[Shri Bipinpal Das]

people of Zimbabwe and has rallied world opinion in favour of Mozambique and the freedom movement in Zimbabwe.

The House will recall that, at the last Commonwealth Conference in Kingston, it was decided to assist Mozambique if it closed the border with Rhodesia thereby denying to itself the considerable revenues it earned from its road and rail links with Rhodesia. On 17th March, 1976, the U.N. Security Council passed a resolution unanimously condemning the aggressive acts committed by the illegal minority regime in Southern Rhodesia and appealing to all States to provide immediate financial, technical and material assistance to Mozambique. We have also received a similar appeal from the Secretary General of the Commonwealth in a telegram addressed to the Prime Minister.

As the House knows, it has been the established policy of the Government of India to extend unstinted support and all possible assistance to the liberation movements in Africa, and to oppose the obnoxious policies of racism and apartheid pursued by the white minority regimes in Southern Africa To the liberation movement in Mozambique, we have and the privilege of giving moral and material support during the struggle for independence.

Today, when Mozambique has taken the bold and principled step of imposing U.N. sanctions against Rhodesia, the sympathies of the Government and people of India are wholly with Mozambique and the freedom fighters of Zimbabwe.

As a mark of our solidarity with the Government of Mozambique in this critical situation, we have decided to extend economic and technical assistance to Mozambique. The extent and form of such assistance will be determined only after we hear further from the Secretary General of the United Nations and the Secretary General of the Commonwealth as well as from the Government of Mozambique about the priorities of their requirements.

In the meantime, we have, as an immediate gesture, decided to make a grant of Rs. 900,000 as assistance to the Government of Mozambique to be used for the purchase of some of its requirements from India. This grant will form part of the collective contribution to Mozambique by the Commonwealth.

12.09 hrs.

TEA (AMENDMENT) BILL*

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA): I beg to move for leave to introduce a Bill further to amend the Tea Act, 1953.

MR. SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Tea Act, 1953."

The motion was adopted.

PROF. D. P. CHATTOPADHYAYA: I introduce† the Bill.

12.10 hrs.

LIFE INSURANCE CORPORATION (MODIFICATION OF SETTLEMENT) BILL

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): Sir, on behalf of Shri C. Subramaniam, I beg to move for leave to introduce a Bill to provide for the modification of the settlement arrived at between the Life Insurance Corporation of India and their workmen.

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*Published in Gazette of India Extraodinary Part II, section 2, dated 31-3-76.

†Introduced with the recommendation of the President.

SHRI S. M. BANERJEE (Kanpur): Sir, just now, we applauded the Government for doing something good to the people of Mozambique and supporting their struggle. I am really sorry that I have to oppose the Government tooth and nail for bringing forward this most pernicious piece of legislation. I call it not only pernicious but immoral also.

You will remember that in 1974, all the organisations representing the Life Insurance Corporation employees, including my organisation, namely, the Life Insurance Corporation Employees' Federation, signed an agreement for four years For nearly two months, we discussed it and I was indebted to the then Finance Minister, Shri Y. B Chavan, and the Labour Minister, Shri Raghunatha Reddy, for giving their assistance to enable us to reach this agreement which was a very happy one. Knowing fully well what was the business, what was the profit and what was the capacity to pay, this agreement was entered into between the L I.C. and the four all India organisations of the LIC employees

Two years have passed. Before this Bill was going to be introduced in this House, I saw the Finance Minister, the Deputy Minister, Shrimati Sushila Rohtagi, the Law Minister, the Industry Minister, the Labour Minister and even the Prime Minister, with the representatives of the LIC employees and we pleaded with them that the sanctity of this agreement should be protected. Why I am raising this issue is because, when we were discussing the Bonus Ordinance and the Bonus Amendment Bill in this House, I put a straight question to the Labour Minister who piloted the Bill, as to whether the L.I.C. would also fall within the mischief or ambit of the Bill, and I was told clearly by the Labour Minister—it is on record—that the L.I.C. did not fall within the purview of the Ordinance or the Bill. The Life Insurance Corporation was always taken to be a non-competitive organisation because this is a monopoly organisation. This never came within the mischief of either the Bonus Act or the amending Act. After this assurance, we heaved a sigh of relief. About 50,000 LIC employees throughout the country thought that this particular agreement which was entered into not under any coercion or under duress was a happy event Everyone of us agreed. The former Chairman of the L.I.C. Mr. Puri, who is now the Governor of the Reserve Bank, signed it in 1974. And now, what is being sought to be done? May I tell you that this agreement was registered under the Industrial Dispute Act as such, they could not change it and so they have brought this legislation—the Life Insurance Corporation (Modification of Settlement) Bill, 1976. For what? Just to kill a mosquito, they have brought a machine gun. The Bill has been brought in this House not to better the service conditions of the employees, not to better the condition of the policy holders, but to deduct something and to take away something This is an immoral piece of legislation, it is agross violation of the agreement.

