



Chapter - I Preamble



AIFODE
MEMORANDUM

CHAPTER – I

1.1.0 PREAMBLE

1.1.1 The Govt. of India in its wisdom have appointed the 7th Central Pay Commission under the Chairmanship of Hon'ble Justice Shri Ashok Kumar Mathur, retired Justice of Hon'ble Supreme Court of India, Shri Vivek Rae, Member (Full Time) and Sri Rathin Ray as part time member and Smt. Meena Agrawal as Member Secretary vide Govt. of India's Resolution No. 1/1/2013-EIII(A) Dt.28th, February, 2014 to study in-depth about the pay structures, allowances and service conditions etc. of the Central Govt. employees with the following terms and conditions.

- a) *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, in cash or kind, having regard to rationalization and simplification therein as well as the specialized needs of various Departments, agencies and services, in respect of the following categories of employees:-*
 - i. *Central Government employees-industrial and non-industrial;*
 - ii. *Personnel belonging to the All India Services;*
 - iii. *Personnel of the Union Territories;*
 - iv. *Officers and employees of the Indian Audit and Accounts Department;*
 - v. *Members of regulatory bodies (excluding the Reserve Bank of India) set up under Acts of Parliament; and*
 - vi. *Officers and employees of the Supreme Court.*
- b) *To examine, review, evolve and recommend changes that are desirable and feasible regarding principles that should govern the emoluments structure, concessions and facilities/benefits, in cash or kind, as well as retirement benefits of personnel belonging to the Defence Forces, having regard to historical and traditional parities, with due emphasis on aspects unique to these personnel.*
- c) *To work out the framework for an emoluments structure linked with the need to attract the most suitable talent to Government service, promote efficiency, accountability and responsibility in the work culture, and foster excellence in the public governance system to respond to complex challenges of modern administration and rapid political, social, economic and technological changes, with due regard to expectations of stakeholders, and to recommend appropriate training and capacity building through a competency based framework.*
- d) *To examine the existing schemes of payment of bonus, keeping in view, among other things, its bearing upon performance and productivity and make recommendations on the general principles, financial parameters and conditions for an appropriate incentive scheme to reward excellence in productivity, performance and integrity.*
- e) *To review the variety of existing allowances presently available to employees in addition to pay and suggest their rationalization and simplification, with a view to ensuring that the pay structure is so designed as to take these into account.*
- f) *To examine the principles which should govern the structure of pension and other retirement benefits, including revision of pension in the case of employees who have retired prior to the date of effect of these recommendations, keeping in view that retirement benefits of all Central Government employees appointed on and after 01.01.2004 are covered by the New Pension Scheme (NPS).*
- g) *To make recommendations on the above, keeping in view:*
 - i. *the economic conditions in the country and need for fiscal prudence;*

- ii. *the need to ensure that adequate resources are available for developmental expenditures and welfare measures;*
 - iii. *the likely impact of the recommendations on the finances of the State Governments, which usually adopt the recommendations with some modifications;*
 - iv. *the prevailing emolument structure and retirement benefits available to employees of Central Public Sector Undertakings; and*
 - v. *the best global practices and their adaptability and relevance in Indian conditions.*
- h) *To recommend the date of effect of its recommendations on all the above.*
The Commission will make its recommendations within 18 months of the date of its constitution. It may consider, if necessary, sending interim reports on any of the matters as and when the recommendations are finalized.
The decision will result in the benefit of improved pay and allowances as well as rationalization of the pay structure in case of Central Government employees and other employees included in the scope of the 7th Central Pay Commission.

1.1.2 The All India Federation of Diploma Engineers, feel pleasure to submit this Memorandum before this august body with a trust and confidence for the judicious recommendations of Pay Scales with the real approach and practical look with respect to the Diploma Engineers having major contribution and lion share in a all-round development of our great Nation.

1.1.3 Many of the States Governments have resolved not to appoint the Pay Commissions for their employees, but to adopt the recommendations of the Central Pay Commission only. Naturally, the recommendations of this Hon'ble Commission will directly and/or indirectly affect the Pay scales and service conditions of the State Govt. employees too, who are serving in widely spreaded rural areas particularly Junior Engineers at remote places, project sites, hilly and inaccessible areas.

1.1.4 In view of their ordous and coherent duties, this Commission is expected to give the just promising and respectable pay scales to motivate this major and important category of the Engineers for optimum utilization of their devoted and dedicated services and bright skill in the wider interest of the Nation.

1.2.0 **PREVIOUS PAY COMMISSIONS**

1.2.1 After the Islington Commission who submitted its recommendation in August 1915, the Union Government provided this opportunity to the Central Government employees, to hope for better future prospects.

1.2.2 The Government of India appointed the First Central Pay Commission as Vardacharior Commission on 10th May 1946 to re-examine the principle of Salary determination.

1.2.3 The Second Commission was constituted in 1958 under the Chairmanship of Justice Das and submitted its report in 1960.

1.2.4 The 3rd Central Pay commission was constituted in 1971 under the Chairmanship of Justice Raghubar Dayal. The Commission submitted its report effective from 1.1.1973.

1.2.5 The 4th Pay Commission was constituted under the Chairmanship of Justice P.N. Singhal and submitted its report w.e.f. 1.1.1986.

1.2.6 The 5th Central pay commission was constituted on 9th April 1994, under the Chairmanship of Justice S.S.Pandiyan. This Commission submitted its report during Jan 1997 to be effective from 1.1.1996.

- 1.2.7 The 6th C.P.C was constituted on 5th October, 2006 under the Chairmanship of Justice B.N. Srikrishna and submitted its report w.e.f. 01.01.2006.
- 1.2.8 **The 7th C.P.C is expected to give effect to its recommendations w.e.f 01.01.2014 as chronology and propriety demands.**
- 1.3.0 **Background of Appointment of VIIth Pay Commission**
- 1.3.1 The present wage structure of Central Government employees is based on the recommendations of the 6th Pay Commission which came into force with effect from 1.1.2006. Though the earlier Commissions (i.e. 1st, 2nd & 3rd) were asked to recommend the principles of pay, the 4th Pay Commission was only asked to examine the present structure of emoluments and conditions of service and to suggest changes which may be desirable and feasible. This restriction of the terms of reference was significant. However, the Commission though did not specify any principle, but evolved what they called as factors for pay determination for their guidance, and laid down the scales of Pay etc. **Obviously, they had not evolved any principle and their recommendations were arbitrary in as much as they were not related to any principle.**
- 1.3.2 However, the 4th Pay Commission discussed several principles, their merits and demerits and concluded that after taking all the factors into consideration they made their recommendations. Consequently, it had not created confidence among the employees as they are not aware as to on what principle their wages were fixed.
- 1.4 **Permanent Wage Review Body**
- 1.4.1 After Commission submitted its report, the Government through council of Ministers discussed various aspects of the recommendations. The council of Ministers assured that the Govt. would give earnest and early consideration to the recommendation in regard to setting up of **“Permanent Wage Review Body”** as per recommendation of the 4th Pay Commission vide para 29.15 in vol-I of the Report. We may, in this connection, state that the 4th Pay Commission had suggested a **Body which should be responsible for maintaining and updating the basic data of pay and allowances of Government employees and to review the pay scales, rates of allowances and other related matters regularly. They have quoted the parallel as it exists in the United Kingdom which undertakes review of wage structure of both civilian and Defence Officers to enable the employees to negotiate wage issues in the Whitley councils.**
- 1.4.2 But the Government did not implement the recommendation of setting up **Permanent Wage Review Body**. Consequently due to lapse of time and with fresh wage agreements in other sectors of economy, the wages of Central Government employees radically eroded and lagged far behind, frustrating the intention of the 4th Pay Commission in updating the wage structure of Central Government employees regularly in relation to outside employment.
- 1.4.3 Although, the Council of Ministers assured that the Govt. would give earnest and early consideration to the recommendation of the IVth C.P.C. in Para 29.15 of it's report Vol.-I in 1986 for setting-up of **Permanent Wage Review Body** but this assurance was not implemented till the appointment and even upto the submission of the report of Vth C.P.C. which also strongly recommended for the setting-up of a **Constitution Permanent Pay Body for Central Govt. employees** vide Para 171.8 and 171.10 on page 2050 and 2051 of its report Vol.-III. It is however, noted with dismay that the pretty long period of 28 years is lapsed but the aforesaid recommendation for **setting-up a permanent wage body** could not see the light of the day. We are of the considered opinion that the **permanent pay body** for the Govt.

employees be constituted without loss of any more time in the wider interest of the employees and Ex-chequer Govt. as well.

- 1.4.4 Similarly, the Vth C.P.C. vide Para 171.9 recommended for revision of pay scales every year as under :

“In fact, the mandate for such a Pay Body should be to suggest revision of payscales every year by merger of dearness allowance or with reference to the cost of living index. This is the procedure being followed in the rest of the world and there is no reason why India should not fall in line with the practice being followed by other countries. Such a procedure will make for a graduated rise in the basic pays of Central Govt. employees, with consequent impact on dearness allowance, house rent allowance, retirement benefits etc. while the employees would have no grievance that their wage levels are static for periods ranging from 10-13 years at a time, Govt. will also have the advantage of a gradual increase in expenditure on pay and allowances of its employees. It will also do away with the present tendency of tradesmen to hike up prices artificially merely because of the decennial revision of salaries of the Central Govt. employees.”

- 1.4.5 The Vth C.P.C further recommended in Para 171.12 for decennial review to be time bound for pay revision of Central Govt. employee once in 10 years at least, till the setting-up of such Permanent Wage Body therefore, the recommendations of the Hon’ble Commission ought to have the effect from 1.1.2006.

1.5 **Principles to Govern the Structure of Emoluments**

- 1.5.1 The Vth Central Pay Commission was also directed in its terms of reference **“to evolve the principles which should govern the emolument structure including Pay, Allowances and other facilities in cash or kind for Central Govt. employees.**

- 1.5.2 The Vth Central Pay Commission found following criteria in addition to the principles evolved by earlier Pay Commissions useful in this approach to the pay determination.

- i) Intrinsic value of job which includes the analysis of factors (like skill, arduousness, the work atmosphere, the qualification, the recruitment procedure the chances of career progression, the status, the security, the prestige, the perquisites) in relation to a job encompassing every thing that is qualifiable and non qualifiable. (Refer Para 40.25 of Report vol.-I)*
- ii) The need to link smaller entities to larger entities in order to collect isolated posts and place them in a cadre, pick up cadres and put them in a service (para 40.26)*
- iii) The need to delink pay from position in the hierarchy enabling an employee to avail pay up-gradation in the absence of his rise in hierarchy in terms of “Assured Career Progression” (para 40.2)*
- iv) The need to even handed in justice towards the lowest and highest paid functionaries (para 40.28)*

It was however stated in the report vide para no. 40.30 that they had kept the “Capacity of Government” to pay uppermost in their mind, while determining the pay structure of the employees

- 1.5.3 In para 41.37 of its report, the 5th Pay Commission, while stressing the job evaluation as the most scientific criteria for fixation of salaries and appreciating the point rating system for each job evolved by the Govt. of Canada, has interalia stated that the adoption of that technique for job evaluation shall entail an elaborate exercise for which the fifth C.P.C. did neither have the time nor the will like IVth Pay Commissions

The Vth Central Pay Commission had also recommended the setting up of a permanent body which could be charged with the responsibility of evaluation of each job in the Govt. on a continuing basis.

The pay Commission had however, though reluctantly, discarded the criteria of job evaluation for the time being while determining the pay structure as stated in its report para 41.37

- 1.5.4 The Vth Pay Commission had stated in its report para 40.23 that the Central Government is now neither the model employer nor a good employer.
- 1.5.5 The most significant omission of the above recommendation was the absence of proper and scientific approach for job evaluation, which the Pay Commission, itself had admitted. Further more, the Govt. did not pay any heed to the recommendations of the Commission in regard to setting up of a Permanent Wage Body.
- 1.5.6 The Pay Commission further erred in keeping **“the capacity of the government to pay”** uppermost in their mind while determining the pay scale despite the fact that in para 34.16, the Commission itself had asserted **“....., the economy is in a better shape than before and there is room for optimism. There is no reason therefore, to deny what is reasonable due to the Government employees as a class.”**
- 1.5.7 The capacity of the Govt. to pay should have not been given uppermost consideration in view of the facts
 - (a) The position of the Central Govt. finances was very sound and economic vitals were sending encouraging signals.
 - (b) The expenditure on pay and allowances of the civilian employees as a percentage of revenue receipts, revenue expenditure and GDP, was steadily declining since 1960-61 (as stated by the Vth Central Pay Commission in para 35.9)
 - (c) The percentage increase in salaries at various level in Govt. between 1.1.86 and 1.1.96 was even lower than the percentage increase of per capita income during the same period (para 35.11 of Vth CPC). The same trend followed in the 6th CPC also.
 - (d) Govt. can not ask excuse of lack of resources or stringent budgetary constraints, when it is confronted with the issue of paying the employees, what is reasonably due to them, particularly in view of the fact that the Govt. itself had lifted the lid off the private sector emoluments and it has shown no circumspection while approaching wage revisions in public sector.
- 1.5.8 The Vth Central Pay Commission itself admitted that the problem of the awing gap between the salaries and benefits available in private sector and the Govt. at all levels if not addressed, it is likely to gradually spell a rot in the system. Not only is the flight of talent an immediate possibility, a tendency towards corruption is equally likely.
- 1.5.9 The Vth Pay Commission like 4th C.P.C. retained the pretax disparity ratio between the minimum and maximum at 10.7 (para 42.36), while this ratio is abysmally low in other countries as detailed below (para 42.23)

International Disparity Ratio

COUNTRY	RATIO	COUNTRY	RATIO
Malaysia	3.00	Indonesia	6.9
Sweden	4.00	Australia	7.7
U.S.A	4.00	China	8.00
Britain	6.00	Thailand	9.00

1.5.10 The recommendations of the Vth C.P.C to draw a “national wage policy” in order to ensure at least the near uniform salary structure in all the sector i.e Govt., Public, Private was also ignored by the Govt.

1.5.11 **Observations and Recommendations of 6th Central Pay Commission**

1.5.11.1 The 6th C.P.C adopted the norms set by the 15th Indian Labour Conference for computing the minimum salary. The 6th CPC introduced the new concept of Pay band and Grade Pay. We are not able to comprehend any logical methodology having been adopted by the 6th CPC in constructing the Pay Band and Grade Pay. In the ultimate analysis, we found that there had been no uniform multiplication factor. It varied from 2.2 times to 3. The changes effected by the Government while implementing the recommendations of the 6th CPC further compounded the confusion and making it more irrational and arbitrary. The 6th CPC in their report stated that they have upgraded certain pay scales having appreciated the contention made by the employees’ organizations. They merged certain other pay scales in an effort to delivering the functions. But the new pay that emerged from such up-gradation/merger was not equivalent to the higher pay scales in the said group. For instance, the erstwhile pay scales of Rs.5000-8000, 5500-9000 and 6500-10500 were merged. The multiplication factor for pay band construction was 1.86 times of the minimum. Therefore the pay band for the pre merged pay scales was determined to begin at Rs.9,300/-. Having merged, the pay band must have begun at 12,090/-, i.e 1.86 times of Rs.6,500/- in which the other pay scales were merged.

1.5.11.2 The maximum of any time scale of pay will depend upon the rate of increment and the span of the scale of pay. The ratio between the minimum and the maximum of all pay scales was not uniform; rather it could not be uniform. Therefore, prescribing Grade Pay as a percentage of such variable maximum, in our opinion, was erroneous. Normally fitment benefits represent the gap between pre revised minimum and the revised minimum. The 6th CPC recommendation of Grade Pay did not serve this purpose also. Having been expressed in absolute quantum amount it gave varied benefit in different pay bands as also at different stages in the same pay bands.

1.5.11.3 The Grade Pay system brought about various anomalies, which were raised at the NAC but found no resolution despite discussions on several occasions in the last 6 years. We are of the firm view that the 7th CPC should revert to the Pay Scale System which has been time tested. We have constructed the pay scales maintaining the relativities with the time scale of pay suggested by both 5th and 6th CPC.



Chapter - II

Introduction



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CHAPTER – II

2.0.1

INTRODUCTION & HISTORY

2.1.0

ALL INDIA FEDERATION OF DIPLOMA ENGINEERS

2.1.1

The All India Federation of Diploma Engineers was constituted as back as in 1968 at Bangalore in a glorious ceremony which was inaugurated by the eminent Engineer Dr. K.L. Rao Ji, the then Union Minister for Irrigation and Power, Govt. of India, who was also popularly known as father of Water Resources. The ceremony was presided over by Shri S.Nijilingappa Ji. the then Chief Minister of Mysore .

2.1.2

This Federation represents more than 5 lacs Diploma Engineers working in all the States and Central Government Departments and their undertakings including, C.P.W.D., Railways, Telecommunication, M.E.S., P&T, Airport Authority, Steel Authority of India, National Highway Authority of India, D.D.A., M.C.D., N.D.M.C., Irrigation & Flood Control, Delhi Jal Board, ONGC & S.E.B. etc. The Federation also provides guidance and patronage to the students of Polytechnics, including the unemployed Diploma Engineers for their employment/ Self employment.

2.1.3

This Federation is an Apex Body having recognized /registered Associations Unions/ Councils of all the Diploma Engineers in its fold as its constituent units.

2.1.4

Thus, this is the sole representative body of all the Diploma Engineers right from the students of Polytechnics to the working engineers in the various Govt. Departments including retired Diploma Engineers at national level. Out of the total strength of about 5 Lacs Diploma Engineers all over the country, the strength of Diploma Engineers working in various Central Government departments is about 1.25 Lacs i.e. about 25%

2.1.5

This Federation is the constituent unit of the SAARC Diploma Engineers Forum, which is recognized by SAARC Secretariate, Kathmandu consisting the organizations of Diploma Engineers of all the SAARC Countries vis-à-vis India, Nepal, Pakistan, Bangladesh, Sri-Lanka, Bhutan, & Maldives.

2.2.0

HISTORICAL BACKGROUND OF THE SERVICE

2.2.1

The Diploma Engineering course was started during the middle of 18th century, when the Britishers had settled as RULERS in India in the name and style as East India Company. For their various purposes, they thought it essential that for the smooth running of the profitable business and efficient administration there should be the means of communications, transport and other developmental works and activities in this country such as Roads, Bridges, Railways, Airbases, Docks, Buildings Power Houses, Energy, Water Supply, Sanitations, and Telecommunication etc.

2.2.2

Obviously, to develop all these facilities there was a great need of technically qualified persons who could deliver the goods and perform the required preliminary duties on the field for these works. A service was, therefore, created known as SUBORDINATE ENGINEERING SERVICE by the Britishers with the personnels having one year Certificate in engineering initially which was subsequently redesigned as Diploma Engineering of one year duration course. To meet with the growing needs of the fast developments and rapid changes in modern techniques, the duration of the Diploma Course was subsequently enhanced to 2 years and then 3 years, even upto 4 years.

2.3.0 **SUBORDINATE ENGINEERING SERVICE (PRE-INDEPENDENCE)**

2.3.1 Admittedly the entire engineering hierarchy rests on the subordinate engineering service which is the back-bone and base of all the engineering works, for the development and prosperity of the country.

2.3.2 Therefore, this service was placed above all the supervisory grades in respect of pay-status, allowances and other benefits as the risk and hazards involved in this service is more than others which provides all the essential amenities of the life for the people right from the drinking water to water for cultivation through canals, tube-wells, etc.

2.4.0 **SUBORDINATE ENGINEERING SERVICE (Post Independence)**

2.4.1 With the passage of time and specifically after the independence the role of Engineering Departments viz. Energy, Public Works, Irrigation, Water, Drainage and Sanitation, Building, Roads, Rural Development, Bridges, Railways, etc. became crucial and acclaimed high in the modern age due to latest techniques and specializations as well as the concept of the economic growth, per capita income, National Development, prosperity and employments etc. as well as important and significant role played by the Diploma Engineers who form the sub-ordinate engineering service.

2.4.2 Thus, the Diploma Engineers are now the virtual pillars of all plans and projects and all sorts of developmental activities for the progress and advancement of the country are initiated, executed and completed by them significantly.

2.5.0 **DIPLOMA ENGINEERS**

2.5.1 It would be appropriate to introduce the Diploma Engineers/ Junior Engineers for whom this Federation is submitting the suggestions / proposals for the pay scales, allowances and other service /working conditions.

2.5.2 The Diploma Engineers are employed in Group 'B' category of the Central/ State Govt. services and autonomous bodies, are mostly designated as "**JUNIOR ENGINEER**". They are promoted to the post of Assistant Engineers (Class –II or Group 'B' Service) and further as Executive Engineer (Class –I or Group 'A' service).



Chapter - III

Qualification



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CHAPTER –III

3.1.0 QUALIFICATION

- 3.1.1 Before the independence, the minimum basic qualification for admission to the diploma engineering course was matriculate when during these days the High Schools were rarely available and were only either at district or maximum at the sub-divisional headquarters in the country.
- 3.1.2 The matriculation was completed after 10 years of total schooling and procurement of even this certificate was not an easy task. After matriculation or more, one had to go for three years in an institution of purely professional technical character. Before joining the Sub-ordinate Engineering Service, again, he had to go for one year practical training in Government Departments.
- 3.1.3 The situation explained above, has indeed, become more difficult now for a person to enter in this service.
- 3.1.4 It has been clearly mentioned in the guidelines issued by the All India Council for Technical Education for entry qualification for Degree and Diploma Programme for admission to engineering college and polytechnics that basic qualification for admission were the same i.e. Higher Secondary, Pre-University or 10+2. The gist of All India Council Technical Education is Annexed as Annexure-I

3.2.0 REAL POSITION OF ENTRY QUALIFICATION FOR DIPLOMA COURSES

- 3.2.1 A detailed survey has been conducted by the Federation in this regard.
- 3.2.2 According to the reports of the survey, more than 80% students have succeeded in seeking admission in Polytechnics after Intermediate with Science i.e. 10+2 and some even after B.Sc. Only a meager percentage below than 20% could be admitted in the Polytechnics after matriculation i.e. 10th Class as the norms decided by the AICTE has been reduced which was earlier at par with Degree Engineering Course i.e. Higher Secondary. Admittedly this decision of the AICTE is proved derogatory and counter productive as it is neither in the wider interest of the students nor in favour of the National development.
- 3.2.3 The survey also reflects that the students below 10+2 standard were admitted in Polytechnics, mostly where no competitive examination for admission is invogue, but their performance in the Polytechnics during the studies was not upto the mark rather was very poor as is evident from the following tables.

3.2.4 TABLE –I

JANTA POLYTECHNIC, JHANGIRABAD, BULANDSHAHR (U.P)

Sl. No.	Year	10+2 Pass student admitted	10 th Pass student admitted	Student failed in 1 st year	
				10+2 Qualification	10 th Qualification
1	2008	90	65	36	43
2	2009	91	177	47	150
3	2010	101	177	50	140

TABLE –I (A)**GOVT. POLYTECHNIC, PRATAPGARH (U.P)**

Sl. No.	Year	10+2 Pass student admitted	10 th Pass student admitted	Student failed in 1 st year	
				10+2 Qualification	10 th Qualification
1	2008	114	45	21	15
2	2009	121	49	19	14
3	2010	122	42	31	15

TABLE –I (B)**GOVT. POLYTECHNIC, RAMPUR (U.P)**

Sl. No.	Year	10+2 Pass student admitted	10 th Pass student admitted	Student failed in 1 st year	
				10+2 Qualification	10 th Qualification
1	2008	240	10	76	07
2	2009	303	10	57	10
3	2010	377	05	72	05

Note : (i) The students whose basic academic qualification is less than 10+2, are not doing well in the examination, therefore they are taking more than 3 years prescribed for Diploma Engineering Course.

(ii) 10+2 standard students are being admitted in the Polytechnics and they are doing well.

3.2.5

TABLE –II**Nos of Candidates failed in Final year examination**

S. No	Name of Polytechnic	Total No. of Student Admitted	High School Pass (10 th) Student admitted	Intermediate (10+2) or above pass Student admitted	High School (10 th) pass student performance	Intermediate (10+2) or above student performance
1	Rajkiya Polytechnic, Soro, Kashiram Nagar	105	12	93	05	50
2	Chandauli Polytechnic Chandauli	570			25	190
3	Rajkiya Polytechnic, Gazipur	130	36	94	21	79
4	Rajkiya Polytechnic, Pratapgarh	171	45	126	27	97
5	V.B.R.I Polytechnic, Udaipur	71	-	71	-	48
6	Janta Polytechnic, Jahangirabad	155	65	90	22	54
7	Rajkiya Polytechnic, Kotdwar				06	45
8	Rajkiya Polytechnic, Rampur	250	40	210	03	202

9	Rajkiya Polytechnic, Nanital	202	57	245	50	138
10	Rajkiya Ploytechnic, Sri Nagar, Garhwal	104	17	84	13	79

Note : * 10th Pass students though admitted to the polytechnic but failed in large numbers in final examination and took more than three years to pass the DIPLOMA COURSE.

3.2.6 The written views expressed by the principal of the SALEM Polytechnic, Salem as reproduced below will make it more clear about the basic qualification for Diploma Engineering Courses, in view of its typical and difficult syllabus.

“ The students who studied 10th standard are not so matured to cope-up with the Diploma subjects. Moreover, the 10th standard students took more time to get themselves accustomed with the atmosphere of polytechnics because of the severity of the subjects.”

3.2.7

TABLE –III
(Showing Admission of 10+2 Standard)

S. No	Name of Polytechnic	Total No. of Student Admitted	High School Pass (10 th) Student admitted	Intermediate (10+2) or above pass Student admitted
1	Rajkiya Polytechnic, Soro, Kashiram Nagar	105	12	93
3	Rajkiya Polytechnic, Gazipur	130	36	94
4	Rajkiya Polytechnic, Pratapgarh	171	45	126
5	V.B.R.I Polytechnic, Udaipur	71	-	71
6	Janta Polytechnic, Jahangirabad	155	65	90
8	Rajkiya Polytechnic, Rampur	250	40	210
9	Rajkiya Polytechnic, Nanital	202	57	245
10	Rajkiya Ploytechnic, Sri Nagar, Garhwal	104	17	84

TABLE –IV
(Showing the Performance of the students admitted in Polytechnic after (10+2)
Name of the Polytechnic—Govt. Polytechnic, Pratapgarh (U.P)

	Details	Years		
		2008	2009	2010
1	Total Nos. of students admitted	159	170	164
2	Qualification			
	a. Matriculate (10th)	45	49	42
	b. Intermediate with science (10+2)	114	121	122
	Performance of the students Inter science (10+2) (passed)	93	102	91

Remarks :

- (i) Only 10+2 standard students are admitted
- (ii) The toughness of the course can be imagined from the percentage of successful students even of (10+2) standard.

3.2.8 **REPORTS OF THE SURVEYS OF POLYTECHNICS OF DELHI & U.P.**

- 3.2.9 The sample survey carried out to assess the entry qualification of the entrance of Diploma Course reveals that the percentage of matriculate is meager as compared to the students of 10+2 standard.
- 3.2.10 Thus, it would be concluded that the minimum basic qualification for admission to Polytechnics is virtually Intermediate with science i.e. 10+2
- 3.2.11 In case, however, even if the basic qualification for diploma course is fixed below 10+2, the students having qualification below 10+2 are not practically getting admission through the competitive examinations.
- 3.2.12 Even if the students are admitted to the polytechnics on the basis of their marks obtained in SLC examination (without competition) they do to get success and often spend more than three years to acquire Diploma in Engineering. The extra-ordinary student, if any, may be treated as an exception and the percentage of such students is not more than 5.
- 3.2.13 Even the students of 10+2 standard admitted to Polytechnics are not getting hundred percent success in the examination which proves the toughness of the courses of Diploma in Engineering.
- 3.2.14 Hence to treat the basic qualification for admission in Polytechnics as 10th standard is not fair, justified, logical and is totally futile, irrelevant and meaningless.
- 3.2.15 We, therefore, urge upon this august Commission that while determining the principles of pay scales for Diploma Engineers, *the basic qualification for admission to the Polytechnics may please be considered as intermediate in science i.e. 10+2*
- AND
- THREE YEARS DIPLOMA ENGINEERING COURSE + ONE YEAR PRACTICAL TRAINING.**



Chapter - IV

Admission in Polytechnics



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CHAPTER –IV

ADMISSION IN POLYTECHNICS

4.1.0 METHOD OF ADMISSION

4.1.1 There are two methods for admission in vogue in India varying however to some extent from State to State.

- (i) Through competitive examination
- (ii) On the basis of marks obtained.

4.1.2 ADMISSION THROUGH COMPETITIVE EXAMINATION

In most of the North Indian States competitive examination is conducted centrally at State level under the over all control of State Board of Technical Education.

4.1.3 SUBJECTS

Normally the examination taken is for science subjects i.e. Physics, Chemistry, and Mathematics including some questions related to the general knowledge and medium preferably is English.

4.1.4 TYPES OF TEST

The following tests are conducted for admission: -

- i) Preliminary
- ii) Final
- iii) Medical test
- iv) Oral

4.1.5 (i) PRELIMINARY TEST

A student has to go through two written tests, exactly on the pattern of All India Competitive Examination for Indian Administrative and /or Engineering services, which has also been introduced for State level competition for the posts such as Deputy Collector, D.S.P. etc.

4.1.6 (ii) FINAL TEST

Approximately double or slightly lesser, candidates are selected in preliminary test, who have to undergo again for the written test for their final selection for admission in the Polytechnics.

4.1.7 (iii) MEDICAL TEST

If selected in the above two rigorous tests, one has to go through detailed medical test and will furnish the certificate of Government Doctor or Registered Physician authorized for the same. On many occasions the successful students in written tests have been debarred from admission on medical ground.

4.1.8 (iv) ORAL TEST

After the above mentioned tests, one has to appear before the authority for interview prior to the final signal for the admission in the institution.

4.2.0 ADMISSION ON THE BASIS OF MARKS OBTAINED BY THE CANDIDATE :

4.2.1 PERCENTAGE OF MARKS REQUIRED

Minimum 50% marks in the science subjects i.e. Physics, Chemistry, Math is a must for which the competitive examinations are conducted in case of competitive method. This 50% marks in science subjects make the students' eligible to seek admissions.

- 4.2.2 Other tests are the same as already explained in foregone paras i.e. Medical tests and Oral test.
- 4.2.3 Thus, we see, that a student seeking admission for the Diploma Engineering Course, has to pass various tests, whereas in other services of this standard or even higher he is not required to go through these tests even at the time of his appointment in the service.
- 4.2.4 At the same time a Diploma Engineer has to appear again in the competitive examination for the job in the Central Government Departments like C.P.W.D. and Undertakings etc. conducted by U.P.S.C. or otherwise. This competitive examination is followed by an interview also in many departments of the Central Govt.
- 4.2.5 In view of the above, we request the Commission to keep into consideration, the extra mental, physical and financial burden even for admission while deciding the pay-structure for Diploma Engineers in comparison to other services.



Chapter - V

Diploma Engineering Course



AIFODE
MEMORANDUM

CHAPTER –V

5.0.0 DIPLOMA ENGINEERING COURSE

5.1.0 DURATION OF THE COURSE

(3 to 4 years)

5.1.1 The Diploma Engineering Course now-a-days is normally of 3 years duration but in some States or in some faculties it varies from 3.5 years to 4 years.

5.2.0 SUBJECTS

5.2.1 Engineering subjects are considered as the toughest subjects, for which theoretical and practical classes coupled with the intensive practical training in fields, projects, laboratories, workshops, factories etc. are conducted.

5.2.2 As the Diploma Engineering Course is a technical professional course, almost all the engineering subjects are taught within 3 years as in case of the degree course. These are taught in details within duration of 4 years.

5.3.0 COSTLIER AND ARDUOUS COURSE

5.3.1 The Diploma Engineering Course is costlier in view of the high priced books including of foreign authors, voluminous stationery, precise and accurate drawing and scientific instruments of high standards required for the course. Out station living in the Hostel or otherwise, standard of living, conveyance and medical treatment, boarding and lodging etc. makes the course further costly. The nature of the course is arduous because physical and mental strains are exercised during the study of the course.

5.4.0 HOURS OF STUDY FOR DIPLOMA ENGINEERING

5.4.1 The statistics collected at our end reveals that the study hours involve during the three years course of Diploma Engineering are 3000 i.e. more than the graduation course of 10+2+3 years duration, excluding Technical and Medicos.

5.5 EQUIVALENT TO GRADUATE

5.5.1 The IIIrd Pay Commission treated the Diploma Engineering Course equivalent to B.Sc as mentioned on page-167, para -42 of its report volume – I, reproduced below:

Existing Scales	Proposed Scales	Qualification for recruitment
Level –I 325 – 575	550-900	M.Sc./B.E./First class B.Sc. (Horn) or Diploma in Engineering
Level – II 210 – 425	425-700	Second Class B.Sc Hons. & B.Sc. with not less than 55% of marks in aggregate & Diploma in Engineering

The Hon'ble Fourth Pay Commission, indeed, completely overlooked these ground realities. The 5th Pay Commission depended straight way on the 4th C.P.C, instead of removing the anomalies of the 4th Pay Commission first and then to evolve the pay scales for the Diploma Engineers/ Junior Engineers as requested by this Federation through its

memorandum. But, unfortunately, the sixth CPC also followed the suit and ignored these facts.

- 5.5.2 In this context, it is of paramount importance to point out that the AICTE in its Process Hand Book (2013-14) vide appendix-1 of Para 1.1/sub Para 2 for under Graduate Degree Programme, the lateral entry to 2nd year of Engineering & Technology having 4 years duration, categorically recognized the eligibility for the admission of Diploma examination passed from an AICTE approved institution, at par with the B.sc degree from a recognized university as defined by UGC. Obviously, the Diploma Engineering course is defined and admitted by AICTE equivalent to B.sc Degree beyond any doubt. Copy of the aforesaid **appendix-1** is enclosed with this Memorandum as **Annexure No- I (Page No-17 to 19)**.

5.6 Voting Right Granted To Diploma Engineers For Graduate Constituency

- 5.6.1 The Election Commission of India have granted the voting right to the Diploma Engineers (Matric+3 years Diploma Course) in graduate constituency for electing M.L.C. It can be verified from the Election Commission to consider the qualification of Diploma in Engineering higher than B.Sc Hons for the purpose of determining the pay-scale of Diploma Engineers, apart from the other important factors for consideration i.e. duties, responsibilities, risks, hazards and disgruntleness etc.

In the light of the above submission, the Federation sincerely requests the Hon'ble Commission to kindly eradicate the existing anomalies of the pay scales of Junior Engineers before arriving at the correct and justified Pay Scales for them.

**SHOWING ENTRY QUALIFICATION FOR DEGREE & DIPLOMA PROGRAMME
EXTRACT FROM -- PUBLICATION OF ALL INDIA COUNCIL FOR TECHNICAL
EDUCATION PAGE 2 OF THE GUIDELINES FOR ADMISSION TO ENGINEERING
COLLEGE AND POLYTECHNICS**

Since independence, there has been a phenomenal increase in the number of technical institutions in the country. From 38 institutions at degree level and 53 at diploma level, the number has increased to over 150 engineering colleges and 500 polytechnics. The pattern and structure of engineering degree/diploma programmes also changed over the years. While some engineering degree programmes were of 5 years duration after a schooling of 11 years or acquisition of a Higher Secondary School Leaving Certificate, in some cases the programme duration was 4 years after the successful completion of Intermediate in Science a two year after matriculation (10+). So far as the diploma programmes are concerned admission to the programme was after the successful completion of High School (10+) in some States and 11+ in some others. In some States the entry requirements for degree and diploma were the same, i.e. passing in Higher Secondary School Leaving Certificate (12+) Examination.

The need for sound criteria and appropriate procedures for selection from amongst the applicants have all along been recognized by the States and other concerned agencies. The main considerations in laying down the criteria and formulating procedures were that they should be based on merit and be fair and equitable to all eligible applicants aspiring for admission and should ensure that the selected candidates possess the pre-requisite knowledge and skills in the appropriate foundation subjects. These conditions were essential in order that the selected students may reasonably be expected to complete the programmes successfully within the prescribed duration.

Even during the fifties the considerations mentioned in the foregoing paragraphs were attempted to be taken care of, in as much as entrance tests are conducted by some institutions. Other institutions based the selection of candidates generally on merit obtained in the qualifying examination. However, lot of improvements took place in the type and content of entrance tests over the years. The opportunities for technical education also expanded considerably due to the establishment of a number of new engineering colleges and polytechnics. A variety of changes were effected in the criteria and procedures for admission. Instead of considering the aggregate marks, the marks obtained in Physics, Chemistry and Mathematics at the qualifying examination are considered. Entrance Tests became more and more objective.

Appendix 1

Duration and Entry Level Qualifications for the Technical Programs

1.1 Under Graduate Degree Programs (Full Time)

	Program	Duration	Eligibility
1	Engineering & Technology	4 Years	<p>Passed 10+2 examination with Physics and Mathematics as compulsory subjects along with one of the Chemistry / Biotechnology / Biology / Technical Vocational subject</p> <p>Obtained at least 45% marks (40% in case of candidate belonging to reserved category) in the above subjects taken together</p>
2	Engineering & Technology	Lateral entry to second year	<p>A Passed Diploma examination from an AICTE approved Institution; with at least 45% marks (40% in case of candidates belonging to reserved category) in appropriate branch of Engineering / Technology.</p> <p>B Passed B. Sc Degree from a recognized University as defined by UGC, with at least 45% marks (40% in case of candidates belonging to reserved category) and passed XII standard with mathematics as a subject.</p> <p>C Provided that in case of students belonging to B. Sc. Stream, shall clear the subjects of Engineering Graphics / Engineering Drawing and Engineering Mechanics of the first year Engineering program along with the second year subjects.</p> <p>D Provided further that, the students belonging to B. Sc. Stream shall be considered only after filling the supernumerary seats in this category with students belonging to the Diploma stream.</p> <p>E Provided further that students, who have passed Diploma in Engineering & Technology from an AICTE approved Institution or B. Sc Degree from a recognized University as defined by UGC, shall also be eligible for admission to the first year Engineering Degree courses subject to vacancies in the first year class in case the vacancies at lateral entry are exhausted. However the admissions shall be based strictly on the eligibility criteria as mentioned in A, B, D, and E above.</p>
3	Pharmacy	4 Years	<p>Passed 10+2 examination with Physics and Chemistry as compulsory subjects along with one of the Mathematics / Biotechnology / Biology / Technical Vocational subject.</p> <p>Obtained at least 45% marks (40% in case of candidate</p>

1.3 Diploma Programs (Full Time)

	Program	Duration	Eligibility
1	Engineering & Technology	3 / 4 Years	Passed 10 th std / SSC examination Obtained at least 35% marks at the qualifying examination.
2	Pharmacy	2 Years after XII standard or 3 / 4 Years after X th standard where same exists	Passed 12 th std Obtained at least 35% marks at the qualifying examination or Passed 10 th std / SSC examination Obtained at least 35% marks at the qualifying examination.
3	Architecture	3 / 4 Years	Passed 10 th std / SSC examination Obtained at least 35% marks at the qualifying examination.
4	Hotel Management & Catering Technology	3 Years after XII standard or 3 / 4 Years after X th standard where same exists	Passed 12 th std Obtained at least 35% marks at the qualifying examination. or Passed 10 th std / SSC examination Obtained at least 35% marks at the qualifying examination.
5	Applied Arts & Crafts	3 / 4 Years	Passed 10 th std / SSC examination Obtained at least 35% marks at the qualifying examination.
6	All Programs	Lateral entry to 2 nd year Diploma	12 th Science with Vocational / Technical Or X th + (2 years ITI) with appropriate specialisation Students passing 12 th Science or / 12 th Science with Vocational / or 12 th Science with Technical or X th + (2 years ITI) with appropriate specialisation in that order shall be eligible for admission to second year Diploma courses of appropriate program, up to a maximum of 20% of sanctioned intake, except Andaman, Nicobar, Lakshadweep, Daman and Diu where it shall be 30%, which will be the supernumerary of the approved intake.
7.	Town Planning	3 / 4 Years	Passed 10 th std / SSC examination Obtained at least 35% marks at the qualifying examination.



Chapter - VI

Recruitment to the Services



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MEMORANDUM

CHAPTER –VI

6.0.0 RECRUITMENTS TO THE SERVICE

6.1.0 BACK GROUND

6.1.1 It would be appropriate to bring the important and vital issues of recruitment to the services in various Engineering Departments to the notice of the Hon'ble 7th Central Pay Commission.

6.1.2 TYPE OF ENGINEERING SERVICES

There are four services in Engineering Departments of Centre / State Governments and their Undertakings as detailed below :

Name of the Services	Qualification	Designation	Remark
i) Engineering Service Group 'B' Non Gazetted	Diploma in Engineering	Junior Engineer	Direct recruitment
ii) Engineering Service Group 'B' Dazetted (Class-II)	i) Diploma in Engineering with 5 years experience ii) Degree in Engg. with 5 years experience	Assistant Engineer	By promotion from Junior Engineers
iii) Engineering Service, Group 'A' (Junior Class-I)	Degree in Engineering	Assistant Executive Engineer	Direct recruitment through U.P.S.C.
iv) Engineering Service Group A (Senior Class I)	i) Engineering Graduate ii) Engineering Graduate & Diploma Engineering	Executive Engineer from junior Class –I from Class -II	By promotions 1/3 from AEE, 2/3 Promoted AEs

Note : All the posts right from the Executive Engineer to the Head of the Deptt. are in Class I Service and are filled only by promotions on seniority-cum-merit basis.

6.1.3 QUALIFICATION FOR SERVICE

There are two qualifications for the Engineering services in Central Government departments/ undertakings

- i) Diploma in Engineering
- ii) Degree in Engineering

6.1.3.1 The main difference between the two courses is of one year only. The design and theoretical subjects are taught in more details in Degree course with a view to get the maximum use for research work, design works etc. with the latest technology.

6.1.3.2 The Diploma Engineering Course is meant mainly for practical and also theoretical purposes. These can be denoted as

- i) Executive works and
- ii) Planning, Research and Design works

6.1.3.3 In this regard, it is stated that upto the rank of Executive Engineer, the nature of Engineering works is the executive and the works are executed as per designs and drawings. The Diploma courses are designed for application of theoretical knowledge into

fields through artisans, craftsmen and other skilled /un-skilled labourers. Therefore, in view of the facts stated above, we are of the considered opinion and propose to the Hon'ble Commission to recommend that the entire set up right from the Junior Engineer to Executive Engineer responsible for the execution of works be re-organised in all the Engineering departments suitably. The Diploma Engineers only be entrusted this job of execution of works upto the rank of Executive Engineers to utilize their technical potential effectively and efficiently for which they are trained. A separate design organisation, comprising of Degree Engineers only for design, drawing and research works etc. in all the Departments be established to make optimum use of their theoretical knowledge and modern latest technologies as the acquiring of higher degrees are under utilisation of their talent on the jobs for which their qualification is not suitable where as on the other hand, the eligible engineers are flatterring on the road, because the jobs for which they are trained are being entrusted to the higher qualified persons. Due to acute problem of employment, the degree engineers are, in fact, eating out the jobs meant for the diploma engineers. Both these cells should be completely independent and no inter-transfers or/and promotions be allowed. The promotions should also be regulated strictly within the respective organisation. However, the common cadre should be formed for the purpose of promotion to the rank of superintending engineer both from degree/ diploma engineers promoted in the rank of executive engineer. It is also suggested that some specific percentage should be fixed for both degree and diploma engineers in the rank of all the posts of class-1 Engineering Services.

6.1.4 The verdict of the Hon'ble Das Commission (2nd Central Pay Commission) which is self explanatory and of immense importance, is reproduced below –

“DIPLOMA ENGINEER IS IN NO WAY INFERIOR TO A DEGREE ENGINEER FOR THE PURPOSE OF GOVERNMENT SERVICE”.

6.1.5 In this context, we submit that the IIIrd Central Pay Commission has rightly recommended vide para 70 on page- 151 of its report Vol. I which is reproduced below :

“DISCOURAGE RECRUITMENT OF DEGREE ENGINEER ON THE POST OF DIPLOMA ENGINEER/ JUNIOR ENGINEER”

“70, Before concluding with this category, we wish to refer to the existing practice in some Departments giving six advance increments to engineering graduates who are recruited to posts for which the minimum prescribed qualification is only an engineering diploma. From the figures that have been made available to us it seems that the attraction of a higher start for the graduate engineer is resulting in a large number of vacancies going to such graduates. From the year 1966, the approximate date when this concession of advance increments seems to have commenced, 51.9 percent of the vacancies of Engineering Supervisors in the Water Wing of the Central Water & Power Commission has given to engineering graduates. The Central Public Works Department and the Power Wing of the central water & power commission had engineering graduates coming into the grade of Rs. 180-380 to the extent of 24 percent and 28 percent respectively. While the inducement of six advance increments might have been introduced initially to attract engineering graduates, it seems to us that the existing provision has been too liberal. We do not think that it is a healthy arrangement to have a large percentage of graduate engineers in cadres for which a diploma in engineering is all that is considered necessary. This practice is not only an unnecessary burden on the exchequer but also involves under utilisation of

engineering graduates and raising expectations in them which cannot be satisfied. This concession should, therefore, be withdrawn.”

