

the good of all countries concerned as well as for the maintenance of friendly relations in the middle-eastern region and the whole of Asia.

As I have pointed out previously, the proper functioning of the Suez Canal is of vital importance to India. We are convinced, however, that this can only be achieved through peaceful negotiated settlement ensuring the rights not only of Egypt but of all the user countries.

Shri Kamath (Hoshangabad): In view of what the Prime Minister said at the very outset, may I ask, whether, in the event of the situation further deteriorating and, unfortunately, warlike developments taking place in the West, Parliament will be summoned at short notice to consider the situation?

Shri Jawaharlal Nehru: Under our Constitution and the rules, Parliament can be summoned at short notice, subject only to time being allowed for Members to reach here. If a necessity arises for summoning it, we shall venture to advise Mr. Speaker to summon it.

Shri Kamath: Is it a fact that the Egyptian Government has convened another international conference and has India accepted the invitation to participate in that new conference?

Shri Jawaharlal Nehru: So far as we know, the Government of Egypt have not convened any conference. They have thrown out the idea that such a conference might be convened, but no actual convening has been done.

Shri Chattopadhyaya (Vijayavada): May I raise a point?

Mr. Speaker: He gave notice to raise a point. Is it that?

Shri Chattopadhyaya: May I know if, in view of the deepening international crisis and the tone of the Statement of the British Prime Minister, our Prime Minister will consider the desirability of leading the Indian delegation himself to any international conference that might be held in

order to protect and save world peace? May I also submit humbly that an *ad hoc* committee be constituted by the Prime Minister—a Committee of leading Members of both Houses of Parliament including Leaders of Opposition Parties—to keep ourselves fully informed of the changing situation from time to time?

Shri Jawaharlal Nehru: The first suggestion of the hon. Member is rather premature. There is, at present, no convention or conference in view. If and when it takes place, we shall have to consider how best our Government can be represented. Normally speaking, the Prime Ministers do not attend such conferences. Even in the recent London Conference, the Prime Minister of the United Kingdom did not go to it, except for, I think, two minutes, just for formal opening—or less than two minutes. So, Prime Ministers normally do not attend them. However, as the situation develops, one will have to see what will be the best course for us to adopt.

As regards the second point mentioned by the hon. Member, I can assure him that, if a situation so arises, we shall naturally wish to consult leaders of all groups and parties and take them into our confidence because that situation will be a national situation with which we shall have to meet as a united nation.

Mr. Speaker: In view of the hon. Prime Minister's statement, it is not necessary to give my consent to the adjournment moved by Shri A. K. Gopalan.

PAY SCALES AND SERVICES CONDITIONS OF EMPLOYEES OF LIFE INSURANCE CORPORATION

Mr. Speaker: Shri Sadhan Gupta has given notice of an adjournment motion on the following subject:

"The serious repercussions among thousands of employees of the Life Insurance Corporation of India belonging to the supervisory, clerical and subordinate staff due to arbitrary fixation of pay

[Mr. Speaker]

scales and other service conditions which will result in slashing down the grades in the case of most of the employees, reduction in provident fund accumulations, deprivation of right to annual bonuses and of other rights wrested from the unwilling hands of the erstwhile insurers as a result of bitter struggle and sacrifices."

I remember there was a question on this and I got the proceedings of the 11th September 1956. There the hon. Member has put some supplementary questions regarding this very matter. He has asked:

"May I know whether a stipulation that the salary would depend on a certain volume of business and that the salary would be reduced in conformity with the reduction of the volume of business does not amount to a salary in the form of a commission?"

That is one question. Then, he has asked some clarification in the second supplementary question on that day. I would like to know how this has happened so suddenly. Is it not going on for sometime? We do not take notice of such things by way of adjournment motions.

