

12:38 hrs.

**RE : DEARNESS ALLOWANCE TO  
CENTRAL GOVERNMENT EMPLOYEES**

MR. SPEAKER: Shri S. M. Banerjee.

SHRI S.M. BANERJEE (Kanpur) : With your permission, Sir, I would like to raise a question under Rule 377 of the Rules of Procedure.

MR. SPEAKER: You just asked me that you wanted a minute. Now you come to rule 377. I have to remain very alert all the time.

SHRI S.M. BANERJEE : Permission has been given, Sir, under Rule 377. If you want that I should not mention the rule that may kindly be expunged. You will remember, Sir, that during the last Session in this House, some of the Members belonging to various Parties brought up a Calling Attention Notice stating that the Cost of living had reached 225 and according to the present formula the Central Government employees were entitled to another rise in D.A. Shri K.R. Ganesh, in the absence of Mr. Chavan at that time replied that according to the interim report of the Third Pay Commission, unless the figure reached 228, they are not entitled to any further increase in the dearness allowance. We contested that, because, that was not proved by facts. But we have been patiently waiting on the clear understanding that Government were unable to hold the priceline and the figures will reach 228. Today it has come out in the papers that additional dearness allowance is inevitable. I would like to read from the *Statesman* of today which says:

"To add to the many factors that contribute to the twin problems of dwindling resources and rising prices, there are now two more that Mr. Chavan has to contend with in his efforts to check inflationary pressures."

Then, as the first item, it mentions the States' over-drafts on their Reserve Bank accounts and other things. It says afterwards;

"The second is the demand for payment of higher dearness allowances to Govern-

ment employees now that the All India Working Class Consumer Price Index has reached a point when a review becomes inevitable in terms of the interim report of the Third Pay Commission.

According to the formula laid down by the Pay Commission, the Government is required to make a review of the situation when the index rises by 10 points. This it has now done; the index reached 228.6 at the end of September, and the last time dearness allowance was revised was when it stood at 218, a little over a year ago."

That was done at 215, not 218. Then it says :

"Payment of additional dearness allowance thus becomes inevitable and it is expected that associations of Govt. employees will now start pressing their demands."

They have been pressing their demands, but they have been patiently waiting for 228 to come. I still feel that the Government employees were entitled to further rise in dearness allowance at 225 but the Government refused to pay that. I would like to know from the hon. Minister that since this figure has now reached 228, what other excuses are there in the treasury of the Government to deprive this additional increase allowance to Govt. employees. All the Central Government employees, irrespective of their affiliation to AITUC or Hind Mazdoor Sabha etc. are extremely agitated over this issue and they demanded early publication of Pay Commission report before end of December. We never wanted an assurance and we said that the dearness allowance should be revised. We got an assurance that it could be done when the point reached 228. I would request the hon. Finance Minister through you to kindly announce here and now that the dearness allowance would be revised according to this formula and that the Central Government employees will no more be denied of this rightful claim.

MR. SPEAKER : Next item.

SHRI S. M. BANERJEE : The hon. Finance Minister is here. He may make a statement. Let him say something.

MR. SPEAKER : If he likes to make a speech now or later, he is at liberty to do so.

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : I do not want to make any formal statement, but I can certainly give the answers in a couple of sentences. Government are reviewing the position. As you know, according to the interim report of the Third Pay Commission, Government should review the position when the index reaches 228, and it is a fact that it has reached 228, and so the process of reviewing has started. This is all that I can say.

AN HON MEMBER : When will that review conclude ?

SHRI YESHWANTRAO CHAVAN : We have taken a specific step in the sense that...

SHRI S. M. BANERJEE : There is no question of review, but the position is that whenever it reaches 228 increased dearness allowance should be given.

SHRI YESHWANTRAO CHAVAN : We are committed to reviewing the position, and as a first step towards review, we have...

SHRI K. BALATHANDAYUTHAM (Coimbatore) : What is there to review ?

SHRI YESHWANTRAO CHAVAN : Review means many things. As a first step towards that review, we have written to the Pay Commission to advise us on that matter.

SHRI S. M. BANERJEE : May I submit that...

MR. SPEAKER : There can be no debate on it now.

SHRI S. M. BANERJEE : May I seek your guidance on one matter ?

MR. SPEAKER : There is no question of any guidance now.

SHRI S. M. BANERJEE : The Pay Commission has nothing to do with it. So, how can the Pay Commission come into the picture ? This is wrong. It is a great injustice that the Pay Commission is still to be consulted. The Pay Commission had clearly given their recommendation...

MR. SPEAKER : I am not allowing it. Every time, he is making a debate out of everything. If I had known that he would be entering into a debate, I would not have allowed him.

SHRI S. M. BANERJEE : Kindly hear me. Last time, the Pay Commission had said that when the index reached 228, it should be given...

MR. SPEAKER : I am not allowing it now.

12.43 hrs.

# TAXATION LAWS (AMENDMENT) BILL—Contd.

MR. SPEAKER : The House will now take up further consideration of the following motion moved by Shri Y. B. Chavan on the 15th November, 1971, namely :—

“That the Bill further to amend the Income-tax Act, 1961, the Wealth-tax Act, 1957 and the Gift-tax Act, 1958 be taken into consideration.”

There is a motion that this Bill be referred to a Select Committee. Is the hon. Minister moving it ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : I think Shri Piloo Mody was speaking. Let him conclude his speech.

MR. SPEAKER : Does Shri Piloo Mody want to speak after the report of the Select Committee or now ?

SHRI PILOO MODY (Godhra) : I shall inform you in the course of my speech.

I would have finished Yesterday but for the fact that you had provoked me to speak today.

MR. SPEAKER : I am very sorry, if I had provoked him. But I had good intentions at that time.

SHRI PILOO MODY : I appreciate that at all times.