- 6.1.6 Late Pt. Jawahar Lal Nehru, the Hon’ble first Prime Minister of India declared during 1960 in the convocation of university of Roorkee as under :
“We want Diploma Engineers, to build the Nation rapidly” “Mere taking degree is no sign of learning. I am prepared to give the most important job to a man who does not have a degree but who has the capacity to fulfill the task.”

6.1.7 ATTEMPT TO DEPRIVE OF THE DIPLOMA ENGINEERS FROM THE SERVICE MEANT FOR THEM

It is an irony of fate that for the service which is particularly meant for Diploma Engineers, the authorities of Govt. Departments are managing to grab, snatch and occupy by the Degree Engineers, under a deep conspiracy to evaporate this cadre and to prevent them even to join the solitary service meant for them. This would be amply clear from the notification for All India Competitive Examination for the recruitment of Junior Engineers in CPWD in which a bar was imposed on Diploma Engineers only, that those who secured 75% or more marks in the Diploma course in case of general category and 60% or more in case of S.C.& S.T. shall be eligible to appear in this open competition. It was also interesting to note in that notification that no such bar was however imposed for Degree Engineers. This speaks a volume about the evil designs of the high ups and policy makers who are themselves degree engineers. This sole example is sufficient to expose the ulterior motives, malafide intentions and calculated move of the Degree Engineers against the Diploma Engineers with a view to root out this class. But we are having full faith and confidence in the true examination and recommendations of the Hon’ble Commission under the chairmanship of a learned member of the JUDICIARY and other learned members from different renowned spheres, to introduce a system to prevent such mal-practices of the authorities in future once for all.

- 6.1.8 In fact, till recent past, both the Degree and Diploma Engineers were getting the service and there was no much serious problem of unemployment. But the aspirations and expectations of Degree Engineers were never fulfilled. They always remained unsatisfied and discontented as they felt humiliated and disgusted being the service below their dignity, education and standard of their family back ground. But finding no alternative, these degree engineers generally close relatives to the bureaucrats and technocrats having failed to get the suitable and appropriate jobs through All India level competitive examinations such as Indian Engineering Service, Indian Administrative Services, State level services through Public Service Commissions, in public undertakings, Autonomous Bodies, Private Sector etc. for which they are eligible to appear, finally reconciled their fate to join the lower level service which is meant for the Diploma Engineers and remain always busy in search of other higher jobs being dissatisfied and disgusted.

- 6.1.9 Indeed, such persons may be termed safely as rejected and dejected stuff of the Degree Engineers whereas on the other hand the Diploma Engineers who enter into this service through competitive examinations or otherwise are brilliant and bright who have a keen desire and object to achieve success by setting the milestones through their commendable performance.

- 6.1.10 Since such degree engineers are close relatives of top brass of beaurocrats and technocrats, as already stated earlier, as well as by virtue of the class fraternity, these high ups of Central Govt. Departments evolved such illogical, illegal, unethical, undemocratic, undesirable, unwarranted and unjust rules in such a manner to provide the backdoor entries and undue favours to them at the cost of Diploma Engineers which would be fortified from the following facts.
- 6.1.11 The post for which the minimum qualification Diploma in Engineering is needed, the department is deliberately depriving of 98% Diploma Engineers by stopping them even to enter in the house which is exclusively meant for them, as because, hardly 2% students in any examination are able to secure more than 75% marks. Moreover the student of such high standard would not prefer to select this service. In this way 98% Diploma Engineers will be precluded to appear in the competitive examination for recruitment of J.Es in CPWD and on the contrary 100% entry of Degree Holders in place of Diploma Engineers, would be guaranteed. The fundamental question arises here whether any sort of such bar of percentage in an open competition and that too exclusively on one section only is fair, justified, logical, legal constitutions, ethical and/or acceptable ? Obviously, such actions of the Department are designed to block the future of Diploma Engineers permanently and to support the degree engineers at any cost. Both the situations are detrimental to the interest of the national development and integrity as such deserve condemnation in the strongest terms.
- 6.1.12 In this regard the observations and decisions of the learned Hon'ble Third Central Pay Commission as stated in para 6.1.5 above are reiterated for the recommendations of the Hon'ble 7th Central Pay Commission in the interest of efficiency, output, quality, standard and above all the austerity and national economy.
- 6.1.13 We therefore, submit that like the Third Central Pay Commission who had rightly abolished the undue concession of six advance increments being given to the degree engineers in some departments of Central Govt., this Hon'ble Commission also be pleased to give recommendations that the entries of Graduate Engineers in the Group-B (Non Gazetted) Engineering service be totally banned as in case of many State Governments like U.P, Bihar, Utrakhand and Jharkhand etc. This will eliminate the disputes, disparities, interrivalary and discriminations in Group-B (Non Gazetted) service on the basis of qualifications automatically.

6.2.0 METHOD OF RECRUITMENT

- 6.2.1 There is mainly one method being adopted for appointment to the service i.e. on the basis of an All India competitive examination organized by Central Govt. departments.
- 6.2.2 Thus, it is established that the recruitment to the service is done through the toughest examination conducted among the technically qualified persons from all over the country. The numbers of such technically qualified persons are in the tune of several thousands. Hardly 400 to 500 candidates are selected out of this huge number of competitors depending upon the vacancies available in the various departments.
- 6.2.3 Therefore, we emphatically request the commission to consider this important factor i.e. Method of recruitment to the service while deciding the pay scale of this cadre, which is far stiffer in case of the Junior Engineers in comparison to the other common categories.



Chapter - VII

Designation



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MEMORANDUM

CHAPTER VII

DESIGNATION

7.1.0 BACKGROUND

The long list of designations attributed to personnel of Group 'B' (Non Gazetted) Engineering Services consists of section officer, Asstt. Foreman (In Delhi Transport Corp.) Overseer, Supervisor, Line Inspector, Technical Assistant, Technician, Design Assistant, Sub-Engineer, Superintendent, Gr. I & II, Sectional Engineer, Junior Engineer Gr.I & Gr. II, Sub-Assistant Engineer, Additional Assistant Engineer etc. Perhaps this is the only cadre all over the country in Central/ State Governments departments and their undertakings having equal qualification i.e. Diploma in Engineering and doing the job of same nature according to requirements of the respective departments, but carrying the different designations illustrated above.

7.1.1 THE IMPORTANCE OF DESIGNATION

Designation plays a significant role in the service career and ought to be such so as to command respect besides job satisfaction and indicating to what service and jurisdiction one belongs to.

7.1.2 DESIGNATION OF OTHER CATEGORY OF ENGINEERS

After independence proper care was taken in allotting appropriate designations to various services so far as engineering services are concerned. It would be noticed that the designation of all the gazetted engineers i.e. class II, I and above in engineering services are common viz. Assistant Engineer, Executive Engineer, Superintending Engineer, Chief Engineer. Although there is uniformity in the designation of Engineering Service from class II and above but it is not the case regarding group 'B' (Non Gazetted) services. As such, the Diploma Engineers in various organisations are struggling with their authorities for this simple demand of change of designation as Junior Engineers.

7.1.3 Therefore, we suggest to the Hon'ble Commission to recommend for single designation of JUNIOR ENGINEER only without any sub category or grade etc. to all the Diploma Engineers at the entry of their service in all the Departments of Central Govt. and their undertakings, in order to rationalize it and boost the morale among those who are still struggling for most genuine and justified demand of common designation as JUNIOR ENGINEER on the analogy of higher cadres designations in Engineering Departments. It will eliminate the state of confusion and doubt to a great extent besides an easy system for simplification of administrative procedure.

7.2.0 DUTIES AND RESPONSIBILITIES

This is the most important factor to determine the pay scales and other service conditions of any cadre. But it looks that this vital point of consideration is ignored by former Hon'ble Commissions as due weightage was not given by the IIIrd, IVth, Vth & VIth Pay Commission in case of cadres of junior engineers which carry full risks and hazardous duties including mental and physical fatigue etc.

7.2.1 Had this vital point of immense importance could have been considered carefully, the pay scales for junior engineers would have not recommended so poor causing total demoralization, awful humiliation and acute frustration amongst them resulting in strong agitations, confrontations and interalia the serious adverse effects on the national development as an obvious consequence.

- 7.2.2 The Junior Engineers provide the base for the Public works organisations. It is this level from where the work is initiated and completed. The conditions under which these engineers work and the risks involved on their job are not difficult to assess.
- 7.2.3 At the outset to describe about the unlimited duties and the vast responsibilities of the Junior Engineers, the realistic approach of Dullat Commission through its popular remark as reproduced below is quite significant and important :

“THEY ARE THE BEAST OF BURDEN IN THE DEPARTMENT”

- 7.2.4 There is no difficulty in appreciating the key role played by the Junior Engineers and the responsibilities attached to their job in the field of public service. **No duty hours are defined for Junior Engineers**, as such they are practically always on their duties as per exigencies of the works and the requirements of the superior officers. Thus, they are on construction site to build :
- i) the homes for homeless,
 - ii) hospitals for the patients,
 - iii) schools for children,
 - iv) roads for the traffic,
 - v) bridges to cross the rivers, railway tracks and drains etc.
 - vi) canals and tube wells for irrigation to boost agriculture,
 - vii) dams and barrages for power generation, irrigation, water supply/navigation and protective works,
 - viii) flyovers for safe and fast movement of vehicles.
 - ix) water supply/ drainages /sanitation for life amenities.
 - x) electric power houses for electrification,
 - xi) factories and industries for the prosperity of the nation.
 - xii) railway lines for fast movement of passengers and commodities.
 - xiii) aerodromes, ports, light houses, for national development,
 - xiv) embankment for protection of floods,
 - xv) wells under sea for exploration of petroleum products and gases etc.
 - xvi) commercial /official buildings and monuments for trade and administration.
 - xvii) border fencing /border roads for the safety and security of the country.
 - xviii) Life saving /to restore/essential amenities just after the natural disaster like in Uttarakhand.
 - xix) Tunneling for railway tracks, roads, diversion of rivers etc.
- 7.2.5 The Junior Engineers discharge these duties in all weathers vis-à-vis in scorching heat in summer, freezing cold and snow fall in winter and terrible rains, inaccessible terrains, sprawling deserts, roaring rivers, deep sea, thick jungles and forests infested with man eaters, high mountains and deep valleys & naxalite area etc. They have considered no sacrifice too great and no job too small. Their comforts, privileges, personal difficulties,

family worries never put a stumbling block on the way of marching ahead and attending to the call of the Nation wherever and whenever necessity demanded.

- 7.2.6 A Junior Engineer is a pivot in the execution every where in engineering works in all the departments. He is the sole introducing technical officer being paradoxically placed at the bottom most platform with stupendous responsibilities under the administrative reality, just like the heart in the body.
- 7.2.7 The Junior Engineers are the King pin and back bone of the Departments. Their duties are arduous in nature, strainuous in reality and with higher level of responsibilities in practice as well as in theory. They have to face the hazards, ordeals of sun and rain and are subjected to the vagaries of nature. The Junior Engineer is an important link between the designers and artisans as the application of theoretical knowledge at field in the form of works/ projects through artisans, skilled /semi-skilled/ un-skilled workers is the main function of the Junior Engineer.
- 7.2.8 Therefore, by virtue of the nature of the jobs performed by them, a Junior Engineer is
- i) a surveyor
 - ii) an investigator
 - iii) a planner
 - iv) a designer
 - v) an estimator
 - vi) an inventor
 - vii) a supervisor
 - viii) an observer
 - ix) a store keeper
 - x) a clerk-cum-messenger,
 - xi) a manager,
 - xii) a custodian,
 - xiii) an administrator.

Indeed, all in one and one in all. In other words, more precisely speaking, he is WHAT NOT ?

Administrator with a bulk of establishment of work charged, regular, casual, contract and /or muster roll labour, beldars, plumbers, carpenters, masons, electricians, foremen, sewer men, upholsterers, painters, white-washers, lift operators, machine men, work assistants etc. (both skilled and unskilled labourers)

Controller of labour at site to extract their out turn.

Executor of all works according to specifications and detailed drawings.

Inventor investigator, surveyor and orientor of projects, of major and minor schemes of roads, bridges, railways and building projects and other works.

<u>Care-taker</u>	and manager of all Government buildings, roads, inspection houses, power houses etc.
<u>Observer</u>	of regular running of machines and tools and plants.
<u>Organizer</u>	of all stores of purchases and issues, holding responsibility to keep accounts worth lakhs of rupees.
<u>Planner</u>	designer and estimator of various works.
<u>Producer</u>	of bills for works done and supplies made.
<u>Recorder</u>	of measurements of all works done and materials received.
<u>Custodian</u>	of all miscellaneous properties of the Government & lessor for seasonal lease. Stock & t&P etc.

7.3.0 **OFFICIAL CORRESPONDENCE**

7.3.1 In addition to the above technical duties, he has also to deal with day to day official correspondence besides a number of returns, statements, parliament questions, replies and queries etc.

7.4.0 **WORKING CONDITIONS**

7.4.1 A Junior Engineer is required to work under the following conditions:

- i) 24 hours attendance of continuous works. He has to work beyond normal working hours to cope up with the heavy volume of works without any incentive and compensation as no over time allowance is payable to the Junior Engineers.
- ii) Duties at out of way places in remote areas jungles and hilly places, in bad weather under the scorching sun, amidst rain and even without transport, communication and accommodation facilities.
- i) Headquarters fixed at remote places to suit the working convenience ignoring the availability of accommodation and basic needs.
- ii) Due to the non-availability of substitute and due to essential nature of the duties under which he is placed, he is deprived of the legitimate holidays and more often the ordinary privileges are either denied or postponed.
- iii) Lack of educational medical and recreational facilities due to the headquarters in remote places.
- iv) He is to determine the real topography of the feature, give alignment, to arrange auxiliary costly equipments, machine tools and plants, to organize labour forces amidst uncongenial environment like mountainous, terrains, solitary nook far away of human habitation, dense forests infected with wild animals and marshy lands, exposure to all sorts of natural calamities, wind storms, hill storms, snow falls, heavy torrential rains, chilly cold winds, forest bite, attacks of snakes and dacoits, deprivation of amenities of social life and improper arrangement of camp equipages.

In order to substantiate the aforesaid deteriorated, dangerous and deplorable working condition some actual photographs are enclosed as **Annexure- II (Page No -31 & 32).**

- v) Apart from all these he has to face the short falls in stores, progress of works and charges thereon and left helpless.

7.5.0 **RESPONSIBILITIES**

- i) A Junior Engineer is to exert his devoted energy in all spheres of the construction works starting from its very inception stage of proposal to the infinite stage of maintenance even after the successful completion of all projects works.
- ii) takes full responsibilities for collection of authentic data, corroborative records, documentary history, genuine secret maps, viable points, scrutiny of proposals, preparation of blue prints, indication of financial aspects, thorough investigation of the proposed site for determining the unique feasibility of all the scheme or projects.
- iii) conducts survey works including all investigatory functions of ancillary works commencing from reconnaissance survey to ultimate position of the projects as pre-requisite.
- iv) devises the in and outs of the project, prepare detailed reports, suggests ways and means, adopt suitable measures for framing up balanced and economic design together with the formulation and incorporation of all other allied intricate issues which are likely to crop up in the situation.
- v) prepares detailed plans and estimates of the projects, specify the quality of materials, insert nomenclature of all items of works, analyse the rates of items, chalk out the realistic additional clauses of the contract, prepare tender papers and comparative statements etc. for acceptance of the tender by the appropriate authorities.
- vi) inspects, supervises, instructs, guides, gives decision, keeps careful watch and strict vigil over the quality, progress and specifications of works and to remain present in the field of execution even after duty hours at the event of real need, whenever required in exigencies of the situation.
- vii) remains actually in the place of work often to shoulder full responsibilities to act as organiser, executor, operator, and to direct unskilled and skilled personnel, control, watch, handle costly machineries like heavy earth moving machineries such as bull dozers, road rollers, loaders, cranes, soil stabilizers, automobiles like tractors, trucks, jeeps, workshop machineries such as lathes, milling, and shaping and hot mix plants, lifts, generators, pumps, computers etc.
- viii) records all measurements of works/ supplies made by the different agencies and to account for the transaction of all materials received or issued in the works.
- ix) prepares the bills for the supplies made and works done for payment to the different agencies and suppliers. In the codified nomenclature of the authoritative law books, the financial responsibilities of the original and repair works lies with the Junior Engineer.
- x) submits weekly and fortnightly progress/ labour reports of the works including submission of he completion certificates and completion plans of the buildings till the finishing stage of the work.
- xi) keeps detailed accounts of the work quantitatively, consumption of materials on all works and item-wise expenditures involved thereon in parity with the allotment of fund and budgetary provisions.
- xii) remains alert for regular running of plants and machineries and proper ancillary functions of the connected maintenance units thereof.

- xiii) presents himself in the utmost place of emergency like hospitals, floods, scarcity of water supplies, security arrangements of VIPs every now and then regularly, in the shape of independent normal routine works and not with standing the question of being frequently requisitioned from the public functions stretching the odd hours of the night for keeping careful watch over the operational performance of the lines and all emergent works totally leaving aside any factor for availing of any public holiday or normal rest day in the week.
- xiv) works an emergency service constantly round the clock in the different emergent places like in the hospitals, repairs of appliances, and different types of machines, viz. lifts, air conditioning machine pumps etc. maintenance and repairs of tools and plants and machineries in the workshops.
- xv) keeps monthly accounts of receipts and issues of tools and plants and detailed stock accounts of all site materials, submit progress reports thereof and other various statements including that the submission of certificates and technical approval of all such materials whenever asked for.
- xvi) stands alone for guaranteed supply of electrical power within his jurisdiction to the all inevitable places of emergency continuously for 24 hours.
- xvii) shoulders responsibilities for keeping proper accounts of receipts and issues of all stores materials costing crores of rupees and time to time placement of indents thereof.
- xviii) transacts eventually heavy cash-money running upto lacs of rupees in a month as imprest and to keep proper accounts thereof for disbursement of wages to the work charged personnel and muster-roll employees maintenance of other indispensable item of works.
- xix) prepares bill of wages for the work charged/ regular personnel and to keep their records of attendance, leave, substitute, fixed charge register and festival /medical advances etc.
- xx) deals with heavy routine duty of correspondences and issues in respect of various reports, returns, statements, etc. on works.
- xxi) keeps himself often in the role of a liaison officer as an authorised representative of his responsible officers of the other department and even also in front of many other dignitaries coming from the foreign country to visit India.
- xxii) tackles primarily the law and order situation in the field of execution as a charge Officer for the disputes arising out of the labour forces engaged in the work.
- xxiii) inevitably shoulders the responsibility in respect of the encroachment cases of government lands which are being very often encroached by the un-authorised persons in a fraudulent manner by erecting permanent –semi-permanent structures. All such cases, are therefore in the face of all eventual affairs, required to be taken up individually by the Junior Engineer with all the higher authorities of all connected departments.
- xxiv) determines the soil characteristics, C.V.R. value, Grading analysis of stone materials, marshal stability test from asphaltic work stripping value, design mix of different classes of asphaltic works, compressive and tensile values of concrete moulds whenever required in the actual laboratory process together with the investigatory work of failure portion of the road and also the supervision of various types of quality control works in the road project scheme.
- xxv) performs additional duties very often apart from his assigned duties, unavoidably to pull on the work of procurement, census, elections, levy assessment, flood relief, various odd types of miscellaneous enquiries as an additional burden of works.

- xxvi) renders his faithful services in places of unforeseen risks amidst natural calamities like devastating fire and flood situation, serious havocs, earthquakes, droughts, landslides in the hills stations, sudden disruption of power lines, tearing of ropeways, severe erosion of embankments and planes on the verge of scouring river sides, etc. etc and instantaneously to impart spot decision indiscriminately without anybody's substantial help for its proper restoration and replacement of the works.
- xxvii) in several occasions under the administrative orders from the higher authority, holds, the charge of sub-division in addition to his own normal duties thereupon acting temporarily defecto Assistant Engineer shouldering all responsibilities without any provision of additional remuneration for this purpose, as and when the A.E. concerned proceeds on leave or happens to remain absent for a considerable period of time or otherwise.
- xxviii) being the Junior Engineer and the lowest level officer in the field of execution under the existing setup of different engineering organizations, as is duty bound for the purpose of maintenance of due decorum, discipline, courtesy and protocol to the superior officers, the top departmental bosses, dignitaries, VIPs, Ministers and Foreigners too, very often has to arrange reservation of accommodation for lodging in the local inspection bungalow, circuit house, tourist lodge, government guest house, etc. including proper arrangement for their fooding and servicing of periodic meals and refreshment during their stay for site inspection or conducting meetings or inaugurating the opening or unveiling ceremony of a project etc.

For the ready reference of the Hon'ble Central Pay Commission, the list of duties extracted from the C.P.W.D. manual is annexed **Annexure – III (Page No- 33 -35)** as illustrative and not comprehensive.

ANNEXURE – II

*Actual Photographs of Arduous, Risky Sites
Where Junior Engineers/Diploma Engineers are
Put to Hold Strenuous Responsibility*



*Actual Photographs of Arduous, Risky Sites
Where Junior Engineers/Diploma Engineers are
Put to Hold Strenuous Responsibility*



SHOWING THE DUTIES OF JUNIOR ENGINEERS (EXTRACT FROM C.P.W.D. MANUAL)

1. GENERAL

Junior Engineers are employed on original works : maintenance and petty works; planning work and store work on the civil side. On the mechanical and electrical side, they are employed in original works; maintenance and petty works in workshop.

As Junior Engineer is the primary element in the executive unit. He is responsible both for the execution of works and maintenance of accounts with which he is concerned.

The duties of the Junior Engineers engaged on original and maintenance works are as below:--

1. To collect engineering data for estimates and prepare rough drawing and site plans connected the work.
2. To supervise and see that all works under his charge are done according to the specifications drawings, standards laid down and approved samples. He is expected to remain at site throughout in order to see that the works are executed properly in accordance with the requirements. If any work is done by a Contractor below specification it is the duty of the Junior Engineer to bring it at once to the notice of the Assistant Engineer incharge and also make a note in the site order book.
3. To arrange for the materials, T&P from store by purchase from the market, issue materials, T&P to contractors/works at the proper time so that there is no obstruction in the execution of work.
4. To keep Government materials, T&P in his custody and care; maintain proper accounts of receipts, issues and balances; arrange adequate watch and ward.
5. (i) To record measurements of work done by the contractor/departmental labour.
(ii) To take the level of areas where earth work is done and prepare earth work calculation sheets, lead charts, etc. for calculating the quantities of work done.
6. To prepare abstract of measurements at the time of preparation of bills/closing of Muster Rolls.
7. To prepare the recovery statements for the material/T&P supplied to contractors, or other services rendered by the department and send them to the S.D.O. for effecting recovery.
8. To prepare theoretical consumption statements.
9. To submit progress report of works as may be required by his superiors and to bring to the notice of his immediate superiors hindrances to the execution of work.
10. To maintain the prescribed registers/accounts like cement register, caub register, curing register, register of testing of fine aggregate. M.A.S. account, Site order book, Account of Temporary advances: Interest accounts, Stock account, T&P account, Standard M.Bs. etc.
11. To maintain Register of Inspection of Buildings in his section in the prescribed form and to bring to the notice of the superior officers any defects notices at the time of his inspection. If any building /structure is particularly unsafe, this should be specifically brought to the notice of higher authorities.
12. To prepare completion drawings; extra and substituted items statements; deviation statements; reduction rate statements.
13. To mark the attendance of W.C. and regular staff in the register, to maintain the muster rolls properly to mark the attendance of casual labour in Muster Rolls, to arrange for casual labour required for departmental works; to see that the work charged staff is properly and fully employed; to watch the out turn and performance of the staff and labour engaged under him; to send daily reports as required under the rules.

14. To prepare estimates for additions and alterations in buildings.
15. To prepare estimates for annual repair and special repair works and petty works after collecting data from site.
16. To furnish full details for preparing supplementary estimates, revised estimates.
17. To submit reports of all accidents.
18. To give first aid and arrange for medical aid in case of accidents.
19. To submit occupation and vacation reports of buildings in his charge.
20. To detect and report unauthorised occupation, encroachments and unauthorised additions and alterations.
21. To verify bills. A.T.D.S. etc.
22. To submit required returns to his superior officers.
23. To maintain drawings of buildings, services etc. under his charge.
24. To initiate action for disposal of surplus/unserviceable materials/T&P/empties etc.
25. To ensure prompt action on complaints received in enquiry officers.

II. PLANNING

1. Preparation and checking of rough cost estimates & preliminary estimates.
Preparation and checking of detailed estimates & revised estimates.
Preparation and checking of revised estimates/NITs estimates.
Preparation and checking of Designs. Preparation and checking of drawing.
Preparation and checking of schedule of rates.
Preparation and checking of Specifications.
Preparation and checking of cost index calculations.
Preparation and checking of theoretical consumption of materials.
2. Calculation and checking of plinth areas, floor areas etc. from drawings.
3. Calculation of preliminary sizes of structural members.
4. Checking of extra, substituted and deviation item statements.
5. Checking of survey reports checking of tender.
6. Scrutiny of drawing prepared by Architects.
7. Examination of arbitration cases.
8. Examination of cases relating to approval of materials.
9. Termination of cases relating to wages of labour.
10. Carrying out of survey work of areas for done development and preparation of Survey Plans.
11. Custody of Mathematical and Survey instruments tools and plant including their receipt and issue and maintenance of their account.
12. Custody of Government publications including their receipt, issue and maintenance of their account.
13. Carrying out Laboratory Test on materials such as cement, steel, timber, metal, soil etc.
14. Carrying out field tests on soils etc.
15. Assist in carrying out valuation of buildings.
16. Maintenance of Books and Registers relating to the work done under the A.S.W./SW concerned.
17. The duties of Junior Engineers employed on the Store Work are as follows:

- (i) To take delivery of materials/T&P in time check them and report shortages/breakages to higher authorities.
- (ii) To be in custody of materials/T&P to arrange for their proper storage.
- (iii) To issue materials/T&P.
- (iv) To maintain proper accounts of materials/T&P as required.
- (v) To submit accounts/returns as required.
- (vi) To ensure proper watch and ward arrangements for materials/T&P.
- (vii) To mark the attendance of staff under him and to supervise their works.
- (viii) To verify bills of suppliers, A.T.Ds. etc.
- (ix) To initiate action for disposal of surplus/unserviceable materials/T&P.
- (x) Submit reports of thefts/accidents.
- (xi) Maintain proper account of temporary advances and interest accounts.

The Junior Engineers are not to be employed on any of the following duties:--

- (i) To pass or reject any work done by a contractor. To fill in the rates for various item of work in the abstract. This is the duty of the S.D.O.
- (ii) To authorise any alternations from or additions to what is included in the contract.
- (iii) To condemn or declare unsafe any building structure/installation.
- (iv) He should only inform the occupants of any danger and report the case to higher authorities for orders.
- (v) To reply to audit objections or furnish reports other than those of factual nature concerning his charge, but he will assist his superior officers in this work.

GENERAL

The above mentioned duties are only illustrative and not exhaustive. A Junior Engineer is expected to assist his superior officers in performance of all those duties which he is to assume on his promotion to the post of Assistant Engineer or Executive Engineer in course of time, and observe and carry out all administrative orders/instructions issued by the Government from time to time.

III ELECTRICAL

- 1. Recording of measurements of stores received, items of work on work order/tender etc.
- 2. Physical custodian of materials at site, T&P.
- 3. Submission of monthly returns like Form 35C, Form 8, Form 13 & 14 (T&P), abstract of complaints received and attended to in every month statement of additions and alternations carried out.
- 4. At least 50 per cent check of complaints attended to by his subordinates.
- 5. Physical verification of stores T&P every six months.
- 6. Supervision of construction work.
- 7. Maintenance of Labour Rolls, Attendance of Staff, etc.
- 8. In planning office preparation of estimates for various works, collection of plans, details of latest fittings cables item, available in the market. Preparation of circuit diagrams, layout sketches for cable routes, position of D.Bs switch boards, etc.
- 9. Preparation of estimates annual maintenance estimates, estimates for additions / alternations of existing electrical installations, estimates for petty new installations.
- 10. Verification of energy consumption bills received from local Elect. Supply Co., general supervision of Energy meter to see whether they are working satisfactorily.
- 11. Preparation of electrical bills for various consumers in the buildings/common points etc., and to send them to the respective authorities for enabling them to pay the same.



Chapter - VIII

Economic Background



AIFODE
MEMORANDUM

CHAPTER – VIII

8.0.0 ECONOMIC BACK GROUND

8.1.0 The 3rd Pay Commission had undertaken a study of the increase in the Govt.'s wages bill and its relationship with the growth of revenue receipts and expenditure for years 1960-61 to 1970-71. The observations made by them in Para 23 of Chapter 3. Page 21 of their Report are quite significant and are, therefore, being reproduced below.

“It is significant that the increase in the total wages and salaries bill of the central Government has not been commensurate to the increase either in the revenue expenditure or revenue receipts. The normal tendency in countries which have to assume new functions and responsibilities for development is for the wages and salaries bill to increase more than in proportion to the increase in revenue and expenditure. It would therefore appear that there is some leeway for raising the wage and salary levels without placing an undue strain on the exchequer.”

We are placing the up-dated figures of wage bill percentage in the Table Below

TABLE-V

Year	Revenue Budget		Wages and Salary Bill	Wage Bill as % of Revenue	
	Total Rev. Receipts	Total Rev. Expenditures	Amount value (rupees in crores)	Receipt	Expenditure
2006-07	4,30,940	5,40,037	40,418	9.32	7.48
2007-08	6,49,426	7,34,861	46,230	7.12	6.29
2008-09	6,53,847	10,10,224	67,464	10.32	6.68
2009-10	7,04,523	10,57,478	89,860	12.75	8.50
2010-11	9,32,685	11,86,115	88,650	9.50	7.47
2011-12	9,10,556	13,05,195	95,291	10.47	7.30
2012-13	10,55,891	14,22,087	95,983	9.09	6.75

8.1.1 It would be seen that the ‘leeway’ for raising the salary by the 3rd Central Pay Commission was based on the fall in percentage of wage bills to Revenue Receipts and expenditure from 32.2 with reference to total Receipts and 33.5 with reference to total expenditure by a figure of 5 points approximately during the period from 1960-61 to 1970-71. The fall in these very percentages is now of the order of more than 23 & 27 points respectively, showing that the leeway then available has only increased considerably. This indicates that there is a full justification for giving a good rise in the salary structure of Central Govt. employees even from this angle besides the promising improvements in the overall economic conditions.

8.2.0 TERMS OF REFERENCE

8.2.1 As per terms of Reference, the Commission has to deal with the simplification of procedures rationalization and more attractive & modern structure of pay, allowances, pension etc. In evolving these issues we urge that this CPC should go in details and assume this deep & detail work as an extraneous factor to the mail TOR.

8.2.2 We submit that in doing so the resources of the central Govt. referred to in the terms of reference should be interpreted not as the actual resources being raised but the potential resources which the Govt. can reasonably raise.

8.2.3 In this regard, at the outset, our submission is that these are in many respects, extraneous factors, and should not have been linked to the issue of wage determination. In any case our submissions are based on a fair comparison with the Central Public Sector Undertakings and

Private Sector. There is, therefore, no justification in subjecting our claim to the consideration of the aforesaid issues.

However, we are placing below, in brief, the present conditions of the country.

8.3.0 **ECONOMIC CONDITION**

8.3.1 Discussed here is the general economic situation in the Country and its likely impact on the resource position of the central Govt. in times ahead. The review of the present and emerging economical scenario is based on what has been understood from the various statements made by the Govt. from the official economic survey and the Budget documents available to us from the National Council of Economic Resources, New Delhi.

8.3.2 Since 1990-91 the year in which the Indian economy hit a severe payment crisis the Country as claimed by the Govt. itself has since then emerged decisively from that difficult situation. Both, the official economic survey, as well as the Budget speeches of the Hon'ble Finance Minister unambiguously project that **the Indian Economy is set not only on a fast road of recovery but to a phenomenal, shining and glorious standard to achieve the global economic status.** According to the Ministry of Finance, the programme of stabilization and the economic reform measures initiated in 1991-92 under the aegis and dynamic innovation of the then Hon'ble Finance Minister Dr. Manmohan Singh, Hon'ble Ex- Prime Minister, helped to restore the economic growth to 4% in 1992-93 to 9.1% during the financial Year 2006-07 and the balance of payments position has also been improved substantially. As per the Govt.'s assessment of the present economic situation of future developments, the following economic scenario is emerging:

- I) Progress on the external front Foreign currency reserves have increased remarkably during the year 2006 to 2014 from 753 Million \$ to 1837.3 Million \$.
- II) Exports have grown from 11561 Million \$ to 29075.8 Million \$ i.e 151.50% increase is noted from the year 2006 to 2014 March. This is further assessed to be increased to 200% during current financial year.
- III) The deficit in India's balance of payments in 2006 was 44.94 Billion \$ which has considerably shrunked to 13.63 Billion \$.
- IV) Despite unification and lifting of trade controls, the exchange rate for the rupee has been steady. Foreign exchange is coming into the country quite substantially.
- V) International confidence in India has been restored and enhanced to a great extent. Foreign Direct and portfolio investment is expected to increase to around \$ 30 billion in 2005-06 and as the economic reforms proceed, foreign investments are expected to rise further. This should then not only help in boosting the economic activity, but also improve Government's finances.

8.4.0 **ON THE DOMESTIC ECONOMIC FRONT**

8.4.1 The new Economic policies, initiated by the Govt. from July 1991 onwards – while putting the burden of adjustment on workers (especially through declining purchasing power and unemployment), have however, helped the Government to overcome its financial crisis, and restructure the economy.

8.4.2 From 2001-02 onwards the economy has started looking up, as per the following Govt. data :

TABLE - VI

Economic Growth	Growth rate (in %age)	Economic Growth	Growth rate (in %age)
2001-02	5.8	2007-08	9.3
2002-03	5.8	2008-09	6.7
2003-04	8.5	2009-10	8.5

2004-05	6.9	2010-11	9.3
2005-06	8.1	2011-12	6.2
2006-07	9.1	2012-13	4.9

TABLE - VII
Per Capita Income (At Price level of 2004-05)
(In Rs. Per Year)

Year	At Factor Price		At Market Price		Remarks
	On GNP	ON NNP	ON GNP	ON NNP	GNP:- Gross National Product
1995-96	18535	16675	18882.28	17156.39	
1996-97	19655	17714	20328.37	18492.26	
1997-98	20158	18103	21189.75	19209.27	
1998-99	21090	18934	22500.12	20381.24	
1999-2000	22363	20079	24486.54	22200.03	
2000-01	22813	20418	25359.11	22917.95	
2001-02	23592	21093	26618.19	24018.75	
2002-03	24166	21578	27662.98	24929.31	
2003-04	25700	22985	29834.97	26924.70	
2004-05	27081	24143	32198.34	28999.43	
2005-06	29188	26015	35183.48	31674.55	
2006-07	31505	28067	38418.74	34562.74	
2007-08	34090	30332	42337.68	38061.40	NNP:- Net National Product
2008-09	35817	31754	43909.66	39220.62	
2009-10	38362	33901	47630.90	42411.84	
2010-11	41166	36342	52413.51	46692.97	
2011-12	43235	38037	55846.45	49598.72	
2012-13	45409	Increase by 50.56%	57573.31	50749.81	

- 8.4.3 According to the Finance Minister, the benefits of new policies would be seen after 3 to 4 years. He also says that early results of new policies are certainly encouraging. Therefore, by the time the report of the Pay Commission is out there would not be any situation of financial crisis at all, rather it will be more shining and feel good factor shall prevail. As the Government itself claims the inflation is down resulted in lowering of interest rate and boosting of production activity - which in turn reflects in rising revenue receipts for the Govt. which is Rs. 4,30,940/- crores in 2006-07 it is Rs. 10,55,891/- crores in 2012-13 & Rs. 11,89,763/- in financial year 2014-15.
- 8.4.4 Despite certain unavoidable increases in the Budget estimates and a rise in revenue receipts (due to better collections and higher royalty on off shore crude oil) have helped in maintaining fiscal deficit within limits. Hon'ble Finance Minister has infact claimed an improvement in the fiscal situation which along with the moderation in inflation, seems to have put the Government in a position to give boost to the plan, while ensuring continued improvement in the fiscal deficit the Central Plan outlay, according to the Hon'ble Finance Minister, is much higher in 2012-13 as compared to 2005-06 and of Rs. 4,54,532/- crores for 2014-15.
- 8.4.5 The Government, while aware of the tremendous burden of interest payments, is of the view that with the reduction in the fiscal deficit (and in Government's borrowings in the years

ahead), the burden of interest payments is expected to decelerate sharply. Needless to say, this will also improve the financial position of the Government.

8.4.6 Even, in the capital goods sector, the Government is predicting a turn around as the firms are adjusting their investment plans to the new situation. As per Government's assertions there are swings which show that many companies are now launching major programmes to enhance their international competitiveness.

8.4.7 The India's external debt is now growing more slowly as established from the following Tables.

TABLE –VIII
POSITION OF INDIA'S EXTERNAL DEBT.

Period	Ext. Debt. (in US\$ Million)	Debt Stock to GDP Rates (%)
2008	58,070	18.0
2009	55,870	20.5
2010	67,067	18.2
2011	78,072	18.2
2012	81,896	20.5
2013	81,655	21.7

What is of crucial significance in recent times is that increase in debt has been more than offset by the sharp increase in India's foreign currency reserves. Finance Minister has confidently assured that there is no question of India falling into a debt trap. The payments position has improved quite considerably and reserves have been built up that Indian Government is in position to pre-pay IMF somewhat ahead of the schedule.

8.4.8 Based upon the above analysis, the Finance Minister has confidently asserted that Govt. is well on its way to successfully reverse the adverse tide in India's economic fortunes. The economy has been restored to health and shows all the potential signs of rapid growth ahead as would be concluded from the Table-"IX" below:

T A B L E - IX
N.P.A. (Non Profit Assets)(In Rs. Crores)

Year	GROSS	NET	Remarks
	As %of Total Assets	As % of Total Assets	
2006-07	2.5	1.0	
2007-08	2.3	1.0	
2008-09	2.3	1.1	
2009-10	2.4	1.1	
2010-11	2.4	1.0	
2011-12	2.96	1.3	
2012-13	3.4	1.4	

Thus the economic situation as claimed by the Government itself, at present and in future, is not such as to deny a fair deal to the reasonable aspirations of the Govt. employees.



Chapter - IX

Pay Scales



AIFODE
MEMORANDUM

CHAPTER –IX

9.0.0 GUIDING PRINCIPLES FOR DETERMINATION OF PAY SCALES

- 9.1.0 One of the terms of reference of the Hon'ble 7th C.P.C is to examine the principles that should govern the emolument structure including pay, allowances and other facilities/ benefits of the Govt. employees. Therefore, we place our views in this regard as under :
- 9.1.1 The Central Govt. employees, in the fifties and upto the implementation of the recommendations of the 2nd pay commission were, in terms of emoluments, much better placed than others. This fact was reported by BHOOT LINGAM COMMITTEE in its' recommendation No. 6-9 but this position started to travel in the reverse direction from 1958-59 onwards gradually and systematically when wages of Central Govt. employees started sliding down as the time passed. Today, as it would be seen from subsequent narrations, they are behind not only from the private sector or most of the public sector employees but from the employees of State Govt. also particularly the Junior Engineers and Assistant Engineers. This happened chiefly because of wage revision in other organized sectors of economy taking place more frequently i.e. after every 3 to 5 years through bilateral negotiations which provide ample scope for mutual exchange of views and effective bargaining whereas in case of Central Govt. employees revision has been taking place only after 10 to 15 years through the mechanism of Pay Commissions i.e. with slower pace and without the machinery of any collective bargaining. All this has resulted in a situation where gap in wages of Central Govt. employees and the outside employment is so wide that it has brought in its wake serious demoralization and a feeling of despair among the Central Govt. employees.
- 9.1.2 The morale of the employees is an important and vital factor which is also to be borne in mind. In this context the following observation made by the Priestley Commission of U.K. applies :
“The process of deterioration arises from a sense of grievance on the part of the staff, may be a very slow one, in a service with high tradition of the British Civil Services; and by the time, the tendency manifests itself, irreparable damage may have been done.”
In the case of Govt. employees that sense of grievance has already crept in and unless corrective measures are initiated, the situation may turn as explosive and irreparable.
- 9.1.3 The ultimate object in view of any exercise of wage revision ought to be **“an efficient service fairly remunerated”**. For, it goes without saying that in the ultimate analysis any pay structure which does not command confidence of employees is bound to run the risk of industrial unrest, rendering the exercise of any wage revision futile. The wage structure should be so explicit and related to the principle evolved that there is no suspicion of it being arbitrary/bias/discriminatory. And the principle evolved should meet the test of reason and relevance, engendering a “FELT FAIR” feeling amongst the employees.
- 9.1.4 The obligation of the State under the Indian Constitution as mentioned in the Directive Principles of State Policy, in respect of living wage for workers which should ensure a decent standard of living, leisure, social and cultural opportunities is no less important factor for this purpose. This and the observation made by the IVth Pay Commission in para 7.15 to 7.22 of Part I of their report deserve due consideration.

9.1.5 The norms laid down by the 15th Indian Labour Conference (Tripartite) for fixing need based Minimum Wage are also relevant in evolving any principle of pay structure. Though these old norms do not meet the real needs in today's conditions, yet, on computation at cost of Living Index-12 monthly average 1107 points (Base 1982=100) it comes to Rs.26,000/- pre tax net.

9.1.6 Another factor for determination of wages is a fair comparison with outside rates, which is generally used in collective bargainings and is considered for settlement because it removes, to a great extent, the sense of grievance of discrimination.

9.2.0 The minimum requirement to recruit and retain the employees in the Govt. Sector, is beautifully defined by the Islington Commission as under :-

“Govt. should pay so much and so much only to their employees as is necessary to obtain recruits of the right stamps and to maintain them in such a degree of comfort and dignity as would shield them for temptation and keep them efficient for the term of their service .”

9.3.0 PRINCIPLE OF MINIMUM WAGE AS PER CONSTITUTION OF INDIA

“Every worker however humble shall receive enough to enable him to lead a human life, to marry and to bring up a family and maintain them and himself, with at any rate, some degree of comfort.”

The wage should be such as to cover the normal needs of the employees, at least as average citizen regarded as a human being, living in a civilized community”.

9.4.0 EQUAL PAY FOR EQUAL WORK

(Article 39 clause ‘D’ of constitution of India)

“The State in particular directs its policy towards securingThere is equal pay for equal work for both men and women.

9.5.0 AS PER REPORT OF FAIR WAGE COMMITTEE

9.5.1 The issue of determination of a minimum remuneration for employees/ workers in the organised sectors came up only after independence and the Fair Wages Committee was set up to consider the issue. The Committee was appointed in 1948 and was comprised of representative of Employers, the Trade Unions and the Government. The Committee was asked to state, interalia, what was to be understood by a “**Minimum Wage**”, a “**Fair Wage**” and “**Living Wage**”.

9.5.2 The definitions, given by the Fair Wage Committee of the terms “Minimum Wage”, “Fair Wage” and “Living Wage” have now become classic in Indian Trade Union literature and Labour Legislation. As defined by the Committee, wage concept is vertically divided in three heads Minimum Wage, Fair Wage and Living Wage. According to the scheme of C.F.W. (Committee for Fair Wages 1948), the minimum wage represents the lowest slab while the living wage was the highest level of the Fair Wage and the Fair Wage itself was to oscillate between the Minimum Wage and the Living Wage. Accordingly, the C.F.W. in defining Minimum Wage, Stated that Minimum Wage must provide not merely for the bare sustenance of life but also for the preservation of the efficiency of the workers. For this purpose the minimum wage must also provide the workers with some measures of education, medical requirement and amenities. The fair wage and living wage were so defined that minimum wage

was to form as it were the floor of the fair wage, below which it must never be permitted to sink and the living wage was to form its ceiling.

- 9.5.3 While defining minimum wage, the C.F.W. was also conscious that even in spite of the specific definition, attempts would be made from interested quarters to avoid the responsibility of paying the Minimum Wage according to the standard laid by them by raising issues like state of country's economy etc. In order that this may be possible, the Committee discussed the issues and decided that the minimum wage was not to be bare subsistence. We quote below the relevant passage from the report of the committee.

9.5.4 *“What then should be the level of Minimum Wage that can be sustained by the present stage of country's economy? Most employers and some provincial Governments consider that the minimum wage can at present be only a bare subsistence wage. We consider that minimum wage must provide not merely for the bare sustenance of life but also for the preservation of the efficiency of the workers”.*

9.6.0 VERDICTS OF THE HON'BLE SUPREME COURT

9.6.1 VERDICT OF THE HON'BLE SUPREME COURT IN THE CASE OF CROWN ALUMINIUM WORKS V/S WORKERS (AIR – 1958 SC. 30)

“There is however, one principle of an exception. No industry has the right to exist unless it is able to pay its workmen atleast a bare minimum wage”.

9.6.2 IN THE CASE OF EXPRESS NEWSPAPER LTD. V/S UNION OF INDIA

“(1) That in the fixation of rates of wages which includes within its compass the fixation of the scale of wages also, the capacity of the industry to pay is one of the essential circumstances to be taken into considerations, except in case of bare subsistence or minimum wage where the employer is bound to pay the same irrespective of such capacity”.

