**7th CPC Questionnaire**

**1. Salaries**

* 1. The considerations on which the minimum salary in case of the lowest Group ‘C’ functionary and the maximum salary in case of a Secretary level officer may be determined and what should be the reasonable ratio between the two.

The most comprehensive criteria for covering all the basic needs were evolved by the 15th Indian Labour Conference (ILC) in 1957 for fixing minimum wages.  The norms are that a need-based minimum wage for a single worker should cover all the needs of a worker’s family consisting of a spouse and two children**.**

        The food requirement was to be 2,700 calories, 65 grams of protein and around 45-60 grams of fat as recommended by Dr Wallace Aykroyd for an average Indian adult of moderate activity.  Dr Aykroyd pointed out that animal proteins, such as milk, eggs, fish, liver and meat, are biologically more efficient than vegetable proteins and suggested that they should form at least one-fifth of the total protein.

 **Dr Aykroyd** worked on nutrition for nearly 30 years and was director of the Nutrition Division, Food and Agriculture Organisation, United Nations.  In 1935, he was appointed Director of the Government's Nutritional Research Centre in India, situated in Coonoor in the south.

The 15th ILC further resolved that clothing requirements should be based on per capita consumption of 18 yards per annum, which gives 72 yards per annum for the average worker's family.  For housing, the rent corresponding to the minimum area provided under the government's industrial housing schemes was to be taken.  Fuel, lighting and other items of expenditure were to constitute an additional 20% of the total minimum wage.

The Supreme Court upheld these criteria in the case of *Unichoy vs State of Kerala* in 1961. In the later *Raptakos Brett Vs Workmen* case of 1991, the SC went one step further, and held that besides the five components enunciated by the 15th ILC, minimum wages should include a sixth component, amounting to 25% of the total minimum wage, to cover children's education, medical treatment, recreation, festivals and ceremonies. The SC also observed that a wage structure including the above six components would be “nothing more than minimum wage at subsistence level” which the workers must get “at all times and under all circumstances”.

  ***Minimum Salary-Analysis &Recommendations para***2.2.15

 The Commission, however, agrees that the norms set by the 15th International Labour Conference (ILC) are appropriate for computing minimum salary. It is also observed that the minimum salary is applicable at the time a person joins the Government which will usually be at a young age when a person may be just married and will not have responsibility of parents or many children. **Accordingly, the family unit for minimum salary can only be taken as three.**

**The *Minimum Salary should be based on 6 units not three units as per 6th CPC calculation****. As both parents and two children are depending on the salary of Government servant apart from spouse. the additional burden the employees will carry after a few years of service  as his parents would have retired from service and are wholly dependent on him also  his children would have stepped into school / college level,  even small baby requirements are much unlike in the past years, the  hence the minimum wage he gets will not compensate with the family financial burden Hence the whole calculations needs a undergo a drastic change in next CPC taking into account of 6 units rather than 3 units .*

The Sixth Central Pay Commission has recommended a minimum wage of Rs 6600/- per month   against the demand of Rs 10,000/- per month as worked out by Staff side of JCM. Today the minimum need based wage works out to Rs 21,000/ per month+ HRA+ allowances. The general minimum expenses per month for a family of four members are as follows when a Government servant joins the duty with two small children:

1. Vegetables Rs 3000/-
2. Food Grains /Groceries Rs 7000/-.
3. House rent single room Rs 6000/-
4. Clothing Rs 3000/-
5. Children education and their expenses Rs 2000/-
6. Electricity Chargers Rs 800/-
7. Water Charges Rs 250/-
8. Transportation charges Rs 1000/-
9. TV cable rent Rs 300/-
10. Medical Expenses Rs 500/-
11. Mobile expenses Rs 250/-
12. Cooking Gas Rs 450/-
13. Recreation charges Rs 500/-
14. Personal expenses Rs 1000/-

**Total Rs 26500/-Hence minimum wage works out to Rs 27,000/-**

**The expenses will increase as the age of Government servant goes up and family responsibility will increase as he has to educate the children in professional courses, marriage of his children has to be performed, his medical expenses will increase, his parents will stay with him and now there are quite dependant on the Government servant for their lively hood. As such the salary should be more to meet his expenses. The Government is a model employer hence the wages should be provided with the needs.**

