

**Thirteenth Kerala Legislative Assembly**

**Bill No. 57**

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**THE PAYMENT OF SALARIES AND ALLOWANCES  
(SECOND AMENDMENT) BILL, 2011**

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2011

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**THE PAYMENT OF SALARIES AND ALLOWANCES  
(SECOND AMENDMENT) BILL, 2011**

*A*

*BILL*

*further to amend the Payment of Salaries and Allowances Act, 1951.*

*Preamble.*—WHEREAS, it is expedient further to amend the Payment of Salaries and Allowances Act, 1951 for the purposes hereinafter appearing ;

BE it enacted in the Sixty-second Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Payment of Salaries and Allowances (Second Amendment) Act, 2011.

(2) It shall come into force at once.

2. *Amendment of section 3.*—In the Payment of Salaries and Allowances Act, 1951 (XIV of 1951) (hereinafter referred to as the principal Act), in section 3, for the words “seven thousand and five hundred rupees”, the words “twelve thousand rupees” shall be substituted.

3. *Amendment of section 4.*—In section 4 of the principal Act, for the words , “ seven thousand and five hundred rupees”, the words “twelve thousand rupees” shall be substituted.

4. *Amendment of section 5C.*—In section 5C of the principal Act, for the words, “two lakhs rupees”, the words, “five lakhs rupees” shall be substituted.

5. *Amendment of section 6.*—In section 6 of the Principal Act, in sub-section (2), for the words, “ five thousand rupees”, the words, “ten thousand and five hundred rupees” shall be substituted.

6. *Amendment of section 8.*—In section 8 of the principal Act, in sub-section (1),—

(1) in clause (a), for the words “three hundred rupees”, the words, “one thousand rupees” shall be substituted ;

(2) in clause (aa), for the words “rupees five thousand”, the words “rupees twelve thousand” shall be substituted ;

(3) in the proviso to clause (b), for the words “ten thousand rupees”, the words “fifteen thousand rupees” shall be substituted.

7. *Amendment of section 8A.*—In section 8A of the principal Act,

(1) in sub-section (5), for the words “five thousand rupees”, the words, “seven thousand and five hundred rupees” shall be substituted.

(2) after sub-section (5), the following sub-sections shall be inserted ; namely :—

“(5A) Every member referred to in sub-section (3) shall be entitled to an information allowance of one thousand rupees per mensem and a sumptuary allowance of rupees three thousand per mensem ;

(5B) An amount of rupees ten thousand per mensem shall be paid directly to the staff of every member referred to in sub-section (3) as staff allowance by the Legislature Secretariat.”

8. *Insertion of new section 8B.*—After section 8A of the Principal Act, the following section shall be inserted, namely :—

“8B. Vehicle advance and house building advance.—Subject to such rules as may be made in this behalf, every member, other than the Speaker, the Deputy Speaker, the Leader of Opposition, the Chief Whip and the Ministers shall be entitled to avail interest free vehicle advance upto rupees five lakhs and house building advance upto rupees ten lakhs at a reduced rate of interest.”

9. *Amendment of section 9A.*—In section 9A of the Principal Act, in sub-section (1), for the words, “one lakh twenty thousand rupees”, the words, “one lakh ninety two thousand rupees” shall be substituted.

10. *Amendment of the Schedule.*—In the Schedule to the principal Act,—

(1) In item I,—

(a) in sub-item (1),—

(i) in clause (a), for the words, “rupees eight per kilometre” the words, “rupees ten per kilometre” shall be substituted ;

(ii) in clause (c), for the words, “rupees six hundred”, the words, “rupees seven hundred and fifty” shall be substituted ;

(b) in sub-item (2),—

(i) in clause (a), for the words, “rupees eight per kilometre”, the words, “rupees ten per kilometre” shall be substituted ;

(ii) in clause (c), for the words, “seven hundred rupees”, the words, “nine hundred rupees” shall be substituted.

(2) in item II,—

(a) in sub-item (1),—

(i) in clause (a) , for the words, “rupees six per kilometre” the words, “rupees seven per kilometre” shall be substituted ;

(ii) in clause (b), for the words, “five hundred rupees”, the words, “seven hundred and fifty rupees” shall be substituted ;

(b) in sub-item (2), in clause (c), for the words, “six hundred rupees”, the words, “nine hundred rupees” shall be substituted.

