

D. A. to Central Government Employees

*2. SHRI SWAMI DINESH CHANDRA:

SHRI SAWAISINGH SISODIA:

SHRIMATI HAMIDA HABIB-ULLAH:†

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the 12 monthly average of the consumer price index has crossed 328 points entitling the Central Government employees for an additional instalment of dearness allowance;

(b) if so, what action Government propose to take in this regard; and

(c) whether Government are considering to revise the dearness allowance formula for the Central Government employees?

THE DEPUTY PRIME MINISTER AND THE MINISTER OF FINANCE (SHRI CHARAN SINGH): (a) Consequent on the 12-monthly average of the All India Average Consumer Price Index for Industrial Workers (General) (1960=100) crossing 328 points at the end of November, 1978, the question of payment of another instalment of Dearness Allowance to Central Government employees with effect from 1-12-1978 has become due for consideration.

(b) The matter is engaging the attention of the Government.

(c) This issue is now before the Board of Arbitration (Joint Consultative Machinery).

SHRIMATI HAMIDA HABIB-ULLAH: Sir, since the matter is just being considered, I would like to bring one or two things to the notice of the

hon. Finance Minister. The fact remains that while the Government goes on giving statements that prices are going down, the prices in actual fact are going up all the time as is seen from the index and the people who are most affected by it, are the ones with fixed incomes like the Central Government employees. Therefore, I would like to know whether the Government is aware of the fact, while they are considering the matter, that the people with fixed incomes are undergoing terrible hardships and the prices in actual fact are going up higher and higher.

SHRI CHARAN SINGH: Sir, I do not think the people are undergoing any undue hardship though it is a fact that the average consumer price index has gone up by 8 point. That is a matter of opinion.

SHRI KALYAN ROY: That is a very loud statement.

SHRIMATI HAMIDA HABIB-ULLAH: I would like to know, why can't the Government ensure daily charts of the prices of such items like rice, wheat, oil, common cloth and other household items being sold in various markets? Why is the Government not taking the help of housewives in urban and rural areas, because they are the ones who know what the actual prices are? The Government officials and the Government do not seem to be quite conscious of the fact. It is the common people who have to go and buy these essential commodities. I am sure you will get millions of people to help you in the rural areas as well as in the urban areas. I know that the hon. Minister is very much interested in what happens to the rural areas who are also going to face a great hardship. That is why I would like to know why you cannot form little groups that can help you in fixing the prices and seeing that the daily charts are put up.

SHRI CHARAN SINGH: The question here is about the consumer price index for industrial workers and not

†The question was actually asked on the floor of the House by Shrimati Hamida Habibullah.

the general price index, nor are the rural people involved. The question relates only to the average consumer price index for industrial workers.

श्री जगदीश प्रसाद माथुर : मंत्री महोदय ने कहा है कि मामला आर्बिट्रेशन में दिया हुआ है। मैं यह पूछना चाहता हूँ कि जब गवर्नमेंट की घोषित नीति यह है कि जब कभी मंहगाई का इंडेक्स बढ़ जाए तो स्वतः मंहगाई भत्ता बढ़ जाना चाहिए तो मामला आर्बिट्रेशन में क्यों दे रखा है ? फिर इमरजेंसी के दौरान मंहगाई भत्ता 3 परसेंट से ढाई परसेंट चार परसेंट से 3½ परसेंट रेट कर दिया गया था, क्या आर्बिट्रेशन में यह भी विचार हो रहा है ? थर्ड पे कमीशन के अनुसार 272 प्वाइंट इंडेक्स बढ़ जाने के बाद मंहगाई भत्ता वेतन के अन्दर मिला दिया जाना चाहिए। इसके विषय में सरकार का क्या मत है, उस पर सरकार क्या विचार कर रही है ?

SHRI CHARAN SINGH: Sir, there are three issues which have arisen in this dispute about the consumer price index. They are: Merger of dearness allowance with pay; interpretation of the existing DA formula and lastly, enhancement or restoration of the higher rates of dearness allowance allowed by Government while implementing the Third Pay Commission's recommendation. All these three issues are now under arbitration.

श्री जगदीश प्रसाद माथुर : गवर्नमेंट पहले ही कमिटेड है, उसका आर्बिट्रेशन में क्यों दिया गया, मंत्री जी ने यह नहीं बताया ?

SHRI ANANT PRASAD SHARMA: Sir, the hon. Minister has said that the dearness allowance instalment due from 1-12-1978 is under consideration by the Government. And secondly, Sir, he has just now mentioned that certain issues are referred to the Board of Arbitration. So far as I

know, the sitting of the Board of Arbitration was adjourned recently, perhaps to enable the two parties—the representatives of the employees and the representatives of the Government—to think of a bilateral settlement outside the Board of Arbitration. I would like to know from the hon. Minister how long the consideration on the first point regarding payment will take. Is he in a position to give a specific indication by what time and date this decision will be taken to pay the instalment due to the employees? Also, can he say whether efforts are being made to settle this issue outside the Board of Arbitration and as a result of that, the sitting of the Board of Arbitration was adjourned recently, and if it is so, when is it going to be settled?

SHRI CHARAN SINGH: Sir, it is a fact that reconciliation talks are going on between the Government on the one side and the employees on the other and the proceedings of the Board of Arbitration have been postponed with that end in view. The Government will do its utmost to bring matters to a decision as soon as possible, but I cannot give a specific date.

