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# UNDERSTANDING THE SALARY, ALLOWANCES, AND PENSION OF MEMBERS OF PARLIAMENT (AMENDMENT) BILL, 2020

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## **INTRODUCTION**

<sup>1</sup> "Parliament is not a congress of ambassadors from different and hostile interests; which interests each must maintain, as an agent and advocate, against other agents and advocates; but parliament is a deliberative assembly of one nation, with one interest, that of the whole; where, not local purposes, not local prejudices ought to guide, but the general good." - Edmund Burke

Parliament is highly significant in India, a vibrant democracy with a diverse range of regional, cultural, and linguistic backgrounds. It serves as the melting pot where many voices come together to determine the future of a country that takes pride in its variety.

The Lok Sabha and Rajya Sabha, which make up the bicameral Indian Parliament, are the representatives of the nation's democracy. Representatives from all throughout the country come together to discuss, pass laws, and set the direction for India's development. However the sincerity of its members is not the only factor that determines this institution's efficacy and integrity; the policies and procedures that specify their pay, benefits, and pensions also play a significant role.

A crucial subject of conversation in this context is the "The Salary, Allowances, and Pension of Members of Parliament (Amendment) Bill, 2020" that is being proposed, Members of Parliament (MPs) will receive different pay and retirement benefits under the "Salary, Allowances, and Pension of Members of Parliament (Amendment) Bill, 2020". The government's dedication to addressing popular sentiment, economic situations, and the changing role of MPs is reflected in this legislative endeavour. The proposed modifications have the potential to incite discussion and examination inside the legislature, therefore

https://www.aph.gov.au/About\_Parliament/Parliamentary\_Departments/Parliamentary\_Library/pubs/APF/monographs/What\_lies\_beneath/RepresentativeRoles(Accessed: 27 January 2024).

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<sup>&</sup>lt;sup>1</sup> Corporate Name=Commonwealth Parliament; address=Parliament House, C. (2013) *Representative roles and Responsibilities*, *Home – Parliament of Australia*. Available at:

influencing attitudes towards financial accountability, parliamentary service, and public confidence in the political elite.

### **OVERVIEW OF THE BILL**

On September 14, 2020, the Salary, Allowances, and Pension of Members of Parliament (Amendment) Bill, 2020 was presented to the Lok Sabha. The Salary, Allowances, and Pension of Members of Parliament Act, 1954, which specifies the financial rights for current Members of Parliament (MPs) and pension plans for retired MPs, is being amended by this bill.

Notably, the Salary, Allowances, and Pension of Members of Parliament (Amendment) Ordinance, 2020—which was enacted on April 7, 2020—is being replaced by this proposed legislation.

The principal objective of this amendment is to lower MPs' wages. During their time in Parliament, MPs are entitled to a monthly pay of Rs. 1,00,000 under the present Act. Nonetheless, the Bill proposes a one-year, thirty percent pay cut for Members of Parliament, beginning on April 1, 2020. This cut is a stopgap meant to reallocate funds in order to meet the COVID-19 pandemic's immediate budgetary demands. This clause emphasises a short-term plan to reroute funding towards pressing pandemic-related needs.<sup>2</sup>

On May 22, 1954, the Indian Parliament passed the Salary, Allowances, and Pension of Members of Parliament Act, 1954, which was a significant step towards establishing the compensation and associated regulations for Members of Parliament (MPs). The Act attempted to handle the financial implications of serving in parliament by offering a formal framework for deciding on members' wages, allowances, and pensions.

On June 1, 1954, the Act went into effect, laying the groundwork for an extensive system that would pay members for their efforts and oversee financial issues pertaining to their responsibilities. It demonstrates an understanding of the important part MPs play in India's democratic government.

The Salaries and Allowances of Ministers Act, 1952 and the Salary and Allowances of Leaders of Opposition in Parliament Act, 1977 are two related laws that align the Act with the specific roles and responsibilities described in these laws. Notably, the definition of

<sup>&</sup>lt;sup>2</sup> kaur, P. (2024) *The salaries and allowances of ministers (amendment) Bill, 2020, PRS Legislative Research.*<
<a href="https://prsindia.org/billtrack/the-salaries-and-allowances-of-ministers-amendment-bill-2020">https://prsindia.org/billtrack/the-salaries-and-allowances-of-ministers-amendment-bill-2020</a>>(Accessed: 27 January 2024).

