

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

"That leave be granted to introduce a Bill further to amend the State Bank of India Act, 1955."

*The motion was adopted.*

**Dr. B Gopala Reddi:** I introduce the Bill

**BANKING COMPANIES (AMENDMENT) BILL\***

**The Minister of Revenue and Civil Expenditure (Dr. B Gopala Reddi):** I beg to move for leave to introduce a Bill further to amend the Banking Companies Act, 1949

**Mr Speaker:** The question is

"That leave be granted to introduce a Bill further to amend the Banking Companies Act, 1949 "

*The motion was adopted.*

**Dr. B. Gopala Reddi:** I introduce the Bill

12.24 hrs

**WORKMEN'S COMPENSATION (AMENDMENT) BILL—contd**

**Mr. Speaker:** The House will now take up clause by clause consideration of the Workmen's Compensation (Amendment) Bill, 1958 as passed by Rajya Sabha

The time allotted for the clause-by-clause consideration and the third reading is one hour

We shall first take up clause 2. If any hon Members want to move any of their amendments, they may kindly indicate the numbers of those amendments

Since no hon Member wants to move any amendment to clause 2, I shall put clause 2 to vote.

The question is

"That clause 2 stand part of the Bill"

*The motion was adopted.*

Clause 2 was added to the Bill.  
Clause 3 was added to the Bill  
Clause 4—(Amendment of section 4)

**Shri T B Vittal Rao (Khammam):** I beg to move

Page 4, line 15,—

for 'twenty-eight days' substitute 'fourteen days'  
Page 4, line 17,

for 'three' substitute 'two'

Page 4, line 19,

for 'twenty-eighth' substitute 'fourteen'

While moving these amendments, I would like to submit that the financial implications involved in reducing the waiting period from three days will not be large. The only argument that can be offered on behalf of Government is that in the United Kingdom Workmen's Compensation Act, the waiting period is three days and, therefore, we should also adopt that here. If a comparison were to be made in that way, then we should consider whether we are enjoying the same social security measures as are enjoyed by the workers in the United Kingdom.

I do not know how, suddenly, the hon Minister says that in the original Bill, it was five days, but later on, in the informal meeting which we had, he made it three days. I should very seriously think whether I should attend such informal meetings at all, in view of the accusation made by the hon Deputy Minister the other day, because the proceedings were not recorded by any reporters or even the minutes were not recorded, we are not in a position to

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[Shri T. B. Vittal Rao]

refute those statements. There, it was suggested by one hon. Member who attended that meeting that it should be three days. Even then, I pointed out to the Deputy Minister that on the draft amendment submitted for the comments of the various central trade unions, it was suggested on behalf of the Government that the waiting period should be two days. Unfortunately, I am not able to get those records, because those records in our central trade organisation in the AITUC office were destroyed during the floods last year.

First of all, it was our desire that there should not at all be any waiting period, because the worker does not get injured deliberately, it is not intentional on his part, it is due to the speed of the machine, or due to the negligence of the rules, or due to proper safety measures not having been adopted by the employers. So, the waiting period has to be reduced, and he should not be made to wait the report of the actuarial committee or any other committee.

If we look at the figures in respect of the average amount of compensation received by these workers disabled in the accidents, whether it is death, or permanent disablement or temporary disablement, we find that the average compensation worked out to Rs 79 in 1955, and in 1956 it worked out to Rs 84. I am reading these figures from the Indian Labour Gazette for the month of April. Actually, in 1954, the average worked out to Rs 97. Therefore, the financial implications on the industry will not be large if these amendments of mine are accepted.

Then, I have moved another amendment seeking to reduce the period of twenty-eight days to fourteen days. Under the Factories Act, a serious injury is one wherein an employee is disabled for a period of twenty-one days and more. That means that a serious injury has to be provided for. Therefore, I have

provided that all those who are disabled for fourteen days should be eligible for payment of compensation from the date of the accident, that is, from the date of disablement.

With these few words, I would commend my amendments for the acceptance of the House.

Mr. Speaker: These amendments are now before the House.