#### STATEMENT OF OBJECTS AND REASONS

The last revision of salaries and allowances of the Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition, the Chief Whip and the Members of the Legislative Assembly was made in the year 2008 by Act 25 of 2008. For the last three years, the price of all the commodities including petrol, diesel, electricity, telephone charges etc. has increased manifold. Considering the above, the Hon’ble Speaker in consultation with the Hon’ble Chief Minister, appointed Mr. Justice R. Rajendra Babu, Retired Judge, High Court of Kerala to study and make recommendations to revise the salaries and allowances payable to the Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition, the Chief Whip and the Members of Kerala Legislative Assembly and also to examine and suggest necessary amendments to the Payment of Salaries and Allowances Act, 1951, the Payment of Pension to Members of Legislature Act, 1976 and matters connected therewith. Justice R. Rajendra Babu Commission submitted its report on 14th October, 2011 containing various recommendations. On the basis of the recommendations of the Commission, the Government have decided to revise the salaries and allowances and to make necessary amendments in the Payment of Salaries and Allowances Act, 1951.

2. The Bill seeks to achieve the above object.

#### FINANCIAL MEMORANDUM

Clauses 2 and 3 of the Bill seeks to amend sections 3 and 4 of the Principal Act to enhance Constituency Allowance to Ministers, the Speaker, Deputy Speaker, Leader of Opposition and Chief Whip from rupees seven thousand and five hundred per month to rupees twelve thousand per month.

2. Clause 4 of the Bill seeks to amend section 5C of the Principal Act to enhance the accident insurance coverage of the Members of Legislative Assembly including Ministers, Speaker, Deputy Speaker, Leader of Opposition and Chief Whip from Rupees two lakhs to Rupees five lakhs.

3. Clause 5 of the Bill seeks to amend section 6 of the Principal Act to enhance the Conveyance Allowance to Ministers, Speaker, Deputy Speaker, Leader of Opposition and Chief Whip from rupees five thousand per month to rupees ten thousand and five hundred per month.

4. Sub-clause (1) of Clause 6 of the Bill seeks to amend clause (a) of sub-section (1) of section 8 of the Principal Act to enhance the fixed allowance of the Members of Legislative Assembly from rupees three hundred per mensem to rupees one thousand per mensem.

5. Sub-clause (2) of Clause 6 of the Bill seeks to amend clause (aa) of sub-section (1) of section 8 of the Principal Act to enhance the constituency allowance of Member of the Legislative Assembly from rupees five thousand per mensem to rupees twelve thousand per mensem.

6. Sub-clause (3) of Clause 6 of the Bill seeks to amend the proviso to clause (b) of sub-section (1) of section 8 of the Principal Act to enhance the Travelling Allowance for Members inside the State of Kerala from rupees ten thousand per mensem to rupees fifteen thousand per mensem.

7. Sub-clause (1) of Clause 7 of the Bill seeks to amend sub-section (5) of section 8A of the Principal Act to enhance the Telephone Allowance of Member of Legislative Assembly from rupees five thousand per mensem to rupees seven thousand and five hundred per mensem.

8. Sub-clause (2) of Clause 7 of the Bill seeks to insert new sub-sections (5A) and (5B), in section 8A of the Principal Act to introduce an Information Allowance to the Members of Legislative Assembly at rate of the rupees one thousand per mensem and a sumptuary allowance of rupees three thousand per mensem. An amount of rupees ten thousand per mensem is payable to the staff of every Member as Staff Allowance.

9. Clause 8 of the Bill seeks to insert a new section 8B in the Principal Act to introduce Vehicle Advance and Housing Building Advance to the Members of Legislative Assembly other than Ministers, Speaker, Deputy Speaker, Leader of Opposition and Chief Whip . The vehicle advance will be interest free and maximum amount will be rupees five lakhs. The house building advance will be upto rupees ten lakhs at a reduced rate of interest.

10. Clause 9 of the Bill seeks to amend sub-section (1) of section 9 A of the Principal Act to enhance the value of free transit coupons to the members of the Legislative Assembly other than Ministers, Speaker, Deputy Speaker, Leader of Opposition and Chief Whip from rupees one lakh twenty thousand to one lakh ninety two thousand rupees.