"member" excludes certain individuals, including Ministers, Leaders of the Opposition, and Officers of Parliament. In addition, the Act presents the idea of a "new member," which includes everyone who joins Parliament following the Act's implementation. It also specifies the length of stay on duty and includes rules for meetings, committee sessions, and other relevant matters.<sup>3</sup>

The Ministers (Allowances, Medical Treatment and Other Privileges) Rules, 1957, were introduced by the Central Government in pursuance of the authority granted under sub-section (1) of section 11 of the Salaries and Allowances of Ministers Act, 1952 (58 of 1952). With the use of this legal framework, the Central Government was able to create regulations pertaining to the rights, benefits, and financial arrangements of Council of Ministers members, including Deputy Ministers.

These regulations, which were put into effect on April 5, 1957, by Notification No. S.R.O. 1154, was created to provide a clear, organised structure that outlined the financial benefits and considerations that Ministers may access. The principal aims were to delineate the extent of perks and allowances and to provide a well-defined framework for the reimbursement of expenditures spent by Ministers while performing official tasks.<sup>4</sup>

The Salary and Allowances of Members of Parliament Act, 1954 (No. 30 of 1954) granted clause (f) of sub-section (3) of section 9 the authority to establish the Housing and Telephone Facilities (Members of Parliament) Rules, 1956. As required by sub-section (1) of the aforementioned provision, the Joint Committee prepared these rules, which were issued by S.R.O. 1973 on May 8, 1956. The regulations, which went into effect on April 1, 1955, were designed to give MPs (members of parliament) lodgings and telephone services while they were serving in office.

According to these regulations, each Member of Parliament was guaranteed lodging in the form of a flat for the duration of their tenure, without having to pay a licence fee. Members who requested bungalows were given special consideration and were required to pay the full licence cost in order to be granted such accommodations. MPs also had the right to free water

<sup>&</sup>lt;sup>3</sup> *Indian numbered acts* (no date) *LIIofIndia*. Available at: <a href="http://www.commonlii.org/in/legis/cen/num\_act/saapompa1954492/">http://www.commonlii.org/in/legis/cen/num\_act/saapompa1954492/</a> (Accessed: 27 January 2024).

<sup>&</sup>lt;sup>4</sup> ResponsiveWebInc (no date) *Bare acts live, Ministers (Allowances, Medical Treatment and other Privileges) Rules, 1957.* Available at: <a href="http://bareactslive.com/ACA/ACT2775.HTM">http://bareactslive.com/ACA/ACT2775.HTM</a> (Accessed: 27 January 2024).

and power supplies, subject to certain yearly limitations. The regulations also included extensions or renovations to accommodations, lowering the licence price in certain situations.

The regulations also covered furniture provision, establishing financial caps for both durable and non-durable furniture. Provisions were made for these ceilings to be periodically increased in accordance with the Cost Inflation Index. The regulations also included other services, which included a range of conveniences and privileges offered to MPs collectively.<sup>5</sup>

The Joint Committee, acting under sub-section (1) of Section 9 of the Salary and Allowances of Members of Parliament Act, 1954 (30 of 1954), created **the Medical Facilities (Members of Parliament) Rules, 1959**. November 16, 1959, marked the official implementation of the regulations, which were developed in conjunction with the Central Government. These regulations governing the medical benefits that Members of Parliament (MPs) are entitled to be issued by the Joint Committee after ratification,

The Joint Committee created the Medical Facilities (Members of Parliament) Rules, 1959 in accordance with Section 9 sub-section (1) of the Salary and Allowances of Members of Parliament Act, 1954 (30 of 1954). On November 16, 1959, the regulations that had been developed in cooperation with the Central Government came into force. These regulations governing the medical benefits that Members of Parliament (MPs) are entitled to be issued by the Joint Committee after ratification by the Speaker of the House of People and the Chairman of the Council of States. MPs were entitled to the same medical facilities as Class I officials of the Central Civil Service, with headquarters located in Delhi or New Delhi, under these regulations.

The Ministry of Health Memorandum No. F6(1)-1.54-Hosp., issued May 1, 1954, detailed the Contributory Health Services Scheme for Central Government personnel, which was in compliance with these medical facilities. The plan was subject to periodic upgrades and modifications that affected the entitlements.