The Deputy Minister of Labour (Shri Abid Ali): The Workmen's Compensation (Amendment) Bill which we have introduced and which is under discussion now has been framed on the basis of the original amendments which were proposed and circulated and to which objections were invited; we have taken into consideration all the objections, and then, this scheme has been framed.

So far as the first amendment of my hon friend is concerned, it cannot, therefore, be accepted.

So far as the informal committee is concerned, the hon Member has said that he was sorry to have attended it. But I am not denying what he has been stating. I am admitting that. So, where is the question of his complaining that because there were no records kept and so on, he should think seriously whether he should attend or not? But what I said was that this was accepted unanimously, and I am repeating that. The hon. Member said that it was one Member who suggested that the period should be three days. That is not correct. When it was proposed to reduce the period from seven days to five days, this was what happened. Perhaps, the hon. Member may not have got the record of what happened before that meeting, but I have got it here. Shri Bhupesh Gupta, Shri Raj Bahadur Gowd, and Shri P. N. Nair,—these three Communist Members of the other House proposed three days, and we accepted that in the informal committee.

**Shri T. B. Vittal Rao:** May I respectfully submit that Shri Bhupesh Gupta did not at all attend that informal committee?

**Shri Tangamani (Madurai):** I was in that committee.

**Shri Abid Ali:** I am saying that the amendments were proposed in the other House, not in the informal committee. The informal committee met subsequent to the discussion on the first reading in the other House, and the amendments proposed by Shri Bhupesh Gupta, Shri Raj Bahadur Gowd and Shri P. N. Nair to reduce it to three days were accepted by us. So where was the question of no unanimity on this question when the amendment proposed by the other side was accepted by us, that is, from 5 to 3? Therefore, I submit the decision there was unanimous. It is true that the hon Member who has just spoken, made a mention of 2 days. It was mentioned in the memorandum circulated sometime ago by the Labour Ministry. So it was not our proposal. As I have submitted, whatever proposals we receive are discussed, and we make a mention of them in the memoranda which we circulate to the organisations concerned. Therefore, my statement the other day that this was accepted unanimously stands. But because we said 5, they said 3. Since we have accepted 3, now they say 2. When we say 2, they will say 'nil'. That is not a proper attitude to take. When once a decision has been taken unanimously, with the consent of hon Members representing the various groups in both Houses, who take active part in labour matters, to raise objection subsequently is not fair.

Again, I have not mentioned about the UK arrangement. What I said was that the ILO convention was 5 days, and we were reducing the period to 3 days—more advantageous to the workers. When an interna-

tional organisation which considered everything concerning labour decided on 5 days and we are reducing that period to 3 days, it should be more welcome and should be enthusiastically accepted by the other side also. They should appreciate it. There is, therefore, no room for any further reduction of the waiting period.

**Mr Speaker:** I shall now put amendments Nos 2, 3 and 4 to the vote of the House.

The question is

Page 4, line 15,—

for "twenty-eight days" substitute "fourteen days"

*The motion was negatived*

**Mr. Speaker:** The question is—

Page 4, line 17,—

for "three" substitute "two"

*The motion was negatived*

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

Page 4, line 19,—

for "twenty-eight" substitute "fourteen"

*The motion was negatived*

**Mr. Speaker:** The question is

"That clause 4 stand part of the Bill"

*The motion was adopted*

Clause 4 was added to the Bill

**Mr. Speaker:** The question is

"That clauses 5 to 16 stand part of the Bill"

*The motion was adopted*

Clauses 5 to 16 were added to the Bill.

