

Mr. Speaker: This may have priority tomorrow. Then the hon. Minister might continue and finish his speech in five minutes. After that, whatever might be the time, we will sit for half an hour.

Shri Kamath: There is another engagement in the Central Hall.

Mr. Speaker: That has been adjourned from time to time. This will mean one more adjournment.

An Hon. Member: We have a third engagement.

Shri Nanda: I was referring to the request of the Federation in connection with the special initial and additional depreciation allowance granted under the Indian Income-tax Act from time to time. On that account, they thought that they should have a deferred taxation—serve. Government, however, did not favour the creation of this reserve, because it was felt that if in a certain year this was done—that is, a reserve was created—it might lead to a raising of the rates that year; whereas also the expectation was that, as in the course of years, the industry expanded itself, later on there would be greater scope for adjustment and it would not be necessary to raise the rates. Therefore, it would be better that we did not do so. But on the insistence of the industry and on its agreeing to this condition, that when a reserve was created, when something was set aside for the purpose of the depreciation reserve that year there would be no increase in the rates, the Committee agreed to the creation of a reserve for deferred taxation. Now I find that there is an amendment from the same source, representing the Federation, that they want removal of this provision. When we come to that, we shall consider it, and if the industry finds that it does not really benefit by this arrangement and that it would rather not have it, we would be agreeable to omitting the provision.

These are practically all the important changes that have been made by the Select Committee in the Bill.

There are other changes of a consequential character, changes of drafting, changes which were intended to clarify the intentions, but I do not want to take up the time of the House for bringing to its notice those clauses.

Mr. Speaker: Motion moved:

“That the Bill further to amend the Electricity (Supply) Act, 1948, as reported by the Select Committee, be taken into consideration.”

Further discussion of this Bill will stand over till tomorrow and this will have priority over all other Bills.

INDIAN TRADE UNIONS (AMENDMENT) ACT, 1947

Mr. Speaker: How much time will the hon. Minister require?

The Minister of Labour (Shri Khandubhai Desai): I should first hear what the hon. Member has to say.

Mr. Speaker: All right, let the discussion proceed. I will allow 15 minutes for the Mover, fifteen minutes for the Minister, ten minutes in between and then some time for the right of reply....

Shri Kamath: That means we will have an hour, half an hour today and half an hour tomorrow.

Mr. Speaker: There is something wrong in my arithmetic. Let the discussion start now.

Shri Sadhan Gupta (Calcutta South East): I am raising this discussion on a very vital matter concerning the Indian labour movement. You are well aware that the Indian labour movement had been long struggling for the right of recognition of trade

unions and also against the indulging in unfair labour practices by employers. For collective bargaining, recognition is a very vital matter. Without recognition, you cannot really have effective collective bargaining. If genuine trade unions, trade unions representing the bulk of the workers or a substantial portion of the workers, are not recognised by employers, who refuse to recognise them without any reason whatsoever, collective bargaining becomes impossible. That is why recognition has been long insisted upon by the Indian labour movement, that is, compulsory recognition. As far back as 1929, the Indian labour movement put forward this plea before the Royal Commission on Labour appointed by the British Government, but as could be expected of an imperialist commission, that demand was rejected.

Apart from this matter of recognition, unfair labour practices have been prevalent in this country as they are prevalent in almost every country with the working class population and capitalist system, but in this system, due to the weakness of the trade union movement, due to the weakness of the working class organisations and due to the backwardness of the working class itself, the unfair practice has been very much rampant indeed and it developed as a great threat to trade unionism. Even in a country like the United States, where there is an advanced working class, unfair practice is recognised as a danger, and law has been made to check unfair labour practices. As a result of this persistent struggle for the right to get recognition and as a result of the struggles against unfair labour practices, the Indian Trade Unions (Amendment) Act of 1947 came into being. The Constituent Assembly (Legislative) passed this law towards the end of 1947 in its legislative capacity. Unfortunately, it was laid down in that law that it would come into force on such a date as the Central Government might determine. That Act has provided for the right of compulsory recognition under certain

circumstances. It also defined unfair labour practices and provided for protection against such practices. It was a sacred success and a land mark in the struggle of the Indian labour movement.

Taking advantage of that provision in that Act—that is to say, the provision that it can come into force on such date as the Central Government may determine—it did not bring it into force at all for nine years. It was put in cold storage without any explanation whatsoever. It was only in answer to my question after nine long years that it transpired that it was decided not to bring it into force at all.

