

**DEARNESS ALLOWANCE COMMITTEE  
(REPORT)**

\*225. **Shri S. N. Das:** (a) Will the Minister of Finance be pleased to state whether the Report of the Dearness Allowance Committee has been considered by Government?

(b) If so, what are the decisions that have been taken in this connection?

The Minister of Revenue and Expenditure (**Shri Tyagi**): (a) and (b). The Report of the Dearness Allowance Committee is now under the consideration of Government and a decision thereon is expected to be taken shortly.

In this connection, a summary of the salient features of the Report is placed on the Table of the House. [See Appendix II, annexure No. 2.]

**Shri S. N. Das:** From the statement it appears that the Committee consulted some economists in regard to certain basic data about the cost of living. May I know the names of those economists?

**Shri Tyagi:** I am sorry I have not got the names of the economists who were consulted.

**Shri S. N. Das:** I want to know whether it will be necessary for the Government to revise the scales of pay after acceptance of the recommendations of this Committee.

**Shri Tyagi:** No, Sir. No revision is called for. The only point is that half the dearness allowance will get assimilated in pay.

**Shrimati Maydeo:** May I know whether the pensioners will get their due increment as recommended by the Dearness Allowance Committee?

**Shri Tyagi:** Pensions will be accordingly affected.

**Shrimati Maydeo:** No, no. Will pensioners get something more?

**Shri Tyagi:** The pensioners will be given the option of choosing whether they would like to have pension on the basis of this increased pay in which half the dearness allowance may be assimilated, or on the old basis.

**Shri S. V. Ramaswamy:** Was the report unanimous?

**Shri Tyagi:** Till the eleventh hour my Joint Secretary who was participating in that Committee was reporting to me that the Committee was

proceeding unanimously all through and that there was a spirit of "give and take", but when the report was signed I was surprised to receive the information that a non-official member, **Shri Guruswamy**, had given a minute of dissent. I do not know the circumstances under which he differed. The proceedings of the Committee prior to this had been unanimous.

**Shri Vidyalkar:** Will the Government provide an opportunity to the House for discussing this report?

**Shri Tyagi:** I do not think that such reports are generally discussed in the House. I wonder if the hon. Speaker would consider it to be a matter of importance.

Several Hon. Members rose—

**Mr. Speaker:** The appeal is to me. I am going to the next question.

**LOAN FOR PURCHASE OF CARS**

\*226. **Shri V. P. Nayar:** (a) Will the Minister of Finance be pleased to state whether the Government of India advance loans to their class I and class II officers for the purchase of cars and if so, what is the maximum amount given as loan to an officer?

(b) Do Government advance loans to class III and class IV officers for the purchase of bicycles and if so, what is the maximum amount given to an officer?

(c) What are the conditions of repayment of these loans?

The Parliamentary Secretary to the Minister of Finance (**Shri B. K. Bhagat**): (a) Yes. The maximum limit of the advance is Rs. 10,000/- or five months' pay of the Government servant or the anticipated price of the motor car, whichever of these is the least amount.

(b) Yes. Advances are admissible to all Government servants whose pay does not exceed Rs. 300/- per mensem. The maximum limit of the advance is Rs. 175/- or four months' pay of the Government servant or the anticipated price of the bicycle whichever of these is the least amount.

(c) The advances are repayable with simple interest. In the case of advances for the purchase of motor cars, they are repayable in not more than forty-eight monthly instalments, while those for the purchase of bicycles are repayable in not more than

twenty-four or twelve monthly instalments according as the Government servant concerned is a permanent or a temporary Government servant. Adequate security is demanded in the case of temporary Government servants and motor cars purchased with the help of an advance are to be insured and mortgaged to Government.

**Shri V. P. Nayar:** Is it not a fact that with Rs. 175 a reasonably well-equipped bicycle cannot be bought now?

**Shri B. R. Bhagat:** I think it can be bought.

**Shri V. P. Nayar:** Does the hon. Minister know the current prices of standard makes of bicycles?

**Mr. Speaker:** The point seems to be that only an advance is made for the purchase. The employee may supplement it by his own resources.

**Shri V. P. Nayar:** Then, may I ask whether, in view of the fact that the amount now advanced is not enough for purchasing a standard bicycle, and in view of the lack of adequate resources in the hands of the employees to supplement the advance, Government will consider increasing the advance?

**Mr. Speaker:** I do not think I should allow this question. It is a suggestion for action.

**Shri Damodara Menon:** When advances are made to Government servants for the purchase of cars, is there any condition that they must buy only cars made in India?

**Shri B. R. Bhagat:** No such condition is imposed.

**The Minister of Revenue and Expenditure (Shri Tyagi):** There is no such condition, but then cars not manufactured in India are generally not allowed to be imported into India and there is a heavy duty. Therefore, they have perforce to purchase cars which are manufactured in India.

**Shri Altekari:** May I know the rate of interest that is charged on this advance?

**Shri Tyagi:** The rate is between 3 and 3½ per cent.

**Shri Nanadas:** Shri Buchhikotaiyah has given me authority. Shall I put question 227?

**Mr. Speaker:** Is it in writing?

**Shri Nanadas:** Yes.

**Mr. Speaker:** He may pass it on to the Secretary. It will be taken up at the end.

#### COLOMBO PLAN

\*228. **Dr. Rama Rao:** (a) Will the Minister of Finance be pleased to state whether a number of Indian students are being sent to Britain under the Colombo Plan?

(b) If so, what are the main terms of the agreement according to which these students are being sent?

(c) Have any students been already selected under this scheme; if so, what are their qualifications?

(d) Where are these students expected to study and what subjects will they specialise in?

(e) What are the financial commitments of the Government of India and the Government of U.K. respectively, towards the implementation of this scheme?

(f) With what type of work will these students be entrusted after their return?

**The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat):** (a) Yes, Sir.

(b) The students are being sent to the United Kingdom under the Technical Cooperation Scheme of the Colombo Plan, copies of which were laid on the Table of the House on the 28th November, 1950. Technical assistance under the Scheme is being provided on a bilateral basis between the two Governments.

(c) Yes, Sir; the candidates selected were those already in employment and had the necessary technical qualifications pertaining to their positions.

(d) The students would study in a field for which they were selected for training in the United Kingdom. These are mainly in Agriculture, communications, public health and medicine, irrigation and power, coal mining, industry and specialised fields of labour.

(e) According to the Technical Cooperation Scheme, all costs of training in the country providing the training and passage both ways are met by that country. The Government of India or the sponsoring authority has to bear inland cost on transportation and their salaries.

(f) The persons sent abroad for training will come back to their jobs.