

However, I can assure the hon'ble Member that the necessary formulation of the recruitment rules has been expedited and we hope that in the near future this post as well as other posts which have been lying vacant for quite some time will be filled up.

SHORT NOTICE QUESTION

Grant of dearness allowance to Central Government employees

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S.N.Q. 18. SHRI VASANT SATHE:

**SHRI K. LAKKAPPA:
DR. HENRY AUSTIN:**

Will the Minister of FINANCE AND REVENUE AND BANKING be pleased to state:

(a) whether it is a fact that the 12-monthly average consumers price index has crossed 305 mark in May, 1977;

(b) if so, whether the Government have taken a decision for a grant of additional D.A. to the Central Government employees and if not, how soon the decision is likely to be taken in the matter, and

(c) indicate the rise in the consumer price index for industrial workers for the months February, 1977 to the latest month available/computed?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) Yes, Sir.

(b) The Central Government employees are at present getting dearness allowance with reference to the 12-monthly index average of 304. The question of payment of further instalment of dearness allowance can be considered only when there is an increase in the index average by 8 points beyond 304, that is, when the index average reaches 312.

(c) The index figures were 310, 312, 313 and 318 respectively during February, March, April and May, 1977.

The corresponding 12-monthly average of the index figures for these months are 298.83, 301, 303 and 305.33 respectively.

SHRI VASANT SATHE: It seems that there is some confusion in the information which the hon. Finance Minister has just now given. Last year, in October, when the workers and the Central Government employees had already become entitled to a certain D.A., when the 12 monthly index average having gone beyond 8-points and because the moving monthly index average came below 304, their D.A. was reduced. The point is that they would have been entitled to a higher D.A. which they were getting in October last itself when the index average had exceeded 304. You do not have to wait for a further rise of 8 points in another 10 months. The question is that the moving index average having gone up now beyond 304, will you restore them the D.A. that they were getting in last October?

SHRI H. M. PATEL: As I said, the point is that the dearness allowance is given in accordance with the 12-monthly index average and when 8-points are either up or down, there is a variation of D.A. It is in accordance with this principle, earlier 9 instalments were given. First one was given on 1st May, 1973, the second on 1st August 1973, the third on 1st October 1973, the fourth on 1st January 1974, the fifth on 1st February 1974, the sixth on 1st April 1974, the seventh on 1st June 1974, the eighth on 1st July 1974 and the ninth was given on the 1st September 1974 to cover the price rise upto the index average level of 272. At that point according to the recommendations of the Third Pay Commission, discussions were held with the staff and what was agreed then was that additional instalments of D.A. were to be given. These were given on 1st October 1974, on 1st November 1974, on 1st December 1974 on the 1st February 1975 and on the 1st March 1975.

This covered the price rise 12 monthly average price index 312. In April 1975 the 12 monthly index average crossed 320. While discussing the payment of the 5th additional instalment the staff side contended that the sixth additional instalment should also be paid from 1st May 1975. (Interruptions).

MR. DEPUTY-SPEAKER: Let him complete the answer; do not be impatient.

SHRI H. M. PATEL: Because of financial constraints and the repercussions on the state Governments who were already complaining of the liberality of the central Government in this regard, government did not find it possible to grant the 6th additional instalment of the D.A.

AN HON. MEMBER: Which government?

SHRI H. M. PATEL: The then government. Meanwhile at the end of January 1976 the 12 monthly index again averaged below 320 points and accordingly the basis for the payment of the 6th instalment of D.A. no longer existed as on 1.2.1976. When however persistent demands were made for the payment of the 6th instalment of D.A. through parliament questions and otherwise, the Houses were informed that the question of payment of the 6th instalment of D.A. would be considered in the context of the declining price trend and that before a final decision was taken in the matter the staff side would be consulted.

That was the history till then. The 12 monthly index dropped below 312 points in April 1976 and below 304 points in June 1976 and consequently one instalment of D.A., fifth instalment already sanctioned, became due for withdrawal from 1-5-1976 and another instalment from 1st July 1976 since the index average had dropped below the level at which this instalment had been sanctioned. After discussing the matter with

JCM the government decided to withdraw only one instalment of D.A. from 1st July 1976. The order for withdrawal was however issued in October 1976 and later in the light of representations received from staff associations and others it was also decided as ex-gratia measure to waive the recovery of excess payment of DA from 1st July 1976. (Interruptions). Hon. Members opposite should realise that all this history took place when this government was not in power. I take it that this government was not in power on 20 September 1976. (Interruptions). Why do you not wait and listen as to what was behind the thinking of that government. I am giving you the whole history.

