

LOK SABHA DEBATES

LOK SABHA

Friday, December 1, 1995/Agrahayana 10, 1917 (Saka)

*The Lok Sabha met at one minute past
Eleven of the Clock*

[MR. DEPUTY SPEAKER *in the Chair*]

OBITUARY REFERENCE

[English]

MR. DEPUTY-SPEAKER : Hon. Members, I have to inform the House with profound sorrow, of the passing away of one of our former colleagues namely, Shri M. K. Krishnan.

Shri M. K. Krishnan was a Member of Fifth Lok Sabha representing Ponnani Parliamentary constituency of Kerala during 1971-77.

Earlier he had been a member of Kerala Legislative Assembly and had served as a Minister during 1967-69 in the State Council of Ministers.

An active social and political worker, Shri Krishnan was deeply interested in the welfare of down-trodden and weaker sections of the society. He served as President of Edavanakad Panchayat during 1953-62 and Kerala State Kraishak Ihozhilali Union and was Vice President of Cochin Harijan Students Federation during 1945-47.

Shri Krishnan passed away on 14 November, 1995 at the age of 71 years.

We deeply mourn the loss of this friend and I am sure the House will join me in conveying our condolences to the bereaved family.

The House may now stand in silence for a short while as a mark of respect to the deceased.

*(The Members then stood in
silence for a short while.)*

11.03 hrs.

ORAL ANSWERS TO QUESTIONS

[Translation]

Pension Scheme for the EPF Subscribers

*81. SHRI SURENDRA PAL PATHAK :

SHRI RABI RAY :

Will the Minister of Labour be pleased to state :

(a) whether the Government have recently implemented the Pension Scheme for the non-Government sector EPF subscribers ;

(b) if so, the main features of the scheme;

(c) the expenditure likely to be incurred thereon; and

(d) the number of workers likely to be benefited by the scheme?

[English]

THE MINISTER OF LABOUR (SHRI G. VENKAT SWAMY) : (a) Yes, Sir.

(b) to (d). A statement is laid on the table of the House.

STATEMENT

The Government has since framed and notified the Employees' Pension Scheme, 1995 for implementation with effect from 16.11.1995. The Scheme, *inter-alia*, provides for payment of monthly pension in the contingencies of superannuation, retirement, permanent total disablement, death etc. Minimum 10 years contributory service is necessary for being entitled to pension. The pension will be worked out on the basis of average pensionable salary of the last 12 months. The amount of normal superannuation pension with 33 years contributory service will be equivalent to 50/- of the pensionable salary, which includes dearness allowance also. In the cases of the employees who have been members of the family pension scheme, 1971 for 24 for years, the minimum amount of the family pension will be Rs. 50/- per month and the entire accumulations (including employer's share) in the

provident fund upto 15.11.95 would also be refunded to them. Under the scheme, the employees have an option to accept the admissible pension or 10% less pension with return of capital equivalent to 10 times of the original monthly pension.

2. The Scheme is financed by diverting the employer's share of provident fund representing 8.33% of the monthly wage to the pension fund. The Central Government is also contributing to the scheme @ 1.16% of the wage of the employees. The employees are not required to make any contribution to the pension fund. Outflow from the Pension fund in terms of pension disbursements will vary, depending upon the number of members of the fund who superannuate, retire, die, otherwise get separated from employment like by way of retrenchment or voluntary retirement etc. or get incapacitated.

3. The Scheme covers about 19.00 million employees engaged in all the private/public sector units covered under the E.P.F. & M.P. Act, 1952.

[Translation]

SHRI SURENDRA PAL PATHAK : Mr. Deputy Speaker, Sir, it has been reported in the Press that an organisation willing to implement its own Pension Scheme will be free to contribute its share of money to the Provident Fund and retain its contribution by depositing it in New Pension Scheme for disbursement of pension to its own employees. If it is true, then I would like to know from the hon. Minister whether the Central Government will retain the contribution of the workers at the rate of 1.16% of their wages or deposit the same with those private organisations under this scheme? I would also like to know that in the event of closure, due to unavoidable reasons, of the organisation implementing this scheme how can the beneficiaries get their pension?

