

LOK SABHA DEBATES

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LOK SABHA

Thursday, August 8, 1974/Sravana 17,
1896 (Saka)

The Lok Sabha met at Eleven of the
Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Integrated Wages-Incomes-Prices Policy

*262. SHRI INDRAJIT GUPTA: Will the Minister of LABOUR be pleased to state:

(a) whether there has been any new thinking on the part of Government regarding an integrated wages-incomes-prices policy;

(b) if so, its main features; and

(c) whether it is Government's intention to freeze wages of industrial labour and Government employees at the existing level?

THE MINISTER OF LABOUR (SHRI RAGHUNATHA REDDY): (a) and (b). The need for a rational integrated wages incomes and prices policy has been well recognised; the evolution of such a policy has continually been engaging Government's attention.

(c) No, Sir.

SHRI INDRAJIT GUPTA: Sir, with your permission, may I remind the hon. Minister that on the 26th of last month, when he was questioned on this subject in the other House, he is

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reported to have said that the Interim Report of the Committee on Wage Policy, known as the Chakravartty Committee, is a secret document and, therefore, he cannot disclose its contents. That is the subject matter of this question. Then, on the 30th Shri Jyotirmoy Bosu in this House produced a document, purporting to be that so-called secret document, and wanted to lay it on the Table of the House. The Chairman, who was in the Chair at that time, did not allow him to lay it on the Table but said that he can hand it over to him and that he will see what can be done about it. The next day, on the 31st, the whole text of that document has been published in extenso in so many newspapers, journals and so on. So, what I would like to know from the hon. Minister is whether that document, which has been published so extensively, is in fact an authentic text of the interim report of the Chakravartty Committee on Wage Policy and, if it is so, what prevents the Government from now laying it on the Table of the House. If it is not authentic, then he should say so.

SHRI RAGHUNATHA REDDY: The report referred to is an interim report submitted by a committee of experts presided over by Shri Chakravartty, and this report is meant mostly for the internal purpose of the Government.

SHRI INDRAJIT GUPTA: What internal purpose?

SHRI RAGHUNATHA REDDY: It is for the purpose of understanding certain problems connected with wages, in terms of profits also, and in pursuance of that report probably certain further investigations has to be undertaken. That is the reason why the

Government felt that it was not necessary to place that report on the Table of the House at this stage and that an appropriate decision can be taken at the appropriate time. With regard to the second part of the question of Shri Gupta that it had been reported by several newspapers in extension, I am not in a position to say anything. I can only vouchsafe for the documents which I place on the Table of the House under my authority.

SHRI INDRAJIT GUPTA: Why should he not be in a position to say whether that published document is authentic or not? In any case, it has become public knowledge and the whole country has read it. Why follow this ostrich in the sand policy? Why can't it be laid on the Table of the House?

SHRI ATAL BIHARI VAJPAJEE: Sir, you should direct the Minister to give a straight reply to the question.

SHRI INDRAJIT GUPTA: Parliament cannot be treated in this manner. What is internal about this? It is published in all newspapers. If it is all that secret, they should not have allowed it to leak out. Now when it is printed in all the papers, why should it not be laid on the Table of the House?

SHRI ATAL BIHARI VAJPAJEE: Is it the contention of the Minister that the publication of the report will not be in the public interest?

MR. SPEAKER: In that case, if some information from some Government file leaks out, you will ask for that file to be laid on the Table.

SHRI ATAL BIHARI VAJPAJEE: Here it is not a file. A committee was appointed by Government and it has submitted an interim report.

SHRI INDRAJIT GUPTA: That interim report has been submitted to the Government and it has been published in all the papers. Why are they treating it as a secret from Parliament?

SHRI ATAL BIHARI VAJPAJEE: Why Parliament alone should be kept in the dark? Everybody knows about it except Members of Parliament.

SHRI BHAGWAT JHA AZAD: While I am not in favour of asking the Minister to lay it on the Table, I think it will be to the advantage of the Government if the Minister says whether what has appeared in the press is true or not.

SHRI S. M. BANERJEE: A copy of the report was given to the Chairman. So, it is a public document. Sir, you should direct the Minister to lay it on the Table.

MR. SPEAKER: There is no question of any ruling. It is for the Minister to say whether he is willing to lay it on the Table or not. I cannot compel him. You have asked him a question. He can reply to it.

