

## **1.GENERAL ALLOWANCES**

### **(I) HOUSE RENT ALLOWANCE**

Housing accommodation is provided to a small segment of the Civil Servants. While the percentage of satisfaction is very high at the senior levels of Officers, Employees, especially at the lower levels are to depend upon the market for a dwelling place. Of late recruitment at Gr. B and C levels in Central Govt Offices is on the basis of an all India Examination and the regional recruitment which was in prevalence a decade back has been dispensed with. Once, recruited, he/she is perforce to be posted outside his/her home state making it necessary to search for a dwelling unit at the place of his/her posting and compete with those workers in the private sector whose salary levels in certain cases are phenomenally high. Housing in the country, despite introduction of various projects, tax concessions etc, continues to be a seller's paradise. A simple scrutiny of the rate of increase in the cost of construction and the rates quoted by the property dealers, real estate agents and tenant facilitators will reveal the extent of escalation in rent over the last a decade.

In Para 8.7.14 the 7<sup>th</sup> CPC has made a bald statement that with the increase in Basic pay, most of the employees will be able to afford rented houses as per their entitlements. The Chart given under Para 8.7.14 indicates the rent increases over a period between 2006-14. The rent is shown to have gone up by 118% by 2014. The Commission has sourced the house rent index figures from AICPI (IW). We have no hesitation to state that the Commission's observation based upon the most unreliable data must be discarded. We shall, in this connection, refer to the submissions we have made under the caption Dearness allowance in which we have elaborately brought to the fore the unreliability of the figures quoted by the Labour Institute, Shimla. Even according to the said data, which only indicates the figures up to 2014, the registered increase was 118%. The progression between 2009 to 2014 from 136 to 168 gives an average increase of 22 points. This reads as much similar to the progression of the AICPI (IW) prepared by the Indian Labour Bureau Shimla, whose commodity prices have been adopted by the 7 CPC for minimum Wage computation.

How divorced those rates are from the reality in the market has been explained with facts and figures in our letter dated 10.12.2015 to the Chairman, Empowered Committee of Secretaries. Even if one bases the computation on such unreliable data, the hypothetical progression of the housing index by end of 2015 shall be 279-290 which warrant an increase by 136%.

Relating the index figures indicated in chart under Para 8.7.14 to the DA percentage as on 1.1.2016.(125%), the ratio obtaining both in H1 and H2 i.e. 123 to 260 (2014) and 126 to 268 (2014) are 2.11 and 2.13 respectively. If the same is calibrated to 125% as on 1.1.2016, the ratio shall be 2.64 and 2.66. This will necessitate raising the HRA to 33.13% in Metro Cities, 22% in Y Class Cities and 11.12% in Z class towns.

The hypothetical progression on average basis will also make it necessary to compensate housing expenses at 29.7% in Metro Cities and 19.74% in Y class Cities and 9.87% in Z class towns.

The Commission is on record to state that the house rent factor in AICPI (IW) is on an average 15.27. The 6<sup>th</sup> CPC has indicated the factor at 8.67 and has been on record to state that the factor is not uniform at all places. The rates between Metro cities and small towns vary violently. This apart the Commission has

applied a factor of 0.8 to all allowances, which are not cost indexed on the specious plea that wages per se has been increased. While the Basic wages registered a paltry rise of 14% over a period of ten years (1.4% per annum) how justified is the stand of 7<sup>th</sup> CPC to apply a factor 0.8 (i.e. by 20%) to suppress the quantum of allowances is beyond comprehension. The Commission has proceeded with the assumption that the grant of 30,20 and 10% of the determined basic pay was a full and perfect reimbursement of expenses incurred by the Government employees on housing, which is undoubtedly erroneous as could be evidenced from the observation of the 6<sup>th</sup> CPC itself. Even if all these untenable contentions of 7<sup>th</sup> CPC and the unreliable statistics are taken into account, still it is clear that in order to maintain the present compensation level, the commission ought to have maintained the status quo in respect of rates of HRA and should not have reduced it by the application of 0.8 factor. We, therefore, request for the reasons adduced above, that the HRA may be retained at the levels determined by 6<sup>th</sup> CPC i.e. 30, 20, and 10 per cent of Basic pay for X,Y, Z class of cities and towns respectively.

