

STATEMENT OF OBJECTS AND REASONS.The Salaries & Allowances of Ministers Bill, 1970

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The main object of this Bill is to make clear to the public the true extent of the over-all emoluments now being received by the Council of Ministers of the Central Government, and to indicate to the tax-payers in particular the true cost thereof.

It therefore seeks, firstly, to evaluate in money terms the various benefits, perquisites and amenities which the Ministers presently enjoy free of all taxes; and secondly, to enhance their gross salaries to an adequate level,

- (a) so that the net salary of the Ministers, i.e. their "take-home pay", may be such that after deduction of income-tax at the appropriate rate from their gross salary they may have enough left over to pay for all the benefits, perquisites and amenities at the same level at which they presently enjoy them without any payment and/or free of tax; and
- (b) so that balance then left over with them (i.e. after making all payments both for taxes and for perquisites etc. as above) should be no less than their present net salary.

Thus, it is not intended to make, nor does the Bill in fact make, any change, whether by way of increase or decrease, either in the present net salary of the Ministers or in the net money value of their present aggregate real emoluments (inclusive of allowances, benefits, perquisites and amenities).

In this way, another object of the Bill is also sought to be achieved, namely, to bring the terms and conditions of service of Ministers, as respects their salaries, allowances, benefits perquisites and amenities, more or less in line with those of other high level executives in the country, but having due regard to the more onerous duties and the far greater responsibilities undertaken by the Ministers.

FOR FAVOUR OF PUBLICATION

The ^{in the next few days} Swatantra Party in Parliament is likely to table a Bill in the Lok Sabha to bring the terms and conditions of the salaries, allowances and perquisites of Ministers and Deputy Ministers of the Council of Ministers in line with ^{those of} other citizens of the country. ^{It follows a decision} taken at ^a the meeting of the ^{United Parliament} National Executive of the Swatantra Party held in Madras on the 20th July, 1970.

The Bill is likely to seek that all perquisites, such as rent free bungalow, rent free furniture equipment, salaries of mali, chowkidar and sweeper, ~~etc.~~ use of free electricity and water, free use of motor car for personal use, including driver's salary, petrol, depreciation, insurance, personal travelling allowance and personal use of telephone should be subject to tax as in case of business executives ^{as to them} ~~who are in many cases also~~ entitled to a number of similar perquisites. This will ensure ^{that} the people of India ~~to~~ know what amounts are being drawn by Ministers at the cost of the tax payer and to bring their terms and conditions more or less in line with those of other tax payers so as to remove any discrimination between the Minister and the citizens of the country. Free use of all perquisites listed above amount to Ministers getting on an average Rs. 4,44,000 per annum or Rs. 37,000 per

month.

If the proposed Bill is enacted, according to the Swatantra sources, it will not reduce the Ministers net salary and perquisites. They will continue to get roughly Rs. 7,000

~~P.M. at the prevailing rates of taxes which a Minister~~

is presently enjoying,

*monthly net emoluments
after paying tax of Rs 7000 P.M.*