***Table:***

Fixation of Minimum wage as on 1.1.2006 as per 15 ILC norms as per Table 2.2.1 of the 6th CPC report and the minimum wage as per current prices we compare minimum wage should be  three times the 6th CPC recommendations.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Items** | **Per day PCU****(In grams)** | **Permonth****3CU(Inkg)** | **Price per****kg. taken****by 6th CPC****(In Rs)** | **Total cost****as per rates of 6thCPC (in Rs)****As on 1/1/2006** | **Price per kg. As per prevailing market rates****(in Rs)****1/6/13**At Bangalore | **Total cost****as per****prevailing****rates****(in Rs)****1/6/2013** |
| Rice/wheat | 475 | 42.75 | 18 | 769.5 | 55 | 2351 |
| Dal (Toor/Urad /Moong | 80 | 7.2 | 40 | 288 | 80 | 576 |
| Raw Veg. | 100 | 9.00 | 10 | 90 | 60 | 600 |
| Greenleaf Veg | 125 | 11.25 | 10 | 112.5 | 40 | 400 |
| Other Veg. | 75 | 6.75 | 10 | 67.5 | 45 | 450 |
| Fruits | 120 | 10.80 | 30 | 324 | 80 | 864 |
| Milk | 200 Ml | 18 Lt. | 24.00 | 432 | 35 | 630 |
| Sugar and Jaggery | 56 | 5.00 | 24.00 | 120 | 45 | 225 |
| Edible Oil | 40 | 3.6 | 50 | 180 | 100 | 360 |
| Fish |   | 2.5 | 120 | 300 | 180 | 450 |
| Meat |   | 5.00 | 120 | 600 | 375 | 1875 |
| Egg |   | 90 | 02 | 180 | 04 | 360 |
| Detergents etc |   | 200 |   | 200 | 400 | 400 |
| Clothing |   | 5.5 Mt. | 80/Mt | 440 | 200 | 1100 |
| Total |   |   |   | 4103.5 |   | 10641 |
| Misc. @ 20%\* |   |   |   | 827 |   | 2660 |
| Total |   |   |   | 4930.5 |   | 13301 |
| Addl. Exp @25%\*\* |   |   |   | 400 |   | 3325 |
| Total |   |   |   | 5330.5 |   | 16626 |
|  Housing @10%\*\*\*  |   |   |   | 148 |   | 600^ |
| Grand Total |   |   |   | 5478.5 |   | 17226 |

Source: Average market rates in Kolkata, Chennai, Delhi and Mumbai as indicated in the Economic Times &

Other major dailies (element of 20% has been added to cover the increase in cost in retail sale).

**Notes PCU = Per day Consumption Unit 3CU = Three Consumption Units that is wife, husband and a child no parents or second child is taken into account.**

\* 20% Miscellaneous charges towards fuel, electricity, water etc.

\*\* Additional Expense at the rate of 25% includes expenditure towards education, Medical treatment, housing, recreation, festivals etc.

# Has been taken as Rs.400 because separate allowances for education, medical Treatment and housing exist in the Government. Consequently, only the expenditure towards recreation & festivals need to be taken in account.

^ Being the license fee chargeable for government accommodation at an average rate of 3% of the basic pay.

**Total minimum wage is Rs 17225+ HRA Rs 7000/- + Transportation Allowance Rs 2500/-= Rs 26725 that is Rs 27,000/-**

* 1. What should be the considerations for determining salary for various levels of functions falling between the highest level and the lowest level functionaries?
* **Qualification**
* **Skill/expertise required for delivering the required output from the specific post. For example a good team technicians for repair and maintenances of latest/sophisticated state of art equipment which are purchased from the international market at international standards.**
* **Qualified and well trained staff with in house development of software/hardware skills so that the AMC related issues can be kept at bay.**
* **Accountability of officer-in-charge should be considered while determining the salary. The staff handling sophisticated equipment such as radars, super computers etc should be given handling allowance along with its maintenance accountability.**

**The fixation of minimum basic pay of Rs 21000/- is taking into the account of minimum skill and education requirement as 10th Standard as prescribed by the 6th CPC. As the education requirement is more such as Diploma in Engineering or Degree in Science or Commerce, then the minimum basic pay should be Rs 40,000/- (8700+4200) X 3 = Rs 39,000/-. For Engineering Graduates and Master Degree it should be Rs 65,000/-.**

**The pay scales should start with a minimum basic pay including Grade Pay of Rs 21,000/- to end with 2, 10,000 with a ratio of 1:10 of minimum scale and maximum scale. Since government is a model employer they should provide minimum wages as per the 15 ILO conference and other wages as per the educational qualification & skill requirement of the job.**