9.7.0 AS PER 15TH INDIAN LABOUR CONFERENCE

- 9.7.1 The standard laid down by the C.F.W. was converted into more concrete forms by the 15th Indian Labour Conference (I.L.C.) on the basis of which minimum wage could be calculated and it was stated that the minimum wage should be need based. The I.L.C. set up a sub-committee to go into this question and on the basis of the report of the committee a resolution was adopted by the 15th Indian Labour Conference. The relevant portions of the said resolution are set forth below:

“With regard to the minimum wage fixation, it was agreed that the minimum wage was need based and should ensure the minimum human needs of the Industrial worker irrespective of any other considerations. To calculate the minimum wage, the committee accepted the following norms and recommended that they should guide all wage fixing authorities, including minimum wage committee, wage boards, adjudicator etc. “

- i) In calculating the minimum wage the standard of the working class family should be taken to consist of 3 consumption units for one earner, the earnings of women children and adolescents should be disregarded.*
- ii) Minimum food requirements should be calculated on the basis of a net intake of 2700 calories, as recommended by Dr. AKROYD for an average Indian Adult of moderate activity.*

- iii) *Clothing requirements should be estimated at a per capita consumption of 18 yds, per annum which would give for the average workers family of four, a total of 72 yds.*
- iv) *In respect of housing, the norms should be the minimum rent charged by Govt. in any area of houses provided under the subsidized Industrial Housing Scheme for low income group.*
- v) *Fuel, lighting another miscellaneous items of expenditure should constitute 20 percent of the total minimum wage.*

We have calculated the need based minimum wage in accordance with the above mentioned settled norms as reflected in the relevant chapter ahead with the exception that we have taken four consumption units in place of three for the family.

9.8.0 BHOOTLINGAM COMMITTEE REPORT (Gist of Recommendation No. 6-9)

- 9.8.1 *“It would be unrealistic and indeed against the federal concept to think in terms of complete standardization of emoluments of Central and State Govt. employees. At the same time, continuance of marked difference in emoluments of the same or similar categories is not desirable. In State capitals and many other places we have Central Govt. employees getting more than their counter-parts of the State Govt. engaged on the same kind of work. Clearly therefore, while standardization is not practicable, some harmonization is necessary in respect of these common categories”.*

NOW THE POSITION IS JUST REVERSE.

9.9.0 THE 3RD CENTRAL PAY COMMISSION VOL. IV

9.9.1 *“Summary of Recommendations :*

- i) *“A pay structure, if it is to be sound should satisfy the tests of inclusiveness, comprehensibility and adequacy. It should be fairly simple and rational”.*
- ii) *“The central government should formulate its pay policy having regard to the profound influence that the pay scales adopted by the Central Govt. exert on State Govt, quasi-governmental institutions etc.”*
- iii) *“The government however, should not ignore the fact that if the organized private sector is consistently able to offer higher wages and salaries than those offered by the Govt. for comparable work, then there would be a progressive deterioration in the quality and calibre of persons entering government service. The first requirement is an efficient administration and this will not be secured without a reasonable pay system which reflects changes in the pattern of remuneration in the outside world. Government service should attract and retain not only a high proportion of persons of average calibre but also a sufficient number of persons leadership and to strengthen the administrative and technical machinery”*
- iv) *“Too large a disparity between wages and salaries in the Govt. sector and those in public sector organized trade and industry for broadly comparable work would not be permitted as it is likely to react adversely on the efficiency of the public service in the long run. At the start of a career, the emoluments and other advantages under the government should approximate fairly closely to what training can obtain from a good employer in the private sector. A great degree of divergence however, between the total emoluments in the private sector and under the government would be feasible and acceptable later in a person’s career.”*
- v) *“The only safe criterion is that govt. should pay so much only to their employees as is necessary to obtain receipts of the right stamps, and to maintain them in such a degree of*

- comfort and dignity as will shield them from temptation and keep them efficient for the term of their service”.*
- vi) *“Even more important is the nature, duty and responsibility of the office, great stress has been laid on the necessity of enabling the holder of an office to maintain its status and dignity.”*

9.10.0 **4TH CENTRAL PAY COMMISSION**

9.10.1 Out of many we are reproducing here only the three observations made by the 4th Central Pay Commission for pay determination. From page 80-para 7.44 / 7.45 / 7.46

9.10.2 *“7.44 The pay should be sufficient and satisfactory enough to motivate the employee for the efficient performance of his duties and responsibilities with a sense of rectitude. Efficiency of an employee often reflects the efficiency of the administrative wing to which he belongs. It is in government’s interest to make him contented so that he gives his best in his field of service and discharges his duty honestly. A dishonest employee not only sells his authority away, he sets a wrong example, undermines the value of his office, does injustice to others and very often puts government to financial loss for a pittance.*

9.10.3 *“7.45 At any rate, the remuneration of the employee should be such as not to make him dissatisfied or generate a feeling of deep-seated unfairness so as to drive him to seeking employment else where. He should feel reasonably satisfied with what he gets and not be restive for a change. A dissatisfied person will not like to employ himself whole-heartedly in the discharge of his work and would be wasting some of his time and energy in seeking another employment. The salary should therefore be satisfactory enough to retain him in his job and encourage him to seek promotional career in his service”.*

9.10.4 *“7.46. The salary structure should be coherent and should adequately reflect the substantial differences in the nature and responsibilities of the various posts. It would provide satisfactory incentives to performance and promotion. The classification of posts should therefore be made carefully. There should be well defined career prospects and employees should feel reassured that they can look forward to promotions, and that, in the meantime, or in addition to satisfactory career prospects, they can, where possible, avail of incentives bases nonperformance. So when an employee enters service, he may have something to look forward to. There is aspiration in a new entrant for brighter prospects and the desire to reach his height would not only prompt him to put in his best, but also to outshine the others. Moreover the coherence of the structure would serve to assure him of what would be within his reach. At the same time, the gradation of the scale on the basis of responsibility of the post, would make it reasonable and compatible with his work and output.”*

9.11.0 The Vth C.P.C which was set up in April 1994 submitted its report in January 1997. The 5th C.P.C was also asked to evolve principles which should govern the structure of emoluments. In Chapter 40 under the caption “Pay determination A Conceptual Frame”, the Commission has briefly dealt with the subject. In the initial paragraph itself the Commission stated that the earlier Pay Commissions has gone into the matter with varying result and they do not intend to traverse the same ground. They however, noted certain emerging trends in the functioning of the Government on account of a perceptible change in the economic policies of the government and surmised to state:

- (a) Less Government: emphasis will be to facilitate and regulate rather than directly involving in activities.
- (b) Decentralization of Governmental activities due to the strengthening of Panchayat Raj institutions.
- (c) Right (down) sizing the bureaucracy drastically.
- (d) Increased trade union activities of Government employees to force the Government to pay them on par with outside rates.
- (e) Drastic reduction of supporting and auxiliary staff and bring about officer oriented administrative set up.
- (f) Professionalization of Government and consequential jacking up of wages of professionals like Doctors, Scientists, etc.

9.11.1 They discussed the concept evolved by the earlier Commissions, viz., characteristics of a sound pay structure, supply and demand considerations, equal pay for equal work, fair comparison, productivity, modal employer, etc.

9.11.2 On the concept of equal pay for equal wages and to examine the adequacy criterion, the 5th CPC suggested that the Government must set up a permanent Pay Body so that the intrinsic value of job assigned to each cadre could be studied. As a transitory measure they evolved: “although it is not very scientific or conclusive, we feel that as a primary step towards rationalization, the entry qualification could provide a fairly relative clue.” The pay scales they constructed on the said premise brought about various anomalies had to be later set right through executive actions.

9.11.3 On fair comparison concept they concluded that “greater responsibility devolves upon any Pay Commission to be reasonable and pragmatic and try to bridge the widening gap between the compensation packages of the Central Government and the rest of the economy.

9.11.4 Apart from the above concepts, the 5th CPC adopted the following criteria in deciding upon the pay structure.

- (a) Intrinsic value of a job.
- (b) Linking the smaller entities to larger entities.
- (c) To delink pay from the position in the hierarchy.
- (d) The need to have similar approach towards the lowest and highest paid functions.
- (e) Actual reimbursement of expenses.
- (f) Capacity of Government to pay.

9.12.0 (A) The 6th C.P.C which was set up in October, 2006 was asked to examine the principles that should govern the structure of pay vide the Government’s terms of reference {in No. 5/2/2006-E-III(A) dated 5.10.2006}, the Commission did not attempt an elaborate discussion on the subject as was done by the earlier Pay Commissions. The issue was partially addressed in Chapter 2.1 & Chapter 2.2 (Pages 28 to 70). In Chapter 2.1 the Commission examined comparison with the public and private sectors. They noted that as on 31.3.2006 there had been 245 central PSUs (52 in Schedule A, 87 in Schedule B, 54 in Schedule C and 7 in Schedule D and the rest unclassified) out of 16.49 lakh employees 86% were workers covered by IDA pattern. Among the pay packages in these PSUs the Commission noted:

- (a) In many PSUs pay scales at lower levels are open ended and have percentage based increments.
 - (b) Most of the PSUs have introduced performance related incentive scheme.
 - (c) DA installments are quarterly,
 - (d) HRA on percentage basis and CCA on Govt. pattern
 - (e) Besides, PSU workers are given canteen subsidy, conveyance reimbursement, professional development allowance, night shift allowance, uniform/washing allowance, leave travel concession, etc.
 - (f) Interest subsidy scheme on house building allowance, vehicle loan, computer loan, children education assistance and medical benefits.
- (B) The Commission then came to the conclusion that:
- 1. There are variations in job content and service conditions
 - 2. Objectives of PSU are not comparable with Government.
 - 3. The autonomy of each PSU makes comparison impossible
- (C) They ultimately observed that instead of attempting to make any comparison, the Commission would devise a package incorporating the best practices.
- (D) In respect of private sector comparison the 6th C.P.C was of the view that the main consideration in the private sector being profit and an equal comparison with the government is impossible. However, taking note of the facts the same pool of manpower provides the source of recruitment and the need to attract the talented persons for Group-A and technical posts the Commission finally recommended higher starting salary for Group-A posts. The Commission also recommended the introduction of performance related incentive in the Government as was obtaining in the private sector.
- (E) In consonance with their observations they suggested to have variable increment rate for the Group-A officers in pay band which was not acted upon by the government, having felt impracticable. But the higher pay packet suggested to the officers of this level was later improved by the government further.
- (F) In so far as the minimum salary is concerned the 6th C.P.C relied upon the necessity of computing the same on the 15th I.L.C norms. But the actual computation was made on a distorted version of the formulae and simultaneously departing from the retail rate of commodities suggested by the Staff Side without indicating what the real rates were on 1.1.2006. The Commission went on to manufacture an artificial rate of retail prices by adding just 20% over the whole sale price, thereby depressing the minimum wage by half. Against the Staff Side computation of Rs.10,000/- the 6th C.P.C worked out a figure of Rs. 5478.5 but adopted another figure of Rs.4860. The Commission inter-alia recommended.
- (a) Contractual appointments
 - (b) Running pay bands to avoid stagnation
 - (c) Grade pay at 40% of the maximum of the 5th C.P.C scales as fitment formula.
 - (d) Introduce MACP scheme for time bound promotion.
 - (e) Recommended full pension after 20 years to facilitate contractual appointments
 - (f) Advocated cadre review- which has not been carried out in most of the departments.
- (G) In fine, we may state that the Commission's recommendations on pay structure were sans logic and without factoring some of the principles considered by earlier pay commissions. Naturally the acceptance and implementation of the recommendation brought about innumerable anomalies which could not be resolved after repeated discussions in the Anomaly Committee.



Chapter - X

Existing Anomaly in the Pay Scale of Engg. Cadres



AIFODE
MEMORANDUM

CHAPTER –X

ANOMALY IN THE EXISTING PAY SCALES, ILLOGICAL RECOMMENDATIONS OF 4TH, 5TH AND 6TH PAY COMMISSION AND REMOVAL OF PREFENTIAL TREATMENT TO DEGREE ENGINEERS

10.1.0 ANOMALY IN THE EXISTING PAY SCALES OF JUNIOR ENGINEERS

10.1.1 BACK GROUND

In view of the principles for determination of Pay scales of a cadre, as stated in foregone chapter we wish to bring to the notice of the Hon'ble Pay Commission that since very beginning Diploma Engineers/ Junior Engineers were placed above all the Supervisory cadres in Group 'C' posts in the Central /State Governments Departments.

10.1.2 But gradually and systematically, the pay scales of Junior Engineers have been eroded. They ought to have been placed in higher pay scales in view of their key role in national development. However, on the contrary, even the principles laid down for the determination of pay scale have been grossly overlooked.

10.1.3 As a result of which, the equivalent categories (equal to Diploma Engineers/ Junior Engineers) were placed by the 4th C.P.C. in the pay scales of Rs. 2000-3200, 2000-3500 and 1640-2900 in the Central /State Governments whereas the Junior Engineers were placed in the lower most pay scales of Rs. 1400-2300 and similarly the 5th & 6th C.P.C also placed a poor pay scale to the Junior Engineers in the extremely poor and discriminatory pay scales as detailed below in Table.

TABLE-X
EQUAL CATEGORIES RECOMMENDED HIGHER PAY SCALES,
(EQUAL BECAME HIGHER)

Sl No	Name of the deptt.	Name of the post	Pay scale as recommended by			
			IIIrd Pay Commission	IVth Pay Commission	Vth Pay Commission	VIth Pay Commission
1	2	3	4	5	6	7
1	Collectorate	Assistant Public Prosecutor	425-700	2000-3200	6500-10500	PB-2 G.Pay-4,600
2	Vaterinary	Vererinary Officer	425-700	2000-3200	6500-10500	PB-3 G.Pay-5,400
3	Human Resources Department	Technical Assistant	425-700	1640-2900	5500-9000	PB-2 G.Pay-4,600
4	Health & family Welfare	Staff Nurse	425-700	1400-2600	5000-8000	PB-2 G.Pay-4,600
5	Director of Fisheries	Assistant Superintendent Fisheries	425-700	1640-2900	5500-9000	PB-2 G.Pay-4,600
6	Fisheries Research Institute	Senior Foreman	425-700	1600-2660	5000-8000	PB-2 G.Pay-4,600
7	Ministry of Transport	Head Light Keeper	425-700	1640-2900	5500-9000	PB-2 G.Pay-4,600
8	Min. of Education	Teacher	440-750	1400-2600	5500-9000	PB-2 G.Pay-4,600
9	CPWD & Other Engg. Deptt.	Junior Engineer	425-700	1400-2300	5000-8000	PB-2 G.Pay-4,200

- 10.1.4 Not only this, rather, numbers of Group- 'D' categories in much lower pay scale upto Third Pay Commission, were placed either in the equal pay scale of Rs. 1400-2300 or even above, as shown in Table below. Under such circumstances, the Junior Engineers in Group 'C' posts were compared with group 'D' posts.

TABLE – XI
LOWER CATEGORIES RECOMMENDED EQUAL PAY SCALES,
(LOWER BECAME EQUAL) BY THE 4TH C.P.C.

Sl No	Page no.	Pare no.	Name of the deptt.	Name of the post	Pay scale recommended by	
					IIIrd Pay Commission	IVth Pay Commission
1	2	3	4	5	6	7
1	-	-	LNJP Hospital	Audio Matric Assistant	260-430, (LCD's Scale)	1400-2300
2	-	-	FILMS Division	Assistant Editor Grd.I	330-480, (LDC's Scale)	1400-2300
3	-	-	Department of Excise	Distiller	260-350 (LDC's Scale)	1400-2300
4	181	10.4.40	Ministry of Transport	Sub-Inspector	330-560	1400-2300
5	185	10.4.70	Ministry of Transport	Assistant Light Keeper	380-560	1400-2300
6			Director of National Cadete Core	Instructor (Ship Modeling)	380-560	1400-2300
7				Inspector (Area Modeling)	380-560	1400-2300
8	153	10.2.23	Food & Supply (Deptt. Of Food)	Field investigator	380-640	1400-2300
9	107	10.2.55	Min. of Home Affairs (B.S.F. I.T.B.P. C.R.P.F. & C.I.S.F.)	Sub –Inspector	380-560	1400-2300
10			Assam Rifeles	Naib Subedar	350-440	1400-2300
11			Defence	Adhikari	375-465	1400-2300
12			Engineering Departments	Junior Engineer	425-700	1400-2300

TABLE -XII
LOWER CATEGORIES RECOMMENDED HIGHER PAY SCALES,
(LOWER BECAME HIGHER)

Sl No	Name of the deptt.	Name of the post	Pay scale as recommended by			VIth Pay Commission
			IIIrd Pay Commission	IVth Pay Commission	Vth Pay Commission	
1	2	3	4	5	6	7
1	Assam Rifles	Subedar	460-580	1640-2900	5500-9000	PB-2 G.Pay-4,800
2	Central Bureau	Assistant Intelligence Officer Grd. II	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,200
3	Min. of Finance (Deptt. of expenditure)	Assistant Enforcement officer	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,800
4	Defence	Uttam Adhikari	470-590	1640-2900	5500-9000	PB-2 G.Pay-4,200

5	Directorate of Enforcement	Assistant Enforcement Officer	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,600
6	Central Bureau	Assistant Central Intelligence Officer Grd. II	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,600
7	Central bureau of Investigation	Sub Inspector	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,200
8	Police Deptt.	Sub Inspector	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,200
9	President's Secretariat	Office-in-charge Rashtrapati Bhawan Exchange	425-640	1640-2660	5500-9000	PB-2 G.Pay-4,800
			Revised Treated Pre	1600-2660		
10	Engineering Department	Junior Engineer	425-700	1400-2300	5000-8000	PB-2 G.Pay-4,200

10.1.5 Ostensibly, the existing pay scale of 1400-2300 recommended by the IVth C.P.C for Junior Engineers was anomalous, unjust, arbitrary and discriminatory. It does not bear any ground and logic. In true sense, the pay scale of 2000-3200 w.e.f. 1.1.86 and 6500-10500 from 1.1.96 should have been granted for Junior Engineers.

10.1.6 Ironically, the 5th C.P.C. not only carry forward the aforesaid anomaly but further widened it in their report as would be established from the following facts-

- The existing pay scale of Rs. 1400-2300 for Junior Engineers was cleverly treated as 1600-2600 as pre-revised scales instead of 2000-3200 to provide the base for the new pay scales. Without eradicating the existing anomaly as highlighted herein above and in our memorandum submitted to the Hon'ble 5TH C.P.C. with special request and justification to remove the said anomaly before arriving at the new pay scale.
- It would be seen penetratingly that this conversion of pay scale as Rs. 1600-2660 was deliberately bracketed in the grade of S-9 instead of S-10 which was next scale of Rs. 1640-2900 for the J.Es. Indeed, therefore mentioned conversion of Rs. 1600-2660 is proved futile, ineffective and meaningless.
- Like the 4th C.P.C. the grave anomalies were created by the 5th & 6th C.P.C. also with respect to the J.Es in comparison with other categories as enumerated in Table below.

TABLE -XIII

ANOMALOUS REPLACEMENT OF SCALES

Sl No	Name of the post	Replacement Scale			
		IIIrd Pay Commission	IVth Pay Commission	Vth Pay Commission	VIth Pay Commission
1	2	3	4	5	6
1	Superintendent of Jail (Prison Deptt.)	550-900	2000-3500	6500-10500	PB-3 G.Pay-6,600
2	Assistant Regional Directors (Min.of Finance)	550-900	2000-3200	6500-10500	PB-3 G.Pay-5,400
3	ASSTT. FOREMAN Deptt of Defence Protection	550-750	2000-3200	6500-10500	PB-2 G.Pay-4,600
4	Nursing Staff (Supervisory)	550-750	2000-3200	6500-10500	PB-2 G.Pay-4,600
5	Subedar Major (Central Police	550-750	2000-3200	6500-10500	PB-2

	Grd. II)				G.Pay-4,600
6	Inspector of Police (Police Deptt.)	550-900	2000-3200	6500-10500	PB-2 G.Pay-4,600
7	Assistant Matron (Deptt of Health)	550-900	2000-3200	6500-10500	PB-3 G.Pay-5,400
8	Inspector (C.B.I.)	550-900	2000-3200	6500-10500	PB-2 G.Pay-4,600
9	JUNIOR ENGINEER (Selection Grade)	550-900	1640-2900	5000-8000	PB-2 G.Pay-4,200

10.1.7 The Federation placed the justifications and arguments in details, based on solid and convincing grounds to pave the path for the Hon'ble VIth Pay Commission to remove the anomalies created by the 4th and 5th C.P.C. both, in the existing pay scales and placing the Junior Engineers in the pay scale of Rs. 2000-3200 w.e.f. 1.1.86 first and then in the scale of 6500-10500 w.e.f. 1.1.96 for further revision, in the interest of justice and equity. But the VIth C.P.C also could not considered it rationally. Logically and judiciously and recommended the anomalous Pay Band & Grade Pay for Junior Engineers. It should have been PB-2 with the Grade Pay of Rs. 4800/-

10.2.0 Justification for the pay scale of 2000-3200 for Diploma engineer / Junior engineer

10.2.1 In true sense, this demand of pay scale of Rs. 2000-3200 w.e.f. 1.1.86 for Junior Engineers rests on the following solid grounds of full justifications and facts.

10.2.2 Diploma Engineers Should Be Placed Above B.Sc.(Hons.)

Admittedly, the science subjects are difficult than Arts/ commerce subjects. Further, the Engineering subject are more difficult than the science subjects. Thus, our submission is that more weightage deserves to be given to the Science Graduates in comparison to those of Arts & Commerce etc., and on the same analogy the Engineering courses deserve more weightage in view of the very nature of studies, duties and responsibilities, working conditions and working hours etc. Therefore, the Diploma in Engineering should not be compared with ordinary science graduates for the purpose of pay scales etc. as it was done by the previous Pay Commissions mentioned herein under:-

10.2.3 As Per Third Pay Commission Report Volume I Page 167- Para 42 :

Existing Scales	Proposed Scales	Qualification for Recruitment
Level –I Rs. 325 – 575	Rs. 550-900	M.Sc./ B.E., First Class B.Sc.(Hons) Diploma in Engineering with 3 years experience.
Level –II Rs. 210-425	Rs. 425-700	Second Class B.Sc.(Hons) & B.Sc. with not less than 55% of marks in aggregate & Diploma in Engineering.

10.2.4 The same scale of pay of Rs. 425-700 had been recommended both for the Junior Engineer and Science Graduate whose qualification cannot be treated at par with Diploma in Engineering for pay determination as the duration of this course is three to four years after Inter Science including one year practical training and this qualification is definitely higher than Science graduates. Further, it carries higher duties and responsibilities, difficult working conditions,

excess working hours, and the, job of Junior Engineers being more difficult, risky and arduous in nature etc.

Therefore, considering all these aforementioned facts a Junior Engineer should be placed in much higher pay scale than that of a science graduate.

10.2.5 Facts Ignored By Hon'ble Pay Commission

The Hon'ble previous Central Pay Commissions particularly Fourth Central Pay Commission to Sixth CPC completely over-looked these ground realities as would be further clear from the following facts:

- a) Important role of the Diploma Engineers in the national development where 70% of the total national budget is invested through this cadre.
- b) Their frustration, discontentment and demoralization bound to adversely affect the development works of our Nation
- c) The principle of determination the pay scale of cadre like Junior Engineers formulated by themselves has been sacrificed as due weightage had not been given to the following :
 - i) Basic qualification
 - ii) Rigorous tests both at the time of admission in Polytechnic and for recruitment in service
 - iii) All India Transfer Liabilities.
 - iv) Arduous nature of duties involving risks and hazards.
 - v) Gigantic responsibilities
 - vi) Difficult working conditions
 - vii) Status being the feeding cadre to A.Es.
 - viii) High Degree of skill.
- d) They recommended simply the replacement scale of lowest pay scale which has created dissatisfaction, frustration and chaotic conditions all over the country culminating into series of agitational programmes launched by Junior Engineers all these years.
- e) Historical parity was not kept intact as many cadres which were either below or equal to the cadre of Junior Engineers in the matter of pay scales as recommended by the Third Central Pay Commission and which in no way, can be compared with the Junior Engineers, had been placed in higher pay scales

10.3.0 Justification for the Pay Scale of Rs. 6500-10500 for Diploma Engineers/ Junior Engineers.

10.3.1 Similar to the 4th C.P.C. the 5th C.P.C. should have based it's recommendations for the pay scales of Junior Engineers on the basis of earlier justified pay scale of Rs. 2000-3200 in stead of Rs. 1600-2660. This vital factor lost the sight of the Hon'ble 5th and 6th C.P.C. causing severe and grave blow on this category of engineers which needs to be repaired and set right by this august body of the Hon'ble 7th Central Pay Commission.

10.4.0 Anomaly created by IVth and Vth Pay Commission

The 4th Central Pay Commission has in fact, created more anomalies in the pay scale of Junior Engineers than to eliminate any which will be proved from the following table.

TABLE –XIV

Sl No.	Name of the cadre	Basic pay at entry	After 5 yrs	After 15 yrs.
1.	Junior Engineers	1400-2300	1640-2900	2000-3500
2.	Inspector of Police	2000-3200		
3.	Supervisory cadres	2000-3200		

10.4.1 The above table shows that the pay scales granted to the Inspector of Police and other Supervisory cadres at the entry level are given to the Junior Engineers after 15 yrs of services whereas they were at par with Junior Engineer.

10.4.2 All the categories shown in Table above were at par with Junior Engineers or even in the lower pay scale but granted the pay scales of 2000-3200 by the IVth Pay Commission

10.4.3 It is also a fact that upto 2nd Pay revision, in the Central Government, the Junior Engineers were placed above all the supervisory cadres in group ‘C’ posts. The Inspector of Police, Tehsildar and other inspectors under the Supervisory cadres were placed either in lower Pay Scales or at the most equal but irony of the fate is that all these categories have been placed in much higher pay scales than that of even selection grade or the scales being given after 5 years of service to the Junior Engineers not to talk of basic pay scales at entry level. This will be evident from the table given below :

TABLE –XV

Sl No	Deptt. / Ministry	Name of the post	Pay scale			As per VIth C.P.C
			Existing as per IIIrd C.P.C.	Recommend by IVth C.P.C.	As per Vth C.P.C.	
1	2	3	4	5	6	7
1	Deptt. of Defence	Civilian Asstt. Security Officer	550-900	2000-3500	6500-10500	PB-2 G.Pay-4,600
2	Deptt. of Defence	Asstt. Foreman	550-750	2000-3200	6500-10500	PB-2 G.Pay-4,600
3	Min. of Finance (Deptt. of Expdr.)	Asstt. Enforcement Officers	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,800
5	M/O Food & Civil Suplies. Deptt. of Food	Field Investigators	380-640	1400-2300	5000-8000	PB-2 G.Pay-4,600
6	Ministry of Health	Health Educator	400-900	1640-2900	5500-9000	PB-2 G.Pay-4,600
7	M/O Home Affairs B.S.F., I.T.B.P., C.I.S.F. & C.R.P.F.	I) Subedar major	550-750	2000-3200	6500-10000	PB-2 G.Pay-4,800
10	M/o Law Justice	Asstt. (Legal)	425-600	1640-2900	5500-9000	PB-2 G.Pay-4,600
11	President's Secretariat	Office-in-charge Rashtrapati Bahwan Exchange	425-640	1600-2660	5000-8000	PB-2 G.Pay-4,800

12	Central Govt. Engineering Deptt.	Junior Engineer	425-700	1400-2300	5000-8000	PB-2 G.Pay-4,200
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10.4.4 These are the illustrative one and not the comprehensive one. Apart from the above a number of other categories who have been placed in the pay scale of 1600-2600, 1400-2600, were in the lower categories to Junior Engineers.

10.5.0 Pay Scales In Public/Private Sector (O.N.G.C)

We have examined the pay scales of lowest categories employees of public/private sector and the pay scale of Junior Engineer have also been derived from that angle in the chapter of pay scales, of the memorandum. Therefore, we request the august Commission to maintain the ratio and grant the pay scale, accordingly.

10.6.0 Status

10.6.1 The Federation have placed the demand to award gazetted status to the Junior Engineers at their first entry to the service to all the Diploma Engineers, in Central/ State Government Departments and their under takings.

10.6.2 It is also pertinent to bring to the kind notice of the Hon'ble Pay Commission that State like, Jharkhand, Bihar, Orissa and Assam have declared the Junior Engineer as Gazetted officers at their Ist entry to the service whereas in the States like U.P., Maharastra, Punjab etc. have declared after some years.

10.6.3 We have placed the argument in relevant chapter of this memorandum regarding conferring Gazetted status to Junior Engineers. Here we request the august Pay commission to consider this factor for determining the pay scales of Junior Engineers.

10.7.0 Justification for Granting Pay Scale of Rs. 6500-10500 Junior Engineers In respect of prevailing Pay Scale in various States Governments

TABLE –XVI

Sl. No.	Name of the State	Pay Scales of Junior Engineers		
		For A.Es. w.e.f. 01.01.1996	01.01.1986	from 01.01.1996
1.	Punjab	7220-11320	1800-3200	5800-9200
2	Himachal Pradesh	-do-	1800-3200	5800-9200
3.	Meghalaya	-	1800-3600	5300-9400
4	Tamil Nadu	6500-10500	1640-2900	5500-9000
5	Haryana	6500-9900	1640-2900	5500-9000
6	Gujrat		1640-2900	-do-
7	J & K	8000-12950	-	5700-10100
8	Nagaland	8000-13500	-	6000-9750
9	Arunachal Pradesh	8000-13500		5500-9000

10	Mizoram	8000-13500	-	5500-9000
11	Central Govt.	6500-10500	1400-2300	5000-8000

10.7.1 It is evident from the above table that some of the State Governments have granted the scale of Rs. 5800-9200 or 5300-9400. In States where the maximum of pay scales is less than Rs. 9000 there has been an acute frustration causing agitation and confrontation with the State Governments concerned. But, on the contrary, it is noted with grave concern that the pay scales in the Central Govt. for the J.Es are much lower than their country parts of the states.

10.7.2 As the Central Government should be the model employer and keeping in view the All India transfer liabilities the pay scales of the Central Govt. employees must be higher than those of State Government employees and therefore, the Pay scale should be recommended for **Junior Engineers of Central Government, not less than States Govt. which shall be minimum Rs. 2000-3200. w.e.f. 1.1.86, 6500-10500 w.e.f 1.1.96 and PB-2 (Rs. 12,090 – 34,800) + Grade Pay of 4800 w.e.f 01.01.2006 and then future scale should be based on it.**

10.7.3 Anomaly created by the 6th C.P.C

10.7.3.1 The Federation, in its memorandum submitted to the 6th C.P.C, detailed the justifications of the justified and appropriate pay scales for the different cadres of Diploma Engineers of Central Govt. departments specifically highlighting the anomalies existed in their pay scales due to unfair and unjust recommendations of earlier Pay Commissions, who consciously and gradually eroded their existing pay scales and created unparallel horizontal & vertical anomalies both, despite our numerous requests and appeals placed before all the Pay Commissions as well as before the Anomalies Committees appointed thereafter.

All our aforesaid submissions, including those incorporated in the memorandum to 5th C.P.C, proved the futile exercise and a cry in wilderness, It seems that this has happened owing to the biased attitude and ill designs against this down trodden class of Engineers standing at the lowest pedestal of the Engineering hierarchy as is evident from the unprecedented and unjust anomalies further created by the 6th C.P.C in its report, in total disregard and patent violations of the fair practices, set procedures and against the doctrine of the evolution of pay structure throwing all the norms to the winds. This will be established from the few instances of the said recommendations quoted below.

Without prejudice to the suggestions and demands of the Federation as contained in our memorandum submitted to the 6th C.P.C for the (a) Minimum wage of Rs. 11,900/- (b) Minimum and maximum ratio of wages as 1:10, (c) Pay structure of J.E / A.E/E.E/ S.E/ CE./ ADG / DG. (d) Increments, (e)D.A and other Allowances, (f) A.C.P (g) Holidays and (h) Pension etc. we point out the anomalies further created in the recommendations of the 6th C.P.C as under:-

10.7.3.2 Anomalies in the pay scale of Junior Engineer

The cadre of Junior Engineers together with the cadre fed by it, constitutes about 85% of the total Engineers in C.P.W.D, Railway, MES, P&T, AIR and other Central Departments and hence the pay package and career prospects of Junior Engineers also play vital role in the functioning of the organizations. It is a fact that good numbers of the selected candidates do not prefer to join the Government departments and equally numbers of candidates who join the department leave it subsequently after looking to the poor pay scale and poor career prospects in comparison to the pay structure and career prospects of private and public sector

organizations. This exodus of the Engineers particularly from the Junior Engineers cadre of the Govt. departments is seriously and adversely affecting the working of the departments.

The Junior Engineers of CPWD, AIR, P&T were being given the initial scale of Rs. 5000-8000, Rs.5500-9000 (after 5 years) and Rs. 6500-10500 (after 15 years) as per 5th CPC. Subsequent to the introduction of the ACP scheme, the scale of Rs. 5500-9000 was withdrawn and the majority of the J.E's placed in this scale were brought back and placed in the scale of Rs. 5000-8000 to facilitate the grant of 1st ACP scale of Rs. 6500-10500 for AEs (after 12 years) and 2nd ACP scale of Rs. 10000-15200 for E.E (after 24 years). The 6th CPC had maintained that the grant of Rs. 5000-8000 scale for Junior Engineers was not anomalous. However with a view to remove certain anomalies the 6th C.P.C merged the scale of S-9, S-10, S-11 & S-12 into one and proposed a corresponding pay band PB-2 of Rs.9300-34800 along with a grade pay of Rs. 4200 to the J.Es deceptively showing the merger of corresponding pre-revised scale of Rs.6500-10500.

The merger of various scales by placing them at a common grade pay in the same pay band needs revision. The pay band for such merged scale has been calculated and fixed by multiplying the initial stage of the lowest scale by 1.86 and the grade pay has been fixed by adding 40% to the maximum stage of the existing higher scale merged. Instance under consideration is merger of S -9 (Rs.5000-8000), S -10 (Rs.5500-9000), S -11 (Rs. 6500-6900) and S -12 (Rs. 6500-10500) in PB-2. The pay band width is Rs. 9300-34800 with grade pay of Rs. 4200 for all the merged scales. This, in a way, means not merged, but withdrawal of S-10, S-11 and S-12 scales and placement in S-9 scale. For effective merger, the Pay Band should be based on S -12 (Rs.6500-10500) instead of S -9 (Rs. 5000-8000) but the formula adopted for this purpose by the 6th C.P.C is just reverse and awfully detrimental to the employees being arbitrary, injurious, discriminatory and ultravires the cardinal principle of the 6th C.P.C itself.

As per recommendations in Para 2.2.19 (vii) of the report of the 6th C.P.C, the four scales viz Rs.5000-8000, Rs. 5500-9000, Rs. 6500-6900 and Rs. 6500-10500 are stated to be merged into one scale to bring parity between field officers, the Secretariat, the technical post and the work shop staff. The apparent anomaly between the principle enunciated in this Para vis-à-vis the implementation of the same is that the merger has to be in the pay scale of 6500-10500 according to this recommendation itself but while placing these scales into the pay band, the calculation is based on the minimum of the lowest pay scale of all the merged scales in total contravention to the letter and spirit of the contents of this Para which is reproduced as under-
“This merger has been done by extending the existing minimum prescribed for the highest pay scale with which the other scales are being merged”-

THUS, THE PAY BAND OF THESE MERGED PAY SCALES OUGHT TO HAVE BEEN AS UNDER —

Rs. 6500 + 86% (DA) = 12090 + GRADE PAY, instead of taking into account the minimum of lowest Pay Scale i.e Rs. 5000 + 86 % (DA) = Rs. 9300 + Grade Pay.

Obviously, the above calculated scale of Rs. 12,090/- is to be placed in the next available Pay Band of PB-3 i.e Rs. 15,600 – 39,100 plus Grade Pay. But consciously and motivatedly it has been slashed down in the Pay Band of PB-2 against all the canons of justice and fair play.

Besides above, the other serious and grave anomalies are mentioned as under:-

(a) The another significant anomaly in the Pay Scales of J.E is created with respect to the pay scales of staff nurse subsequently vide section-II Part-B Item No-xii (i) and xvii (iii) of

- Gazette of India GSR-622(E) Dt 29.8.2008. The staff nurses (Diploma holders) had been given the pay scale of Rs.5000-8000 by the 5th CPC. The scale of Rs.5500-9000 was a promotional scale to them. The qualifications, duties, responsibilities of J.Es were not at all inferior in comparison to the staff nurses; rather the Junior Engineers are having more arduous nature of duties. The 6th CPC has now proposed a pre-revised notional pay scale of Rs.7450- 11500 and placed the nurses in PB-2 with the grade pay of Rs.4600 equivalent to class –II Gazetted Officers as against Rs.4200 granted to the JEs.
- (b) Similar is the case with respect to the trained graduate teachers who were erstwhile placed in the pay scale of Rs. 5000-8000 at par with the J.E but are now granted with the new pay scale on the basis of a notional upgraded scale of Rs.7450-11500 having the Grade pay of Rs.4600 as against Rs.4200 for J.E.
- (c) The Job evolution committee appointed in CPWD by the Ministry of Urban Development, Govt. of India has submitted a report wherein, the duties & responsibility of the JE's of CPWD was stated as more complex and arduous than those of Draftsman Grade -II of CPWD. The report was accepted by the Govt. and the same was also proclaimed in the parliament but the 6th CPC has placed both these cadres at par in PB-2 with grade pay of Rs.4200.
- (d) Subsequent to the 6th CPC report, the Directorate General of All India Radio, vide Office Order F.No.3120/2008-SIV-A, dated 16.01.2009 placed all the Diploma Engineers i.e. Engineering Assistants in the Pay Band PB-II with Grade Pay of Rs. 4600/- corresponding to the pre-revised pay scale of Rs.7,450 - 11,500/-
- (e) Department of Atomic Energy, Govt. of India placed all Diploma holder in Engineering i.e Scientific Officers in the Pay band PB-II with Grade Pay of Rs. 4800/- & also Department of Space, G.O.I placed all the Diploma Engineers i.e Technical Assistant-‘A’ in the pay band PB-II with Grade Pay of Rs. 4800/-.
- (f) Similarly, the Govt. of Punjab vide order no-5/138/09-3FPI/881 dated 01.12.2011 and union territories of Chandigarh, vide order no.7000/1/n/09-F&P.O(7) dated 28.02.2012 also placed the Junior Engineers in the Pay Band PB-2 (10,300 – 34,800) with G.P of Rs. 4800/-
- (g) The Govt. of Uttrakhand vide order No-571/XXVii(7)27(14)/2012 dated 06.06.2013 also placed the Junior Engineers in the Pay band PB-2 with Grade Pay of Rs. 4600/- and after the service of three years Rs. 4800/-.

(h) It is pertinent to quote the judgement of the High Court of Punjab & Haryana (WCP No-2605 of 1998 decided on 2nd July-2014) where in the Junior Engineer/Surveyor have been allowed Pay Scale Rs. 2000 -3500 w.e.f 01.01.1986 and Pay Scale of Rs. 2200 – 4000 w.e.f 01.01.1991. This judgement was challenged in the apex court (SLP No-1648 of 2010) which was however dismissed vide order dated 08.07.2010 the judgement also allows the following benefits to the Junior Engineers/Surveyors of Soil Conservation Department of Punjab.

The initial pay scale – Rs. 2200 – 4000

After 8 Years of service – Rs. 3000 – 4500

After 18 Years of service – Rs. 3700 – 5300

However the Govt. of Punjab granted the under mention Pay Scale to the Junior Engineers/Surveyors in Soil Conservation Department w.e.f 01.12.2011.

Initial Pay Scale - PB-3 + Grade Pay Rs. 5400.

After 4 Years Service - PB-3 + Grade Pay Rs. 6600.

After 9 Years Service	-	PB-3 + Grade Pay Rs. 7600
After 14 Years Service	-	PB-3 + Grade Pay Rs. 8600

(i) The attention is also drawn to the clause-7 of the resolution of Govt. of India issued vide no.1/1/2008-1C dated 29.08.2008 for implementation of the 6th CPC recommendations, which read as under:-

“Clause-7:- Department specific recommendations which are not included in this resolution shall be processed by the Department/Ministry concerned and approvals of the Govt. obtained in consultation with the Ministry of Finance and Department of Personnel and Training”

(i) When compared to many analogous posts like Office Assistant in CSS, Stenographer in CSS, Nurses, and Primary Teachers etc. who have been placed in PB-2 with Rs. 4600/- Grade Pay, the Junior Engineers of CPWD have been placed in Grade Pay of Rs. 4200/-. This goes against the principle of 6th CPC itself which claimed parity of pay between officers working in Secretariat and field offices which was ensured as absolute upto Assistant level by the CPC in Para 3.1.3 of the report.

Taking an isometric view of these heavily disturbed horizontal and vertical relativities within and outside the department and to make this entry level cadre of JEs more attractive to the young talented Engineers, it is just and fair that considering a pre-revised minimum scale of Rs.7500-12000 for the **Junior Engineers their revised scale ought to have been in PB-2 (Rs. 12,090 – 34,800) with grade pay of Rs. 4800 and accordingly it is strongly urged upon the 7th C.P.C to consider this base for new scale for J.Es to meet the ends of justice.**

10.7.4 In view of the situation explained in detail, the Federation request this Hon’ble august 7th Pay Commission to consider the following important factors for pay determination of Diploma Engineer/ Junior Engineers besides the elimination of the anomalies created by the 6th C.P.C

- i) Basic qualification for admission in polytechnic 10+2 in place of 10+
- ii) Methods of admission in polytechnic and toughness of the course.
- iii) Duration of course 3 years.
- iv) One year practical training extra.
- v) Hard competitive examination for recruitment to the service.
- vi) Duties and responsibilities, risky, arduous, hazardous, without defined working hours and degree of skill required to perform.
- vii) The role of Diploma Engineer/ Junior Engineer in national development

10.8.0 ANOMALIES / DISCRIMINATION AND INJUSTICES AGAINST DIPLOMA ENGINEERS IN VARIOUS CENTRAL GOVT. DEPARTMENTS AND THEIR UNDERTAKINGS IN RESPECT OF PAY SCALES ETC.

- A) The Federation is constrained to point out that diploma engineers, in a systematic manner particularly in the matter of pay and allowances, promotion, working conditions etc. are being downgraded in various engineering departments causing frustration dis-appointment and agony among them which is bound to adversely effect the efficiency and National development.
- B) To quote a few examples to indicate what has been said in the foregoing paragraph, the Federation submits, with respect the glaring anomalies and disparities with respect to the staff having same scales of pay but consciously and deliberately placed recently in the higher pay scale of 6500-10500 in the Central Secretariat services for assistants, personnel assistants and stenographers service in Central Govt. vide O.M. No. 5/2/2004 i.e. dated 15th Sept. 2006 creating discrimination and

demoralization to the cadre of J.Es who are technically qualified possessing a Diploma in Engineering for 3 years duration whereas the stenographers are trained hardly for one year diploma course and were placed equal to the Junior Engineers in the matter of pay scales before Vth & VIth Pay Commission. Similarly, some of the Engineering Departments of the Central Government created anomalies in the pay scales of J.Es as would be established below:-

JUSTIFIED PAY SCALES OF RS. 6500 - 10500 FOR THE JUNIOR ENGINEERS OF ENGINEERING DEPARTMENTS OF THE GOVERNMENT OF INDIA.

10.8.1 Anomaly In The Pay Scale of Junior Engineers Central Public Works Departments (C.P.W.D.)

“BACK GROUND”

10.8.2 The poor Pay scale of Rs. 5000-8000 for Junior Engineers, in CPWD was anomalous, demoralizing and unjustified as has been explained through various tables and arguments.

10.8.3 Consequently, there were agitational programmes launched by the Diploma Engineers, for suitable payscale practically in all the Engineering Departments of Central Govt. as well as those of such States who have implemented the central pay scales for their employees. It may be pointed out that the Diploma Engineers / Junior Engineers of the States like Punjab, Himanchal Pradesh & Uttrakhand, who are having the higher pay scales than CPWD have gone on long strike at times upto a period of 38 days to 130 days. Therefore, we request the Commission, to kindly go in depth to determine the pay scales of Junior Engineers of CPWD, the principle Engineering Department in Central Government, with a judicious approach, to arrest frustration among the Junior Engineers in particular and Assistant Engineers/ Executive Engineers in General.

PREVAILING FACTS IN C.P.W.D.

10.8.4 Apart from the arguments and facts placed before this august body in foregoing Paras’ we place below some glaring facts about CPWD regarding the pay scale of Junior Engineers.

10.8.5 SERVICE RULES ETC.

- i) Recruitment of Junior Engineers is based on All India Competitive Examination which is quite tough.
- ii) Job being transferable all over the country as mentioned in recruitment rules annexed
- iii) Working conditions, are very arduous, risky and hazardous.
- iv) Various training and departmental examination are compulsory to pass in the service.