AN HON. MEMBER: We do not want history.

SHRI H. M. PATEL: It is necessary for you to know. It is necessary for the entire House to know the history of this case. When you ask a question, you must be prepared to hear the full answer.

We did not withdraw the excess payment made from 1st July, 1976 to 30th of September, 1976. With the withdrawal of only one instalment of D.A. from 1st October 1976, instead of withdrawing two instalments, one from 1st May and another from 1st July, as Government were entitled to do, the Government have, as on 1st July 1976, only compensated the employees for the non-payment of the sixth instalment of D.A. which was due for a period of nine months from 1st May 1975 to 31st January, 1976. Since this benefit of withdrawing only one instead of two continued right upto the end of May 1977, as the index average upto that period was throughout below 304 points, the advantage to the employees became all the greater. The index at the end of May 1977 was 318 points and the 12-monthly average index worked out to 305.33 points, as I said. Since the employees are already getting D.A. with reference to

the index average of 304 points, any claim for a further instalment of D.A. can be considered only when the index average has advanced by 8 points after 304, i.e., when the Index average reaches 312 points. Till then, no further instalment of D.A. can be due. This is my answer.

SHRI VASANT SATHE: Now, I do not know whether this House is better educated and better informed after this whole narration of history. My simple question was and it was made clear in what facts you have stated, that the D.A., which had become due on 304, which was reduced because the average fell below 304 to 297, should have been restored when you yourself admit that the index figures have gone to 310, 312, 313 and 318 respectively in February, March, April and May. When it is a fact that it has become already due, how are you denying them? You say, we have been charitable enough; we would have withdrawn two instalments, but we did not do that. Is it a reply to the question I asked?

SHRI H. M. PATEL: Once again, I remind you that it is the 12-monthly average that matters. (*Interruptions*). You do not allow me to give you a reply. Are you giving me a reply?

SHRI VASANT SATHE: Your information is not correct and you are misleading the House.

SHRI H. M. PATEL: Mr. Deputy Speaker, Sir, the remark that I am misleading the House is absolutely wrong and objectionable. I am not misleading the House. I am giving all the facts. In fact, you are objecting to my giving more facts than you want. Our point is that it is 12-monthly average that matters. In a given month, whatever be the index, you work out the 12-monthly average and that is the figure to be considered. Each month you go on counting. The result will be this. Though the index for May alone was 318, the

12 monthly average was 305.33. It means that in June, the 12-monthly average will be more than 305.33 and in July, it will be still higher so that by about August or so, if this trend of increase in price continues like this, the 12-monthly average index will go to 312 when the next instalment will become due. 12 monthly average means it is a moving average and this is how it must be arrived at.

SHRI K. LAKKAPPA: The Finance Ministry cannot get over the situation by giving false information to this House.

MR. DEPUTY-SPEAKER: Be careful in the words you use.

SHRI VAYALAR RAVI: He means misleading information.

SHRI K. LAKKAPPA: The instalment of DA was withdrawn when the index was at 312. The index at present has crossed 318. The prices are soaring for the last three months. Your compilation of the index is completely wrong and erroneous and so, the conclusion drawn by the ministry is also erroneous. Why have the figures for June and July not been given? We have asked the figures for the current month also. May I know why this legitimate demand of the employees has been denied? Will you kindly review the whole method of compilation of the index in the light of the circumstances of rising prices and the attitude of the present government for the last three or four months?

SHRI H. M. PATEL: I do not know if the hon. member has corrected his statement that I gave any false information.

SHRI K. LAKKAPPA: I said, the index compilation is wrong and the conclusions based on that are also erroneous.

SHRI H. M. PATEL: When you said 'false' perhaps it was a slip of your tongue. The hon. member should understand that DA is given in accordance with the Pay Commission's recommendations. It is paid to Central Government employees to compensate them for the rise in the cost of living. The pay structure recommended by the third pay commission was linked to the 12 monthly average of the All India Consumer Price Index level of 200 for industrial workers (1960 is equal to 100). The 12 monthly average is clearly spelt out there. This is how the previous government functioned and the present government is functioning.

