

[Shri Jyotirmoy Bosu]

With the present trend of rectification of snags of this nature, which was invariably recorded as 'not confirmed on ground' the pilots may not have reported, but this snag and behaviour of this aircraft should have been viewed seriously.

On 15-11-1978 this aircraft while operating the flight No. 409 the pilot had reported some snag on 'trimming' the aircraft, as of taking substantial amount of rudder during take off roll and also after being airborne, a reasonable amount of aileron trip, to keep the aircraft straight and finally the aircraft flew with control column wheel, 10 units to left to keep the wings level. This was observed during four take-offs and still the aircraft was sent on a scheduled flight from Calcutta hardly taking any cognisance of the recorded defects which is totally against precautions that are taken for safety purposes. In spite of this warning, this aircraft was put on service, as a result at least three persons have died and scores of others have just narrowly escaped death. Since the Air Safety Manager is already in docks only a public judicial inquiry could reveal the truth.

14:40 hrs.

#### PAYMENT OF BONUS (AMENDMENT) BILL—Contd.

MR. DEPUTY-SPEAKER : Now we take up further consideration of the following motion moved by Shri Ravindra Varma on the 19th December, 1978, namely :—

"That the Bill to amend the Payment of Bonus (Amendment) Act, 1977, be taken into consideration."

PROF. P. G. MAVALANKAR (Gandhinagar) : Mr. Deputy-Speaker, Sir, yesterday afternoon, before the resumed debate on the Privilege Committee's Third Report began, I just said that I welcomed the Janata Government's decision to continue giving bonus to the workers. But the problem needs to be looked into not from the point of view of giving bonus as such but from the point of view of going into in some depth. We all know that the concept of bonus is far from having any uniformity on the concept and there are different points of view and different degrees of emphasis in terms of definitions of what is bonus and so on. But all said and done, two things emerge from it very clearly. One is that the bonus has now come to stay in this country and secondly, the workers, whether they are in the public sector

or private sector, have come to believe that, this is a part of their right. Now, if it is so, then there is no question of voluntary payments. It has already come to be a statutory obligation and when there is a statutory obligation, I want to suggest why should at least this Government now not take quick steps, serious steps and also considered steps to see to it that what has become an established fact also gets a proper regularised treatment in terms of law? I think that that will be done by the Government. Only then they will be able to get rid of this annual habit of having an ordinance and then replacing it by an Act, by the Parliament. Everytime Government says to the workers that there is a festival season and therefore we are going to give you bonus. First they bring an ordinance and then a Bill; and then again after one year they bring another ordinance to give bonus and again there is a Bill on this issue. How long will this kind of exercise go on? Therefore, my point is that bonus has come to be an established fact and let us view it from the larger angle. It is known to the House that the Supreme Court had taken a very different position in 1955. In 1955, the Supreme Court made the following significant observation : "The claim for bonus can be made by the employees only if, as a result of the joint contribution of capital and labour, the industrial concern has earned profits. If, in any particular year, the working of the industrial concern has resulted in a loss, there is no basis nor justification for a demand for bonus. Bonus is not a deferred wage, because if it were so, it would necessarily rank for precedence before dividends." That was the decision of the Supreme Court in 1955. But much water has flowed under the bridge since then. Now, as late as November 16, 1978, the Supreme Court had stated very clearly that the bonus is a deferred wage and so bonus is accepted and the Supreme Court has also said that the particular Section in the Act is completely in tune with the requirements of the Constitution and of the tenets of justice and fair play. I quote the Supreme Court's latest decision of 16th November 1978. They say :

"We are satisfied that the obligation imposed by the Bonus Act in compelling an employer to pay statutory minimum bonus even if it suffers a loss is reasonable or in the public interest within the meaning of Articles 19 and 302 of the Constitution."

So, the latest position of the Supreme Court is very clear, and it has strengthened the hands of the trade unions and others. Mr. Sathe is also, I believe, a labour and trade union leader. I do not know why he was not as sorry as some of us were, when his Government, during Emergency,

wrongly and unfortunately took away the rights of the workers for bonus. Fortunately, that bonus was restored to them by the Janata Government in 1977, and again in 1977-78, saying that even if they had no allocable surplus, an 8.3% bonus should be given. (Interruption)

SHRI VASANT SATHE (AKOLA) :  
For your information, I had in fact spoken against it even then.

PROF. P. G. MAVALANKAR :  
I am glad he had spoken against it. But when it came to voting, he did not vote against it. The Janata Government should see to it that this *ad hoc*ism on its part in terms of legislating on the question of bonus is dropped. They must come to a definite point of view and incorporate that point of view in the legislation. I am glad that the Minister said yesterday that Government are going into the matter. Things will happen but I want them to happen more quickly, and more seriously because otherwise the whole agitation for bonus might get wider-spread and broad-based. Sometimes even where bonus is not due, it is being asked for, because asking for bonus has become a routine or regular habit. In order to do away with it, I suggest that in the matter of bonus, whether it is a deferred wage, a profit-sharing or it is linked to productivity—perhaps all the 3 are correct ; or none of them is correct, or it may even be that some more things can be said—Government should put it in such a way that bonus becomes something which is a matter of a well-earned right of the employees. For that, the attitude of the Government must be more-pro-employee, rather than pro-employer. My feeling is that the attitude of the Government has been by and large pro-employer. This must go.

The Railway Minister is sitting here, of course in connection with the next item of business; but I would utilize this opportunity to say that the workers who are in the public sector, some of them, are getting bonus. What about bonus to employees in Railways, P&T., the Ordnance factories and other units in Government ? They should also get the same rights in respect of bonus. You cannot dismiss the point, by saying that too many people will then be involved and so, you cannot agree to it. If it is true with a thousand employees or 1 lakh employees, it should be true with 5 lakhs or 10 lakhs of employees. The principle is the same. The burden is no doubt increasing, but if Government is pro-labour and pro-bonus. I think that the Socialist Minister Mr Dandavate will see to it that some effort is made to give bonus to Railwaymen as also to P&T employees and others.

I do not know why the Bonus Commission has not taken enough pains to go into this question in detail. I also do not know why the Bhoothalingam Committee did not go fully into this question under Chapter 8 of their report, entitled "Bonus".

