the logic is, what explanation the Minister will give.

I know it definitely that the employers' representatives tried in all respects to sabotage the proceedings of this Committee by not supplying the documents required and asked for by this Committee. In spite of these obstacles and intentional blocking from the companies representatives, the Committee has brought out its finding in which it has also said that their profit position is quite satisfactory and would have improved further had certain measures of economy recommended by the Damle Committee been implemented.

In dealing with the surpluses resulting from introduction of measures

of rationalisation and mechanisation, the companies have not followed the procedure laid down in the Industrial Disputes Act or the tripartite recommendation. This is the finding, and the ultimate recommendation of this Committee is:

“The Committee therefore recommends that the Oil Companies should ensure Job Security to their employees by avoiding retrenchment|reduction of staff except as provided under law and|or by convention.”

Mr. Chairman: The hon. Member should know that this only a half-hour discussion. Please speak in such a manner that you cover your points.

Shri Dinen Bhattacharya: I have taken only four minutes. This is the main finding, and the other recommendations are:

“The Early Voluntary Retirement|Separation Schemes as operative at present should be discontinued.”

This is clear. The present practice should be discontinued, the present practice, backdoor method of voluntary retirement should be stopped.

“Instead, two Joint Committees consisting of the management and representatives of managerial/supervisory staff in one case and in the other representatives of unions of the remaining employees may be set up in all the three companies to consider and decide all applications for early retirement.”

There is a clear direction for the setting up of a bi-partite body.

“This will eliminate the possibility of the charges of coercion and will ensure that all categories of staff|employees genuinely wanting to retire early are not prevented from doing so.”

Then there are recommendations regarding the proper assessment to be made regarding surplus and that is to be done in consultation with the employees' representations. Ultimately if everything fails they recommend:

"In case retrenchment becomes unavoidable, the procedure laid down in the Industrial Disputes Act should be followed."

This is the last item, last clause after having exhausted all the other things. But unfortunately even after the solemn assurance and the declaration by the petroleum Minister in the Rajya Sabha and Lok Sabha that it is a very bad thing, the intended voluntary retirement scheme, these companies are taking to very surreptitious practice of doing away with the job of the employees. After all these things what happened? I do not know why. That is why I ask the hon. Minister Mr. Jagjivan Ram who is now present here if there is anything behind the scene. What was the recommendation of the committee? The existing practice of declaring surplus and this bad method of voluntary retirement must be stopped. I will now come to the resolution adopted after a long delay. I will refer here to something more to show the House what this is. Surely, I have no disrespect for the Minister himself. I understand that something has happened between the company and the department concerned. Otherwise, this thing could not have happened in spite of the clear direction by the tripartite body which did not satisfy the employees fully but even then, knowing that, they agreed to it because they knew that even if this minimum guarantee is there, they will get some security of job and for that reason they signed this agreement. Otherwise, their expectation and demand was that there should be a blanket order by the Government that there should be no retrenchment in the oil companies by the introduction of

these new machines, computers and IBM machines. Even inspite of all these lacunae, although it did not meet their wishes fully, they agreed to it but they find what. That has been diluted by the ultimate resolution adopted by the Government and what is that? I will mention four clauses here.

Mr. Chairman: You can take only 3-4 minutes more.

Shri Dinen Bhattacharya: Firstly, they say that inspite of the opportunity given to them by the committee they have not produced the material which establishes the surplus staff. They have merely claimed in a general way that their estimates of surplus are based on systematic method studies carried out by their officers over a period of years with a view to simplification of procedures and elimination of waste.

Secondly, the committee recommended that in retrenching surplus staff, if any, the procedure laid down in the Industrial Disputes Act should be followed. The Committee, thirdly, said that it had no objection to the continuance of an early voluntary retirement scheme. Here is the departure, distortion and here is where something has happened. What was the main recommendation, main direction of the tripartite body? That the existing system must be stopped. What the spirit behind it? There should be no retrenchment; that was the main spirit of the tripartite body's findings. Government has very cleverly come with a resolution and what does it say:

"The Committee has no objection to the continuance of an early voluntary retirement scheme, if the companies will agree to the Committee's recommendations that all the individual applications are considered and decided jointly by the representatives of employees and employers."