**(II) TRANSPORT ALLOWANCE**

Since the 7<sup>th</sup> CPC has decided to raise the minimum wage by 14.22%, the fixed Transport Allowance also ought to have been raised by the same percentage over and above the quantum obtained on the application of the multiplication factor of 2.25. If the 14.22% is added, the first slab in Metro and non metro cities would be Rs.8224 and Rs.4112 respectively. Taking into account the cushion available for Officers who are in Pay Level 9 and above, we had suggested in our memorandum dated 10<sup>th</sup> December, 2015 the first slab at Rs 7500 and 3750 respectively for Metro and non metro cities.

Those in the PB1 drawing pay above Rs. 7,440/- will stand to lose on implementation of the 7<sup>th</sup> CPC recommendations. As on 1.1.2016, all of them were drawing Rs 3600 as TPTA. Once the recommendations are accepted their TPTA will get reduced to Rs 1350/- We solicit the kind reference of the Committee to the observation of 7<sup>th</sup> CPC to Para 8.15.52 which is reproduced hereunder.

“The second issue is whether Transport Allowance should be the same for all personnel posted at the same place. Here the Commission feels that a question of status of employees involved and hence, complete parity is not possible.”

The Number of employees in Level 1 and 2 who were below 7,440/- is very insignificant. The MTS, on recruitment were getting Rs. 7000/- as pay. Either a promotion to the next higher grade or the annual increments would have enabled them to cross the 7440 in a period of 3 years. For the purpose of maintaining the so called status, the low paid workers are kept in perpetual financial constraint or penury. Without compromising the recommendations of 7 CPC (i.e. complete parity is not possible) the suggestion made by the Staff Side in its memorandum dated 10/12/2015 may be accepted making two levels as under:

Pay Levels	Higher TPTA Cities	Other places
Level 9 and above	Rs 7500 + DA	3750+DA
Below Level 9	Rs.3750+DA	1875+DA

The transport allowance, when it was introduced, was fully exempt from the ambit of Income tax. Prior to the implementation of the 6<sup>th</sup> CPC the transport allowance had a maximum ceiling of Rs. 800/-. The I.T. Act provided for an exemption up to the level of Rs. 800. However, when the revision took place in

2006, the consequential rise in the quantum of exemption under I.T. Act was not made with the result that a portion of the Transport allowance became taxable. It is, therefore, necessary that the exemption which was available for Transport allowance must be re-introduced with an inbuilt provision to take care of the increases that would come about as and when the DA rates are increased.

**(III) FIXED CONVEYANCE ALLOWANCE**

This is an allowance which was not cost indexed. The demand that the same must be cost indexed like the TPTA was rejected by a perfunctory remark by the 7<sup>th</sup> CPC that the “demand lack merit”. In the next sentence, the Commission, however, recommend that the allowance must go up by 25% each time DA rises by 50%.

While evolving the general principle, the Commission has stated that allowances that are in the nature of fixed amount and not DA indexed have generally been raised by a factor of 2.25. Conveyance allowance is a fixed amount. It ought to have been raised by the multiplication factor of 2.25 No reason was adduced by the Commission in not doing so. Therefore, the fixed conveyance allowance must be raised as follows:

Average Monthly Travel	By Motor Car	By other modes
201-300 km	3780	1250
301-450 km	5670	1620
451-600 km	6705	2160
601-800 km	8203	2534
Above 800 km	10125	2871

**(IV) OVERTIME ALLOWANCE**

In Para 8.17.97 of the Report the 7<sup>th</sup> CPC has made the following recommendations:

“ Hence while this commission shares the sentiments of the predecessors that Government offices need to increase productivity and efficiency and recommended that OTA should be abolished (except for operational staff and industrial employees who are governed by statutory provisions) at the same time it is also recommended that in case the Government decided to continue with OTA for these categories of staff for which it is not statutory requirement, then the rate of OTA for such staff should be increased by 50% from their current levels”.

OTA rates were last revised in the year 1987, i.e. about 30 years before. The issue was agitated before the Board of Arbitration, having settled for a disagreement at the National Council. The Board of Arbitration had categorically stated that the allowance must be linked with the Basic Pay and should not be based upon imaginary or notional amount. In contravention to the solemn assurance given at the time of setting up the JCM, the Government moved resolution before Parliament, which is still pending. The 7<sup>th</sup> CPC recommendation is without factoring facts and therefore the Committee should recommend to the Government that as an when workers are deployed for overtime, they must be paid the OTA based upon the Pay of the concerned individual worker. In other words, the OTA has to be twice the hourly duty salary of the concerned employee with the other stipulations under the Rules.After 7<sup>th</sup> CPC revision, one hour wage of an MTS is Rs. 75/- whereas rate for one hour OTA is Rs.15.85 only. Hence it is requested that

overtime allowance wherever sanctioned must be based upon the actual basic pay of the entitled employee.

