

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3442

ANSWERED ON:30.08.2013

MERGER OF DA WITH BP

Ram Shri Purnmasi;Singh Shri Prabhunath;Singh Shri Sushil Kumar

Will the Minister of FINANCE be pleased to state:

(a) whether a number of representations have been received from various Associations/ Organisations of the Central Government Employees demanding merger of 50 per cent Dearness Allowance with basic pay and for constitution of 7th Central Pay Commission;

(b) if so, the details thereof along with the reasons for delay in merger of 50 per cent DA with basic pay and constitution of 7th Central Pay Commission; and

(c) the steps taken by the Government to expedite a decision in the matter keeping in view the hardships being faced by the Central Government Employees due to the steep rise in All India Consumer Price Index?

Answer

Minister of State in the Ministry of Finance (E & FS) (Shri Namu Narain Meena)

(a)&(b): Yes Sir. Some Central Government Employees Associations have been demanding for the merger of 50% Dearness Allowance with Basic Pay and for constitution of 7th Pay Commission. The 6th Central Pay Commission had recommended not to merge Dearness Allowance with basic pay at any stage. Government accepted this recommendation vide its Resolution dated 29.08.2008. The recommendations of the previous Pay Commission i.e. 6th Central Pay Commission, were given effect from 1.1.2006. The setting up of next Pay Commission is considered normally after a gap of 10 years between two successive Pay Commissions. Hence the question of delay does not arise.

(c): Dearness Allowance to Central Government employees is revised twice a year w.e.f. 1st January and 1st July, calculated on the basis of percentage increase in All India Consumer Price Index for Industrial workers.