

**Fourteenth Kerala Legislative Assembly**

**Bill No. 127**

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**THE PAYMENT OF SALARIES AND ALLOWANCES  
(AMENDMENT) BILL, 2018**

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**Kerala Legislature Secretariat  
2018**

**KERALA NIYAMASABHA PRINTING PRESS.**

Published on 16/03/2018

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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-ninth 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 (Amendment) Act, 2018.

(2) It shall come into force on the 1st day of April, 2018.

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 “and the Chief Whip a salary of one thousand rupees” the words “and the Chief Whip a salary of two thousand rupees” and for the words “twelve thousand rupees”, the words “forty thousand rupees” shall be substituted.

3. *Amendment of section 4.*—In section 4 of the principal Act, for the words “and the Deputy Speaker of the Legislative Assembly a salary of one thousand rupees” the words “and the Deputy Speaker of the Legislative Assembly a salary of two thousand rupees” and for the words “twelve thousand rupees”, the words “forty thousand rupees” shall be substituted.

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

5. *Insertion of new section 5D.*—In the principal Act, after section 5C, the following section shall be inserted, namely:—

“5D. *Air Journey for Members of Legislative Assembly.*—Every member of the Legislative Assembly shall be entitled to be reimbursed with the charges incurred towards air journey inside and outside the State, only for Assembly Committee meetings subject to a maximum of rupees fifty thousand per annum.”.

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

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

(i) in clause (a), for the words “one thousand rupees”, the words “two thousand rupees” shall be substituted;

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

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

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

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

(2) in sub-section (5A), for the words “one thousand rupees”, the words “four thousand rupees” and for the words “rupees three thousand”, the words “rupees eight thousand” shall be substituted.

9. *Amendment of section 8B.*—In section 8B of the principal Act, for the words “other than” the words “of the Legislative Assembly including” 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 ten per kilometre”, the words “rupees fifteen per kilometre” shall be substituted and the words “plus fifty paise per kilometre towards incidental expenses” shall be omitted;

(ii) in clause (b), for the words “fifty paise per kilometre”, the words “rupees two per kilometre” shall be substituted;

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

(iv) in clause (d), for the words "fifty paise per kilometre", the words "one rupee per kilometre" shall be substituted;

(v) in clause (e), for the words "rupees one hundred and twenty five", the words "rupees five hundred" shall be substituted.

(b) in sub-item (2),—

(i) in clause (a), for the words "rupees ten per kilometre plus fifty paise per kilometre towards incidental expenses" the words "rupees fifteen per kilometre" shall be substituted;

(ii) in clause (b), for the words "fifty paise per kilometre", the words "rupees two per kilometre" shall be substituted;

(iii) in clause (c) for the words "nine hundred rupees", the words "one thousand and five hundred rupees" shall be substituted.

(2) in item II,—

(a) in sub-item (1),—

(i) in clause (a), for the words "rupees seven per kilometre", the words "rupees ten per kilometre" shall be substituted;

(ii) in clause (b), for the words "seven hundred and fifty rupees", the words "one thousand rupees" shall be substituted;

(iii) after clause (b), the following clause shall be inserted namely:—

"(c) for journeys by air actual fare plus one-fifth the fare for incidental expenses, subject to a maximum of rupees five hundred for each journey"

(b) in sub-item (2),—

(i) in clause (a), for the words "twenty five paise per kilometre", the words "one rupee per kilometre" shall be substituted;

(ii) in clause (b), for the words "rupees six per kilometre", the words "rupees ten per kilometre" shall be substituted;

(iii) in clause (c), for the words "nine hundred rupees", the words "one thousand and two 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 2012 by Act 4 of 2012. For the last five years, the price of all commodities including petrol, diesel, electricity, etc. has increased manifold. Considering the above, the Hon'ble Speaker in consultation with the Hon'ble Chief Minister, appointed Justice J. M. James, Retired Judge, High Court of Kerala as the Commission to study and make recommendations for the revision of salaries and allowances of Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition, the Chief Whip and the Members of the Legislative Assembly and the pensionary benefits of Ex-Members of the Legislative Assembly and also to examine and suggest necessary amendments to the Payment of Salaries and Allowances Act, 1951, the Kerala Payment of Pension to Members of Legislature Act, 1976 and the rules made thereunder in accordance with the modifications recommended. Justice J. M. James Commission submitted its report on 22nd August, 2017 containing various recommendations. On the basis of the recommendations of the Commission, the Government have decided to revise the 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 and to make necessary amendments in the Payment of Salaries and Allowances Act, 1951.

The Bill seeks to achieve the above object.

## FINANCIAL MEMORANDUM

Clause 2 and 3 of the Bill seeks to enhance the rate of the salary and allowances of the Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition and the Chief Whip from one thousand rupees to two thousand rupees per month, and their Constituency allowance from twelve thousand rupees to forty thousand rupees per month.