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"This will ensure that persons genuinely wanting to retire are not prevented from doing so and nobody is coerced to retire."

Then it says that "the resolution adopted by the Government commends the recommendations in para 3 to the employers and trade unions"; that is, the Committee has no objection to the continuance of the present scheme or the voluntary scheme. Here is our grouse; here is our objection and here is our doubt. I shall now refer to another point from which my doubt has been more strengthened. Before this resolution was adopted by the Government on the 22nd, on the 12th July the Labour Department's Secretary, Mr. P. C. Mathew, called a meeting of the representatives of the companies only; there was no representative of the employees present. He called the company representatives only. He may say that because the companies gave a note of dissent he called them. But what is the indication there? "The Labour Secretary has enquired from the firm whether they have any objection." Why so submissive? He is not asking the representatives of the employees about the working of the voluntary retirement schemes to ensure that they are worked on a voluntary basis. This was the hand-out, and this is the indication. I want to clearly ask Shri Jagjivan Ram whether he will kindly enquire into it first.

The Minister of Labour, Employment and Rehabilitation (Shri Jagjivan Ram): I am not going to look into it.

Shri Dinen Bhattacharya: I can authenticate it.

Shri Jagjivan Ram: If the bona fides of my officers is questioned, I am not going to look into this matter.

Shri Dinen Bhattacharya: It is a fact. (*Interruption*) I can certify that it is true.

Mr. Chairman: Order, order. He must conclude.

Shri Umanath (Padukkottai): When the people are getting retrenched, where is the question of *bona fides*?

Mr. Chairman: The hon. Member's time is up. He must conclude now.

Shri Dinen Bhattacharya: I will conclude in a minute. I emphatically state here that something wrong is there in this department of Shri Jagjivan Ram and he must look into it. The person concerned may be a long-standing officer in his department; there are long-standing officers in all the departments of the Government. So, I say here categorically and I want to have a categorical answer. He must not avoid it. I say it is his responsibility to see that the findings of the tripartite committee will be fully implemented and the companies are forced to comply. I know one thing.

Mr. Chairman: The hon. Member must conclude.

Shri Dinen Bhattacharya: One minute. He did a very good thing. The employees of the oil companies have high hopes on him. Last year he forced the companies to pay the bonus; he called them and said, "you have to pay; I have made a commitment in Parliament." Therefore, I would appeal to him to agree to this also and let him take courage and call these oil companies and straightly say to them that they cannot retrench anybody, any employee, in this manner.

Dr. Ranen Sen (Calcutta East): In the year 1957, the Government made a declaration that there would be no rationalisation which will be associated with retrenchment. Now, this committee was formed with the consent of the two Ministries of the

Government of India. The recommendation of the majority of this committee was not to the liking of the labour representatives because the employers wanted to establish....

Mr. Chairman: He cannot go on like that.

Dr. Ranen Sen: You know, Sir, I do not speak frequently. Please allow me a minute or so. The employers attacked this committee by saying that neither the Government nor any committee has any right to go into the question of the sacred right of the employers to retrench. This point was refuted by Mr. Mehta saying that the employers are standing on their so-called right.....

Mr. Chairman: He cannot make a speech now. Please conclude.

Dr. Ranen Sen: The employees' representatives, in spite of the fact that they were not given 100 per cent job security, agreed to it. The majority decision is there, in which it has been said.....

Mr. Chairman: I will not allow a speech now. Put a question.

Dr. Ranen Sen: Since this majority decision is there and since the ministers say they have accepted this report—that means the whole report—its analytical portion as well as the recommendatory portion—may I know what steps Government has taken or going to take to implement all these recommendations together with the background that is there?

Shri Umanath: Even after the tripartite recommendation that the so-called voluntary retirement scheme should be discontinued, the companies are blatantly violating it. In Madras 23 Caltex employees, in Bombay 56, in Calcutta 70 and in Delhi, right here, 41 employees have been declared surplus and have been pressurised to resign. The other day the minister said there is no retrench-

ment. Normally when a justifiable strike takes place, they do not hesitate to condemn the workers. But here when this thing is happening, they have not come out against the companies publicly. Is it because the Government is afraid that these American companies will influence the American Government and make them suspend the aid our Government is getting or is because there is any secret understanding between our Government and the American Government that our Government should not interfere in these activities of the oil companies in this country?