Current levels of Overtime Allowance for those employees who are not covered by statutory provisions are regulated on the basis of the pay structure as on 31.12.1995.

There are certain Departments which conducts its activities Round the Clock . Such establishments are performce to deploy employees on overtime duties when the incumbent for the next shift duty is on leave on emergency reasons. Departments like Postal, Defence, Atomic Energy, Space, etc are some of major Departments having the requirement of round the Clock Shift duty.

The Department of Atomic Energy and such other scientific organisations has to maintain their R & D wing in the similar manner i.e. round the clock. The officials who are deployed in the R & D wings are not given the status of Industrial employees and are thus not covered by the statutory rules in the matter. They are denied the OTA on the basis of the statutory prescriptions, which is unethical and is a practice introduced after the 4<sup>th</sup> CPC recommendations were implemented. Incidentally we may mention that the Department of Atomic energy revised the rules and adopted the factories rules in respect of payment of OTA. The other institutions continue to pay the paltry amount fixed two decades back. In such situation, employees who are asked to continue their duty even after their normal duty hours should be compensated with proper wages. The present rate of Overtime Allowance calculating hypothetically relating to the pay of the 4<sup>th</sup> CPC is to be dispensed with.

#### (V) **FAMILY PLANNING ALLOWANCE**

The discontinuance of this allowance is recommended by the 7<sup>th</sup> CPC on the ground that the incentive scheme has outlived its propose, if not entirely at least among the middle class who constitute the majority of the government employees. While we leave it to the Government's wisdom of the continuance or otherwise of the scheme, we suggest that the benefit given earlier must not be withdrawn. In other words those who were granted the increment or allowance as the case may be allowed to retain it as otherwise it will result in a drop of emoluments for them.

#### (VI) **FIXED MEDICAL ALLOWANCE**

The fixed medical allowance is granted to retired personnel who are not covered by the CGHS. Vast majority of CG personnel are not covered under the CGHS for hardly 30 cities in the country has the CGHS facility. While the working employees are entitled for reimbursement of medical expenses including in-patient treatment, the retired personnel who are more in need of medical facilities had been left in the lurch. With the persistent persuasion, Govt. decided to grant a fixed amount as FMA as compensation to Pensioners to bear the cost of out-patient treatment. A paltry amount of Rs.500/- is granted to them presently as FMA. The 7<sup>th</sup> CPC has not examined the adequacy of this allowance. In the memorandum the Staff Side had submitted to the 7<sup>th</sup> CPC it had elaborately dealt with this issue and had demanded the need for enhancement in the light of escalation of prices of drugs in the country on account of the withdrawal of the administrative price mechanism as part of the introduction of the new economic policies. It would be pertinent to mention that the EPF pensioners get Rs. 2000/as FMA with effect from. 1.1. 2006/- It may also be noted that the No. of diabetic patients in the country has increased phenomenally over the last a decade as also the number of persons suffering from cardiac related diseases.. Most of the retired personnel suffer from these diseases and are required to spend a sizeable amount of their income on medicines. In view of this, we demand that this allowance must be increased to Rs. 2000/- p.m.

### **(VII) CASH HANDLING AND TREASURY ALLOWANCE**

In para 8.10.9 the 7<sup>th</sup> CPC has given the present rate of this allowance. If the Govt. is able to abolish the cash transactions altogether the recommendation of the Commission can have meaning and substance.. It could be seen that this allowance is related to the average quantum of Cash handled per month. In certain departments like Postal and Revenue, it is difficult to dispense with the cash transactions totally. Over the years the quantum of cash transaction might be reduced. Since the allowance is related to the quantum of cash transactions, it has an inbuilt mechanism to reduce the Governmental expenditure on this account over the years. In other words, the allowance will get reduced proportionately to the amount of cash transaction. In tune with the general principles evolved by the commission, the cash handling – treasury allowances must be increased by 2.25 times as they are not cost indexed.