For the same post which include similar duties and responsibility there are different grade pay’s/ pay scales in different departments , for example in case of an Office Supdt. or an Administrative Officers. There are different pay scales existing for same nature of duties and R/Rules. Similar in case of Inspectors in Central Excise and Inspectors of Income tax, Surveyors, Store Keepers, Workshop staff, Drivers, Clerical, Stenographers, workshop staff etc. there are many examples, **overall the pay commission should grant uniform pay scales/ Grade Pay to all such cases. The EQUAL PAY FOR EQUAL WORK concept should be adopted.**

With the merger of pay scale from S9 to S12 into Grade Pay of Rs 4200/- there are many pay scales which was merged into single GP of Rs 4200/- which has created anomalies, the promotions have been made in same grade pay without financial benefits. There should be clear distinction in pay scales or GP as nature of duties performed for different posts are quite different. While merging the pay scale into in a single one there should be a clear cut policy **and it should benefit the employees rather than demoralising them.** For example the post of Office Assistant & Office Supdt. Were merged into a single grade pay of Rs 4200/- but both these post carry quite different duties and responsibility. The very fact the Office Supdt. Is a supervisory posts and should have been placed in GP Rs 4800/-

**2. Comparisons**

2.1 Should there be any comparison/parity between pay scales and perquisites between Government and the private sector? If so, why? If not, why not?

 There should not be any comparison with perquisites between Government and the private sector, because of following facts:

1. The duties and responsibilities of the Central Government employees are quite different with private persons.
2. Highly talented persons are being recruited to the Central Government services.
3. The Central Government employees are more responsible and accountable than private services.
4. The Scientific & Technical services and other of the Central Government services much more advanced and have more technical knowledge than private counterparts. The central Govt. employees perform work with a sole motto with integrity while delivery their duties in national security, building indigenous methods in country’s scientific technology aptitude on the world map. CG employees work in the interest of the nation as a whole and not for individual companies who are proprietary in nature.
5. The scientific, operational and essential services of the Central Govt. departments such as IMD (Ministry of Earth Sciences) are purely SERVICE ORIENTED DEAPRTMENTS and do not work on profit making concept and hence this department should get a separate privileges. This department works under WMO (World Meteorological Organization) guidelines for the national and international weather related activities. This department is also responsible for the 24 hours weather watch along with recording and dissemination of weather parameters on real time basis to different users at national and international levels.
6. Unlike the Defence the services sectors such as Medical, weather should get its due recognition and pay to enhance the quality and accuracy of observations.
7. Main consideration in the private sector being ‘profit’, and in Government it is “service” hence an equal comparison equating to the Government service is not feasible.
8. The motto of the Government various agencies in the Government such as Railways, Postal, Agriculture, Water, Research Departments etc. is “service’”. Government is a model employer, hence the wages should be paid as per requirement not considering profit.
9. At Group “B” and above the salaries of the Government are lower than Private sector.
10. The Central Government Employees are in public contact, they are answerable to general public such as Railways, Postal, **and Weather** etc.
11. Many of the allowances are net of taxes. Where as in Central Government allowances are taxed.
12. Allowances for extra duties and night duty allowance should be made at par with salaries for all the posts who are in national building activity such as the extra duties performed by IMD employees and similar situated departments.

2.2 Should there at all be any comparison/parity between pay scales and perquisites between Government and the public sector? If so, why? If not, why not?

There should not be any comparison with perquisites between Government and the public sector.

PSUs being commercial undertakings which are required to function in a competitive environment and have the commercial objective as the predominant objective. A comparison of salaries between the public sector and the Government may not be appropriate as it would not be a comparison between similarly placed entities.

Main consideration in the public sector being ‘profit’, and in Central Government it is “service” hence an equal comparison with the Government is not going to be ever possible.

2.3 The concept of variable pay has been introduced in Central Public Sector Enterprises by the Second Pay Revision Committee. In the case of the Government is there merit in introducing a variable component of pay? Can such variable pay be linked to performance?

Variable pay should not be introduced as it will lead to many anomalies. The private and Central Public Sector Enterprises work on the concept of Chairman and board of directors and implementation of changes is very easily implemented. Secondly every PS unit is governed by its own rules, whereas the Govt. department’s work on RR’s approved by the DOP&T and for each approval many ministries are interlinked. For getting suitable approvals and its implementation gets delayed for years.

**3. Attracting Talent**

3.1 Does the present compensation package attract suitable talent in the All India Services & Group A Services? What are your observations and suggestions in this regard?