CADRE PROMOTED AS JUNIOR ENGINEER IS IN THE SAME PAY SCALE :

10.8.6 The Draftsman grade II are promoted to the post of Junior Engineers in the same pay scale as of Draftsman Grade II

10.8.7 So, the cadre of 5000-8000 is to be promoted in the same scale of pay. This peculiar situation is evident from the gist of the judgment mentioned here under

“The narration of duties and responsibilities of the Junior Engineers and Draftsman grade-II, leaves no manner of doubt that post of Junior Engineer being not only a promotional post from that of Draftsman Grade II but also carries higher duties and responsibilities than those of the Draftsman Grade II.

This anomalous situation clearly stressed the urgency for raising the basic pay scales of Junior Engineers of C.P.W.D.”

10.8.8 PAY SCALE OF 6500-10500 TO JUNIOR ENGINEERS IN COMPARISON OF DRAFTSMAN GRADE I IN CPWD

10.8.8.1 Upto Third Central Pay Commission the pay scales of Draftsman grade I and Junior Engineers were traditionally equivalent i.e. 425-700.

10.8.8.2 The Junior Engineers of C.P.W.D.were demanding and agitating for higher pay scale than Draftsman Gr. I in view of their duties, responsibilities more arduous, hazardous, risky than that of Draftsman Grade I.

10.8.8.3 The sad state of affairs prevailed in such a way that pay scale of Draftsman Grade I was revised from 425-700 to 550-990 on the basis of an award of the board of Arbitration. This has disturbed the traditional relativity placing the Draftsman Grd. I in Superior scale.

10.8.8.4 After implementation of the award of Board of Arbitration matter was raised in the department. The Urban Development Ministry constituted a Job Evaluation committee to undertake the comparative study of the duties of Draftsman Grade I and Junior Engineer of CPWD The gist of the findings of the committee is mentioned here under :-

“On making comparative study of the duties of the two posts, the committee is of the view that the duties of Junior Engineers in CPWD are more complex and arduous nature than those of the Draftsman Grade I. The Junior Engineer deserves higher pay scales than Draftsman Grade-I.”

10.8.8.5 The Govt. accepted the findings of the committee which was declared by the Hon’ble Minister Urban Development in Lok Sabha on 31st March, 1987

10.8.8.6 The Secretary, Ministry of Urban Development Govt. of India, in its compliance, sent his recommendation to the Hon’ble 4th Pay Commission to grant higher pay scale than Draftsman Grade-1. But the Hon’ble Commission was winded up before the recommendation reached. Therefore, this issue remained and is still unsettled.

10.8.8.7 The anomalous situation is still prevailing, as the Junior Engineers were placed in the basic grade of 1400-2300 and Draftsman Grade-1 in the pay scale 1640-2900. The Federation also refer to para 11.7 on page 195 of chapter –II of the recommendations of the 4th Central Pay Commission to highlight the great injustices done to the Diploma Engineers on their first entry in the Govt. service. The Federation reiterates that the historical parity between the Draftsman Grade. I and Junior Engineers had been destroyed despite the strong protest from the CPWD Junior Engineers Association as well as despite the recommendations of the Ministry of Urban Development and those of the various other study teams. As a matter of fact the Diploma Engineers on their first entry in service such as the Junior Engineers, in CPWD, should have not only been given the pay scale equal to the Draftsman Grade-1 but should have rather been given higher pay scale than those for the Draftsman Grade-1 on account of the fact that their duties and responsibilities are more arduous, hazardous and complicated in comparison to those of Draftsman Grade -1 .In order to eliminate the anomaly the Junior Engineers of CPWD should be placed in higher pay scale than draftsman Grade-1 which comes to Rs. 6500-10500, before revision by this Hon’ble Pay Commission as this is one stage higher than the pay scale of Rs. 5500-9000 granted to Draftsman Grade-1

10.8.9 CONTROLLING OFFICER IS GETTING LESS THAN SUBORDINATE

Junior Engineer in CPWD is regarded as controlling officer of Foreman. As per recommendation of 4th Pay Commission, both the Foreman and Junior Engineer are in the

same pay scale of 1400-2300. But the situation went from bad to worse after the implementation of Arbitration Award in case of Foreman. Granting the pay scale of 1600-2600. This establishes the subordinate got higher pay scale of Rs. 1600-2600 than the controlling Officer, in the pay scale of 1400-2300. Obviously, the pay scale of Junior Engineers ought to have been fixed higher than Foreman i.e. 2000-3200 by the 4th Pay Commission and equivalent to the grade, the Vth C.P.C. was expected to evaluate the new payscale of 6500-10500 for the J.Es

10.8.10 **HIGHER PAY SCALE IN STATE GOVERNMENT**

Previously, the Junior Engineers of CPWD were in higher pay scale than that of State Governments, but now in so many States the Junior Engineers have been placed in Higher Pay Scales, like Punjab, Himachal Pradesh, Meghalaya, Haryana, etc. where the pay scale of the Junior Engg. are 5800-9200, 5300-9400 & 5500-9000 and in CPWD it is 5000-8000. Therefore, the pay scale for J.Es in CPWD in no case should be considered less than Rs. 6500-10500 for evaluation of new pay scales.

10.8.11 Thus, on the principle decided by the Pay Commission including job evaluation and considering their duties, responsibilities, method of recruitments, working conditions, degree of hazards and also due to the situation explained in respect of Draftsman Grd. I and II, Chief Estimator and Foreman, recommendation of the Job Evaluation Committee and Secretary, Ministry of Urban Development, the prevailing pay scale of Rs.5800-9200 being allowed in Punjab, Meghalaya etc., the Junior Engineer of CPWD, should be placed first in the pay scale of 6500-10500 w.e.f. 1.1.96 and then their pay scale should further be revised on this basis.

10.9.0 **Railways**

10.9.1 Indian Railways is the biggest establishment under the union Government. More than 70,000 subordinate/Jr. Engineers (in Group-C), 4000 Asst. Engineers (in Group –B) and 8000 Senior Engineers (in Group-A from Exe. Engineer to Chief Engineer) are working in Railways which is the largest nos. of Engineers working in any department in India.

10.9.2 Hierarchy of technical cadres in the railway is too complicated and misleading.

10.9.3 The anomalies stated above is self explanatory and hardly need any elaboration and due to enormous cadres it leads to poor promotional avenues for the Diploma Engineers. In the matter of promotions from Group-“C” to “B” the 5th C.P.C observed and remarked in para 50.20(6) on page-572 of its report that amongst the 3 organizations railway is the worst organization. Even after this sharp and eye opening remark the conditions are unchanged.

- 10.9.4 (a) **At present there are 2 cadres of Diploma in the rank of Jr. Engr. with the pre-revised Grade Pay Rs.4,200 in PB-2 of 67% posts and Sr. Section Engineer with Grade Pay Rs.4,600 in the same Pay Band 33% posts. Degree Holders also have quota of direct recruitment through RRB (Railway Recruitment Board) of 20% in the total strength in Rs 4600 GP.**
- (b) **JE (GP 4200) through Limited Departmental Exam with 5 yrs Service & SSE(GP 4600) with 3 years service and on suitability/exam cum seniority are promoted to the post of Asst. Engineer (Group-B) with the pre-revised Grade Pay Rs.4,800 in PB-2. Asst Engineers (Group-B/G.P-4800) are upgraded in GP 5400 in PB-3 after 3 years.**
- (c) **50% post Asst. Engineers Group-A are directly recruited from amongst the Degree Engineers through Engineering Service Exam of UPSC with the pre-**

revised Grade Pay Rs. 5,400 in PB-3 & 50% posts are promoted from Group B Asst Engineers on seniority basis through DPC (Departmental Promotion Committee) through UPSC.

- (d) Asst. Engineers Group A are promoted as Executive Engineer in the pre-revised Grade Pay of Rs. 6,600 in PB-3 and further next promotion to Dy. Chief Engineer in G.P-7600 and selection grade (G.P-8700) is given on completion of 12 years as a Group-A service.

We wish to mention here that there is only one cadre of Jr. Engineer existing in the hierarchy of all other departments below the post of Asst. Engineer. Similarly there is single cadre of Asst. Engineer in the hierarchy of Engineers in all the state and central Govt. departments.

10.9.5 With reference to our narrations in above para 10.9.1 & 10.9.3 and the remark of the Hon'ble 5th C.P.C we strongly demand the following hierarchy in the engineering cadre in Railway.

- a) There should be entry level of Jr. Engineer in pre-revised Grade Pay of Rs. 4,800 in PB-2 with Gazetted status.
- b) Asst. Engineer - 1st Promotional post to Jr. Engineer with pre revised pay Grade of Rs. 5,400 in PB-3 after amalgamating the present post of S.S.E with G.P-4600 in PB-2, Asst. Engineer Group-B with Grade Pay of Rs. 4,800 (PB-2) into the pre-revised Grade pay of Rs. 5,400 in PB-3.
- c) Executive Engineer: 2nd Promotional post to Jr. Engineer with pre revised pay Grade of Rs. 6,600 in PB-3.
- d) Dy. Chief Engineer: 3rd Promotion post to Jr. Engineers with pre revised pay Grade of Rs. 8,700 in PB-4 by amalgamating the present cadre of Dy. Chief Engineer (JAG/7600 & SG/8700)

10.9.6 In abstract, we requested the 7th C.P.C to revise the present structure and pay scale of the cadres as put in above in para 10.9.5 & 10.9.4 and relieve the Diploma Engineers/Jr. Engineers from the present awful congested & cumbersome promotional and low pay scale environment which will boost their moral and enable them to meet the challenges of modern technology being adopted in railways resulting in tremendous growth in national income. But the 6th C.P.C totally ignored and causing grave injustice.

10.9.7 A.C.P as proposed in modified form by us in the relevant chapter is to be introduced for these cadres also.

10.10.0 DELHI TRANSPORT CORPORATION

10.10.1 Delhi Transport Corporation herein after called D.T.C was initially run by Gwalior & Northern India Co. Ltd, which was nationalized in the year 1950. Later on, it was named as "Delhi Transport Services" (DTS). But, in 1971, to extend its service upto 'Union Territory of Delhi' it was named as Delhi Transport Corporation (DTC) in reference to the accent of the President of India. Presently, the DTC is having an active fleet of about 5500 CNG buses (Low floor AC Buses, Low floor Non AC Buses and Standard Buses) under operation in 45 different depots & 2 main central workshops dealing with the reconditioning of assembles, re-treading of tyres, bus body major and minor repairs etc. with a man-power of 26,000 employees of different categories. These buses traverse about 10 lacs Km per day through which approximately 40 lacs passengers commutes daily. Hierarchy of Technical Diploma Engineers in the DTC is differ with the common designation prevailing in other departments. There is a foremost need to rationalize their

designation and bring them at par with common designation of other Central/State Govt. departments and remove the existing anomalies in their pay scales too.

- 10.10.2 The Diploma Engineers of Mechanical, Electrical and Automobile discipline were recruited as assistant foremen & Diploma Engineers of civil & electrical engineering got recruited as Section Officer in the department. No induction was done since 1989 both in Mechanical and CED wings. The pay scales recommended & granted to the Diploma Engineers were at par with other Diploma Engineers of the various central Govt. departments prior to 5th Central Pay Commission as can be seen as under:

Table Showing Pay Scales of Diploma Engineers

S.No	Name of the Dept.	Pay Scale during 2 nd CPC	Pay Scale during 3 rd CPC	Pay Scale during 4 th CPC	Pay Scale during 5 th CPC
1	Other Central Govt. departments	210 – 425	425 – 700	1400 – 2300	5000 – 8000
2	D.T.C	210 – 425	425 – 700	1400 – 2300	4500 – 7000

The above table reveals that the recommendation of the 5th CPC caused heavy damage and erosion in the pay scale of Diploma Engineers of DTC.

- 10.10.3 This caused further erosion even during the 6th CPC. The Diploma Engineers of DTC were pushed back from PB- 2 to PB -1 and a wide gap has now developed as is very clear from the Table given below:

Comparison of Pay Scale & Promotional Scale of Diploma Engineers in Central Govt. Departments

S. No	Depart -ment	Design-ation	1 st Promotional		2 nd Promotional		MACP After	Pay Scale
			Post	Pay Scale	Post	Pay Scale		
1	Jal Board	J.E	A.E	9300 – 34800 G.P – 4600	E.E	15600 – 39100 G.P – 6600	10 yrs- 4600 20 yrs- 4800 30 yrs- 5400	9300-34800 G.P – 4200
2	D.D.A	J.E	A.E	9300 – 34800 G.P – 4600	E.E	15600 – 39100 G.P – 6600	10 yrs- 4600 20 yrs- 4800 30 yrs- 5400	9300-34800 G.P – 4200
3	M.C.D	J.E	A.E	9300 – 34800 G.P – 4600	E.E	15600 – 39100 G.P – 6600	10 yrs- 4600 20 yrs- 4800 30 yrs- 5400	9300-34800 G.P – 4200
4	State Trans.	Motar Vehicle Inspector	M.L.O	9300 – 34800 G.P – 4600	Dy. commi ssoner	15600 – 39100 G.P – 6600	10 yrs- 4600 20 yrs- 4800 30 yrs- 5400	9300-34800 G.P – 4200
5	D.T.C	Section Officer	-	-	Man-ager	9300 – 34800 G.P – 4600	10 yrs- 4200 20 yrs- 4600 30 yrs- 4800	5200-20200 G.P – 2800
6	D.T.C	Assistant Foreman	Fore-man	9300 – 34800 G.P – 4200	Man-ager	9300 – 34800 G.P – 4600	10 yrs- 4200 20 yrs- 4600 30 yrs- 4800	5200-20200 G.P – 2800

- 10.10.4 Some of the disparities were created by the Pay Commissions but the DTC is not far behind, they have created inter cadre disparity in between the pay scales of various cadres. Those who were equal have been up graded and those having lower scale have been brought at par with the Diploma Engineers, while other categories are the promotional and diploma engineer recruited in this scale directly.

The Inter cadre pay disparity created have been given under:

S. No	Category of Employee	3 rd CPC	4 th CPC	5 th CPC	6 th CPC
1	Assistant Incharge	425 – 700	1400 – 2300	5000 – 8000	PB-2

					G.P – 4200
2	Traffic Supervisor	425 - 700	1400 – 2300	5000 – 8000	PB – 2 G.P – 4200
3	Monitor	425 - 700	1400 – 2300	5000 – 8000	PB – 2 G.P – 4200
4	Assistant Foreman (Diploma Engineers)	425 - 700	1400 – 2300	4500 – 7000	PB – 1 G.P – 2800

- 10.10.5 Disparity in promotion is sans logical, dispensable & efficiency degrading but have been evolved by the department amongst similar group of Diploma Engineers, which creates heart burning & dismay in the employees and the working atmosphere in the department is polluted. The glaring example is as under:

Disparity in Promotion of similar Group of Diploma Engineers

Post	Min. requisite Qualification	Training	Pay Scale	1 st Promotion			2 nd Promotion			3 rd Promotion		
				Eligibility	Post	Pay Scale	Eligibility	Post	Pay Scale	Eligibility	Post	Pay Scale
Asstt. Foreman	Dip. In Mech. Engg. Elect. Auto.	1. One year 2. One year	PB-1 G.P-2800	5 years	Foreman	PB-2 G.P-4200	Next 5 years	Manager	PB-2 G.P – 4600	Next 10 years	Sr. Manager	PB-3 G.P-6600
Section Officer	Dip. in Civil Engg. Electrical Engg.	--	PB-1 G.P-2800	-	-	-	5 years	Manager	PB-2 G.P – 4600	5 years	Sr. Manager	PB-3 G.P-6600

The aforesaid facts & information are self explanatory, speaking and high lighting the injustices those inflicted on the Diploma Engineers working in DTC.

- 10.10.6 This Federation therefore advocates and requests the commission to recommend the following pay scales & promotion criterion for the Diploma Engineers of DTC.
- 1) Initial scale both for Asst. Foreman & Section Officer at pre revised pay band of PB-2 with Grade Pay 4800.
 - 2) Four financial up gradations in the form of promotional pay should be recommend after completion of 7years, 14 years, 21 years & 28 years of service respectively.
 - 3) Assistant Foreman/Section Officers should be directly promoted to the post of Manager/Asst. Engineers in the pre revised Pay Band-3 with G.P – 5400.
 - 4) Next promotions should be made on the post of E.E/Senior Manager and so on likely.
 - 5) Post of Asst. Foreman and Section Officer should be designated as Junior Engineers (maintenance).
 - 6) All other privileges should be simultaneously and similarly be implemented in DTC also.

10.11.0 **ILLOGICAL RECOMMENDATION OF Vth PAY COMMISSION**

- 10.11.1 The Federation noted with concerns the irrational and uncalled for recommendations of the 4th Central Pay Commission and which was not set right by 5th Central Pay Commission also. Therefore, we requested the 6th CPC may kindly afford justice to the Diploma Engineers now in the matter of their pay scale etc. but VIth C.P.C had failed to recommended justified and improved scale.

10.11.2 In Chapter II Para 11.6 at page 194 of its recommendations the 4th Central Pay Commission, clearly states that :

“we find that for posts in the same scale of pay, in some departments ministries and in some case, some departments in the same ministry, have prescribed different qualifications for recruitment with the result that there is no uniformity. For instance, for recruitment in the following scales of pay in various departments/ ministries have prescribed the following qualifications”.

TABLE-XVII

Scale Rs.	Engineering Degree Qualification	Dip in Engineering Qualification
700-900	Railway	Mines
550-900	Water Resources, Rural Development, Communication, P&T Defence, Economic Affairs, Urban Development etc.	Mines, Science & Technology
550-750	Mines, Industrial Development Defence, Power, Railways	Mines, Defense, Agriculture, Surface Transport
425-700	Economic Affairs	Mines.

10.11.3 From above, it is clear that there were great disparities and discriminations between the Diploma Engineers and the Graduate Engineers in different departments in the matter of pay scale etc. for the similar type of cadres.

10.11.4 The 7th Central Pay Commission may kindly appreciate that it is ridiculous that under the same Government i.e. Govt. of India, different Departments/ Ministries are giving different Pay Scales to the cadres performing similar duties and responsibilities.

10.11.5 In view of the above, under the findings of the 4th Central Pay Commission the Diploma Engineers/J.Es were entitled to get justice at the hands of 4th C.P.C itself by giving them appropriate pay scale for their cadres at the entry point in the various departments of the Govt. of India. It was therefore just, appropriate and expected that the highest pay scale for the similar cadres in various departments shall be proposed by the 4th C.P.C. for the Diploma Engineers on their first entry in Govt. Service.

10.11.6 According to this system the pay scale of Rs.700-900 which was for graduates in Railway, and the same for Diploma Engineers in the Mines, should have been adopted for the Diploma Engineers in all the Departments/ Ministries of the Central Govt. The conversion of this scale, leave aside, other factors, is Rs. 2000-3200. Therefore, this pay scale ought to have been recommended for the Diploma Engineers on first entry by the 4th CPC. Unfortunately, the 4th CPC inflicted injustices on the Diploma Engineers by giving them the conversion of the lowest pay scale in these categories i.e. Rs. 425-640 and not even the conversion of Rs. 425-700 which was the lowest pay scale recommended by the 3rd Central Pay Commission in any Department / Ministry of the Govt. of India.

10.11.7 The Federation and its constituent units such as the CPWD J.Es Association and All India Railway Engineers Federation had been strongly protesting against the recommendations of the 4th Central Pay Commission for bifurcation of the cadre of J.E's. We are of the considered opinion that wherever there has been bifurcating of the initial cadre of the Diploma Engineers, there have been discontentment, frustration and dissatisfaction among the cadres besides, of course, creating red-tapism and inefficiency. The multiplicity of cadres at the level of Junior Engineers such as in Railway, M.Es. TeleCommunication etc. has been found counter productive and there is a strong demand from all these departments

- to abolish the different cadres and amalgamate the various cadres into one. In fact, this is the latest modern conception to minimize the cadres by removing the multiplicity of unwarranted cadres in the hierarchy of the departments to achieve the optimum efficiency and output at the economical rates for which this Pay Commission is also endeavoring in their task to attain the desired goals.
- 10.11.8 In CPWD also it was found that the recommendations of the 4th Central Pay Commission for bifurcation of the cadres of the Junior Engineers are counter productive. Consequently, the CPWD Authorities strongly recommended against the bifurcation of the cadre. As such the cadre of Junior Engineer was not bifurcated in CPWD.
- 10.12.0 **REMOVAL OF PREFERENTIAL TREATMENT TO DEGREE ENGINEERS RECRUITED ON THE POSTS MEANT FOR DIPLOMA ENGINEERS.**
- 10.12.1 The Federation has observed with disgust, shock and surprise that there has been a tendency in the recent past to recruit the degree Engineers on the posts which are meant for Diploma Engineers only.
- 10.12.2 As already stated in this Memorandum the Diploma Engineering courses are contemplated and designed in such a way that the persons acquiring Diploma in Engineering can competently undertake the requirement of particular jobs and handle the same quite smoothly. These jobs include the supervision and execution of works by implementing and transferring the theoretical knowledge of the engineering at field. The post of Diploma Engineers in their first entry cadre in service which is normally designated as Junior Engineer and the posts of Assistant Engineer and Executive Engineer are basically meant for the supervision and execution of field works. On the other hand, the Degree Engineers who possess more theoretical knowledge of engineering than the Diploma Engineers are suitable for taking up the research and design works of improved nature of growing science.
- 10.12.3 But, unfortunately, the Degree Engineers in many Departments are being recruited to the post of Junior Engineers and in some cases direct to the post of an Assistant Engineer.
- 10.12.4 The third Central Pay Commission has gone in detail on this problem and had recommended that the Degree Engineers should not be recruited on the post meant for Diploma Engineers. The Third Central Pay Commission gave strong arguments and suggestions for discouraging the Degree Engineers from getting employment on the posts meant for Diploma Engineers. The Third Central Pay Commission had gone to the extent to recommend that all preferential treatments being given to the Degree Engineers on the post on which the Diploma Engineers are working, must be withdrawn and in future it should be properly planned that the Degree Engineers are no more recruited to such posts, and in case a Degree Engineer gets employment to such post they should not be allowed any preferential treatment over the Diploma Engineers in the matter of :
- a) designation
 - b) pay scale
 - c) allowances
 - d) perks
 - e) any other preferential treatment in the matter of service/ working conditions.
- 10.12.5 Subsequently, on account of unemployment amongst the Degree Engineers, of course, not as awful as amongst the Diploma Engineers, the Degree Engineers also started getting entry into the cadre of Junior Engineers.

- 10.12.6 In due course of time the situation arose when quite a large number of Degree Engineers were allowed to get entry at the level of Junior Engineers. As already apprehended by the Third Central Pay Commission the Degree Engineers after entering into this cadre started asking for preferential treatment over their colleagues having Diploma in Engineering.
- 10.12.7 Despite note of caution by the Third Central Pay Commission the high-ups amongst the beurocrats and technocrats recruited the Degree Engineers to this cadre and supported them to get preferential treatment by errating a separate cadre of Junior Engineers and to downgrade this cadre.
- 10.12.8 The Federation would like to submit that in most of the States there is simply no preferential treatment for the Graduates such as Punjab, Haryana, Madhya Pradesh, West Bengal, Orissa, and Rajasthan etc. In Uttar Pradesh, Bihar and Jharkhand, the entry of the Degree holders at the level of Junior Engineers is totally banned.
- 10.12.9 A committee appointed in Uttar Pradesh to study the job requirements at the cadre of Junior Engineers vis a vis the suitable qualification therefore revealed that the Diploma in Engineering is the fittest and sufficient qualification for the job of Junior Engineer.
- 10.12.10 The Federation is, however, surprised to note that despite what has been said here-in above there are certain departments in the Central Govt. who are still having a tendency of recruiting Degree Engineers on the posts meant suitably for Junior Engineers.
- 10.12.11 The Federation therefore suggest that the cadre of Junior Engineers be exclusively reserved for the Diploma Engineers and the posts of Assistant Engineers and Executive Engineers should be promotional posts for the Junior Engineers. The entry of the Degree holders be made on design and research cadres sepearate from the field officers. i.e. Junior Engineers to Executive Engineers. This august Pay Commission may be pleased to recommend that the preferential treatment for the graduates or rather permission for them to enter the cadres, who can more suitably be manned by the Diploma Engineers, must be stopped as already recommended by the IIIrd C.P.C vide para – 70 on page -151 of its report and reproduced on page -19 here in this memorandum.

10.13.0 **ANOMALIES IN THE PAY SCALE OF ASSISTANT ENGINEER**

- 10.13.1 The Pay scale of Asstt. Engineer in CPWD and other departments of the central Govt. is anomalous. The discriminating attitude of the department towards the promoted Assistant Engineers deprived them of the justice since the implementation of the 4th Pay Commission as would be established below:-

10.13.2 **BACK GROUND**

The recommendation of the Vth Pay Commission was against the directive principles of the Constitution of India and in gross violations of the ruling of the Hon'ble Supreme Court, time and again, i.e. "Equal Pay for Equal Work".

On the above principle both, the promoters Asstt. Engineer and the directly recruited Assistant Executive Engineer doing the identical works, are eligible for the same pay scale. But the Commission itself deviated from the principle as would reveal from the following facts:

Sub-Divisional Officer as Promotee AE

Rs.6500-10500

Sub-Divisional Officer as Directly recruited A.E.E

Rs. 8000 – 13500

This discrimination should not be applicable in Engineering Departments. Therefore, now we request this august Commission to do justice and grant the same pay scale for both viz. to promotee Assistant Engineer and directly recruited Asstt. Executive Engineers.

- 10.13.3 There are severe and glaring anomalies in the pay scale of Asst. Engineer with respect to the other categories and cadres of Central Govt. created by the IVth and Vth C.P.C as would be established categorically from the following Table.

TABLE-XVIII

Showing Anomaly with Respect to other Cadres in Central Government

Anomalies created by IVth and Vth Pay Commission with Assistant Engineer

Page No.	Min. / Deptt.	Posts	Pay Scales			6 th Pay Commission
			3 rd Pay Commission	4 th Pay Commission	5 th Pay Commission	
139	N.C.C.	Civilian, Inspector	650-960	2200-4000	8000-13500	PB-2 G.Pay-4,600
144.	M/o Ext. Affairs	P.R.O. in Passport Officers	650-1200	2200-4000	8000-13500	PB-2 G.Pay-4,800
155	M/o Food & Civil Supplies Deptt. of Food	Physician	650-1200	3000-4500	10000-15200	PB-3 G.Pay-6.600
156	-do-	I.S.M/Homeopathy Physicians.	6500-1200	2200-4000	8000-13500	PB-2 G.Pay-5,400
158	M/o Home Affairs I.T.B.P.	Asstt. Company Commander	650-960	2000-3500	6500-10500	PB-2 G.Pay-5,400
158	C.I.S.F.	i) Asstt. Commandant ii) Dy. Superintendent Police	650-1200 650-1200	2200-3500 2200-4000	8000-13500 8000-13500	PB-3 G.Pay-5,400
-	C.P.W.D.	Assistant Engineer	650-1200	2000-3500	6500-10500	PB-2 G.Pay-4,600

- 10.13.4 In all the State Govt. Departments of U.P., Bihar, Haryana, Punjab, the Assistant Engineers irrespective whether promotee or directly recruited are in the same pay scale of Rs. 8000-13500 as would be established from the following Table:-

TABLE-XIX

Table showing the higher Pay Scales than G.O.I. in repect of

ASSISTANT ENGINEER (Diploma Engineer)

S.No	Name of the State	Pay Scale by Vth C.P.C	Pay Scale by VIth C.P.C
1	Arunachal Pradesh	8000 – 13500	PB-3 + G. Pay – 5,400
2	Madhya Pradesh	8000 – 13500	PB-3 + G. Pay – 5,400

3	Maharashtra	8000 – 13500	PB-3 + G. Pay – 5,400
4	Mizoram	8000 – 13500	PB-3 + G. Pay – 5,400
5	Nagaland	8000 – 13500	PB-3 + G. Pay – 5,400
6	Rajasthan	8000 – 13500	PB-3 + G. Pay – 5,400
7	Tamil Nadu	8000 – 13500	PB-3 + G. Pay – 5,400
8	Uttar Pradesh	8000 – 13500	PB-3 + G. Pay – 5,400
9	Uttarakhand	8000 – 13500	PB-3 + G. Pay – 5,400
10	West Bengal	8000 – 13500	PB-3 + G. Pay – 5,400
11	Jammu & Kashmir	8000 – 13500	PB-3 + G. Pay – 5,400
12	Punjab	7880 – 13500	PB-3 + G. Pay – 5,400
13	Himachal Pradesh	7880 – 13500	PB-3 + G. Pay – 5,400
14	G.O.I (C.P.W.D)	6500 – 10500	PB-2 + G. Pay – 4,600

- 10.13.5 There is no justification to keep the Assistant Engineer in CPWD and in other departments of Central Govt. in the pay scale of Rs. 6500-10500 instead of Rs.8000-13500 or PB-3 with Grade Pay - Rs. 5400.
- 10.13.6 According to the new Pay Scales the difference in the Pay Scales of the J.E (Group-C post) and A.E (Group-B post Gazetted) is left only of Rs. 400/- and now it has been aggravated to Rs. 8,300/- in case of the next higher post of E.E viz 1:20:75 which hitherto was Rs.1500/- and Rs.3500/- respectively i.e 1:2:33. This sole example is an eye opener to expose the wrong policies, ill designs and defective doctrine of pay scales introduced by the 6th Central Pay Commission and an unprecedented treatment extended to this class of Engineers. Indeed, the AEs must be placed in consideration with the pre-revised scale of Rs. 8000 – 13,500 and then accordingly in the Pay Band of PB-3 with the Grade Pay of Rs. 5,400 in the interest of equity and justice.
- 10.13.7 The Hon'ble Commission is therefore requested to maintain the principle of Equal Pay for Equal Work and consider the same Pay Scale of Rs. 8000-13500 which is revised as PB-3 + G. Pay of Rs. 5400 for A.E/A.E.E. both as on 1.1.1996 and 01.01.2006 as a Bench mark for the conversion of the new *pay scale for the Assistant Engineers / Asstt. Ex. Engineers in the interest of Justice, equity and fair play. The Junior Engineers be placed one scale below of the Assistant Engineers Pay Scale i.e. in the scale to be arrived at the conversion of 6500-10500.*



Chapter - XI

Proposed Pay Scales for Engineering Cadres



AIFODE
MEMORANDUM

CHAPTER – XI

11.0.0 DETERMINATION OF MINIMUM WAGE AND PROPOSED PAY SCALES FOR ENGINEERING CADRES

11.1.0 CALCULATION OF MINIMUM WAGE

The minimum wages Act (MW Act) was enacted in the year 1948 primarily to safeguard the interests of the workers engaged in the unorganized sector. The guiding principle is that the worker must be given wages which can enable him and the members of his family to lead a decent and healthy life. In the absence of any standard methodology or guidelines, the norms recommended by the Indian Labour Conference held in 1957 forms the basis for fixing the minimum wages. The M.W Act has neither defined minimum wages nor has it laid down any norm/criteria for fixing the minimum wages. However, the Indian Labour Conference, in 1957 recommended certain norms for fixing the minimum wage which are given below:-

- a) 3 consumption units for one earner (2 Adults + 2 Children).
- b) Minimum food requirements of 2700 calories per average Indian adult.
- c) Clothing requirements of 72 yards per annum per family.
- d) Rent corresponding to the minimum area provided for under Government's Industrial Housing Scheme.
- e) Fuel, Lighting and other miscellaneous items of expenditure to constitute 20% of the total minimum wage.

11.1.1 Subsequently, in 1991, the Hon'ble Supreme Court delivered a historic judgment in the case of Reptakos & Co. Vs. its workers. The judgment, interalia, stated that children's education, medical requirement, minimum recreation including festivals/ceremonies, provision for old age, marriage etc. should constitute at least 25% of the minimum wage and be used as a guide for fixation of minimum wages in all relevant employments.

11.1.2 As per the above norms, the size of the family has been taken as 3 units (Husband + Wife + 2 Children). This assumption is far behind the ground reality. However, we must state that the three unit norm for the family prescribed by the Dr. Akroyd's in the present situation is far below the requirement. The Family consists of not only husband, wife and 2 children but in variable includes the parents of the head of the family. In Indian conditions, they totally depend upon the earning employee. If we add 2 more units for the family concept then the total unit will be more than five. The attention of the C.P.C is drawn on the following points.

- a) The norm for 3CU family by 15th ILC was decided as many as 57 years back. During these days maximum upper age limit for recruitment in Govt. services was 25 years. Whereas the Central Govt. have extended the maximum upper age limit upto 35 years and several State Governments have extended upto 40 years and above. It is crystal clear that the age limit has been extended about 10 to 15 years by all the Governments.

The children taken into account calculation of minimum wage after 10 to 15 years shall definitely grow adult and hence making the units to four.

- b) The size of the family as per the survey conducted by Govt. of India is as under:

TABLE- XX

SL.	Name of the State	No. of the members Per Family
1	Maharashtra	4.50
2	Delhi	4.00
3	West Bengal	4.50
4	U.P	5.50

5	Gujarat	4.70
6	Tamil Nadu	3.70
7	Andhra Pradesh	3.90
8	Himachal Pradesh	4.40
9	Rajasthan	5.30
10	Uttarakhand	4.60
11	Madhya Pradesh	5.20
12	Bihar	4.70
	Average	4.70

Source: Report No. 515 of National Sample Survey India.

C) Acts and Court Rulings:

Maintenance and Welfare of Parents and Senior Citizen Act-2007 has necessitated the maintenance of parents by their heirs. This has resulted in addition of two units in a family totaling to five units.

Hon'ble Supreme & High Court in court cases like SC, Vidya Manhoar Albert v/s Kashirao Rajaram Sawai (AIR 1987 SC1100), Kirtikant B. Vadodaria v/s state of Gujarat (SCC 479/96), Bombay High Court in case of Baban Alias Dagadu Dange v/s Parvatibai Dangadu Dange (1978/80. BOM LR-305) have ruled to pay the maintenance charges to the parents.

However inspite of two units of parents we have considered only one unit for them and accordingly the family size is considered of 4 units.

The aforesaid fact justifies the minimum four members' family.

TABLE-XXI

Average prices of the ingredients as on 01.05.2014 required for the calculation of minimum wage.

Item	Delhi	Mumbai	Kolkata	Chennai	Bangalore	Bhubaneswar	Trivendrum	Hyderabad	Average
Rice/Wheat	44	49	44	48	47	58	42	44	47
Dal (Toor/Mung)	99	102	140	100	97	97	95	94	103
Raw Vegetables	44	46	41	40	42	50	48	41	44
Green Vegetables	42	43	40	42	42	43	44	40	42
Other Vegetables	43	43	41	40	40	41	49	40	41
Fruits	111	114	108	112	109	108	108	109	110
Sugar	44	43	42	44	45	44	46	44	44
Edible oil	148	159	142	159	142	141	141	140	138
Fish	315	325	315	375	305	310	335	320	325
Meat	423	420	438	388	403	397	398	488	425
Egg	5	5	5	5		5	5	5	5
Detergent	404	414	379	399	379	399	399	399	396
Clothes	198	203	178	198	178	198	198	188	192

Source: Average market rates.

TABLE-XXII

**Computation of the need based minimum wage on Dr. Akroyd's Formula
(based on above market rates as on 01.05.2014)**

S.No	Commodities	Qty in Gms./Day	Price Rs./ Kg	Price/Unit Per Day	Price for 3 Units for 30 days	
					Price for 3 Units/Day	Price for 30days
1	Pice/Wheat	475	47.00	22.325	89.30	2679.00
2	Pulses (Toor/Mung)	80	103.00	8.24	32.96	988.80

3	Raw Vegetables	100	44.00	4.40	17.60	528.00
4	Green Vegetables	125	42.00	5.25	15.75	630.00
5	Other Vegetables	75	41.00	3.075	12.30	369.00
6	Fruits	120	110.00	13.20	52.80	1584.00
7	Milk	200	39.00	7.80	31.20	936.00
8	Sugar	56	44.00	2.464	9.856	295.68
9	Edible Oil	40	138.00	5.520	22.08	662.40
10	Fish	28	325.00	9.100	36.40	1092.00
11	Meat	56	425.00	2380.00	95.20	2856.00
11	Egg	1Nos.	5.00		20.00	600.00
12	Detergent	LS	396 LS		528.00	528.00
13	Clothes	5.50 Mtr.	300.00			1650.00
					Total	15398.00
14	Housing @ 13%					2000.00
					Total	17,398.00
15	Add @ 20% of the total min. wage					3480.00
					Total	20878.00
16	Add 25% of the total min. wage as per Supreme Court decision					5220.00
					G. Total	26098.00
					Say	26000.00

Note : 1) 20% of the net minimum misc. charges towards fuel, shoes, lightening, social cum religious expenditure and water charges etc.

2) Housing at the rate of 13% of net minimum.

3) Addition expenditure at the rate of 25% includes expenditures towards education, marriage etc of the children, medical treatment, recreation, festivals etc. as per the Supreme Court Decision in 1991-92. (As given at Annexure-IV on Page No-81 - 89)

Thus the minimum wage comes to Rs. 26,000/- for four consumption units' family instead of actual five consumption units. This norm is recommended by the 15th I.L.C

11.2.0 APPROACHES TO ARRIVE AT THE INITIAL PAY OF JUNIOR ENGINEERS

The Federation is confident that the Hon'ble 7th Central Pay Commission shall evolve some new formula to determine the rational pay scales of employees. We are hopeful for the technical potential like diploma engineers/ Junior Engineers/ Asstt. Engineers who have been awarded the minimum of even lowest replacement Pay Scales by the 4th, 5th & 6th Central Pay Commissions. Therefore, we have placed the facts and arguments with authentic statistics and reliable data before the Hon'ble Pay Commission in detail to pave the path for judicious recommendations.

11.2.1 However, for arriving at the scales proposed by the Federation for the Junior Engineers we have considered few approaches already in vogue since long. The basic consideration to the calculation of pay of Junior Engineers and engineering hierarchy have been made with the lowest paid employees in view of the formula derived by Hon'ble justice M.V. Rajadhyakshya. He opined in his report on dispute for fixing wage ratio between low paid employees and middle class employees in P&T Department. The proportion of the relative cost of the living of the working class family to that of a middle class family of four consumption units is 35 : 63 i.e., cost of living of middle class family is 80% higher than that of working class family. The first Central Pay Commission has also followed the above principle of Hon'ble justice Mr. Rajadhyakshya in its recommendation.

11.2.2 The middle class-co-efficient factor as mentioned above and adding 30% weightage for technical qualification and supervisory nature of duty and the skill of high degree being required to perform

the heavy duties, as per the report of 15th I.L.C. and the verdict of Supreme Court a simple arithmetical calculation brings forth the minimum wages of the Junior Engineer as on 01.01.2014 as under.

11.3.0

APPROACH-I

(Based on Need Based Minimum Wage)

11.3.1

DR. AKROYD'S FORMULA

According to Dr. Akroyd's formula the need based minimum wage to a lowest paid employee based on the prevailing market rates at Delhi. Rs.

Details attached separately vide **Table No- XXII & Page No-70** 26,000.00

Add 80% for middle class Group as per report of Justice Mr. Rajadyhakshya 20,800.00

Total 46,800.00

Add 30% wages for technical qualification supervisory nature of duties and a skill of high degree being required to perform the enormous duties etc., of junior Engineers (in fact it is 55% but we have adopted the minimum of 15th I.L.C.) 14,040.00

60,840.00

In round figure Rs. 60,000.00

The initial pay of Junior Engineers comes to Rs. 60,000/-

11.4.0

APPROACH -II

(Based on modified version of the constant relative income criteria)

11.4.1

The Vth Central Pay Commission had adopted this Approach to arrive at the minimum salary.

11.4.2

In para 41.37 (IV) on page 482 Vol. I of its report the Commission had stated as under :

“We would like to adopt a modified version of the constant relative income criteria as possibly the most equitable norm both from the point of view of the employee as well as the Government. Taking Rs.750/- as the basic pay fixed in 1986 and dearness allowance of Rs.1110 as on 1.1.96 we may adopt a compensation factor of 30.9% as being the increase in percapita net national product during the period 1986-95. This comes to Rs. 574.74. When it is added to the existing basic pay (Rs.750) and dearness allowance as on 1.1.96 (Rs.1110). The total works out as Rs. 2434.75 this figure could be rounded off to 2440. Similarly the Basic Pay on 01.01.2006 is Rs. 2550 and Dearness Allowance is 86% i.e Rs. 2193. The total works out as Rs. 4743. This figure could be rounded off to Rs. 4800 on compensation factor $(27081 - 18535) \times 100 / 18535 = 46\%$ and the basic pay on 01.01.2014 is Rs.5200 + G.P 1800 = Rs. 60,000.

11.4.3

The minimum wage on the modified Approach is worked out as under:

i) Minimum Salary Fixed as on 1.1.2006 (5200+1800) 7000/-
ii) Dearness Pay 100% of basic pay as on 01.01.2014 7000/-

Total 14,000/-

- iv) Per capita income on Gross National Product at Factor Cost as on 1.1.2006 as per Table – VII (at price level of 2004-05) = 27,081/-
- v) Per capita income Gross National Product at factor cost as on 1.1.2012 as per Table – VII (at price level 2004-05) = 45,409/-
- vi) % increase in per capita income $(45409 - 27081) \times 100 / 27081$ = 68% (from 1.1.2006 to 1.1.2012)
- vii) Incremental increase in growth $(68 - 46)$ = 22%
- viii) Compensation factor $= (68 + 68 \times 0.22)$ = 82.96%
- ix) Minimum Salary $= (14,000 + 0.8296 \times 14,000)$ = 25,614.40
Say = 25,614/-
- x) Add 80% for middle class ground as per Report of justice Mr. Rajadhyakshya = 20,491/-

= 46,105/-
- xi) Add 30% wages for technical qualification, supervisory nature of duties and skill of high degree required to perform the enormous duties of Junior Engineer (as per the 15th ILC) = 13,832/-
= 59,937/-
- The initial pay of Junior Engineer as on 01.01.2014 Say Rs. 60,000/-***

11.5.0

APPROACH – III

(on the basis of Point Rating)

11.5.1

Point Rating Method: The Various factors regarding the working service conditions of Junior Engineers viz. method of recruitment, qualification, training required, experience involved, degree of skill, duties and responsibilities, mental and physical requirements, disgruntleness of the jobs, hazard attendance on the work, transfer policy, fatigue involved, dealing with public, inadequate avenues of promotions etc. have already been dealt in detail in previous chapters. Now we are placing below the job evaluation of the Junior Engineers on the basis of Point Rating Method.

11.5.2

The **Annexure – IV-A (Page No-90)** contains the details of Point Rating Method and the **Annexure –IV-B (Page No-98)** contains the job evaluation of Junior Engineers. The job evaluation of Class IV employees (peon) is given in Annexure –**IV-C (Page No-100)**. Which got 104 points and the Junior Engineers 466 as per Annexure **IV-B (Page No-98)**. The minimum pay recommended by VIth C.P.C. to class IV employees is Rs. 4440+1300, which was enhanced by the Govt. as 5200 + 1800. In view of this comparison of Point Rating Method with respect to minimum pay for class IV employees, the basic pay of Junior Engineers ought to have been fixed by the 6th Central Pay Commission as on 1.1.2006 as per details below :

11.5.3

According to the recommendations:

$$\text{Minimum} = \frac{5200 \times 466}{104} = \text{Rs. } 31,365.38 \quad (\text{Say } \dots\dots\dots 31,365.00)$$

The pay scales of Junior Engineers w.e.f. 01.01.2014 : on 1107 C.P.I. comes to

$$= \frac{31365 \times 1107}{569} = \text{Rs. } 61,021 \quad (\text{Say } 61,000) \\ (\text{C P I as on 1.1.2006} = 569)$$

According to this approach the new initial pay for Junior Engineers comes to Rs. 61,000/- as initial on 01.01.2014.

11.6.0

APPROACH –IV

(On the basis of consideration of “Job evaluation” as a major factor in the pay determination)

11.6.1

It is an admitted fact that the doctrine of job evaluation plays vital and significant role in establishing the vertical & horizontal relativities in deciding the pay structure of various cadres.

11.6.2

The job evaluation, on Point Rating method as worked in Annexure **IV-B** & **IV-C** enclosed comes to 466 & 104 for Junior Engineer and peon respectively.

11.6.3

Being substantive factor, besides the element of need based emoluments in a pay structure, the Job evaluation require to be given due weightage as adopted by the 15th I.L.C. for technical qualifications and supervisory nature of duties etc.