### **(VIII) NURSING ALLOWANCE**

The 6<sup>th</sup> CPC granted this allowance to the Nursing staff in Government run hospitals taking into account the hazardous, and arduous nature of jobs they are entrusted with. The 6<sup>th</sup> CPC had granted a lump sum of Rs. 4800 to all Nursing Staff. No doubt they were also granted certain other allowances, viz. the Uniform allowance, Washing Allowance and messing allowance etc. It could be seen that the quantum of Rs. 4800 works out to be 34.53% of the PB and Grade Pay of a new entrant. With the other related allowances, it had amounted to Rs. 6075. Since the Washing Allowance and the Uniform allowance would be subsumed in the newly created Dress Allowance, they will still stand to lose messing allowance of Rs. 75/-. This apart, it may be noted that the washing allowance for the Nursing Staff was far greater than other uniformed personnel for their requirement emanating from the characteristics of their job was considered higher. The Pay commission's observation that the Nursing Allowance is already at an appropriate level is bereft of any logic in the absence of details as to how the Commission has come to this conclusion. As indicated above the allowance was at the level of 34.53% of the minimum of a new entrant or at 21.73 of the mean of the minimum and maximum of the pay band. If the same percentages are applied to the minimum and mean of the pay scale at Level 7 of the 7<sup>th</sup> CPC, the Nursing Staff would be entitled to the Nursing allowance at Rs. 14,995 and 15503 respectively.

If the general principle enunciated by the Commission is applied, the allowance will have to be enhanced by the multiplication factor of 2.25, which works out to Rs. 10800. We request the Committee to look into the matter and take appropriate decision to raise the Nursing allowance. For the reasons mentioned in the preceding para, the Nursing staffs is entitled for a different treatment in respect of washing allowance

### **(IX) HOSPITAL PATIENT CARE ALLOWANCE (HPCA) & PACIAENT CARE ALLOWANCE (PCA).**

The Pay Commission recommended to bring the HPCA and PCA under the Risk and Hardship Matrix and recommended vide in Para 8.10.70 that HPCA and PCA shall be in the Cell R1H3 by subsuming the HPCA and PCA. It further recommended that HPCA and PCA should not be extended to the Ministerial staff even though they are required to work in the same premises of the hospital area and carries the risk of communicable disease. By virtue of abolition of Group D post HPCA and PCA has been extended to the lower level employees in Group C. Since the exclusion of the Ministerial staff has been without substantive reason, We suggest that the existing provision must continue and the ministerial staff working

on the premises of the hospitals should be covered under the present scheme recommended by the 7<sup>th</sup> CPC in respect of non ministerial staff. Another aspect is the denial of the allowance as and when the Staff are promoted to the next grade pay even though they continue to do the same job and are faced with the risk for which the allowance is granted. So long as one is deployed the job involving risk, the risk allowance must continue to be granted.

#### **(X) CHILDREN EDUCATION ALLOWANCE**

The recommendation of the 7<sup>th</sup> CPC not to extend the ambit of Children Education allowance to the Graduate and Post Graduate level is, in our opinion, not based on any sound principle. An employee is confronted with a drop in emoluments when his child is to prosecute higher studies beyond the higher Secondary level as the children education allowance gets dispensed with. Unlike in the secondary level of education, the Governmental institutions are comparatively lesser at the Graduate and post Graduate levels.. Most of the private institutions charge exorbitant amount of fees. The 7<sup>th</sup> CPC has recognised these facts, which were brought to its notice through the written memorandum and oral submissions. We request the Committee to look into this aspect and consider extending the benefit of CEA to the Graduate and post graduate levels at least to the extent of the fees and hostel fees the Governmental institutions as the maximum admissible amount.

#### **(XI) NATIONAL HOLIDAY ALLOWANCE**

In para 8.6.11The 7<sup>th</sup> CPC has recommended to revise the National Holiday Allowance as under:-

*“Recommended to increase by 50% to the non gazetted Railway employees who are rostered to work on a “National Holiday. The rate of Allowance will further increase by 25% each time DA rises by 50%”*

There are employees working in the similar conditions as that of Railways on “National Holidays” in other Ministries and Departments such as Defence, Postal, Atomic Energy, Department of Space, etc. Therefore, the said allowance must be granted to all non gazetted employees who are required to work on National holidays by the exact orders of the concerned departments.

#### **(Xii) DRESS ALLOWANCES**

The recommendation of the 7<sup>th</sup> CPC in para 8.16.14 reads as under:-

*“all uniform related Allowances be subsumed in a single Allowance namely Dress Allowance.”*

The 7th CPC recommended four slabs of Dress allowance per year for various categories of employees. In the Department of Posts there are about 75000 Postmen and Multi-Tasking staff wearing uniform. Their name is not mentioned in the category of employees shown in the table. Even if it is included in the other categories of staff, then the Dress Allowance per year will be Rs.5000/- only. At present the Postmen/MTS staffs of Postal department is getting more than Rs.5000/- for uniform plus washing allowance. Hence it should be made clear under which category the Postmen and MTS staffs of Postal department are to be included, in the dress allowance table recommended by the 7th CPC.

