

LOK SABHA DEBATES

LOK SABHA

*Wednesday, March, 14, 1990/Phalguna
23, 1911 (Saka)*

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

MEMBER SWORN

SHRI DALPAT SINGH PARASTE
(Shahdol)

ORAL ANSWERS TO QUESTIONS

[*English*]

Workers' Participation in Management

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*21. SHRI KALP NATH RAI:
SHRI LOKANATH CH-
OUDHARY:

Will the Minister of LABOUR be pleased to state:

(a) whether any discussions were held recently with representative bodies of commerce and industry regarding workers' participation in management in the industrial sector;

(b) if so, the outcome of those discussions;

(c) whether any seminars were also

organised in this regard; and

(d) whether Government propose to introduce any legislation on the subject?

[*Translation*]

THE MINISTER OF LABOUR AND WELFARE (SHRI RAM VILAS PASWAN):
(a) to (d). A statement given below.

STATEMENT

A National Seminar on Labour Participation in Management was held in New Delhi on 8-9th January, 1990. It was attended by a wide cross section of persons from public life and representatives of employers' and workers' organisations, State Governments, Members of Parliament, academicians and some international experts. The views expressed, in main were as follows:—

- (i) There was a general endorsement that workers participation in management is desirable and earnest efforts need be made in this direction.
- (ii) It should be ensured that the participative management does not conflict with the basic rights of collective bargaining.
- (iii) It was generally felt that legislation would facilitate implementation of the participative management scheme. It was however, underlined that such legislation should be flexible to account for diversities between industries. It should also to the extent possible, be enabling and not prescriptive.
- (iv) In regard to the mode of representa-

tion, secret ballot among all workers to elect workers' representative was advocated by trade union representatives who felt that secret ballot among all the workers should be used to determine the representative character of the trade unions on the basis of votes cast in favour of each union. The trade unions getting less than a certain prescribed minimum percentage of total votes may not be represented on the participative forums. The eligible trade unions should have the right to nominate their representatives in proportion to their strength as reflected by the votes cast in their favour.

- (v) It was felt that participative forums should exist at all levels—namely shop floor level, plant level and enterprise level.
- (vi) The scheme should be made applicable to establishments having certain minimum number of workers.
- (vii) Any scheme seeking to give workers a share in equity of the enterprise should be voluntary and quite independent of the scheme of workers' participation in management.

Apart from the National Seminar mentioned above, regional seminars have already been held at Trivandrum and Madras on 7.2.90 and 11.3.90 and a proposal to introduce a legislation on the subject is under examination.

[English]

SHRI KALP NATH RAI: When is the legislation expected to be introduced? Can we expect concrete time-bound programme? The proposals are under your consideration. What is the progress?

[Translation]

SHRI RAM VILAS PASWAN: Mr.

Speaker, Sir, the hon. Member has asked the question—whether any discussions were held recently with the representative bodies of commerce and industry regarding workers' participation in the management in industrial sector. Our reply is—yes, Sir, a national seminar was held. Another question asked by the Member is regarding the outcome of the seminar and we have given the details. There are five points in it. Firstly, labour participation in management and secondly, labour participation in Management at all levels—floor level, plant level and Board level. The agreement reached between the two sides should have legal sanction. It will be implemented in the public sector first and then it should also be implemented in private sector. Lastly, the Member asked—whether Government propose to introduce any legislation on the subject and whether any seminars were organised in this regard? In this regard, I have stated that I attended the seminars held at Trivandrum and Madras. We are going to organise such seminars in Indore, Bombay and in Uttar Pradesh also. Government propose to introduce a legislation on this subject. At present, Ministry is working on the proposed legislation. Therefore, it is not proper to say anything about it, but it is sure that we are bringing a legislation on it.

[English]

SHRI KALP NATH RAI: What is the thinking of the Government with respect to secret ballot to elect workers for participation?

[Translation]

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, representatives will be elected through secret ballot but the vote will be cast in favour of a union and that union will nominate its representative.

SHRI G.M. BANATWALLA: Does the Government approve it?

SHRI RAM VILAS PASWAN: Am I speaking on behalf of the Opposition?

[English]

SHRI LOKANATH CHOUDHARY: Sir, I want to know to what extent the Government think that the labour will participate in the management of the industry. I want to know the Government's own idea in this regard.

[Translation]

SHRI RAM VILAS PASWAN: I have told about the idea of the Government. This theory of labour participation in management was evolved much earlier. It was implemented in International Airport Authority in 1983, but hither to it was merely formal. I want that there should be effective participation of labour in the management and it should not be a formality only.

[English]

SHRILOKANATH CHOUDHARY: What is the concrete step for its effectiveness.... (Interruptions)....

MR. SPEAKER: You have to put only one question, Mr. Choudhary.

[Translation]

SHRI RAM VILAS PASWAN: Sir, we will have discussion on the Bill when it is brought before the House. Your suggestions will also be taken into consideration.

