

(c) and (d). World Bank, in its Country Economic Memorandum on India published in August 1996, while appreciating the Economic Reforms undertaken during the last five years, have suggested to speed up the economic reforms to meet the challenges ahead. Government's approach to economic reforms is contained in the Common Minimum Programme of the United Front. The Common Minimum Programme identifies the key challenges ahead i.e. reducing the country's chronically high fiscal deficits, further liberalizing the economy, agriculture in particular, meeting the infrastructure challenge and ensuring social justice. Some of the measures undertaken by the Government during the past year, have been mentioned in the Economic Survey and Central Government Budget 1996-97.

Pay structure in R.R.Bs

54. SHRI BASU DEB ACHARIA :
SHRI T. GOVINDAN :

Will the Minister of FINANCE be pleased to state :

(a) the main points of the Award of the National Industrial Tribunal relating to pay structure of Regional Rural Banks;

(b) whether it has since been accepted by the Government and implemented;

(c) if so, the details thereof and the quantum of additional financial expenditure likely to be incurred as a result thereof; and

(d) if not, the reasons for not implementing an award which was a time-bound and subjected to viability of the Regional Rural Banks?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The pay and allowances of the employees of the Regional Rural Banks (RRBs) are to be determined by Government under Section 17(1) of the Regional Rural Banks Act, 1976. In pursuance of an order of the Hon'ble Supreme Court, the Government appointed a National Industrial Tribunal (NIT) in 1987. The Tribunal was required to decide the dispute relating to pay, salary, other allowances and other benefits payable to the employees of the RRBs in terms of the pleadings of the parties in Writ Petition (Civil) Nos. 7149-50 of 1982 and No. 132 of 1984 filed in the Supreme Court of India.

Pursuant to the award of the Tribunal, Government have issued an order on 22.2.1991 determining the salary and allowances of the employees of the RRBs and made them effective from 1.9.1987.

After the implementation of the Sixth Bipartite settlement for the Commercial Banks, the employees of RRBs had taken a stand that the settlement should be extended to them also. The matter was taken to the Supreme Court by some employees. Government had

taken a stand that the award of National Industrial Tribunal could not be an authority for continued parity between the employees of RRBs and those of sponsor banks. The Supreme Court has not granted the relief prayed for instead observed that the employees may seek relief available to them under the Industrial Disputes Act.

In order to have a package that will reconcile the interests of the employees, the clients and the banks, the Reserve Bank of India has now appointed a Committee to make recommendations to Government on the exercise of its powers under Section 17(1) of the Act.

Inflation Rate

55. SHRI K.H. MUNIYAPPA :
DR. KRUPASINDHU BHOI :

Will the Minister of FINANCE be pleased to state :

(a) whether the prices of all the consumer commodities and the rate of inflation have been steadily increasing during the recent months;

(b) if so, the weekly rate of consumer price indices and the rate of inflation during the last four months; and

(c) the steps taken/proposed to be taken by the Government to check the price rise and to contain the inflation rate?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Consumer Price Index for Industrial workers (CPI-IW) commonly used to measure the movement in prices of consumer commodities registered a rise of 7.8 per cent between April and September, 1996. The annual inflation rate (September 1996 over September 1995) was 8.5 per cent compared to 10.1 per cent last year.

(b) The Consumer Price Index is compiled only on monthly basis. The movement in the index for the last four months together with the annual inflation rate is listed below :

1996	Monthly Change in Index (%)	Cumulative increase (%) over March	Annual Inflation (%)
April	1.6	1.6	9.8
May	1.2	2.8	9.3
June	1.5	4.4	8.8
July	1.8	6.3	8.3
August	1.2	7.5	8.9
September	0.3	7.8	8.5

(c) The important steps taken by the Government to check the price rise and to contain inflation are :

(1) Continuation of open market sale by FCI of rice and wheat.