

MEMORANDUM TO THE
VII CENTRAL PAY COMMISSION
BY
CONFEDERATION OF CENTRAL
GOVERNMENT GAZETTED OFFICERS'
ORGANISATIONS

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1.INTRODUCTION

The Confederation of Gazetted Officers belonging to middle management cadres viz., Group 'B' officers and promotee Group 'A' officers of Central Government is working for the welfare and to safeguard their interest. The Confederation is an apex body of recognized Gazetted Group B officers and promotee Group 'A' Officers organisations representing various Central Government departments like Railways, Defense, Postal, Postal Accounts, Income-tax, Central Excise, Customs, Census, Survey, CPWD, Audit and Accounts, Pay and Accounts, Zoological Survey, Geological Survey.

The following officers' organizations representing the entire Gazetted Group B and promotee Group- A officers numbering around 85,000 in the Government of India are affiliates of the Confederation:-

1. Indian Railway Promotee Officers Federation.
2. All India Audit and Accounts Officers Association
3. Income Tax Gazetted Officers' Association
4. CPWD Engineers Association,
5. All India Association of Central Excise Gazetted Officers,
6. All India Association of PAO (Civil),
7. Statistical Service Officers Association,
8. All India P&T Accounts & Finance Officers Association,
9. Postal Officers Association(India)
10. Group B Gazetted Officers Association, Survey Of India,
11. All India Customs Preventive service Officers Association,
12. All India Radio Engineers Association,
13. Zoological Survey Officers Association,
14. All India DRDO technical Officers Association,
15. Indian Ordnance Factories Gazetted Officers Association,
16. All India DGQA Engineers Association

This Confederation is the apex forum of all Promotee Officers in various Central Government Departments akin to the staff side in the National Council of JCM. We on behalf of all the Associations (of promotee Group A & B officers) who are in second level command structure of Government of India and responsible for implementing the policies of the Government of India make this comprehensive submission which, *inter alia* contains proposal for re-designing the pay structure including allowance and other benefits, Schemes for career progression of Gazetted Group-B Officers of the Government of India and other issues exclusively affecting the Gazetted Group-B category in detail for the kind consideration of Honourable VII Central Pay Commission.

As per the resolution of the Government of India dated 28.02.2014 this Pay Commission is required to examine, review, evolve and recommend changes that are desirable and feasible regarding the principles that should govern the emoluments structure including pay, allowances and other facilities/benefits. It is our expectation and hope that the minimum wages to the Central Government employees will be worked out on the basis of recommendation of 15 ILC held in the year 1957 on the prices as on 01.01.2014. A detailed Memorandum on this issue has been submitted by Staff Side of the JCM(National Council) **which we generally endorse** on behalf of the Confederation of Central Government Gazetted Officers' Organisations.

1. Gazetted Group B Officers

The Central Civil Group 'B' services are the second level of command structure among the broad categories of central Civil Services. Some of them are in regular group 'B' services and others are in

isolated posts in Group 'B' scales of pay. The recruitment to Group's' service is generally through a mixture of direct recruitment and promotions.

There were no group 'B' services in the Government of India till the year 1930. The first Central Pay Commission examined whether there was need or otherwise for separate class I and Class II services or alternatively the two groups could be merged into one Gazetted Service. After detailed examination the Commission concluded that it was desirable to retain the two classes. The second Central Pay Commission also discussed this issue and came to the conclusion that the existing classification served no practical purpose which could not be served without it and on the other hand it had an unhealthy psychological effect. The Commission recommended that the classification should be given up and the amendments that would be necessary in respect of the Central Civil Service (Classification Control and Appeal) Rules 1957 and of certain other rules and orders should be carried out. It took note of the practice in other countries including those with large and complex Civil Services, where it had not been found necessary to super impose upon their civil service grades and occupational groups a broad classification as exists in this country. The Government did not accept this recommendation since it was found that the existing classification was convenient for personnel management.