SHRI CHARANJIT CHANANA: Sir, can the hon. Finance Minister enlighten the House about the very barometer which is measuring the costliness as far as industrial workers are concerned? At the end of 1976, a committee in the Ministry of Labour had given a report on the contents of the index for industrial workers. Two things were brought to the notice of the Government at that time. One was that this index was obsolete for the simple reason—and the hon. Minister would know it better—that the basket of goods which is worked out as the basis of the weightage diagram and which, in fact, indicates the 8-point rise is an obsolete one. That is why the fixed-income-group feels that it is in fact cheating. The index number is supposed to represent the costliness. The

basket of goods for Delhi, for example, has an item—dhoti—which is a DCM dhoti measuring 9 yards, and the price of that dhoti has been quoted as Rs. 7.90 for the last few years. Another item relates to a pair of shoes, which is Bata shoes. That Bata shoe, in the index number, has been priced at Rs. 6.25 for the last so many years. There were the two items which were brought to the notice of the Committee of the Ministry of Labour. These are just two instances I have given to show that the index number for industrial workers for all these selected areas is a fictitious thing and I hope the hon. Minister would be kind enough to refer the whole matter once again to a committee of experts. In fact, the report is already there in the Ministry of Labour that this index number has to be revised on the ground that both the basket of things and the weightage diagram are obsolete. This is in fact a chain of lies which are the basis of the index and the dearness allowance for the fixed-income group people. I would, therefore, request that urgent action should be taken in the matter.

SHRI CHARAN SINGH: Sir, I have not seen in detail the history of the dispute since 1976 or 1974. But the fact remains that discussions are taking place between the Government and the employees and all the issues that have been referred to by the hon. Member are being discussed. I am glad to inform the House that the attitude of the employees is very reasonable. We have no complaint in that regard. And I will, again, through you, Sir, put the point of view before the hon'ble House that the national income, or the income of the Government does not increase in the same proportion in which the prices increase. So it is not that entirely all the logic or all the reasoning lies on the side of the employees. There is much to be said on the side of the Government also. But by way of concluding all this debate or cross-examination, I would like to say that

the matter is under consideration and I will do my best to see that a settlement is arrived at as early as possible.

SHRI G. LAKSHMANAN: The question of grant of dearness allowance to Central Government employees, which has been referred to arbitration, is not arbitrable. This is a decision of the Central Government on the Pay Commission's recommendations. Other things are arbitrable, but not this. How is it arbitrable? How much dearness allowance has to be merged with pay and will there be reduction of half a per cent? How is it arbitration?

SHRI S. W. DHABE: Sir, the Pay Commission recommended that if the index goes up beyond 272 the employees are automatically entitled to revised dearness allowance and pay revision. The Pay Commission has recommended extra dearness allowance if the price index goes up by 8 points over certain index in a year. The employees have objected to it since the industrial workers get their rise by month-by-month adjustments. The apprehension in the minds of the employees is about the interpretation of the dearness allowance formula referred to arbitration. I do not understand what is meant by this term of reference about interpretation of the dearness allowance formula. But knowing the views of the Finance Minister and the previous statement made by him about the employees, there are apprehensions that which is due will not be paid. When the D.A. instalment was due on 1-12-1978, will the Minister assure this House that immediately the due instalment will be paid to all the Government employees?

SHRI CHARAN SINGH: The matter is pending already since November/December, that is, before I took over. I might be a reactionary or a revolutionary. That is a different thing. But the matter is pending before I

took over. As far as the question of arbitration or arbitrability or the word is concerned, everything except the articles of the Constitution and the parliamentary proceedings is arbitrable.

SHRI B. D. KHOBRAGADE: The hon'ble Minister has admitted that there is increase in the price index, and whenever there is increase in prices the people at large are made to suffer. But the hardship that is caused to the organised sector is mitigated by the facilities that are provided by the Government. But what about the unorganised sector, the rural sector, which is suffering most? So would it not be advisable on the part of the Government to have some national wage policy so that the unorganised sector is also helped to mitigate their hardship and suffering?

SHRI KALYAN ROY: Why do you not help him to organise?

SHRI CHARAN SINGH: It is simply not possible for the Government to decide about the wages that would be paid in the unorganised sector. In that case the Government will become a totalitarian State which I do not think my friend wants.

SHRI KAMESHWAR SINGH: He must take corrective measures. He is supposed to be a dynamic Minister.

Per capita income and per capita consumption

*3. SHRI G. C. BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the *per capita* income and the *per capita* consumption registered a fall for four years and three years respectively during the years 1970-71 to 1977-78 thereby causing further deterioration in the standard of living of the poor; and

(b) if so, what positive steps Government propose to take to remedy the situation?

THE DEPUTY PRIME MINISTER AND THE MINISTER OF FINANCE (SHRI CHARAN SINGH): (a) Yes, Sir. A statement is laid on the Table of the House. It may be, however, worth nothing that *per capita* income and *per capita* consumption expenditure in 1977-78 are higher by 5.2 per cent and 4.8 per cent, respectively over 1976-77.

(b) Improving the standard of living of the people, especially of those who are poor in the rural and urban areas is the main objective of the new strategy of planning which is now under finalisation. In accordance with this strategy which has been spelt out in the Draft Five Year Plan 1978-83, improvement in the standard of living will be brought about by providing productive employment in agriculture and allied sectors, village and cottage industries which have the greatest capacity to absorb surplus labour. Emphasis is laid on the expansion of infra-structural and social services like road construction, electrification, irrigation, schools, housing etc. which are labour intensive, particularly in the rural areas. The Revised Minimum Needs Programme aims at providing by the State of some of the basic needs of the people in the poorest sections of the population like clean drinking water, health care, adult literacy, elementary education, rural roads, rural housing, house sites for the landless and minimum services for the urban slums. The Plan also proposes to reinforce these measures through a package of policies for achieving redistributive justice, such as land reforms, tenancy reform, strengthening of the public distribution system and amelioration of the conditions of the backward classes. These measures are expected to bring about significant improvement in the standard of living of the poor.