The 7th CPC should not only attract talented personnel for the Group A but also in all the Grades for an overall development of the department’s performance and delivery of its mandate. Talented Group A cannot alone give the best results. The present compensation package is not attracting suitable talent in the All India Services. The following are the observations.

1. The pay package of IT & BT Sector is more than in the Central Government Services.
2. The Engineering graduate who join IT & BT are getting a salary of Rs 40,000/- as initial salary and after 4 years of experience they get a salary of Rs 80,000/- , whereas the person joining the Central Government services are getting Rs 9300+ GP 4800+ allowances which works out around Rs 30,000/ and after 4 years of experience they get a salary of Rs 40,000.
3. **Due to stagnation in each cadre the talented personnel get rotten and loose interest in delivering the best performance. An acute frustrations creeps in due to lack of growth path.**
4. Better promotional avenues and recognition to the performance is existing in private services than Central Govt. services.
5. **The Central Government employees are not posted near their home towns and are required to work across the length and breadth of the country until they retire. They are posted to Island stations, hill stations, NE stations as per requirement of the each department (eg India Meteorological Department). They have to move either on the requirement of the department or on promotional needs. They generally settle only after retirement.**
6. Good health care system is absent for Central Government employees, the present CGHS system is not meeting the requirement.
7. The rates of the allowances provided are not as per market rates.

Suggestions:

1. Better pay scales.
2. Better promotional avenues.
3. Higher allowances and tax free allowances.
4. Introduction of pension scheme for all.
5. Good medical and insurance schemes.
6. Allowance at par with salaries for overtime duties and night duty allowances.
7. Increment for acquiring higher degrees/qualification.
8. Payment of honorarium for the Group B &C staff, in cases of scientific department where contribution made by these groups in the means of releasing scientific papers/ material in national and international journals.
9. The CGHS system needs improvement.
10. The rates of the allowances should be three times the present one.

3.2 To what extent should government compensation be structured to attract special talent?

1. Better pay scales.
2. Better promotional avenues and higher incentives.
3. Higher allowances and tax free allowances.
4. Introduction of pension scheme for all.
5. The persons with higher qualification should be provided with additional increments.
6. The CGHS system needs improvement.
7. The rates of the allowances should be three times the present one.

**4. Pay Scales**

4.1 The 6th Central Pay Commission introduced the system of Pay Bands and Grade Pay as against the system of specific pay scales attached to various posts. What has been the impact of running pay bands post implementation of 6th CPC recommendations?

The present system of grade pay has created n number of anomalies, the promotions have been made in same grade pay without financial benefits.

The grade pay difference between many consecutive posts is just Rs 100/- to Rs 600 in case of Group “C” and Group “B”.

Running pay bands post is good and there is no stagnation in this case.

I**n many CG departments the promotions are vacancy based. Due to ban on recruitment and other Govt. policies there is a complete stagnation. In the entire service period a person does not even get one or two promotions.**

**4.2 Is there any need to bring about any change?**

The difference between one grade pay and other grade pay should be a minimum of Rs 1000/- rather than an Rs 100/- in some cases especially at lower stages. Whereas at higher stages it has increased drastically example from Rs 5400/- to next GP of Rs 6600/- , GP 6600 to Rs 7600/ and Rs 9000/to Rs 11000/- **There should be a uniform rate of pay scales or grade pay the difference between each grade pay or pay scales should be uniformly higher.**

**If a person joins in group C he should retire in group B, if an individual joins in group B non-Gazzetted he should retire in group A entry level minimum. For example 1800 garde pay should get promotions till 4200 GP, and if a person starts at 4200 GP should climb the ladder till 6600 to 7600 GP.**

There are many grade pay at the lower levels one such is Rs 2000/- grade pay, there is no necessity of such unwanted grade pay. This should be removed also grade pay of Rs 2800/- should be removed. Only a few grade pays/ pay scales should be present in the Group”C” level and the promotion to Group “B” should be uniform in all departments.

All gazetted employees should start at Rs 5400/- GP. Grant of Grade Pay Rs.4800 to all Supervisors cadre there should a uniform policy as supervisory cadre should have uniform pay scale or GP, at present they have different pay scales in different departments. The Group”B” pay scales / Grade Pay should start with Rs 4600/-.

For the same post which include similar duties and responsibility there are different grade pay’s/ pay scales in different departments, for example in case of an Office Supdt., or Administrative Officers, there are different pay scales existing for same nature of duties and R/Rules. Similarly, in case of Inspectors in Central Excise and Inspectors of Income tax, Surveyors, Store Keepers, Workshop staff, Drivers, Clerical, Stenographers, workshop staff etc., there are many examples.