But all said and done, it seems to me that more and more confusion and lack of clarity is there rather than more clarity and more firm view on this question. Therefore, I want to conclude by suggesting that if bonus is a deferred wage, as it is said, let Government's deferred decision on this question not be there all the time. Let them take a decision once for all and decide on a particular, logical, rational, just base as to what they want to do, so that workers would know it, employers would know it, and the Government would know it. There should be, once for all, a final decision, and no more unnecessary demand will take place in this country. I would suggest that the Government must not only discuss it in a tripartite conference—Government employers and employees—but also ensure setting up of the proper machinery to go into this question so that people who are working in various units and factories get their legitimate due ; and this business of issuing an ordinance every year before the festival season starts and when the festival season is over, replacing it by a Bill will not be there. This is my request and this is my appeal.

DR. BIJOY MONDAL (BANKURA) :  
Mr. Deputy Speaker, the role of labour in economic development of the nation is very very important. I think our Government has also realised this importance of the labour as a principal instrument for achieving the targets of plans and economic progress.

If we want more production, we must give incentives to the labour in the form of bonus or in the form of labour wage. If there is more production, then there is more employment in the country. It means there will be more investment, more employment and more productivity. The way of improving productivity is to give incentives to the workers. In this system, the worker gets some interest in his output and it is, at present also linked with the bonus. The bonus paid may be taken into account on this factor also.

In this connection, I would like to mention that labour in our country is not satisfied with the performance of the previous government. In this connect on you can see the bank employees, electricity workers, bidi workers and many other industrial workers. They are not satisfied and that is why they are continuously going on strike. We see that there is

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labour unrest in different parts of our country.

So, I urge upon the Government that they should consider this problem as a whole and evolve a national policy—I should say in the words of my colleague, Prof. Mavalankar—a national labour policy by which it become really beneficial to the labour, and not in a piecemeal manner like bringing it year by year. Even now we find that due to certain technicalities, many of our workers who were discharged during emergency have not been reinstated. Their cases have to be considered also. If we do not consider it and if we fail in this, then the progress of the country will be hampered, interest of the nation will also be hampered and there will be stagnation in our economy. Though I support the Bill, I urge upon the Government to take note of these things and take steps so that workers are not deprived of their dues which they deserve.

SHRIMATI PARVATHI KRISHNAN: (COIMBATORE) : Mr. Deputy Chairman, Sir, ...

MR. DEPUTY-SPEAKER : I never saw you in the Rajya Sabha.

PROF. P. G. MAVALANKAR : Sir, wants to go to the other House.

SHRIMATI PARVATHI KRISHNAN : It is a slip of the tongue; it happens like that sometimes.

There are two days in the year when we have to congratulate the Ministers and we wish him well. One day we do it without any reservation whatsoever, and that is on the 18th of April. But on the day when he brings his annual performance of an amendment of the, Payment of Bonus Act, then we have to congratulate him with reservation. This is happening every year—one day in the year without reservation, whole-heartedly and very warmly, and the next with reservation. (Interruptions) Mr. Dandavate, we can withstand any agitation, because we are usually in the right.

Therefore, I welcome this Bill. Anyway, the point is, as far as this Bill is concerned, while I appreciate what is in the Bill, I am very very sorry for what is not in the Bill. It is hoped that the Labour Minister, at least at this late hour, would fulfil the commitment that is there in his election manifesto, namely, that bonus is a deferred wage. Why not make it a permanent feature of the statute book? But that is not done. Again, we are having only *ad hoc* decisions from year to year.

Again, with regard to the ceiling on bonus, The Minister has stated in the Statement of object and Reasons in the second para :

“Considering the almost unanimous demand of the working class that the Payment of Bonus Act should be amended to provide for payment of a minimum bonus . . .”

The Minister is now becoming very responsive to the unanimous demand of the working class. A unanimous demand was there from the working class at a convention on the 19th of November, followed by a workers' march to the Parliament House on the 20th of November, and the Minister has assured them that he is calling all the national trade union organisations to discuss the Industrial Relations Bill with them—. He has stated that he has brought this Bill on bonus on account of the near-unanimous demand of the working class. Then what happens to the near-unanimous demand that the ceiling on bonus should be removed? Why should he not have included that? Because, that is also a unanimous demand here in this House also, except for one Member who spoke yesterday, betraying the election manifesto, on the basis of which he has been elected to Parliament; I am referring to Dr. Ramji Singh. Here is this House also everybody has talked about bonus being deferred wage and bonus for railway, P&T employees and defence workers. . . (Interruptions) Shri Balbir Singh, we all know what he reminds us of. There is an age old saying : red rag to the bull. Shri Balbir Singh insists on the new sayings : red turban to the opposition.

SHRI RAVINDRA VARMA : On the Bull ?

SHRIMATI PARVATHI KRISHNAN : To the bull. You are literate enough, Mr. Minister, though, may be, politically you are not so literate

Coming back to the question of bonus for P&T and defence employees, the other day, on Saturday, the Minister who is interested in the welfare of women, particularly of working women, had organised a Conference, rather his Ministry organised a conference, which was very graciously presided over by Shrimati Renuka Devi. And there we discussed the question of the interests of working women. Therefore, when I speak about bonus for the P&T workers, remember that I am speaking on behalf of those thousands of telephone operators—whose work incidentally would be so much more efficient if there were fewer men in the telephone department. Those who are working there day and night are denied bonus. So, where is your interest in the welfare of working class women ?

Secondly, when we ask for the removal of the ceiling on bonus, remember that in the drug industry in this country there is a very large complement of women who are working, and the drug industry is on record as earning perhaps the highest profit of any industry in the country. And these women are being denied more than 20 per cent bonus because of the lack of intelligent approach of the previous Government. When they brought the Bonus Act, they used it for putting a ceiling on bonus, which is being unanimously opposed by every section of the working class. That is why we have been demanding that you should remove the ceiling on bonus.