Shri Sadhan Gupta (Calcutta South East.): May I clarify? That question related to field staff, that is to say, the staff which procures insurance business—organisers, inspectors, etc. This question relates to a recent occurrence, names, the fixation of the pay scales and service conditions of the supervisory staff, clerical staff and the subordinate staff, namely, office employees, who are an entirely different category.

The reason for the importance of the adjournment motion is this. You will remember when the decision to nationalise insurance business was announced, it was the insurance employees and their representative organisation—the All India Insurance Employees Association—which were the

first to congratulate the Government on this decision.

Mr. Speaker: When were these pay scales fixed?

Shri Sadhan Gupta: Only two or three days back.

Mr. Speaker: Has the Corporation agreed to fix the pay scales?

Shri Sadhan Gupta: It is empowered to fix the scales of pay.

Mr. Speaker: If any hon. Member does not like the fixation of scales of pay by such corporations or any set of people did not like it, can we go into those scales of pay in an adjournment motion and settle them here?

Shri Sadhan Gupta: In this case, I understand that the scales of pay were fixed at the suggestion of the Government, of the Finance Ministry.

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The Corporation has only recently come into being and it had to start with certain pay-scales. So I understand that the pay-scales are being fixed at the suggestion of the Finance Ministry.

Sir, the position is this. The insurance employees.....

Mr. Speaker: Order, order. I have heard enough. Let me now hear the hon. Minister. What I only want to say is, hon. Members will kindly bear in mind the scope of an adjournment motion. It is not my intention to say that these matters are not of importance. They affect a large number of people and they will have to be gone into. So far as an adjournment motion is concerned, if the authorities do a thing which they ought not to, or exercise a wrongful jurisdiction or go in excess of their jurisdiction, then we shall certainly look into the matter and I shall call upon the Government to explain matters. But, in the exercise of their jurisdiction if they are entitled to give some advice, or independently give advice—the Corporation is entitled to fix certain scales of pay—and

certain pay-scales are fixed, whether a particular scale of pay is good or bad cannot be a subject matter for an adjournment motion and we cannot spend away the time of the House. With respect to this matter, however, I have understood the point. We do not go into the justification or otherwise of the scales of pay, whether they are reasonable and proper or not. Let me now hear the hon. Finance Minister.

The Minister of Finance and Iron and Steel (Shri T. T. Krishnamachari): Mr. Speaker, Sir, the question of pay-scales was considered, and I might tell the hon. House that the Secretary of the Ministry, who is now acting as Chairman, and myself sat together and went over the whole scheme. In fact, Sir, I should think we have rather done well to the insurance employees because we think it is a refinement in the pay-scales which might be a pattern for future pay-scales for Government service also.

The pay-scales announced recently with regard to supervisory, clerical and subordinate staff will not affect the present or future emoluments of existing employees. It has been made quite clear that while the existing employees will be fitted into the new scales, each employee will be entitled to personal pay and will also be entitled to go to the maximum of the scale which he would have been entitled to if his service had continued in the particular company with which he was employed.

I would also like to emphasise that there was a large number of scales which were prevalent in the 180 odd companies which were in existence before nationalisation. These pay-scales had necessarily to be rationalised and, obviously, we could not adopt the pay-scales which prevailed in the companies which pay the highest salaries. That would have meant an excessive pay bill. Reasonable scales have, therefore, been adopted which have taken into account various scales of pay which were prevalent in different companies. As a result of the adoption of new scales about one-

fifth of the total number of employees—that is in the lowest rung—will be getting higher scales of pay. We have, in fact, done away with this division which existed between lower and upper division clerks. There will only be one set of clerks in the future. I would also like to mention that the wage bill of the Corporation will be increased, as a result, from Rs. 31 lakhs to Rs. 32 lakhs a month.

As the present employees are not adversely affected by the introduction of the new scales, this question does not appear to me to be one of urgent public importance.