DR. HENRY AUSTIN: Will the hon. minister explain the new principle that is being enunciated now, *viz.*, "moving average"? The index was 307 in January 77, 312 in February, 313 in March and it is spiralling like this every month. The new principle of moving average frustrates the hopes of the employees to get their legitimate demand fulfilled, particularly when the DA was withdrawn when the index went below 304. Has the new principle has been evolved to frustrate their hopes?

SHRI H. M. PATEL: There is nothing to explain. 12 monthly average means, each month you go back 12 months and work out the average. If you want, I can give the index figures month by month. The hon. member wanted to know how the 12 monthly average is arrived at. Suppose you take the month of May. You go back 11 months. May is the 12th month. You work out the average for the 12 months. That is how you arrive at the 12 monthly average. In the previous months the figures were low. It started rising only from a certain month. The 12 monthly average will go on rising and that is why I said though it is 305.33 in June, it will go up next month if the rise continues.

SHRI SHYAMNANDAN MISHRA: The hon. Minister seems to be very
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pessimistic and he does not seem to reflect any command over economic forces.

SHRI H. M. PATEL: I am very glad that the hon. Member tells me that I am very pessimistic. I am neither pessimistic nor optimistic when I am trying to explain the basis on which the dearness allowance is given. The hon. Members should realise that it is not the stage at which I should deal with the economy of the country. I will, if they so desires, when I am given an opportunity. This is not the right time for me to do so.

DR. SUBRAMANIAM SWAMY: Mr. Lakkappa, as usual, comes to this House with ignorance. He does not know that the Government of India has appointed a Committee to review the cost of living index compilation and he is saying that the cost of living index is fraudulent and asking what the Government is doing about it. He should come better informed to the House before attacking the Minister.

I would like to ask the Minister that in view of the fact that on the question of payment of dearness allowance to the employees and also the question of restoration of what was taken back from them by the people sitting there, and in view of the fact that the question of cost of living index is also very much under dispute and also in view of the financial stringency as he put it, whether he would resume the dialogue with the Central Government employees specially with some of the key unions, which was suspended during the Emergency.

SHRI H. M. PATEL: I will certainly consider that suggestion.

SHRI M. N. GOVINDAN NAIR: From the statement of the hon. Minister it is clear that when due to fall in cost of living index two instalments had to be reduced, the previous

Government reduced only one and as a further concession, withdrawing the above from the employees was also stopped. From what he has said, it seems by his present way of calculation the concession that was given to the Central Government employees by the previous Government is taken away.

SHRI H. M. PATEL: The hon. Member has just not understood everything in spite of the fact that he says that he has understood clearly. If he wants, I will re-read the whole thing. There is no question of our having taken away anything. We are acting according to the scheme that is approved by the Third Pay Commission. We are adhering strictly to the arrangements that have been made with the staff.

श्रीमती अहिल्या पी रांगनेकर : मंत्री महोदय को मालूम है कि वर्कर्स के लिए जो प्राइस इंडेक्स होता है, वह फ्राडुलेंट होता है। यह सवाल ट्रिपार्टाइट कमेटी में लिया गया है। मैं यह जानना चाहती हूँ कि जब सेंट्रल गवर्नमेंट एम्पलाईज के डी० ए० के बारे में विचार किया जायेगा, तो क्या सरकार इस बात को भी ध्यान में रखेगी या नहीं। और जैसा गोविंदन नायर ने पूछा है, यह साफ साफ बताना चाहिए कि जब प्राइस इंडेक्स कम हो गई थी उस के बाद गवर्नमेंट ने उन से डीअरनेस एलाउंस का पैसा जो उन को देते थे वह नहीं काटा था और अभी तक आप की सरकार ने वही चालू रखा है या नहीं? आप ने भी नहीं काटा है।

SHRI H. M. PATEL: We have made no further cuts.

श्री विजय कुमार महोदय : मार्च में जब यह सवाल आया था तो मंत्री महोदय ने यह कहा था कि एक इंस्टालमेंट ड्यू हुआ था और एक इंस्टालमेंट कटना था, वह बराबर कर दिया गया, अब दूसरे इंस्टालमेंट का सवाल कहां पैदा होता है क्योंकि जो दो

इंस्टालमेंट काटे गए थे उस में से एक काटने का फैसला किया था और दूसरे को छोड़ दिया था। अब जो प्राइस इंडेक्स का प्वाइंट बढ़ गया है उस के बाद जब ड्यू हो गया है तो उस को देने में तो एतराज नहीं होना चाहिए, उस को देने में एतराज क्यों हो रहा है ?