Lastly, we have been demanding that we should have the right of inspecting the accounts. Already yesterday many Members have spoken on that. We know very well, and the Minister also knows, that as far as the accounts are concerned, a lot of cheating of the working class on the one hand and of the Government and the exchequer on the other takes place. Therefore, we are demanding inspection of accounts because we have seen it again and again. If you look back to the last few years, you will find that every time it looked as though bonus was going to be declared, immediately the balance-sheet shows a particular rate of profit. The moment bonus is declared, immediately the balance-sheet changes overnight, and the profit goes down. We have seen it in Lakshmi Mills, Coimbatore, Indian Aluminium in the South, we have seen it in many concerns, particularly in the cement industry. Then, what happens? As soon as this happens, a new balance-sheet comes and suddenly the workers who have been under the impression by the earlier balance-sheet that they are going to get at least 20 per cent if not more through hard bargaining, find that it has gone down to the minimum. In 1975, during the emergency, the balance-sheet showed that the workers were entitled to 20 per cent. Then, in Lakshmi Mills, which is one of the 75 monopoly houses, particularly, as soon as the minimum bonus of 4 per cent was declared, suddenly they found that the profits had gone down.

Sir, Mr. Kanwarlal Gupta's back may be very handsome, but I do not think he has the right to stand between the Minister and the Member who is speaking. He is a senior Member of Parliament but he is continually a breaker of the rules of procedure and decorum of the House. Again and again I have seen him doing it. I wish Mr. Kanwarlal Gupta, you will stop doing this kind of thing.

**SHRI KANWAR LAL GUPTA (Delhi Sadar):** I relish your objection madam.

**SHRIMATI PARVATHI KRISHNAN:** He may have charm in his face, but he arrogates to himself sometimes a sense of superiority, and I want to show that arrogation is something that he is not entitled to.

15.00 hrs.

**SHRI KANWAR LAL GUPTA:** You are losing your temper unnecessarily.

**SHRIMATI PARVATHI KRISHNAN:** I am not losing my temper.

**SHRI KANWAR LAL GUPTA:** What has happened to you? Are you in a proper mood? I do not know.

**SHRIMATI PARVATHI KRISHNAN:** I am sorry that you do not know. I can give you only reasons but not understanding.

In conclusion, I would appeal to the Minister, while we are lending him support in passing this Bill, because we are interested in safeguarding the bonus of the workers for this year, that he should as early as possible bring forward a comprehensive Bonus Bill for all sections of the working class. I want to stress that I do not want the side-tracking of the issue. We have had enough of it from Mrs. Gandhi and we do not want to hear it again and again from this Government also. Therefore, we want bonus for ALL sections of the working class and the removal of the ceiling and also the right to inspect the accounts of all companies by the working class.

**SHRI B. K. NAIR (Mavelikara):** Mr. Deputy Speaker, this is the second time that we are faced with a situation where we have to pass this Bill. The Ordinance is there. That can be sustained only by a measure of this kind. What does it result in? Every year, the festivals come, the agitation starts. The agitation starts in areas where the festivals are celebrated. There are agitations by the workers in Kerala on the eve of Onam, in West Bengal, on the eve of Pooja. The result is, only after the discontent is created, some go-slows are started, some strikes are resorted to, the unwilling Government comes forward with this sort of a measure. It is high time that the Government took up the matter seriously and brought forward a comprehensive Bill, incorporating many of the suggestions that I may be making.

15.02 hrs.

[**DR. SUSHILA NAYAR** in the Chair]

The Government now takes the stand that it is upholding the rights of the working class. The Janata Party declared before

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the 1977 Elections that 8.33% bonus would be made a part and parcel of the workers' rights, as a matter of deferred wage. Even though the Janata Party came to power in March 1977, you will remember, Madam, that upto September 1977 there was no declaration of bonus or the acceptance of the workers' right to bonus. Till then, the haggling went on. An offer was made that they would start with zero per cent in losing concerns, 2% in some concerns with marginal profit, then 4%, 6% and 8% some sort of graded rates. But when this was rejected, ultimately, the Government was forced to give the minimum bonus. In fact you will remember that the Kerala Government decided unilaterally that without the permission of the Central Government, they are going to declare 8.33% bonus; ultimately, on the 16th September, 1977, the unwilling Government was forced to this situation. In fact, the Kerala Government was supported by the West Bengal Government which declared that since *poor* was approaching, there was no escape for them but to offer bonus to the workmen. Squeezed by the State Governments, the Central Government came to this decision. The unwillingness on the part of the Government to offer bonus can be observed even now. Till September, they waited. It is taking a pretty long time to amend the Act and to bring forward a comprehensive legislation. Again an Ordinance was issued. This Bill is before us. I would appeal to the Minister to give serious thought to the problem of amending this Act and introducing a comprehensive legislation removing all the lacuna and providing for payment of bonus to all sections of the working class.

The first point on which the Act is to be amended and is to be seriously taken up is to widen the scope of the payment of bonus. There has been a talk by responsible persons and even by Ministers to pay bonus to railwaymen, P&T and Defence people. It has been said, recently, at Indore by a responsible Minister that all these workmen are entitled to bonus. But since it would entail a burden of about Rs. 600 crores on the exchequer, it will take some more time. That is how he explained it. The Railway Minister came forward with a suggestion that since the railwaymen have already got some benefit amounting to about Rs. 120 crores or so they should not press for bonus at the moment but that it will be considered at some time in the future. At the same time, he cautioned them that the railwaymen cannot be isolated in the scheme of bonus. Since a heavy burden will be cast on the exchequer. But these excuses will not

prevail in the long run. I would appeal to the Labour Minister and the Cabinet to take a decision on this issue because it is a fundamental matter. The Cabinet should take a decision on it. I would request the hon. Minister to come forward with a comprehensive Bill at an early date.

There are other points also to be considered. The first one is to widen the scope of the Bill. It is not only a question of including the railwaymen, P&T and Defence employees. The responsibility is not going to stop there. If you pay bonus to the railwaymen, naturally, the Rail Bhavan people will also be entitled. So many others will come in. Ultimately, we will come to a situation where 13 months' salary will have to be paid to employees for working for 12 months. That is what is going to happen. That is a situation which we cannot escape. It is not only that these industries are to be covered but I would like the small-scale Industries and the cottage industry also to be included. We are limiting the scope of bonus to certain industries employing a certain number of people. We are now going to develop the countryside by introducing small-scale industries and cottage industry. It has become a national policy to widen the scope of industrialisation by resorting to small-scale industries and village and cottage industries. How can we prevent these people from getting entitled to bonus?