[English]

SHRI NIRMAL KANTI CHATTERJEE: Sir, my supplementary question is in two or three parts. Firstly, there is no problem for introducing labour participation in the public sector. In the public sector will you include banks and financial institutions as well and will you give to the workers the right to scrutinise the accounts also?

Secondly, along with labour participation, there is a feeling that, say in banks, railways, etc. the participation by the popular representatives also should be there. For

instance, in the bank participation of popular representatives of the local panchayat should be there. This kind of participation or involvement in the management of public sector institutions including banks and the participation of the elected representatives of the people as consumer representatives should be there.

[Translation]

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, the main question was about the outcome of the seminars and the understanding that emerged. I have already mentioned about it. So far as the legislation is concerned, I have said that Government is going to bring forward a legislation about it. The Members have the right to amend the Bill when it is introduced in the House because the House is supreme.

[English]

SHRI Y.S. MAHAJAN: Sir, the Government had published a detailed scheme in December 1983 about participation of labour in management. I want to know what progress have been made under that scheme in the public sector.

[Translation]

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, this question does not relate to it but as I have said efforts were made in 1983 but those were merely formal. We do not want formality but intend to implement it effectively. It cannot be implemented effectively until or unless Government have political will. Till now Government's political will was not with the labour. I assure you that the present Government with its good intention and political will, will implement labour participation in management effectively. We shall implement it vigorously.

SHRI RAM NAIK: Mr. Speaker, Sir, the hon. Minister has said about the legislation. So, I would like to know if it is not brought in the present session, will it definitely be brought in the next session?

SHRI RAM VILAS PASWAN: I will try to bring it in the current session itself.

SHRI HUKUMDEONARAYAN YADAV: Sir, in the union elections held in the big industries and industrial houses, the people of the owners or their relatives manage to become the representatives of the workers. The management is always interested in getting sycophants or their relatives elected as workers' representatives. So I would like to know whether Government would ensure true representation of the workers in the management and not of the sycophants and relatives of the management?

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, in this regard I have already said that the workers' representatives will be elected through secret ballot so that they may get their true representatives elected.

SHRIMATI SUBHASHINI ALI: Mr. Speaker, Sir, our apprehension is this that at some places the labour participation in management is considered only as the participation of workers in increasing the productivity. Therefore, I would like to know from the hon. Minister whether the trade union leaders and workers' representatives would be consulted while formulating the Bill?

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, we have consulted them and Smt. Subhashini Ali was also present in the seminar.

SHRI YAMUNA PRASAD SHASTRI: Mr. Speaker, Sir, it is an important matter relating to the workers' participation in the management and the hon. Minister has just said that seminars were held, so I would like to know whether Central trade unions have been consulted on this matter or not? If not when such a meeting with the Central trade unions would be convened? The hon. Minister has said that representatives would be elected through secret ballot and Bill is being formulated but I would like to know whether a meeting with the Central trade unions has

been held or not? If not, whether such a meeting will be convened?

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, we are organising the seminars with the active participation of the Central trade unions. Others also participate in such seminars. Whenever a seminar is organised, tripartite talks are held and representatives of trade unions, the Government and the management participate in them. The first seminar was held in Delhi on 8-9 January which was inaugurated by the Hon. Prime Minister. Thereafter, a seminar was held in Trivandrum with the participation of representatives from the management, trade unions and Government. Then a seminar was held in Madras on the day of Holi in which I was also present. Such seminars are scheduled to be held in places like Indore, Bombay and Uttar Pradesh. A sizable number of representatives from the trade unions and representatives from the management and the Central Government attend these seminars.

The hon. Member has raised the issue of participation of Central Trade Union leaders. In this connection I can say that all the trade union leaders, as per the list available with us, had been invited to the seminars. Apart from that, all those people who conveyed their desire to attend the seminars were also invited. It is so because we have no reservations in this regard. We have an open mind. We seek co-operation of all.

[English]

• **SHRI AJIT PANJA:** In 1986 Planning Commission decided that there should be active participation of the workers in the management in three fields i.e. at the shop floor level, at the plant level and also at the board level. I am happy to understand from the Minister's answer that he is going to bring legislation. Until then, would the Government consider for forming guidelines so that there is labour participation in various public sector industries? Will such guidelines also be enforced in the industries run under the jurisdiction of a particular State?

[*Translation*]

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, so far as the question of guidelines is concerned, they are already there, but these have not been followed. So far as the question of considering these guidelines is concerned, by the time we go into the guidelines, the Bill will come up.

SHRI RAMDAS SINGH: Mr. Speaker, Sir, through you, I would like to know from the hon. Minister whether factors like industrial peace, productivity, production, profit-loss, recruitment, sale and purchase etc. will be included in the draft bill relating to the participation of labour in the management? Because, as per the practice in vogue, the labour serves as a partner only at the time of loss, but in the case of profit or bonus, he is not given his due share and is forced to settle for less. I would, therefore, like to know whether the representatives of the trade unions will also be involved in all allied matters like expenditure, expansion or its sequence, profit-loss and whether their views will be taken in the above matters and they will be allowed to participate in management?