It is stated in the Statement of objects and reasons that it is proposed to set aside, with effect from the 1st April, 1975—that is because from the 1st April, 1975 the employees of the LIC were entitled to 15 per cent bonus according to the agreement, and it was not only in regard to bonus but also in regard to other matters. It continues as follows

> "It is proposed to set aside, with effect from the 1st April, 1975, these provisions of the settlement arrived at between the Corporation and its class III and Class IV employees on the 24th January, 1974, to enable the Corporation to make *ex-gratia* payments to such employees at the rates determined on the basis of the general Government policy for making *ex-gratia* payments to the employees of the non-competing public sector undertakings".

The bonus agreement of HAL can be defended because it is a competitive organisation but the agreement of LIC

[S. M. Banerjee]

cannot be defended because it is a non-competing organisation. This is exactly what is happening. They have brought this Bill and this is the modification made:

"Notwithstanding anything contained in the Industrial Disputes Act, 1947, the provisions of the settlement, in so far as they relate to the payment of an annual cash bonus to every Class III and Class IV employee of the corporation at the rate of fifteen per cent. of his annual salary, shall not have any force or effect and shall not be deemed to have had any force or effect on and from the 1st day of April, 1975".

So, if this is the thing to come, I don't know what is the sanctity of the Bill. There was a day when, in this House, an award relating to the Punjab National Bank was modified, at which Mr. V. V. Giri resigned. And here, in this House, the Ruling Party is now scoffing at us, winking at us and blinking at us because of the present situation. I say that today, with the help of the Emergency and with the help of the extra-ordinary powers under MISA, DIR and whatever other powers they have got, they want to curtail the rights of the employees.

I challenge that a Committee may be appointed to see whether the business in LIC has gone up or not. Let the Minister Smt. Sushila Rohatgi say, with conscience, whether the business has gone up or not.

MR. SPEAKER: Please don't go into all those details.

SHRI S. M. BANERJEE: I am only saying that because the business has gone up, they should be rewarded, but instead of being rewarded, they are being punished. So, I oppose this Bill. I call it immoral, I call it a breach of faith, I call it a pernicious piece of legislation. We should oppose it tooth and nail and reject it in the House. I oppose it and I ask the Minister not to justify this nefarious act of the Government.

MR. SPEAKER: The Minister.

SHRI INDRAJIT GUPTA (Alipore): You may please ask her to reply after my making one or two observations: This is a very important thing.

Now, this is not the kind of thing that Parliament should do during an Emergency. An Emergency is there in this country, and Parliament is being called upon to pass a Bill of this kind. Why don't they do it with the employees by negotiation and settlement? Why should Parliament be brought into this?

There is the Industrial Disputes Act, and a legal settlement has been made and registered under the Act. And now, on the eve of 1st April (tomorrow April is to begin), when the payment is to commence they are creating great enthusiasm in the minds of the LIC employees for the Emergency by bringing this wretched Bill now interfering with the agreement—cutting down the date of bonus—which the Management of LIC had freely entered into with its own employees. This is the way they want to mobilise the people! This is the way they want to help the Janasangh ...

MR. SPEAKER: It is for the House to decide.

SHRI INDRAJIT GUPTA: This Bill has nothing to do with this Parliament. Why should the Parliament be involved in this matter? What has the Parliament got to do with this?

SHRIMATI SUSHILA ROHATGI: Mr. Speaker, Sir, it is a pity that a colleague of mine who hails from Kanpur also should disagree and oppose tooth and nail not only this measure, but many other things (*Interruptions*). At this introductory stage, I think, in the points that Shri Banerjee has made, by and large, he has conveyed the views of all the other Members there also.