श्री अटल बिहारी वाजपेयी : मंत्री मी दय ने यह नही कहा है कि रिपोर्ट को टेबल पर रखना पब्लिक इंटरैस्ट में नही है । सबके धलावा कोई दूसरी बजह नही हो सकती है ।

अध्यक्ष मोहम्मद : यह भी पब्लिक इंटरैस्ट में नही है कि वहा से रिपोर्ट निकल जाए जोकि बसु साहब ले आये थे । यह भी पब्लिक इंटरैस्ट में नही है जैसी चीज आप यहां इस वकन देख रहे है । हर एक का दोस्त किसी न किसी दफतर में तो काम करता ही है और वह ले आता है । अगर निकल गई है रिपोर्ट तो बताइये कि जो हिस्सा निकल गया है वह गलत है या सही है ?

The Minister should be cautious about his file so that nothing comes out of it. Has he read the report in the press?

SHRI RAGHUNATHA REDDY: I may most respectfully submit that this report was meant for an internal purpose of the Government.... (Interruptions).

MR. SPEAKER: Why don't you allow him to answer?

SHRI RAGHUNATHA REDDY: The Government was considering the report at various stages and certain decisions were being taken. One of the decisions based on the report was the appointment of a wages cell. Still, there are so many other matters which are to be considered by the Government before the Government can think of publishing this document at an appropriate time. As far as the present position is concerned, I may request you, Sir, to pardon me if I am not in a position to say anything about this matter

SHRI S. M. BANERJEE: : On a point of order, Sir. (*Interruptions*)

MR. SPEAKER: No point of order. I am not allowing any point of order.

SHRI S. M. BANERJEE: There is a point of order. You cannot deny me to raise a point of order.

MR. SPEAKER: I am not going to allow any point of order. We have been following this practice that no point of order will be raised during the Question Hour. (*Interruptions*)

SHRI INDRAJIT GUPTA: : Any-way, we are in your hands. But the Government's attitude is most reprehensible.

SHRI S. M. BANERJEE: Shame on Mrs. Indira Gandhi. It is after the Railway strike that they have taken this attitude.... (*Interruptions*)

SHRI INDRAJIT GUPTA: We know he has not got the permission from higher quarters to lay it on the Table of the House... (*Interruptions*)

MR. SPEAKER: Order, please.

SHRI INDRAJIT GUPTA: We are proceeding on the assumption that that printed text is a correct one. If not, he is free to deny it....

MR. SPEAKER: I think, his hesitation should be understood.

SHRI INDRAJIT GUPTA: We have understood his hesitation. I am not blaming him.

MR. SPEAKER: When he does not say, it is incorrect, you should have drawn your inference.

SHRI INDRAJIT GUPTA: We have drawn the inference.... (*Interruptions*)

MR. SPEAKER: Mr. Banerjee, do you think by shouting and making so much noise, you can produce anything? (*Interruptions*)

SHRI INDRAJIT GUPTA: Proceeding on the basis of the published document, I would like to know from the hon. Minister, because I presume he has read the report which, I believe, is the same as the published one, whether it is not a fact that this report taken as a whole supplies the entire ideological basis for a policy of wage freeze in so far as it states (a) that the concept which was accepted all these years of a need-based wage policy is being replaced here by a policy of a minimum wage at the poverty level and (b) that the compensation for the increase in the cost of living by way of dearness allowance should be hundred per cent only at the lowest level and should be progressively reduced at the higher levels which means that the real wages of all workers except those at the lowest level will go on decreasing. Thirdly—this is my last point—this report has said that, in order to avoid wages being pushed up, the wage settlement should not be left to collective bargaining between employers and labour but the Government, the State, should intervene and see to it that wages are not pushed up to an undesirably high level.

In view of these factors—and there are many others, but I have no time to go into them I want to know whe-

ther these three major postulates do not amount to an ideological basis for a wage freeze policy all along the line.

SHRI RAGHUNATHA REDDY: As for the evolution of wage policy which my hon. friend has described as an ideological approach to the problem, though I do not agree with him in his description of this as a problem of ideology, I may say with great respect and with your permission that this question of wage policy has been engaging the attention of the Government for a considerable time. In pursuance of this anxiety to find out some methods, first the Reserve Banks Steering Group considered this problem and made their own recommendations. This publication is available for sale. Then the Congress Party manifesto itself refers to this anxiety about wage policy. An exclusive recognition of what might be called a price-and-income policy was given for the first time in the Approach to the Fifth Five-Year Plan document also. Then the Fifth Five-Year Plan also deals with this problem. The interim report of the Chakravarty Committee is one of the offshoots of this approach to the Fifth Five-Year Plan and in that context this report had been prepared and submitted. As I have said, in pursuance of this report, one of the decisions taken was to set up a wage cell in the Ministry of Labour to collect information under several branches and to deal with the various differentials that exist in various public sector undertakings and in the private sector to see whether any meaningful wage policy to correct the distortions that are existing at the present time could be evolved. This was the purpose with which it was done. With respect to some of the questions raised in regard to this particular document, I may say that all these matters will be taken into account; there is nothing very sanctimonious about anything.