After all, they are not even getting the minimum wages. Their wages are not protected by any legislation, not even by the Minimum Wages Act. So, there should be no restriction in the matter of giving bonus to the small-scale industries, the village industries and the cottage industry. All the small-scale industries, the village and cottage industries and even the khadi industry should be covered by the Bonus Act. It should be a part of the national wage policy.

The maximum limit of 20 per cent has been imposed. We know how various companies and industries which are in a prosperous condition go to the extent of paying much more than 20 per cent bonus even now. But they have resort to certain other methods and subterfuges. They will call it by other names, like, present, donation, loans not to be repaid, *ex gratia* payment, etc. So, this limit of 20 per cent is being violated even now. Where is the sanctity of maintaining 20 per cent? Don't put any maximum limit. Let the employers who are reasonable enough, let the industries which are in a prosperous condition, pay more amount of bonus. The absolute limit of 20 per cent should be done away with.

Then, there is also the minimum limit. I am not talking of 8.33 per cent. That is guaranteed. But there is another limit of Rs. 100/-8.33 per cent is supposed to correspond to Rs. 100. That means a month's wage. Are there any organised industries, any units, in the country where the wage is only Rs. 100 a month? Is there any industry worth the name where the wages are Rs. 100 a month? Even a municipal worker gets over Rs. 300/- a month as wages. The Bhoothalingam Committee has recommended Rs. 100 as a minimum wage. That is forming a limit for the minimum bonus. I think, the Bhoothalingam Committee's ghost is still haunting the corridors of the Labour Ministry even though its report has been buried deep long ago. They have taken the stand apparently on that.

So, this Rs. 100/- should be done away with and I feel the limit can be raised to at least Rs. 150/- per month. So, that is in regard to the maximum and minimum.

Madam, I feel there is time enough. Now it is only December and again the agony is likely to come up only in September. But I think the Ministry should wake up at least now so as to be able to present a complete Bill before Parliament at least in the Budget Session. There is time enough to prepare a Bill. The Minister has convened a conference of the Trade Union leaders. Let him come forward with a Bill so that, before the festival season starts, the Bill will be already enacted into law and he won't have to face this sort of *fait accompli* situation coming up and a sort of bonanza being offered. Let me appeal to the Minister to come forward with a comprehensive Bill.

**SHRI CHITTA BASU (Barasat):** The Statement of Objects and Reasons of the Bill itself says that it is the object of the Government to maintain *status quo* which existed in the year 1977. Here, exactly, I have got something to say.

If it is the policy of the Government, with regard to labour, to maintain *status quo*, then I have to say, with all humility, that it is a dangerous policy of the Government of the Janata Party. So far as the mood of the working classes of our country is concerned, I think the Hon. Railway Minister—a former Trade Union leader—is quite well aware of the fact that the mood of the working class in India is not for *Status quo*. The use my one words, it is to break the *status quo* and make democracy advance. (Interruption). Therefore, my first important comment is that if the object of the Bill is merely to maintain *status quo*, it is all the more provocative to me—and when I say 'me' it is not 'me' but the working class outside.

Now, coming to the bonus itself, Madam, you will agree with me that the concept of bonus has undergone a radical change during the last quarter of the century. While it was earlier recognised to be merely a gift of the employer, it has now been accepted as a statutory right. But still there is a certain issue which raises a controversy. The controversy is whether bonus is to be linked up with the question of production and productivity. This is the real point in the controversy that still exists today. I think he will agree with me and all the Janata Party Members will agree with me, along with you, Madam, that the Janata Party has made it clear in its electoral promises that the question of bonus will no longer be a question of controversy and it has to be accepted as a concept of deferred wage. Again I find that the policy of the Janata Government is the *status quo* policy, following the footsteps of the erstwhile regime. The previous Government had committed a much more dangerous thing; it was, I think, the 1975 or 1976 Bonus Amendment Act—it was the mischief of the Emergency—which knocked down the very basis of the concept of bonus as deferred wage. At least, as a concept, bonus is to be recognised as a help to the worker in order to narrow down the gap between this actual wage received and the living wage to be given. At least that was the accepted principle following several rulings of the Supreme Court of our country. The greatest mischief that the erstwhile regime committed was to knock it down. The workers were deprived of the very concept of the bonus, even on the basis of the Supreme Court ruling. I do not want to take much time of the House. But on of the electoral promises of the Janata Party is to undo the mischief of the Emergency. The provision which I have mentioned in the Payment of Bonus Act also falls within the ambit of the Emergency regime. Now two years have elapsed. That mischief done to the working class during the Emergency has not yet been undone. And this effort on the part of the Government to have an *ad hoc* allotment or clinging to the policy of *status quo* is nothing but perpetuating the Emergency mischief. I would, therefore, ask the Government to fulfil their electoral promise and accept the principle of bonus as a deferred wage and bring a suitable legislation in a comprehensive manner, so that the electoral promise of the Janata Party to the working class can be fulfilled.

I have only one more point to add. Even before the Act of 1965, the question regarding broadening the scope of the Payment of Bonus Act was raised. Earlier the competitive public sector units were under the purview of the Bonus Act, although bonus was being paid by

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way of *ex-gratia* payment. The question was to extend it also to non-competitive units of the public sector industry and the departmental-run industries like the Railways and the P&T. Now, when I speak of a comprehensive Bill, we expect that not only the Emergency mischief would be undone in the new legislation, in that comprehensive legislation, but this demand, the universal demand, of the working class for the extended coverage of the Bonus Act to include all public sector units and departmental-run units, particularly the P&T and the Railways would also form part of this new comprehensive Bill. He is one of the members, as far as I remember, of the Ministerial Committee to decide upon the issue of extension of bonus to the P&T and the Railways and all other departmental-run organizations. I am glad that the former trade union leader, now the Minister of Industries, Comrade George Fernandes, is also in that Committee.....

AN HON. MEMBER : He is the Chairman of that Committee.

SHRI CHITTA BASU : I stand corrected: He is the Chairman of that Committee. Why are we taking so much of time to decide on this issue of providing a legal and statutory right to the employees of the P & T and the Railways to have bonus ? Sir, if you will allow me to quote, I will only quote the opinion expressed by the Labour Minister in 1971 when of course he was not in Government. Also it was said on 26th March 1971 and I quote:

"On 26th March, 1971, in the Rajya Sabha the Union Labour Minister, Shri R.K. Khadilkar is reported to have said that the proposed to bring suitable legislation in due course to include the non-competitive public sector undertakings within the purview of the payment of Bonus Act. A similar pronouncement was made by the Minister on 1st July, 1971 in the Lok Sabha stating that fresh legislation would be brought before Parliament by which the entire public sector would be brought under the purview of the Bonus Act."