The Third Pay Commission expressed the view that classification based on an assumed equivalence of the work content in different levels of the various occupation Groups and hence of the pay ranges, was necessary for personnel administration. The system of classification was fairly well known and the employees had become accustomed to it. It had the advantage that orders could be issued or the existing orders amended, by referring to the particular classes covered. There was no lack of precision in this course in terms of administrative convenience, but much verbiage otherwise necessary in having to define the categories or occupational groups covered, was thereby obviated. The Fourth Central Pay Commission too examined the matter. They held the view that such classification enabled the Government to examine and decide matters of common interest to the Group or Groups concerned. It played a vital role in disciplinary matters also. They therefore, recommended the continuance of the system of classification of services. The Fifth pay Commission felt there was a need to inculcate a feeling among civil servants that they all belonged to integrated administrative machinery. Any system of classification of nomenclature, which is likely to hamper the growth of such feeling, in howsoever small measure it may be should go, unless it serves a definite practical end which cannot be achieved adequately otherwise. Most of other countries, including those with a large and complex civil service organisation, have not found it necessary have a classification system like ours.

There is no uniform promotional / classification policies, the Group 'B' /Group 'A' divisions in Gazetted services. Further on the functional responsibility there is not much difference and posts are interchangeable. Therefore there is a need for reexamination of distinction of Group A and Group B posts. The Gazetted posts can be restructured into four grades with automatic movement from one grade to another. The direct recruitment as well as recruitment through promotions to the Gazetted services should be in the same ratio in all the departments, without any restriction of age limit or on the consideration of 'merit'. In the Government Service, there needs to be only two groups namely Gazetted & Non Gazetted. The Share for induction in the officer cadre from Non Gazetted in to Gazetted should be 80%. Further, the ratio should be based on the number of sanctioned posts and not on vacancy. This will ensure adequate recognition for experience and will usher in good governance.

Currently, the career progression of the various Group 'B' services is quite variable. Some of the Group 'B' services, as for example, in the Income Tax department and Central Excise Dept, are feeder services to the corresponding Group 'A' services. Others, like the Central Secretariat service, Railway Board secretariat service, armed force Head quarters service etc have chances of promotions in their offices and some of them have even reached the level of Joint Secretary and Additional Secretary. Some Group 'B' services are feeder to the All India Services, for example The Delhi, Andaman and Nicobar Civil Services and the Delhi Andaman and Nicobar police service. There are other Group 'B' services which are not so

fortunate and face prolonged stagnation. Job pattern of Group B officers and those at the entry level in Group A, in almost all the Government Departments, are very similar and there could be hardly any reason, except the legacy of India's colonial past, for persisting with two classes of officers in the Government. **(During the days of British Raj, these two classes were for differentiating between White & Brown Sahibs)**. Such a division has no place in Independent India. It only instills sense of class difference in the officer's cadre, which thoroughly demoralizes the officers at cutting edge level, striking a fatal blow at the very roots of quality governance. The Hon'ble Commission may, therefore, recommend to the Government to have only two cadres viz. Gazetted and Non-Gazetted.

2.JCM Scheme:

A Scheme for joint consultation with the organizations of Government servants on the pattern of the Whitely Machinery in the U.K. was recommended by the Second Pay Commission (1959). The Scheme has been introduced in 1966 with the object of promoting harmonious relations and of securing the greatest measure of cooperation between the Government, in its capacity as employer, and its employees in matters of common concern, and with the object, further, of increasing the efficiency of the public service. It broadly covers over 95% of the regular civil employees of the Central Government including industrial employees working in departmentally run undertakings like the Railways and the Workshops/Production Units of various Ministries. The Scheme is a voluntary one, and the Government as well as the Staff Associations/Unions participating in the Scheme is required to subscribe to a Declaration of Joint Intent. The Scheme covers all regular civil employees of the Central Government, except: (A) the Class I services; (B) the Class II services, other than the Central Secretariat Services and the other comparable services in the headquarters organization of the Government; (C) the persons in industrial establishments employed mainly in managerial or administrative capacity, and those who being employed in supervisory capacity employees of the Union Territories; and (D) police personnel.