11. Sub-clause (1) of clause 10 of the Bill seeks to amend the schedule to enhance the Incidental Expenses and Daily Allowances of Ministers, Speaker, Deputy Speaker, Leader of Opposition and Chief Whip for journeys inside the State of Kerala and Outside the State from rupees eight per kilometre to rupees ten per kilometre and daily allowance for halts from rupees six hundred to rupees seven hundred and fifty inside the State and from rupees seven hundred to rupees nine hundred outside the State.

12. sub-clause (2) of clause 10 of the Bill seeks to amend the schedule to enhance Travelling Allowance and Daily Allowance of Members of the Legislative Assembly inside the State of Kerala from rupees six per kilometre to rupees seven per kilometre and from rupees five hundred to rupees seven hundred and fifty rupees respectively and to enhance the daily allowance of Members outside the State of Kerala from rupees six hundred to rupees nine hundred .

13. The Bill if enacted and brought into operation would involve a considerable amount of expenditure of a recurring nature, for its implementation. Due to the enhancement of monthly allowances proposed, an additional expenditure of approximately fourteen crores rupees per year is expected to be incurred from the Consolidated Fund of the State. The actual expenditure that may have to be incurred due to the hike in the allowances for journey inside and outside the State cannot be estimated now with any reasonable degree of accuracy at this stage.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 8 of the Bill proposes to insert a new section 8B in the Principal Act seeks to empower the Government to make rules for providing Vehicle Advance and Housing Building Advance to the Members.

2. The matter in respect of which rules is to be made is a matter of procedure and is of routine or administrative in nature. Further the rules after they are made will be subject to the scrutiny of the Legislative Assembly. The delegation of the legislative power is, thus, of a normal character.

OOMMEN CHANDY

EXTRACT FROM THE RELEVANT PORTIONS OF THE PAYMENT OF  
SALARIES AND ALLOWANCES ACT, 1951  
(XVI OF 1951)

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3. *Salaries and allowances of Minister, the Leader of the Opposition and the Chief Whip.*—There shall be paid to each Minister, the Leader of the Opposition and the Chief Whip a salary of one thousand rupees per mensem and dearness allowance at such rates as officers of Government drawing a salary of one thousand rupees per mensem shall be entitled to from time to time and constituency allowance of seven thousand and five hundred rupees per mensem.

4. *Salaries and allowances of the Speaker and Deputy Speaker of the Legislative Assembly.*—There shall be paid to the Speaker and the Deputy Speaker of the Legislative Assembly a salary of one thousand rupees per mensem and dearness allowance at such rates as officers of Government drawing a salary of one thousand rupees per mensem shall be entitled to from time to time and a constituency allowance of seven thousand and five hundred rupees per mensem.

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5C. *Accident Insurance to Members of Legislative Assembly.*—(1) Subject to such rules as may be made by Government in this behalf, every member of the Legislative Assembly including the Ministers, the Speaker, the Deputy Speaker, Leader of the Opposition and the Chief Whip shall be entitled to be insured for an amount not exceeding two lakhs rupees at the expense of the Government against accidents or other infirmities as may be specified in this behalf caused to him during his tenure as member of the Legislative Assembly, the Ministers, the Speaker, the Deputy Speaker, the Leader of the Opposition and Chief Whip, as the case may be.

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6. *Conveyance for the Minister, Speaker, Deputy Speaker, Leader of the Opposition and the Chief Whip.*—

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(2) The Ministers, Speaker, the Deputy Speaker, the Leader of the Opposition and the Chief Whip shall be paid a sum of five thousand rupees per mensem in lieu of the cost of petrol and oil for the conveyances for journeys performed within the city of Trivandrum and a radius of eight kilometres thereof.

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8. *Allowances of the Members of the Legislative Assembly.*—(1) Every member of the Legislative Assembly who does not hold any of the offices referred to in section 3 and 4 shall subject to the other provisions of this Act be entitled to receive.—

(a) a fixed allowance of three hundred rupees per mensem.