One of the most important features of the regulations was the mandatory monthly payment that each member of Parliament had to make. The highest-ranking Civil Servant's payment rate was

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<sup>&</sup>lt;sup>5</sup> (No date) *The salary, allowances and pension of members of* ... Available at: <a href="https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> (Accessed: 27 January 2024).

used to determine this contribution. To use the medical facilities, a member had to pay a monthly payment that was taken out of their pay.

Over time, the regulations were modified; the most recent revision is dated August 30, 1997. The Medical Facilities (Members of Parliament) Rules, 1959 set up a framework for payments and entitlements in line with government health systems with the goal of guaranteeing that MPs had access to suitable medical treatments while serving in their capacity.<sup>6</sup>

Section 9 of the Salary and Allowances of Members of Parliament Act, 1954 (30 of 1954) subsection (1) required the Joint Committee to create the Members of Parliament (Allowances for Journeys Abroad) Rules, 1960. Both the Speaker of the House of People and the Chairman of the Council of States confirmed and approved these regulations after they were drafted in cooperation with the Central Government. It was released on July 25, 1960, for general consumption.

Members of Parliament (MPs) were entitled to allowances for travel abroad while performing official responsibilities. These regulations were effective on December 30, 1958. Among the major clauses were:

- 1. Amount for Travelling: Section 4 of the Salary and Allowances of Members of Parliament Act, 1954 and the regulations outlined in Section 9 governed the travelling allowance for the portion of the trip that took place inside India. Free return air, train, and sea transportation was offered for travels outside of India, coupled with a luggage allowance.
- 2. **Daily stipend:** Based on the number of nights they spent at the place of business in connection with their job in the foreign nation, MPs were entitled to a daily stipend equivalent to that of a Grade I Officer of the Central Government. When travelling by train, two-thirds of the daily allotment applied, provided that the train fee did not include the cost of meals. Under no circumstances was an extra daily stipend allowed for the deputation outside of India.
- 3. Additional Costs: When air companies did not provide housing during forced stops, members were entitled to free board. With receipts or vouchers to prove it, they might

<sup>&</sup>lt;sup>6</sup> India code: Section details (no date) THE OFFICERS OF PARLIAMENT (MEDICAL FACILITIES) RULES, 1993. Available at: <a href="https://indiacode.nic.in/show">https://indiacode.nic.in/show</a> <u>data?actid=AC\_CEN\_33\_52\_00007\_195320\_1517807328417&orderno=5&sectionId=10740&sectionno=5</u> Accessed: 27 January 2024).

submit claims for real costs for passport fees, vaccinations, immunisation certificates, and incidentals like gratuities, on-duty taxi fare, and taxi hire. If receipts were not available, the Member's certificate of actual spending might be used to seek reimbursement.

Furthermore, a particular certificate type was specified for Members who claimed incidental or real expenditures, guaranteeing that the costs spent were acceptable and justified in light of going rates and that they served the purpose of the delegation's activity.<sup>7</sup>

The Joint Committee established **the Members of Parliament** (Constituency Allowance) **Rules, 1986** in accordance with Section 9 sub-section (1) of the Salary, Allowances and Pension of Members of Parliament Act, 1954 (30 of 1954).

Published on January 3, 1986, after consultation with the Central Government, these regulations were subsequently approved by the Speaker of the House of People and the Chairman of the Council of States, as required by the aforementioned section's sub-section (4). As stated in Section 8 of the 1954 Act, Members of Parliament were entitled to a constituency stipend under these regulations, which was set at Rs. 70,000 per month. Beginning on April 1, 2023, this allowance was subject to a five-year increase depending on the Cost Inflation Index.

The constituency allowance was specifically mentioned in the rules as an addition to, not as a substitute for, any other allowances or facilities offered under the current regulations. The Members of Parliament (Additional Facilities) Rules, 1975 were also repealed by the rules. All things considered, the goal of these laws was to provide a transparent structure within which Members of Parliament might receive their constituency allowances, while also confirming that these allowances are supplementary to other permissible facilities or allowances.<sup>8</sup>

Under sub-section (1) of Section 9 of the Salary, Allowances and Pension of Members of Parliament Act, 1954 (30 of 1954), the Joint Committee created the Members of Parliament (Office Expense Allowance) Rules, 1988. These regulations were first published on November

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<sup>&</sup>lt;sup>7</sup> Legislative (no date) THE SALARY, ALLOWANCES AND PENSION OF MEMBERS OF PARLIAMENT ACT, 1954. Available at: <a href="https://lddashboard.legislative.gov.in/sites/default/files/A2013-30.pdf">https://lddashboard.legislative.gov.in/sites/default/files/A2013-30.pdf</a> (Accessed: 27 January 2024).