The Scheme provides for setting up Joint Councils at the National Departmental and Regional Office levels. The National Council is the apex body. Departmental Councils under the scheme have also been set up in various Ministries/Departments. The administrative Ministries are also drawing up a programme for setting up the lower level Councils. The scope of the Joint Councils includes all matters relating to conditions of work, welfare of employees and improvement of efficiency and standards of work. In regard to matters of recruitment, promotion and discipline, however, consultation limited to matters of general principles only, and individual cases are not considered. While the National Council deals only with matters affecting Central Government employees generally, such as pay of common categories of staff, allowances, etc., the Departmental Council deal with matters affecting only the employees in the Ministries/Departments Concerned. The office/Regional Councils have to deal with regional or local issues only.

On the issue of coverage of the JCM Scheme, the general view is that all officers belonging to Group C are covered. However, Gazetted Group B Officers of the Central Secretariat have also been covered under this scheme, that discriminating the Gazetted Group B officers of all other Central Government Departments. Instead of allowing only Group B Gazetted Officers Central Secretariat under the coverage of JCM, all Group B Gazetted Officers from all departments in the Central Government should have been covered under JCM Scheme so that there is no discrimination.

The department of personnel and administrative reforms in the OM NO. 5/14/74-JCA dated 11th June 1974 had brought certain categories of Industrial staff and supervisory staff that had been granted Group B status on account of revision of pay Scales to continue to be covered by JCM Scheme on the ground that this has been done to ensure the employees who have already been covered under this scheme continue to be covered. If this logic is to be taken as the basis then such amendment should have been made in respect of all Group C categories of staff that had been placed in the upgraded Group B status on account of revision of pay scale.

We therefore reiterate that all categories of all staff that were covered by the JCM scheme at the time of inception should not be made to exit from it on account of the revision of pay scales and consequent upgradation of their status. This should apply to group B officers who, we propose, are required to be covered by the scheme in the event of the upgradation of status of Group 'A'.

It is regrettable that the issues concerning the Gazetted officers in regard to recruitment, pay scales, promotion, conditions of work, Pay anomaly, standards of work continue to mount for the past fifty years on account of the absence of "Grievance Redressal" machinery. Level. The impact of such omission has been accelerating despite successive pay Commissions.

This Confederation brings to the kind notice of the Pay Commission that though the terms of reference of the 7th Central Pay Commission, inter alia, deals with "other service conditions of the Central Government Employees", the questionnaire issued by the 7th pay Commission is, surprisingly, silent about the issue as to the establishment of 'Grievance Redressal Mechanism' (as available for Group C & D employees) for Group 'B' Gazetted officers and promotee Group 'A' Officers. This has again deprived the Gazetted officers of an opportunity to seek Grievance redressal machinery much to our dismay. Therefore, this Confederation is constrained to pray for the Pay Commission in this matter to undo the injustice that has persisted for decades.

We therefore propose that, Group C and Group B officers should be covered by the JCM Scheme and in the eventuality that their status is upgraded to Group 'A' even then they should be continue be under the coverage of JCM. This proposal may be considered by the pay Commission and suitable recommendation made.

3. MACP Scheme:

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

The present MACP scheme which was introduced from the year 2008, assures three financial up gradations, but falls short of the aspirations of Central Government Employees. The MACP, introduced by the Government in replacement of the ACP Scheme already in vogue has not been made applicable to Gazetted Group B Officers considering the direct recruitment point as an entry point for the departmental promotee Officers. The justification is that in respect of MACP Scheme, the direct recruit Gazetted Group B is enjoying the different position than the departmental promotee Gazetted officer. It is our submission that in respect of MACP promotions, the departmental promotee should be put on par with direct recruits.

