

THE SALARIES AND ALLOWANCES OF MINISTERS
ACT, 1952.

No. LVIII OF 1952.

1256

12th August, 1952.

An A to provide for the salaries and allowances of Ministers

BE it enacted by Parliament as follows:-

1. Short title. This Act may be called the Salaries and Allowances of Ministers Act, 1952.

2. Definition. In this Act, "Minister" means a member of the Council of Ministers, by whatever name called, and includes a Deputy Minister.

3. Salaries of Ministers - There shall be paid to each Minister, other than a Deputy Minister, a salary of two thousand two hundred and fifty rupees per mensem, and to each Deputy Minister a salary of one thousand seven hundred and fifty rupees per mensem.

4. Residence of Ministers. - Each Minister shall be entitled without payment of rent to the use of a furnished residence throughout his term of office and for a period of fifteen days immediately thereafter, and no charge shall fall on the Minister personally in respect of the maintenance of such residence.

Explanation. - For the purposes of this section, "residence" includes the staff quarters and other buildings appurtenant thereto, and the garden thereof, and "maintenance" in relation to a residence includes the payment of local rates and taxes and the provision of electricity and water.

5. Sumptuary allowance to Ministers. - The Central Government may, by rules made in this behalf, provide for the grant of a sumptuary allowance not exceeding five hundred rupees per mensem to any Minister other than a Deputy Minister, and such rules may provide for the grant of the allowance to different Ministers at different rates.

6. Travelling and daily allowances to Ministers. - (1) Subject to any rules made in this behalf by the Central Government, a Minister shall be entitled to-

(a) travelling allowances for himself and the members of his family and for the transport of his and his family's effects-

(i) in respect of the journey to Delhi from his usual place of residence outside Delhi for assuming office, and

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(ii) in respect of the journey from Delhi to his usual place of residence outside Delhi on relinquishing office; and

(b) travelling and daily allowances in respect of tours undertaken by him in the discharge of his official duties, whether by sea, land or air.

(2) Any travelling allowance under this section may be paid in cash or free official transport provided in lieu thereof.

7. Medical treatment, etc, to Ministers.- Subject to any rules made in this behalf by the Central Government, a Minister and the members of his family shall be entitled free of charge to accommo-

dation in hospitals maintained by the Government and also to medical treatment.

8. Advances to Ministers for purchase of motor-cars.- There may be paid to any Minister by way of a repayable advance such sum of money as may be determined by rules made in this behalf for the purchase of a motor-car in order that he may be able to discharge conveniently and efficiently the duties of his office.

9. Ministers not to draw salary or allowances as Members of Parliament.- No person in receipt of a salary or allowance under this Act shall be entitled to receive any sum out of funds provided by Parliament by way of salary or allowance in respect of his membership of either House of Parliament.

10. Notification respecting appointment, etc., of Ministers to be conclusive evidence thereof.- The date on which any person became or ceased to be a Minister shall be published in the Official Gazette, and any such notification shall be conclusive evidence of the fact that he became, or ceased to be, a Minister on that date for all the purposes of this Act.

11. Power to make rules.- (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) All rules made under this Act shall be laid before both Houses of Parliament as soon as may be after they are made.

12. Regularisation of certain payments.- All salaries paid or payable for the period commencing on the 14th day of May, 1952, and ending with the commencement of this Act to Ministers described as Ministers of Cabinet rank (but not Members of the Cabinet), all charges incurred before the commencement of this Act in respect of the accommodation provided in any hospital maintained by the Central Government for or on the medical treatment of any Minister or any member of his family and all payments made before such commencement by way of travelling or daily allowances to any Deputy Minister, shall be deemed to have been properly paid payable or incurred or made.

13. Repeal of Act LIII of 1947.- The Salaries of Ministers Act, 1947, is hereby repealed.

THE SALARIES AND ALLOWANCES OF MINISTERS ACT 1970
NO.

An Act to provide for the salaries and allowances of Ministers

Be it enacted by Parliament as follows :

1. Short Title - This Act may be called the Salaries and Allowances of Ministers Act 1970.

2. Definition - In this Act, "Minister" means a member of the Council of Ministers by whatever name called, and includes a Deputy Minister.

3. Salaries of Ministers - There shall be paid to each Minister other than a Deputy Minister a salary of Rs. 4,44,000/- per annum payable in 12 equal monthly instalments of Rs. 37,000/- each subject to taxation, and to each Deputy Minister a salary of Rs. /- per annum payable in 12 equal monthly instalments of Rs. /- each, subject to taxation.

4. Residence of Ministers -

(i) Each Minister shall be entitled to use a furnished residence throughout his term of office and for a period of one month immediately thereafter for which he shall pay a minimum rent of Rs. 650/-, or the fair rent for such bungalow, whichever is higher, for the use of the premises; and the actual expenses of maintenance, repairs and decoration of the bungalow and grounds, furniture and appliances, etc., The Minister shall also pay the actual charges for the use of electricity and water. In addition, the Minister concerned shall be liable to pay a minimum rent of Rs. 650/- per month for the use of furniture and appliances or such higher amount as may be appropriate, having regard to the value of furniture and appliances provided in the bungalow, calculated as provided in Rule 3 of the Income-tax Rules 1962.

(ii) In the event of the death of the Minister, his family shall be entitled to the use of the furnished residence occupied by the Minister -
for a period of two months immediately after his death.