<sup>&</sup>lt;sup>8</sup> (No date a) *The salary, allowances and pension of members of* ... Available at: <a href="https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> (Accessed: 27 January 2024).

25, 1988, and entered into effect on April 1, 1988. They have since been amended, and the most recent version takes into account modifications made until April 1, 2020.

The provisions for the Office Expense Allowance under Section 8 of the Act were specified by these regulations, which were detailed in Chapter 8. The stipend paid for postal, stationery, and secretarial costs not covered by other regulations.

Initially, the stipend was fixed at Rs. 60,000 per month, with separate amounts designated for postage, stationery, and secretarial support. For secretarial support, the Lok Sabha or Rajya Sabha Secretariat may contribute up to Rs. 40,000, given that the person hired was computer literate and the Member attested to this fact.

Furthermore, the regulations stipulated that starting on April 1, 2023, the Office Expense Allowance would be subject to a five-year increase determined by the Cost Inflation Index. A revised rate of Rs. 54,000 per month was established by an amendment, covering the period from April 1, 2020, to March 31, 2021. The revised rate included modified allocations for postage, stationery, and secretarial help.

The regulations made it clear that the Office Expense Allowance was an addition to the existing rules and did not take the place of any other allowances or facilities. This was an important clarification. With this declaration, any doubts regarding this allowance's concurrent application with other permissible allowances or facilities were intended to be dispelled. The overall goal of these regulations was to maintain openness and compliance with set guidelines in the distribution and use of the Office Expense Allowance for Members of Parliament.<sup>9</sup>

The Explanatory Memorandum sheds light on the modifications and rule-making around the amenities and allowances granted to members of parliament. In November 1987, the Joint Committee on Salaries and Allowances of Members of Parliament suggested additional benefits such as higher daily and travelling allowances, secretarial support, constituency allowance, miles on the road, and vehicle ownership. With retroactive effect from April 1, 1988, the Parliament passed the Salary, Allowances and Pension of Members of Parliament (Amendment) Act, 1988.

<sup>&</sup>lt;sup>9</sup> (No date a) *The salary, allowances and pension of members of* ... Available at: <a href="https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> <a href="https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> <a href="https://www.mpa.gov.in/sites/default/files/Updated version">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> <a href="https://www.mpa.gov.in/sites/default/files/Updated version">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> <a href="https://www.mpa.gov.in/sites/default/files/Updated version">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> <a href="https://www.mpa.gov.in/sites/default/files/Updated version">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a>

In order to implement these suggestions, proposed modifications were put forth, with the suggestion that they be implemented retroactively beginning on April 1, 1988. The Explanatory Memorandum makes it clear that no Member of Parliament is anticipated to suffer a negative consequence from the retroactive implementation of the modifications, as the goal is to give extra facilities.

The memorandum included many particular modifications that were outlined and proposed:

- **1. Assisting with Secretariat:** The Joint Committee suggested allowing members to hire many people, at least one of whom should be computer competent, to help with secretarial tasks. It was suggested that the effective date be December 12, 2006.
- **2. Internet connection via broadband:** The plan was to offer Members of Parliament access to broadband internet starting on August 1, 2006. It was also recommended to create Wi-Fi zones in residential areas with certain tariff plans, effective January 1, 2017, and retroactively from September 1, 2015, to December 31, 2016.
- **3. 2010 Act-related Amendments:** 2010 saw an amendment to the Salary, Allowances and Pension of Members of Parliament Act, 1954. It was decided that rules pertaining to daily and trip allowances, road mileage, and advance for conveyances needed to be amended as a result. With retroactive effect, the proposed revisions were meant to bring them into compliance with the modified Act's requirements. Research and Juridical Sciences

The agreement guarantees that none of the members of Parliament will be negatively impacted by these revisions, which will take effect retroactively. Retrospective application is justified by the need to guarantee the successful execution of the suggested modifications and to regularise those facilities that were already in use. <sup>10</sup>

# OVERVIEW OF THE SALARY, ALLOWANCES AND PENSION OF MEMBERS OF PARLIAMENT (AMENDMENT) BILL, 2020

The Salary, Allowances and Pension of Members of Parliament (Amendment) Ordinance, 2020 is to be replaced by the Salary, Allowances and Pension of Members of Parliament (Amendment) Bill, 2020, which has been introduced by the Ministry of Parliamentary Affairs.

