

17.27 hrs.

STATEMENT RE. ASSAULT ON THE  
PRIME MINISTER IN COLOMBO—

*Contd.*

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): Mr. Speaker Sir, I rise to make a statement on the incident which happened in Colombo at about 10.20 this morning.

As part of the official programme, the Prime Minister was scheduled to review the Guard of Honour at the farewell ceremony. Special precautions, as agreed to between the two Governments, had been implemented. The review guard was in two rows. In accordance with the schedule, the P.M. reviewed only the front row. Towards the end of the review, after P.M. had passed one of the Naval guards, the said guard lifted his rifle and in one swing motion hit the P.M. with the butt of the rifle. The rifle butt hit the P.M. on the left shoulder and grazed his head. Instantaneously, the Personal Security Officer, who was only two paces behind, pounced on the naval guard and threw him to the ground and pinned him down. The naval guard's rifle also fell to the ground. The Commander of the guard of honour, who was immediately behind the P.M., also threw himself on the naval guard.

Sensing the unusual movement, P.M. had moved forward very quickly and turned around. SPG's close protection team, which was just to the right side of the Personal Security Officer, immediately surrounded the P.M. and gave him full body cover. All other security personnel of the SPG carried out their respective duties. P.M. was escorted quickly to the special enclosure where President Jayawardene, Mrs. Jayawardene and Mrs. Sonia Gandhi were standing. He bid goodbye to President

Jayawardene and Mrs. Jayawardene and walked a few steps to his car. The ceremonial drive to the heliped was completed.

The Sri Lankan security personnel immediately took charge of the naval guard and removed him to custody. No other member of the Guard of Honour made any unusual movement, nor were the arrangements for the ceremony disturbed in any other way.

Since the sole assailant had been immobilized instantaneously, there was no need to resort to any other action.

I am sure that the whole House will join me in expressing our relief and happiness that the Prime Minister is safe and is back amidst us.

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17.30 hrs.

PAYMENT OF GRATUITY (AMENDMENT) BILL

[*English*]

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): Sir, I beg to move:

"That the Bill further to amend the Payment of Gratuity Act, 1972, as passed by Rajya Sabha, be taken into consideration."

As the Hon. Members will be aware, the Payment of Gratuity Act, 1972 provides for a scheme for payment of gratuity to the employees employed in factories, mines, plantations, oil fields, ports, railway companies, shops and certain other establishments and for matters connected therewith. The payment of gratuity under the Act is, however, at present restricted to the employees drawing wages not exceeding Rs. 1600/- per month.

Under the Act, the gratuity is payable in the event of superannuation, retirement or resignation from service subject to completion of five years service. The condition of five years service does not, however, apply in cases of termination of employment due to death or disablement. The employees in the non-seasonal establishments are entitled to gratuity at the rate of 15 days' wages for every completed year of service or part thereof in excess of six months, while the employees in seasonal establishments are entitled to 7 days' wages for each season. The payment of gratuity is further subject to a ceiling of 20 months' wages.

The Labour Minister's Conference held in 1980 and 1982 had recommended *inter-alia* that the time limit for payment of gratuity might be prescribed in the Act itself and that there should be a suitable provision for recovery of interest in cases where the payment of gratuity is delayed. The trade unions have been representing for suitable enhancement in the wage limit for coverage and the ceiling for payment of gratuity. The trade unions have also been demanding the setting up of a fund for payment of gratuity. The question of funding of gratuity was considered by a Group of Labour Ministers and the Indian Labour Conference held in November, 1985 and they had recommended introduction of a suitable provision for compulsory insurance of employers liability with the LIC or setting up of a Gratuity Trust Fund under the Income Tax Act. for ensuring the payment of gratuity.

The various suggestions/recommendations have been considered and it is now proposed to carry out certain amendments in the Act. Some of the more important proposals for amendments are:—

- (i) The wage limit for coverage under the Act is being raised from Rs. 1600/- to Rs. 2500/-

per month. An enabling provision is also being made for raising the wage limit for coverage by a notification, from time to time.

- (ii) The existing ceiling of 20 month's wages for payment of gratuity is being replaced by a monetary ceiling of Rs. 50,000/-
- (iii) Provision is being made for payment of gratuity within 30 days from the date it falls due. If the gratuity is not paid within the prescribed time limit, the employer shall be liable to pay simple interest at a specified rate.
- (iv) Provision is also being made for compulsory insurance of employers' liability to pay gratuity under the Act or in the alternative for the setting up of a Gratuity Trust Fund under the Income Tax Act in relation to establishments employing 500 or more persons.

These are in short, some of the more important amendments proposed through this Bill. I hope the Members will welcome the proposed amendments, which are of non-controversial nature. With these words, I commend the Bill for the consideration of the House.

MR. SPEAKER: Motion moved:

"That the Bill further to amend the Payment of Gratuity Act, 1972, as passed by Rajya Sabha, be taken into consideration".

17.35 hrs.

STATEMENT RE: INDO-SRI LANKA  
AGREEMENT

[English]

THE PRIME MINISTER (SHRI RAJIV GANDHI): Mr. Speaker, Sir, I have just