11.6.4

- i) Point Rating of Job evaluation of J.E. = 466
(as per Annexure-**IV-B**)
- ii) Point Rating of Job evaluation of class IV employee (Peon) = 104
(as per Annexure-**IV-C**)
- i) comparative weightage of job evaluation on point rating basis in a pay scale (taking 30% weightage as adopted by 15th I.L.C.) for technical qualification and supervisory nature of duties etc. qualified by point rating method)

$$\frac{30 \times 466}{104} = 1.344$$
- ii) Minimum need based wage for class IV employee (peon) = 24,700/-
(As per Annexure-III)
- iii) Pay scale including viable accommodation of the element of job evaluation in the minimum pay scale = 26,000 x 1.344 = 34,944.00, Say= 34,944/- (A)*
- iv) Add. 80% for middle class category as recommended by Justice Mr. Rajadhyakshya to arrive at the reasonable scale for Junior Engineers 80% x 34,944 = 27,955/- (B)*
TOTAL (A)* + (B)* = 62,899/- Say 63,000/-

The initial pay of the Junior Engineer according to this Approach = Rs.63,000/- as on 01.01.2014

11.7.0

APPROACH -V

(on the basis of percentage incremental increase in the pay scales from Ist CPC to Vth CPC)

11.7.1

Though the recommendations of various pay commissions set up in the past in regard to the determination of minimum pay scale was based on various different parameters prevailing at the relevant time, yet a pattern of incremental increase is noticed in the minimum pay scales as under:

<u>Pay Commission</u>	<u>Ist</u>	<u>IInd</u>	<u>IIIrd</u>	<u>IVth</u>	<u>Vth</u>	<u>VIth</u>
Minimum Pay Fixed	55/-	80/-	196/-	750/-	2550	5200+1800
%increase over the	----	31%	145%	282.65%	240%	182%

previous scale

11.7.2 Ostensibly, there has been incremental increase in the minimum salary till the recommendations of 5th Pay Commission. However, the Vth & VIth Pay Commission failed to realize this trend and caused the anomalous detrimental increase over the past scale. It was expected and justified, at least to maintain the percentage increase at the level of IVth Pay Commission.

11.7.3 The scales fixed by the IVth, Vth & VIth Pay Commissions in respect of Junior Engineers were not at all justified, as would be seen from the fact that IVth Central Pay Commission had placed the JEs in the pay slab of 1400-2300, as against our demand and scientific data based justification thereof, for 2000-3500. The Vth Pay Commission, however recommended the scale for J.Es as 5000-8000 having considered the pre revised pay scale of 1600-2660 and VIth Pay Commission recommended the scale of JE as 9300 -34,800 + Grade Pay 4,200 which too was much inferior than due. Indeed, it was an arbitrary, discriminatory and much below. The reasonable claim of the Junior Engineers through out the country, yet a trend is quite visible in the pay structure of the Junior Engineers decided by various Pay Commission as under :-

<u>Pay Commission</u>	<u>Ist</u>	<u>IInd</u>	<u>IIIRD</u>	<u>IVth</u>	<u>Vth</u>	<u>VIth</u>
Pay Scale of J.Es	100/-	180/-	425/-	1600/-*	5000/-	9300+4200
%increase over the	----	80%	136%	276%	212%	170%

previous scale

* 1600/- is considered as a base by Vth Pay Commission for new scale.

11.7.4 From the above, it would be further noted that there was a pattern of incremental increase in the pay structure of Junior Engineer till IVth Pay Commission. The Vth & VIth Pay Commission, however, again failed to recognize this trend and reversed it without assigning any reason and justification what so ever.

11.7.5 Even, adopting the increase of 276% over the pay scale fixed by IVth Pay Commission, the Vth Pay Commission ought to have recommended the scale of $1600 \times (1+2.76) = 6016$ Say 6000/- (A) and similarly 6th Pay Commission ought to have recommended the scale of $6000 (1+2.76) = 22,560$ (B)

11.7.6 Percentage incremental increase applied by the IVth Central Pay Commission over the IIIRD Central Pay Commission was $\frac{276 - 136}{136} = 102\%$

11.7.7 Extrapolating the same incremental increase over the percentage increase in salary adopted by IVth Pay Commission for further projection, the next increase over the justified scale of 6000/- (marked 'A' above) comes to $= 276 + 102 = 378\%$ i.e Rs. 22,680 (C).

11.7.7.1 Extrapolating the same in credential increase over the percentage increase in salary adopted by the VIth Pay Commission for further projection, the next increase over the justified scale of Rs. 22,680 (makeal above us 'c') comes to $= 378\% + 102\% = 480\%$ but minimum percentage increase should not be less than 378% i.e $22,680 (B) \times 2.78 = 63,000/-$

11.7.8 ***The justified and rational minimum pay of the Junior Engineer on the above projection works out to $= 22,680 \times 2.78 = 63,050/-$ Say 63,000/-***

11.8.0

APPROACH –VI

11.8.1 Minimum Wage computed according to the observations of VIth C.P.C

The 6 th CPC vide Para no-2.2.15, the Commission noted minimum wage as on 01.01.2008	- Rs. 10,000.00
(a) Add DA as on 01.01.2014 (100% on 01.01.2014)	- Rs. 10,000.00
	Rs. 20,000.00
(b) Add 40 % jump as applied by the 6 th CPC for new scales	- Rs. 8,000.00
Total	= Rs. 28,000.00
(c) Add 80% for middle class group as per report of Justice M. Rajadhyakshya	- Rs. 22,400.00
Total	= Rs. 50,400.00
(d) Add 30% wages for technical qualification for Supervisory nature of duties and skill of high Degree being required to perform the enormous Duties etc. of J.E (in fact it is 55% but we have adopted the minimum of 15 th I.L.C)	- Rs. 15,120.00
G. Total	= Rs. 65,620.00
Say	= Rs. 66,000.00

According to this approach the new initial pay for Junior Engineers comes to Rs. 66,000/- as on 01.01.2014.

11.9.0 APPROPRIATE MINIMUM PAY FOR JUNIOR ENGINEERS

11.9.1 We have derived the pay scales through various approaches in this chapter for Junior Engineer as on 1.10.2016, which are as under:

APPROACH –I	Based on need based min. wage and on Dr. AKROYD'S FORMULA – Initial Pay -	= Rs. 60,000/-
APPROACH –II	Based on Vth Central Pay Commission's criteria adopted in its recommendation for fixing the minimum pay on modified version of the constant relative income –Initial Pay	= Rs. 60,000/-
APPROACH –III	Point Rating Method – Initial Pay	= Rs. 61,000/-
APPROACH –IV	On the basis of Job Evaluation – Initial Pay	= Rs. 63,000/-
APPROACH –V	On the basis of percentage incremental increase in the pay scale Initial Pay	= Rs. 63,000/-
APPROACH – VI	On the basis of minimum wage computed according to the Observation of 6 th CPC	= Rs. 66,000/-

However, out of five initial Pay Scales arrived at from various formula here in above we have taken the minimum amongst the five i.e. Rs. 60,000/- The initial pay scale, therefore, has been considered as Rs. 60,000/- for Diploma Engineers/ Junior Engineers as on 01.01.2014 on C.P.I. 1107 based on price level of 1982 as 100.

11.9.2 In view of the aforementioned scientific and data based Approaches, the appropriate Pay Scale of Junior Engineers (net without the element of Income Tax) is proposed as **Rs. 60,000**

- 11.10.0 **RATIONAL PAY OF ASSISTANT ENGINEERS / ASSISTANT EXECUTIVE ENGINEERS**
- 11.10.1 On the recommendation of Ist Administrative Reform Commission, owing to the prevailing state of stagnation at Group “C” level the direct recruitment at Group “B” level was abolished in C.P.W.D. and 100% posts at Group “B” level were reserved for promotion from feeder grade at Group “C” level. Accordingly posts at Group “B” level are now filled in 1 : 1 ratio viz 50% by selection on seniority and other 50% through departmental competitive examination from feeder Group “C”
- 11.10.2 While direct recruitment at Group “B” level has been abolished in CPWD as well as in most of the other departments, of Central Govt. but it is still in vogue in some departments as tabulated here in below :-
- | | |
|-------------------------------------|---|
| Ministry of Surface Transport | 80% Direct Recruitment at AE Grade II Level |
| Central Engineering Services (Road) | |
| Railway | 20% Direct Recruitment for Engg. Graduate |
| Geological Survey of India | 50% Direct Recruitment (Degree / Diploma) |
- 11.10.3 Whereas it was expected from the Pay Commission set up subsequent to the Ist Administrative Reform Commission i.e. IVth & Vth Central Pay Commission, to abolish the direct recruitment at Class II level in all the Central Govt. Services in order to ease the abnormally discouraging and abysmally low prospects for career progress at “Group C” level, Both the Pay Commission erred in realizing this fact and allowed it to continue in some of the departments as stated above where it is still in vogue.
- 11.10.4 Since the direct recruitment at Group B level is not at all justified and is demanded to be altogether scrapped from central subordinate engineering services, the two distinct scales at AE level / Assistant Director Level (one for Group B Service and the other for Group A service at JTS level) is highly unjustified.
- 11.10.5 The Vth Pay Commission did grave injustice to the subordinate engineers, first by raising arbitrarily the scale at JTS level to Rs. 8000/- and then creating an intermediate scale of 7500 at Group B level and subdividing it into grade I & II (Rs. 7500 to Grade I & Rs. 6500/- for grade II). The arbitrary fixation of the scale of Rs. 8000/- at JTS level can be seen from the recommendations of the Vth Central Pay Commission in para 43.17 wherein it has interalia been stated “ ***to attract the best talent into Govt. the pay scale at the starting stage of Group A services has been hiked up. In the normal course the starting pay at JTS would have been around 7000/- instead it has been raised to Rs. 8000/-***”
- 11.10.6 The gap between the previous scale for the two groups was 200/- only i.e. (Group B scale 2000-3500, JTS Level 2200-4000). As a logical corollary to the application broad multiplier of 3.25 used by the Vth Central Pay Commission in pre revised scales to arrive at the new scale this gap should have been $200 \times 3.25 = 650$ only instead of $8000 - 6500 = 1500/-$. The Vth Pay Commission it self had accepted this fact in it’s recommendation in Para 43.3, reproduced here in as under .
- 43.13 “..... As we had already decided to raise the revised pay scale corresponding to Rs. 2200-4000 to Rs. 8000-13500 (instead of Rs. 7000 etc. as it should have become if the broad multiplier of 3.25 were used) there was a gap of 1000/-. It should be***

clearly understood that the present scale of Rs.2500-4000 (as it corresponds to a revised scale of 7500-12000) is a lower scale than Rs.2200-4000”.

- 11.10.7 Thus the creation of the intermediate scale of Rs. 7500-12000 dividing Group “B” services into two grades was an after thought to accommodate and adjust the abnormal hike. The Pay Commission was in fact determined to accord the higher scale to Group “A” services at JTS level.
- 11.10.8 Even otherwise, it was against the general approach of the Commission to reduce the numbers of scales. Whereas the Vth Pay Commission itself had proclaimed to have reduced the existing 51 scales to 34 scales, it itself in continuation to its own theory to minimize the scales, created a new scale to create further anomaly and confusion at Group B level contrarily.
- 11.10.9 Similarly the VIth C.P.C reduced the existing 34 scales to 18 in the form of Grade Pay.
- 11.10.10 The direct recruitment at class II level in C.P.W.D. already stands scrapped for quite long and all the posts at Group B level are filled by promotion from the feeder grade of Group C level, there is no need and justification to have two different scales at AE Level (i.e. one for promotee assistant engineer and the other for JTS) **which was originally conceived to distinguish direct recruit group B from direct recruit Group A.**
- 11.10.11 It is also pertinent to point out that the AEs (Group B) and AEEs’ (JTS) perform the same duties and carry the same responsibilities of running the sub-division office in CPWD. Invoking the principle of “equal pay for equal work”, it is stressed that there should be complete parity in the scale of AEs (Group B) with AEEs (JTS)
- 11.10.12 The demand of parity in scale of A.Es with AEEs is otherwise also justified because it is fully compatible with the approach of **the Vth Pay Commission of Delinking pay from position** (refer para 40.2 Vol. I) adopted in pay determination.
- 11.10.13 It can also be seen from the pay structures of various States (Table given below) that in most of the States the minimum pay of A.E. is Rs. 15,600 – 39,100 with Grade Pay – Rs. 5,400/-
- 11.10.14 **ANOMALY IN THE PAY SCALE OF ASSISTANT ENGINEER**
According to the new Pay Scales the difference in the Pay Scales of J.E (Group-C post) and A.E (Group-B post Gazetted) is left only Rs. 400/- and now it has been aggravated to Rs. 8,300/- in case of the next higher post of E.E viz 1:20:75 which hitherto was Rs. 1500/- and Rs. 3500/- respectively i.e 1:2:33. This sole example is an eye opener to expose the wrong policies, ill designs and defective doctrine of pay scales introduced by the 6th Central pay Commission and step motherly treatment meted out to this class of Engineers in the hands of 6th C.P.C. Indeed, the AEs must be placed in pre-revised scale of Rs. 8000 – 13,500 in PB-3 with the Grade Pay of Rs. 5,400 in the interest of equity and justice.

TABLE – XXIII

**Table showing the higher Pay Scales than G.O.I. in respect of
ASSISTANT ENGINEERS**

S. No	Name of the State	Pay Band	Grade Pay
1	Arunachal Pradesh	15,600 – 39,100	5,400

2	Madhya Pradesh	15,600 – 39,100	5,400
3	Maharashtra	15,600 – 39,100	5,400
4	Mizoram	15,600 – 39,100	5,400
5	Nagaland	15,600 – 39,100	5,400
6	Rajasthan	15,600 – 39,100	5,400
7	Tamil nadu	15,600 – 39,100	5,400
8	Uttar Pradesh	15,600 – 39,100	5,400
9	Uttaranchal	15,600 – 39,100	5,400
10	Jammu & Kashmir	15,600 – 39,100	5,400
11	Punjab	15,600 – 39,100	5,400
12	Himachal Pradesh	15,600 – 39,100	5,400
13	Chhattisgarh	15,600 – 39,100	5,400

- 11.10.15 Since, elsewhere in this memorandum we have asked the Ist upgradation under A.C.P after seven years, as well as the J.E.s in CPWD become eligible for appearing in limited departmental competitive examination for promotion after 4 years and he is otherwise also eligible for promotion after five years on seniority basis.

We propose the initial pay of A.E. as Rs.75,000/- (net without the element of Income Tax)

11.11.0 **JUSTIFIED PAY FOR EXECUTIVE ENGINEERS.**

- 11.11.1 The 5th Central Pay Commission had introduced the pre-revised scale of 3700-5000 as NF JAG for Executive Engineer, and accordingly the time scale of 12000-375-16500 was introduced in the grade of Ex. Engineer besides the initial pay scale of 10000-325-15200.

- 11.11.2 The 5th Central Pay Commission had recommended the Assured Career Progression scheme for all the Central Employees. While the recommended ACP Scheme aimed at providing a minimum of two promotions to each Group “B” “C” & “D” employees, it was schemed to ensure three upgradations to group “A” employees (Refer para 22.31 Vol.-I)

The Para VI of Annexure 22.1 (Vol. I) related to the ACP Scheme for Group A employees reads as under-

“ The employees recruited at Junior and Middle Executive levels in the junior time scale (Rs.2000-4000) will get the senior time scale in a period of four years. The Junior Administrative grade (Rs.3700-5000) will be available to them in another 5 years time. The next higher grade of 4500 -5700 will be provided in another period of 5 years. As such, a person recruited in the junior time scale will be able to attain the level of senior Time Scale in the 5th year, Junior Administrative grade in the 9th year and NFS Grade (Rs. 4500-5700) in the 14th year. This will be applicable uniformly to all organized Group A Services and Group “A” posts for which direct recruitment is made at the level of Rs. 2200-4000.

- 11.11.3 The proposed ACP Scheme for Group-A employees however was not accepted by the Govt.
- 11.11.4 The recruitment to the post of executive engineer in CPWD is made through two channels. 1/3rd vacancies are filled by direct recruitment Class I services while the remaining 2/3rd are filled through promotion of the Group B Engineers.
- 11.11.5 We are of the strong opinion that the Central Govt. should not discriminate against Group-A Employees and they should also be covered by the A.C.P. scheme. However in order to maintain uniformity between promotee Executive Engineers & direct recruit Executive

Engineers, it is reiterated that the promotee Executive Engineers should also be allowed IIIrd upgradation scale of Superintending Engineer like their counter part i.e. direct recruit Executive Engineer, as has been detailed under relevant chapter on ACP scheme in their memorandum.

- 11.11.6 In view of our demand for uniform application of A.C.P. Scheme for all the Group of employees, as stated here in above there is no need to have two scales at the level of Executive Engineer. We therefore demand the single replacement pay of Rs. 87,000 for Executive Engineer.

11.12.0 **FORMULATED INITIAL PAY FOR ENGINEERING SERVICES AS ON 01.01.2014**
(Net without the element of Income Tax)

Junior Engineer	-	Rs. 60,000
Assistant Engineer	-	Rs. 75,000
Executive Engineer	-	Rs. 87,000
Superintending Engineer	-	Rs. 1,20,000
Chief Engineer	-	Rs. 1,56,000
Additional Director General	-	Rs. 2,00,000
Director General	-	Rs. 2,50,000 (Fixed)

- 11.12.1 The Pay proposed here in above are net exclusive of Income tax.
- 11.12.2 This is in consonance with long cherished demand of all the Associations/Federation/Unions of the employees to absolve the Central Govt. employees' i.e. salaried class from the liability of Income tax.
- 11.12.3 If, however, the status quo is to be maintained in this regard and the income tax is to be levied on the Government employees i.e. salaried class, in that situation, there should be a mechanism evolved in deciding the pay scales to neutralize the adverse impact of this direct taxation on the net earning of an individual, which has already been worked out on the principle of need based living wage.

11.13.0 **PAY STRUCTURE AND SPAN**

11.13.1 **Pay Structure:**

The pay structure of scales was being decided considering the suitable incremental value and span, duly replacing the old one. However this time tested traditional method was set aside and a new system of Time scale and Grade pay has been introduced by the 6th CPC. This has given birth to various anomalies arising due to lack of uniform principal of conversion, odd and even views adopted in multiplication factors, considering max. of lower scale which is being merged with some higher but identical pay scale etc.

- 11.13.2 In view of the unsolved anomalies by the Govt., we insist to introduced the tested traditional system and accordingly we have proposed the new pay scales in the old format only.
- 11.13.3 Further we advocate the reduction in numbers of pay scales and towards achieving this we suggest an open ended pay scale common to all Engineering cadre excluding D.G., minimum of which will be Rs. 60,000/- per month. This is the practice in existence in PSUs.

11.13.4 **Span of Pay Scale:**

We have suggested the open ended pay scale for Engineering Cadre with minimum pay of Rs. 60,000/- and increment @ 5% per year. The 6th CPC have adopted a very long span pay scale. *In view of this, we suggest the span of 35 years based on the recruitment age of 30 years and retirement age of 65 years.*

44TH SESSION OF THE INDIAN LABOUR CONFERENCE (NEW DELHI)

Item No.1: Minimum Wages

1) Minimum Wages: The Objective

The Minimum Wages Act (M.W. Act) was enacted in the year 1948 primarily to safeguard the interests of the workers engaged in the unorganized sector. In the unorganized sector, the workers are vulnerable to social and economic exploitation due to illiteracy, dispersed nature of operations & processes, low bargaining power, lack of institutional back-up and poor implementation of labour laws. The guiding principle is that the worker must be given wages which can enable him and the members of his family to lead a decent and healthy life. The Act provides for fixation and revision of minimum wages of the workers engaged in the scheduled employments. Under the Act, both central and State Governments are responsible, in respect of scheduled employments within their jurisdictions to fix and revise the minimum wages and enforce payment of minimum wages. It binds the employers to pay to the workers the wages fixed or revised under the Act. In the absence of any standard methodology or guidelines, the norms recommended by the Indian Labour Conference held in 1957 forms the basis for fixing the minimum wages. At present there are 45 scheduled employments in the Central sphere and as many as 1679 scheduled employments in the State Sphere covered under Minimum Wages Act, 1948. A statement showing the range of minimum rates of wages for unskilled workers state-wise as available.

2) Norms for Fixation/Revision of Minimum Rates of Wages

As mentioned above, the M. W. Act has neither defined minimum wages nor has it laid down any norm/criteria for fixing the minimum wages. However, the Indian Labour Conference, in 1957 recommended certain norms for fixing the minimum wage which are given below: -

- a) 3 consumption units for one earner (2 Adults + 2 Children).
- b) Minimum food requirements of 2700 calories per average Indian adult.
- c) Clothing requirements of 72 yards per annum per family.
- d) Rent corresponding to the minimum area provided for under Govt's Industrial Housing Scheme.
- e) Fuel, Lighting and other miscellaneous items of expenditure to constitute 20% of the total min. wage.

Subsequently, in 1992, the Hon'ble Supreme Court delivered a historic judgement in the case of Reptakos & Co. Vs. its workers. The judgement, inter alia, stated that children's education, medical requirement, minimum recreation including festivals/ceremonies, provision for old age, marriage etc. should constitute at least 25% of the minimum wage and be used as a guide for fixation of minimum wages in all relevant employments. Accordingly, the State Governments have been advised from time to time to keep in view the above norms while fixing/revising the minimum wages. Though these norms are need based, they leave some element of subjectivity because they vary from region to region and State to State. The implementation of the M. W. Act, 1948, which primarily falls in the State sphere, is regularly pursued by the Ministry of Labour and Employment through discussion, correspondence with the States as well as visits to States.

3) Variable Dearness Allowance (VDA)

In order to protect the minimum wages against inflation, the Central Government introduced the idea of Variable Dearness Allowance (VDA) based on the recommendation of the Labour Ministers' Conference held in 1988. Accordingly, the appropriate Governments are required to revise the minimum rates of wages from time to time to include V.D.A under the Minimum Wages Act, 1948. So far, besides the Central Government, 23 State Governments/Union Territory Administrations have

adopted the VDA as a component of minimum wage and revise it twice a year or annually as may be applicable taking into account the rise in the Consumer Price Indices for the Industrial Workers. In the Central sphere, the minimum rates of wages are revised effective from 1st April and 1st October every year.

A statement showing the States/UTs which have adopted/ did not adopt the system of VDA till date is at **Annexure –IV**. The States/UTs which have not yet adopted V.D.A. in their fixation of minimum wages are being requested from time to time for introducing this so as to protect minimum wages from the vagaries of inflation.

4) National Floor Level Minimum Wage (NFLMW)

As regards minimum wages in States, there is wide spread inter-state disparity due to variations in socio-economic and agro-climatic conditions, income, prices of essential commodities, paying capacity, productivity and local conditions. With a view to have a uniform wage structure and to reduce the disparity in minimum wages across the country, the concept of National Floor Level Minimum Wage on a non-statutory basis was envisaged on the basis of the recommendations of the National Commission on Rural Labour (NCRL) in 1991. Keeping in view the recommendations of NCRL and subsequent rise in price indices, the National Floor Level Minimum Wage for unskilled labour was fixed at Rs.35/- per day in 1996. The Central Government further raised the national floor level minimum wage to Rs.40/- per day in 1998 and to Rs.45/- w.e.f. 01.12.1999. It was raised to Rs.50/- per day w.e.f. 1.9.2002.

Supreme Court of India

Workmen Represented By Secretary vs Management Of Reptakos Brett.And ... on 31 October, 1991

Equivalent citations: 1992 AIR 504, 1991 SCR Supl. (2) 129 Bench: Kuldip Singh (J)

PETITIONER: WORKMEN REPRESENTED BY SECRETARY

Vs.

RESPONDENT: MANAGEMENT OF REPTAKOS BRETT.AND CO. LTD. AND ANR.

DATE OF JUDGMENT 31/10/1991

BENCH: KULDIP SINGH (J) MISRA, RANGNATH (CJ)

CITATION: 1992 AIR 504 1991 SCR Supl. (2) 129 1992 SCC (1) 290 JT 1991 (4) 243 1991 SCALE (2)940

ACT: Labour law:

Industrial dispute--Minimum wages---Determination of Dearness Allowance scheme--Whether can be altered to the prejudice of workmen.

Industrial Tribunal--Abolition of existing dearness allowance scheme--Directions to link dearness allowance with pre-war cost of living index--Validity of. Constitution of India:

Art 136.' Industrial Tribunal and High Court acting in oblivion of legal position causing manifest injustice to workmen---Supreme Court--Whether can interfere.

HEADNOTE:

The respondent-company, in its factory set up at Madras 1959, introduced slab system of dearness allowance (DA) i.e. the DA paid to the workmen was linked to the cost of living index as well as the basic pay. The double linked DA scheme, being consciously accepted as basic constituent by the company and its workmen in various settlements between them, became basic feature of the wage structure and remained operative in the company for about 30 years. In the year 1983, a dispute arose between the company and its workmen. The matter was referred to the industrial Tribunal. One of the issues before the Tribunal was based on the demand of the Management for

restructuring of the dearness allowance scheme and to frame a new scheme. The Tribunal abolished the existing slab system of DA and directed the dearness allowance to be linked only to the cost of living index at 33 paise per point over 100 points at the Madras city cost of living index 1936 base. Before the High Court, both the parties agreed not to press their respective writ petitions except on the issue of restructuring of DA. Upholding the findings of the Tribunal on the sole surviving issue, the Single Judge dismissed the workmen's writ petition. The intra-Court appeal filed by the workmen was also dismissed. Grieved, the workmen filed the appeal by special leave to this Court.

It was contended on behalf of the workmen that the Tribunal and High Court grossly erred in taking Rs. 26 as a pre-war wage of a worker in Madras region and holding that the rate of neutralization on the basis of cost of living index in December, 1984 was 192%; that even assuming that there was over-neutralization, the existing pay structure/DA scheme could not be revised to the prejudice of the workmen unless their pay structure was within the concept of 'living wage' and, in addition, it was proved that financially the company was unable to bear the burden; and that the company could not be permitted to abolish the DA scheme to the detriment of the workmen much less on the plea that the said scheme was more beneficial than the DA schemes adopted by other industries in the region.

The respondent, contended that the company had proved to the satisfaction of the Tribunal that financially it was not in a position to bear the burden of existing DA scheme; that its workmen were in a high-wage island and as such the revision of DA scheme was justified. It was also contended that so long as there was some basis and material to validate the award, the jurisdiction under Article 136 of the Constitution stood repelled.

On the question; whether the Management is entitled to restructure the DA scheme to the prejudice of the workmen on the ground that the existing system had resulted in over-neutralization thereby landing the workmen in the high-wage island

Allowing the appeal of the workmen, this Court, HELD: 1.1. The management can revise the wage structure to the prejudice of the workmen in a case where due to financial stringency it is unable to bear the burden of the existing wage. But in an industry or the employment where the wage structure is at the level of minimum wage, no such revision at all, is permissible-not even on the ground of financial stringency. [p. 142 E]

Monthly-Rated workmen at the Wadala factory of the Indian Hume Pipe Co. Ltd. v. Indian Hume Pipe Co. Ltd., Bombay, [1986] 2 S.C.R. 484, relied on.

[M/s Crown Aluminium Works v. Their Workmen](#), [1958] S.C.R. 651 & [Ahmedabad Mills Owners' Association etc. v. The Textiles Labour Association](#), [1966] 1 SCR 382, referred to. [Killick Nixon Ltd. v. Killick & Allied Companies Employees Union](#), [1975] Suppl. S.C.R. 453, distinguished. 1.2 The employees are entitled to the minimum wage at all times and under all circumstances. An employer who cannot pay the minimum wage has no right to engage labour and no justification to run the industry. [p. 137 C]

1.3 It is for the management, seeking to restructure the DA scheme to the disadvantage of the workmen, to prove to the satisfaction of the tribunal that the wage-structure in the industry concerned is well above minimum level and the management is financially not in a position to bear the burden of the existing wage structure. [p. 142 F] 2.1 'The concept of 'minimum wage' is no longer the same as it was in 1936. Even 1957 is way-behind. A worker's wage is no longer a contract between an employer and an employee. It has the force of collective bargaining under the labour laws. Each category of the wage structure has to be tested at the anvil of social justice which is the live-fibre of our society today. [pp. 136 H, 137 A]

2.2 The Tripartite Committee of the Indian Labour Conference- 1957 has formulated five norms for the fixation of 'minimum wage' (i) three consumption units for one earner disregarding earnings of women, children and adolescents; (ii) minimum food requirement based on net intake calories; (iii) clothing requirement at 72 yards per annum for an average working family of four; (iv) house rent corresponding to minimum area provided for under the Government's Industrial Housing Scheme; (v) 20% of total minimum wage for fuel, lighting and other miscellaneous items. [p. 136 D-G] [Express Newspapers \(P\) Ltd. v. Union of India](#), [1959] SCR 12, followed.

[Standard Vacuum Refining Co. of India v. Its Workmen & Anr.](#), [1961] 3 SCR 536, relied on Keeping in view the socio-economic aspect of the wage structure the following additional component has also to be taken into account:

"(vi) children education, medical requirement, minimum recreation including festivals/ceremonies and provision for *old age, marriages etc. should further constitute 25% of the total minimum wage,*"

The wage structure which approximately answers these six components is nothing more than a minimum wage at subsistence level. [p. 137 A-C]

2.3 In spite of the promise by the Constitution of a living wage and a 'socialist' framework to enable the work- ing people a decent standard of life, industrial wage, looking as a whole, has not yet risen higher than the level of minimum wage. [p. 137 D-E]

3.1 Purchasing power of today's wage cannot be judged by making calculations which are solely based on 30/40 years old wagestructure. The only reasonable way to determine the category of wage structure is to evaluate each component of the category concerned in the light of the prevailing prices. There has been skyrocketing rise in the prices and the inflation chart is going up so fast that the only way to do justice to the labour is to determine the money value of various components of the minimum wage in the context of today. [p. 140 F-H]

3.2 In the instant case, the Company neither pleaded nor argued before the Tribunal that its financial position had so much deteriorated that it was not possible for it to bear the burden of the slab system of DA; nor did the Tribunal deal with this aspect of the matter while considering the demand of the Company for re-structuring the DA scheme. [p. 144 F-G]

3.3 Although the DA paid by the Company was somewhat higher than what was being paid by the other similar indus- tries in the region, yet it could not be shown that what was being paid by the Company was higher than what would be required by the concept of need based minimum wage. In any case there is a very long way between the need based wage and the living wage. [p. 145 AB]

4. The Tribunal and the High Court acted in total oblivion of the legal position. Consequently, manifest injustice has been caused to the workmen by the award. It can, therefore, not be said that jurisdiction under Art. 136 stands repelled. [p. 145 CD]

[Shaw Wallace & Co. Ltd. v. Workmen](#), [1978] 2 SCC 45 & [The Statesman Ltd. v. Workmen](#), [1976] 3 SCR 228, referred to the Tribunal was not justified in abolishing the slab system of DA which had stood the test of time for almost 30 years and had been approved by various settlements between the parties and as such the award of the Tribunal and the High Court judgments were unsustainable. [pp. 144 AB; 145 DE]

[Buckingham and Carnatic Mills Ltd. v. Their Workers](#), [1951] 2 L.L.J. 314 & *Good Pastor Press v. Their Workers*, [1951] 2 L.L.J. 718, referred to.

JUDGMENT:

CIVIL APPELLATE JURISDICTION: Civil Appeal No. 4336 (NL) of 1991,

From the Judgment and Order dated 14.9.1989 of the Madras High Court in Writ Appeal No. 697 of 1989. M.K. Ramamurthy, Mrs. Chandan Ramamurthy and M.A.Krish- namurthy for the Appellants.

F.S.Nariman, R.F.Nariman, T.S.Gopalan, Raian Karanjiwa- la, Mrs. Manik Karanjiwala, Mrs. V.S.Rekha and Sajai Singh for the Respondents.

The Judgment of the Court was delivered by KULDIP SINGH, J. Special leave granted. The Reptakos Brett & Co. Ltd. (hereinafter called the 'Company') is engaged in the manufacture of pharmaceutical and dietetic speciality products and is having three units, two at Bombay and one at Madras. The Madras factory. with which we are concerned, was set-up in the year 1959. The Company on its own provided slab system of Dearness Allow- ance (DA) which means the DA paid to the workmen was linked to cost of living index as well as the basic wage. The said double-linked DA Scheme was included in various settlements between the Company and the workmen and remained operative for about thirty years. The question for our consideration is whether the Company is entitled to re-structure the DA scheme by abolishing the slab system and substituting the same by the Scheme--prejudicial to the workmen--on the ground that the slab system has resulted in over-neutralisation thereby landing the workmen in the high-wage island.

The first settlement between the Company and the workmen was entered into on August 11, 1964. While accepting the double-linked DA it further provided variable DA limited to the cost of living index up to 5.41-5.50. Further relief was given to the workmen in the settlement dated July 18, 1969 when the limit on the variable DA was removed. The Company revised the rates of DA on August 7, 1971. Thereafter, two more settlements were entered into on July 4, 1974, and January 4, 1979, respectively. Slab system with variable DA continued to be the basic constituent of the wage-structure in the company from its inception.

The position which emerges is that in the year 1959 the Company on its own introduced slab system of DA. In 1964 in addition, variable DA to the limited extent was introduced but the said limit was removed in the 1969 settlement. The said DA scheme was reiterated in the 1979 settlement. It is thus obvious that the slab system of DA introduced by the Company in the year 1959 and its progressive modifications by various settlements over a period of almost thirty years, has been consciously accepted by the parties and it has become a basic feature of the wage structure in

the Company. The workmen raised several demands in the year 1983 which were referred for adjudication to the Industrial Tribunal, Madras. The Company in turn made counter demands which were also referred to the said Tribunal. One of the issues before the Tribunal was as under:-- "Whether the demand of the Management for re-structuring of the dearness allowance scheme is justified, if so, to frame a scheme?"

The Tribunal decided the above issue in favour of the Company and by its award dated October 14, 1987 abolished the existing slab system of DA and directed that in future dearness allowance in the Company, be linked only to the cost of living index at 33 paise per point over 100 points of the Madras City Cost of living Index 1936 base. The Tribunal disposed of the two References by a common award. The Company as well as the workmen filed separate writ petitions before the Madras High Court challenging the award of the Tribunal. While the two writ petitions were pending the parties filed a joint memorandum dated June 13, 1988, before the High Court in the following terms:

"In view of the settlement dated 13.5.1988 entered into between the parties, a copy of which is enclosed, both the parties are not pressing their respective writ petitions except with regard to the issue relating to re-structuring of dearness allow- The learned Single Judge of High Court upheld the findings of the Tribunal on the sole surviving issue and dismissed the writ petition of the workmen. The writ appeal filed by the workmen was also dismissed by the High Court by its judgment dated September 14, 1989. The present appeal by special leave is against the award of the Tribunal as upheld by the High Court.

Mr..M.K. Ramamurthy, learned counsel for the appellants has raised following points for our consideration:-- (i) The Tribunal and the High Court grossly erred in taking Rs. 26 as a per-war wage of a worker in Madras region and, on that arithmetic, reaching a conclusion that the rate of neutralisation on the basis of cost of living index in December 1984 was 192 per cent.

(ii) Even if it is assumed that there was over-neutralisation unless the pay structure of the workmen is within the concept of a 'living wage' and in addition it is proved that financially the Company is unable to bear the burden--the existing pay structure/DA scheme cannot be revised to the prejudice of the workmen.

(iii) In any case the DA scheme--which was voluntarily introduced by the Company and reiterated in various settlements cannot be altered to the detriment of the workmen." Before the points are dealt with, we may have a fresh-look into various concepts of wage structure in the industry. Broadly, the wage structure can be divided into three categories the basic "minimum wage" which provides bare subsistence and is at poverty-line level, a little above is the "fair wage" and finally the "living wage" which comes at a comfort level. It is not possible to demarcate these levels of wage structure with any precision. There are, however, well accepted norms which broadly distinguish one category of pay structure from another. The Fair Wages Committee, in its report published by the Government of India, Ministry of Labour, in 1949, defined the "living wage" as under:

"the living wage should enable the male earner to provide for himself and his family not merely the bare essentials of food, clothing and shelter but a measure of frugal comfort including education for the children, protection against illhealth, requirements of essential social needs, and a measure of insurance against the more important misfortunes including old age."

"The Committee's view regarding "minimum wage was as under: "the minimum wage must provide not merely for the bare sustenance of life but for the preservation of the efficiency of the worker. For this purpose the minimum wage must also provide for some measure of education, medical requirements and amenities."

The Fair Wages Committee's Report has been broadly approved by this Court in [Express Newspapers \(P\) Ltd. v. Union of India](#), [1959] SCR 12 and [Standard Vacuum Refining Co. of India v. Its Workmen and Anr.](#), [1961] 3 SCR 536.

The Tripartite Committee of the Indian Labour Conference held in New Delhi in 1957 declared the wage policy which was to be followed during the Second Five Year Plan. The Committee accepted the following five norms for the fixation of 'minimum wage':

"(i) In calculating the minimum wage, the standard working class family should be taken to consist of 3 consumption units for one earner; the earnings of women, children and adolescents should be disregarded.

(ii) Minimum food requirement should be calculated on the basis of a net intake of calories, as recommended by Dr. Aykroyd for an average Indian adult of moderate activity. (iii) Clothing requirements should be estimated at per capita consumption of 18 yards per annum which would give for the average workers' family of four, a total of 72 yards. (iv) In respect of housing, the rent corresponding to the minimum area provided for under Government's Industrial Housing Scheme should be taken into consideration in fixing the minimum wage.

(v) Fuel, lighting and other 'miscellaneous' items of expenditure should constitute 20% of the total minimum wage."

This Court in Standard Vacuum Refining Company's case (supra) has referred to the above norms with approval.

The concept of 'minimum wage' is no longer the same as it was in 1936. Even 1957 is way-behind. A worker's wage is no longer a contract between an employer and an employee. It has the force of collective bargaining under the labour laws. Each category of the wage structure has to be tested at the anvil of social justice which is the live-fibre of our society today. Keeping in view the socio-economic aspect of the wage structure, we are of the view that it is necessary to add the following additional component as a guide for fixing the minimum wage in the industry:--

"(vi) children education, medical requirement, minimum recreation including festivals/ceremonies and provision for old age, marriages etc. should further constitute 25% of the total minimum wage.

The wage structure which approximately answers the above six components is nothing more than a minimum wage at subsistence level. The employees are entitled to the minimum wage at all times and under all circumstances. An employer who cannot pay the minimum wage has no right to engage labour and no justification to run the industry. A living wage has been promised to the workers under the constitution. A 'socialist' framework to enable the working people a decent standard of life, has further been promised by the 42nd Amendment. The workers are hopefully looking forward to achieve the said ideal. The promises are piling-up but the day of fulfilment is nowhere in sight. Industrial wage looking as a whole--has not yet risen higher than the level of minimum wage.

Adverting to the first point raised by Mr. Ramamurthy it would be convenient to quote--from the award--the contentions of the Company and the findings reached by the Tribunal. The Company's case as noticed by the tribunal is as under:-

"It is stated that the pre-war wage of a worker in the Madras Region was Rs.26. It is evidenced by the decision of the Labour Appellate Tribunal reported in 1951 II L.L.J. page 314 (Buckingham and Carnatic Mills v. Their workers) and 1951 II L.L.J. page 718 (Good Pastor Press v. Their workers). It is contended that taking the pre-war minimum wage of worker at Madras being Rs. 26 per month equivalent to 100 per cent neutralization the rate of Dearness Allowance at 26 paise for every point above 100 points of cost of living index would work out to 100 per cent neutralisation. On the above basis at 2780 points of cost of living index in December 1984, the 100 per cent neutralised wage should be Rs. 722.80 (basic wage of Rs. 26 plus dearness allowance of Rs. 696.80). As against the above wage a workman of lower grade in the Petitioner Company in December 1984 was getting a total wage of Rs. 1,394/comprising of basic plus dearness allowance plus house rent allowance and the rate of neutralisation of dearness allowance correspondingly works out to 192 per cent." The Tribunal accepted the above contentions of the Company. The evidence produced by the Company, regarding prevailing DA schemes in the comparable industries in the region, was also taken into consideration. The Tribunal finally decided as under:

"Taking an overall view of the rate of dearness allowance paid by these comparable concerns in the region and the higher total emoluments received by the workmen in this establishment, the slab system of dearness allowance now in existence shall stand abolished and in future, dearness allowance in the Petitioner-Management would be linked only to the cost of living index at 33 paise per point over 100 points of the Madras City Cost of Living Index 1936 base and it shall be effective from the month in which the award is published in the Tamil Nadu Gazette."

The learned Single Judge of the High Court upheld the above findings of the Tribunal. The Division Bench of the High Court, in writ appeal, approved the award and the judgment of the learned Single Judge in the following words-

"The learned judge has observed that the counsel for the Management had taken him through all the relevant materials which were filed in the form of Exhibits before the Tribunal in order to show that the matter of over neutralisation cannot be in dispute. Thus the learned Judge proceeded on the basis that there is over neutralisation which called for devising a scheme for restructuring the wage scale. This finding cannot be interfered with as no materials have been placed before us by the learned counsel for the appellant to show that the exhibits which were perused by the learned Judge do not support his conclusion. Hence, we hold that the contention that there are no compelling circumstances in this case to revise the pattern of dearness allowance is unsustainable."

According to the Company the only purpose of DA is to enable a worker-in the event of a rise in cost of living--to purchase the same amount of goods of basic necessity as before. In other words the DA is to neutralise the rise in prices. the said purpose can be achieved by providing maximum of 100 per cent neutralisation. Accepting the calculations of the Company based on Rs. 26 being the pre-war (1936) minimum wage in Madras region the Tribunal came to the finding that there was 192 per cent neutralisation. The Tribunal accepted Rs. 26 as the pre-war minimum wage in Madras region on the basis of the decisions of Labour Appellate Tribunal of India in

Buckingham and Carnatic Mills Ltd. v. Their workers, [1951] 2 L.L.J. 314 and Good Pastor Press v. Their workers, [1951] 2 L.L.J. 718. In Buckingham case the appellate tribunal came to the conclusion that the basic wage of the lowest category of operatives on the living cost of index of the year 1936 was Rs. 28. The said wage included Rs.16-1/2 as expenses on diet. The workers relied upon the Textile Enquiry Committee's report to claim 25% addition to the diet-expenses. The Appellate Tribunal rejected the report on the ground that the recommendations in the said report were for the purpose of attaining the standard of "living wage" and not of 'minimum wage'. The Appellate Tribunal stated as under: "The Union however, contends that Dr. Akroyd revised his opinion when submitting a specially prepared note to assist the Textile Enquiry Committee, Bombay of which Mr. Justice Divatia was the Chairman, where he is said to have stated that 25 per cent more will have to be added for obtaining a balanced diet for a minimum wage earner. The report of that Enquiry Committee, which was published in 1940, however, shows that Dr. Akroyd added 25 per cent as the costs of the extra items to his standard menu such as sugar etc., for the purpose of attaining the standard menu of 'living wages' (final report of the Textile Labour Enquiry Committee 1940, Vol.II, pages 70 to 71). Therefore, for the purpose of fixing 'minimum wages' that 25 per cent is not to be added." The question as to whether the recommendations of Textile Enquiry Committee were in relation to 'living wage' or 'minimum wage' came for consideration before this Court in Standard Vacuum case (supra). This Court held as under: "It is obvious that the Committee was really thinking of what is today described as the minimum need-based wage, and it found that judged by the said standard the current wages were deficient. In its report the Committee has used the word 'minimum' in regard to some of the constituents of the concept of living wage, and its calculations show that it did not proceed beyond the minimum level in respect of any of the said constituents. Therefore, though the expression 'living wage standard' has been used by the Committee in its report we are satisfied that Rs. 50 to Rs. 55 cannot be regarded as anything higher than the need based minimum wage at that time. If that be the true position the whole basis adopted by the appellant in making its calculations turns out to be illusory."

This Court, therefore, in Standard Vacuum case came to the conclusion that the Textile Labour Committee Report in the year 1940 in its calculations did not proceed beyond the minimum level of the wage structure. It was further held that Rs. 50 to Rs. 55 was the need-based minimum wage in the year 1940.

The Appellate Tribunal in Buckingham case, therefore misread the Textile Committee Report and was not justified in rejecting the same on the ground that it related to the category of 'living wage'

We are of the view that it would not be safe to accept the findings of the Appellate Tribunal in Buckingham case as the basis for fixing the wage structure to the prejudice of the workmen. This court in Standard Vacuum case (supra) has further held that in Bombay the minimum wage in the year 1940 was Rs.50 to Rs.55. On that finding it is not possible to accept that the minimum wage in the year 1936 in Madras region was Rs.26/28. So far as the Good Pastor Press case is concerned the question of determining the minimum wage in per-war 1936 was not before the Appellate Tribunal. It only mentioned the fact that Rs.26 was held to be so by some of the subordinate tribunals. There was no discussion at all on this point. The Tribunal's reliance on this case was wholly misplaced.

In any cause we are of the opinion that purchasing power of today's wage cannot be judged by making calculations which are solely based on 30/40 years old wage structure. The only reasonable way to determine the category of wage structure is to evaluate each component of the category concerned in the light of the prevailing prices. There has been sky-rocking rise in the prices and the inflation chart is going up so fast that the only way to do justice to the labour is to determine the money value of various components of the minimum wage in the context of today.