<sup>&</sup>lt;sup>10</sup> (No date a) *The salary, allowances and pension of members of* ... Available at: <a href="https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf">https://www.mpa.gov.in/sites/default/files/Updated version of MSA Act and rules made thereunder.pdf</a> <a href="Accessed">Accessed: 27 January 2024</a>).

The Salary, Allowances, and Pension of Members of Parliament Act, 1954 was changed by the Ordinances, which also reduced the sumptuary allowance of Ministers by the same amount under the incomes and Allowances of Ministers Act, 1952. As a result, MPs' incomes were reduced by 30%. The revisions also had a one-year effect beginning on April 1, 2020, on a few allowances granted to Members of Parliament, such as the constituency allowance and the office expenditures allowance.

In order to provide the federal government with more financial resources to fight the COVID-19 epidemic, salaries and allowances were cut. These cuts, however, have very little effect on the total financial resources available for COVID-19 assistance; they save just Rs 54 crore, or less than 0.001% of the government's proposed Rs 20 lakh crore special economic package.

Within the Bill's framework, there is a conflict of interest because MPs are empowered by the constitution to set their own salary. The paper highlights the necessity for procedures that eliminate conflicts of interest by highlighting various ways of salary setting in various democracies.

The study challenges the substantial impact of these cutbacks on COVID-19 relief resources. The Bill and Ordinances have made downward revisions to MPs' pay. The Finance Act of 2018, which adjusted the MP compensation structure every five years in accordance with the cost inflation index, is another alteration that is included in the legislative background. It also talks about other democracies' approaches to setting legislator compensation, such as benchmarking to the salary of top public servants, indexing to inflation, or utilising an independent body.

The Salary, Allowances and Pension of Members of Parliament (Amendment) Ordinance, 2020 has many notable elements, including a 30% decrease in MPs' base pay and modifications to specific regulations that lower office expenditure and constituency allowances. Ministers' sumptuary allowances are likewise decreased by 30% under the Salaries and Allowances of Ministers (Amendment) Ordinance, 2020.

The Bill gives a full assessment of the impact on the main components of MPs' and Ministers' emoluments, comparing salaries and allowances before and after the revisions. It is acceptable to lower salaries and benefits temporarily in order to solve the financial difficulties brought on by the epidemic. The paper further states that in contrast to US and UK customs, Indian Members of Parliament are entitled to special benefits including housing.

In brief, the purpose of the Bill is to formally establish the pay and benefit cuts that were first brought about by Ordinances in response to the financial demands brought on by the COVID-19 epidemic.

Comparing the Indian system to other democracies, the research highlights the necessity of objective processes in calculating legislator salaries to eliminate conflicts of interest.<sup>11</sup>

### **COMMENTS**

Experienced Member of Parliament Saugata Roy expressed his support for the proposed changes to the current compensation structure during a recent parliamentary session debating The Compensation, Allowances and Pension of Members of Parliament (Amendment) Bill, 2020.

His passionate speech included important topics including MPLAD (Member of Parliament Local Area Development) money and the government's overall budgetary goals, going beyond the proposed 30% salary cut for MPs.

At the beginning of his speech, Roy reiterated the party's stance that members of parliament should contribute significantly financially in difficult times, particularly in light of the current COVID-19 outbreak. His suggestion to raise the salary deduction from 30% to 35% was unexpected and showed a willingness to go above and above the required steps, demonstrating a commitment to financial responsibility.

Roy expressed concern over MPLAD money, which was a crucial component of his speech. He made a compelling case against the amount being deducted, highlighting the funds' essential function in addressing the particular needs of constituents. He implored the administration to give the timely transfer of MPLAD cash precedence over symbolic pay reductions, citing the embarrassment of the funding of a COVID facility in his area.