O**verall the Pay Commission should grant uniform pay scales/ Grade Pay to all such cases.**

4.3 Did the pay bands recommended by the Sixth CPC help in arresting exodus and attract talent towards the Government?

No not much.

The pay scales and pay bands do not attract talent. The stability of employment that gives regular flow of income is what makes youngsters apply for a Govt. Job. This definition should be changed in this pay commission and made project oriented and performance oriented to attract the real talent by introducing incentive/honorarium or extra increment should be introduced. As out of turn promotions in all the Govt. departments is not possible due to many policy related issues.

**Along with a stable income an attractive carrier growth should be made visible.**

4.4 Successive Pay Commissions have reduced the number of pay scales by merging one or two pay scales together. Is there a case for the number of pay scales/ pay band to be rationalized and if so in what manner?

 Yes rationalization is required number of pay scales should be reduced at lower levels.

 Person is promoted to next higher pay scale his duties and responsibilities increase as such his pay should also increase considerably.

The difference between the pay scales / pay band at entry level has to kept at minimum of range of 10 to 30 % off a gross salary,

If merger takes the person should be fixed at available higher pay band.

4.5 Is the “grade pay” concept working? If not, what are your alternative suggestions?

Grade pay is not effective. If Govt wishes to retain the Grade pay criteria a uniform increase in the grade pay should be introduced with a minimum increase of Rs.1000/- onwards.

**5. Increment**

5.1 Whether the present system of annual increment on 1 st  July of every year uniformly in case of all employees has served its purpose or not? Whether any changes are required?

No Comment.

5.2 What should be the reasonable quantum of annual increment?

The rate of present increment is just 3% of the basic, In Banks and Public sector it is 4%. In private industries the annual wage increase is from 13% to 30%. **As the age of the Government servants increase his family responsibility increase drastically.** The gap between the actual pay and his financial requirement is more. The money value has gone down drastically hence the present rate of increment should be **6%** of the basic pay, by this when he completes a 30yrs of Government service his salary should be tripled. At present a LDC who gets a basic pay of Rs 4860/- + GP of Rs 1900/- a total of Rs 6760/- at the end of 30 years at the rate of present increment rate of 3% if we calculate he gets an increment of Rs 210/- per year this is too low, at lower levels the increment rate should be higher as financial benefit he gets is too meagre. **The person joining a government service is not just for a job for a whole career**. **As the Government employee put more and more service, he will be more trained to perform his duties in a better befitting manner,** **thus the Government is more beneficial as good quality of work can be expected of him rather than from a person who is just raw from the college.** **There should be adequate financial protection for him, the better rate of increment should motivate him to work more.**

 If we calculate assuming no promotion his basic pay for thirty years will be around Rs 15,000/- that means his salary he just doubled , where as his family expenditure would have undergone a dramatic increase of four times than the initial salary, **hence rate of increment should be not less than 6%.**

5.3 Whether there should be a provision of variable increments at a rate higher than the normal annual increment in case of high achievers? If so, what should be transparent and objective parameters to assess high achievement, which could be uniformly applied across Central Government?

**There should not be variable increment but an extra increment for high achievers.**

**For better transparency a board assessment with a departmental examination where the chairman and one or two board members from similar or sister concerns may be included.**

5.4 Under the MACP scheme three financial up-gradations are allowed on completion of 10, 20, 30 years of regular service, counted from the direct entry grade. What are the strengths and weaknesses of the scheme? Is there a perception that a scheme of this nature, in some Departments, actually incentivizes people who do not wish to take the more arduous route of qualifying departmental examinations/ or those obtaining professional degrees?

The most of the Central Government Employees are deprived of the regular promotions hardly they may get one or two promotions in entire service of 33 years, even in some cases they are posted from state to state disturbing their family life.

 The present MACP scheme which is introduced from the year 2008, which assures three promotions also but falls short of the aspirations of CG Employees. **The person joining a Central Government Service is not just for the employment is for a whole career. He should get not less than five promotions during his service to motivate him to work more.**

 As the next grade pay system is introduced in this scheme, for example a LDC who is in the GP of Rs 1900/ gets regular promotion after 18 years as UDC in GP 2400/- . Now by present MACP orders he gets MACP at the end of 10 years in Rs 2000/- GP. And at the end of 20 years in Rs 2400/- GP which is not beneficial to them. **Hence promotions on next promotion hierarchal grade pay should be given rather than next grade pay.**

The Principal CAT [OA 904/2012 dt. 26-11-2012], Delhi and the Punjab & Haryana High Court [CWP No. 19387 of 2011 (O&M) Date of Decision: 19.10.2011] have held that MACP is to be granted on promotional hierarchy and not on next higher Grade Pay as per the 6th Pay Commission Recommendation.  The SLP filed by Union of India against the P&H decision was dismissed by the Supreme Court [CC 7467/2013].