Before coming to the merits of this question, I would like to raise the point of propriety in this matter. When Parliament has enacted a legislation, is it open to the Government, in exercise of the power given to it to bring it into operation, virtually to repeal that legislation? The decision of the Parliament has been flouted. Parliament had enacted this legislation and had entrusted the Government with the work of bringing it into force. It was not meant to give the power to the Government to repeal because that is the privilege of the Parliament. What it was meant to do is to lay down the policy in the law and to entrust the executive with the task of bringing it into operation at a time most suitable, in order to smoothe the difficulties. There may be many difficulties in putting the law into operation at once. Therefore, it was thought wise to let the executive smoothe out the difficulties and then bring it into operation.

I would now come to the merits of the case. What are the reasons for not bringing it into operation? The first reason is that voluntary recognition is not supposed to be in the interest of both the workers and the employers. The second reason is that protection against unfair labour practices is given by tribunals instead of

[Shri Sadhan Gupta]

labour courts. Today it is the tribunal; under the Act it would have been the labour courts. That is an astounding statement made by the Labour Minister.

Now, regarding the recognition of the trade unions, the Labour Minister has quoted figures to show that the absence of the right of compulsory recognition has not affected the growth of trade unions and that in 1946-47 there were 980 trade unions while today there are 3071. But I ask, Sir, are those figures relevant for the purpose? We want recognition because we want to have an effective machinery for collective bargaining. I know the case of one concern where the labourers were forced to go on strike and then when talks of settlement came the employers refused to negotiate with the Union, because they said they would negotiate with a Union of a different political colour which had not been set up till then. But the employers thought they may help in setting it up but it was never set up. I know the case of another company where the Union was captured by the management through various devices, and when the workers tried to form another Union all the leaders were victimised. Sir, what numbers will tell the stories of these victimisations, what numbers—what registered numbers will convey these difficulties?

Therefore, that argument is a hollow argument. As a matter of fact, when this Bill was brought before the House the then Labour Minister, Shri Jagjivan Ram said this:

“Pandit Harihar Nath Shastri has rightly pointed out, the Royal Commission suggested that the recognition of trade unions should be left to the employers and, as far as possible, there should be voluntary recognition by the employers.”

That has been given a fair trial and we have found that the employers have not risen equal to the occasion, that they have been creating all sorts

of difficulties in the way of recognising a trade union. Has the position changed at all? If it had changed, we might have expected the Planning Commission to take a different attitude. But what does the Planning Commission say? It says:

“Another step in building up strong unions is to grant them recognition as representative unions under certain conditions.”

Then, in reply to the question by Shri Vittal Rao the Labour Minister has said this. Shri Vittal Rao pointed out the Planning Commission's recommendation. The Labour Minister stated that already unions were recognised before the law by the industrial tribunals. But that is not what the Planning Commission was contemplating, because the Planning Commission says:

“Since recognition has played a notable part in strengthening the movement in some States, it is suggested that some statutory provision for securing recognition of unions should be made by States where such provision does not exist at present.”

That is the position taken up by the Planning Commission.

Regarding unfair labour practices the explanation was that instead of labour courts the tribunals would give protection. But what is the worth of the tribunals? We know that tribunal proceedings are dilatory. They take even three to four years to complete the proceedings. First there is conciliation, then there is delay in reference and then the reference itself is delayed. So it takes long for tribunal proceedings to be completed. Then, there is no access to tribunals as of right; it depends purely on the whims of Government. So what is this protection worth? Thirdly, it is not a fact that labour courts would have given protection against unfair labour practices. That was a wrong statement. Labour courts had no

right to give any protection against unfair labour practices. The protection would have been averted by the penal clause mentioned in the enactment as also by the fact that the statutory recognition of unfair labour practices, statutory definition of unfair labour practices, would have by itself operated as a check and been of valuable guidance to tribunals and courts in checking these practices.

I realise that the protection against unfair labour practices in the Act is not complete. Right of recognition is not also sufficiently guaranteed. But yet this protection, this right of protection against unfair labour practices, the right of recognition and the right to compel the employers to recognise would have been a valuable weapon in the hands of the working class, and it would have been in consonance with the recommendations of the Planning Commission to define it statutorily. Now I want to know from the Government whether they claim the right to disagree with and set at nought the Five Year Plan which this House has approved. I also want to know whether the Government have the policy of arrogating to themselves the right to nullify the decisions of the Legislature and in exercise of their executive function to say that they choose to repeal laws.