The MP examined the government's spending plans in detail, especially in view of the anticipated Rs 20,000 crore budget for a new Parliament building. Roy expressed doubts about the government's assertions of being thrifty and questioned the distribution of such large costs in light of MPs' pay reductions.

<sup>&</sup>lt;sup>11</sup> The salary, allowances and pension of members of parliament (amendment) Bill, 2020 (2024) PRS Legislative Research. Available at: <a href="https://prsindia.org/billtrack/the-salary-allowances-and-pension-of-members-of-parliament-amendment-bill-2020">https://prsindia.org/billtrack/the-salary-allowances-and-pension-of-members-of-parliament-amendment-bill-2020</a> (Accessed: 27 January 2024).

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Roy made an appeal for openness, demanding a thorough accounting of the expenses related to the prime minister's private Embraer jet. Rather than target MPs specifically for financial adjustments, this call for transparency sought to emphasise the need for overall cost-cutting measures.

Roy's main point is that he is arguing in favour of keeping MPLAD funding. He recommended that the government reevaluate its choice, stressing how crucial it is to have these monies available so that MPs may continue to meet the urgent needs of their constituents.

In addition, he challenged the administration to give grassroots development first priority and called for possible increases in MPLAD funds. To sum up, Saugata Roy's speech adds a nuanced viewpoint to the continuing conversations on MP pay cutbacks. Roy's emphasis on protecting MPLAD money and raising concerns about greater spending supports the idea of financial sacrifice, but he also advocates for a more all-encompassing approach to fiscal management in times of crisis. <sup>12</sup>

On the other hand, parliamentary members began to respond and engage in discussion.

The government's plan for the current Monsoon Session included a measure that would change the current system that sets forth how much MPs are paid. The suggested modifications, however, have provoked divergent views and brought to light the difficulties associated with allocating MPLAD monies and paying MP wages.

Members of Parliament Local Area Development (MPLAD) grants were one of the main issues raised by a number of members. Members fervently defended the retention of MPLAD funding, highlighting its critical role in meeting local development requirements, even as they expressed broad support for the cut in MP wages.

The discussion shed light on the need to strike a careful balance between the need to enable Members of Parliament to make significant contributions to their constituents and principles of economic discipline. Due to delays in the distribution of cash allotted for projects in his area, Kalyan Banerjee raised attention to real-world issues with MPLAD grant implementation.

This brought to light inefficiencies in the way monies designated for development projects were used operationally. A demand to streamline the budget allocation process rather than use

<sup>&</sup>lt;sup>12</sup> Saugata Roy speaks during discussion on the budget (general) ... (no date) All Indian Trinalmool Congress. Available at: <a href="http://aitcofficial.org/parliament/in-parliament-lok-sabha/saugata-roy-speaks-in-the-discussion-on-budget-general-2015-2016-transcript/?0=&cat\_id=7">http://aitcofficial.org/parliament/in-parliament-lok-sabha/saugata-roy-speaks-in-the-discussion-on-budget-general-2015-2016-transcript/?0=&cat\_id=7</a> (Accessed: 27 January 2024).

deductions was raised throughout the meeting, emphasising the value of effective resource utilisation above arbitrary cutbacks.

A comparative study of government spending was conducted by the members, which broadened the discussion. In view of more substantial budgetary commitments, including the Rs 20,000 crore set aside for a new Parliament building, the suggested reductions in MP wages were carefully considered.

During this round of discussion, several participants questioned the government's economic responsibility, particularly in light of the large funding allotted for infrastructure projects. This highlighted the necessity for a comprehensive strategy for cost-cutting. They had conversations about things other than money. The continuing standoff at the border between China and India was discussed, with references to Defence Minister Rajnath Singh's remarks on the subject.

Particularly in light of the elevated geopolitical tensions, several members made the connection between financial decisions—including the withholding of MP salaries—and more general national interests. This rich tapestry of viewpoints within Lok Sabha is reflected in these varied remarks from members. This conversation covers a wide range of opinions, from advocating for fiscal restraint to raising issues with the distribution of funds and taking into account the government's budgetary goals in hard times.