5. Sumptuary allowance to Ministers - Having regard to the salary mentioned in Section 3 of this Act, no Sumptuary Allowance shall be payable to any Minister or Deputy Minister with effect from 1st of April 1971.

6. Travelling and daily allowances to Ministers - (1) Subject to any rules made in this behalf by the Central Government, a Minister shall be entitled to -

(a) travelling allowances for himself and the members of his family and for the transport of his and his family's effects -

(i) in respect of the journey to Delhi from his usual place of residence outside Delhi for assuming office, and

(ii) in respect of the journey from Delhi to his usual place of residence outside Delhi on relinquishing office; and

(b) travelling and daily allowances in respect of tours undertaken by him in the discharge of his official duties, whether by sea, land or air.

(2) Any travelling allowance under this section may be paid in cash or free official transport provided in lieu thereof.

(3) Having regard to the fact that in most cases Ministers and Deputy Ministers attend to various political and personal matters in the course of their official tours, each Minister and Deputy Minister shall pay out of his salary to the Central Government a sum of Rs. 500/- per month as contribution towards such personal travelling.

7. Medical treatment, etc., to Ministers -

Having regard to the provisions of Section 3 of this Act, no Minister or Deputy Minister shall be entitled free of charge to accommodation in Hospitals maintained by Government, nor free medical treatment.

8. Telephone Expenses - Having regard to the extensive use of telephones provided to the Ministers in their offices and at residences, for political and personal purposes, a detailed account of all local and trunk-calls should be kept for each telephone and the charges for such personal and political calls shall be recoverable from the Minister concerned every month.

9. Motor Car - Having regard to the extensive personal use of motor cars by Ministers and Deputy Ministers, each Minister shall contribute monthly a sum of Rs. 250/- as contribution towards the personal use of motor cars.

10. Advances to Ministers for purchase of motor-cars.- There may be paid to any Minister by way of a repayable advance such sum of money as may be determined by rules made in this behalf for the purchase of a motor car in order that he may be able to discharge conveniently and efficiently the duties of his office, provided however that such advance shall bear interest on unpaid balance at 10% per annum.

11. Ministers not to draw salary or allowances as Members of Parliament - No person in receipt of a salary or allowance under this Act shall be entitled to receive any sum out of funds provided by Parliament by way of salary or allowance in respect of his membership of either House of Parliament.

12. Notification respecting appointment, etc., of Ministers to be conclusive evidence thereof - The date on which any person become or ceased to be a Minister shall be published in the Official Gazette, and any such notification shall be conclusive evidence of the fact that he became, or ceased to be a Minister on that date for all the purposes of this Act.

13. Power to make rules - (1) The Central Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.

(2) All rules made under this Act shall be laid before both Houses of Parliament as soon as may be after they are made.

STATEMENT OF OBJECT AND REASONS

The main object of the proposed Bill is 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 other citizens of the

country *and to ensure that there is proper disclosure to the public of the tax payer of the amounts as present*

At present the terms and conditions of salaries, allowances and perquisites of Ministers are considerably more favourable and cause a serious discrimination against the citizens of the country.

Under the Income-tax Laws, ~~the~~ various perquisites receivable by business

executives, salaried employees and other tax payers are subject to taxation

in their hands whereas such perquisites for very large amounts are

completely exempt from taxation in the hands of the Ministers and Deputy

Ministers. Such perquisites in case of ministers which are at present

not subject to taxation, include rent of bungalow, rent of furniture and

equipment, salaries of mali, chowkidar and sweeper, maintenance, repairs

and decoration of Minister's bungalow and grounds, maintenance and repairs

of furniture and appliances, use of electricity and water, personal use of

motor cars, including driver's salary, petrol, depreciation, insurance, etc.,

personal travelling, personal use of telephone, etc.

The object of the present Bill is to bring the terms and conditions of the

salaries, allowances and perquisites of Ministers more or less in line

with those of other tax payers so as to remove any discrimination between

the Ministers and the citizens of the country *and to*

Clause 3 - Unlike the previous practice, Clause 3 seeks to provide payment

of fixed taxable salary to each Minister in lieu of the salary, allowances

and perquisites enjoyed by the Ministers in the past. Consequently the

salary ~~of~~ is placed at a ~~fairly~~ high figure of Rs. 4,44,000/- per annum or

Rs. 37,000/- per month. The main object of fixing such a high salary is

not to cause any hardship to the Minister as a result of the proposed change.

After the amendment of the law, the Minister will continue to get the same

net salary and perquisites of about Rs. 7,000/- at the prevailing rates of

taxes which he was enjoying prior to the amendment of the Act.

Clause 4 - provides that in respect of various facilities provided to Ministers and Deputy Ministers, they shall contribute out of their salaries reasonable amounts for the use of such facilities.

Clause 5 - In view of the ^{fixing} ~~fixation~~ of a higher salary for the Ministers and Deputy Ministers, it will no longer be necessary to pay them separately Sumpuary Allowance which was paid in the past. This is a consequential amendment and is in line with the disallowance of entertainment expenses for all tax payers for incometax purposes, with effect from 1st April 1970.

Clause 6 - The amendment in this Clause is purely consequential in line with the objects and reasons of the Act.

Clause 7 - do -

Clause 8 - do -