The Dress allowance has subsumed various other allowances such as washing Allowances, Shoe Allowances, etc.

Washing Allowances for Nursing Staff was at a higher rate considering the importance of the hygienic conditions and the other peculiar condition prevailing in hospitals, which has a bearing on the cost of keeping the uniform clean. Nursing Staff were granted Rs. 750 as Uniform Allowance and Rs.450 as washing Allowance per month. Similarly Shoe Allowances has been given to various para military staff and other security personnel to maintain the proper dress code, etc.

The amount of Rs. 10,000 recommended by the 7<sup>th</sup> CPC for these category of employees would be far less than even what they are presently in receipt of. It has been snatched by subsuming it with Dress Allowance. Either the quantum of the allowance must be reasonably raised or the washing allowance or Uniform allowance etc. has to be separately provided for. If the recommendation of the Commission is ultimately decided to be maintained i.e. to have only one allowance for the purchase and upkeep of the uniforms, our suggestion would be to increase the Dress allowance to Rs. 20000 (minimum) and Rs. 32400 (Maximum)

### **(XIII) NIGHT DUTY ALLOWANCE**

The 7<sup>th</sup> CPC has recommended to retain the night duty allowance citing the Night work convention 1990 adopted by the International Labour organisation. It has also streamlined and made it uniform for all personnel who are deployed for night duty in various Central Government organisations/institutions. While concluding and making recommendation, the Commission has stated inter alia that

“this formulation will extend to all employees across all Ministries/departments who are already in receipt of night duty allowance.”

The said recommendation requires an amendment in as much as it could be construed to mean that only those who are already in receipt of this allowance must only get the revised night duty allowance. This will exclude those who are presently deployed for night duty but denied the allowance on the ground that they are in receipt of a specified Grade pay or more. The system of denying the allowance on the basis of the status of an employee determined on the basis of the Grade Pay or Pay level as the case may be is not at all justified. He has to perform undergo all the difficulties associated with the performance of night duty. We, therefore, suggest that the said recommendation may be altered to mean that the revised night duty allowance recommended by the Commission must be paid to all personnel who are deployed for night duty supported by the certificate provided by his immediate superior officer.

### **(XIV) UNREPORTED ALLOWANCES**

The 7<sup>th</sup> CPC has made a sweeping remark that all allowances, which are not reported to it should be deemed to have been abolished. We appreciate that the said remark must have come out of exasperation. However, it has amounted to punishing employees for the negligence on the part of the concerned offices of the Department. We, therefore, demand that the allowances that are not reported to the commission may be enumerated with the help of the concerned departments and enhanced as per the general formula evolved by the 7<sup>th</sup> CPC.

### **(XIV) DEARNESS ALLOWANCE**

The Dearness Allowance (DA) is regulated by the Price Index of the Labour Ministry which is sourced from Labor Bureau, Shimla. It has been established that the rates quoted by the Labour Bureau was far less

than the real rates during that period in the market across the country. While working out the Minimum Pay we found the following erroneous data of the Labor Bureau, Shimla:

The rate quoted by Labor Bureau is unbelievable and misleading. For example, the rate of whole Wheat at Ernakulam, Mundakkayam, Quilon, Talcher, Ghaziabad, Asansole, Durgapur, Haldia, Howrah, Jalpaiguri, Kolkatta, etc. is shown as Rs 5 to 10 whereas in other places of the country the rate is taken at Rs 15 to 35. The rate of Wheat Atta at Tinsukia, Silchar, Jorhat, Tezpur, Himachal; Pradesh, Darjiling, Jalapiguri, Siliguri is recorded at Rs 2 to 10 while in other places in the country the rates shown are at Rs 20 to 40. Another disparity was seen in the rates of Whole Wheat and Wheat Atta in places in Himachal Pradesh, Giridih, Ranchi, Bengaluru, Bhopal, Indore, Jabalpur, Nagpur, Hyderabad, Darjiling, Jalpaiguri, Siliguri, etc. At Darjiling Whole wheat is costing Rs 13.55 and Wheat Atta costs Rs 2.11 and in Jalapiguri it is 10.59 and Rs 3.01 and at Siliguri Rs 13.05 and Rs 5.08. It is only the Labor Bureau, Shimla which can advance an explanation as to how the wheat atta a product of whole wheat will be less as the processing charges are to increase it and the same process is shown to increase the Atta costlier at all other places. In the chart available in the website of Labor Bureau the rates of Udid Dal, Coconut oil, Sunflower oil, vegetable, etc were not available. How then the consumer price index has been worked out is not known. This apart, the website reveals that the rates of certain items have remained stationary for months together whereas in the market there had been phenomenal increase in the rates of the very same articles. It is wrong to take the annual average of the prices of the articles when the payment of DA is calibrated on a six monthly basis.