We may now move on to the second and third point raised by Mr. Ramamurthy. We take up these points together. Mr. F.S. Nariman, learned counsel appearing for the Company, contended that the existing DA scheme can be revised even to the prejudice of the workmen and for that proposition he relied upon the judgment of this Court in M/s. Crown Aluminium works v. Their Workmen, [1958] S.C.R. 651. Mr. Ramamurthy has, however, argued that even if the contention of Mr. Nariman is accepted in principle, the Company has not been able to make-out a case for such a revision. In M/s. Crown Aluminium Works case this Court speaking through Gajendragadkar, J.(as he then was) held as under:-- "The question posed before us by Mr. Sen is: Can the wage structure fixed in a given industry be never revised to the prejudice of its workmen? Considered as a general question in the abstract it must be answered in favour of Mr. Sen. We do not think it would be correct to say that in no conceivable circumstances can the wage structure be revised to the prejudice of workmen. When we make this observation, we must add that even theoretically no wage structure can or should be revised to the prejudice of workmen if the structure in question falls in the category of the bare subsistence or the minimum wage. If the wage structure in question falls in a higher category, then it would be open to the employer to claim its revision even to the prejudice of the workmen

provided a case for such revision is made out on the merits to the satisfaction of the tribunal. In dealing with a claim for such revision, the tribunal may have to consider, as in the present case whether the employer's financial difficulties could not be adequately met by retrenchment in personnel already effected by the employer and sanctioned by the tribunal. The tribunal may also enquire whether the financial difficulties facing the employer are likely to be of a short duration or are going to face the employer for a fairly long time. It is not necessary, and would indeed be very difficult, to state exhaustively all considerations which may be relevant in a given case. It would, however, be enough to observe that, after considering all the relevant facts, if the tribunal is satisfied that a case for reduction in the wage structure has been established then it would be open to the tribunal to accede to the request of the employer to make appropriate reduction in the wage structure, subject to such conditions as to time or otherwise that the tribunal may deem fit or expedient to impose."

The above dicta was reiterated by this Court in *Ahmedabad Mills Owners, Association etc. v. The Textiles Labour Association*, [1961] 1 SCR 382 wherein this Court through Gajendragadkar, CJ, laid down as under:-- "The other aspect of the matter which cannot be ignored is that if a fair wage structure is constructed by industrial adjudication and in course of time, experience shows that the employer cannot bear the burden of such wage structure, industrial adjudication can, and in a proper case should revise the wage structure, though such revision may result in the reduction of the wages paid to the employees..... if it appears that the employer cannot really bear the burden of the increasing wages bill industrial adjudication, on principle, cannot refuse to examine the employer's case and should not hesitate to give him relief if it is satisfied that if such relief is not given, the employer may have to close down his business..... This principle, however, does not apply to cases where the wages paid to the employees are no better than the basic minimum wage. If, what the employer pays to his employees is just the basic subsistence wage, then it would not be open to the employer to contend that even such a wage is beyond his paying capacity."

The ratio which emerges from the judgments of this Court is that the management can revise the wage structure to the prejudice of the workmen in a case where due to financial stringency it is unable to bear the burden of the existing wage. But in an industry or employment where the wage structure is at the level of minimum wage, no such revision at all, is permissible - not even on the ground of financial stringency. It is, therefore, for the management, which is seeking restructuring of DA scheme to the disadvantage of the workmen to prove to the satisfaction of the tribunal that the wage-structure in the industry concerned is well above minimum level and the management is financially not in a position to bear the burden of the existing wage structure.

Mr. Ramamurthy further relied upon this Court's judgment in *Monthly Rated workmen at the Wadala factory of the Indian Hume Pipe Co. Ltd. v. Indian Hume Pipe Co. Ltd.*, Bombay, [1986] 2 S.C.R. 484 and contended that an employer cannot be permitted to abolish the DA scheme which has worked smoothly for almost thirty years on the plea that the said scheme is more beneficial than the DA schemes adopted by other industries in the region. In the *Indian Hume Pipe Co. Ltd* case the management pleaded that the dearness allowance enjoyed by the workmen was so high in certain cases that neutralisation was at rates much higher than 100%. It was further contended that the management did not have the capacity to pay the slab system of DA and in the event of a claim for similar DA by other workmen the management might have to close down the factories. Khalid, J. spoke for the court as under:-- "We thought it necessary to refer to the various awards read by Mr. Pai only for the completeness of the judgment. It has to be borne in mind that in most of these cases, awards were passed at the instance of the employees when demands were made for raising the dearness allowance paid to them. Here, we have the case of the employer trying to get over a system of dearness allowance which had worked smoothly for 18 years, on the specious plea that at the time the slab system was introduced, it was not in the expectation of anyone that the cost of price index would spiral up so much as to make it impossible for the company to pay according to this scheme. From the materials available we do not find that this plea can be accepted. The records produced show that despite this system of dearness allowance the Company has been making profits and has been improving its position year by year..... we do not think it necessary to deal at length about the evolution of the concept of dearness allowance. Suffice it to say that this Court has, often times, emphasised the need for a living wage to workmen instead of a subsisting wage. It is indeed a matter of concern and mortification that even today the aspirations of a living wage for workmen remain a mirage and a distant dream. Nothing short of a living wage can be a fair wage. It should be the combined effort of all concerned including the Courts to extend to workmen a helping hand so that they get a living wage which would keep them to some extent at least free from want. It is against this background that a claim by employers to change the conditions of service of workmen to their detriment has to be considered and it is against this background that we have considered the award review. We are not satisfied that a case has been made out on the facts available for a change..... The question is often asked as to whether it would be advisable for Tribunals and Courts to

revise the wage structure of workmen to their prejudice when a dispute arises. Normally the answer would be in the negative. Tribunals and Courts can take judicial notice of one fact; and that is that the wages of workmen, except in exceptionally rare cases, fail within the category of mere "subsisting wages". That being so, it would be inadvisable to tinker with the wage structure of workmen except under compelling circumstances."

We agree with Mr. Ramamurthy that the DA scheme--which had stood the test of time for almost thirty years and had been approved by various settlements between the parties--has been unjustifiably abolished by the Courts below and as such the award of the Tribunal and the High Court Judgments are unsustainable.

Mr. Nariman has also relied on the judgment of this Court in [Killick Nixon Ltd. v. Killick & Allied Companies Employees' Union](#), [1975] Suppl. S.C.R. 453 to support the findings of the Tribunal and the High Court. The said case does not lay down that in all cases the slab system of DA should be abolished to the prejudice of the workers. In the said case this Court on the facts of the case came to the conclusion that the employer had made out a case for putting a ceiling on the dearness allowance. The ratio of that case cannot be extended to interfere with the existing DA schemes in every case where such schemes are beneficial to the workmen.

Mr. Nariman has invited our attention to para 20 of the Award wherein the tribunal has held as under: "These figures as detailed in Ex.M-13 would establish that the company is not in a financial position to bear the additional burden on account of increased wages."

From the above finding it was sought to be shown that the Company has proved to the satisfaction of the Tribunal that financially it was not in a position to bear the burden of the existing DA scheme. We do not agree with the learned counsel. The Tribunal gave the above finding in the reference made on behalf of the workmen asking for bonus increase and various other monetary benefits. While rejecting the demands of the workmen the Tribunal gave the above finding which related to the additional burden accruing in the event of acceptance of the workers' demands. The Tribunal nowhere considered the financial position of the company vis-avis the existing DA scheme. The Company neither pleaded nor argued before the Tribunal that its financial position had so much deteriorated that it was not possible for it to bear the burden of the slab system of DA. The Tribunal has not dealt with this aspect of the matter while considering the demand of the Company for re-structuring the DA scheme. It has been pleaded by the company that its workmen are in a high wage island and as such the revision of DA scheme was justified. The Company also produced evidence before the Tribunal to show that comparable concerns in the region were paying lesser DA to its workmen. On the basis of the material produced before the Tribunal all that the Company has been able to show is that the DA paid by the Company is somewhat higher than what is being paid by the other similar industries in the region. There is, however, no material on the record to show that what is being paid by the company is higher than what would be required by the concept of need based minimum wage. In any case there is a very long way between the need based wage and the living wage.

Mr. Nariman reminded us of the limits on our jurisdiction under Article 136 of the Constitution of India and relying upon [Shaw Wallace & Co. Ltd. v. Workmen](#), [1978] 2 SCC 45 and [The Statesman Ltd. v. Workmen](#), [1976] 3 SCR 228 contended that so long as there is "some basis, some material to validate the award" the "jurisdiction under Article 136 stands repelled". The Tribunal and the High Court, in this case, has acted in total oblivion of the legal position as propounded by this court in various judgments referred to by us. Manifest injustice has been caused to the workmen by the award under appeal. We see no force in the contention of the learned counsel.

In view of the above discussion we are of the view that the Tribunal was not justified in abolishing the slab system of DA which was operating in the Company for almost thirty years. We allow the appeal and set aside the award of the Tribunal and the judgment of the learned Single Judge in the writ petition and of the Division Bench in the Writ Appeal. The reference of the Company on the issue of re-structuring of the dearness allowance is declined and rejected. The Appellant-workmen shall be entitled to their costs throughout which we assess at Rs. 25,000.

MANUAL FOR SYSTEMATIC CATEGORISATION OF JOBS (POINT RATING METHOD)

4. Factors, Degree and Points Assigned.

4.1 Technical and Works Classification.

S.No.	Factor	One	Two	Three	Four	Five	Six
1.	Education	18	36	54	72	90	108
2.	Experience	22	44	66	88	110	132
3.	Mental Skill	10	20	30	40	50	60
4.	Physical Effort	8	16	24	32	40	48
5.	Mental and/or Visual Effort	7	14	21	28	35	42
6.	Responsibility for materials and/or Operations	5	10	15	20	25	30
7.	Responsibility for Tools & Equipments	5	10	15	20	25	30
8.	Responsibility for Supervision	8	16	24	32	40	48
9.	Responsibility for others safety	7	14	21	28	35	42
10.	Working conditions Disagreeableness	5	10	15	20	25	30
11.	Working conditions Hazards	5	10	15	20	25	30

4.2 After deciding the above weightages for the various factors for technical and works suitable definitions for factors and degrees are evolved. In order that the evaluation can be carried out systematically and uniformly by different assessors in the various undertakings throughout the country, the factors and degrees are defined in Section 5 in a simple and precise manner.

5.0 Definition of Factors and Degrees

5.1 Factor 1 -- Education.

This factor appraises the extent of educational background, which will include knowledge, training and pre-employment/Experience required by the employee to perform his job, satisfactory. It measures the proficiency of an employee in performing his job following standard practices.

Description	Degree
Ability to follow simple English, Hindi or regional language terms	One
Ability to read and understand written instructions and make simple additions and subtractions or training in driving (vehicles), painting (letter and spray painting) wiring, etc.	
or	
Military of Police type of training or in the absence of formal trade training, trade experience in any one of the above of about one years duration.	Two
Ability to read, write, make simple calculations, read blue prints and proficiency in trade like overhead line work cable jointing, wiring, welding, machining, fitting, electrician, etc.	Three

or
In absence of formal trade training, trade experience in any of the above technical trades of about three years duration.

or
Knowledge in Science upto undergraduate level (I.Sc.) and special training in general Electrical Engineering, Electronics, Instrumentation, etc. Four

or
In absence of formal training, corresponding trade experience of not less than five years in the relevant branch of Engineering.

Diploma in Engineering or appropriate technology branch Bachelor's Degree in Engineering or appropriate technology branch. Five

5.2 Factor 2 -- Experience

This factor appraises the length of time required by the employee with education previously specified to be able to perform the job satisfactorily. Only the job training and learning period are considered as experience.

Description	Degree
Upto two months experience	One
Above two month upto six months experience	Two
Above six months and upto two years experience	Three
Above two years and upto four years experience	Four
Above four years and upto six years experience	Five
Above six years experience	Six

5.3 Factor 3 -- Mental Skill

This factor appraises the degree and mental effort required of the employee to perform the job satisfactorily on the following basis:--

- (i) Judgement demanded by the job in visualising operations and in taking appropriate action without recourse to supervision.
- (ii) Variety in the job.
- (iii) Complexity in procedure to be followed and the effect of violating the correct procedure.
- (iv) Planning and control expected from the employee on his job.
- (v) Initiative required in executing and developing the job.

Description	Degree
Simple repetitive jobs involving no laid down procedures judgement or plan and control rough or manual work.	One
Job covers a variety of duties where adherence to procedure is an important factor.	Two

Minor repairs/adjustments are made under direction.

Job require the ability to follow detailed instructions or complex laid down procedure where adherence to procedure is essential. Repairing work to be done under directions. Three

Job require pre-planning and judgement in deciding the procedure and/or in selecting materials for execution of jobs to need the required specifications. Judgement is limited to deciding corrective action as regards quality, tolerance, operation, setup sequence, etc. Four

Job require high precision to be maintained and are decided by visual judgment or sensitivity where only general operation methods are indicated. Job requires initiative and planning to work out the schedules of work and allocation of the same to a group of tradesman. Five

Job require initiative and planning for preparing schedules of work and allocation of the same to a group of skilled technicians or the ability to work independently towards general results, devising new methods to meet new conditions, necessitating high degree of initiative, judgement. Six

5.4 Factor 4 -- Physical Effort

This factor appraises the physical effort required of an employee perform his job satisfactorily. The physical effort required to do the job will take into consideration factors such as the work position the employee must assume i.e. standing, sitting, bending, climbing, walking, weight handled and the frequency of handling.

Light Weight	Upto 5 kg
Medium Weight	7 to 15 kg
Heavy Weight	Above 15 kg
Frequency --	
Occasional	6 to 20% of shift time
Intermittent	20 to 50% of shift time
Continuous	50% and above of shift time.

Description	Degree
Jobs require negligible physical exertion and are performed in comfortable posture i.e. alternate sitting and standing. They are mainly of attention, operation of switches, opening of walls, reading electrical instrument, starting and stopping of motors, pumps etc.	One
Jobs require occasional handling of medium weight out otherwise light weight in comfortable posture (alternate sitting and standing posture or continuous standing, walking or squatting postures).	Two
Jobs involve intermittent handling of medium weight in a continuous walking, standings, squatting and/or bending posture causing full body movement.	Three

Jobs call for occasional handling of heavy weight or working in awkward posture or continuous handling of medium weight. Four

Jobs require intermittent handling heavy weight or intermittent work in awkward posture. Five

Jobs require either continuous handling of heavy weight or continuous working in awkward. Six

5.5 Factor 5 -- Mental and/or Visual Effort

The mental and/or visual effort required to perform the job is decided on the basis of the following items and their pre-dominance.

- (1) Mathematical calculations required and the use of readymade charts and tables.
- (2) Reading instruction instruments, measuring gauges, blue prints etc.
- (3) Writing reports and other documents and drafting sketching and drawing.
- (4) Memorizing required for the grasp of the situation and satisfactory performance of the job.
- (5) Concentration and closeness of observation required and effects of distraction on the job.
- (6) Eye-hand co-ordination necessitated by the size and delicate nature of the part of the close tolerance of fragile nature or the components or in co-ordinating different activities.

Description	Degree
Jobs are mainly of manual nature which require little mental/visual effort. No calculation and reading or eye co-ordination is necessary and so record is maintained. Instructions are always given and the job is supervised by others.	One
Jobs require reading of meters, pressure gauges, nano-meters and temperature charts. Memorising is limited to remembering source of information, but not the information itself. No calculation or concentration or closeness of observation or alertness is required.	Two
Jobs require calculations limited to additions and subtraction of simple nature, reading is limited is maintaining of log books. Memorising is made easier by the repetitive nature of the job or making use of readymade reference charts. Alertness may be required for satisfactory performance of the job.	Three
Jobs require the reading of sketches and written instructions, writing of defect, reports, extracting information from printed manuals, and/or memorising the procedures in executing variety of jobs. Alertness may be required for the satisfactory performance of the job.	Four
Jobs require concentrated mental and visual attention for closely planning and laying out complex work such as reading of blue prints wiring or connection diagram or workshop calculations, using readymade charts and tables or coordinating high degree of manual dexterity with close visual attention for sustained periods.	Five

Jobs of this category require exacting mental or visual attention involving, visualising, planning and laying out complex jobs and/or mathematical calculations, reading complex engineering drawings. Six

5.6 Factor 6 – Responsibility for materials and/or operations.

This factor refers to the obligation imposed either by the nature of the jobs or the authority reposed in the employees for preventing loss in raw materials and through bad usage, oversight. This will be decided on the basis of :

- (a) Type of product or operations and/or quality of work and,
- (b) Extent of damage and subsequent effect through replacement repair or rework, as may be applicable to each undertaking.

Description	Degree
Jobs are simple operations. Probable damage is very negligible.	One
Jobs require work to be carried out as per instructions. No responsibility for quality of work	Two
Jobs require that procedures are adhered to, to prevent likely damage to work. Responsibility is limited to the trade skill but there may be a stage of final inspection.	Three
Jobs require a good degree of accuracy, the parts or components are subjected to heat pressure, temperature, where positive indications and controls are not provided. Responsibility for quality of work is limited to trade skill but work will be checked at different stages.	Four
Jobs are of precision nature and may not be provided with special major jigs, fixtures and gauges. Employee is responsible for quality of jobs but work will be checked usually in the final stage.	Five
Jobs involve high precision and/or components which are delicate and fragile and are likely to be damaged easily.	
Job involving direct responsibility for checking and accepting quality and certifying for repair or scrap.	

5.7 Factor 7 – Responsibility for tools and equipments.

This factor appraises the employee's responsibility which goes with the job for preventing damage through bad usage or bad upkeep to tools and equipment used in the performance of the job. This is decided on the basis of :

- (a) Care required to prevent damage.
- (b) Extent of likely damage to tools and equipments and its effect on work, as may be applicable to each undertaking.

Description	Degree
The care required to prevent damage and likely loss due to any such damage is negligible.	One

The care required to prevent damage is limited to use of simple hand tools.	Two
The care required to prevent damage is limited to use of power driven portable tools, volt meters, ammeters, meggers, temperature recorders etc. Employee is expected to report snags as and when they arise.	Three
The care required to prevent damage is limited to equipments like lathes, milling machines, drilling machines, osciating machines, oscilloscopes cable fault testing equipments etc. the employee using the equipments is required to take care of routine maintenance and report defects, if any.	Four
Care is required to prevent damage to precision machine tools or delicate equipments or road vehicles etc. Employees is responsible for routine maintenance and reports defects, if any.	Five
Considerable care and attention are required to prevent damage to costly and delicate equipment. Employee is required to make regular checks, maintain equipments as per schedule and report the defects.	Six

5.8 Factor 8 – Responsibility for supervision.

This factor appraises the degree and scope of supervisory responsibility. The number of staff supervised under each degree will depend on the organisational structure of each undertaking.

Description	Degree
Negligible responsibility for supervision.	One
Allocates and checks the work of overall group of employee in the same job.	Two
Allocates and checks the work of several employees in the same occupation. Most of the time is spent in performing the job similar to that of the employee supervised.	
Or	
Supervision of small group of employee. Most of the time spent in assigning work, checking, reviewing and solving the procedural difficulties.	Four
Supervision over several employees. Most of the time is spent in assigning work, checking and reviewing and solving procedural difficulties.	
The employee also recommends promotions, transfers, disciplinary and grievance procedures regarding staff under his supervision. Supervision over a large number of employees. Rest of the time is spent in assigning work, checking and re-viewing and procedural difficulties.	Five
Supervision of employee organises and co-ordinates at departmental level as regards moths, costs, quality and improvement.	Six
Factor 9 – Responsibility for other's safety. This factor refers to the obligation imposed either by the nature of the job or authority reposed in the employee for preventing accidents to others. This is decided on the basis of :	
(a) Care which must be exercised to prevent injury to others, and	
(b) Probably extent of such injury to others (injury to the employee himself being considered only under factor.	

Description	Degree
-------------	--------

Jobs are performed in isolated locations. Independent work and therefore little responsibility for others safety. One

Jobs required reasonable care with respect to his own work to prevent injuries to others. If an accident occurs, it would result in injuries of minor nature to others such as cuts, bruises, sprains, etc. Two

Jobs require adherence to standard procedures to prevent accidents to others. If an accident occurs it will result in deep cuts, burns due to electrical shocks, steam dislocation of joints etc. Three

Jobs require adherence to standard procedures in use of high speeds or quick action equipment or live line work or carrying heavy weights. In case of accidents, it will result in loss of limb, intensive electrical burns due to flashover or burns due to steam, loss of eye or fracture. Four

Jobs require constant care to prevent injury to others, which may prove fatal due to inherent hazards in the job, but where others employees may take precautionary steps against such injuries. Five

Jobs in which the safety of others depends entirely on correct action of the employee on the job, carelessness may result in fatal accidents. Six

5.10 Factor – 10 Working Conditions – Disagreeableness working conditions under which the job is being performed is assessed taking into account the disagreeableness associate with the job on the basis of the following items and their predominance.

(a) Dust in the surroundings.

(b) Fumes and gases at working place.

(c) Humidity, temperature and air circulation of the working areas.

(d) Irrigating noise caused by the job or in the near vicinity.

(e) Degree of cleanliness inherent in the nature of job.

Description	Degree
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Jobs are performed under average workshop conditions with normal temperature and humidity. Noise has no distracting effects. Jobs likely to dirty the hands, but surroundings are essentially clean and well ventilated.	One
--	-----

Jobs are of indoor nature with normal temperature but have poor air circulation in closed area) and/or wet work such as cleaning. Jobs are essentially not clean, dirtying of hands and clothes involved. Noise has some distracting on the job.	Two
--	-----

Jobs are of outdoor nature (unsheltered) and/or jobs which are essentially unclean, dirtying hands and are subjected to loud noise in the vicinity.	Three
---	-------

Jobs are occasionally exposed to high temperature, humidity dust and dirty conditions and most of work be of outdoor nature.	Four
--	------

Jobs required exposure to high humidity and temperature, acid fumes, and gases or glare requiring usages of protective equipments. Working conditions dusty such as in coal yards, ash handling plants.	Five
---	------

Work requires exposure to high temperature, humidity, acid fumes, gases in the vicinity where intermitted relief is essential.	Six
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5.11 Factor 11 – Working conditions-Hazards

The environmental conditions to which the employee is exposed due to which the employee is exposed due to inherent nature of the job will be a measure of the hazards, which can be accidental and/or occupational. This factor appraises accident or health hazards which exist even though safety devices or procedures may have been installed. The risk involved is judged by the possibilities of accident, taking past records into a account.

Jobs have negligible health hazards, accidental injuries, if any are limited to bruises or minor cuts. One

Job Jobs involve health hazards of a minor nature, due to continuous work over a prolonged period such as gradual weakening of eye sight. Two

and/or

Accident injuries involving burns due to electrical shocks, steam, risk of laceration of fingers or toes, deep cuts, sprains.

Jobs involve health hazards due to limited exposure to air polluted with corrosive fumes or the continuous exposures over a polluted with corrosive fumes or to continuous exposures over a prolonged period to area saturated with non-corrosive fume;

or

Accident injuries involving intense burns due to flash over or burns due to steam risk of amputation of finger or toes. Three

Jobs involve health hazards of serious;

Risk if accidents of severe nature such as loss of eye or limb. Four

Jobs involve occasional exposure to hazards where failure to exercise care may prove fatal. Five

Jobs involve frequent exposure to hazards where failure to exercise care may prove fatal.

JOB EVOLUTION OF JUNIOR ENGINEERS IN C.P.W.D.

Based on Manual of Systematic Categorisation of Jobs (Point Rating Method)

1. Job Designation : Junior Engineer
2. Department : Central Public Works Department.
3. Brief Outline of Primary Duties : Supervision of roads and buildings construction. Prepares estimate and design for civil works. Supervises the foundation works, RCC works in bridges etc. Occasionally survey works for roads etc. and laying curves by theodolite, drafts letters of technical nature.

Measurement of work executed departmentally as well as by contractors, prepares bills and sends to divisional office. Issue of materials, maintains stores and materials account for items issued to contractors.
4. Source of Supervision : Assistant / Executive Engineer
5. Supervisor's Comments : Concurs with duties listed above, duties listed above are illustrative and not exhaustive.

Factors	Description	Degree	Points
Skill Education	Diploma in Civil Engineering	Five	90
Training or Pre-employment experience	One year One year	Four	88
Metal Skill Judgement and Interpretation	Has to exercise judgement while supervising buildings works foundations.	Four	40
Variety plan and control initiative....	Gives work programme to contractor. Not much scope.		
Effort-Physical effort	Medium		
Resistance overcome and frequency.... Posture and frequency...	Mostly standing, walking, bending squatting.	Three	24
Mental and/or effort visual/effort calculations	Mathematical calculation		
Reading.... Writing....	Reads drawing Drafting reports, returns.	Six	42
Memorising..... Alertness...	To some extent - do -		
Closeness... Eye-Hand	Nil		
Co-ordination	While surveying		

Responsibility for materials and/or operation			
Consequence of one defective action	May cause damage to foundation by inadequate supervision involving redoing work.	Five	25
Quality	Supervision of section, certifies the works, executed quality. Quality Control checking & accepting quality		
Records	Measurement books, material register, site register.		
For Tools & Equipment	Care in use of instruments like levels, theodolite. Equipments heavy machine, rollers etc.	Six	30
For Other's works :			
Team works...	Works in teams, guides no. of supervision at every site of work.	Five	30
Supervision	Many groups of 8 to 10 persons in gangs. Besides contractor agreements.		
For other's safety	Can cause minor injury such as cuts, bruises	Five	35
Working Conditions			
Disagreeableness	Mostly outdoor subjected to weather condition.	Four	20
Working condition			
Accident hazards	May cause deep cuts, loss of limbs due to fall from building.	Six	30
Occupational hazards	Nil		
		Total	466

JOB EVOLUTION OF CLASS IV EMPLOYEE BY POINT RATING METHOD

1. Job Designation : Peon
2. Department : C.P.W.D.
3. Brief Outline of Primary Duties : Moment of papers and files from one section to the other dusting and cleaning of tables, attends calls of officers, switches on and off lights and fans at the time of opening and closing of office respectively.
4. Source of Supervision : Supervised by Head Clerks
5. Supervisor's Comments : Concurs with the duties listed above.

Duties listed above are illustrative and not exhaustive.

Factors	Description	Degree	Points
Education	Ability to read and write Regional Language		
Training	Nil	First	20
Experience	Nil	First	20
Completion of duties			
Scope for independent action	Nil	First	16
Resourcefulness	Nil		
Interpretation	Nil		
Planning	Nil		
Decision	Nil		
Responsibilities for money operation :			
Loss due to incorrect action	Nil		
Cash	Nil	First	10
Materials/Valuable	Nil		
Confidential Data	Nil	First	10
Type of Supervision	Nil	First	10
Number Supervised	Nil		
Contact with Others			
Scope and Results	Comes and contact with Office Staff	First	10
Nature of Contacts	Personal		
Working conditions	Average Office conditions	Second	8
distinction and the effect on the job extent of outside work	Nil		
Accident hazards	Nil		

Total Points : 104



Chapter - XII

Assured Career Progression



AIFODE
MEMORANDUM

CHAPTER – XII

ASSURED CAREER PROGRESSION

- 12.1.1 Every Pay Commission did try to evolve a formula to provide reasonable promotion opportunities ranging from 2 to 4 in an employee's career.
- 12.1.2 While the IInd and IIIrd Pay Commission gave precedence to the functional requirement of public service over the career prospect of the employees for determining the cadre structure of services, the IVth Pay Commission had suggested the provision of a rational cadre structure and elongated pay scales as a solution.
- 12.1.3 The Vth Central Pay Commission after going through the different types of promotion schemes in different departments meant to provide an assured career progression or insitu promotion on personal basis as well as various existing time bound promotion schemes in different States, had suggested the introduction of a new and unique scheme called "Assured Career Progression" for Central Govt. employees. The proposed scheme is an improved version of "flexible complementing scheme" introduced in 1983 in scientific services on the recommendation of IIIrd Central Pay Commission
In Para 22.13 Vol I the Vth Pay commission had interalia stated that.....

".....a comprehensive and coherent promotion scheme should be evolved which could assure adequate career progression in a reasonable time frame to all categories of employees. The recommended A.C.P.Scheme aims at providing a minimum of two promotions to each group "B" "C" "D" employee and three promotions to each group "A" employee in their entire career span, after appointment in grade on direct recruitment basis. The proposed promotion under the scheme shall, however be restricted to financial upgradation in the pay scale alone and shall not be linked to the availability of a post in a higher grade on functional basis....."

- 12.1.4 Some of the basic features of the A.C.P. Scheme as proposed and illustrated by the 5th C.P.C in Annexure 22.1 to para 22.31 Vol. I, are as under..

Para V *"The highest pay scale upto which the proposed financial up gradation shall be available will be Rs. 4500-5700....."*

Para VI *" a person recruited in Junior time scale will be able to attain the level of senior time scale in 5th year, Junior Administrative grade in the 9th year and N.F.S. Grade with a 14th year"*

Para VII *" In case of groups "B" "C" and "D" employees first financial up gradation shall be available on the completion of 8th, 10th and 12th year of service respectively..... the IInd upgradation in case of group "B" "C" "D" employees shall be given on completion of a further period of 16, 20 and 24 years respectively.*

- 12.1.5 Eligibility period recommended by 5th CPC for various category of employees are as under

Group of Employee	Ist Upgradation (After Years)	IInd Upgradation (After Years)	IIIrd Upgradation (After Years)
"A"	5 th	9 th	14 th
"B"	8 th	16 th	-----
"C"	10 th	20 th	-----
"D"	12 th	24 th	-----

- 12.1.6 The 6th Pay Commission had recommended three financial upgradations after 10th, 20th & 30th year of service for all the employees.
- 12.1.7 Both the Pay Commissions had their own inherent infirmities and limitations, as detailed underneath-
- Group A employees were preferred and recommended three promotional upgradations within a period of 14 years (but the Govt. did not accept this recommendation) whereas other Groups were granted 1st upgradation after expiry of 12 years by the 5th C.P.C.
 - The 6th C.P.C recommended three financial upgradations in form of upper Grade Pay rather than promotional Pay Band and Grade Pay.
 - The Financial upgradation as it appears from its nomenclature should have been given not hefty but consolative financial increments but the Group C & D employees were badly treated and upgradation of Rs. 100 to the employees after 10 years of working in PB-1 is its humiliating and glaring example.
 - The 6th C.P.C did a gross injustice as compared to 5th C.P.C to the Group B, C & D employees.
- 12.1.8 (a) In some of the states, as it exists on date, there is the provision of at least 3 upgradations with different eligibility period as would be seen from the following table leaving no excuse for the C.P.C anymore.

TABLE-XXIV

State	1 st MACP		2 nd MACP		3 rd MACP	
	Initial	After Years	Scale	After Years	Scale	After Years
Punjab – Deptt. of Soil Conservation	15,600 – 39,100 G. Pay – 5,400	4	15,600 – 39,100 G. pay – 6,600	9	15,600 – 39,100 G. pay – 7,600	14
Punjab- other Departments	10,300 – 34,800 G. Pay – 4,800	10	15,600 – 39,100 G. Pay – 5,400	20	15,600 – 39,100 G. Pay – 6,600	25
U.P	9,300 – 34,800 G. Pay – 4,200	10	9,300 – 34,800 G. Pay – 4,800	16	15,600 – 39,100 G. Pay – 5,400	26
U'Khand	9,300 – 34,800 G. Pay – 4,600	3	9,300 – 34,800 G. Pay – 4,800 (design of AAE)	13	15,600 – 39,100 G. Pay – 5,400	24
M.P	9,300 – 34,800 G. Pay – 3,200	10	9,300 – 34,800 G. Pay – 4,200	20	15,600 – 39,100 G. Pay – 5,400	28
Chhattisgarh	9,300 – 34,800 G. Pay – 4,200	10	9,300 – 34,800 G. Pay – 4,400	20	15,600 – 39,100 G. Pay – 5,400	25
Maharashtra	9,300 – 34,800 G. Pay – 4,200	5	9,300 – 34,800 G. Pay – 4,300	17	15,600 – 39,100 G. Pay – 5,400	29
T.N	9,300 – 34,800 G. Pay – 4,400	10	Additional 6% increment	20	Additional 6% increment	30
Gujarat	9,300 – 34,800 G. Pay – 4,600	12	9,300 – 34,800 G. Pay – 4,800	24	9,300 – 34,800 G. Pay – 5,400	
C.P.W.D	9,300 – 34,800 G. Pay – 4,200	10	9,300 – 34,800 G. Pay – 4,600	20	9,300 – 34,800 G. Pay – 4,800	30

- (b) As it evident from the above table, the 6th C.P.C has smashed the very spirit and purpose of the ACP Scheme by granting the upgradation in the Grade Pay instead of hierarchical promotional Pay Scales already in vogue hitherto. This new scheme has added fuel to the fire and aerated a strong sense of frustration and discontent amongst the employees.

- (c) Almost in all the services the eligibility criteria for regular promotion to the next grade as provided in respective recruitment rules is less than the above 10th, 20th & 30th Yrs. of service. Like the CPWD, the eligibility criteria for promotion for J.E. to A.E. is 5 years, from A.E. to E.E. is 7 years and from E.E. to S.E. is 9 years. But the requisite minimum eligibility taken for A.C.P is too high to justify.

12.1.9 In view of the above pitfalls, we propose the following improvements in the existing ACP Scheme to achieve the real purpose of motivation and incentives to the employees.

- I) Promotion scale should be the only base of upgradation in the ACP scheme, available in hierarchy and the eligibility period must be uniform for employee of Group B, C and D. The total available service years must be taken into account while determining the eligibility period criteria.
- II) The group A employees should also be covered under ACP Scheme.
- III) At least four financial upgradations should be applied evenly to all groups of employees
- IV) The eligibility period should be modified to 7th, 14th, 21th & 28th years for Ist, IInd, IIIRD & IVth upgradation respectively
- V) Thus, the Junior Engineer should be accorded the following upgradations under ACP Scheme
 - (a) After 7 years of service A.E's Scale as Ist upgradation
 - (b) After 14 years of service E.E's Scale as IInd upgradation
 - (c) After 21 years of service S.E's Scale as IIIRD upgradation
 - (d) After 28 years of service C.E's Scale as IVth upgradation



Chapter - XIII

Matters Relating to Pay Fixation



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13.0.0 MATTERS RELATING TO PAY FIXATION

13.1.0 Rate of Increment

13.1.1 One of the very important aspects of satisfactory nature of the pay scales is the rate of increment, Apart from the promotional prospects, a worker after taking a job, looks forward for progression in the service through the rate of increment.

13.1.2 On perusal of the statistical data given below showing the different rate of increments recommended by the IVth & Vth Central Pay Commissions, it is very clear from the following table that rate of increment of about 1.6% to 3.6% and 2.16% to 3.44% of minimum stage have been provided in the pay scales respectively for group B, C and D employees

TABLE-XXV

Minimum Stage of		Rate of Increment by		Increment as % of basic Minimum	
IVth CPC	Vth CPC	IVth CPC	Vth CPC	IVth CPC	Vth CPC
I	IN GROUP 'D' PAY SCALES				
750	2550	12	55	1.6	2.16
800	2650	14	65	1.75	2.45
950	3050	20	75	2.1	2.45
1150	3050	25	75	2.2	2.45
II	IN GROUP 'C' PAY SCALES				
1200	4000	30	100	2.5	2.5
1400	4500	40	125	3.0	2.78
1600	5000	50	150	3.0	3.0
III	IN GROUP 'B' PAY SCALES				
2000	6500	60	200	3.0	3.08
2200	8000	75	275	3.4	3.44
2800	8000	100	275	3.6	3.44
IV	IN GROUP 'A' PAY SCALES				
2200	8000	75	275	3.4	3.44
2800	8000	100	275	3.6	3.44
3500	12000	125	375	3.6	3.125
4500	14300	150	400	3.3	2.8
5900	18400	200	500	3.4	2.72

13.1.3 The role of increment in the pay scales has a direct bearing on the percentage rate of economical growth. The employees have the equal right to share the economic growth and national benefit of economic growth. Therefore, they should be provided the benefit of the

economic growth in the form of annual increment at the same percentage of their pay. The economic growth of the country was 4% in 1992-93 and 3.8% during 1993-94. As the 5th CPC adopted the percentage of increment in the pay scale approximately on the rate of prevailing economic growth at the relevant time vis-à-vis 3.60% and 3.44%. As a broader principle the amount of increment should not be less than the one day salary of the employee in the relevant pay scales.

13.1.4 The economic growth in preceding 8 years 2005-06 to 2012-13 was as under

Year	Growth Rate	Year	Growth Rate
2005-06	8.1	2009-10	8.5
2006-07	9.1	2010-11	11.3
2007-08	9.3	2011-12	6.2
2008-09	6.7	2012-13	4.9

Thus the average of the growth comes to be 8.01. Obviously the rate of increment in the pay scale deserves to be @ 8% at least on the same principle as adopted hitherto before, in all fairness.

13.1.5 The VIth C.P.C recommended vide Para 2.2.11 a completely new scheme where annual increment was payable on a percentage basis without any fixed quantized stage. 80% of the employees were recommended increment @ 2.5% and remaining 20% high performance at the rate of 3.5%. No criteria were suggested for assessing the high performance. The Govt. did not accept the variable increment proposal and allowed common increment for all categories of employees @ 3%.

13.1.6 Our submission has been that the ratio of increment and minimum stage of pay in all the pay scales should be identical, without any discrimination at any level. We are, therefore, of the considered view that the incremental rates in all the pay scales should bear nearly same ratio with the minimum stage so that the rate at which any employee progresses in his pay scale is not slower than the other one merely on account of his status.

13.1.7 There is, as a matter of fact, ample justification keeping in view the average financial growth of the country being 8.01%, to suggest a higher rate of increment but we are restraining it upto 5% for all categories of employees uniformly without any discrimination.

13.2.0 **Date of Effect**

13.2.1 The 5th CPC very categorically recommended in its report vide Para 171.8 for setting up a constitutional Permanent Wage Body, vide para 171.9 for revision of pay scales every year and vide para 171.12 the Commission suggested an alternative till the constitutional permanent wage body is set-up that the Govt. should concede the right of Central Govt. employees to have a complete pay revision once in 10 years and in para 171.13 it is recommended that the pay revision should be in certain conditions within a period of 5 years.

13.2.2 In our views, the revised pay structure (i.e pay, allowances, pension, dearness etc.) should be made applicable from the same day on which the Commission was setup.

13.2.3 Since we have submitted our proposal regarding pay scales, allowances, pension etc linked to 12 months average of All India Consumer Price Index as on 01.01.2014, therefore, ***we propose that the revised pay scales, pension, allowances etc to be implemented from 01.01.2014.***

13.3.0 **Fixation of Pay in Proposed Scales of Pay**

13.3.1 Having regard to various considerations and after having studied the various formula adopted for fixation of pay in the revised scales of pay by the earlier Commissions, we are of the strong view and it is, indeed, a fact that the senior employees have not been adequately benefited. Only the fresh entrants got the benefit of revisions. We, therefore, plead that the formula for fixation of pay should be such that it would grant equal benefits to all. The only way to secure this objective is to provide **for point-to-point fixation** in the proposed (revised) scales of pay. We, therefore, propose that fixation of pay in the proposed scale of pay should be on the **point-to-point basis** so that number of increments earned in the pre-revised scale of pay are granted in the revised pay scales too.

13.3.2 We also suggest that benefits of FR. 23 should be available to employees allowing them to opt for the revised pay scale on any date on which he earns an increment in the pre-revised scale of pay.

13.3.3 (1) An amount equal to 50% in form of fitment benefit of the basic pay in the pre-revised scale should be added to the emoluments as on 01.01.2014 as the D.A does not compensate the Dearness fully.

(2) D.A at the C.P.I Index 1107 as on 01.01.2014 should be added in the pre-revised pay.

(3) Interim Relief if any should also be added in the basic pay of the pre-revised pay scale.

(4) N.P.A, special pay or allowances if any should be added in the basic pay in the above said manner.

13.3.4 **Interim Relief**

In the terms of reference already notified, the Government specified the time limit of 18 months to the Commission for the process of their all works for submission of report. Watching over the actual performance of the present Commission, it is our apprehension that finally it will be a belated procedure in bringing out the complete report of the Pay Commission. Further, the Government will take its own time to implement it finally. In such unforeseen and indefinite situation no employee can sit lightly viewing it mutely and passing through the acute economic hardship due to the spiral increase in market prices of all essential commodities. Hence to neutralize the adverse effect of price hike as well as time lag involved in process of finalization of scales, we demand an interim relief to be recommended to all Govt. employees.

13.3.5 We hereby raise a demand for an Interim Relief to the tune of 40% of (Basic Pay + D.A) w.e.f. 01.01.2014.

13.3.6 The Interim Relief be granted of equivalent amount half yearly i.e. on every 1st Jan & 1st July till the implementation of the report of the Commission by the Govt.



Chapter - XIV

Allowances



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ALLOWANCES

14.0.0

DEARNESS ALLOWANCE

14.1.1 Dearness Allowance for the employees is based on the movement in the AICPI (I.W) (1982 = 100). AICPI does not truly represent the consumption pattern of the Govt. employee. On this issue the different Pay Commission had their own views, given as under:-

- (a) The 4th C.P.C opined that the Govt. should examine whether a more suitable index could be prepared for Govt. employees taking into account their consumption pattern & other relevant factors.
- (b) The 5th C.P.C on the contrary opined that CPI (IW) should continue to be the index used for calculating D.A for Govt. employee because of some or other reasons.
- (c) The 6th C.P.C expressed their view as in Para 4.1.13 “The National Statistical Commission may be asked to explore the possibility of a specific survey covering Govt. employees exclusively, so as to construct a consumption basket representative of Govt. employees and formulate a separate index.

14.1.2 The grant of dearness allowance is directly linked with the issue of cost of living index or price index. If these indices are not properly and correctly compiled, there is the scope of the employees and workers being deprived of their due and legitimate wages.

14.1.3 Unfortunately, in our country, the employers have developed the tendency of introduction faults and frauds in the compilation of the indices and thereby to misappropriate the legitimate share of the worker's wage. We would request the Hon'ble Pay Commission to kindly examine this aspect in relation to the indices that are compiled and to suggest remedial measures, if any fraud or fault is detected.

The arguments that are generally offered to resist the demand of the employees and workers for grant of dearness allowance are mainly.

- i) Grant of D.A. gives rise-to-inflation.
- ii) Cause in the rise of prices should be material factor in deciding whether compensation should be made or not.
- iii) Compensation should not be made in the greater interest of the nation and even where DA is admissible according to some accepted norms or formula that should be impounded in the greater interest of the country.

14.1.4 All these arguments are absolute, unconvincing, insignificant and as such too old require refutation these arguments are either, theoretically bad, as evolved only to safeguard the interests of capitalist or are shattered to pieces when put hit on the anvils of the real happenings.

14.1.5 We however, place below our views in this regard more rationally :

- i) The employees and workers are not responsible for the price rise. Price rise is in the interest of the exploiters and because of the failure of the Government in checking the anti-social activities of those exploiters. Therefore, there is no question that the employees and workers should suffer on this score.
- ii) While price rise invariably leads to fall in standard of living it is really unintelligible as to why demand for restoration of the fall is resisted even by the Government when the declared and accepted policy of Government is to raise the standard of living of the

people. This is particularly true in case of the low paid Government employees who already lead to life of poverty. In this connection we wish to bring to the notice of the Hon'ble Commission the bare fact that the demand of grant of dearness allowance for compensation of the price rise is not a demand for pay increase it is just a demand to get back what has been eroded away.

iii) Whatever be the causes of price-rise, it is immaterial for the employees and workers. Two facts remained intact before them. One is that they are in no way responsible for the price rise and the other is that price rise hits them without any consideration for the cause of price rise. When price of an article of daily commodity rises, for whatever reasons, the wage earner has to pay the increased price and the compensation of payment of the enhanced prices in no way depends on the cause of the price-rise.

iv) The movement of the price rise curve since independence in our country has demonstrated beyond all doubt that grant of Dearness Allowance has never been responsible for price rise. In fact, grant of D.A. to compensate price rise never creates additional purchasing power. The purchasing power that was lost is only restored.

14.1.6 As a sequel to the stiff trend of rise in market prices of all the commodities in all spheres the 'real wage' of the employees automatically begins to fall down. Hence it is obligatory on the part of the employer concerned to compensate the losses so affected due to the prime cause of price rises of all essential commodities by way of instantaneous grant of the Dearness Allowance.

14.1.7 The Reserve Bank of India, nationalized Banks, LIC and other organization of the Public Sector have already methodically formulated a definite D.A. formula which, to some extent, in accordance with the scientific quantum of the increasing rate of the Dearness Allowance automatically corresponding to the rise in market price has been determined. It is most unfortunate that no such formula to determine the rational increase in D.A. automatically exists for the Central Government employees.

14.1.8 In all fairness of the above cognizable facts we demand that the grant of dearness allowance be governed on the following principles :-

i) The basic pay as already demanded by us corresponds to the price index 1107 as on 01.01.2014 on the basis of 1982 as 100.

ii) This Federation reiterated that the National Statistical Commission should be asked to explore the possibility of specific survey covering Govt. employees exclusively, so as to construct a consumption basket representative of Govt. employees and formulate a separate index which may rightly compensate the Dearness.

14.2.0 **HOUSE RENT ALLOWANCE :**

14.2.1 It should be the solemn policy of the Govt. to extend accommodation facility to their employees free of cost but hardly 20% houses are available for the employees.

14.2.2 Eight thousand quarters annually required for the next 20 years to accommodate 70% employees in Delhi and 50% on other stations.

14.2.3 The share of investment in housing sector as compare to gross investment has decline to 9% in the Seventh Plan period as compared to 34% in the First Plan period.