SHRI G. VENKAT SWAMY : As regards the question put by the hon. Member, there is a lot of confusion prevalent outside the House in connection with Pension Scheme.

SHRI RAM NAIK : This matter has just cropped up in the House.

SHRI G. VENKAT SWAMY : Many hon. Members have asked me. Hence I have said.

[English]

The Pension Scheme has been formulated at the initiative of the Trade Unions. It has been

development and recommended by the Central Board of Trustees of Employees Provident Fund, which is a tripartite body. Government has notified the scheme on the basis of their recommendations.

Sir, this is not a Government scheme. The trade unions wanted to start the pension scheme. That is why the trade union leaders have demanded it and the Board of Trustees which is autonomous, have recommended this pension scheme.

The Pension Scheme is the most important social security measure taken after Independence for employees of the private and public sectors. The scheme will benefit about 19 million workers, a majority of whom are low paid employees and are in the unorganised sector like beedi industry, contract/temporary employees and smaller establishments. The hon. Members must know that more than 80 per cent of the subscribers withdraw amounts from the Provident Fund as advance. Such withdrawals result in very little amount left in their Provident Fund at the time of retirement. In such a situation, monthly pension will provide them a sustained economic stability in old age. Sir, the scheme is effective from 16.11.95. Employees who have been members of the Family Pension Scheme 1971 for 24 years will be entitled to a minimum monthly pension of Rs. 500/-. In addition, the entire Provident fund accumulation (both employer and employees' share) upto 15.11.95 will be refunded to them....(Interruptions) Sir, let them listen to me. Let them give me five minutes' time. I want to completely explain to the hon. Members the details of the scheme.....(Interruptions)

MR. DEPUTY-SPEAKER : It appears, it is a very important matter. Most of the hon. Members want to know the details of the scheme, so, let him finish first.

.....(Interruptions)....

SHRI RAM KAPSE : This is a very important scheme, so I would request the hon. Minister to place it on the Table. The scheme has not been tabled yet.

SHRI G. VENKAT SWAMY : I have already tabled it.

SHRI RAM NAIK : Sir, the hon. Minister is saying that he has already tabled it.

SHRI G. VENKAT SWAMY : I have supplied the information to all the Members.

[Translation]

SHRI RAM NAIK : Why do you want to mislead the House. In today's list of Business, it is proposed to be placed on the table of the House.

SHRI G. VENKAT SWAMY : I have sent an advance information.

SHRI RAM NAIK : It should have been sent earlier.

SHRI G. VENKAT SWAMY : Today, I am placing it on table and the information has been sent in advance.

SHRI RAM NAIK : To whom have you sent?

SHRI G. VENKAT SWAMY : To the hon. Members.(Interruptions)

SHRI RAM NAIK : They send to some hon. Members whereas some others are left. They are making discrimination. I would like to know as to whom it has been sent?(Interruptions)

SHRI BASUDEB ACHARIA : When have you sent.(Interruptions)

SHRI G. VENKAT SWAMY : If you have not received then I am laying it today. You will have the same.

SHRI RAM NAIK : We will get, but in fact you have not send the same to me.

SHRI G. VENKAT SWAMY : In fact I have sent.

SHRI BASUDEB ACHARIA : I have not received.

SHRI G. VENKAT SWAMY : If you have not received then ask Somnath Chatterjeeji.

SHRI BASUDEB ACHARIA : Why should I ask Somnath Chatterjee ji?

SHRI G. VENKAT SWAMY : Gupta ji has also received.

SHRI BASUDEB ACHARIA : I have not received.

SHRI G. VENKAT SWAMY : If none has received it, then I am laying it on the table of the House and you will get it.