Therefore, it is not the demand of to-day. The Labour Minister in July 1971 had to make this pronouncement in that House and in this House also. That means—I mention this to prove it—the demand is for coverage of the Bonus Act to the departmentally run industry and public sector undertakings. It has already assumed a universal character. It has been very well displayed on 20th November by the entire working class people

of our country and irrespective of the political affiliation, the working class expressed in strong determination to undo the mischief which is going to be inflicted upon them in the shape of the Industrial Relations Bill. But that note reflects the entire working-class which Government should take note of.

SHRI PURNANARAYAN SINHA (Tezpur) : Madam, Chairman, I rise to to appreciate the steps taken by the hon. Minister for Labour to introduce a Bill to cover the ordinance issued for the restoration of bonus to the workmen. But, I feel that such a piecemeal legislation is only a filling-up of gaps though the national duty towards the working class people should not be neglected.

Ever since the Bill came up before the House, the Minister in a meeting of the Consultative Committee made an announcement that we would, within a period of three months, discuss about bonus which is a national issue for the working-class people of the country.

From the workmen's point of view bonus has been accepted to be a part of the deferred wage which is linked with the idea of the distribution of wealth. The management makes money but they are giving a very paltry sum after deduction of all their expenses as allocable surplus to be distributed as bonus to the workmen. Even though a unit makes profit yet the workmen are denied their bonus. One unit is linked with another losing unit of the same concern and in the process due bonus is denied. So, when bonus has been accepted as deferred wage then Government should be able to bring forward a comprehensive Bill on payment of bonus to workmen and not like this way. Even when the question of bonus came up after the emergency was over, Government should have been able to bring forward a comprehensive Bill covering all aspects.

We know that within nine months of the close of the year a company is to declare bonus and thereafter distribute it. In Eastern India—why only Eastern India practically all over India—Durga Pooja has become the main celebration when the bonus question always comes up and there are disputes everywhere. It is hardly without agitation and giving notices of strike that the workmen get bonus. Even after this Ordinance the right of workmen to get bonus is being challenged and the cases are pending before the Labour Courts and Tribunals for ascertaining the quantum of bonus. There should be a law to the effect that within four months of the close of the year the management are to declare the quantum of bonus and after the balance sheet etc. is examined by the recognised



trade union the question of bonus is decided within two months. There should be a comprehensive Bill for this purpose.

At the same time when we accept the principle that bonus is deferred wage why do you deny bonus to the people who are working in the P&T, Railways and others who have been clamouring for it? We find different statements coming on this question of bonus. Somewhere some minister says that question of bonus will be decided within the next three to four months and at some other place another minister says that the sub-committee of the Cabinet will decide whether to pay and how much to pay to the Railway workers etc. When it has been decided that bonus is deferred wage, then why deny it to one section of the workers? So, I request the hon'ble Minister that in the ensuring recess period we must have the draft of the Bill covering all aspects of bonus. We expect a comprehensive bonus Bill removing the constraints in the earlier Bill and the difficulties created subsequently. I hope in the coming budget Session we will pass the new bonus Bill. So, madam, I conclude by saying that Railway and P&T workers should also be given bonus and these workers must get bonus before the close of the financial year and even earlier, if possible. With these words, I support the Bill.

SHRI SARAT KAR (Cuttack): Madam Chairman, I rise to support the Bill. There is nothing much to debate on this Bill. We know it seeks only to replace the ordinance. I only have to congratulate the hon. Minister and our Government that they have stuck to their commitments made. As you know, and as has been discussed already, during the emergency, not only the political rights were snatched away, but even the right to get bonus was snatched away. So, it is not a very easy thing that we get this now. Let us not take it easy. It is easier said than done. In respect of ceilings and other things, the demands are going on. I don't defend that everything has been done in this Bill. I also support the views of Mr. Mavalankar that there should be a national policy and I also support Mr. Chitta Basu's and Mr. Purunanarayan Sinha's opinion that there should not be any adhocism. Some thoughts can be given. Some concrete shape can be given. That is all right. But it is easier said than done. It is very difficult to do it because we have to analyse every section of opinion. We have to take all the points into consideration concerning the interests of the industry. We have to look to the economic and financial picture of the country and also the demands of the labour. It should be full gone into. All these things have to be

looked at from a balanced point of view. A balanced approach is necessary. It cannot be done overnight. Therefore, from one standpoint alone, you should not judge this thing. I don't have to give any offhand suggestion because it requires special expertise, and also deep consideration of opinion from all sections of the people. It is the unanimous demand of all sections of workers that they should get the minimum bonus. As we know, sometimes this does not happen and the industrialists do not do it. In small industry also sometimes the capitalists and the union leaders differ and they don't give this. I also find this. The Government servants have a secured service. They have the leave and gratuity benefits. They have all sorts of such benefits. The workers are usually being denied these benefits. Therefore this Government is convinced. It was our commitment that there should be at least a minimum of 8.33 per cent bonus. That was restored. I congratulate the Janata Government for that. They have restored not only the political democracy but at least some sort of distribution of wealth in a very very small way. But it is also economic democracy that has been given. So it is also a great achievement.

It has been argued by some people that it only restored the *status quo*. But you know, even this restoring of the *status quo* was an almost impossible task. The country was going in a different direction altogether. We are just reversing the gear. It has only started. The process of history is just being started. I know, we cannot do everything overnight and that too, in a democratic way, in a democratic manner and that too, when the Janata Party is facing all sorts of criticisms and also sometimes physical violence. But any way, my point is this. After replacing this Ordinance by a Bill, I request the hon. Minister and the Janata Government to look into all these suggestions which I have mentioned. There is of course the Industrial Relations Bill which is before a Joint Committee. So, all these things will have to be taken into consideration.

Just one point I wish to mention before I close my views on the debate. It is a usual thing that we get aid from various foreign countries. We ask for loan for the development of our industry. With regard to USSR and China, their political colours may be different. But there are countries which are helping other countries with some other political colour or political opinion because they find some development, some growth, in that other country. Our country is usually criticised for our industrial progress. Sometime, I know Shrimati Indira Gandhi once justified during the emergency, the abolition of the right to strike and all that.