Clause 4 of the Bill seeks to enhance the accident insurance to the Members of Legislative Assembly including Ministers, Speaker, Deputy Speaker, Leader of Opposition, Chief Whip from five lakh rupees to twenty lakh rupees.

Clause 5 of the Bill seeks to insert a new provision where by the Members of the Legislative Assembly will be reimbursed with charges incurred towards air journey inside and outside the State, only for Assembly Committee meetings subject to a maximum of rupees fifty thousand per annum.

Clause 6 of the Bill seeks to enhance the conveyance allowance for Ministers, Speaker, Deputy Speaker, Leader of Opposition and the Chief Whip from the rate of ten thousand five hundred rupees to Seventeen thousand rupees per month 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.

Item (i) of Clause 7 of the Bill, seeks to enhance the rate of fixed allowances of the Members of the Legislative Assembly from one thousand rupees to two thousand rupees per month.

Item (ii) of Clause 7 of the Bill, seeks to enhance the rate of constituency allowance of the Members of the Legislative Assembly from twelve thousand rupees to twenty five thousand rupees per month.

Item (iii) of Clause 7 of the Bill seeks to enhance the minimum travelling allowance of the Members of Legislative Assembly from fifteen thousand rupees to twenty thousand rupees per month.

Sub-clause (1) of Clause 8 of the Bill seeks to enhance the telephone allowance of the Members of the Legislative Assembly from seven thousand five hundred rupees to eleven thousand rupees per month.

Sub-clause (2) Clause 8 of the Bill seeks to enhance the information allowance from one thousand rupees to four thousand rupees per month and the sumptuary allowance from three thousand rupees to eight thousand rupees per month.

Clause 9 seeks to entitle the Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition and the Chief Whip to avail interest free vehicle advance up to rupees ten lakhs and to avail house building advance up to rupees twenty lakhs at a reduced rate of interest.

Sub-clause (1) of Clause 10 seeks to enhance the travelling allowance for road journey performed inside the State by the Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition and the Chief Whip from rupees ten to rupees fifteen per kilometre and the incidental expenses from fifty paise to rupees two per kilometre and the daily allowance from seven hundred and fifty rupees to one thousand rupees.

Also it seeks to enhance incidental expenses for train journey within the State and outside the State from fifty paise to one rupee per kilometre and also to enhance the maximum limit of incidental expenses for each journey by air within and outside the State from one hundred and twenty five rupees to five hundred rupees. Also it seeks to enhance their travelling allowances for road journey outside the State from rupees ten per kilometre to rupees fifteen per kilometre and the incidental expenses from fifty paise to rupees two per kilometre and the daily allowance from nine hundred rupees to one thousand five hundred rupees.

Sub-clause (2) of Clause 10 of the Bill seeks to enhance the travelling allowance for road journey inside the State by the Members of the Legislative Assembly from rupees seven to rupees ten per kilometre and daily allowance from seven hundred and fifty rupees to one thousand rupees. Also it seeks to introduce the air journey to Members of the Legislative Assembly with actual fare plus one fifth the fare as incidental expense subject to a maximum of rupees five hundred for each journey. Also it seeks to enhance the incidental expense for train journey outside the State from twenty five paise to one rupee per kilometre and enhance the travelling allowance for road journey outside the State from rupees six to rupees ten per kilometre and to enhance the daily allowance from nine hundred rupees to one thousand two hundred rupees.

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 recurring expenditure of approximately ₹ 5,25,75,576 (Rupees Five crore twenty five lakhs



seventy five thousand five hundred and seventy six only) is expected to be incurred from the Consolidated Fund of the State. The additional expenditure incurred due to the introduction of vehicle advance and house building advance for Ministers, Speaker, Deputy Speaker, Leader of Opposition and Chief Whip, the hike in the allowances for journey inside and outside the State, the introduction of new provisions for the reimbursement of air journey by the Members of the Legislative Assembly and the enhancement in accidental insurance for Ministers, Speaker, Deputy Speaker, Leader of Opposition, Chief Whip and Members of the Legislative Assembly cannot be estimated with any reasonable degree of accuracy at this stage.

A. K. BALAN.

EXTRACT FROM THE RELEVANT PORTIONS OF THE SALARIES AND  
ALLOWANCES ACT, 1951

(XIV OF 1951)

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3. *Salaries and Allowances of Ministers, 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 a constituency allowance of twelve thousand 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 twelve thousand 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 the 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 ensured for an amount not exceeding five lakh 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 the Chief Whip, as the case may be.

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6. *Conveyance for the Ministers, Speaker, Deputy Speaker, leader of the Opposition and Chief Whip.*—

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## (2) Outside the State of Kerala,—

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

(b) a daily allowance of seven hundred and fifty 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 six per kilometre;

(c) daily allowance of nine hundred rupees.