[English]

MR. DEPUTY SPEAKER : The hon. Minister is ready to answer all your supplementaries.

[Translation]

SHRI RAM NAIK : You are misleading the House.

SHRI G. VENKAT SWAMY : I am no misleading. I will not furnish wrong information to the Members of the House.(Interruptions)

SHRI BASUDEB ACHARIA : It has not been received.

SHRI G. VENKAT SWAMY : Indrajeet ji has received it. Ask, Shri Somnath Chatterji, he has also received...(Interruptions)

SHRI BASUDEB ACHARIA : Shri Somnath Chatterjee is not present here, so how can we ask him?

[English]

MR. DEPUTY SPEAKER : All right, if you have not received it, he will send it to you.

[Translation]

SHRI G. VENKAT SWAMY : Contact him at his Calcutta residence and ask him.

SHRI BASUDEB ACHARIA : I will have to give him a ring.

[English]

MR. DEPUTY SPEAKER : Yes please. If you want to have any clarification from the hon. Minister, you will get a chance.

[Translation]

SHRI G. VENKAT SWAMY : Today I am laying it on the table of the House. The hon. Members will get it....(Interruptions)

SHRI KALKA DAS. JI : I would like to know as to why I did not receive it, to whom it has been sent and to to whom it was not sent; why it was not sent to those.(Interruption)

[English]

SHRI G. VENKAT SWAMY : Mr. Deputy Speaker, Sir, the scheme is effective from 16.11.1995. The employees who have been members of the Family Pension Scheme 1971 for 24 years will be entitled to a minimum monthly pension of Rs. 500. In addition to that the entire provident fund accumulation (both employer's and employee's share) upto 15.11.1995 will be refunded to them.

[Translation]

There is a misunderstanding that the Government will keep the amount with it. I would like to inform the hon. Members that it is not so. Provident Fund of both, the employer and the employee, will be refunded and besides a pension of Rs. 500 will be released.(Interruptions) With the new calculation the pension amount will increase up Rs. 1500, 2000 and 2500, as per the scale but I would not like to put forth it before the House without making calculation. Besides I would like to inform the hon. Members that gratuity will also be paid. In case a worker dies, his family will receive pension but not from the Deposit Link, Insurance Scheme and Provident fund. His family will get pension from the insurance scheme. I would like to inform you that his family will receive an amount of Rs. 35000 maximum as pension.

[English]

Out of initial corpus of about Rs. 9000 crore, an amount of Rs. 3000 crore is Government's share. But people are saying that there is no Government's share. Not only that, in addition to this, the Government will be contributing about Rs. 300 crore annually for this pension scheme. The remaining amount of Rs. 6000, we have taken from the Provident Fund Scheme. That is recommended by the Board of Trustees. The Government accepted it and implementing it. I do not know why the hon. Members are not appreciating it. This contribution will increase progressively. Every three years, we are going to discuss this scheme regarding the cost of living index and other things. (Interruptions)

[Translation]

SHRI INDRAJIT GUPTA : It has not been linked to the cost of living index.

SHRI G. VENKAT SWAMY : It has not been linked to the Cost of Living Index but D. A. will be paid and it will be reviewed after every three years.

[English]

SHRI NIRMAL KANTI CHATTERJEE : Also you are saying that in future the employer's share of Provident Fund representing 8.33 per cent of the monthly wage would be diverted to Pension Fund. You are saying this in your statement itself....(Interruptions)

[Translation]

SHRI G. VENKAT SWAMY : Just now, you have told that the statement has not been received.

[English]

SHRI NIRMAL KANTI CHATTERJEE : I am reading this from your statement. You divert from the employer's contribution to the Pension Fund. (Interruptions)

SHRI G. VENKAT SWAMY : Yes, only from Employer's Provident Fund and not employees.(Interruptions)

SHRI NIRAML KANTI CHATTERJEE : There are two stages....(Interruptions)

SHRI G. VENKAT SWAMY : I will reply to all the questions that you are having.