Shri Nambiar (Mayuram): The previous Finance Minister during the course of debates in this House and in the Joint Committee promised that the workers would not lose anything due to change in the scales of pay and conditions. Now, because the scales have been reduced, they are not going to be beneficial to them; on the other hand, they are going to be prejudicial to them. Therefore, may I know whether the Government will stick to the promise already given or not?

Shri T. T. Krishnamachari: The basis of my hon. friend's question is wrong. I have taken pains—in fact, I have put it down so that it may be precise—to indicate that nobody will be adversely affected; on the other hand, one-fifth of the total number of workers would be benefited by these scales of pay. Therefore, I think the basis of my hon. friend's question is wrong.

Shri Sadhan Gupta: Sir.....

Mr. Speaker: Order, order. I have heard enough.

Shri Sadhan Gupta: You have heard the other side of the picture, Sir.

Mr. Speaker: What I would like to know is this. If the emoluments of the existing staff, whatever the scales fixed may be, are not going to be affected at all, how are they concerned in an adjournment motion with respect to the scales of pay for new entrants? That is the point that I would like to hear.

Shri Sadhan Gupta: The scales have been revised.

Mr. Speaker: Is the salary of any member of the existing staff going to be effected adversely?

Shri Nambiar: His salary is going to be affected adversely. When he is fitted up in the new scale he will certainly lose.

Mr. Speaker: Order, order. I am not going to hear any more. First of all, such matters are not to be the subject-matter of any adjournment motion. New scales of pay and other things are not peculiar anywhere. Any employer, whether Government or otherwise, must have the right to revise; of course, the staff should not be adversely affected. Whatever may happen, it is a matter for detailed discussion and not in an adjournment motion. Further, the hon. Minister has said that so far as existing incumbents are concerned, one-fifth of them will have higher scales of pay and the others will not be affected at all. Whatever scales of pay may be introduced, the existing staff will be fitted in at such stage of the increments as may not affect them, so that not a pie may be lost to any of the existing staff as compared to the existing conditions of services and scales of pay.

In view of the statement of the hon. Finance Minister I am not called upon to give consent to this adjournment motion.

Shri Nambiar: In fact, the staff will lose under the new scales.

Mr. Speaker: Whatever it may be, I am not called upon to give my consent to this. There are very many details. Hon. Members may seek an interview with the Finance Minister and place matters before him. The Corporation has started; may it live perpetually.

Shri Nambiar: There will be heart-burning.

Mr. Speaker: There is no heart at all, and so there is no burning. (Inter-ruption.)

FLOODS IN UTTAR PRADESH

Mr. Speaker: I have received notice of another adjournment motion from Shri S. L. Saksena regarding the colossal damage caused by sudden floods in the districts of Bahraich, Gonda, Basti, Gorakhpur, Deoria and several other districts of east U. P. Let me first of all hear the hon. Minister.

The Minister of Food and Agriculture (Shri A. P. Jain): Sir, the House is well aware that this is the rainy season and floods are not scarce these days. (Laughter).

Mr. Speaker: Hon. Members made it light. It is a real fact. There is the rainy season now and so floods are there.

Shri A. P. Jain: The House is aware that my colleague, the Minister for Irrigation and Power, made a comprehensive statement on the floods in the beginning of the month. He gave full information about the floods in U.P. as also in the rest of India. We have no information of anything that has happened after that in U.P. The adjournment motion refers to the floods in one river Rapti which has affected a number of districts. I have no information about what has happened there. Unfortunately, this is the last day of the session and it is not possible for me to collect the information and make a statement in this House.

But, as you are aware, Sir, this is a subject which essentially falls in the State List. It is the State Governments which have to deal with the situation arising out of floods. So far as relief measures are concerned, the Government of India have issued definite instructions under which the State Governments can initiate actions without any reference to the Central Government. If the total expenditure on the relief measures in the State concerned does not exceed Rs. 2 crores, the Government of India automatically contributes 50 per cent. of it; if it exceeds Rs. 2 crores, then in respect of Rs. 2 crores the Government of India contributes 50 per cent.