He has said that this piece of legislation is immoral and pernicious and it would be curtailing the rights of the employees, but I do not think, he is going into the merits of the Bill at this stage. All that I would like to say is that this is to bring the employees of LIC on par with the other employees who are working in the non-competing public sector undertaings. A decision has already been taken by the Government.... (*Interruptions*). At the same time it has already been decided that if any excess amount has already been paid during 1975-76, it will not be recovered. Keeping in view the aims and objects of the Bill, I do not think, the points which have been made by Shri Banerjee and others are valid.

SHRI RAJA KULKARNI (Bombay North East): There are other commitments in the settlement which you are not carrying . (*Interruptions*).

MR. SPEAKER. The point that has been raised is, is it unilateral violation of the agreement and is it necessary to come to Parliament for violating the agreement? That is the question.

SHRI RAJA KULKARNI· The Ministry is committed to implement some other provisions of the agreement which the LIC had not implemented regarding the rate of provident fund, medical benefits and there are two or three other benefits which they were committed to give in the third and fourth year. The third year is over and the fourth year has started and they have not implemented those things, but they have come with this kind of approach.

AN HON. MEMBER: But why?

MR. SPEAKER: The Minister should explain—because in the Statement of Objects and Reasons it is mentioned: "It is proposed to set aside, with effect from the 1st April, 1975 these provisions of the settlement arrived at between the Corporation and its Class III and Class IV employees..." why was this necessary?

SHRI C. M. STEPHEN (Muvattupuzha): In the light of what Shri Raja Kulkarni has said, if for the purpose of non-implementation of the other provisions of the agreement, an Act of Parliament is not necessary, why for this, an Act of Parliament is necessary?

Secondly, what exactly is the amount which would be involved if this particular provision of the agreement is implemented, and what exactly is the amount that you are going to lose if the Parliament does not put its seal on your action?

श्री मोहम्मद इस्माइल (गोरखपुर) : एग्रीमेंट की जो दूसरी आबिजन्श है उन के बारे मे आपने एक लफ्ज भी नही कहा है। इस लिए इतने परेशान हो रहे है, इस का मतलब क्या है ?

SHRI INDRAJIT GUPTA: In a conspiratorial manner it is being done.

SHRI VASANT SATHE (Akola): I would like to know whether it is intended as an April Fool's joke.

SHRI S. M. BANERJEE: In the agreement was bonus the only item or are there any other items? There were many other items. In that case, I would request you to scrap the whole agreement. If we have the power to do that, let us scrap the whole agreement, not bonus only.

श्री मोहम्मद इस्माइल : हिम्मत है तो तबाम को रिजैक्ट करिये।

SHRI INDRAJIT GUPTA· This is a provocation. You are doing that one after the other. You pay tributes to them in the Home Ministry's report saying that they are the main people who have responded and all that and then cutting their throats all the time.

SHRIMATI SUSHILA ROHATGI: There is no question of provocation. As I have said earlier, this is to bring it on par with the decisions already taken and which have been in force in other banks.

AN HON. MEMBER: Why do you want us to rubberstamp?

SHRIMATI SUSHILA ROHATGI: As I have already read out the objects and reasons, it was set aside from the 1st of April—the provisions of the settlement arrived at....

SHRI INDRAJIT GUPTA: How can that be done?

SHRI VASANT SATHE: How can it be done unilaterally? She has not answered your question, Sir. You have asked, 'Is this done unilaterally?'. She is not replying to that. How can this be done unilaterally? That is the simple question.

THE MINISTER OF WORKS AND HOUSING AND PARLIAMENTARY AFFAIRS (SHRI K. RAGHU RAMAIAH): I have a submission to make. After all, it is only introductory stage. Let it be introduced. I would advise the Finance Minister to meet our friends and discuss the matter.

SEVERAL HON. MEMBERS *rose*.

SHRI MOHAMMAD ISMAIL: Before bringing this Bill she should have done.

SHRI INDRAJIT GUPTA: Let the introduction be postponed and let them sit with the employees and the management and discuss the matter in a civilised way and not try to steamroller the things just because you have got a majority.