The Amount of normal superannuation pension with three years' contributory service will be equivalent to 50 per cent of his pensionable salary (including dearness allowance). Maximum pension can go up to 60 per cent of the pensionable salary with 40 years of service.

[Translation]

The Government servant does not get more than 50 per cent pension of the basic pay excluding dearness allowance but a provision is being made for the workers to pay them a pension upto 60 per cent of the pensionable salary.

[English]

Under the scheme, an employee with 10 years' ... (Interruptions)

[Translation]

SHRI DAU DAYAL JOSHI : Mr. Deputy Speaker sir, it is not a reply, rather a speech.

SHRI G. VENKAT SWAMY : I am explaining the scheme to you and not delivering a speech.

SHRI SURENDRA PAL PATHAK : Mr. Deputy Speaker Sir, the hon. Minister is not replying to my question instead he is making a mention of other things.

[English]

MR. DEPUTY SPEAKER : Shri Surendra Pal Pathak, he will answer to your questions.

[Translation]

SHRI G. VENKAT SWAMY : After making the scheme clear, I will satisfy you fully with my reply.

[English]

Under the scheme, an employee with 10 years' contributory service will be eligible for pension.

[Translation]

With 10 years contributory service one will be eligible for pension.

[English]

In Government, pension is payable only on completion of a minimum of 20 years' service.

Under the Family Pension Scheme of 1971, pension was payable to widow only in the case of death of member while in service.

[Translation]

The dependent is entitled to pension in case the employee dies in service, not otherwise.

[English]

Under the Pension Scheme, widow's pension will be payable irrespective of whether the member dies while in service or after retirement. In addition to widow pension, children have also been made eligible for pension....(Interruptions)

[Translation]

SHRI NITISH KUMAR : Mr. Deputy Speaker Sir, it is the question hour. The hon. Minister can send all the information in writing.

SHRI RAJVEER SINGH : The hon. Minister is not replying to the question, instead he is reading out the declaration.

[English]

SHRI G. VENKAT SWAMY : If you do not want information, then I will sit down....(Interruptions)

[Translation]

SHRI NAWAL KISHORE RAI : The hon. Minister is not replying to the question. The information which should have been given in a written reply is being given a oral reply.

[English]

SHRI G. VENKAT SWAMY : Under the Family Pension Scheme 1971, the amount of widow pension ranged between Rs. 250 and Rs. 1050. Under the Pension Scheme, the widow pension can go up to 100 percent of member's pension.

MR. DEPUTY-SPEAKER : You do one thing. There are also a number of supplementaries. You can cover all those points in the supplementaries. There are some supplementaries which shall have to be answered.

[Translation]

SHRI SURENDRA PAL PATHAK : Mr. Deputy Speaker Sir, he is not replying to the question raised by me.

[English]

SHRI RAM NAIK : Sir, I am on a point of order. My point of order is that already 20 minutes have been wasted. These 20 minutes belong to us for asking question. So now I request you that the Question Hour should be extended as a special case to accommodate waste of this time. Accordingly the Question Hour should be continued up to 12.20. That is my point of order.

MR. DEPUTY-SPEAKER : There is no point of order. There are other supplementaries. You can just ask them.

[Translation]

SHRI SURENDRA PAL PATHAK : Mr. Deputy Speaker Sir, he has not replied to the question raised by me.

[English]

SHRIMATI BASAVA RAJESHWARI : Mr. Deputy-Speaker, Sir, How can there be a point of order during the Question Hour? You cannot allow Point of order during the Question Hour.

MR. DEPUTY-SPEAKER : There is no point of order. I have already told that there is no point of order.