Systematic career advancement with a pre-determined residency period in each cadre is what every employee aspires for. Vacancy based promotions has been the system prevailing in almost all Government departments until the railways introduced the periodical cadre review.

The Government has introduced Flexible complementary scheme for scientific officers of various departments. 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 GSI, CGWB etc. **These schemes are only for scientists,**

whereas Gazetted Group B Officers in these departments and other Central Government departments are deprived of such FCS promotions.

The scientific officers are having promotions every three or four or five years. By this they get five promotions or more are so. Other Government servants get promotions every 10 years that too in next grade pay.

Hence suitable promotion schemes should be introduced to Gazetted Group B Officers in Central Government services with hierarchal grade pay should be given rather than next grade pay. This plea has the support of Judicial pronouncements namely; 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].

4. Bonus to Gazetted Officers:

The 7th CPC must make note of the recommendations in the matter of the 5th and 6th CPC & Bazle Karim Committee Report which are yet to be acted upon by the Government. The present system of Productivity linked bonus is the product of bilateral agreements and cannot be changed through unilateral decisions. What is needed is that the Government must issue necessary guidelines to enable all departments to enter into such bilateral agreements with their staff unions so that the adhoc bonus system presently in vogue in many departments is abolished. Until this is done the average (weighted) of existing Productivity Linked Bonus may substitute 30 days' adhoc bonus to employees not so far covered under scheme of Productivity Linked Bonus.

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. 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/Officers irrespective whether they are Gazetted or Non - Gazetted should also be provided 8.33 % of total salary of the year (Basic pay + GP +DA) as Bonus.

There is no reason whatsoever, as to why this Gazetted Group B Officers are denied even this adhoc Bonus applicable to other employees working in the Central Government. Even though Bonus Act is said to have no application or relevance to the Productivity linked Bonus or adhoc bonus, the provisions of the said Act are employed to deny bonus to the Government Gazetted Officers on the basis of their emoluments. By artificially linking the restriction of emoluments stipulated by the Bonus Act, the Gazetted Officers are denied their legitimate entitlement to Bonus.

Bonus, in the name ex-gratia, is paid to officers getting Salary beyond the ceiling of Rs. 3500/- fixed under Bonus Act to several Public Sector and Private Sector undertakings Group-B Gazetted Officers of Central Govt. It is, therefore, urged that the Bonus may also be granted in the name of Ex-gratia to all Gazetted Officers.

5. Minimum Wage:

All the pay Commissions have been of the firm opinion that wages cannot be determined on any single principle but have to be based upon a combination of all the enunciated principles or those principles are to be factored into the process of quantification. Since the Government as an employer had not been able to grant the need based minimum wage to its own employees till date, we are of the firm opinion that the 7th CPC must endeavour to compute the wage structure on 15th ILC norms. We suggest two other principles to be factored in to the determination of pay beyond the minimum level. We enumerate hereunder the factors to be taken into account:

1. The Need-Based Minimum Wage concept to compute pay at the minimum level.
2. The intrinsic value of the job content of each grade and post at the intermediary level to be assessed by an expert committee. Pending finalization of such a study, the Commission may maintain the presently existing vertical and horizontal relativities.
3. To take into account the prevailing wage packages in the non-governmental rates to determine the pay package at senior levels of bureaucracy but maintain the ratio between the minimum and maximum at 1 : 8 (MTS: Secretary to Govt. of India).

We make the above just and reasonable suggestions on the following grounds:

A. The Fair Wage Committee has held that an industry which is incapable of paying minimum wage has no right to exist.

B. 5.86% of Central Government Employees are industrial or operational workers.

C. The need based minimum wage concept formulated by Dr. Aykhroyd and approved by 15 ILC was considered the most important principle in computing salary of Government employment especially of those lower level functionaries, by the 2nd, 3rd, 4th and 6th CPC.