**Clause 17—(Substitution of new  
Schedule for Schedule I)**

**Shri T. B. Vittal Rao:** I beg to move:

Page 2,—after line 23, add—

'(v) in sub-clause (ii) of clause (n), for the words "four hundred rupees" the words "five hundred rupees" shall be substituted'

By this amendment, I want to raise the limit of wages to be covered from Rs 400 to Rs 500

**Mr. Speaker:** It has been raised from Rs 300 to Rs 400. Now, it is sought to be raised from 400 to Rs 500

**Shri T. B. Vittal Rao:** It was Rs 400 some years ago. The last amendment was in 1946. Now we are in 1959

**Mr. Speaker:** I only wanted to know the facts

**Shri T. B. Vittal Rao:** I want it to be raised from Rs 400 to Rs 500 because the Industrial Disputes Act was amended in 1956 wherein it was extended to those who were drawing Rs 500. Therefore, with a view to having uniformity in the various enactments, I suggest that this legislation should also cover those whose monthly wage is Rs 500

Secondly, the hon Minister said the other day that this was actually under examination

**Mr. Speaker:** I am sorry. There seems to be some mistake. The hon Member referred to amendment No 8. It is to clause 2 which has already been disposed of. The amendment tabled to clause 17 is No 9, by Shri A. C. Guha

So I will put clause 17 and 18 to vote

The question is:

"That clauses 17 and 18 stand part of the Bill"

Those hon. Members who are in favour of this amendment will kindly say 'Aye'. (After a pause.) At

least the hon Minister in charge must say 'Aye'

**Shri Abid Ali:** I am not a Member of this House

**Mr. Speaker:** I am really surprised. There must be a Whip here. Am I to say 'Aye' myself? I will put the question

The question is:

"That clauses 17 and 18 stand part of the Bill"

The motion was adopted

Clauses 17 and 18 were added to the Bill.

**Clause 19—(Amendment of Schedule III)**

**Shri Nanjappa (Nilgiris):** I beg to move

Page 12,—

after line 48, add—

"Poisoning by sewer gas. Any employment in underground sewage"

Page 13,—

after line 13, add—

"Dermatitis. Any employment in the process of curing and tanning of leather"

I believe the amendments I have moved are omissions in the Bill. The people engaged in underground sewage and tanneries are very illiterate, ignorant and socially backward. Their cases deserve protection and I hope my two amendments will be accepted

**Shri Abid Ali:** The item proposed in No 10 will need further consideration and I promise that we will consult the technicians concerned and when we are bringing in another amending Bill, if necessary, this will be incorporated

Regarding the item mentioned in amendment No 11, we will have to specify about 1,000 employments if this is accepted. However, under section 3(2) of the Act, State Governments have power to add any new disease to the Schedule. Wherever it is necessary, it may be suggested to State Governments, for them to amend the Schedule in that manner

**Shri Nanjappa:** In view of what the Minister has said, I beg leave of the House to withdraw my amendments.

*The amendments were, by leave, withdrawn*

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

"That clauses 19 and 20 stand part of the Bill"

*The motion was adopted*

*Clauses 19 and 20 were added to the Bill*

*Amendment made*

Page 1, line 4,—

for "1958" substitute "1959"

[Shri Abid Ali]

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

"That clause 1, as amended, stand part of the Bill"

*The motion was adopted.*

*Clause 1, as amended, was added to the Bill.*

*Amendment made:*

Page 1, line 1,—

for "Ninth Year" substitute "Tenth Year".

[Shri Abid Ali]

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

"That the Enacting Formula, as amended, stand part of the Bill".

*The motion was adopted.*

*The Enacting Formula, as amended, added to the Bill.*

*The Title was added to the Bill*

**Shri Abid Ali:** I beg to move:

"That the Bill, as amended, be passed"

**Mr. Speaker:** Motion moved

"That the Bill, as amended, be passed"

**Shri Tangamani:** I am glad that now the Government have come forward with some amendments to the Workmen's Compensation Act. But before I comment upon the Bill which is going to be passed I would like to say that as early as 1955 this House was told that a comprehensive piece of legislation would be brought forward. As the House is aware, the original Act was passed in 1923, and if a suitable amendment of a comprehensive nature was ever passed, it was only in 1933. Only slight modifications were effected in 1946. So comprehensive legislation more in the nature of replacing the original Act itself is necessary. When that is the position, Sir, I do not know why we have rushed with this kind of a piecemeal legislation.