[Shri Sarat Kar]

I don't want the rights of labour unions and workers to be curbed in any way. When you speak of national wealth, we should look to the interests of labour as well as the state of the industry. Because, that also comes in the question of national wealth. Simply saying off-hand that you should give bonus in the name of bonus or raising the ceiling from 20 per cent to something else is absolutely no justice.

There is an old story in the Dasakumara Charitra of the old days. In a Kingdom, water, sugar, salt and gold—everything—was available at one price but that kingdom ultimately faced crisis. Sometimes we have to think about it. Minimum of 8.33 per cent is justified. When you increase it you have to link it with something like the incentive bonus. People have said "Work for that". People have said "You should earn that." You should not create a situation whereby there will be unending rivalry between the unions. This should not happen. You should not create a situation where the industry cannot be run. Otherwise there will be every day threat and demonstration for higher wages. So all these things have to be balanced. Ceiling can be crossed on some conditions. It is said, whether there are losses or something else, there should be minimum bonus. We are trying for workers getting the minimum, bread, minimum financial right, minimum political right. Here also minimum bonus should be equal for everybody. Nobody should escape that. Those things should be considered. Those incentives should be given. You should reward those who are disciplined, who add to the national productivity. Those who produce and add to the national wealth must be considered. During one of my tours to West Germany, I talked to the workmen there and asked their views on the 'go-slow and strikes'. They said that by slowing down their work, the national wealth would also get slowed down and therefore they would not like to do that. That much conscience should be aroused among our workers also while paying bonus or any other incentives. I am also a trade unionist and also a representative of the workers in a limited manner. But still as a citizen of this country, as a responsible Member of this House, I also feel that the interests of the workers should be balanced with the interests of the nation. We must take everything together and it should be the national policy. The national policy should be so framed that it protects the interests of the labour as well as the nation. I congratulate the Minister for bringing forward a legislation to replace the Ordinance.

THE MINISTER OF PARLIAMENTARY AND LABOUR (SHRI RAVINDRA VARMA): Madam Chairman, I am deeply grateful to the hon. Members who participated in the debate and welcomed the Bill. My hon. friend comrade Parvathi Krishnan, though her name is neither similar to nor rhymes with that of Ben. Adem "led all the rest" in congratulating me for two things. Madam, I will not be wrong if I say that I do not deserve congratulations for either. She said that I deserved unreserved congratulations on the 18th April. She is very well aware that there is nothing to congratulate me on that day, for the achievement of that day, and the other day she said was "the day on which I introduce this Bill every year and according to her, I earn her congratulations with the reservations".

Now, Madam, as far as the content of this Bill is concerned and the objective of this Bill is concerned, there is no difference of opinion in this House. But quite a few points have been made, and quite a few considerations have been urged mainly to impress on the Government the need to have a comprehensive legislation on the question of bonus. Many hon. Members said that the Government was giving evidence of *ad hocism*, and the Government was introducing piecemeal legislation. My hon. friend, comrade Chitta Basu, is well aware of the difference between *ad hocism* and *status quoism*, and I do not have to argue with him to prove that there is an element of progress in this Bill inasmuch as it restores whatever was taken away and therefore if there is an element of the restoration of the *status quo*, then it is an element of the restoration of the *status quo ante* Emergency and therefore it does mark a step forward. Now, Madam, my hon. friend, the Railway Minister, who is well versed in Lenin, whom Shrimati Parvathi Krishnan will regard not only as literate, but also politically literate, points out that one step backward may be a prelude to two steps forward. In any case the point that was urged before the House was that the Government should introduce a comprehensive legislation on the question of bonus. On this there are no two opinions. The Government has stated in this House and outside that it wants to bring forward a legislation which does not expose itself to the charge of *ad hocism*. Now, Madam, the main criticisms about the current situation were the usual criticisms that we hear. When I say usual, I do not mean to use the word in my derogatory sense. It is because we are familiar with these arguments that I refer to them as 'usual'. It is not because the arguments do not have weight, it is not because we do not think that some of them are very validly made, but because they are

made often that I say they are usual arguments. These arguments referred to questions of (1) coverage, (2) the quantum of bonus, (3) the ceiling that has been imposed in the present legislation on bonus and (4) other matters like the right to inspect accounts and the like of which some hon. Members referred.

As far as the question of coverage is concerned, it is well known to the hon. House that we have never taken the view that the bonus legislation should classify; inasmuch as there is justification for the institution of bonus which is claimed to be a deferred wage or believed to be a deferred wage, there is a strong case to argue that the benefit of a deferred wage or the benefit of the bonus legislation must be available to many others who are not covered by the legislation.

Some hon. Members did argue that bonus should be treated as a pay for the 13th month. If it becomes universally applicable, then it does take on the character of pay for a 13th month, whether you call it a deferred wage or something else. I do not think it is necessary to enter into the history of bonus legislation in this country, or into the various definitions that held the field in different quarters from time to time; but I want to say that the Government is seized of this question.

While referring to this question, hon. Members did mention the fact that today the workers in the Railways, P&T, Defence establishments and many other undertakings do not have the benefit of the bonus. Hon. Members will recall that when we introduced a similar Bill last time, we did tell the House that we are committed to an examination of the need for the kind of coverage that we can introduce in this legislation, or in a similar legislation. In conformity with and in pursuance of this statement that we made in the House, efforts have been made and are continuing to be made. A study has been made of the implications of the extension of coverage and of the manner in which the benefits which the bonus legislation confers on different sections, can be extended to other sections. As the House knows, a cabinet Committee is studying this question.

It may well be said, as my distinguished friend Shrimati Ahilya Rangnekar said the other day with much force in her well-argued and forceful speech, that nearly 2 years are over, and the Government has not come forward with a comprehensive legislation on this question. I must tell her that we do realize that 2 years are nearly over; and it is incumbent on us, and necessary for us as soon as possible to bring forward a comprehensive legislation on this question. I can assure her

that efforts are being made in this direction, so that we may not take more time, which hon. Members may like to describe as inordinate delay.

