

STATEMENT

Pay in the revised Scales	Rate of allowance	
	1-8-1961 to 31-12-1961	1-1-1962 to 31-7-1962
Rs.	Rs.	Rs.
Upto 370	12½% of pay	8% of pay
Above 370	Amount by which pay falls short of 416·25.	Amount by which pay falls short of 399·60.

(e) Yes, Sir.

(f) The allowance granted at Chandigarh was in the nature of a project allowance in the Capital city while under construction. It was not in the nature of allowance granted to meet high cost of living in the city as in the various 'A', 'B' or 'C' class cities.

(g) In view of reply to (f) above, Government did not consider it necessary to revise their decision regarding reduction in the allowance which was in keeping with the general policy followed as regards project allowance.

Compensatory Allowance to Central Government Employees at Simla

3718. Shri S. M. Banerjee: Will the Minister of Finance be pleased to state:

(a) whether Central Government employees in Simla were drawing compensatory allowance according to the Simla Allowance Code previous to implementation of Pay Commission Report;

(b) whether they have lost financially after the implementation of Pay Commission Report;

(c) if so, to what extent;

(d) whether various trade union organisations and staff councils have protested against this discrimination; and

(e) if so, action taken by Government?

The Minister of Finance (Shri Morarji Desai): (a) Prior to the fixation of the revised rates of compensatory allowance admissible at Simla with effect from 1st November, 1960, on the recommendation of the Pay Commission, 1957, some Central Government employees were drawing allowances under the Simla Allowances Code and some were drawing all-inclusive allowances on an *ad hoc* basis.

(b) and (c) A statement showing the rates of allowances admissible on 1st November, 1960 under the Simla Allowances Code, under the *ad hoc* scheme, and under the revised orders is laid on the Table [See Appendix IV annexure No. 93]. The employees working in Simla on 1st November, 1960 were given an option to draw the allowances at the revised rates or to retain a fixed amount equivalent to the allowances admissible to them on 1st November, 1960 on the basis of pre-revised pay scales plus dearness pay.

(d) No, Sir.

(e) Does not arise.

House Rent Paid by Class IV Employees of L.I.C.

3719. Shri S. M. Banerjee: Will the Minister of Finance be pleased to state:

(a) whether a Class IV employee of Life Insurance Corporation in Chandigarh has to pay Rs. 22/- p.m. as house rent;

(b) if so, under what rules;

(c) whether the employees association have protested against this; and

(d) if so, action taken by Government in this matter?

The Minister of Finance (Shri Morarji Desai): (a) to (d): The material is being collected and will be laid on the Table of the House as soon as available.