When this Bill was introduced in the other House the objects mentioned were:

"The working of the Act has shown that it requires to be further amended in certain respects. Some of the important amendments the Bill seeks to make relate to—

- (a) removing the distinction between an adult and a minor;
- (b) reducing the waiting period of seven days to five days for being entitled to compensation and, in cases where the period of disablement is twentyeight days or

[Shri Tangamani]

- more, providing for payment of compensation from the date of disablement;
- (c) providing for penalty for failure to pay compensation, when due;
- (d) enlarging the scope of Schedules I, II and III."

It is also mentioned there how the wage limit of workers has been increased from Rs 300 to Rs. 400 in the year 1946

Even assuming that the purpose of this Bill is limited, the only salient clause that comes forward is clause 4A. Clause 4A says:

"In cases where the employer does not accept the liability for compensation to the extent claimed, he shall be bound to make provisional payment based on the extent of liability which he accepts, and such payment shall be deposited with the Commissioner or made to the workman, as the case may be, without prejudice to the right of the workman to make any further claim"

Of course, this is really an advance to the existing practice. But, even here, the deposit that the employer will have to make is very much limited. When the claim according to the Compensation Act itself and according to the employee is a certain amount, there must be a provision that the total claim must be deposited. It may be that the money which is given to the claimant may not be the total amount claimed. In that way, if this clause 4A had come, it would have at least met the demands of the employees half way.

Another point, which has come up in the second reading and which it would have been better if the amendments were accepted, is about the question of waiting period. The hon. Minister pointed out that originally

it was decided to make it five days according to the ILO Convention, but as it was reduced to three days in the other House he thought it was not necessary to reduce it further to two days. But, will he not agree that there is no justification for a waiting period at all? If we say that there must be a waiting period, let us keep the waiting period to the minimum. Why should we have 72 hours? Why should we not have only 48 hours? Except for saying that this point has been accepted in the other House, he has not advanced before us any argument which will convince us. Therefore, it would have been much better if we had accepted the amendment of Shri T. B. Vittal Rao.

Then comes the question of period of disablement. In the amending Bill it is said "where such disablement lasts for a period of twenty-eight days or more." It would have been better if we had reduced it to 14 days.

These are, Sir, generally my observations about the limited scope of the Bill, with this particular observation that we should have at least brought about a uniformity about the various labour legislations which are being passed from time to time. Shri Vittal Rao himself pointed out how the question of "workmen" was not clearly defined in the Industrial Disputes Act. So the whole question of "workmen" was left in the hands of the Industrial Tribunal for the purpose of definition. Today the Industrial Disputes Act applies to all those employees who are getting Rs 500 and less. When a particular labour legislation has fixed the maximum for the definition of a workman as Rs 500, what can be any plausible reason or argument advanced for not enhancing this amount of Rs 400 to Rs. 500 in this Bill?

In the course of the discussion, Sir, many hon. Members brought forward the point, how today occupational diseases are ever on the increase. We have not provided for occupational

diseases, and that has not been clarified here. From the amendment of Shri Nanjappa it is clear that he wants certain diseases to be included in this. The amendment which is sought to be made to Schedule I, II and III is not at all satisfactory. We find that the quantum of compensation that has been paid is a paltry sum. I would not go into the details of the quantum of compensation that is sought to be paid even after this amendment. Many speakers have already pointed out how the compensation that a workman is entitled to get as a result of this amendment is not at all commensurate with the expenditure in the case of a permanent or partial disablement.

Sir, suggestions were also made that with modern appliances and development of medical science all possible facilities should be given to the disabled persons. Are we now providing them with artificial limbs, artificial legs and the like? No such provision has been made.

Today, if I am not mistaken, the maximum that a workman is entitled to get on death is Rs 4,500, and for permanent disablement an employee is entitled to get Rs 6,300. With the modern standards, with the cost of living index going up will Rs 4,500 compensate for the death of a man? Will Rs 6,300 compensate for the permanent loss of work for a worker who has been earning as much as Rs. 400.

Having said this, I want again to reiterate the demand of the House that the sooner a comprehensive legislation is brought the better. We were told, when we met in an informal conference the other day, by the Deputy Minister, that the comprehensive legislation is going to come. Let us hear from him now as to when that comprehensive legislation is going to come. We were under the impression that it may come at least during this Budget Session. Are we going to have it at least in the Eighth Session, or at least in the Ninth Session? Let us

have it definitely from the hon. Deputy Minister when, if at all, we are going to have that comprehensive legislation for fixing the compensation for these disabled workmen or those who have met with accidents.