- 14.2.4 Obviously it is clear from the above that the employees shall have to depend on the rented accommodation.
- 14.2.5 In spite of the accommodation leasing, there are employees who still have to hire private accommodation by themselves. Such employees have to be compensated through House Rent Allowance. The present amounts of House Rent Allowance were worked out long ago by 5th Central Pay Commission which are too inadequate to meet with the requirements. Moreover, these amounts of HRA have not been revised even once since 01.01.2006. These norms of house rent allowance have since then become completely obsolete and inadequate with the sky rocketing house rents of today.
- 14.2.6 In big cities, town and industrialized centers, where there is no government residential accommodation available and where even availability of private accommodation is scarce, it is absolutely necessary and just to compensate the heavy rent prevailing all over the country.
- 14.2.7 The 5th C.P.C in its report para 122.36 have clearly said *“a comparisons of HRA rates for an A class city with approximate rent charge by the landlord in Delhi indicates that HRA rates are mere 10% to 13% of the market rents.*
- 14.2.8 The 6th C.P.C in its recommendation in para 4.2.58 have said *“this is not adequate for meeting the expenditure towards house rent in these cities.”* It is further said *“----while the housing remain costly in metro cities the house rent in the smaller cities and towns have galloped on account of economic development as well as a dearth of residential accommodation..... The problem is more acute in very small town having population of below 50,000 that presently carry the classification of unclassified.”*
- 14.2.9 For justifying the facts mentioned above, we are enclosing herewith a comparative calculation, showing on abnormal difference between the average market rate of house rent being paid by the employees and the HRA paid by the Govt.

TABLE-XXVI
MARKET RENT OF HOUSE RENTS IN MEGA CITIES

S.No.	City	Rent of One Room Set		Rent of Three Room Set	
		Centre of the City	Sub Urban Area	Centre of the City	Sub Urban Area
1	Delhi	12,622.24	7,786.20	31,641.33	19,317.12
2	Kolkata	8,777.78	4,595.24	22,894.74	12,309.52
3	Chennai	10,759.26	6,892.16	28,548.98	17,000.00
4	Bangalore	12,569.89	7,805.56	33,151.69	20,379.12
	Average Rent	11,192.29	6,769.79	29,059.19	17,251.44
	Average Rent in the City	8,981.04		23,155.10	

Note:- One room set having area 28sq.m is permissible to the Group - D employee and 98.68 sq.m i.e three room set is allowed to Junior Engineers.

TABLE-XXVII

RENT PAID BY THE GOVT.

S.No	Post Held	Pay Band	Grade Pay	Total	HRA @30%	Market Rate	Difference
1	Group – D	5200 – 20,200	2,000	7,200	2,160	8,981	(-) 6,821 316%
2	Junior Engineer	9300 – 34,800	4,200	13,500	4,050	23,155	(-) 19,105 472%

It is crystal clear from the above table that the rent paid to the employees in metro cities is merely 25% to 30 % of the market rent charge by the landlords.

TABLE-XXVIII

Classification of Cities/Towns	Population	Rates of HRA as a percentage of Basic Pay
A-1	50 lakhs and above	60
A, B-1 & B-2	A - 20-50 lakhs B-1 - 10-20 lakhs B-2 - 5-10 lakhs	40
C	C - 50,000 to 5 lakhs	30
Unclassified	Below 50,000	

14.2.10 Keeping all relevant facts in mind this Federation suggest to recommend House Rent Allowance as shown in the **Table-XXVIII** and to relieve the employee from the heavy financial burden.

14.2.11 The following points should also be considered and recommended:

(1) DA must be paid on the House Rent to compensate the rise in net

(2) The House Rent Allowance being an out going expenditure should not be included in the taxable income.

CITY COMPENSATORY ALLOWANCE

14.3.0 The 6th C.P.C in their recommendation Para 4.2.8 have abolished C.C.A with the argument that the transport allowance allowed to the employees will made good, the excess expenditure normally incurred in the big cities.

14.3.2 City compensatory allowance is granted to the employees in order to meet the high cost of living in cities by Central Government.

14.3.3 Due to abrupt increase in the population the cities and towns have expanded in area geographically in leaps and bounds. For instance Delhi, Kolkata, Chennai, Mumbai have been spread over 4 times area within a decade only resulting in the extra expenditure to be incurred by the employees in conveyance for offices, duties, marketing, railway stations, bus stops, etc. etc. Similarly the prices are also enhanced proportionately for all the

commodities which are to be brought from greater distances than the compact city. The same fact holds good for any city in the nation.

14.3.4 The 5th Central Pay Commission has indeed reduced the amount of C.C.A. by introducing the scheme of fixed amount instead of percentage basis as was suggested. This is in fact very bad in principle being fixed amount, no benefit/ increase is available to the employees on the annual increments and Dearness Pay etc. The fixed amounts are unchanged for more than 11 years defeating the very purpose of the allowances.

14.3.5 ***It is therefore demanded that the City Compensatory Allowance be enhanced to 10% of basic pay to all the Class 'A' cities 8% for class B1 & class B2 Cities and 5% for class 'C' cities.***

14.4.0 **PROJECT ALLOWANCE :**

14.4.1 The Engineers engaged on Project works are stationed and to work in the remote, isolated places, forests, hilly areas etc. which are not easily accessible. Scarcity of amenities, lack of communication, medical and educational facilities adds to the arduousness. They are deprived of city life and they have to maintain double establishment for the betterment of his family and children.

14.4.2 For the construction of roads, culverts and bridges, canals, boarder fencing, dams, water reservoirs, buildings, power houses, tunnels, factories etc. for alround development of the country it becomes an indispensable for Junior Engineers to go and work in the interiors.

14.4.3 So unless there is some incentive to go and work in such difficult areas the Junior Engineers would feel distressed and dejected and no enthusiasm can be injected into them resulting in the retardation of country's progress.

14.4.4 Of late, it is the general practice in CPWD and other Engineering Departments that most of the works/ projects are of extra –ordinary nature, of extreme urgency, time bound and are executed through the project teams. It has also been further noted that the time left for the completion of such projects is too inadequate to meet with the challenges of the task and the works are undertaken for 24 hours.

The J.Es are compelled to sacrifice all their comforts, domestic/ social/ religious obligations for the cause of the Project to which they are attached to, as they are to be on the project practically for all the 24 hours. On such projects the Junior Engineer is to work not less when 16 to 18 hours daily. It would also be seen that a project which would take double time for its completion in normal circumstances are completed within just half time resulting in clear cut saving of 100% establishment charges.

14.4.5 It is a matter of utter surprise and regret that the J.Es though expected to be the extreme sincere, dedicated, devoted, loyal, patriot and hard worker, but is not compensated even after extra labour and time devoted to these projects.

14.4.6 ***We, therefore, demand implementation of the project allowance @ 10% of pay for the Junior Engineers along with all other categories of the field staff attached to all such major projects to compensate the extra difficulties, troubles, dangers, the financial losses and hardships sustained by double establishments etc. This should be paid from the date of start of project.***

14.5.0 **CONVEYANCE ALLOWANCE :**

14.5.1 In pretty old days a man who used to ride on a horse was an Engineer. The Junior Engineer requires a high degree of mobility to perform his duties efficiently. He attends the site at off- places where the Government conveyance is not available, apart from his executive duties, stores, railways, offices, workshop, laboratories, market and labour camps etc. He is required to move from one site to another at scattered places within his Division as well as in other Division in the interest of Government works.

14.5.2 The study team in CPWD recommended on page 46 vide para 4.11.1 of its reports 1965.

“Transportation of Supervisory Staff: *By the very nature of their duties Junior Engineers, Assistant Engineers, Assistant Executive Engineers and Executive Engineers of CPWD require transport facilities to enable them to move about expeditiously with the sphere of their duties. When Govt. transport cannot be provided the officers are encouraged to purchase motor cars, motor cycles and scooters for which purpose they can take advances from Government offices performing field duties and accorded priority in the allotment of vehicle from the Government quota.”*

14.5.3 The recommendation itself is explanatory and no further elaboration is needed. A Junior Engineer on field duty has to travel over 600 kms a month and work more than 12-14 hours a day and has also to carry good number of important records, like note book, measurement books, registers, and level books etc. for the execution of government works.

14.5.4 It is an universally accepted fact that from time immemorial, it is inevitable for the Junior Engineers/Assistant Engineer to have a conveyance of their own without which he could not discharge his duties efficiently as his work attracts sufficient moving about. In the absence of such conveyance, the Junior Engineers /Assistant Engineer shall have to spend half of the time in waiting at the bus stops in addition to the time of journey.

14.5.5 The cost of maintenance of the conveyance is also now a days very high and is nearly about more than 2000/- per month including depreciation. For the better utility of services of the Junior Engineers/ Assistant Engineers to the society and the country, it is absolutely necessary and worth while to provide a scooter/ motor-cycle owned by Government, to every Junior Engineers and Govt. jeeps to the Assistant Engineers similar to the ones being given to the inspector of police, in forest department and jeeps and cars available to the Executive Engineer and above in the Engineering Departments. It is for the efficient performance of their duties. Alternatively, interest free advances for the purchase of conveyance with suitable conveyance allowance of practical magnitude without insisting for mileage may be granted for Junior Engineers / Assistant Engineers owing to their conveyance like scooter / motor cycles @ Rs.2500/- per month. This suggestion of Rs.2500/- per month as conveyance allowance is the minimum possible based on prevailing market rates as per analysis given below:-

(A) **ANALYSIS OF SCOOTER/MOTOR CYCLE ALLOWANCE**

(a) **FIXED CHARGES**

PER MONTH

1. **Description:**

Initial cost = 65,000

Assume depreciation of 20% per year with

$$\frac{\text{resale value of Rs.10,000} + 55,000 \times 20 \times 1}{100 \times 12} = 917 \text{ p.m.} \quad \text{Rs. 917.00}$$

2.	Interest on initial cost 12% p.a of 65,000/- i.e 7800/12	Rs. 650.00
3.	Insurance Rs.1,200 per annum	Rs. 100.00
4.	Monthly service & minor repair including spare parts lump sum	Rs. 500.00
5.	Taxation Rs. 1,200 per annum such as Road Tax	Rs. 100.00
TOTAL		Rs. 2232.00
Government Share @ 60% on Rs. 2232/-		= Rs. 1339.00

(b) **Running expenses for 600 kms per month**

1.	Petrol including oil 15 liters @ Rs. 71.40	Rs. 1071.00
2.	Tyres and tubes one set of 3 tyres Rs. 1,500.00 for 10,000 kms. For 600 kms p.m. = $1500 \times 600 / 10,000$	Rs. 90.00
TOTAL		Rs. 1161.00

Allowances admissible

(a) + (b) = 1339 + 1161 = Rs. 2500/- **SAY Rs. 2,500/- PER MONTH**

- (B) Some State Govt. have granted conveyance allowance at the rate of average cost of 30 Litres of petrol every month such as-

(a) Uttar Pradesh

(b) Punjab

The cost of 30 litres of petrol in Delhi comes to be (30litre x 73.41) = Rs. 2,202.30

The aforesaid rate of petrol is variable from city to city and month to month. Later or sooner the total cost of 30 litre petrol will definitely exceed the amount of conveyance allowance which is 2,500/- presently.

- 14.5.6 The existing rates of the different conveyance allowance as sanctioned by the Government from time to time in the course of different arguments for the Junior Engineers now need to be thoroughly revised in consideration of the fact that those rates, were fixed during the old times and the present market prices in all spheres have gone excessively high, which is explicit from the above calculations.

- 14.5.7 *We, therefore request the Hon'ble Pay Commission to recommend the conveyance allowance commensurate with the minimum cost of maintenance irrespective of the office of work or jurisdiction as suggested under :*
30 litre of petrol or Motor Cycle or Scooter Allowance @ Rs. 2500/- P.M. whichever is more.

14.6.0 **NON PRACTICING ALLOWANCE :**

- 14.6.1 The Engineers are undergoing similar types of pre-professional training and practice like doctors and therefore the rules should be equally applied to all the professions. It is a fact that unlike the engineers, the doctors can improve their emoluments in a better way through their private practice by contributing their skill to the community.

14.6.2 Now, the enlightenment of the present day, the society demands engineers too, in seeking their advice with regard to the estimating, planning, design, layout, construction, supervision, payments and repairs to the building both residential and non-residential including selection of sites, assessment of properties etc. only engineers of experience could handle such type of jobs needed by the community which is at present being handled by the unqualified persons, to the detriment of efficiency, time and national resources except for a few consulting Architects and Engineers, available at present who could not cope up with the volume of works.

14.6.3 ***The Federation therefore, proposes that in the absence of permission for private practice, an allowance for non-practicising @10% be granted to the engineers.***

14.7.0 **CHILDREN EDUCATION ALLOWANCE**

14.7.1 Although the Government of India, State Governments, Public undertakings, Corporations and Banking houses etc. have provided educational facilities for the children of their employees in different forms. The existing benefit is evidently quit nominal and reimbursement is made for children studying in the Government Schools only. Besides tuition fees, the non-government institutions charge development fees, games fees, fan fees, examination fees etc. Therefore, the reimbursement of mere tuition fees at the rate prevalent in Government Schools does not help the low paid government employees to meet out the expenses for the education of their children. To make this benefit real, the existing provision for reimbursement should be revised thoroughly and the reimbursement of cost of books, stationary and essential equipments should be made so as to enable him/her to get the incurred expenses for education of the children and dependent brothers and sisters. With this background we suggest the improvement of educational allowance as follows:

- i) The family of the Government employees for the purpose of entitlement to educational allowance should include all sons and daughters of the employees as well as their dependent brothers and sisters.
- ii) Tuition fees for children and dependent brothers and sisters for their education upto graduation (in all faculties) including professional courses of engineering medical, computer, I.T. and management etc. should be reimbursed in full to Government employees. The tuition fees should include session fees, games fees, examination fees and other allied authorized charges to be paid actually periodically or at a time for the education of the children. In case both the husband and the wife are in service, the reimbursement of tuition fees will admissible to one of them only.)
- iii) The 6th C.P.C recommend the reimburse net of limited amount for children education given here under-
 - (a) Rs. 1000/- per child per month.
 - (b) Rs. 3000/- hostel subsidy per child per month
 - (c) The limit would automatically raise by 25% every time the D.A goes up by 50%The said benefit is meant for small children only. Children interested in acquiring higher education, which is in normal practice these days, shall get hardly any support from the amount so doled by the 6th C.P.C.
No recommendation has been suggested for higher education especially for those employees who are paid lower.

- iv) For cost of books and essential equipments, the rates of reimbursement per annum should be as follows:

a)	Upto Class IV	Rs. 2,000/-	per student
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			per annum
b)	Class V & VI	Rs. 4,000/-	-do-
c)	Class VII & VIII	Rs. 6,000/-	-do-
d)	Class IX & X	Rs. 8,000/-	-do-
e)	Class IX & XII	Rs. 10,000/-	-do-
f)	For degree courses in science		
	Art & Commerce	Rs. 20,000/-	-do-
g)	For Diploma in Engineering	Rs. 24,000/-	-do-
h)	For Degree Course in Engineering, Technical, Medical, I.T, Computer Management and Similar others	Rs. 60,000/-	-do-

Total reimbursement at the above rates should be available to all employees.

The reimbursement as in (ii) and (iii) above may not however, be admissible to the student who fails and reads in the same class for more than two years.

14.7.2 The benefit should also be available to employees whose children and dependents are studying in other countries.

14.7.3 **Special education allowance / hostel subsidy for the dependents of the Government Employees posted in scheduled places :**

Some Government employees are posted in Scheduled places particularly in forest areas where the facility of schooling is practically nil. Naturally, it becomes obligatory for those government employees to keep their sons, daughters, dependent brothers and sisters in hostel for their education. But, in reality, the government employees particularly the low paid ones can hardly afford to pay for the hostel expenses and cannot arrange for the education of their dependents. To enable such employees to get their dependents educated, at least a portion of the hostel expenses should be borne by the government. This benefit should be proportionately higher for low paid employees and in that context we suggest the special education allowance at the under mentioned rates.

- | | | |
|----|--|---|
| a) | For Employee drawing pay upto Rs. 20,000 P.M. (in the existing scales) | Rs. 3000 per student per month subject to a maximum of Rs. 4500 for 3 students. |
| b) | For employees drawing pay over Rs. 20,000 (In the existing scales) | Rs. 4000/- per month subject to a maximum of Rs. 12000/- for 3 students. |

Free educational facilities will be made available to the children and dependents of all the employees upto college and professional courses. The Federation also suggests the following alternatives:

14.7.4 **ALTERNATIVES**

1. The Commission be pleased to recommend the reimbursement of fees by the institution directly from the Govt. instead of students as in case of medical bills of private hospitals being sent and charged directly to the concerned ministry of health.
2. The Commission may also recommend that in lieu of (1) above, a suitable amount as suggested below be paid to the Govt. employees.
Upto middle school Rs. 1000 per month / per Child

Upto Secondary School	Rs. 1600	- - -do-
Upto Degree Class	Rs. 2000	- - -do-
Upto Professional Courses (Medical I.T. Computer, Management, Engg. etc.)	Rs. 5000	- - -do-

14.8.0 **SAFETY ALLOWANCE**

14.8.1 The Junior Engineers working in cement sections of Central Stores are handling thousands of tonnes of cement (Receipt, stock and issue etc.). In discharging their special type of duties, they under the circumstantial obligations, are exposed to Asthma, T.B. and other such chronic diseases besides the risks of accidents of falling down the stacks of cement bags etc. They have to spend more on their cloths, shoes and medicines etc. While working in such section which contain the work of dust, he has to super vise the work of receipt and issue inside the godown. In order to compensate their additional risks and hazardness etc. they should be granted with a maintenance/ Safety allowance of Rs. 3000/- PM This practice is already in vogue in cement factories where the handsome amount is being paid to the workers/ employees as maintenance /safety allowance.

14.8.2 This allowance is almost similar to Risk Allowance. The VI C.P.C has made recommendation for the risky duties carried out by the employees. But the rate of Risk Allowance is neither rational to other allowance nor sufficient for consolation. We therefore reiterate that the allowance should be increased adequately as mentioned above and payable to J.Es.

14.9.0 **HILL COMPENSATORY ALLOWANCE**

14.9.1 The VIth C.P.C had recommended Hill Allowance @ 600/- per month for the employees in the Grade Pay of Rs. 5,400/- and above and @ Rs. 4,80/- per month for those other than above. This amount is inapt keeping the problems of the employees who faces them.

14.9.2 It is submitted that life is more costly in certain hill areas than that of the plains. Further, they have to face difficulties and inconveniences like of which are absent in plain areas. Therefore, employees working in hill areas are required to be compensated suitably. We suggest that these employees may be granted Hill Compensatory Allowance @30% of pay per month.

14.10.0 **DIFFICULT AREA ALLOWANCE**

14.10.1 The Junior Engineers posted in danger prone like naxalite affected area and remote areas to implement the Government schemes, construction works and projects, to extend the progress of development to those neglected area, are deprived of all facilities and amenities of life. They do not get the facilities of schools, colleges, Hospitals, market etc. and are forced to live virtually without any society. They are forced to live alone far away from their family members and they are to maintain a separate establishment to keep their family in nearby town.

14.10.2 With this separate and double establishment the J.Es posted in remote and difficult places are crippled financially. They are to spend much more money than what they would spend, had they been posted in any place, other than these remote places. Whenever a J.E is transferred to one of those areas he strongly repulses.

- 14.10.3 The 6th Pay Commission have renamed this allowance as Remote Locality Allowance and paid keeping the degree of danger and remoteness of the area concerned. The amount recommended varied from 400 to 2600 in case of employee in the Grade Pay of Rs. 5,400 and above & Rs. 320 to 2000 in case of the others.

Under the above consideration it is requested to grant the allowance @15% of the pay as an additional pay and be treated as pay for all allowances.

14.11.0 **TRANSPORT ALLOWANCE**

- 14.11.1 The 5th C.P.C recommended in Para 107.13 on page – 1601 of it's report vol III as under :
“Accordingly we recommend that Executive, Supervisors and the category of Supporting and Auxiliary staff may be given transport allowance at the monthly rates of Rs.800, Rs. 400 and Rs.100 respectively in places classified as A1 and A cities. In all other places transport allowance at the rate of Rs.400 for Executive, Rs. 200 for Supervisors and Rs.75 for Support and Auxiliary staff may be granted.”

- 14.11.2 The above Transport Allowance was recommended for commutation from residence to work place and back. This was accepted by the Govt. and is in vogue since 1.1.1997. Not with standing, the abnormal increase in the cost of fuel, maintenance, taxes, insurance and exorbitant prices of the vehicles including spare parts and repairs etc. has occurred. This caused a slow but severe evaporation in this allowance converting it futile and ineffective.

- 14.11.3 The 6th C.P.C no doubt increased the allowance & also allowed additional benefit of DA was also added to it but withdrew the C.C.A side by side. Had it be on percentage basis, these benefits would be inbuilt according to the increases in the pay of the employees. As such, we propose that the **Transport Allowance @ 10% of the Basic Pay may be granted uniformly and the all the allowances be added there on.**

- 14.12.0 **PLANNING ALLOWANCE :** The various Engineering departments are already paying planning allowance to the Junior Engineers. There is therefore, hardly any necessity to emphasize the need for sanction of this allowance. The Federation however, submits that the quantum of this allowance is too meager and is, therefore, ridiculous. We, therefore, suggest that this allowance must be enhanced to commensurate to the basic pay of the Junior Engineers. We are placing the prevailing situation of CPWD.

A detailed study of the sanction of this allowance will reveal that the rate of this allowance was @25% of the basic pay of the Junior Engineer which was Rs. 100/- in 1961-62 and therefore, the rate was Rs. 25/- for Diploma holders and Rs.40/- for Graduates. This was subsequently enhanced keeping in mind the enhancement in pay.

Subsequently, this ratio has, however, been bidden goodbye and the enhancement was not made in proportionate to the enhancement in pay.

In view of above, the federation suggests that the planning allowance @10% of basic pay must be granted to the Junior Engineers and Assistant Engineers posted in planning in accordance with the laid down principle adopted at the time of sanction of this allowance as back as in 1961-62.

14.13.0 **MEDICAL FACILITIES**

- 14.13.1 It has been observed by the Federation that the medical facilities for the employees of the Govt. of India are most unsatisfactory. The CGHS Dispensaries wherever available are ill-equipped with medicines and the medical as well as para-medical staff.

There are long queues on the CGHS Dispensary windows and a crowd of patients in front of Doctors rooms. The facilities for laboratory clinical tests are also not available as considered necessary. The patients have to travel long distances for getting the medical tests conducted. For certain tests there are long waiting list. The services of the specialists are also not adequate. Consequently, in most of the cases the patients are forced to seek the services of private clinics/ hospitals and buy medicines from outside. The reimbursement for the purchase of medicines from outside also very tedious and time consuming formalities. In some cases the patients forego expenses on purchasing the medicines.

The formalities regarding reimbursement of the expenses incurred by the Govt. servants during emergency and urgency for getting treatment in private hospitals are also too complicated. There are only a few hospitals where the expenditure on medical treatment is reimbursable. In case of certain diseases the Govt. employees or/ and their dependants have to be in queue along with the general public and thus they have to waste their time and energy besides awaiting for proper treatment well in time. There are still many places in the country where the CGHS Dispensaries are not at all available. The situation of the Govt. employees at such places is awful.

In view of above, the Federation submits that the Hon'ble fifth central pay commission may kindly submit a detailed recommendation to bring about revolutionary changes in the medical care of the central Govt. employees by improving the conditions of CGHS Dispensaries, hospitals, providing more specialists, making pathological labs, available with most of the Dispensaries if not all and ensuring that reimbursement on account of purchase of medicines or/and private hospitals services without problems and without delay is made early. Ensuring more dispensaries in the country as well as recognizing the local govt./ private hospitals in larger number available for the central govt. employees on the lines of CGHS Dispensaries existing in big towns of the country.

- 14.13.2 The 5th C.P.C in their report published on expenditure report, supplied by the Ministry of Health & Family Welfare, showing the annual expenditure for the year 1986-87 to 1993-94, incurred for C.G.H.S beneficiaries, which amounts to approx 17% of the total employees.

DETAILS OF BENEFICIARIES, EXPENDITURE OF THE C.G.H.S

Year	No. of Cards	No. of Beneficiaries	Average Per Card (3/2)	Annual Expenditure (in Crores)	Average per beneficiary expenditure (5/3)
1986-87	750599	3287260	4.4	37.16	Rs. 113.04
1987-88	769818	3510018	4.6	43.42	Rs. 123.71
1988-89	819494	3619290	4.4	55.20	Rs. 152.52
1989-90	852876	3833397	4.5	57.29	Rs. 149.45
1990-91	898035	3957730	4.4	70.47	Rs. 178.06
1991-92	935381	4122763	4.4	80.56	Rs. 195.48
1992-93	872272	3992854	4.6	88.58	Rs. 221.83
1993-94	894455	4000528	4.5	118.87	Rs. 297.14

The total expenditure incurred in 1993-94 was 118.87 crores. 4 times increase as on today which comes to $118.87 \times 4 = 475.48$ say Rs. 500 crores. It is not an unbearable burden on the Govt. It should be continued and other sources should also be evolved.

The 5th C.P.C had recommended Rs. 100/- per month for O.P.D expenses.

- 14.13.3 The 6th C.P.C did not take this issue seriously any more. They forgot even to comment on raising the fixed medical allowance. The Commission did not take into their consideration, the decision delivered in (AIR 1995 supreme Court 922) and article 39 (c), 41 43 & 48A of India. The Health Insurance Scheme recommended for introduction is incomplete and yet not implemented by the Govt.
- 14.13.4 In the situation described above this Federation suggests as under-
- (1) All the Employees and Pensioners be provided cashless & hassle free health care facilities. The detail of the scheme may be finalized in consultation with the employees' & pensioners Associations/Unions.
 - (2) Smart Card should be issued and made valid for whole life in -
 - (a) All Govt. Hospitals
 - (b) All NABH accredited multispecialty hospitals across the country which have been allotted land at concessional rates or given any aid or concession by the Central or State Govt.
 - (c) All C.G.H.S, R.E.L.H.S & E.C.H.S empanelled hospitals across the country.
 - (3) No referral should be insisted in case of medical OPD in the empanelled hospitals.
 - (4) For the purpose of reference or hospitalization and reimbursement of expenditure there on, in other than emergency cases, Doctors/M.Os should be authorized as Medical attendants.



Chapter - XV **Promotion**



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CHAPTER – XV

15.0.0 PROMOTION

15.1.0 Views of Eminent Persons regarding promotion

Sir WINSTON CHURCHILL

“While Seniority is a reality the examination is a fiction”

15.1.2 Dr. L.D. WHITE

“To give suitable incentive is to maintain a tradition of devotion to duty and this is an indeed of sound employment situation and a positive means of building up an efficient organization. Therefore, it is not fair, in the interest of the department which also means the interest of the individual concerned to bring in people fresh from college”

15.1.3 Prof.W. PROCTOR

“Lack of suitable promotion system frequently causes the better type of worker to leave the public services for work in the field of private enterprises. It makes difficult the maintenance or goodwill and enthusiasm, throughout the Government establishment. As a result, it render difficult the maintenance of a high standard of morale”.

15.1.4 Ist CENTRAL PAY COMMISSION

“The opportunities for promotion do necessarily weigh consideration in choosing public service as career. It is legitimate aspiration for the employees to expect promotion to higher grade at reasonable intervals during the period of their service. If such opportunities are not provided in adequate proportion in any service and the employees concerned are detained to retire in the same grade in which they are recruited, the work becomes monotonous and charmless and the employees naturally loses interest and energy therein.”

15.1.5 Shri S. Ranganathan Chairman of Committee to Revise CPWD Code.

(Former Comptroller and Auditor General, Ex. MP) in Chapter–I-page-5 of the Report States.)

“For this it should build up an adequate organizational structure with appropriate career prospects affording job satisfaction and contentment to its staff.”

15.1.6 Vide Para 1.8 of the Report

“At preset adequate attention is not paid to the career planning and to career prospects of different groups of staff and also not able to impart continuing education to various levels to staff due to inadequacy of the organizational arrangement for training. In other words, there is no personnel management as such. The administration is restricted to mere postings and transfers. The committee would like to department including training, career planning career development etc. with regard to its staff at different levels and of all disciplines. It should also have inadequate and regular system for assessing and evaluating the work of the staff.”

15.1.7 Administrative Reforms Commission –Govt. of India

“Promotion means movement of a worker to a position of higher responsibility and consequential improvement in his emoluments. It is a reward for his hard work and an incentive to give his best to the employer. It also serves to maintain the requisite morale among workers. Promotion provides stimulation to the employees to cultivate the

qualities that are necessary for advancing in life. When such encouragement is important in the public sector, where the management finds for reasons explained elsewhere, that it cannot reward a worker in other ways.”

15.1.8 Varadachari Commission – page -504

“We should recommend that the claims of the competent men already in service should be recognised and satisfied to the fullest extent possible. If such men are promoted to responsible posts fairly early in their career they will bring all the benefits of practical experience without the disadvantages entailed by them.”

15.1.9 Men of Experiences

The man behind Bhakra Nangal Dam Project Mr. Slocum was not even Engineer Graduate. Shri Bhai Kaka, A Diploma Engineer conceived and completed NARMADA PROJECT PLANNER Rai Saheb Puran Chand, a stone specialist mason who retired as an Executive Engineer from CPWD, constructed the renowned building of Supreme Court of India, Shri Sadi Ram on the basis of practical experience only, constructed the historical buildings of North Block, South Block, of Central Secretariat.

15.1.10 Promotional Prospects for Junior Engineer / Diploma Engineer

- 15.1.10.1 In view of the principles and feelings of the eminent persons, the Diploma Engineers about whom almost every aspect has been explained in foregoing relevant chapters, are the worst victim.
- 15.1.10.2 The Diploma Engineers working as Junior Engineers acquire sufficient technical knowledge, through practical experience and professional proficiency in the field of execution, office procedures, accounts, planning, designs, survey, specifications, analysis and schedule of rates, contracts and agreements etc. in 6 to 8 years of service, they become quite fit for the post of Assistant Engineer, after putting strenuous and considerable experience a prolonged cause of routine work.

15.2.0 FACTS REGARDING PROMOTION

- i) The Promotional prospects for Junior Engineers are almost negligible.
- ii) The Junior Engineers are not getting even a single promotion during 30 years of regular service.
- iii) Towards the fag end of the service career they are hardly getting single promotion after more than 30 years of service.
- iv) In the coming years it is apprehended that they will retire without getting even a single promotion in their whole service career.

The above situation is prevailing in almost all the Central and State Govt. Departments.

- 15.2.1 In spite of the recommendation of the Administrative reforms commission for granting minimum two career promotions to a cadre in the service, the Junior Engineer's cadre is facing the awful situation of stagnation by getting hardly one promotion and that too after 30 years of service. The situation explained above is too unhealthy in the developing country like India. Therefore, specific care should be taken regarding the promotional prospects of this class but contrary to this,

- a) Not a single Junior Engineer will be in a position to get promotion to the rank of Executive Engineer.
 - b) Junior Engineers are not being promoted in CPWD and other Government Departments as Superintending Engineers.
- 15.2.2 Thus overall situation is precarious, pitiable and full of despair for the Jr. Engineers in the country. The future prospects are completely dark. Young person going through the Diploma courses having high ambitions enters in the service after lot of difficulties but when he sees that he will not get a single promotion in his service career, he feels puzzled and frustrated. This creates monotonous and charmless feeling in his mind, thus affects the efficiency and productivity.
- 15.2.3 This situation must be avoided, particularly in case of Jr. Engineers as they are the base of Engineering hierarchy and developmental works otherwise, there will be a irreparable national loss due to their frustration. These are directly related to the public welfare and National development.
- 15.2.4 To justify the case, we can cite the example of CPWD, the nodal department for engineers of the Central government that the diploma holder Junior Engineers of 1985 batch have not been promoted till today to the rank of Assistant Engineers, i.e. the first promotion in their service career 29 years, even after the ban on the Direct recruitment in the C.E.S Class II.
- 15.2.5 Therefore, the prevailing system should be further rectified and we propose the following rectifications.
- i) 80% posts of Central Engineering Service Class II should be filled by seniority cum merit.
 - ii) 20% by Limited Departmental Qualifying Examination.
 - iii) 50% posts should be reserved in the cadre of Executive Engineer and 30% in the cadre of Superintending Engineer for Diploma Engineers. This will improve the promotion chances of the Junior Engineers who are in humiliating conditions and are waiting for a single promotion for the last so many years. We hope this august pay commission will recommend some concrete measure to save the Diploma Holder Junior Engineers from the mental agony, sufferings, frustration in respect of their promotional prospects.
 - iv) There should be no qualification bar for promotion to any rank of the class-I Engineering service. If anywhere it is in vogue that has been done to demoralize the Diploma Engineers and denying the value of experience by some motivated persons.

Keeping the options of the eminent persons and the bare reality in home, the august pay commission is requested to take note of the order issued by the Ministry of Urban Development vide GSR-765 (E) dated 17th Oct, 2012, copy enclosed as **Annexure-V (Page No-123 & 124)** for perusal, which debars a Diploma Engineers/Assistant Engineers from promotion to the post of Executive Engineers must be scrapped. No qualification bar should be allowed any more being included in Central Engineering Service Group–A Recruitment Rule-2012 and all other related rules.

He constantly feels of depravedness and losses confidence in himself as well as in service. He loses zeal and creativeness and turn to be a monotonous routine worker.

SCHEDULE-II

[See rule 7(ii)]

Method of recruitment, field of promotion and minimum qualifying service in the immediate lower grade for appointment of officers on promotion to duty posts included in the various grades of the Central Engineering (Civil) Group 'A' Service.

S. No.	Name of duty post and grade	Method of recruitment	Field of selection, minimum qualifying service and educational qualification for promotion
(1)	(2)	(3)	(4)
1	Special Director General (Civil)	By promotion	Additional Director General (Civil) in the HAG Scale ₹ 67000-(annual increment @ 3%)- R 79000 with one year regular service in the grade.
2	Additional Director General (Civil)	By promotion	Chief Engineer (Civil) in Pay Band-4 ₹ 37400-67000+ Grade Pay of ₹ 10000/- with three years regular service in the grade OR Officers with 25 years' regular service in Group 'A' posts in the service out of which at least one year regular service should be in the Pay Band-4 ₹ 37400-67000+ Grade Pay of ₹ 10000/-
3	Chief Engineer (Civil)	By promotion	Superintending Engineer (Civil) in Pay Band-4 ₹ 37400-67000+ Grade Pay of ₹ 8700/- with three years' regular service in the grade and have successfully completed two week's course on Higher Management OR Superintending Engineer (Civil) in Pay Band-4 ₹ 37400-67000+ Grade Pay of ₹ 8700/- with seventeen years regular service in Group A posts in the service out of which at least one year of regular service should be in the PB-4 Grade Pay of R 8700/- and have successfully completed two week's course on Higher Management.
4	Superintending Engineer (Civil)	By promotion	Executive Engineer (Civil) in Pay Band-3 ₹ 15600 - 39100 + Grade Pay of ₹ 6600/- with thirteen years of regular service in group A posts in the service out of which at least four years of regular service should be in the grade of Executive Engineer (Civil) including regular service if any rendered in the Non-functional Second Grade in the scale Pay Band-3 ₹ 15600 - 39100 + Grade Pay of ₹ 7600/- and possessing educational qualification as prescribed in Schedule-III for direct recruits and have successfully completed two week's course on Higher Administration and Legal Matters. OR Executive Engineer (Civil) in Pay Band-3 ₹ 15600 - 39100 + Grade Pay of ₹ 6600 with nine years regular service in the grade including regular service if any rendered in the Non-functional Second Grade in the scale Pay Band-3 ₹ 15600 - 39100 + Grade Pay of ₹ 7600/- and possessing educational qualification as prescribed in Schedule-III for direct recruits and have successfully completed two week's course on Higher Administration and Legal Matters.

5	Executive Engineer (Civil) (Non-Functional Second Grade)	By promotion	Executive Engineer (Civil) in Pay Band-3 ₹ 15600 – 39100 + Grade Pay of ₹ 6600/-with five years regular service in the grade.
6	Executive Engineer (Civil)	(i) By promotion (ii) By promotion	<p>(i) 33¹/₃ % from Assistant Executive Engineer (Civil) in Pay Band-3 ₹ 15600-39100 + Grade Pay of ₹ 5400/- with four years regular service in the grade and have successfully completed two week course on Contract Law, e-Governance Building Bye-laws and Building Electrification.</p> <p>(ii) 66²/₃ % from Assistant Engineer (Civil) in Pay Band-2 ₹ 9300-34800+ Grade Pay of ₹ 4600/- with seven years regular service in the grade and possessing Degree in Civil Engineering from a recognised University or Institution or any other equivalent qualification and have successfully completed two week course on Contract Law, e-Governance Building Bye-laws and Building Electrification.</p> <p>Note: The officers in the grade of Assistant Engineer (Civil) on the date of the notification of these rules and possessing Diploma in Engineering shall however, continue to be eligible on completion of nine years regular service for consideration to the post of Executive Engineer (Civil) limited to 33¹/₃% vacancies arising in the grade on annual basis;</p> <p>Provided that the Assistant Engineers (Civil) with seven years regular service, who at the time of recruitment as Junior Engineer (Civil) were possessing Diploma in Engineering but subsequently acquired Degree in Engineering and those Assistant Engineers (Civil) with seven years regular service, who were possessing degree in Engineering at the time of recruitment as Junior Engineer (Civil) shall also be eligible for consideration to the post of the Executive Engineer (Civil), in case a junior Diploma holder Assistant Engineer (Civil) is considered for promotion.</p>
7	Assistant Executive Engineer (Civil)	By direct recruitment through Engineering Services Examination conducted by the Commission	Not applicable.



Chapter - XVI

Services/Working Conditions



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CHAPTER - XVI

16.0.0 SERVICE/WORKING CONDITIONS

16.1.0 GAZETTED STATUS TO JUNIOR ENGINEERS

16.1.1 As shall be explicitly clear from the duties and responsibilities of J.Es in an Engineering Department as given in detail in this memorandum in the relevant chapter that the Junior Engineer to be awarded as Gazetted status in view of the following :

- a) J.E. has to record the measurement and submit the bills under his signatures of any amount irrespective of any ceiling.
- b) He is to keep an account and custody of huge stock in his stores both on construction as well as on maintenance works.
- c) During the election of Parliament, Assemblies etc. the J.Es are appointed as Sector Magistrate/Patrolling officers over the presiding officers, patrolling polling booths in his jurisdiction.
- d) He administers and controls a large number of staff under him particularly on maintenance work which include even the Class III (Group C) employees as well as the skilled, semi-skilled and unskilled workers numbering several dozens.
- e) There are numbers of states like Assam, Bihar, Jharkhand and Odisha granting Gazetted status to their J.Es right from the day of their entry in the department where as remaining all the states after some experience in the respective departments are granting Gazetted status without any technical hitch.

16.1.2 The Gazetted status was granted as a result of strong recommendations of the study team/ expert committee which found it essential that Gazetted status is granted to the J.E. in the larger interest of the Govt. particularly in smooth running of the Govt. works and in Engineering Departments and utilizations of the services of the J.Es during urgency of work.

16.1.3 It is pertinent to point out that awarding Gazetted status to the J.Es is not going to cost to the Govt. any financial burden.

16.1.4 To bring about the uniformity, parity and equality in the matter of status of Junior Engineers the Central Govt. including the nodal Ministry for the Engineers i.e. Urban development ministry particularly the CPWD, therefore specifically need to be asked to grant Gazetted status to the Junior Engineers of the central Govt. Departments as first step forward.

16.2.0 FINANCIAL POWERS TO THE DIPLOMA ENGINEERS/ JR. ENGINEERS

16.2.1 The Diploma Engineers are entering in most of the departments at the level of Junior Engineers. This designation has, of course, not been granted in several Govt. Departments such as MES, Railways, Telecommunication etc. But while discussing the powers under this sub-head, the Federation would submit the need for granting financial powers to the Diploma Engineers on their entry i.e. the Junior Engineers or their equivalent status.

- 16.2.2 It has been observed that on account of having no financial powers, the Junior Engineers feel very much handicapped during the emergency and difficult situations for attending to the urgent works particularly during their posting on maintenance works.
- 16.2.3 Since the Junior Engineer is at the fore-front for taking up of engineering works he has to face the brunt from the client departments and others on account of having not powers to purchase T&P or material or employ labours for the repair works or for urgent necessity on construction works.
- 16.2.4 It has been accepted by the Govt. in principle that the Junior Engineer is a very responsible officer of an Engineering Department. He is entitled to enter the measurements in the measurement books, he prepares the bills.
- 16.2.5 It is well within the knowledge of everyone that at times the Junior Engineers have to face the situation where material or T&P is required to take up works of the following nature:
- a) Repairs to pot holes particularly on critical spots in a road.
 - b) Attending to electric failure.
 - c) Repairing the leakage water supply pipes.
 - d) Repairs of damaged sewer lines or cleaning the choked sewer drains.
 - e) Repair of damage phone lines in the urgent cases.
- 16.2.6 In view of above, the Federation proposes that the following powers be recommended by the Hon'ble Pay Commission for the Junior Engineers their equivalent cadre. :
- i) Acceptance of Tenders Below Rs.2 Lacs.
 - ii) Award of works without call of tenders i.e.
on work order basis Rs. 20,000/-
 - iii) Passing the vouchers against permanent imprest
with a maximum amount limited to Rs. 5,000/-
 - iv) Placing the supply orders on the basis of
approved rates as per requirement of the Rs. 50,000/-
work of urgent nature
- 16.2.7 However, it is pertinent to point out here that Bihar State Electricity Board have taken a lead and has empowered the Junior Engines to hold imprest and purchase material as per local requirement. The Junior Engineer of S.E.B. Bihar has also been empowered to Sanction estimate amounting Rs. 5,00,000.00 as technical power and total control over staff posted under them, Grant of casual leave etc.
- 16.3.0 **TECHNICAL POWER**
- 16.3.1 In view of the importance of works being handled by the Junior Engineers elaborated in the foregoing paragraphs the federation proposes that for the wider interest of the government work the following technical powers must be given to the Junior Engineers :-

- i) Technical sanction of Estimates - Rs. 5,00,000/-
- ii) Under Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). The Diploma holders are also authorized to accord technical sanction as under-
 - a) Technical Assistant - upto Rs. 2,00,000/-
 - b) Junior Engineer - upto Rs. 4,00,000/-
- c) In U.P Power Corporation J.Es are empowered to sanction 1 K.Watt power connection to their users. Such dispensation of power has expedited the works and made the employees responsible simultaneously.
- iii) Signing the Agreement declaring the site Engineer for the purpose of acceptance / rejection of works, sanction of extra items, substituted items, deviations extension of time for completion of works etc. and ensuring adherence to the other conditions of the Agreement as provided in the respective Agreements of the work signed and entered into by the Junior Engineers with the agencies executed the works awarded by the Junior Engineers.

16.4.0 **ADMINISTRATIVE POWERS**

16.4.1 Without repeating the peculiar, important and crucial nature of duties and responsibilities being undertaken by the Diploma Engineers/ Junior Engineers as already explained herein before, the Federation proposes that the following administrative powers should be given to the Diploma Engineers in their cadre of service/ Junior Engineers.

- i) Grant of casual leave to the staff working under the Junior Engineer not exceeding three days at a stretch.
- ii) Sanction of earned leave not more than one week at a stretch
- iii) Transfer of subordinates within his jurisdiction.
- iv) To issue warning to his subordinates in matters of misconduct.
- v) Appointment of casual labour for a period of not exceeding 15 days at a one stretch against the provision in the sanctioned estimates with due intimation to the immediate higher officers.
- vi) Termination of services of casual labour employed by the Junior Engineer.
- vii) Employment of incumbents against the muster roll sanctioned by the superiors.
- viii) Discontinuation of the services of the incumbents employed by a Junior Engineer on the muster rolls by his superior.
- ix) Issue of notices and challan for unauthorized occupation/ encroachment / damage to the Govt. property.
- x) All such powers as are considered essential by the local administration with a view to decentralize the powers of the superiors of Junior Engineers keeping in mind the efficient handling, smooth working and timely action as to where the emergency was required.

16.5.0 **MIS-UTILISATION/ UNDER UTILISATION OF THE DIPLOMA ENGINEERS**

We take note of the uncalled for and unprecedented tendency in the various departments to misutilise or underutilize the valuable technical potential of the Diploma Engineers. The Govt. of India, the All India Council for Technical Education etc is struggling hard to Further improve the quality of studies in Diploma Engineering programmes. India has already received huge grants from the financial institutions like the world bank for not only

for the well equipped polytechnics and also for improving the quality of education in Diploma engineering courses.

16.5.1 Consequently the Diploma Engineers who are already very well equipped with the elaborated engineering programmes after heavy slabs of 3 - 4 years duration are fit and suitable for handling engineering projects may it be practical application in the field, or may it be designs and techniques of theory in engineering.

16.5.2 There is a huge scope for absorbing the Diploma Engineer for National Development works which is the imperative need of the day of the country. The governments however have to prepare suitable plans and schemes to use this huge technical potential of the nation.

16.5.3 It has however, been noted with shock and surprise that the services of the Diploma Engineers are being misutilised or underutilized for the different types of jobs which are not at all of technical nature or have hardly a small percentage of technical assignments to be performed.