SHRI K. RAGHU RAMAIAH: No question of steamrollering. I would request the Finance Minister to meet you all and discuss the matter.

SHRI INDRAJIT GUPTA: Deliberately they never let us know that they are bringing this.

MR. SPEAKER: I would like the Government to explain. This is a very vital matter because in violation of an agreement, unilateral violation, you are bringing this Bill and involving the Parliament to be a party to it. Why is it necessary?

SHRI VASANT SATHE: The best thing would be: let the introduction be postponed. Let them sit with us and other members also and satisfy us why this unilateral business is necessary. Do not involve the Parliament in it. This will be setting a bad precedent.

SHRI RAJA KULKARNI: This is quite undesirable because the 15 per cent bonus to the LIC employees was by contract. It was a term of service conditions in the package deal settlement. If that 15 per cent were not to be there, they would have secured some other benefits. Now they are losing bonus as well as other benefits.

SHRI VASANT SATHE: That is on merits. The only question is: why do it unilaterally and get our sanction for it? Let the introduction be postponed.

SHRI C. M. STEPHEN: Nothing will happen if it is postponed

SHRI INDRAJIT GUPTA: Postpone it.

MR. SPEAKER: All sides are involved. Then I think the Government must come forward.

SHRI K. RAGHU RAMAIAH: We are not passing it. It is in the order paper. Let it be introduced and then I would request the Minister to sit with them and discuss the matter.

SHRI VASANT SATHE: I beg to request: even the introduction is embarrassing to us because the world will think and the workers will think that here is a Parliament which unilaterally is willing to bulldozer the thing.

SHRI H. N. MUKERJEE: (Calcutta-North-East): I wish to raise a point of order. You have put your finger on the right spot, a principled spot, by indicating that Government in apparently unilaterally abrogating an agreement which had been entered into, registered and all that sort of thing. You have also questioned the propriety of Parliament getting into the picture at this stage. How can we, since this question remains unresolved, permit Parliament to have it introduced? The Minister of Parliamentary Affairs is insisting inspite of your indication of the propriety of the matter that it should be introduced My point of order is that you have pointed out very accurately not to introduce it before we get satisfaction on this issue, because an agreement, if it is abrogated, might be a matter before the court to be decided upon one way or the other in regard to the rightness or wrongness of it. But in so far as that is concerned, it is beyond our purview But here something is sought to be done which circumvents our judicial processes and at the same time does not give Parliament any satisfaction about the rationale of it. Then we cannot proceed Please stop it from being introduced.

SHRI K RAGHU RAMAIAH: We are of course, entirely in your hands. Views on this side also have been expressed. I hope the Finance Minister will take note of them. Allowing it to be introduced does not of course involve Parliament. Parliament is not committed by mere introduction.

SHRI INDRAJIT GUPTA: Parliament's approving introduction shows that Parliament is accepting the principle.

(Interruptions)

SHRI K. RAGHU RAMAIAH: There is no principle involved at the introduction stage.

(Interruptions)

MR. SPEAKER: I would suggest that let it be postponed to the afternoon and the Minister should meet all the Members concerned and settle about this. Let us postpone it to six O'Clock if the Members want it.

SHRI INDRAJIT GUPTA: The Budget Grants are being taken up at six O'Clock. We may not do it today.

MR. SPEAKER: Let it be to-day. The Minister should meet the Members and settle about this. The principle raised is very very valid and vital.

SHRI S. M. BANERJEE: We may postpone it to to-morrow.

MR. SPEAKER: This is postponed.

SHRIMATI SUSHILA ROHATGI: I would just with your permission say that the business in the other House may keep us occupied till six O'Clock. Whatever time suits them, I will settle with them some time after six O'Clock.

MR. SPEAKER: If you want tomorrow, then we can do it.

All right, Government agrees to take it up to-morrow.

SHRI K. RAGHU RAMAIAH: There will be a meeting in the Finance Minister's room at 9 30 A.M. tomorrow and the introduction will be done to-morrow.

SHRI S. M. BANERJEE: Agreement was not between the Members of Parliament and the Finance Minister. The agreement was with the employees and the Corporation.

MR. SPEAKER: You represent their view points. So, this is postponed to to-morrow.