Shri Nambiar (Tiruchrapalli): In view of the obstinacy shown by the oil companies, will the Government categorically state openly as a first step that this method of indirect retrenchment by coercive voluntary retirement adopted by the oil firms would be deprecated and that such unfair labour practices will be severely dealt with, as was indicated in the labour consultative committee meeting last week?

Shri Vasudevan Nair (Ambalappuzha): Is the Government aware that the three private oil companies at Cochin have served retrenchment notices on 700 employees employed by them under the pretext that an oil refinery is coming up at Cochin and distribution of oil products will be taken over by the IOC? Also, may I know whether the workers have made a very positive suggestion that if the installations which are in very good condition of these three private oil companies are taken over with the workers, this calamity will be avoided? In that case, may I know what the Government is positively doing to see that these 700 employees are saved and not ruined?

Shri S. M. Banerjee (Kanpur): Is it not a fact that this so-called voluntary retirement is actually compulsory and forcible retirement or retrenchment? When a definite

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assurance was given by all the ministers that there will be no retrenchment in the LIC because of automation, here retrenchment is taking place only because of automation and because of the policies of the foreign oil companies. They feel, if the particular minister in charge of Petroleum and Chemicals is not a Cabinet minister, ignore him. If he is a Cabinet minister, make him amenable. May I know why a definite assurance has not been given, why a workload assessment committee has not been appointed and why the recommendations of the Mehta Committee are not implemented in full? Is it due to political pressure of the oil companies on the Government or not?

Shri Tridib Kumar Chaudhuri (Berhampur): Have the Government tried to ascertain what is behind this policy of so-called voluntary retirement scheme, which is retrenchment by back-door? What is the apprehension in the mind of the oil companies? Is some apprehension working in their minds that ultimately oil will be nationalised, they will have to wind up their business and therefore they want to retrench these people, or is this just simply nothing but rationalisation and retrenchment through back-door by automation and other processes? Have the Government tried to ascertain what really is worrying these oil companies. After all, up till now the Government has not interfered with their business. We may differ with that policy or we may not differ with that policy, that is a separate matter. But I would like to know what is really behind this.

The Deputy Minister in the Ministry of Labour, Employment and Rehabilitation (Shri Shah Nawaz Khan): Sir, I am glad that this subject which has been exercising the minds of so many workers in the oil industry has been raised in this House and the Members have had their say. The history of the appointment of the tripartite committee, which is popularly known as

the Mehta Committee, is well known. Equally well known are the circumstances under which this Committee was appointed. It was a tripartite committee and the employers' representatives appended a note of dissent to its report. The Government examined the report of the Committee very thoroughly and accepted the majority report. Having accepted the report by a resolution we have commended that report to the parties concerned. This subject of oil companies falls within the sphere of the State Governments.

Shri Umanath: Refineries?

Shri Jagjivan Ram: Yes, also refineries.

Shri Shah Nawaz Khan: It falls within the State sphere.

Shri Dinesh Bhattacharya: The Committee was set up by the Centre.

Shri Jagjivan Ram: Yes, the wage boards are also set up by the Centre.

Shri Shah Nawaz Khan: The object of appointing this Committee was to find out whether a way could be found whereby we can by mutual agreement settle these disputes. Had the report been unanimous, then the Government would have been justified in asking all concerned to implement it. But this was not a unanimous report. In spite of that, we have accepted the report and commended it to all concerned. Now, if there is any dispute, if there is any retrenchment, or if the workers have any grievances, then there is a regular procedure for dealing with such disputes under the Industrial Disputes Act. Let a dispute be raised, then the State Governments will act in accordance with the Industrial Disputes Act. That, Sir, is the position.

Dr. Ranen Sen: This is the evasion of responsibility.

Mr. Chairman: Order, order.

Shri Nambir: Large-scale retrenchment by various methods is taking place.

Mr. Chairman: Before the law nobody can evade . . .

Shri Umanath: Does the Government accept that there is pressurisation and that is why retrenchment is going on.

