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Title: Introduction of the Pension Fund Regulatory and Development Authority Bill, 2005.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, I beg to move for leave to introduce a Bill to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

MR. SPEAKER: Motion moved:

"That leave be granted to introduce a Bill to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto."

...(Interruptions)

SHRI VARKALA RADHAKRISHNAN (CHIRAYINKIL): Sir, we have given a notice to oppose this. ...(Interruptions)

MR. SPEAKER: I will come to that. The Minister has just sat down.

Now, Shri Varkala Radhakrishnan. It cannot be just to say that you do not like Ordinance. That is no ground for opposition.

SHRI VARKALA RADHAKRISHNAN : I am coming to that.

Sir, I oppose the motion for leave to introduce this Bill, mainly on two Constitutional grounds. Article 311 provides for service conditions of Government employees and the present Bill is a deviation from that Article. Mr. Speaker may kindly note that this Bill is being introduced in connection with the new pension scheme.

* Published in the Gazettee of India, Extraordinary, Part-II, Section-2, dated 21.3.05.

This new pension scheme or this system came into operation on 01.01.2004. The Government had 15 months' time for bringing forward this Bill. That could have been brought forward during that period, which they did not.

MR. SPEAKER: I am sorry. It is becoming a total violation of the rules. Nobody bothers about the rules.

SHRI VARKALA RADHAKRISHNAN : Please allow me to place it before the House.

MR. SPEAKER: I know what it is. Please wait for just a second.

We have specifically amended the rules providing that in such cases, specific grounds for objection had to be mentioned in the notice. Your notice says that you do not like the Ordinance and why should it be in the form of Ordinance. Already it is established that it has to deal with the Constitutional issues. This is violated every day.

SHRI VARKALA RADHAKRISHNAN : This is a Bill to replace the Ordinance. The Ordinance was promulgated under Article 123 of the Constitution.

MR. SPEAKER: Thank you!

SHRI VARKALA RADHAKRISHNAN : Here is a violation of that provision because Article 123 is explicitly clear that whenever there is an emergent situation, an immediate action is required; and in that circumstance, an Ordinance is allowable.

Here, the position is that it was in existence for more than 15 months. The Government would also admit that they have issued a notification in early December 2003. This provision came into existence on 01.01.2004. Now, after a lapse of so many months, the Government is issuing an Ordinance in violation of the provision of Article 123 of the Constitution, which is very clear, as I said earlier.

MR. SPEAKER: It is enough!

SHRI VARKALA RADHAKRISHNAN : That is the most important thing. Moreover, I would like to inform the House that the provision of Article 311 of the Constitution is there.

MR. SPEAKER: How can the introduction of a Bill be wrong? Kindly listen to me. How can the introduction of a Bill be opposed on that ground?

SHRI VARKALA RADHAKRISHNAN : I oppose the introduction because it is a violation of Article 123.

MR. SPEAKER: It is rejected.

SHRI VARKALA RADHAKRISHNAN : That is my position. It is a violation of Article 123.

MR. SPEAKER: The Bill is not brought forward under Article 123.

SHRI VARKALA RADHAKRISHNAN : Article 123 says that if the President is satisfied, he could take immediate action. But that 'immediate action' was taken long before. Hon. Speaker, we should not presume the House to be impotent. The issuance of Ordinance is something like 'artificial insemination'. The law should be enacted in this House. So, it is in violation of Article 123 of the Constitution.

MR. SPEAKER: I think, you should move for deletion of Article 123 of the Constitution!

Now, Shri Basu Deb Acharia.

SHRI BASU DEB ACHARIA (BANKURA): Sir, I oppose the introduction of the Pension Fund Regulatory Development Authority Bill. I oppose it on constitutional, legislative as well as on moral grounds[R16].

ସ୍ପିକର ଶ୍ରୀ ବସୁ ଦେବ ଅଚାର୍ଯ୍ୟ : ସିର୍, ଇନ୍ଦିଆନ୍ ପେନସନ୍ ଫଣ୍ଡ ରେଗୁଲେଟରୀ ଡେଭଲପମେଣ୍ଟ ଅଥୋରିଟି ବିଲ୍ ପ୍ରତି ମୋର ବିରୋଧ ଇତିହାସିକ, ବିଧାନସଭା ଏବଂ ମୌଳିକ ମୂଲ୍ୟବୋଧ ଉପରେ ଅଟେ ?

MR. SPEAKER: Constitutional morality.

SHRI BASU DEB ACHARIA : Sir, the Ordinance was promulgated and the new scheme was started from 1.1.04. A Regulator was also appointed. What was the urgency of bringing an Ordinance and thereby replacing the Ordinance by legislation? The enactment of this law will affect lakhs and lakhs of employees of our country who are contributing to it. The interests of not only those who are in the new scheme but also those who are in the old scheme, will be affected. The other employees also will follow later on. Money will be invested in the share market....(*Interruptions*)

MR. SPEAKER: You are going into the merits of the Bill. I am sorry.