Many of the cadre review proposals are pending in various ministries which has hampered the promotion prospects and also they are demanding matching savings hence cadre review proposals are not taking the real shape or desired results of providing promotions.

The Government has introduced Flexible complementary scheme for scientific officers of various departments vide <http://ccis.nic.in/WriteReadData/CircularPortal/D2/D02est/AB-14017_37_2008-Estt-RR.pdf>

The Sixth Central Pay Commission (6th CPC) has examined these schemes in detail and observed that various time-bound promotion schemes may be necessary for scientific organizations **as the morale of the scientists has to be kept high in order to keep them motivated and to stop the flight of talent from Government organizations involved in research and scientific activities.** In this context, the 6th CPC has recommended that the existing scheme of FCS with necessary modifications has to be continued for R&D professionals in all SBT organizations, and the merit based promotion scheme in the Departments of Atomic Energy, Space and DRDO would also need to be persisted with. This scheme is extended to many other departments such as IMD, GSI, CGWB etc. **These schemes are only for scientists, whereas supporting staff in these departments such as other technical and clerical staff are deprived of such FCS promotions**.

**In IMD (India Meteorological Department) the Group B and C officers and staff are performing scientific, operational and essential duties. But the benefit of FCS is given only to the scientists. Though the whole department was declared scientific in the year 1983 (DST/JSF/17 (3) (1)/83 dated 28.12.1983) still the FCS related benefits are not extended to Group B and C cadres. The scientific staff in this department are involved in generating, disseminating, validating and archiving of scientific data which is used by the scientist community for research purpose.**

**Though Govt. keeps amending the rules and policies time and again but these rules are not implemented by the respective departments for various reasons. Hence the pay commission should take corrective measures in creating good careers prospects in Govt. jobs.**

**The pay commission should make all amendments in all cadres so that Govt. departments are not only viewed as consistent salary payers but also wakes up the professionalism of the individuals in nation building activity.**

**The 7th CPC should take concrete steps to uplift the morale and do justice to the scientific and technical cadres of the departments that are involved in the nation’s scientific capacity building such as Weather (IMD), GSI, CGWB etc. These departments are very small but are important in day to day activities of the country. The RR’s and classification of the posts should be revised as per the specific requirements of each department.**

**In IMD the entire Group B and C posts has benefitted due to MACP only.**

The scientific officers are having promotions every three or four or five years by this they get five promotions or more are so, where as other Government servants are having promotions every 10 years that too in next grade pay.

**Hence five promotion schemes should be introduced in Central Government services with hierarchal grade pay should be given rather than next grade pay.**

**If the CG employees is not getting a regular promotion within 7 years, MACP should be made a fall back option and hence the MACP duration may be lowered to 8, 16, 24, 32. Due to lack of concrete and good promotion policies in many departments the promotions are not given within the stipulated time. For example, in IMD the residency period for promotion is THREE YEARS to qualify for promotion along with the successfully clearing the departmental trainings as stipulated from time to time. Whereas the harsh reality is maximum number of cadres are stagnated in the same cadre for 25 plus years.**

**Secondly some of the posts are upgraded by merging the scales as an effect of Pay commission recommendations. For example Senior observer 5th CPC scale 5000, 6th cpc scale 9300 with GP 4200 was merged with Scientific Assistant 5th CPC scale 5500, 6th cpc scale 9300 with GP 4200. This was injustice to the entire cadre.**

**6. Performance**

What kind of incentives would you suggest to recognize and reward good performance?

**Extra increment for employees whose APAR is 8 points and above.**

**7. Impact on other organizations**

Salary structures in the Central and State Governments are broadly similar. The recommendations of the Pay Commission are likely to lead to similar demands from employees of State Governments, municipal bodies, panchayati raj institutions & autonomous institutions. To what extent should their paying capacity be considered in devising a reasonable remuneration package for Central Govt. employees?

The State Government follow different pattern of pay scales, example Punjab State Government employees are having better pay scales than Central Government employees. The States which did not adopt the 6th CPC recommendations are Andhra Pradesh, Himachal Pradesh, Assam, Punjab, Kerala, Karnataka, Meghalaya and West Bengal.