Shri Jagjivan Ram: We always repudiate such allegations.

Shri Umanath: I have given the figures. I said that in the Consultative Committee also. I am not bringing this up suddenly. Did you verify as to what is the position?

Shri Jagjivan Ram: I am not going to say what you want me to say (*Interruptions*).

Shri Umanath: Why do you get angry? Why do you hold brief for the oil companies? We are fighting for the security of jobs of our Indian people. Why should he get angry? (*Interruptions*).

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Shri Vasudevan Nair: Sir, you have been noticing the action of the Cabinet Minister. Why is he so angry with us? When we were speaking there was a running commentary by the Cabinet Minister. He was reacting in such a hostile manner (*Interruptions*).

Shri Jagjivan Ram: What is this spirit of making allegations like selling the country to American pressure? (*Interruptions*).

Shri Umanath: You repudiate that allegation.

Dr. Ranen Sen: Why do you get angry? (*Interruptions*).

Mr. Chairman: Order, order. Hon. Members have had their say. Let

the Minister reply to the debate. While that is going on, this type of remarks may not be palatable. After he has finished, if there is any point on which I myself feel more information should be given, I will ask for it. Now, let him continue his speech.

Shri Shahnawaz Khan: We in this country are functioning in a democratic set up under the Constitution and whatever we do must be maintainable under the law. There is a regular procedure for dealing with all these disputes.

Mr. Chairman: That is absolutely correct, so far as the law is concerned. But the question is whether there is any understanding, secret or otherwise?

Shri Shahnawaz Khan: I am coming to that. Let a dispute be raised, then the law will take its own course under the Act. I strongly refute any allegation that the Government is afraid of any pressure from any foreign power. I condemn these remarks. I would not like to use any strong language. The hon. Member knows that this Government does not bow down before any foreign government.

Shri S. M. Banerjee: Except Johnson.

Shri Dinen Bhattacharya: Except the oil companies.

Shri Shahnawaz Khan: One of the hon. Members praised the action of my senior colleague in calling them and asking them to pay bonus. It was precisely for the same reason that the Secretary went out of his way and called these persons, for an informal talks and told them that this is the thing that the Government would want them to do. Now, his most honest motives have been questioned. It is a matter of regret.

Shri Umanath: You are not doing it now, that is our complaint.

Mr. Chairman: Order, order. Let him finish his speech.

Dr. Ranen Sen: We want you to proceed further.

Shri Shahnawaz Khan: I hope hon. Members will not suspect underhand dealings in everything. Our officers are working with the most honest motives. The Mehta Committee Report has been appreciated by the members opposite.

Shri Umanath: It remains on paper.

Shri Shahnawaz Khan: He is one of our officers. Our officers are working honestly and with the best of intentions to further the interests of the Government. I hope such insinuations will not be made. In any case, they do not do any good to the cause of workers.

I would once again say that instead of accusing us here, a dispute has to be raised. If the workers feel aggrieved, let them raise a dispute and then follow the procedure which has been laid down in law. When that is done, Government will not be found wanting to do its duty.

Shri Vasudevan Nair: Sir, I raised a specific question about the Cochin refinery.

Mr. Chairman: Two specific points were made. The first one is that retrenchment is being resorted to. The hon. Minister has said that the law is very clear on that. If a dispute is raised under the law and the law per-

mits it, it will come naturally into action.

Secondly, he has categorically said that there is no assurance, secret or otherwise.

Therefore, I feel that he has answered it.

Dr. Ranen Sen: There is one thing that we have raised in common, that is, about the particular recommendation of the Mehta Committee whether the staff has been rendered surplus has to be assessed jointly by the employees' representative and the employer's representative.

Shri S. M. Banerjee: We want the implementation of that.

Dr. Danen Sen: That particular thing will strengthen the hands of the employees. Is that point agreed upon by the Government or not?

Shri Shahnawaz Khan: That recommendation was made by the Committee. The management have said, "We do not accept this". They have defied that. Legally, we have no power to enforce it. Unless the workers raise a dispute, the Government will not come in.

18.06 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, August 29, 1966/Bhadra 7, 1883 (Saka).