SHRI INDRAJIT GUPTA: What happened to my question?

MR. SPEAKER: He has been at pains to cover your question.

SHRI ATAL BIHARI VAJPAYEE: Without success.

SHRI INDRAJIT GUPTA: I wanted to know whether some of the main principles enunciated in this new interim report, even to the extent of saying that the minimum wage should be Rs. 40 at 1972 price level, do not amount to supplying an ideological basis for carrying out a wage freeze policy.

MR. SPEAKER: This, he denies.

SHRI B. V. NAIK: On the basis of the ruling given by the hon. Speaker, we can draw our inference and having drawn the inference, may I know from the hon. Minister if the entire purport of this confidential report is to freeze the wages at the higher income group and to keep the wages flexible or linked up with the price index at the lower income group? Why don't you accept it and admit that it is a good suggestion?

SHRI RAGHUNATHA REDDY: As I have said, the entire question is related to prices, wages, incomes and profits policy. To start with, a wage cell has been set up for the purpose of studying the various wage structures existing in various sectors of industry, both organized and other places. Therefore, the point he has made that with regard to wages, incomes, prices and profits there must be a co-ordinated policy is well recognised.

SHRI B. V. NAIK: The higher income groups being frozen and the lower income groups being kept flexible.

MR. SPEAKER: Everybody is groping in the dark because the document is not there and still everybody is raising the question.

SHRI S. M. BANERJEE: You cannot say that. The document is already there with the Chair.

SHRI INDRAJIT GUPTA: What did the Chairman do with the document? It must be handed over to you. What happened to that? Where has it gone?

MR. SPEAKER: I do not know.

SHRI S. M. BANERJEE: Has that also disappeared?

SHRI N. K. SANGHI: The utopia of a national policy of wages, incomes, prices and profits being far away, I want to know whether at least the Government is considering of any formula for determining the dearness allowances of the Central Government employees as also employees of banks and industries and whether they have any integrated approach to go into the root of the issues so that this particular matter is settled without going to the Labour Court or without resort to strike etc. Have you got any integrated policy for deciding this matter?

SHRI RAGHUNATHA REDDY: It is all part of the integrated policy which the Government may consider.

SHRI SAMAR MUKHERJEE: In the document, the first point mentioned is "to ensure minimum wages need-based on the poverty line in the interests of health and efficiency of the workers." So, the minimum wages should not go down below the poverty line, whereas the Third Pay Commission has put the need-based minimum wage at Rs. 314 at the 1972 level of prices. But, here, this interim report of the Chakravarty Committee is that the minimum wage should be the poverty line. Poverty line means per-head consumption of Rs. 40, multiplied by three.

SHRI S. M. BANERJEE: Is it a report?

SHRI SAMAR MUKHERJEE: Yes.

SHRI S. M. BANERJEE: Sir, he has quoted from a report. The report should be laid on the Table of the House.

SHRI SAMAR MUKHERJEE: So, the recommendation of this committee is that the minimum wage should be Rs. 120 whereas the Third Pay Commission's recommendation is that it should be Rs. 196. So, this is not only wage-freeze but it is a recommendation for further wage cut. This is the policy of the Government. So, will the Minister accept that this is the policy of further wage-cut?

AN HON. MEMBER: It was Mr. Bosu's report, not the Government's.

SHRI S. M. BANERJEE: Now that the document has been read out a second time—once it was shown and now it has been read out by Shri Samar Mukherjee, may I have your guidance? Under the Rules if any document is read in the House, any hon. Member can ask the document to be laid on the Table of the House.

MR. SPEAKER: So far as official documents are concerned, if they are in the name of any Minister or if they are Government documents, they should be laid by them. Why should somebody else be allowed to lay them? You are laying an official document on the Table which is within the authority of the Government to lay. I cannot allow you to lay it on the Table.

SHRI DINEN BHATTACHARYYA: The Minister has admitted that it is an interim report. Whatever report it may be, it should be allowed to be laid on the Table.

MR. SPEAKER: I would advise the Ministers that whenever they appoint Commissions or committees the reports of which they are not prepared to lay on the Table, they should have some code so that the Minister or the Commission may understand.

SHRI INDRAJIT GUPTA: This is a very dangerous precedent.

MR. SPEAKER: Yes, this is a very dangerous precedent. Any document

on their side you, on their behalf, lay it? I cannot accept it. It is upto them. I have already told them that they must be very careful about their documents.

SHRI INDRAJIT GUPTA: Mr. K. D. Malaviya is here. ONGC report was allowed to be laid on the Table.

MR. SPEAKER: If he says that it is correct, I will certainly allow you to quote from it. You can lay your own document, but not on their behalf. Because the Minister does not allow, so you are going to oblige him?