[Translation]

SHRI SURENDRA PAL PATHAK : He has not replied to the question raised by me. I am putting the question once again. It has appeared in the newspapers that in case any institution wants to implement its own pension scheme without remitting its contribution to the Provident fund under the scheme, will that institution be allowed to retain the amount of its contribution with it and pay pension to its employees from its own funds. I would like to know from the hon. Minister whether under this scheme the Government would keep the amount of its contribution @ 1.16 percent of the wages of the employees deposited with them or will that amount be allowed to be deposited with the concerned institution. If due to one or the other reason such institutions as have started their own pension scheme, are closed down....(Interruptions)

[English]

MR. DEPUTY SPEAKER : Mr. Surendra Pal, now you put your supplementary in such a way in the shortest form where you get the answer. You do not read it please.

[Translation]

SHRI SURENDRA PAL PATHAK : I would like to know that in case certain institutions implemented their own pension scheme, will the

Government allow deposition of their contribution of 1.16 per cent with such institutions; and in the event of closure of such institutions how much pension they would get under the pension scheme? I would like to know this much only.

SHRI G. VENKAT SWAMY : The hon. Member wants to know, where the amount will be kept. I would like to inform that it would not be kept with the Government, it would rather remain deposited with the Provident Fund Scheme. The Government has approved the pension scheme. You have made a good proposal. The Government has started this pension scheme by contributing rupees 3 thousands to it. This money will not remain with the Government. The Government has contributed to this scheme....(Interruptions)

[English]

MR. DEPUTY SPEAKER : You need not answer to all the supplementaries at the same time. you please answer only to his question.

(Interruptions)

[Translation]

SHRI G. VENKAT SWAMY : The hon. members of C.P.M. always interrupt. I am replying to the query of an hon. Member. A separate fund has been maintained for this scheme. Rs. 6 thousand crore has been taken from the Provident fund Scheme and Rs. 3 thousand crore is the Government's contribution....(Interruptions)

SHRI SURENDAR PAL PATHAK : Where will this amount be kept? Will the Government keep it with itself.

SHRI G. VENKAT SWAMY : It will be deposited with the scheme drawn by the board of directors.....(Interruptions)

SHRI SURENDRA PAL PATHAK : My question has not been replied to. My another supplementary is.....(Interruptions)

[English]

MR. DEPUTY SPEAKER : No. For the first question a chance was given. For the second question also a chance was given.

[Translation]

SHRI SURENDRA PAL PATHAK : No. I had already asked the question. Mr. Deputy Speaker, Sir....(Interruptions)

[English]

MR. DEPUTY SPEAKER : You are not satisfied.

[Translation]

SHRI SURENDRA PAL PATHAK : I am still not satisfied with the answer. I am asking another supplementary. The Indian Journalists Union and CITU have complained that they were not consulted when the new Pension scheme was formulated. They have objected to the provisions of this Pension Scheme. According to the Indian Journalists Union any deduction from the present benefits of GPF is against natural justice. The union has suggested that the present 10 per cent contribution of both the employees and the employer to the Provident Fund be increased and a separate fund for pension be raised with this surplus money.

I would like to know the response of the Government about it. Had the Government considered this suggestion before launching the new Pension Scheme?

SHRI G. VENKAT SWAMY : Mr. Deputy Speaker, Sir, the Government had held consultations with the members of the Board of Trustees and the representatives of the Trade Unions. This scheme was brought forward after satisfying them all. If talks are to be held with an individual or the hon. Member has noticed some lacunae after the scheme was implemented, then, he can bring these to our notice. The Government is ready to accept any suggestion of the hon. Member regarding the interest of the working class.