 Hence the salary structure of Central and State Governments are different.

**The working conditions of Central Government services & State Governments are quite different and or salary not comparable. The economic conditions vary from state to state. Central Government services demand All India transfers and on many occasions the employees have to maintain double establishments due to education requirements or health issues of the elderly parents.**

As far as the Central Government. We could see the emerging picture of a declining trend in the ratio of wages and salaries both with reference to revenue receipts and revenue expenditure.  We can see the % of expenditure towards the total expenditure on Pay and Allowances as a percentage of Revenue Receipts and Revenue Expenditure of the Central Government during the financial year 1997-98 was 20.5 %, in the year 2011-12 was just 10.47%.

Source: “Brochure on Pay and Allowances of Central Government Civilian Employees” **...** Civilian Employees furnished by the Central Government establishments to the Pay”

 Link: <http://finmin.nic.in/pru/BROCHURE/brochure2011-12.pdf>

<http://finmin.nic.in/pru/Publications.htm>

 **It is not difficult to discern the declining trend over the years, which is suggestive of the erosion in the real wages of the Public servants in India.**

**Hence the Central Government can pay more on salaries.**

**8. Defence Forces**

8.1 What should be the considerations for fixing salary in case of Defence personnel and in what manner does the parity with civil services need to be evolved, keeping in view their respective job profiles?

8.2 In what manner should the concessions and facilities, both in cash and kind, be taken into account for determining salary structure in case of Defence Forces personnel.

8.3 As per the November 2008 orders of the Ministry of Defence, there are a total of 45 types of allowances for Personnel Below Officer Rank and 39 types of allowances for Officers. Does a case exist for rationalization/ streamlining of the current variety of allowances?

8.4 What are the options available for addressing the increasing expenditure on defence pensions?

8.5 As a measure of special recognition, is there a case to review the present benefits provided to war widows?

8.6 As a measure of special recognition, is there a case to review the present benefits provided to disabled soldiers, commensurate to the nature of their disability?

**The defence forces are working to meet the security needs of the country on the similar line IMD is working round the clock to cater to the scientific and forecasting needs of the national and international community. It’s a service department for users like farmers, fishermen, aviation, shipping, disaster management etc which have a direct impact on the national growth and safety. The personnel of this department work in all severe and adverse weather conditions without leaving the station. Hence this department should not be treated at par with General central service but should be given a separate space unlike the defence service and overtime & night duty related allowances should be granted at par with actual salary drawn.**

**9. Allowances**

9.1 Whether the existing allowances need to be retained or rationalized in such a manner as to ensure that salary structure takes care not only of the job profile but the situational factors as well, so that the number of allowances could be at a realistic level?

The existing allowances need to be retained and improved they are specific in nature and vary from time to time. The rate of allowances should be increased three times the present one. These allowances cannot be a part of the basic salary structure and their identity should be separate, they should be paid net of taxes.

9.2 What should be the principles to determine payment of [House Rent](https://www.blogger.com/null) Allowance?

The basis of cost of living index and should be taken into account and determined the A-I cities should be paid higher HRA than A class cities.

 Example The cost of living index is more in Mumbai than Kolkata. The house rent in Mumbai is more than Kolkata.

**Under the Allowance head all the cadres that are asked to perform extra duties due to the requirement and mandate of the department and the demand/nature of the post they should be paid the allowance at par with the salary (Basic+GP+DA+TA drawn per hour) and paid for the extra number of hours work performed.**

**10. Pension**

10.1 The [retirement benefits](https://www.blogger.com/null) of all Central Government employees appointed on or after 1.1.2004 are covered by the New Pension Scheme (NPS). What has been the experience of the NPS in the last decade?

**There is lot of confusion in the minds of the Central Government employees appointed on or after 1.1.2004. They are not sure of getting pension and other retirement benefits.**

10.2 As far as pre-1.1.2004 appointees are concerned, what should be the principles that govern the structure of pension and other retirement benefits?

**The existing system of pension and other retirement benefits should be retained and improved**

11. Strengthening the public governance system

11.1 The 6th CPC recommended upgrading the skills of the Group D employees and placing them in Group C over a period of time. What has been the experience in this regard?

Good, more up gradation required and more training is required for them.