4. It is only the fear of a heavy financial implication and the incapacity of the Indian economy at the relevant point of time, to meet the extra expenses the 2nd, 3rd and 4th CPCs were constrained to alter the formula itself using the opinion of a few nutritional experts. The legitimacy provided to Dr. Aykhroyd formula by the 15th ILC (in which the representative of Labour, Employers and Government participated) was not available for any other conceptual frame work proposed by any other "experts". The 4th Pay Commission cited the per capita net national product increase over the years to justify lower minimum wage than what could have been as per the ILC norms. The earlier Pay Commissions also had adopted a different principle other than the Dr. Aykhroyd formula due to financial constraints.

8. Despite elaborately detailing the concept of living wage and the and amendment to the preamble of the Indian Constitution, the 4th CPC not only computed the pay structure on the basis of need based minimum wage on the plea that the per capita net national income increase if factored would not allow them to fix the minimum wage at a higher level than Rs.750/-.

9. Even though no specific reference on the adoption of the concept of need based minimum wage was made by the Government the 5th CPC did dwell upon it. They advocated that the 25% addition suggested by the Supreme Court to enable the worker to meet the expenses, viz., children education, medical requirements, social obligation connected with festivals, marriages, etc. must be added to arrive at the minimum wage. However, they computed the minimum wage disregarding the same principle but made the percentage increase of the per capita net national product over a period of ten years as the base (or the constant relative income criterion as the most equitable norm). In order to arrive at the minimum pay, the Commission added 30.9% over the emoluments of a lowest paid employee as on 1.1.2016.

10. The 6th CPC adopted the 15th ILC norms to compute the minimum wage but made several changes to the concept Viz., the retail prices of the commodities, which goes into the reckoning was altered; the stipulated 10% for housing and 25% for social obligations, medical, children education, etc. were discarded on the specious plea that separate allowances had been granted. Dy. Aykhroyd had factored 7.5% as housing component in the computation of minimum wage. The question of incorporating the cost of requirement for medical, education and other social obligation was the subject matter of a litigation before the Supreme Court. The Hon^{ble} Court directed that 25% of the minimum wage so computed must be added as a factor for the above requirement of a worker, which had not been taken into account by the ILC norms.

11. The contention of the 6th CPC that since children education allowance, Medical and house rent allowances are specially granted to the Central Govt. employees, the same must be taken out of the reckoning is not only wrong but also amounts to contradiction of a stand taken by the Highest judiciary of the country- the Supreme Court. The 6th CPC has failed to take note of the fact that the allowances, be it HRA, Children Education allowance or Medical, granted are awfully insufficient to meet the requisite expenses. Had it not been the case, the 3rd CPC also ought to have taken the similar stand adopted by the 6th CPC. The computation appearing in page No. 60, Chapter 6 (3rd CPC report) establishes our view in the matter.

We have given in Table (.5.1.) the computation of minimum wage as per 15th ILC norms. The retail prices of the commodities/articles are the average of the retail prices ruling as on 1.1.2006 at the following cities:

1. New Delhi, 2. Mumbai, 3. Chennai, 4. Kolkata, 5. Hyderabad, 6. Bhubaneswar, 7. Trivandrum, 8. Bangalore

The minimum wage as per our computation works out to Rs.20,856/-. This must be the minimum wage for the unskilled worker as per the ILC norms. In Central Government employment presently there is no unskilled labour. The lowest level of employment is multi-skilled worker/employees. The minimum educational qualification prescribed is either ITI or matriculation (10th Standard). The percentage increase of the wages of a skilled worker to that of an unskilled worker on an average had been more than 25% all throughout (Please see Table Annexure I). We have therefore added 25% to arrive at the minimum pay for the lowest employee in Government service, which comes to Rs. 26,071/- , i.e. Rs. 26,000/- when rounded off.