SHRI S. M. BANERJEE: I am not asking the Government..

SHRI INDRAJIT GUPTA: Does that mean that he is justified in withholding from the House?

MR. SPEAKER: It is a matter of opinion.

SHRI SAMAR MUKHERJEE: He was prepared to reply.

SHRI S. M. BANERJEE: What is your ruling Sir?

MR. SPEAKER: My ruling is, you cannot lay on the Table on behalf of the Government their document..

SHRI S. M. BANERJEE: What about the Audit Report? What about the CBI Enquiry Report? What about the report on Biju Patnaik? What about Wanchoo Commission report? You allow all these.

MR. SPEAKER: Order please, don't talk like that....

SHRI S. M. BANERJEE: You may allow Mr. Mukherjee to lay it on the Table of the House. I do not want Government to lay it. Such documents can be laid on the Table of the House. There are several instances like that. I was allowed; Mr. Homi Daji was allowed by your predecessor.

MR. SPEAKER: You can lay your own document, but not on behalf of the Government.

SHRI S. M. BANERJEE: Let him hand it over to you and you may kindly study it and then allow it to be laid.

SHRI RAGHUNATHA REDDY: He has referred to the recommendations of the Pay Commission and also the recommendations of the interim report.

MR. SPEAKER: I do not think it is a confidential document when everything is out, why not lay it on the Table?

SHRI RAGHUNATHA REDDY: With very great respect to Mr. Samar Mukherjee, unless Government takes a view, it is not possible.

MR. SPEAKER: You must keep them in lockers. If they are on your table they are bound to go out. If they have gone out there is no use circumventing.

SHRI RAGHUNATHA REDDY: With great respect, I would say, Sir, unless Government takes all aspects of the recommendation, it is very difficult to say anything on the subject..

SHRI DINEN BHATTACHARYYA: His question was not answered. He asked whether the poverty-line was recommended. That was also asked by Mr. Indrajit Gupta. He has not answered.

MR. SPEAKER: I am sorry, already half-an-hour is over..

SHRI SAMAR MUKHERJEE: I let him explain.

MR. SPEAKER: Explain on what poverty line—from where it ends and from where it starts?

SHRI RAGHUNATHA REDDY: The Pay Commission report has been discussed and it is a public document. They could make any reference. The question is whether we are going to follow the demarcation of poverty-line, that is Rs. 40 according to him...

SHRI INDRAJIT GUPTA: Not according to me, according to them.

SHRI RAGHUNATHA REDDY: They are experienced trade union leaders and they know the procedure how negotiations take place, bipartite and tripartite negotiations, and an objective assessment can be made on the basis of negotiations. And so far as this question of poverty-line is concerned I am not able to start the negotiations and trade union leaders know about it.

Fall in Production of Steel Plants

*263. **SHRI VAYALAR RAVI:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether production in all the steel plants had fallen during the last year as compared to the previous year; and

(b) if so, the reasons therefor and the steps taken by Government to remove the bottlenecks?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL AND MINES (SHRI SUKHDEV PRASAD): (a) and (b). A statement is laid on the Table of the House.

Statement

(a) Yes, Sir. The aggregate production of saleable steel from the five major steel plants in 1973-74 was 4.353 million tonnes as against the production of 4.793 million tonnes in 1972-73.

(b) The production in 1973-74 was affected adversely mainly on account of:—

- (i) Severe power cuts and power interruptions, especially in the

period, April to mid-November, 1973, directly affecting production in all the plants except Bhilai.

(ii) Inadequate availability of coal, again largely due to power cuts and power interruptions during this period, affecting the entire Jharia Coal fields, leading to curtailment in the operation of coal washeries and of coal mines which, in turn, affected steel production in all the plants.

(iii) Intermittent slow down and industrial unrest in Railway, especially in the South Eastern and Eastern Railways, in August, 1973 and thereafter from late November, 1973 onwards, affecting movement of coal and other raw materials and of finished products and necessitating the imposition of drastic cuts on production in keeping with the minimal flow of raw materials

The targets of production for 1974-75 which envisage higher production than that achieved in 1973-74 have been drawn up in consultation with all the appropriate agencies after making an assessment of the requirements and possible supply and availability of power, other essential inputs, rail transport etc. Close and constant liaison is being maintained with these agencies to ensure that production does not suffer on account of shortage in the supply or availability of these requirements.

SHRI VAYALAR RAVI: There is a fall in production of steel due to power failure, non-availability of coal etc. according to the hon. Minister's reply. I am glad to note that you have not blamed the workers of the steel plants. That is a good sign.

I would like to know from him what is the target that has been fixed for the year 1974-75 and what are the