Shri Abid Ali: Sir, if the hon. Member had been present on the day when this Bill was discussed during the first stage, perhaps he would have been saved of the trouble which he has taken just now in mentioning the points which were already discussed on that day.

About a comprehensive legislation, Sir, the word "Comprehensive" is being used very often. The hon. Member said that I stated before the Informal Committee that a comprehensive Bill will be produced soon. I think he is entirely wrongly informed. I never used the word "Comprehensive" there, and there is no intention of bringing any Bill of that character.

Shri Tangamani: The minutes of that particular meeting may be looked into by the hon. Minister.

Shri Abid Ali: There is no question of that, and I again make it clear, as I made clear the other day, that nothing of the kind is in the offing.

Shri Tangamani: We are glad that at least you are certain about it.

Shri Abid Ali: There is nothing of the kind. Whenever this question is discussed, I asked the hon. friends to tell us what further thing is needed. Nobody says that. They only go on complaining that this is an old Act. Therefore, whatever amendments are necessary have been proposed.

Shri Tangamani: Raja Bahadur Gowda gave so many suggestions for a comprehensive Bill. If only you go through them the whole thing will be clear to you; otherwise it will only be a patched up thing.

Mr. Speaker: The hon. Member had his say. Let the hon. Minister reply now. There should not be a running commentary about a suggestion. Hon. Member is a lawyer. Would any District Judge allow such a thing to go on?

Shri Tangamani: What I am submitting is

Mr. Speaker: He may say a hundred things. Hon. Member has to keep quiet.

Shri T. B. Vittal Rao (Khammam): There must be some propriety in the debate.

Mr. Speaker: Let decorum which is normally observed by hon. Members who practise honourable professions be observed here also. Let them not disregard that merely because they are here and they are protected by certain provisions that they can speak anything here.

Shri T. B. Vittal Rao: It applies to everybody, Sir.

Shri Abid Ali: Of course.

With regard to the increasing the limit from Rs 400 to Rs 500, I have already submitted the other day that the matter was examined by the Committee of Actuaries and the report has been received and it is being considered. We hope to bring in an amending Bill here very soon.

About the period of three days, the very fact that stalwarts of the Communist Party in the other House proposed the amendment that it should be 3 days proves that there is some reason for that. As I have submitted earlier, in the ILO convention it is 5 days. And, I think, hon. Members know that it is necessary. Therefore, they also suggested three days, and now, Mr. Vittal Rao says it should be 2 days. At the first reading the House discussed it in detail and I need not take up more time of the House.

With regard to the Bill that is now being considered, it has given sufficient safeguard to the workers. Formerly, during the course of investigation, when the assets were transferred from one employer to another, they were losing the amounts due. Care has already been taken so far as delay is concerned. Workers will get the amounts due to them with the least possible delay. Speedy disposal of cases etc. have all been mentioned here. I should not repeat them now. Therefore, I request this House also to accept the Bill.

Mr. Speaker: The question is.

That the Bill, as amended, be passed.

The motion was adopted.

12-53 hrs.

\*DEMANDS FOR SUPPLEMENTARY GRANTS (GENERAL), 1958-59

Mr. Speaker: The House will now take up the Supplementary Demands for Grants. The time allotted is 3 hours. Most of the hon. Members who have given notice of their cut motions have given notice only this morning.

Shri Supakar (Sambalpur): I have notice three days ago, Sir.

Mr. Speaker: I am not allowing those cut motions which have been received only today.

Shri Mahanty (Dhenkanal): I have given notice, but I find it has not been circulated.

Mr. Speaker: When was it given?

Shri Mahanty: Some three days ago—on Friday. It was relating to the Home Ministry.

Mr. Speaker: Let me see. So far as Shri Tangamani is concerned, he posted them from Madras and they were received only this morning. The

\*Moved with the recommendation of the President.