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, as I said earlier, we will consider this point in depth when we bring forward the Bill. We will also take into consideration the points raised by the hon. Members.

SHRI INDRAJIT GUPTA: Mr. Speaker, Sir, as per the newspaper reports about the recently concluded seminar on this subject, representatives of the owners participated in it. They participated in the seminar on behalf of the management. These people, no matter whether they belonged to private sector or the public sector, expressed the view that as a matter of policy there should be no workers' representation at the director or the highest level. They are of the view that the workers have not so far been educated enough to exchange views across the table with the management. I want to know whether these points have been taken into consid-

eration in the Bill proposed to be presented in the House?

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, there were divergent views. One opinion was that this provision will be made applicable at every level including the board level. But the consensus was that it should be made applicable at the floor level, plant level and board level also.

[*English*]

SHRI SAMARENDRA KUNDU: Mr. Speaker, Sir, I congratulate the Minister for announcing here to bring a legislation very quickly. But, at the same time, as Mr. Indrajit Gupta said, there are two pronounced views. Even some of the workers do not want labour participation at this time whereas some of them want it. Therefore, I would draw Labour Minister's attention to the answer given by him at (ii) where he has said: "It should be ensured that the participation management does not conflict with the basic rights of collective bargaining". This is a very important announcement. Outlined on this basis, if he could give us some paper and if this matter could be discussed further in the Parliament and also with the trade unions, it would be very fruitful to draft the legislation which will be very useful.

[*Translation*]

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, so far as the question of labour unions is concerned, the labour, leaders and representatives of the INTUC participated in the discussion. None of the participants opposed the idea and all of them welcomed the proposal. Secondly, so far as his question is concerned, every care is being taken to tilt the balance of collective bargaining towards the labourers. It will be ensured that the labour unions do not disappear from the scene once the elections are over. At the same time, it will also be ensured that rights relating to the elections and trade unions are not curtailed. The capacity of collective bargaining will be maintained as it is.

[*English*]

MR. SPEAKER: Shri Mullappally Ramachandran.

Rehabilitation of Gulf Malayalees

*22. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of LABOUR be pleased to state:

(a) whether Union Government have any specific project for the rehabilitation of the Gulf Malayalees returning from Gulf countries;

(b) if so, the details thereof:

(c) whether the Government of Kerala has submitted any proposal for their rehabilitation: and

(d) if so, the details thereof and the reaction of Union Government thereto?

[*Translation*]

THE MINISTER OF LABOUR AND WELFARE (SHRI RAM VILAS PASWAN): (a) to (d). A statement is given below.

STATEMENT

There is no specific project, as such for the rehabilitation of the Gulf Malayalees returning from Gulf countries. On return to India, however, such persons are entitled to all facilities and support from Banks and financial institutions for undertaking any viable economic activity, within the guidelines laid by the Reserve Bank of India. The State Government of Kerala had suggested *inter alia* the setting up of a Welfare Fund to be financed, at the level of a certain percentage of migrant worker's remittances made through banking and other legally permissible channels and to support various steps for ensuring their rehabilitation on return. The State Government had been advised in this context to consider setting up of machinery as appropriate in the State itself, and that the requisite financial support could be con-

sidered by the Banks and financial institutions on merits keeping in view the technical feasibility and economic viability of the proposals.

[*English*]

SHRI G.M. BANATWALLA: Sir, against the Question No. 22, the hon. Minister in his reply has to lay a statement on the Table of the House. But he has not laid a statement on the Table of the House.

SHRI MULLAPPALLY RAMACHANDRAN: Yes, the hon. Minister has to lay a statement on the Table of the House.

MR. SPEAKER: Mr. Speaker, you have to lay a statement on the Table of the House.

[*Translation*]

SHRI RAM VILAS PASWAN: I am sorry. Today you have put all the burden on my head. I have to reply to question Nos. 21, 22 and 23 and all the three questions are very important.

SHRI G.M. BANATWALLA: We are there to help you.

[*English*]

SHRI MULLAPPALLY RAMACHANDRAN: Sir, due to acute unemployment among the educated youth, thousands of youngsters from Kerala have sought employment abroad, especially in the Gulf countries. The economy of Kerala, to a great extent, depends on the money being sent by N.R.I. Now, with the steep decline in job opportunities in Gulf countries, thousands of Malayalees have started returning home. Recently, in Trivandrum, the hon. Minister assured that he would seriously consider this issue and he would make arrangement for rehabilitating the Gulf returned Malayalees. May I know whether he will consider utilising at least a part of the N.R.I. investment for rehabilitating the Gulf returned Malayalees?