SHRI RABI RAI : Mr. Deputy Speaker, Sir, I can understand the eagerness of Venkat Swamy ji in bringing forth the Pension Scheme. It will be better for him to give a specific reply to a specific question. Just now, he said that he brought forward this Pension Scheme after fully listening to the Trade Unions. The Trade Unions generally complain today that after gratuity and Provident Fund, they are not being given the third benefit. What has the hon. Minister to say about it? Secondly, the

employees are given 1.17th share of their pay by the Government and with regard to their contribution, the Trade Unions complain that industry-wise option is granted, on choice, of the contribution made after the Government enforces the Pension scheme and the condition should be of presenting a better scheme. Part 'C' of my question is that the workers can take loan when CPF is in force. They will get less loan amount after the implementation of the Pension Scheme. The hon. Minister himself being a trade union leader knows that unless pension is linked up with price-index, the rising inflation cannot be checked. That way, their standard of living cannot be lifted. The hon. Minister is requested to give a pointwise answer to my these four basic questions.

SHRI G. VENKAT SWAMY : Mr. Deputy Speaker, Sir, I have twice consulted other central trade unions except CITU.....(Interruptions) Please listen to me. After talking to them twice I gathered that the CITU paid emphasis on third benefit. I told them that this scheme was being launched with Rs. 3,000 crores of the Government of India that belonged to 40 percent people living below poverty line. If they are starving(Interruptions) Let me give my reply please. It is not good to put burden on them. Hence, the required loan has been taken from the Government. Barring HMS, BMS, INTUC and CITU, all other central trade unions supported it unanimously. CITU laid emphasis on third benefit. I asked them to start it from West Bengal if they were so much concerned about the workers. Then, the other States will follow suit. Why are they politicising it? The workers got nothing after independence. Why do they create obstructions if we give them Rs. 500. This scheme was launched after the approval of all concerned. What was your second question.....(Interruptions)

SHRI RABI RAY : About cost of living and loan.

SHRI G. VENKAT SWAMY : We have provided a clause in the Board of Trustees that if the cost of living index increases within two years, the Trustees will sit together and review it. In case of any complaint, the workers are vested with the authority and the Government does not come into picture there. About loan, I have fairly said that if we are taking contribution from the management, the workers will get their contribution with interest on retirement alongwith their pension and barring Housing loan they can avail of the benefit of other loans during service.

[English]

MR. DEPUTY SPEAKER : I have allowed half-an-hour discussion for this question.

SHRI HANNAN MOLLAH : A calling Attention Motion on the subject may be admitted.

SHRI SHARAD DIGHE : Mr. Deputy Speaker, Sir, it is the claim of the Labour Minister that the scheme has been initiated by the trade unions and it has also been recommended by the Board of Trustees. Now, in spite of this, there has been a mixed feeling as far as this scheme is concerned and several agitations are being resorted to by several trade unionists. In Bombay also *morchas* have been taken out. They come to our houses also and ask to represent against this scheme.

In view of this, will the Labour Minister think of calling a wider Labour Conference to remove all these confusions and also to remove all the irritants which are there in scheme.

[Translation]

SHRI G. VENKAT SWAMY : My Deputy Speaker, Sir, the hon. Member will excuse me to say that except Shri Datta Samant no other trade union is supporting. According to my information, except CITU, others have opposed the idea of third benefit.

[English]

They are supporting also. The entire Central trade union movement is supporting this scheme, except the unions of M/s. Phillips, M/s. Voltas.

[Translation]

And Mafatlal who have huge assets understand it as they might incur losses. They have come to your house. No other industrial worker came to you and if in the opinion of the hon. Member, he incurs losses, then I will announce here and how that we will give unitwise schemes and if there is a better scheme, we will approve it.

[English]

SHRI INDRAJIT GUPTA : Sir, we have already spent thirty-five minutes on this question without getting much further information and no other Questions are being taken up yet. We, of course,

welcome the introduction of a pension scheme, as a general principle. It is a long standing demand of the trade union movement. So, it is not a question of the general principle. If it were to be introduction of pension that is acceptable. But the scheme, as we understand, is full of many serious defects which require to be amended and looked into and all the trade unions have pointed out these defects. One has been mentioned there that it is not linked with the cost of living index at all. But he says that after some time they will reconsider and review provided the cost of living index goes up. The index is going up and it is not going down.