Mr. Speaker: I made a mistake in concluding that it was a motion and so it will have one hour. As a matter of fact, it is a Half-an-Hour Discussion where the mover makes a statement lasting not more than ten minutes. I will now call Mr. Vittal Rao who has already given notice. Then I will call another hon. Member. The Minister will have not less than ten minutes.

Shri T. B. Vittal Rao (Khammam): I will put some questions. How do the Government propose to foster industrial democracy envisaged by the Plan without giving the workers the

right to determine the representative union through ballot? How do Government propose to checkmate employers patronising the unions sponsored by them? In the Chapter on Labour Policy in the Second Five Year Plan it is stated that the legislation determining the principles for recognition of unions should be undertaken. May I know if this policy has since been revised and, if not, when the legislation is likely to be undertaken?

Shri P. C. Bose (Manbhum North): I quite agree that the recognition of trade unions is necessary for collective bargaining. But I do not really understand this insistence on recognition by law because, after all, this recognition by law does not really give any benefits to the labourers. From my own experience I have seen that unions recognized officially did not derive so much benefit as compared to unions not recognized but having a goodwill and disciplined condition in the industry. So, this insistence for recognition by law only exposes the defeatist mentality. It amounts to weakness on the part of the trade unions. If the union is strong enough, if the union has got cent per cent membership, recognition is nothing; it automatically comes. The management is bound to recognize it. Even without formal recognition, the management will automatically bargain with them according to the need of the circumstances. Therefore, this sort of insistence for recognition by law is unnecessary.

In the present conditions, there are many factories in which there are as many as 3, 4 or 5 unions. So, this recognition by law by plebiscite or vote will create labour trouble in the industry. I, therefore, really do not see the point in the debate that recognition should be made by law. Recognition should be based on the strength of the unions. If the union has cent per cent backing, it will automatically get recognition. Nobody can stop this.

ठाकुर सुगल किशोर सिंह (मुजफ्फर-पुर—उत्तर पश्चिम) : मेरा अपना तजुर्बा है कि बिहार के अन्दर जहाँ कहीं भी इस बात का झगड़ा था कि कौन सी यूनियन को रिकग्नाइज (अभिस्वीकृत) किया जाय, वहाँ सालों तक, यह झगड़ा चलता रहा और ऐसी ट्रेड यूनियन्स (कार्मिक संघों) को रिकग्नाइज किया गया जिन के साथ चार हजार मेम्बरों में से दस पन्द्रह ही मेम्बर थे और वह यूनियन पांच साल तक चलती रही। डालमिया नगर में इस तरह का वाकया हुआ, नरकटियागंज में इस तरह का वाकया हुआ और सात वर्षों तक अनरिप्रेजेन्टेड (अप्रतिनिधिक) यूनियन्स को रिकग्नाइज किया जाता रहा। मजदूरों के बखिलाफ इस तरह की बातें होती रहीं।

मैं यह भी जानना चाहता हूँ कि जहाँ एम्प्लायर (मालिक) यूनियन्स के साथ अनहोली अलाइंस (अपवित्र गठबंधन) करते हैं उन यूनियन्स को क्यों रिकग्नाइज किया जाता है मैं सेंट परसेंट (शत प्रतिशत) तो नहीं कहूँगा लेकिन जिन यूनियन्स में ६६ परसेंट मजदूर मेम्बर हैं उन को रिकग्नाइज नहीं किया जाता है। बिहार में ऐसे केसेज (मामले) हुए हैं। मैं समझता हूँ इसी तरह से और जगहों पर भी होता है और उस का बड़ा खराब नतीजा निकलता है।

तीसरी बात मैं यह कहना चाहता हूँ कि आज जो गवर्नमेंट स्पान्सर्ड यूनियन्स (सरकार द्वारा प्रेरित कार्मिक संघ) है, जैसे आई० एन० टी० यू० स्त्री० है, उन्हीं की बात एम्प्लायर मानता है। एक समय तो यह सम्भव हो सकता था कि अगर दूसरी यूनियन्स रिकग्नाइज हो जाये तो एम्प्लायर के साथ समझौता हो सकता था। लेकिन आज वह सम्भव नहीं हो रहा है। मैं रेलवे में देख रहा हूँ, और इंडस्ट्रीज में भी देखता हूँ। एम्प्लायर यह समझता है कि चूँकि आई० एन० टी० यू० स्त्री० जैसी यूनियन जो गवर्नमेंट स्पान्सर्ड हैं आगे चल कर उन्हीं की सुनवाई होगी