Then, the question of quantum was raised. My friend Mr. Ravi, who is not here, suggested that the quantum should be raised from 8.33 per cent to 10 per cent or more. This again, I respectfully submit, is not a new suggestion. Even in the Bonus Review Committee, there was a suggestion that the minimum should be 15 per cent. One member of the Committee did suggest that it should be 15 per cent. (Interruptions)

SHRI M. RAM GOPAL REDDY (Nizamabad): Then the whole budget of the Government of India will go towards bonus.

SHRI RAVINDRA VARMA: The question before us today, as some hon. Members have pointed out, is how to ensure that a minimum of 8.33 per cent is available to everybody.

At the moment, therefore, they are more concerned with extending coverage and ensuring this benefit or similar benefit for all, rather than increasing the quantum nominally. Therefore, it will be legitimate and right to argue that at this moment our attention must be devoted more to the extension of coverage than to increasing the quantum of the compulsory minimum bonus.

(Interruptions)

Everybody can argue for himself. The hon. Member is arguing for himself.

THE MINISTER OF RAILWAYS (PROF. MADHU DANDAVATE): Only sugar magnates are excluded.

SHRI RAVINDRA VARMA: It was pointed out that profit is increasing in many undertakings. My hon. comrade Shrimati Ahilya Rangnekar as well as some other friends like my good friend Mr. Krishna Murthy, who spoke in his eloquent and chaste Tamil, pointed out to the fact that in the case of many undertakings, profits are increasing. In spite of the fact that some undertakings are earning 100 per cent or more profit, the workers are not in a position to claim more than 20 per cent bonus. This was the argument that the hon. Member gave, and other hon. Members repeated in support of what he said. This is the same as the argument related to the imposition of a ceiling and the necessity for the removal of ceiling.

SHRI K. KRISHNAMURTHY (Dharmapuri): When the production was at 80% the workers were getting 20% bonus, when the production is at 120%

[Shri K. Krishnamurthy]

the workers were declared only minimum 8.33% bonus. Why this is happening? This is my contention. This has happened in India Cements Ltd.

SHRI RAVINDRA VARMA : I thought I was referring to the something. There is provision today, as the hon. Member knows, for formulae, for agreements on bonus on the basis of productivity and profit. But we are here primarily concerned with the question of a compulsory, statutory, minimum bonus. Apart from this the question of ceiling, which the hon. Member raised is very important, undoubtedly, but I tried to point out last-time that the question of ceiling is related to the question of flooring. My hon. friend, comrade, Shrimati Parvathi Krishnan, who was in her characteristic mood of lantern today argued against a ceiling. I know that some people would like to have the canopy of the sky for their roof; but there is perhaps something to say, in favour of a ceiling when one is concerned with the use of that ceiling to ensure a flooring. This question of whether there should be a ceiling at all is also a matter that is related to the economic viability of undertakings and that again is a matter which should be gone into while taking a decision on the amendments, on the kind of amendments that must be made to the existing bonus legislation.

My hon. friend, Comrade Mithya Rangnekar referred to the question of high wage islands. That is a very very popular phrase these days, and I am not therefore surprised that my hon. friend fell a victim to the popular phrase. But I would like to point out to her—since she comes from an island herself—that no island can exist if it is not higher than the sea level. One can understand the anxiety about high wage islands and one can understand the anxiety that the argument or the plea about high wage islands should not affect the demand for an increase in wages which is consistent with the economic viability of the undertakings. In fact, my hon. friend is aware that recently, a few months ago, at a meeting that was held with the central trade union organisations, it was agreed by the Finance Ministry and the Administrative Ministries that a machinery would be set up to ensure constant consultation between the Finance Ministry and the Bureau of Public Enterprises on the one hand and the central trade unions on the other so that....

SHRIMATI PARVATHI KRISHNAN : One question.

SHRI RAVINDRA VARMA : Could I complete this sentence or should it be punctuated by you?

MR. CHAIRMAN : Let him finish and then you can ask any question.

SHRI RAVINDRA VARMA : Madam, if you do not want me to yield to the hon. Member, I will gladly decline to yield.

SHRIMATI PARVATHI KRISHNAN : You complete the sentence.

SHRI RAVINDRA VARMA : I cannot go back to the same sentence. I shall try to repeat the idea, but it may not be possible for me to repeat the sentence. I said I had a meeting with the Central trade union organisations, where it was agreed that a machinery would be set up for continuing consultations with them, to enable the Bureau of Public Enterprises and the Finance Ministry to have the benefit of the wisdom and the views of the central trade union organisations in formulating the guidelines in relation to the demand for increase in wages and dearness allowance in public sector undertakings. Now the sentence is complete.

SHRIMATI PARVATHI KRISHNAN : May I seek a clarification from the Minister? Mr. Minister, I presume that you are referring to the meeting that was held on the 26th of June, when you requested the trade unions to call off the one day token strike. The major demand of that strike, if you remember, was the withdrawal of the guidelines which the Bureau of Public Enterprises had issued.

SHRI RAVINDRA VARMA : No.

SHRIMATI PARVATHI KRISHNAN : You look at the strike notice. At that time you said that new guidelines would be drawn up, in which case, you maintained, that the old guidelines would not stand in the way of negotiations. But the letter of the Finance Ministry of September, 1977 reiterated the old guidelines which the trade unions have brought to your notice and also rejected. Therefore, when is your machinery going to come up? What about the *bona fides* when the same guidelines continue to operate and stand in the way of wage negotiations?

MR. CHAIRMAN : Now let the Minister complete his speech before interrupting him.

SHRIMATI PARVATHI KRISHNAN : I only asked for a clarification.

MR. CHAIRMAN : Afterwards, when he has completed his speech.

SHRIMATI PARVATHI KRISHNAN : When he comes to bonus.

SHRI RAVINDRA VARMA : My hon. friend is right when she refers to a particular

date. She seems to be an expert, as far as dates are concerned. I do not propose to profit from this expertise, however. But she was not quite correct when she said that the demand was for the withdrawal of the guidelines. The demand was for creating conditions in which collective bargaining would be meaningful and uninhibited. That was the crux of the demand.

SHRIMATI PARVATHI KRISHNAN : That is your interruption.

SHRI RAVINDRA VARMA : That was the crux of the demand, and it was pointed out that since the guidelines impose certain restrictions on the freedom of the management in public sector undertakings to enter into negotiations and collective bargaining with the representatives of trade unions, it was necessary to ensure that these inhibiting factors were either removed or the guidelines were formulated in consultation with the central trade union organisations.