SHRI BASU DEB ACHARIA : Lakhs and lakhs of our employees will be affected. This is the only social security that is today available to the employees of our country and that has also been, by enacting this law, withdrawn. That is why we are opposing this Bill at the introductory stage.

KUMARI MAMATA BANERJEE (CALCUTTA SOUTH): Sir, I associate myself with what Shri Basu Deba Acharia has just now said. Pension fund should not go to the share market because we have to protect the interests of the employees.

MR. SPEAKER: I have not called her. However, it is being recorded.

May I take this opportunity, with your kind permission, to make some observations? I am not against allowing anything to be raised here but it has to be within the rules. Rule 72 is very clear. Shri Radhakrishnan knows it very well. Had he been in the Chair he would not have allowed all these. The Rule says:

" If motion is opposed on the ground that the Bill initiates legislation outside the legislative competence of the House. "

None of the hon. Members has mentioned that. It again says:

" Notice to oppose introduction of a Bill shall be – shall be – given by 10.00 hours on the day on which the motion for leave to introduce the Bill is included in the List of Business. "

In the notice the Members shall specify clearly and precisely the objections to be raised. I have got two notices and nothing has been mentioned except that they want to oppose the introduction. I, therefore, cannot admit them. Shri Gurudas Dasgupta had come and met me.

SHRI GURUDAS DASGUPTA (PANSKURA): With your kind indulgence, may I submit, Sir?

MR. SPEAKER: Yes, you may submit.

SHRI GURUDAS DASGUPTA : Sir, today I have given the notice late because my plane was late. On many occasions you have allowed hon. Members from that side to raise issues in the House which are not in consistent with the rules.

MR. SPEAKER: Please do not refer to it. References are not necessary, Shri Dasgupta. Do not make such comparisons. I do not appreciate it. However, you may say that today because of non-functioning of the Ministry of Shri Praful Patel, you had come late.

SHRI GURUDAS DASGUPTA : I stand corrected.

MR. SPEAKER: I will allow you if your objection is on the question of legislative competence. It may not be treated as precedent. Please be brief.

SHRI GURUDAS DASGUPTA : Sir, I am opposing lock, stock and barrel to the Ordinance because it is a total misuse of the Ordinance. Since the scheme came into force on 1st January, 2004, the hon. Finance Minister would have come straight to the House with the Bill. The scheme was already in place. A Regulator was also in place. What was the hurry to issue the Ordinance? It is a total misuse of the Government power. I am opposing it.

SHRI BASU DEB ACHARIA : It may be referred to the Standing Committee.

SHRI GURUDAS DASGUPTA : I am opposing it because the Bill is an open backdoor policy. Hon. Minister is playing his cards close to his chest. He is talking about the Regulator but he is not saying that he will be allowing money to go to the stock market^[R17]. He has his love for the stock market. He is going to the stock market. The interest of the workers will be affected. In the name of protecting the interest of all the private sector employees, I oppose it tooth and nail...*(Interruptions)*

MR. SPEAKER: All right. Contrary to the rules, I have allowed you.

PROF. VIJAY KUMAR MALHOTRA (SOUTH DELHI): On the admissibilityâ€¦. *

MR. SPEAKER: Nothing will be recorded. With all humility, I have not called you. You are a knowledgeable person. Had you given one notice that would have been sufficient. I have allowed him only because his plane was late.

PROF. VIJAY KUMAR MALHOTRA : Sir, I am only saying that there was no need for this Ordinance.

MR. SPEAKER: Mr. Minister, do you want to say something?

SHRI P. CHIDAMBARAM: Sir, this Ordinance and this Bill are within the legislative competence of Parliament. On the merits of the Bill, I have had discussion and I will continue to discuss it. We can debate it when the discussion takes place on the Bill. I would respectfully urge the hon. Members to state whatever objections they have got to the content of the Bill when the Bill is discussed. I will make every effort to satisfy them. Many of these apprehensions are without basis....*(Interruptions)*

MR. SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto."

The motion was adopted.

SHRI BASU DEB ACHARIA : Sir, we are totally against the introduction of this Bill. Therefore, we are walking out in protest.

* Not Recorded.

12.21 hrs.

*(At this stage, Shri Basu Deb Acharia and some other
hon. Members left the House.)*

SHRI GURUDAS DASGUPTA : Sir, this is totally going against the United Front's Common Minimum Programme. We oppose it. We shall vote against this. I call upon everybody to join us in voting out this Bill. We are walking out in protest...*(Interruptions)*

12.22 hrs.

(At this stage, Shri Gurudas Dasgupta and some other

hon. Members left the House.)

...(Interruptions)

MR. SPEAKER: Leave is granted. The Minister may now introduce the Bill.

SHRI P. CHIDAMBARAM: Sir, I introduce * the Bill.