The multifarious character of the discussions surrounding the Salary, Allowances and Pension of Members of Parliament (Amendment) Bill, 2020 is indicative of the complexity involved in developing rules pertaining to parliamentary salary and finance distribution. The opposing points of view highlight how crucial it is to strike a careful balance between sound financial management and the need to give MPs more authority in their capacities as citizens' representatives.<sup>13</sup>

<sup>&</sup>lt;sup>13</sup> Salary, allowances and pension of members of parliament (amendment) Bill, 2020 passed in Lok Sabha (2020) Zee Business. Available at: <a href="https://www.zeebiz.com/india/news-salary-allowances-and-pension-of-members-of-parliament-amendment-bill-2020-passed-in-lok-sabha-135293">https://www.zeebiz.com/india/news-salary-allowances-and-pension-of-members-of-parliament-amendment-bill-2020-passed-in-lok-sabha-135293</a> (Accessed: 27 January 2024).

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#### **MY OPINION**

Examining the proposed Salary, Allowances, and Pension of Members of Parliament (Amendment) Bill, 2020, I concur with the government's intention to temporarily lower MP wages by 30% in order to solve pressing budgetary issues. In reaction to the current COVID-19 pandemic's economic hardships, this action demonstrates a spirit of shared responsibility and solidarity, a tactic that is frequently used around the world in times of crisis.

Widespread and affecting both people and governments, the pandemic has significant economic effects. Lowering the wages of Members of Parliament seems like a sensible way to reallocate money and take care of immediate financial requirements brought on by the health crisis. In an effort to navigate economic difficulties with resilience, the bill's aim of financial restraint during difficult times is an appropriate and sensible measure.

But senior MP Saugata Roy's nuanced viewpoints during parliamentary debates provide the current issue more depth. Roy's proposal to raise the salary deduction from 30% to 35% shows a commitment to good financial management and a readiness to go above and beyond the call of duty. This nuanced approach emphasises how crucial it is to think about the larger budgetary consequences and look into other ways to support the country's recovery.

Sagata Roy brings up an important topic on how financial decisions affect grassroots development in his emphasis on MPLAD financing. His worries about possible financing delays for MPLAD, especially in crucial sectors like hospital infrastructure, emphasise the necessity for a well-rounded strategy. Although acknowledging the need for monetary concessions, Roy promotes a thorough comprehension of the allocation of money and calls on the government to give priority to the prompt distribution of MPLAD funding in order to meet the pressing demands of its citizens.

Furthermore, Roy's need for thorough accounting emphasises the significance of responsibility and openness in financial management, particularly in relation to costs associated with the PM's plan. This is consistent with the more general idea that prudent budgetary measures are necessary for efficient governance, but so is transparency and clarity in the allocation and utilisation of resources.

I believe that a holistic solution is crucial, even if I accept the government's idea for temporary pay cutbacks in response to the economic constraints brought on by the epidemic. This entails taking into account several points of view, making sure that vital monies like MPLAD are

disbursed on schedule, and keeping financial procedures transparent. Legislative initiatives like the Salary, Allowances, and Pension of Members of Parliament (Amendment) Bill, 2020 must be implemented successfully by striking a balance between fiscal restraint and effective constituent representation.

#### **CONCLUSION**

To summarise, the proposed Salary, Allowances, and Pension of Members of Parliament (Amendment) Bill, 2020 is a noteworthy legislative measure aimed at addressing the financial difficulties brought about by the COVID-19 disaster. The government's move to temporarily cut MPs' pay by thirty percent demonstrates its commitment to responsible budgeting and its readiness to handle pressing financial issues in these historic times. This action is a practical strategy for managing economic uncertainty and is consistent with international norms of shared responsibility during times of crisis.

The issue is made more in-depth by the varied viewpoints expressed during parliamentary deliberations, especially those of seasoned MP Saugata Roy. Roy's proposal to raise the salary deduction to 35% shows a commitment to sound financial management and calls for a larger contribution from Members of Parliament. His focus on MPLAD financing highlights the need for a balanced approach by bringing up important questions on how financial decisions affect grassroots development.

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Supporting the government's plan for short-term pay cuts, this viewpoint highlights the significance of a holistic strategy. Achieving equilibrium among fiscal restraint, proficient constituent representation, and open financial procedures is crucial for the triumphant execution of legislative initiatives like the Salary, Allowances, and Pension of Members of Parliament (Amendment) Bill, 2020. It is critical that these complex points of view be taken into account as the measure moves forward in order to provide a strong and just response to the country's economic problems.