Secondly, at present, with the existing Employees' State Insurance and Provident Fund Schemes which are in force for many years, one common complaint which is voiced every day is the fact that the employers deduct the contributions from the workers' wages but do not deposit with the authorities. These defaults are running into crores of rupees. That money is not deposited.

Therefore, I am saying that if a similar type of default by the employer takes place and if the employers failed to contribute their share, there should be a contingency fund from which those workers will be given this pension. There is no provision for a contingency fund now.

[Translation]

SHRI G. VENKAT SWAMY : Mr. Deputy Speaker, Sir, the hon. Member has raised the question of defaulter money. We are trying to continue pension by constituting employees contingency fund. They may give their suggestions. The Bill is coming up in this Session. It is reasonable for the working class and the country. On behalf of the Government, I am ready to move the amendment. I will definitely implement this scheme with your consensus.

SHRI RAM NAIK : Mr. Deputy Speaker, Sir, this scheme has been formulated after consulting trade unions. This Bill was introduced in 1993 and is pending in the Standing Committee of Parliament. Why was it brought forward before the submission of Standing committee Report, i.e. without taking Parliament into confidence?.....(Interruptions) Is the Government ready to voluntarily give an option to the workers to opt out of its purview?

SHRI G. VENKAT SWAMY : Mr. Deputy Speaker, Sir, the hon. Member should be aware that it is pending since two and a half years.....(Interruptions) I will give you the date.

[English]

SHRI RAM KAPSE : No. It is not pending with the Standing Committee for two-and-a-half years. Moreover, the Scheme was given to them last week only.

[Translation]

SHRI G. VENKAT SWAMY : I can give the datewise detail.

SHRI RAM KAPSE : Please do give.

SHRI G. VENKAT SWAMY : I would satisfy hon. Members that this Bill was introduced two and a half years ago.

[English]

SHRI RAM KAPSE : It was referred to them only in February, 1995.

[Translation]

SHRI G. VENKAT SWAMY : How much time has passed since its introduction in 1993?

[English]

SHRI RAM KAPSE : The Standing Committee came into existence in 1994.

[Translation]

SHRI G. VENKAT SWAMY : I think it has been referred to the Standing Committee in 1994. I will give the actual date. It is being done because elections are round the corner. The Parliament will be dissolved. Who knows how many of us are re-elected. This is why I hastened. I did it for the benefit of the working class. The hon. members should realise that no provision of the Act restricts promulgation of an Ordinance if it is before the Standing Committee. That is why I tried to pass and implement it in this very session.

SHRI RAM NAIK : What about the voluntary scheme?

SHRI G. VENKAT SWAMY : You said why is not voluntary scheme being implemented?

This was not done because the whole scheme will be withdrawn if there is individual option. As I said in reply to Gupta ji's question for this a unitwise.

[English]

MR. DEPUTY-SPEAKER : Now we shall go on to the next Question....*(Interruptions)*

MR. DEPUTY-SPEAKER : Sorry, Please excuse me. It has taken forty minutes. There are other Questions also.

SHRI BASUDEB ACHARIA : Sir, he has mentioned about CITU. We must get the opportunity to explain our view...*(Interruptions)*

MR. DEPUTY-SPEAKER : You can discuss it with the hon. Minister....*(Interruptions)*

SHRI BASUDEB ACHARIA : We are not totally opposing the Scheme. We have certain suggestions...*(Interruptions)*

MR. DEPUTY-SPEAKER : If there are any loopholes, the hon. Minister is ready to convene a small meeting and discuss it with you all.....*(Interruptions)*

SHRI BASUDEB ACHARIA : Sir, he has mentioned about CITU that CITU is totally opposing this Scheme. We are not totally opposing the Scheme. We have got certain suggestions for the improvement of the Scheme, we must get an opportunity to explain our view...*(Interruptions)*

SHRI BASUDEB ACHARIA : Sir, he has misled about the view of CITU. We must get an opportunity to explain CITU's view....*(Interruptions)*

MR. DEPUTY-SPEAKER : Please hear me.