क्योंकि इंडस्ट्रीज में सरकार का हाथ ज्यादा होता जा रहा है इसलिये उन्हीं को मंजूर किया जाय। उस से उन का ज्यादा फायदा होगा। मैं समझता हूँ कि आज गवर्नमेंट की तरफ से इस तरह की पालिसी बरती जा रही है।

Shri Khandubhai Desai: This question of compulsory recognition has come up in one form or another before this House as well as the other House more than once. There was a Bill introduced by Shri T. B. Vittal Rao and there was another Bill in the other House by an hon. Member. I replied to the questions which were raised in both the Houses and the motions were rejected.

As far as discrimination is concerned, I also get complaints of non recognition of the I.N.T.U.C., the H.M.S. and the A.I.T.U.C. Not that the employers have got a soft corner towards any type of trade unions. What is happening, I can tell you. Recognition generally emanates from the strength of the working class and the sanction behind a union. I have had an enquiry made. Though it is not yet complete, I may say that most of the unions which have got the sound backing of the working class are recognised, to whatever organisation they belong. We have come to this conclusion which I have already stated before the House that any compulsory recognition of unions will really weaken the trade union movement to a very large extent. Let us see what compulsory recognition will mean. Compulsory recognition will mean that an employer shall negotiate with a union which is recognised. Negotiation does not mean settlement or good understanding. An employer will call a recognised union's officials, President or secretary, and talk to him across the table, give the officer of the union a cup of tea if he would like to have it, and tell him, well, we have met each other, thank you. Then, the question will have to be raised as

a dispute. That question will come to the Government and on its merits, it will have to be referred to an Industrial tribunal or court. Ultimately, as I said when the Industrial Disputes Act was being discussed, the Government will be very happy if we have not to have to refer any dispute and mutual understanding and goodwill between the employers and employees ensue.

Shri Sadhan Gupta has said that what I quoted when the discussion took place last time is not relevant. It is relevant. If the union's strength has increased from 1900 to 37000, and the membership has *pari passu* increased, it proves what the Royal Commission on Labour has said. It has proved in practice very useful and very fruitful in the growth of sound trade unionism. I can say today in the year 1956 that without this compulsory recognition which is technical and theoretical and which does not, in my opinion, as a trade unionist, help the growth of the trade union movement, the practice which the Royal Commission in its experience has suggested has proved fruitful and the trade union movement in India has come to stay and has got much strengthened than what it ever was. I believe that if this voluntary recognition by the employers of a sound trade union with good backing is adhered to, the working class will not have to lose anything.

Shri Sadhan Gupta: The Republican Commission differs from the Royal Commission, that is our Planning Commission.

Shri Khandubhai Desai: As this experience has been fruitful and in the interests of the trade union organisation, I would like to watch this experiment a little further before we decide to change our view regarding this matter.

Shri Jugal Kishore Sinha has raised the issue how the industrial democracy is going to work. The Planning Commission has stated that the participation of workers in the management should gradually be introduced. When that question comes before the House, and when we have the report of the study group which we have sent to foreign countries to study this question and come to conclusions on it in consultation with trade union and employers' organisations, we will consider how the worker should take part and in what way and in what manner in the industrial democracy that we would like to work out through the Council of Management which the Planning Commission has suggested. I would appeal to the friends on the other side, who are as good trade unionists as any of us; to give a trial to this voluntary recognition which will create goodwill between employers and employees.

A suggestion has been made that if this compulsory recognition is not given, the employer-sponsored unions would be given preference. I feel the contrary way. If compulsory recognition is introduced there will be more urgent action by the employers and management to sponsor their own unions with a large membership to oust the genuine trade union movement. For the self-same reason I feel that the trial that has been given to the voluntary recognition of the unions should be adhered to. Let us watch the results. It has not weakened the trade union movement, but during the last seven years we have cause to be grateful that the trade union movement has strengthened in spite of the lack of compulsory recognition.

18-33 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday the 11th December, 1956.