11.2 In what way can Central Government organizations functioning be improved to make them more efficient, accountable and responsible? Please give specific suggestions with respect to:

1. More training should be provided Central Government employees.
2. **Govt. departments are still using very old equipment. Man alone or machines alone cannot give the optimum results. Modernisation of equipment’s, machinery etc. should be made along with proper training and in house maintenance processes should also be improved.**
3. **Govt. departments should not depend on AMC’s and outsourcing of its equipment. This dependency is subjected to the availability of funds and many approvals by which the quality of the data is compromised.**
4. There are many Central Government departments who do not provide enough computers to their employees, each and every Central Government employee whose duty involves computer usage should be provided with computer.
5. Providing better quality of uniforms, make them more efficient.

 a) Rationalisation of staff strength and more productive deployment of available staff;

 Since ban on recruitment was there for many years which is partially lifted recently. There is acute shortage of staff in Central Government.

 Many additional projects are taken up without additional staff, Many new trains were introduced, many post offices were opened without additional staff.

 **Airports are made operational without sufficient staff for weather briefing and current weather recording. These airports are located away from the cities and towns where in transportation is also very difficult.**

 Already work load on the existing staff is too much hence more rationalisation of staff strength is not possible.

b) Rationalisation of processes and reduction of paper work; and c) Economy in expenditure.

 There are more rules and regulations to be followed by a Central Government servant compared to other counterparts in private or public sector. In following rules more paper work is essential. Since every Central Government employee is accountable in following rules and regulations.

 The present RTI act is also making Central Government employee more accountable, hence reduction of paper work is almost impractical.

 Economy in expenditure: Foreign tours should be banned, Local tours should be minimized. Use of mobile and modern equipment’s will help in minimizing tour expenses. Purchasing only useful equipment’s.

**12. Training/ building competence**

12.1 How would you interpret the concept of “competency based framework”?

12.2 One of the terms of reference suggests that the Commission recommend appropriate [training](https://www.blogger.com/null) and capacity building through a competency based framework.

a) Is the present level of [training](https://www.blogger.com/null) at various stages of a person's career considered adequate? Are there gaps that need to be filled, and if so, where?

b) Should it be made compulsory that each civil service officer should in his career span acquire a professional qualification? If so, can the nature of the study, time intervals and the Institution(s) whose qualification are acceptable, all be stipulated?

c) What other indicators can best measure [training](https://www.blogger.com/null) and capacity building for personnel in your organization? Please suggest ways through which capacity building can be further strengthened?

**13. Outsourcing**

13.1 What has been the experience of outsourcing at various levels of Government and is there a case for streamlining it?

13.2 Is there a [clear](https://www.blogger.com/null) identification of jobs that can be outsourced?

**All works cannot be carried out through outsourcing, technical, scientific works cannot be outsourced. There are many research departments whose main motive is to do research and share their expertise and findings to the public, for betterment of the nation. Such works cannot be outsourced, there are many service oriented departments who’s main motto is to serve the nation at low cost, such as Railways, Postal, IMD etc. here also outsourcing is not possible. When the research assistant gets better prospects they leave the project half way through and getting a replacement takes time. Secondly when the equipment maintenance is out sourced the private companies keep the key software and hardware requirements with them which make it inevitable to renew the AMC with the same firm or else the department loses vital data and crucial time.**

**Only a few works like house keeping, security, canteen etc. can be outsourced**.

**14. Regulatory Bodies**

14.1 Kindly list out the Regulators set up under Acts of Parliament, related to your Ministry/ Department. The total number of personnel on rolls (Chairperson and members + support personnel) may be indicated.

**Each minister should be made accountable for the performance of its ministry.**

14.2 Regulators that may not qualify in terms of being set up under Acts of Parliament but perform regulatory functions may also be listed. The scale of pay for Chairperson /Members and other personnel of such bodies may be indicated.

14.3 Across the Government there are a host of Regulatory bodies set up for various purposes. What are your suggestions regarding emoluments structure for Regulatory bodies?

**15. Payment of Bonus**

One of the terms of reference of the 7th Pay Commission is to examine the existing schemes of payment of bonus. What are your suggestions and observations in this regard?

The Payment of Bonus Act, 1965 provides for the payment of bonus to persons employed in certain establishments, employing 20 or more persons, on the basis of profits or on the basis of production or productivity and matters connected therewith.

The minimum bonus of 8.33% is payable by every industry and establishment under section 10 of the Act. The maximum bonus including productivity linked bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee under the section 31 A of the Act.

* Source : <http://labour.nic.in/content/division/wage-board.php>

In many private company’s including IT and BT the bonus is paid as one month salary, whereas for Central Government employees it is Rs 3500/- per year.

The Central Government employees should also be provided 8.33 % of total salary of the year (Basic pay + GP +DA) as Bonus.