Incidentally, we may mention that the minimum wages at the level of an unskilled worker as per recent wage agreement in Coal India Ltd. is Rs.29697/- as per details given hereunder:

The per-capita Net National Product increase at factor cost between - (2004-05 - 2011-12) years as per the Economic Survey for 2012-13 presented to Parliament is 57.55..%. This, if applied to the present wage at the lowest level shall work out to Rs.22857/-.

For the reasons stated in the preceding paragraphs and more specifically for the reason that the Government has, presently, the capacity to pay as detailed in this memorandum, we request the 7th CPC to recommend the minimum pay to be assigned to the lowest level of Group C functionary in Government of India service at Rs. 26,000/-.

5. Pay Scales

The 6th Central Pay Commission has introduced a new concept of Pay Band and Grade Pay in place of running pay scales in the Central Government Department. The 6th Central Pay Commission while recommending this methodology failed to ensure equity amongst the various grades of the Central Government departments. As a result many anomalies arose at the implementation stage itself and still

today not a single anomaly been resolved. The 6th Central Pay Commission while amalgamating some of the pay scales in the name of de-layering has rather downgraded Gazetted Group-B officers by placing them in Pay Band-2 instead of recommending a separate Pay Band. For the Group- A officers two separate Pay Bands i.e. Pay Band-3 and Pay Band-4 were recommended. Compounding the issue same Grade Pay was also recommended for Group-C and Group-B Gazetted Officers i.e Rs.4600/- in Pay Band-2. The 3rd Central Pay Commission recommended Group-B status to the posts having the maximum of not less than Rs.900/- but less than Rs.1300/-. The 4th Central Pay Commission also recommended Group-B Gazetted status for scales carrying with maximum of not less than Rs.2900 but less than Rs.4000/-. Even then 5th Central Pay Commission recommended Group-B status to a post carrying a pay scale with maximum of not less than Rs. 9000/- but less than Rs.13500/-.

The 3rd Central Pay Commission in its report Vol. I Part II, Chapter 5 Page-43 has stated as follows.

"7... A dispirited public service can never be expected to function satisfactorily and to rise to the occasion, when a crisis occurs. It should not be forgotten, as pointedly referred to again by the Pries Commission, that the process of deterioration arising from a sense of grievance on the part of the staff may be slow one, particularly in a service with high traditions. By the time the tendency manifests itself, irreparable damage may have been done. We may add that because of the cadre system, the full impact of deterioration in recruits will be felt by the country after a time lag of 20-25 years....."

The IV Central Pay Commission vide Part-I, Vol.7, Chapter7, Page- 88 observed as follows.

"7.47 The level of satisfaction will no doubt differ from grade to grade of service, but, unless it is reasonably satisfactory, will not be conducive to efficient work or provide the social status which goes with Govt. employment. The society also expects or involves certain norms for adjudging a post, and that should have some relevance to the scale of pay."

The IV pay Commission again said in Part-1, Vol.I Page-89 as under:-

"7.52 The effort should be to generate in the employees a pervading feeling that he is serving an employer which has a genuine desire .to look after him not only during the tenure of his employment but thereafter also. An employee who feels that the employer cares for his welfare, will feel contented and secure and give his best to his service. So also, the employee should have the feelings that if his job has any genuine special difficulties, problems or hazards, they will be looked after and remedied or compensated as far as possible."

It would be appreciated from the reports of various Central Pay Commissions that the Group-B Gazetted Officers were always given a separate status till the 6th Central Pay Commission bundled them with others. As we mentioned earlier of this Memorandum the Group-B services are the second level in the command structure responsible for implementation of various Central Government policies. The recommendation of the 6th Central Pay Commission to place Group-B Gazetted Officers along with Group C employees has demoralized the cadre. The placing of Group-B Gazetted Officer in the Pay Band 2 with Grade Pay Rs.4600/- had an effect on supervisory function as the person who is supervising and the person who is getting supervised are not only in same Pay Band but in the same Grade Pay also. The Grade Pay system brought about various anomalies, which were raised at the National Anomaly Committee but found no resolution despite discussions on several occasions in the last 6 years.