SHRI H. M. PATEL: I am afraid the hon. Member is wrong. It is not due yet. When it rises from 304 to 312 points, it will become due.

SHRI VASANT SATHE: At 297, points, it was reduced. It has already gone up by 8 points; and it is due. It has already become due. (*Interruption*).

श्री धनरा सिंह गुलशन : यह सरकारी कर्मचारियों का मंहगाई भत्ता जब वापस लेने की तजवीज बनी तो उस समय इस राजमंच पर किस पार्टी की सरकार थी ?

SHRI H. M. PATEL: It was not done by the present government.

श्री कंवर लाल गुप्त : अध्यक्ष महोदय, इंडेक्स का कैलकुलेशन बहुत कम्प्लिकेटेड है। कैलकुलेशन के कम्पाइलेशन का जो मंत्री महोदय ने बताया एक तो वह तरीका है और जो गवर्नमेंट सर्वेंट्स बताते हैं वह दूसरा तरीका है और बहुत कम्प्लिकेटेड है, यह मैं मानता हूँ। इस मामले में गवर्नमेंट सर्वेंट्स में काफी डिसेटिस्फैक्शन है और दाम चूँकि पहले से बढ़ते चले जा रहे हैं तो गवर्नमेंट सर्वेंट्स पहले से काफी गरीब भी हो गए हैं। मैं मंत्री महोदय से जानना चाहता हूँ कि क्या आप के पास गवर्नमेंट एम्पलाईज की कोई रेप्रेजेंटेशन आई है? अगर आई है तो क्या आप उन को बुला कर या स्वतः ही सरकार की क्या पालिसी है, तफसील के साथ जनता के सामने रख देंगे ताकि लोगों के सामने सारी तस्वीर आ जाये।

SHRI H. M. PATEL: There are regular meetings with the staff; and I shall certainly put down whatever the staff side says; and the result of whatever we have discussed.

SHRI KANWAR LAL GUPTA: The first question is whether he has received any representation from the employees. If the reply is 'yes', what are its details? Will he clarify the government's position regarding this issue?

SHRI H. M. PATEL: I said that at present, as far as I know, I have received no representation from the staff side. But I have also said that there are regular meetings with the staff. As soon as there are any further points, we will be willing to discuss them.

SHRI VAYALAR RAVI: If I have understood correctly what the hon. Minister said, the previous Government reduced two instalments of DA, because there was a fall below 297, while the present Government reduced it by only one. Now it has gone up to 304. So, naturally, they are entitled to one instalment. Is it the view of the Government that the other government reduced two instalments, while you have reduced only one? Are you computing that one, along with this, instead of giving one more DA? Are you simply giving an argument that they have reduced two instalments and you have reduced only one or are you going to give one instalment, to which they are entitled?

SHRI H. M. PATEL: The index rose to 320, at which point of time they would have become entitled to one more instalment of DA. At that stage Government decided that because of financial constraints they would not do so. They discussed it. While the discussions were going on, the prices started coming down and, when they came to 312 already, really speaking there was a reduction of

one instalment. From 312 to 304 was the second reduction. Government considered it and decided to give one instalment. That is the situation. Now, as soon as the prices rise from 304 and go beyond 312, they will become entitled to another instalment of DA. If it falls, there will be a reduction.

WRITTEN ANSWERS TO QUESTIONS

Mandays lost

*467. **SHRI D. D. DESAI:** Will the Minister of PARLIAMENTARY AFFAIRS AND LABOUR be pleased to state:

(a) whether the number of mandays lost due to industrial unrest since April, 1977 has been very high as compared to similar period in last three years;

(b) if so, the reasons therefor, and

(c) whether any step is contemplated to check the flood tide of industrial unrest?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND LABOUR (SHRI RAVINDRA VARMA): (a) to (c). Complete reports in regard to the number of mandays lost due to industrial unrest are still awaited from several State Governments; till such reports are available, it is not possible to reach any conclusion. Government is watching the situation and wherever necessary intervening in disputes with a view to promoting settlements. Government is also proposing to make change in the law relating to industrial relations and for this purpose is setting up shortly a tripartite Committee which is to report in a period two months. The report of the Committee will enable the Government to bring forward the necessary legislation on the subject.