SHRIMATI PARVATHI KRISHNAN : Pending consultation, withdrawal.

SHRI RAVINDRA VARMA : I am sure that my hon. friend when she goes back and refreshes her mind in the evening, after the efforts of the day, will agree with me that this was the crux of the demand. Now that crux of the demand was met in the negotiations, and that is why the Central trade union organisations decided to withdraw or call off the strike.

The hon. Member then said that the guidelines have been repeated.

SHRIMATI PARVATHI KRISHNAN : Reiterated.

SHRI RAVINDRA VARMA : Yes, or reiterated. I am not quite sure whether she is right in saying this, because I know for certain that the Finance Ministry has drawn the attention of the undertakings concerned to the fact, one that the guidelines which had been circulated earlier did not constitute any bar on negotiations and, two, that a meeting of this kind was held where it was agreed that there would be a consultation in the formulation of guidelines for the future.

SHRIMATI PARVATHI KRISHNAN : Please refer to the letter of September.

SHRIMATI AHILYA P. RANGNEKAR (Bombay-North Central) : In the case of a Balmir Laurie there was an agreement, but it was not honoured by the Bureau of Public Enterprises. They said : we cannot do anything about it. You can ask Shri Bahuguna, who is the Minister.

SHRI RAVINDRA VARMA : I shall certainly ask him.

MR. CHAIRMAN : Now may I request hon. Members not to interrupt the Minister ? Let him complete his speech.

SHRIMATI AHILYA P. RANGNEKAR : We are refreshing his memory.

SHRI RAVINDRA VARMA : When two hon. lady Members are at me in this fashion, though I do need your protection in one sense, I do like to deal with the questions that they pose. I can only say that there should be a distinction drawn between the question of policy, and individual cases where hon. Members feel that the policy has not been carried out. First I explained the position as far as the policy was concerned. As far as individual cases are concerned where they feel that a lapse of policy has taken place, I shall take up the matter.

SHRIMATI PARVATHI KRISHNAN : You will "examine" the matter.

SHRI RAVINDRA VARMA : I shall not only examine the matter, but I shall take up the matter with the Minister concerned.

SHRIMATI PARVATHI KRISHNAN : Again and again we hear that the matter will be examined.

SHRI RAVINDRA VARMA : I thought the hon. Member would rather like me to examine the matter rather than reject it out of hand. So, I am examining it as a prelude to action. The literate may accept things without examination, but the illiterate are more clever.

SHRIMATI PARVATHI KRISHNAN : The shoe pinches, that is why you go on repeating yourself.

SHRI RAVINDRA VARMA : The hon. Member should know where the shoe pinches in either case.

I think I have dealt with most of the main points that were raised. I shall only deal with two more. One is the question of the right to inspect accounts. I had stated earlier too that this is a right which we accept, which has been incorporated in the Bill which has been introduced in this House.

My good friend Shri Ramamurthi suggested that a high power committee should be set up. At the moment, a high power committee of the Cabinet is studying this question, and after that it is felt necessary, certainly his suggestion can be considered.

[Shri Ravindra Varma]

Comrade Ahilya Rangnekar also referred to bidi workers. Unfortunately or fortunately, I think, I have an opportunity now to refresh her memory, and I would like to tell her that the bidi workers are covered by the Act in respect of establishments where 20 or more workers are working.

SHRIMATI AHILYA P. RANGNEKAR : They are not getting it.

SHRI RAVINDRA VARMA : That is quite different from the coverage of the Act.

SHRI M. RAM GOPAL REDDY (Nizamabad) : In my place they got it.

SHRI RAVINDRA VARMA : You come from a lucky place, and the place is lucky that you represent it.

I think I have dealt with most of the questions that were raised. I entirely agree with the hon. Members who said that it is neither wise nor good to bring forward piecemeal legislation, the legislation should be comprehensive, and that in this case it should deal with the bonus question in a manner which does not leave any uncertainty, that it should have provisions which would apply year after year, and not year by year. The attempt of the Government will be to introduce such a legislation. I hope the House will accept the motion for consideration.

MR. CHAIRMAN : The question is :

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 27th March, 1979." (3)

*The motion was negatived.*

16 hrs.

MR. CHAIRMAN : The question is :

"That the Bill to amend the Payment of Bonus (Amendment) Act, 1977, be taken into consideration."

*The motion was adopted.*

16 hrs.

MR. CHAIRMAN : The question is :

"That clauses 2 and 3 stand part of the Bill."

*The motion was adopted.*

*Clauses 2 and 3 were added to the Bill.*

*Clause 1, Enacting Formula and the Title were added to the Bill.*

SHRI RAVINDRA VARMA : I move :

"That the Bill be passed."

MR. CHAIRMAN : The question is :

"That the Bill be passed."

*The motion was adopted.*

16.02 hrs.

DEMANDS\* FOR EXCESS GRANTS (RAILWAYS), 1976-77 AND SUPPLEMENTARY DEMANDS\* FOR GRANTS (RAILWAYS), 1978-79

MR. CHAIRMAN : Now we take up the discussion and voting on the Demands for Railways.

THE MINISTER OF RAILWAYS (PROF. MADHU DANDAVATE) : Madam, Chairman, I would suggest that though on the agenda paper, the Demands for Excess Grants and the Demands for Supplementary Grants are shown separately, I suggest that both may be discussed together.

MR. CHAIRMAN : Is that agreeable to the House ?

HON. MEMBERS : Yes.

MR. CHAIRMAN : Now, the House will take up discussion and voting on the Demands for Excess Grants (Railways) for 1976-77 and the Supplementary Demands for Grants (Railways) for 1976-77 and the Supplementary Demands for Grants (Railways) for 1978-79 for which three hours have been allotted.

Motion moved :

"That the respective excess sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to make good the excess on the respective grants during the year ended 31st day of March, 1977, in respect of the following demands entered in the second column thereof :

Demands Nos. 7, 9, 16, 18, 19 and 21."

"That the respective Supplementary sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to refrain the charges that will come in course of payment during the year ending the 31st day of March, 1979, in respect of the following demands entered in the second column thereof :

Demands Nos. 2, 14 and 15."