It is because of all these anomalies this Confederation in its replies to questionnaires categorically raised objection on Pay Band and Grade Pay system and demanded that this system should be abandoned and the running pay scale which has been time tested should be reintroduced.

The 6th Central Pay Commission had mainly recommended 3(three) Grade Pays for Group-B officers in the Pay Band-2 i.e. Rs.4600/-, Rs.4,800/- and Rs.5400/-. Amongst these Grade Pay of Rs. 4600/- is also recommended for Group-C employees also. This recommendation not only affects the rightful aspiration of Group-C employees on their promotion i.e. from Grade pay of Rs.4600/- to Rs.4800/- ie. Benefit of mere Rs.200/- and also had an effect on further elevation of Group-B officers.

The best option to remove this anomalies/injustice would have been a separate pay band for Group-B Gazetted Officers of the Central Government Department as it exists in the case of Group 'A' cadre. We request the Honourable Pay Commission to consider our following proposals as distinct pay bands/time Scale to Gazetted Group B officers.

- 1. Minimum of three time pay scales may be recommended**
- 2. To place all the entry level Gazetted Group B officers in all Central Government Department in the equivalent pay Scale of Pay Band 2 in the Grade pay of Rs.5400.**
- 3. After a minimum Residency period not exceeding 4 years they may be placed in the equivalent pay Scale of Pay Band 3 in the Grade pay of Rs.5400.**
- 4. The equivalent pay Scale of Pay band 3 in the Grade pay of Rs.6600 may be provided for their next promotion.**

6.Rate of Increment

The 6th Central Pay Commission initially recommended increment @2.5% which was ultimately increased to 3%. The Public Sector Undertaking including banking institutions are providing increment @ 5%. To have parity with that of Public Sector Undertakings and Banking institutions request that the 7th CPC may recommend the rate of annual increment at 5%. Incidentally we may also state that the uniform date of increment prescribed by the 6th CPC has encountered certain problem and anomalies. We therefore suggest that the 7th CPC may recommend, for administrative expediency, two specific dates as increment dates, Viz. 1st January and 1st July. Those recruited/appointed/promoted during the period between 1st January and 30th June will have their increment date on 1st January and those recruited/appointed/promoted between 1st July and 31st December will have it on 1st July next year. This apart we request the Commission to specifically recommend that those who retire on 30th June or 31st December are granted one increment on the last day of their service.

7.Fixation of Pay on Promotion.

In the case of Promotion from one grade to another in the revised pay structure, the fixation is presently done as under:-

- (a) One increment equal to 3% of the sum of the Pay in Pay Band and Grade Pay will be computed and rounded off to the multiple of 10. This will be added to the existing Pay in the Pay Band.
- (b) However, the Pay so fixed must not be less than the minimum of the Pay Band to which he is promoted.
- (c) The individual so promoted will get the Grade Pay assigned to the cadre to which he is promoted.

Exception to the general rule is,

- (a) When promotion takes from PB 4 to HAG scale of Rs.67000 – 79000, after adding one increment, pay in the Pay Band and existing Grade Pay will be added. To the figure so arrived at a sum of Rs.2000/- will be added. The pay so fixed is subject to a minimum of Rs.67000 and a maximum of Rs.79000
- (b) The promotion from the Grade of Under Secretary/equivalent to the Grade of Deputy Secretary/Equivalent. The pay of the other will be fixed by granting an amount equal to two increments. i.e., 6 % of their Basic Pay. The figure so arrived at, a sum of Rs.1000 i.e., the

difference between the Grade Pay of Under Secretary and Deputy Secretary (7600-6600) will be added .