(aa) a constituency allowance of rupees five thousand per mensem for meeting his expenditure for the performance of his duties as such member in his Assembly constituency;

(b) travelling and daily allowances, at the rates specified in the Schedule and upon such conditions as may be specified by rules made by the Government for attending meetings of the Legislative Assembly or of any Committee thereof and travelling allowances for his return journey to his usual place of residence on ceasing to be a member :

Provided that the travelling allowance which a member is entitled to receive under this clause for journey inside the State of Kerala shall not be less than ten thousand rupees per mensem.

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8A. *Amenities.*—

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(3) Every member of the Legislative Assembly other than the Speaker, the Deputy Speaker, the Leader of the Opposition, the Chief Whip and the Ministers shall be provided with one telephone at his usual place of residence (which may be specified by the member) for the term of his office and for a period of fifteen days immediately there after :

Provided that the place specified by the Member shall be within the area of operation of an existing telephone exchange.

(4) Subject to such rules as may be made in this behalf, charges in respect of the installation and rental of telephone provided in pursuance of sub-section (3) shall be paid by the Government ;

(5) Every member referred to in sub-section (3) shall be entitled to a telephone allowance of five thousand rupees per mensem for meeting the charges in respect of such telephone other than the charges referred to in sub-section 4 :

Provided that after the commencement of the Payment of Salaries and Allowances (Amendment) Act, 1994, it shall be lawful for the Government to



enhance, by order, from time to time, the aforesaid allowance proportionate to the periodical increase in charges in respect of telephone made by the Central Government.

(6)           \*\*           \*\*           \*\*           \*\*

9A. Free Transit Coupons for Members of the Legislative Assembly.—(1) Subject to such rules as may be made in this behalf, every member of the Legislative Assembly, other than the Speaker, the Deputy Speaker, the Leader of Opposition, the Chief Whip and the Ministers shall, at the option of such member, be provided with all or any of the following free transit coupons of an aggregate value of one lakh twenty thousand rupees for a period of twelve calendar months, namely:—

(i) rail travel coupons for travel by such member by rail ; and

(ii) fuel coupons for the purchase of fuel for the travel of such member in a private vehicle :

Provided that it shall be lawful for the Government to enhance, by order from time to time, the aforesaid amount of free transit coupons proportionate to the periodical increase in rail charges made by the Central Government.

#### SCHEDULE

I. *Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition and the Chief Whip.*—The Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition and the Chief Whip shall be given travelling allowances, incidental expenses and daily allowances at the following rates for journeys performed by them:—

(1) Inside the State of Kerala.—

(a) for journeys by road irrespective of the distance travelled at the rate of rupees eight per kilometre plus fifty paise per kilometre towards incidental expenses for journeys undertaken in Government vehicles, hired vehicles, or own vehicle ;

(b) for journeys by road irrespective of the distance travelled at the rate of fifty paise per kilometre, towards incidental expenses if undertaken, in Guest House Vehicle/Department vehicle ;

(c) a daily allowance of six hundred rupees for halts ;

(d)           \*\*           \*\*           \*\*           \*\*

(e)           \*\*           \*\*           \*\*           \*\*

## (2) Out side the State of Kerala.—

(a) for journeys by road irrespective of the distance travelled at rate of rupees eight per kilometre plus fifty paise per kilometre towards incidental expenses for journeys undertaken in Government vehicles, hired vehicles or own vehicle ;

(b) for journeys by road, irrespective of the distance travelled at rate of fifty paise per kilometre, towards incidental expenses if undertaken, in Guest House vehicle/Department vehicle ;

(c) a daily allowance of seven hundred rupees ;

(d) for journeys by train or by air- the rates will be the same as those admissible for journeys performed by train or by air, as the case may be, inside the State of Kerala.

II. *Members of the Legislative Assembly.*—The Members of the legislative Assembly shall be given travelling allowances and daily allowances at the following rates:—

## (1) Inside the State of Kerala.—

(a) for journeys by road irrespective of the distance travelled at the rate of rupees six per kilometre ;

(b) a daily allowance of five hundred rupees ;

## (2) Outside the State of Kerala.—

(a) for journeys by train-cost of one first class/second class air conditioned railway fare plus twenty-five paise per kilometre ;

(b) for journeys by road irrespective of the distance travelled at the rate of rupees four per kilometre ;

(c) daily allowances of six hundred rupees.”

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