....*(Interruptions)*....

SHRIMATI MALINI BHATTACHARYA : Sir, we have been misrepresented. We should be allowed to speak....*(Interruptions)*

SHRI BASUDEB ACHARIA : Sir, CITU is totally opposing this. Please allow me to speak. I will take only one minute.

MR. DEPUTY-SPEAKER : There are eleven persons who want to put supplementaries to this Question. I have noted it down. My suggestion is that the hon. Minister will call all the concerned people and discuss this issue and if there are any loopholes he will definitely, with an open heart, be prepared to implement your suggestions.

....*(Interruptions)*....

SHRI BASUDEB ACHARIA : Sir, CITU has some reservations on this scheme. We must bring them to your notice. By this time I could have put before you our view. Please allow me.....(*Interruptions*)

SHRIMATI MALINI BHATTA CHARYA : Sir, please give some time to put our view before the hon. Minister(*Interruption*)

SHRI BASUDEB ACHARIA : Sir, we are not totally opposing this pension scheme. We have certain suggestions. Please allow us to make those suggestions.

MR. DEPUTY-SPEAKER : I am sorry, this is the Question Hour. If you are not satisfied with the replies to the supplementaries you can bring it in some other form where the hon. Minister will explain it properly.

Now I call Shri Haradhan Roy to put Question Number 82. He is not here. Shrimati Geeta Mukherjee may put the question.

.....(*Interruptions*)....

SHRI NIRMAL KANTI CHATTERJEE : Sir, you may consider allowing a half-an-hour discussion on this(*Interruptions*)

SHRI DATTA MEGHE : Sir, I am on a point of order. When you called the next question how can they talk on the previous Question?...(*Interruptions*)

MR. DEPUTY-SPEAKER : Yes, this will be taken up for half-an-hour discussion. Let us proceed with Question Number 82.

SHRI BASUDEB ACHARIA : Thank you Sir, for allowing half-an-hour discussion.

Privatisation of Insurance Sector

*82 SHRI HARADHAN ROY :

SHRIMATI GEETA MUKHERJEE :

Will the Minister of FINANCE be pleased to state

(a) whether the Government have decided to allow private sector to enter into insurance business in the country;

(b) if so, the details thereof alongwith the reasons therefor; and

(c) the present status of the recommendations of the Malhotra Committee on the Insurance sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) No, Sir.

(b) Does not arise.

(c) As a first step in reform of the insurance sector the Government has decided to set up an Insurance Regulatory Authority. No final view has been taken on the other recommendations of the Malhotra Committee Report.

SHRIMATI GEETA MUKHERJEE : Mr. Deputy Speaker, Sir, in reply to the question whether the Government have decided to allow the private sector to enter into the insurance business in the country, the hon. Minister has said : No; and in reply to next part of the question about the reasons he said : 'Does not arise.'

My question is that despite the same thing being said on the floor of the House several times, is it not a fact that the hon. Minister of Finance, Dr. Manmohan Singh, who is sitting here, recently spoke in Singapore that the insurance business would be made open to the private sector? He is here. He may reply.

The MINISTER OF FINANCE (SHRI MANMOHAN SINGH) : Sir, I was referring to various suggestions and recommendations of the Malhotra Committee and this is one of the suggestions before the Government. I have repeatedly stated on the floor of the House and outside that we are not going to rush through this matter. We will evolve a broad national consensus and in any case the private sector cannot be brought into insurance industry unless we amend the present Insurance Nationalisation Act. Therefore, nothing will be done without the consent of this House.

SHRIMATI GEETA MUKHERJEE : Sir, in the answer it is said that there would be a regulatory body - Insurance Regulatory Authority. May I know what will be the function of this Authority? We have a fear that through this Authority, the Government, from the back-door, wants to bring the private sector into this insurance business which is giving us so much of revenue.