We suggest, the financial benefit on promotion must not be an insignificant amount. In most of the Departments promotion is based upon a qualifying Exam or skill test or after very many years of the stipulated residency period in the Feeder Cadre under the Recruitment rules. After undergoing the rigors of the exam/test or after prolonged period of service in the feeder cadre, if the financial benefit is pittance, it only brings about a sense of desperation and frustration. In most of the field formations, the promotions are accompanied by transfer from one place to another. The financial benefit received on account of promotion the officer gets washed away in the increased expenses involved in setting down at another location. We suggest that the benefit on promotion should be:

“Two increments in the feeder cadre with a stipulation that the amount of benefit so arrived at must not be less than the difference of the minimum of the scale of pay of the feeder cadre and the minimum of the scale of the cadre to which one is promoted”.

7. Fitment Formula:

The fitment formula suggested by all the earlier Pay Commissions was not reflective of the actual revision of wages. The employees who were on rolls on the date of implementation of the Commission's recommendation comparatively received lesser benefit than the new entrants. Amongst the existing employees also, more benefit accrued to persons with lesser service period. This happened due to the rejection of the demand of the Staff Side to have point to point fixation.

The emerging anomalous situation was addressed during the discussion the Staff Side had with the Group of Ministers in September 1997 on the recommendation of the 5th CPC. In the place of 20% of the emoluments recommended by the 6th CPC as fitment formula the Staff Side could negotiate and settle it at 40%. The said agreement brought about near total parity in the revision benefit amongst all sections of employees. The said 40% benefit brought about uniform multiplication factor too.

Taking these in to consideration, we suggest that a uniform multiplication factor ($26000 / 7000 = 3.7$) may be applied uniformly in all the cases to arrive at the revised pay in the new scales.

ANNEXURE - I

PRICES OF THE INGREDIENTS SPECIFIED IN THE 15TH ILC TO CALCULATE THE MINIMUM WAGES AS ON 01.05.2014

ITEMS	DELHI	MUMB AI	KOLKT A	CHENN AI	BNGLR	BBSR	TRVD M	HYD BD	AVERA GE	PCU/day in gms	Per Month 3 CU (in Kg)	
Rice/Wheat	44	49	44	48	47	58	42	44	47	475 gms	42.75 kg	2009
Dal (Toor/Urid/Moong)	99	102	140	100	97	97	95	94	103	80 gms	7.2 kg	742
Raw Vegetables	44	46	41	40	42	50	48	41	44	100 gms	9.00 kg	396
Green Vegetables	42	43	40	42	42	43	44	40	42	125 gms	11.25 kg	473
Other Vegetables	43	43	41	40	40	41	49	40	41	75 gms	6.75 kg	277
Fruits	111	114	108	112	109	108	108	109	110	120 gms	10.8 kg	1188
Milk	44	44	39	39	36	36	36	38	39	200 ml	18 ltr	702
Sugar/Jaggery	44	43	42	44	45	44	46	44	44	56 gms	5.00 kg	220
Edible Oil	148	159	142	159	142	141	141	140	138	40 gms	3.6 kg	497
Fish	315	325	315	375	305	310	335	320	325		2.5 kg	813
Meat	423	420	438	388	403	397	398	488	425		5.0 kg	2125
Egg	5	5	5	5	5	5	5	5	5		90 Nos	450
Detergents	404	414	379	399	379	399	399	399	396			396
Clothes	198	203	178	198	178	198	198	188	192		5.5 mtr	1056
Total												11344
Housing @ 7.5%												1174
Miscellaneous @ 20%												3129
Total												15647
Additional @ 25%												5214
Grand Total - Minimum pay for unskilled worker in the erstwhile Group D												20861
Minimum Pay for Group C Added with 30% with the minimum of above												5214
Minimum Pay at Group C level												26075
Rounded to												26000

20% of the net minimum miscellaneous charges towards fuel, electricity, water charges, etc

Housing at the rate of 7.5% of net minimum

Additional Expenditure at the rate of 25% includes expenditure towards education, marriage etc of the childre,