Shocking and disgusting nature of works where diploma engineers are deployed are mentioned underneath-

- 1) J.Es are assign to perform as E.V.M trainer, static Magistrate, Sector Magistrate etc for months together in General Election of the state and centre.
- 2) Preparation of voter list as supervisor.
- 3) Supervision of distribution of essential commodities (viz – wheat, rice, kerosene etc.) from the fair price shops.
- 4) Deputed as ARO in Municipal & Panchayat elections and assigned for accepting nomination till declaration of the results, consuming more than 4 to 5 weeks in each stretch.

16.5.4 In view of the above, the Federation strongly and emphatically bring to the notice of the Hon'ble Pay Commission that all effort of the Governments to misutilise or under utilise the services of Diploma Engineers as noted above particularly the Panchayat Raj System must be abolished and such tendency for mis-utilisation / under-utilisation of the Diploma Engineers be stopped forth with.

16.6.0 **PROJECT TEAM SYSTEM**

16.6.1 The Federation has observed with dismay that certain Engineering Departments of Central Govt. Such as CPWD have evolved a new system of Project Team with a view to increase the number of posts at higher level at the cost of lower level posts by reducing the same for the matching savings. This is being done in total dis-regard to the efficiency and economy on work and in complete violation of the concept of management system existing practically in all the Engineering Departments of Central Govt. / State Govts. Departments, Govt. undertakings and private sector. According to this system a high ranking officer of the level of chief Engineer or Superintending Engineer is appointed as a Project Manager, and only few engineers subordinate to such a high ranking officer are posted at the level of Executive Engineer, one or at the most two Assistant Engineers and not more than 4 Junior Engineers.

16.6.2 Consequently, 'whereas' the numbers of officers at Chief Engineer/ Superintending Engineer level is increased manifold, the numbers of officers at lower levels are reduced drastically. In most of the cases the works which could be easily handled by an Assistant

- Engineer or at the most by an Executive Engineer is handled by a Project Manager i.e. by Superintending Engineer or a Chief Engineer.
- 16.6.3 This system is therefore, under utilization and misuse of a senior officer resulting in high and exorbitant departmental charges. The balance of management as well as the administrative set up is also seriously jeopardized.
- 16.6.4 The Federation therefore, suggest to done away with the system and on the lines of other Engineering Departments of Central/ State Governments/ undertakings etc. there should be at least 5 subordinates to each officer right from the rank of Chief Engineers to the Assistant Engineers who may however have at least 3 Junior Engineers under him.
- 16.7.0 **PROPER WORKING CONDITIONS**
- 16.7.1 No sincere efforts have been made by the Govt. to review the working conditions of the Diploma Engineers.
- 16.7.2 The technically qualified persons are now available adequately. The duties and responsibilities of the lowest cadres of engineers i.e. the junior engineers requires to be suitably amended particularly after introduction of 3 years Diploma Courses in the Polytechnic after 10+2 to make use of their skill and technical potential at the optimum level in the national interest. A great need for such a review was more felt on account of development of engineering knowledge and modern technique which is a developing science now-a-days and the engineering disciplines are facing the challenges of National development by undertaking prestigious projects in the Independent India.
- 16.7.3 The working conditions of the Diploma Engineers are also required to be examined in depth. At present there is hardly any proper office, furniture, clerical assistance, staff, vehicle, telephones, residence, other amenities, facilities available to the Junior Engineers. It is, therefore, suggested that the working conditions be improved to provide the necessary facilities to the Junior Engineers so that they can more efficiently and effectively devote their technical and engineering knowledge for the duties and responsibilities assigned to them without wasting their time on matters which their subordinates are capable to handle.
- 16.8.0 **CADRE REVIEW**
- 16.8.1 Third Central Pay Commission had recommended the cadre review i.e. re-structuring of the various cadres in a particular department. The crux of the proposal for cadre review was that, with a view to bring about required improvement in the administration for vertical mobility and to achieve greater efficiency and productivity, the authorities must conduct a review of the structuring of the department.
- 16.8.2 This is most unfortunate that the whole idea of the 3rd Pay Commission was misunderstood and misinterpreted. The departmental authorities consider the proposal for cadre review as if these are for the purpose of giving more promotions to the employees. The purpose of acquiring better efficiency and productivity has been ignored.
- 16.8.3 In CPWD, the first cadre review was accomplished for the Class I officers whereas it should have been the other way round i.e. the lower cadres must have been given the benefit of the cadre review before the senior officers. Subsequently, the cadre review of the Junior Engineer was undertaken as back as in 1987. Approximately 30% post were enhanced at the post of Asstt. Engineers by up-grading the posts of Junior Engineers. There was hardly any extra burden on the exchequer but the J.Es were benefited by getting more promotional posts. Studies have revealed that by accomplishing cadre review the Govt. losses nothing but the employees get more promotions, and the departments as a whole achieve greater efficiency and productivity.

- 16.8.4 The Federation therefore, emphatically demand that the recommendations of 3rd Central Pay Commission for conducting cadre review after every 3 years must be made mandatory for all the cadres in all the departments/ ministries particularly so in case of the technical departments in central and state level where the job requirements are getting changed every year as because the engineering is the developing science and new technique are coming up. If cadre review is not done properly the national interest will be the first causality.
- We, therefore, reiterate our request for recommending mandatory cadre review in all the departments after every 3 years.
- 16.9.0 **CONFIDENTIAL REPORT**
- 16.9.1 The Federation is feeling a very sharp pinch on account of defective system of confidential reports. This is nothing but an hang over of the British rule in India. This clearly reflects the master and slave relationship in the administration of the Govt. Departments.
- 16.9.2 In most of the countries of the world, this system does not prevail. It is being felt in the better management techniques that without the confidential reports the administration will be bitterly effective to ensure proper discipline and conduct besides the proper integrity and efficiency etc, amongst the employees.
- 16.9.3 The Federation therefore, strongly demands that the existing system of confidential reports must be withdrawn to bring about revolutionary change in our approach towards administration.
- 16.9.4 In case, it is not possible to take revolutionary steps for withdrawing the system of confidential reports, there should be at least the substantial modification in the various aspects pertaining to this system particularly with respect to the following issues.
- i) Responsibility for the maintenance of the confidential reports.
 - ii) Custody of confidential reports.
 - iii) Form and content of confidential reports.
 - iv) Period and frequency of reports.
 - v) Objectivity of the confidential reports.
 - vi) Communication of confidential reports to all the subordinates in time.
 - vii) Representation against adverse remarks.
 - viii) Security of confidential reports etc.
- 16.9.5 This Federation submits that confidential report must be replaced by the Job evaluation of the Govt. employees, based on the quality, quantity, punctuality, celerity along with discipline, congenial relation with the subordinate, equals and superiors as well as dealing with the public at large. But varying bottlenecks, hazardous working place, risky working condition, undue administrative and political interferences and pressures etc which one way or other prevents and deviates the employee from performing their duties efficiently properly, and timely. This must be taken into account while recording the annual confidential roll.
- 16.9.6 A detailed recommendations from the Hon'ble Pay Commission is therefore emphatically demanded by this Federation on this very aspect of the service matter of the Govt. employees which are already defamed and adversely commented upon by administrators of repute as well as by all others who have studied our system of the so called confidential reports in vogue in our country in Govt. service at present.



Chapter - XVII

Other Ancilliary Benefits



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CHAPTER - XVII

17.0.0 OTHER ANCILLARY BENEFITS

17.1.0 EXEMPTION OF INCOME TAX

17.1.1 The wages and Pay scales of the Govt. employees are always based on certain formulae and calculations by the Pay Commission/ Wage Committee. It would be seen that no where in any calculation the factor of Income Tax has been added rather the minimum of all the formulae is adopted for the determination of the Pay Scale or wages of the employees with the result that the employees remain hard pressed financially as many of their needs are left over in such calculations. It is against the natural justice to recover the Income tax from the Govt. employees particularly in the absence of this element from the calculations of their emoluments. Such situation heavily slashes down the emoluments of the employees.

17.1.2 The emoluments of the employees are excluding the ingredients of Income tax. The payment to the employees is for the services rendered by them as such can not be treated as profit/ income for the purpose of Income Tax. In fact this is a gross turn over of the employees and not the net taxable income.

17.1.3 The 5th C.P.C. recommended in its report vide para 167.10 to 167.12 for the exemption of levy of Income Tax from the Govt. employees but the Govt. did not accept it. **The only alternative is to add the ingredient of income tax in the pay scales to be recommended.**

17.1.4 It is therefore suggested that :

- i) Income tax should be exempted for the Govt. Employees particularly in view of the present pay structure
- ii) Alternatively the factor of Income tax @10% for group –D, 25% for group –C and 30% for group –“B” and “A” be added to their emoluments.

17.2.0 LEAVE TRAVELING CONCESSION (L.T.C)

17.2.1 The Govt. has provided LTC facilities to its employees to be availed once in a block of 4 years. In Public Sector, Govt. undertakings and Banks etc., this facility is being given to its employees biannually. On the same analogy the duration of LTC to the Central Govt. employees be kept as biannual.

17.2.2 It is also pointed out that only railway fare from head quarter to the declared destination by shorter route is being given to the employees as LTC whereas it would be appreciated that the employees have to incur huge expenditure on such journey by incidental charges during the journey, Hotel expenditure, meals, local transport and other miscellaneous expenditure i.e. entry tickets of monuments museums, historical places and other sightseeing etc. With the present system, the Govt. has treated the LTC only for one place, where as once the family is on tour it is obvious that other places of historical, archeological and religious importance are to be visited near by the declared destination and /or on the way. Extra expenditure is involved in local journeys by various methods to visit such places.

17.2.3 It is imperative to mention here that no consideration of such expenditure is taken into account while determining the pay structure of the employee which causes acute hardship and financial stringent to the employees.

17.2.4 It is therefore proposed that the Pay Commission should recommend in its report to reimburse at least 80% of the total expenditure incurred by the employees on such tour or alternatively, it may be paid to the employees including the pensioners as a lump sum grant of one month emolument (Pay + DA every year, in order to facilitate them to chalk out their own programme in accordance with the available finance.



Chapter - XVIII

Leave / Holidays & Other Facilities



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C H A P T E R – XVIII

18.0.0 LEAVE HOLIDAYS AND OTHER FACILITIES

18.1.0 Reduction of Holidays

18.1.1 The following holidays are available in India to the Govt. employees-

(a) Gazetted Holidays	-	17
(b) Restricted Holidays	-	34
(c) Casual Holidays	-	14
(d) Regional Holidays	-	19
Total	-	84

18.1.2 We are enlisting herewith the list of the holidays of some other countries simply with a comparison point of view.

S.No.	Name of Country	No. of Holidays
1	Canada	19
2	China	10
3	South Korea	10
4	Portages	22
5	Spain	22
6	Japan	22
7	Sweden	25
8	Poland	26
9	U.K	28
10	Greece	25
11	Austria	25
12	Sri Lanka	14
13	Pakistan	19
14	U.S.A	28

18.1.3 There has always been a murmuring and heart burning amongst the various section of the society on account of Gazetted holidays granted by the Govt. of India and therefore a growing tendency in our country to demand the Gazetted holidays on the basis of religious and social functions exists. In the larger national interest, integrity, output and efficiency, the Federation propose that the number of Gazetted holidays be limited to the following National holidays only , being the secular country, no preference is desirable and proper to any particular community or/and religion in the matter of holidays by the Govt. As such to eradicate the discriminatory situation in this regard, it is absolutely essential to bring about the radical change.

i) 26th January – Republic Day

ii) 15th August – Independence Day

iii) 2nd October – Birthday of the father of the Nation MAHATMA GANDHI.

By this, 14 Gazatted holidays will be spared which at the moment are being granted to the employees on account of one or the other festival of one or the other religion. These 14 holidays plus two restricted holidays should be included /added to the casual leaves in vogue already granted to the employees. This will make the total number of casual leaves

- to 30. Un-utilized casual leaves in the year should be credited to the earned leave of the employee.
- 18.1.4 Doing so, the Govt. shall avoid a lot of criticism by restricting the number of holidays and the employees are not going to loose anything on this account as the total number of holidays plus casual leave shall remain as before and they may avail according to their needs and exigencies instead of compulsory holiday or off. The public at large is going to be highly benefited by this scheme of reduced holidays as the offices will remain open even on these holidays on account of those employees attending the office who are not availing holidays.
- 18.1.5 We submit this proposal to the 7th C.P.C. in the greater interest of the nation. It however gives us ample contentment that the 5th CPC having taken the cognizance and appreciating those proposals did recommend the same in their report vide para 118.8 page 1706 of its report Vol.III and the 6th C.P.C in their Para 4.5.6 have repeated the similar recommendation but the Govt. probably due to extraneous considerations did not accept the same without any reason. It is once again stressed on this vital important proposals and we appeal this Hon'ble C.P.C to kindly again recommend it in more convincing and effective manner to the Govt. in their report for their acceptance and implementation for the sake of broad and better interest of the nation and employees too.
- 18.2.0 **WITHDRAWAL OF CEILING ON EARNED LEAVE**
- 18.2.1 As per the standing rules and instructions of the Govt. there is a ceiling on the accumulated earned leave of the employees' upto 300 days only. Obviously, this is a great injustice to the sincere and devoted employees who do not want to avail leave but devote and dedicate themselves for Govt. works. It has been observed at the moment that those who have already accumulated 300 days earned leave are compelled to go on earned leave even if the same are not required by them as any further accumulation of earned leave to their credit will be lapsed. This causes unnecessary wastage of man hours which could otherwise be profitably utilized for Govt. work.
- 18.2.2 In view of above the Federation suggest that there should be no ceiling on accumulation of earned leave of the Govt. employee, on the lines of medical leaves.
- 18.2.3 The whole purpose behind this proposal of withdrawal of ceiling of earned leave is that as is reflecting from the name itself, the leaves are earned by the employees and as such become his legal right to avail the same or to encash without any ceiling at the time of needs or at the retirement besides, energy and time of a Govt. employees at his prime youth shall be utilized for Govt. work, which shall go a long way enhancing the National productivity which may not be available in the same degree of capacity and potentiality at the time of his retirement and can be compensated only in the terms of cash benefit to him.
- 18.3.0 **LEAVE ENCASHMENT**
- 18.3.1 There is a provision in the State Governments that their employees can have leave encashment at any time which they do not avail but the same is deducted from their account. Subject to the condition that 60 days must remain in balance at every point of time.
- The Hon'ble Pay Commission is requested to recommend the same facilities of encashment at any time even before the retirement as and when needed and without any ceiling what so ever to all employees in Central Govt. Departments too.*



Chapter - IXX

Retirement Scheme



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CHAPTER - XIX

19.0.0 **PENSION AND OTHER RETIREMENT BENEFITS**

19.1.0 **INTRODUCTION**

As per TOR of this CPC, it has to examine the principles governing structures, retirement benefits and revision of pension and pension schemes.

19.1.1 The principles and allied matters are to be decided keeping in view the constitutional provisions and verdicts of the courts.

19.1.2 Article 366(17) of the Constitution of the Country defines pension as under:
“Pension: Pension means a pension whether contributory or not, of any kind whatsoever payable to or in respect of any person and includes retired pay so payable; a gratuity so payable and any sum or sums so payable by way of the return, with or without interest thereon or any other addition thereto, of subscription to a Provident Fund.” From this what is to be inferred is that the gratuity as well as commutation are also part of the pension as a whole. These are also to be treated as pensionary benefits.

19.1.3 The Supreme Court in their Landmark Judgment (which has been approvingly quoted by the 5th CPC) in D.S.Nakara and others Vs Union of India (AIR 1983 SC 130) held that Pension is neither a bounty nor a matter of grace depending upon the sweet will of the employer. It is not an ex-gratia payment but payment for past services rendered. It is a social welfare measure rendering socio economic justice to those who in the hey-days of their life ceaselessly toiled for their employer on an assurance that in their old age they would not be left in lurch. The 5th CPC paying due respect to the above observation of the Hon’ble Apex Court in Para 127.6 of its report has stated that the pension is the statutory, inalienable, legally enforceable right of employees which has been earned by the sweat of their brow.
As such the pension should be fixed, revised, modified and changed in ways not entirely dissimilar to the salaries granted to serving employees.

19.1.4 While examining the goals that a pension scheme should seek to sub-serve, the Hon’ble Apex Court held that “a pension scheme consistent with available resources must provide that the pensioner would be able to live:
(i) free from want, with decency, independence and self respect, and
(ii) at a standard equivalent at the pre retirement level”
The Court observed that we owe it to the Pensioners that they live, not merely exist.

19.1.5 From the above observation of the Supreme Court it is clear that pension is payable by the employer i.e., the Central Government to its retired employees which is their statutory and legally enforceable right from which they cannot be deprived. That the amount of pension must be enough to enable a pensioner to live free from want with decency, independence, and self-respect and at a standard equivalent at the pre-retirement level.

19.1.6 In para 2.20 the IV Pay Commission has observed:
“but even though the Government service pension scheme in our country is non-contributory, it has been contended again by way of doctrinal approach, that this is not really so and that some allowance is made for the missing contribution while determining the salaries”

19.1.7 The 5th CPC paying due respect to the above observation of the Hon’ble Apex Court in Para 127.6 of its report has stated that the **pension is the statutory, inalienable, legally enforceable right** of employees which has been earned by the sweat of their brow. As such the pension should be fixed, revised, modified and changed in ways not entirely dissimilar to the salaries granted to serving employees.

- 19.1.8 Keeping the above observations and principles and judicial pronouncements in view, we submit below our suggestions for restructuring the existing pensionary scheme in appropriate chapters. We have made our submissions only in respect of issues where we want Commission to consider improvements in the existing provisions.
- 19.2.0 **NEW PENSION SCHEME**
- 19.2.1 The contributory pension system brought in by the GOI through their notification dated 22.12.2003, now renamed as National Pension System under PFRDA Act, has been imposed on Government employees who entered service on or after 1.1.2004.
- 19.2.2 This is an illegal act in as much as the Supreme Court of India had held Pension as an enforceable inalienable fundamental right. Therefore it should be scrapped or at least not made applicable to Government employees. This has also divided the CG employees into two categories and therefore it is discriminatory in respect of persons who have entered service on or after 1.1.2004 who had been denied the statutory pension. Any discriminatory scheme is illegal and ultravires of Article 14 of the Constitution. On this count also the NPS cannot be made applicable to the Government employees.
- 19.2.3 The Centre for Economic Studies and Policy, Institute for Social & Economic Change, Bangalore in a Study of Terminal Benefits of the Central Government Employees sponsored by the VI CPC had also observed that Civil Services Pension is in the nature of a deferred wage. It is well known that the principle guiding the pay package of civil servants is one of intentionally spreading out the compensation over a long period of time, thereby the wages paid out during the course of the work tenure is kept low by design, and the pension payments made during the retirement phase compensate for the low working wages.
- 19.2.4 The above mentioned study under the heading “Arguments against pension reforms” states as follows:
“Larry Williams observes “Actually, civil service pensions, because they are not based on contributions, are best described as deferred wages. Civil servants accept a lower current wage in exchange for the promise of a pension in their old age. If this pension were contributory, they would insist on a higher wage and government would have to either increase taxes or borrow (issue debt) to pay it. The real cost of civil servants is thus much higher than recorded under the current system of cash accounting. A good reform would be to move to a system of accrual accounting setting up at least a notional fund to pay these deferred wages” (Larry Wilmore, 2004)” “Public and private sector pay differentials: A comparison of the public and private sector wages reveals that while the public sector wages for the lower grades compares well with that of the private sector, the salaries of the employees belonging to the higher grades are highly unfavourable to the public sector employees. The post-retirement benefits that the government employees are entitled to act as some incentive to retain them in government sector.”
- 19.2.5 The above study had submitted the following estimated pensionary outgo which tends to increase during the period from 2014-2038. It is only after 2043 that it starts declining and will be reduced to zero only in 2088. The table is given below:

Table showing estimated Employee Pension Family Pension Total Pension

Table showing estimated pensionary outgo Year	Employee Pension Payout (in Rs Crores)	Family Pension Pay out (in Rs.Crores)	Total pension Payout (in Rs.Crores)
2004	11300.69	2983.38	14284.07
2008	13532.84	3572.68	17105.52
2013	16549.07	4368.94	20918.02
2018	21862.54	5771.79	27634.33

2023	27723.68	7319.11	35042.80
2028	34076.27	8996.13	43072.41
2033	39321.68	10381.01	49702.69
2038	45164.50	11923.41	57087.90
2043	41747.23	11021.30	52768.53
2048	35011.92	9243.18	44255.10
2053	25405.44	6707.07	32112.51
2058	16303.15	4304.07	20607.22
2063	8179.51	2159.39	10838.90
2068	3159.88	834.19	3994.07
2073	800.68	211.34	1012.02
2078	110.26	29.17	139.43
2083	3.52	0.97	4.49
2088	0.00	0.00	0.00

The above study had also pointed out that expenditure on pensions of civil servants of high income OECD countries on an average is 2% of GDP (less than 1% in Ireland and more than 3.5% in Austria*)(* Source: OECD Social Expenditure Database). But in the 8 South Asian countries it is less than 1% of GDP (Source: World Bank Data base). However, in India between 1964-65 and 2004-05 on an average pension payments (Civil Service pension paid by Central Government) have constituted 0.51% share of GDP. The Pension liability would continue to increase and reach 0.54% level by 2014-15 and remain at that level till 2024-25 after which they would decline as a percentage of GDP according to the same study conducted by Dr. Gayatri at the instance of VI CPC. These figures argue themselves in favour of continuation of the Defined Benefit Pension Scheme for all Central Government employees instead of throwing a section of them to market based NPS. According to 2011 census 62.8% are in the age group of 15 to 60 and only 8.2% are above the age of 60.

From the above projection it is very clear that the benefit of NPS will commence only after 30 years i.e. in 2044. And during the period it will increase exponentially as because in addition to the Statutory pension liability the Government will be contributing to the NPS also @ 10% of annual salary bill of the CG Employees who have entered service on or after 1.1.2004.

- 19.2.6 The final conclusion of this study team has been as under:
 “Mainly given the fact that the future liability although may be large in terms of the absolute size is not likely to last very long and does not constitute an alarmingly big share of the GDP which is also on the decline, it appears that pursuing the existing “Pay As you Go” to meet the liability would be an ideal solution.”
- 19.2.7 Applying this conclusion we may suggest that the NPS may not be made applicable to the Government employees and all those who had been covered under NPS may be reverted back to statutory pension scheme. The Government may be asked to study the experiences of this scheme in several other countries in the world. In Chile such a scheme has been reversed as because the return which the low paid employees got out of the annuity purchased was not as good as 50% of LPD but as low as 20% of LPD. The UK Government had to pay out of the exchequer large amount by way of subventions in order to ensure that annuities purchased yield 50% of LPD as pension. It is well known that in USA where there were similar pension schemes dependent upon the market had collapsed during the financial melt down from 2008 onwards. It is estimated that more than 3.5 trillion \$ worth of pension wealth was lost. The workers not only lost their pension but also their jobs. Our respectful submission is that taking into account the demographic considerations of India which is a country of young do not need any such market oriented pension scheme, particularly when the international

experience is that such schemes had failed and our country can afford to pay pension to civil servants which stands at level of 1% of the GDP. We conclude by quoting the opinions of experts on the future of market dependent pension Scheme.

Mr Joseph Stiglitz (Chief economic advisor to former president of USA Bill Clinton, former vice-chairman and chief economic advisor, World Bank, Nobel Prize winner, Professor of economics, Columbia university) said that “Stock market does not guarantee returns. It does not even guarantee that the stock values will keep up with inflation. Privatization would not protect retirees against the social security systems insolvency. Argentina’s privatization of its pension system was at the centre of its fiscal woes”.

Mr Dean Baker (Co-director for centre for economic and policy research, Washington) said “Privatisation means that you would not have a guaranteed benefit that you have today. It would depend on how will your investments do or how well they have done at the point you retire. He quoted the collapse of NASDAQ and Enron. In Britain, Insurance companies could not honour their promises and the Government had to compensate with 8 billion pounds”.

19.3.0 **VOLUNTARY RETIREMENT**

19.3.1 Whereas Rules 48-A, 48(1) a, 56(K) of CCS (Pension) Rules provide for voluntary and premature retirement of Govt. employee, the rules 48(1) b and FR56(I) provides the Govt. with a corresponding right of premature retirement of the Govt. Servant in public interest.

19.3.2 In an era of liberalization and globalization the employee has got an inalienable right to choose. He cannot be restrained from turning elsewhere to seek greener pastures. In order to make the better career prospect, one is entitled to switchover from Govt. to private sector and vice versa. Even otherwise by encouraging this inter mobility between the Govt., public and private sector, all the three sectors shall be benefited in terms of enhancement of professionalism, experience & efficiency.

19.3.2 The Scheme for voluntary retirement therefore is needed to be further eased and liberalized. Accordingly it is proposed to:–

- i) Reduce the qualifying service for seeking voluntary retirement to 10 years with existing Weightage of 5 years in qualifying service.
- ii) Commute 100% of their pension on seeking such voluntary retirement.
- iii) The period of service rendered earlier should be counted for pension provided the pension system be in vogue in the department where joining.

19.4.0 **PENSION**

19.4.1 **Statutory Provision**

As mentioned in above para 19.1.0 (Introduction), pension is, not an ex-gratia payment but a payment for past service rendered. It is an obligation on the part of the employer to provide socio-economic justice to their employees in old age who in the day of their life ceaselessly toiled for their employer. It should therefore be fixed revised, modified and changed in line of the salaries granted to serving employees.

19.4.2 We strongly insist that the principles that should govern the structure of pension etc have to be evolved taking into account the relevant constitutional provisions as well as judicial pronouncements by the Supreme Court of India in this regard.

19.4.3 The Vth Central Pay Commission though had not suggested any change in pension formulae (i.e. 50% of average emoluments and for 33 years of service) yet they had propounded the idea of creation of a National Pension fund, to enable the Govt. to meet out the pension liability of the employees. The corpus of this fund was to be created by the contribution from the

employees (new entrants) and the Govt. while the employees' contribution was to be fixed @6.5% of their salary, the Govt's contribution to this fund was to be @17.73%

According to the findings of the Commission, in this arrangement, the employees would also be benefited with additional 20% pension over the existing 50% pension i.e. 70% of the last pay drawn.

- 19.4.4 The Vth Pay Commission had entrusted the task of “assessing the post retirement income requirements after taking into consideration the position as obtained then in private and public sector” to “TATA Economic Consultancy Services” (TECS)
- 19.4.5 The TECS had worked out post retirement income requirements to be about 65% of the pre retirement gross income in 1996. They had also suggested about the Supplementary Pension Scheme which could be contributory in nature in addition to the component of non contributory pension in order to meet the rising post retirement economic needs of retired personnel
- 19.4.6 It is also realized that since 1996 there has been continuous and steady decrease in interest rates on savings. The decrease in the interest rates has adversely affected and caused scouring effect on the income of the retired persons quite severely. At the same time the cost of living has tremendously increased and there is wide gap between the Dearness Relief paid by Govt. and the actual market retail prices. Thus day to day living with the meager amount of pension is becoming harder and harder.
- 19.4.7 The retired persons, at times are found to be solely dependent on this pension only for their sustenance. As the age advances, the capacity decreases and it becomes very difficult for them to devise other ways and means for their livelihood. The old age has the telling effect on the health and general wellbeing of the retirees, resulting in exponential increase in medical expenses and social obligations.
- 19.4.8 Keeping the above observations and principles and judicial pronouncements in view, we submit below our genuine demands for restructuring the existing pensionary scheme in forgoing paras.
- 19.4.9 At present, the pension is evaluated @ of 50% of average of last 10 months /last pay drawn. It will not be out of place to mention here the quantum of pension percentage that being given in other countries.

Country	Maximum Pension of last salary drawn
Bangladesh	60%
Belgium	67%
France	75% - 80%
Germany	75%
Indonesia	75%
Mexico	95%
Myanmar	60%
Pakistan	70%
Srilanka	80-90%
Sweden	65%
U.K	50%

India	50%
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19.4.10 From the above table it is seen that even in countries like Bangladesh, Belgium Germany, Myanmar and Pakistan though the Pension of the public servant ranges from 60 to 75% of the last pay drawn, the individual's contribution towards the pension is NIL. The pension in these countries is wholly financed by the Govt. In the countries where however the contributory pension scheme has been introduced, only part of the pension obligation has been converted into a funded contributory scheme. Not only this, the pensionary benefits in these countries ranges from 65 to 90 % of the last pay drawn. Like in Sweden, though the pension is fixed at 65% of the last salary, yet individual's contribution towards pension scheme is only 9.45% as against the Govt.'s contribution of 25%.

19.4.11 In view of the above facts it would be more rational and justified to :-

- (i) Increase the full pension to the tune of 70% of last pay drawn or 10 months average emoluments, whichever is more beneficial, after 20 years of qualifying service.
- (ii) Since 70% pension has been justified on 20 years of service i.e. about 3.5% pension for each year service rendered by the employee, it is therefore further stressed that additional pension @1.75 % for every six months of additional service rendered over and above 20 years, subject to maximum pension @80% be granted to Govt. employees after retirement.

19.4.12 **MINIMUM PENSION**

Till so far no pay commission or Govt. has revealed the concepts of minimum pension. The pension is recommended at 50% of the last pay. The 15th I.L.O. advocated the doctrine of need based minimum wages which is the key factor. The worker will not survive on the lesser emoluments is an accepted factor Even then the pension is being paid at the half of this min. wage. This needs immediate rectification and **the minimum pension should be fixed equal to the need based minimum wage.**

19.5.0 **AGE RELATED ADDITIONAL PENSION**

19.5.1 According to SSO survey (2007-08) 7.5% population only is above the age of 60. Naturally this may reflect among the pensioners also. Life expectancy at 60 is only 17.9 and at 70 it is only 11.8 (Source: Sample Registration System O/o the Registrar General India). This means a Government servant is receiving pension for 18 to 22 years. In the age group of 60 to 79, in Rural areas 5% and in Urban areas 5.5% is confined to bed. In the same age group 22.4% in Rural areas and 20.2% in Urban areas is confined to home due to physical immobility (Source: National Sample Survey, 60th Round, 2004). After retirement, their income from pension is nearly 1/3rd of their gross salary at the time of retirement. But they have to spend more on medical care. This age-group therefore also needs some relief by way of additional pension. Incidentally Afghanistan which is one of the low income countries in Asia, is having a retirement age of 65 with a formula of grant of additional pension at the rate of 3% for each year after 65 years of age and the maximum 80% additional pension is paid.

19.5.2 At present, the Government of India has accepted and implemented the 6th CPC recommendation of age-related additional pension beyond the age of 80.as per table below.

After Age of	Percent increase in pension
80 years	20
85	30
90	40
95	50

100	100
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It can be inferred from the table that after 80 yrs of age there is 10% rise in every 5 years that is to say 2% every year but continual. However the pensioners do not get any benefits of this benefit when he is in very bad need between the ages of 61 to 80 years.

To mitigate this difficulty,

- (i) Govt. of Punjab have granted additional quantum of age related pension to their employees as under-

On attaining the Age of (In Years)	Additional Quantum of Pension
65	5%
70	10%
75	15%
80	25%

- (ii) the Govt. of Himachal Pradesh has rightly introduced the Pension Allowance @ 5% after the age of 65 years. (vide order No.FIN(Pen)A(3)-1/09. Dt. 28-09-2012) However this needs further modification.

- (iii) Further attention is needed to the fact that

- 1) Life expectancy in India in case of Male is 67 years and in case of Female in 73 years.
- 2) Pensioners above the age of 100 years can be counted on finger tips.
- 3) The hike in pension or the older persons should be based on “more age more pension”

- 19.5.3 Bearing the above facts and figures in mind we request that the basic pension amount be yearly increased on the basis of Annual Increment @ 3 % as per the serving employee. This will ultimately amount to the additional pension as below

On Attaining the Age (in years)	Additional Quantum of Pension
65	15%
70	30%
75	45%
80	60%
85	80%
90 and above	100%

- 19.5.4 One rank one pension should positively be considered for the pensioners and family pensioners, as it is proposed to the Defence personnel.

19.6.0 FAMILY PENSION

- 19.6.1 The Vth Central Pay Commission had recommended the uniform rate of 30% of last pay for family pension for all categories of employees.

- 19.6.2 The existing rate of family pension which are linked to the last pay drawn by the employee at the time of death is quite inadequate. It is also pertinent to point out that the needs of the family of the deceased or the cost of establishment of the family does not get reduced substantially and the family has to incur the expenses almost at the same rate to meet its' requirements even after the demise of the bread earner.

- 19.6.3 In view of the above it would be appropriate and justified to raise the family pension to 50% of the last pay drawn.
- 19.6.4 In case of death of pensioners or a Govt. employee dying in harness, family pension is paid @ enhance rate of 50% of the last pay drawn for a period of 10 years subject to maximum age of 67 years whichever is earlier.
- 19.6.5 Based upon the above analogy, the Family pension which is 30% of the last pay drawn be increased to 50% to give genuine relief to the family of the deceased. The Family pension @ of 70% be paid to the family pensioner for first 10 years instead of present provision of 7 years.
- 19.6.6 All the age related pension benefits should be implemented for the family pensioner too.

19.7.0 RETIREMENT BENEFITS

19.7.1 GRATUITY:

- 19.7.2 At present the rate of retirement gratuity is half month's emoluments for every years of service put in subject to the maximum of 16.5 month's emoluments. Further the gratuity however cannot exceed the monetary limit of 10 lacs.
- 19.7.3 The 5th Pay Commission had recommended the removal of cash ceiling and computation of gratuity on pay plus dearness allowance on the date of retirement, which has been accepted and implemented by the Central Govt.
- 19.7.4 The 6th C.P.C while recommending for gratuity did not took note of the followings points:
1. The 6th C.P.C neglected those who may have rendered more than 33 years service.
 2. The maximum age limit of recruitment in Central Govt. services have been raised to 35 years. Such group of employees shall be eligible for 12.5 months gratuity without any fault of their own because such employees shall retire after completion of service of 25 years only.
- 19.7.5 *It is therefore reiterated that –*
1. *The Gratuity should be calculated @ 20 days emolument for every year of service rendered by an employee irrespective of the maximum service limit.*
 2. *The ceiling on the amount of the Gratuity should all together be lifted.*

19.8.0 COMMUTATION OF PENSION

- 19.8.1 At present the Central Govt. employees are permitted to commute up to 40% of their pension. The commuted portion of the pension is restored after 15 years.
- 19.8.2 The officers and the personnel below the officer's ranks in the Armed Service are permitted to commute up to 45 percent of their pension.
- 19.8.3 The Judges of Supreme Court & High Courts are provided with a facility to commute upto 50% of their pension.
- 19.8.4 The 5th Pay Commission had recommended the restoration of commuted portion of pension after 12 years.

19.8.5 Restoration of Commuted portion of Pension in 10 years.

19.8.6 Commutation value in respect of employees superannuating at the age of 60 years between 01.01.1996 and 31.12.2005 and commuting a portion of pension within a period of 1 year would be equal to 9.81 years purchase, after adding there a further period of 2 years for recovery of interest in terms of observation of the supreme court in their judgment in W.P No-395-61 of 1983 decided in Dec-1986. In this perspective It is totally justified to restore commuted portion of pension in $(9.81 + 2 = 11.81)$ i.e. 12 years

19.8.7 In case of persons superannuating at the age of 60 years on or after 01.01.2006 and seeking commutation with in a period of one year, commutation value have further reduced to 8.194 (i.e 16.15% lesser). Also the mortality rate of 60 + Indians has reduced to 20 per thousand (source Ministry of Statistics, G.O.I) since Supreme Court Judgment in 1986. It would be justified to restore the commuted portion of pension in $(8.194 + 2.00 = 10.194)$ i.e. 10.2 years.

19.8.8 The VIth C.P.C. vide para. 5.1.35 referred the recommendation of Vth C.P.C. to reduce the commutation period to 12 years and suggested to modify the commutation table. Erroneously it has not been recommended. The reduction of period as recommended by Vth C.P.C. Govt. on recommendation, have accepted the table and implemented, however did not modified the period. It is therefore expected to implement the recommendation of Vth C.P.C and reduce the period to 10 years.

19.8.9 The life expectancy stands at 70 years in India this will reduced in financial bearing on the Govt. considerably. ***Hence the restoration of the commuted portion of pension should be kept at 10 years which is fare and justified.***

19.9.0 ALLOWANCES

19.9.1 DEARNESS RELIEF

19.9.2 The concept of 100% neutralization against increase in prices should be looked into seriously because price rise affects the pensioners much more than serving employees. The income of pensioners is already reduced and all perquisites such as subsidized residential accommodation, LTC, H.R.A, C.C.A, transportation etc. disappears with the retirement. It should therefore be mandatory to off load the pensioners from the burden of price rise by allowing them 100% D.A. The D.A. is fundamentally based on the concept to compensate the increased cost of commodities to the employees in the form of an allowance. It is not the emolument for the work done by the employees. Being a welfare State, the Govt. should extend relief to its employees to meet the enhanced expenditure by way of various types of allowances. The D.A. is reduced by 50% for an employee just next day of his retirement. No dearness is reduced for him at any rate. **Since the D.R. is a compensatory allowance having and relief, having no bearing with the work and being the welfare state the quantum of D.R. needs to be maintained intact at the same rate as before his retirement to meet the ends of justice.**

19.9.3 Fixed Medical Allowance (F.M.A)

- (a) Department of pension & pensioners welfare had recommended a lump sum payment of Rs. 250/- per month for ailments not requiring hospitalization.
- (b) The 5th C.P.C had recommended fixed medical allowance @ Rs. 100/- per month for meeting the day to day miscellaneous medical expenses.
- (c) Govt. of Punjab, Haryana & Himachal Pradesh has granted fixed medical allowance @ Rs. 500/- and Rs 350/-per month to their employees as well as the pensioners.

- (d) Ministry of Health & Family Welfare for their serving employees had assessed the total cost per card per annum in 2007-08 as Rs. 16,435 (i.e Rs. 1369/- per month) for OPD. Adding to the inflation @ 6.89 % per annum the figure today is well over Rs. 2000/- per month.
- (e) Ministry of Labour & Employment Govt. of India vide its letter no-G-25012/2/2011 dated 07.06.2013 has already enhanced F.M.A to Rs. 2000/- per month for EPFO beneficiaries.
- (f) O.P.D through insurance will cost much more.
- (g) Adequate raise in F.M.A will encourage a good number of workers to opt out of O.P.D which will reduce overcrowding in the hospitals.

Thus the increment of the F.M.A upto Rs. 2000/- for the serving employees and pensioners is justified and financially viable.

19.9.4 **The F.M.A should be exempted from Income Tax.**

19.9.5 **HOUSE RENT ALLOWANCE**

- 19.9.5.1 Pensioner also needs a roof over his head. His housing needs are not gone with the retirement. Most of the Govt. employees do not get enough in their service life to manage a house of their own and are made to live in rented accommodation after retirement.

It is therefore justified and reasonable to restore at least 70% H.R.A. admissible at the time of retirement.

19.9.6 **INTERIM RELIEF**

Since interim relief only represents provisional arrangement during an intervening period and is intended to provide a sort of relief to employees pending a comprehensive determination of their salary and the pension is also upgraded on the basis of revision in pay, hence the pensioners should also be given interim relief on the same scale and on the same quantum as of the serving employee.

19.9.7 **MERGER OF DEARNESS RELIEF**

- 19.9.7.1 The methodology adopted for compensating the erosion in the real value of pension in the interregnum period had always been through the mechanism of merger of a portion of Dearness Relief. The 5th CPC had recommended that the Dearness Relief must be merged with basic pension as and when the percentage of Dearness compensation exceeds 50% accordingly even before the setting up the 6th CPC the Dearness Relief to the extent of 50% was merged with pension.

- 19.9.7.2 It is rather ironic to note that deviating from all other Pay Commissions, the 6th CPC had made a reversal and recommended that no Dearness Allowance / Dearness Relief should be merged with the Basic Pay of employees / Basic Pension of Pensioners. The recommendation had dealt a severe blow below the belt as this recommendation denied everyone from having any cushion against the erosion caused in the real value of pension in between two pay commissions. Had the recommendation of V CPC been continued, there would have been two automatic mergers of Dearness Relief by this time as V CPC recommended such a merger automatically whenever the dearness relief index crosses 50% mark.

- 19.9.7.3 ***We strongly demand that the 7th CPC should recommend for automatic merger of DA / DR as and when the index crosses the 50% mark and before setting up another Pay Commission entire DA should be merged with pay as was done by the Vth CPC***

19.10.0 **MEDICAL FACILITIES**

19.10.1 “Health is not a luxury” and “not to be the sole possession of a privileged few”. The enjoyment of the highest attainable standards of health is recognized as a fundamental right of all workers in terms of Article-21 read with Article 39(c), 41, 43, 48A and all related Articles as pronounced by the Supreme court in consumer education and Research Centre and others vs union of India (AIR 1995 supreme court 922)

19.10.2 The Supreme Court has held that the right to health to a worker is an integral part of meaningful “Right to Life” to have not only a meaningful existence but also robust health and vigour. Therefore the “Right to Health” medical aid to protect the health and vigour of worker while in service or post retirement is a fundamental right to make life of a worker meaningful and purposeful with dignity of person..

19.10.3 All the pensioners irrespective of their pre retrieval class and cadre be treated as similar category of citizen and of the same homogenous group and should be provided with the health care & services as under-

All pensioners be provided cash less & hassle free health care facilities.

I) Smart cards should be issued and made valid in the followings :-

a) All Govt. Hospitals

b) All NABH accredited multi specialty hospitals across the country which have been allotted land at concessional rate or given any aid or concession by the central or the state government.

c) All C.G.H.S, RELHS & ECHS empanelled hospitals across the country.

II) No referral should be insisted in case of medical emergency.

III) For the purpose of reference for the hospitalization and reimbursement of expenditure there on, in other than emergency cases, Doctor / Medical Officers should be treated as authorized medical attendants.

19.10.4 Hospital Regulatory Authority

19.10.4.1 Hospital Regulatory Authority should be established to ensure proper care and treatment to the patients and ensure desired control over the functioning of all the NABH (National Accredited Hospitals) & NABL (National Accredited Laboratory).

19.11.0 Leave Travel Concession.

19.11.1 The serving employees hardly find time for tours due to their presuming commitments towards their services as well as family affairs. They always plan their tours to enjoy in their leisure after retirement. The pensioner the same time dream to fulfill their this desire right to acquaint themselves with the rich heritage and culture of the country.

19.11.2 The developed countries allows free Air / Train / Bus / Metro passes to their senior citizens to undertake journeys at their freedom, which causes robust health and vigor in them. This reduces the medical bill on the Govt. exchequer considerably.

19.11.3 The Govt. of Punjab has granted L.T.C equal to 1 months basic pension in every block of 2 years vide order no- 1/15/89-IFP-III-8078 dated 31st Aug-1989.

19.11.4 It is therefore submitted that :

a) The pensioner should be allowed free Rail/Metro/Bus passes to undertake free journey as per their admissible class in the country.

b) Minimum of 10 National / International reimbursable journeys with Air journeys should be granted to all the pensioners in their lifetime.

19.12.0 Senior Citizen concession in fare and special Counter

- 19.12.1 At present, 40% concession is allowed to senior citizen in Railways. However there is no such provision for air journey. To promote the tourism and help the retiree to cope up the expenses, **Additional 10% i.e. total 50% concession be admissible to the retirees.**
- 19.12.2 Keeping the ailing health condition and inability for frequent walking and standing in long queues for hours for booking Train / Bus tickets, getting medical checkups and tests and having money from the crowded banks becomes a gigantic task for the pensioners. **It is therefore essential to open separate windows for elderly citizens at railway stations, bus stations, post offices, hospitals, banks and treasuries as well.**
- 19.13.0 **OTHER DEMANDS**
- 19.13.1 The 6th C.P.C in Para 2.2.11 had recommended the following benefits to the serving employees
1. Annual Increment to be granted on 1st of July every year.
 2. Employees completing 6 months and above in the scale as on July 1st will be eligible for increment.
 3. The above recommendations have been accepting by the Govt.
- 19.13.2 Employees completing service for 6 months or more in the last lap of his service tenure should be granted one increment as per the above recommendation. But the employees are deprived from the final increment only because they have retired on 30th June or last day of previous month.
- 19.13.3 *It is therefore reiterated that employees completing service of 6 months or more in the last lap of his service tenure should be allowed one increment and should be taken into account for the purpose of computing pension & other benefits.***
- 19.14.0 Benefits of the Pay Commissions recommendations to the last Mid Night Retiring Employees**
- 19.14.1 Employees retiring on previous night of implementation of recommendation of the pay commission are not allowed to enjoy the benefits recommended by the Commission.
For Example: Employees retiring on 31.12.1985, 31.12.1995 & 31.12.2005 were not allowed any benefits of the recommendation of 4th, 5th & 6th Pay Commissions respectively.
- 19.14.2 The Employees concerned performs their duties till mid night of the last decade preceding the day of implementation of the recommendation of the Pay Commissions. It is heart breaking and gross injustice to deprive such retired employees from the benefits being recommended by the extant Pay Commission.
- 19.14.3 It is therefore reiterated to allow the benefits of fixation and other ancillary recommendations to the employees those retired on just previous day of implementation of recommendations of the Pay Commission.**

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