In our communication dated.....we have suggested to alter the ACPI annual average suitably as only 125% DA has been merged as on 1.1.2016, whereas the DA due on that specific date was 125.75. We reproduce hereunder our submissions contained in the said letter and request the committee to accept our suggestion as otherwise the employees would stand to lose one percent DA perennially for all time to come till the next wage revision takes place.

“Sub: Future computation of Dearness allowance and adoption  
Base index figure to the revised minimum wage. Regarding.

The revised Pay structure as recommended by the 7<sup>th</sup> CPC was given effect to as on 1.1.2016 as per the Government notification. The Dearness allowance which was computed at 125% ( i.e 125.75 fraction of 0.75 being ignored) got merged with Pay as on that date. The 7<sup>th</sup> CPC has not indicated as to what base figure of AICPI (IW) the revised wages will relate to hereafter wards. As you are aware, the actual DA that was due as on 1.1.2016 was 125.75. It is only due to the practice of ignoring the fraction the DA was determined at 125%. No doubt, the said practice had not been impacting very much except for the postponement of the benefit by six months. It is, therefore, necessary that the revised wages are related to a base index figure equivalent to the actual Dearness allowance percentage of 125 that stands merged as on 1.1.2016. This is more so due to the fact that there is no possibility of the ignored fraction of 0.75 being reckoned for any computation in future.

We, therefore, request that the 12 monthly average which stood at 261.33 as on 31.12.2015 may be taken at 260.46, which would provide the exact percentage of DA at 125. The future percentage increase in DA in other words may be computed with the base figure of 260.46. The next instalment of DA which has become due as on 1.07.2016 if computed on the above basis of 260.46 shall work out to 3.28%. On ignoring the fraction, the DA with effect from 1.7.2016 shall be 3%.

We, request you to kindly take the above into account and issue orders for the grant of 3% DA with effect from. 1.07.2016.

## **2.AREA SPECIFIC ALLOWANCES.**

### **(i) SPECIAL COMPENSATORY (HILL AREA) ALLOWANCE.**

The 7<sup>th</sup> CPC has abolished this allowance, which is provided to the employees whose offices are located at an altitude beyond 1000 metres. The hill areas are normally inaccessible and seldom rail connected. The Transportation of goods to these places is comparatively costlier than to Plains. There are many other difficulties like non availability of hospitals and doctors, housing accommodation, higher levels of prices for essential articles and other day to day needs. It was in consideration of all these, the allowance was originally conceived. Since all these difficulties are still in existence the decision to do away with this allowance is not sustainable. We request the Committee to retain this allowance.

### **(ii) SPECIAL DUTY ALLOWANCES:**

Presently these allowances in different nomenclatures are given to the officers and employees posted at North Eastern Regions, (including Assam), (Special Duty allowance of North Eastern Region), Island Special duty allowance, for those posted in the Union Territory of Andaman, Nicobar Islands as also Lakshadweep and Tripura Special compensatory Remote locality allowance. Due to the difficult terrain and other logistical difficulties, employees and officers were reluctant to be posted to these areas. The Staff Side in the National Council introduced an item for the grant of certain special allowances for the employees posted in these regions in view of the high cost of living and such other difficulties including the terrorist activities. The Government had set up a committee to study the demand and the said committee in its report echoed what was stated in the Staff Side in their Agenda note for discussion. However, when the allowances were ultimately granted, the Government restricted it to only those personnel in All India Services with an all India Transfer liability as if the employees who are recruited and asked to work in those places had to face no problem at all. Against this discrimination the employees had to tread the path of agitation and the matter was also pursued through litigation. The Court having found the discrimination untenable asked the Govt. to grant the allowance to the applicants. This created another piquant situation in as much as the allowances were granted to those who have gone to the court and denied for the vast majority of others. The matter was considered by the 6<sup>th</sup> CPC and that Commission recommended the grant of the special duty allowance to all personnel posted in NE Region including Assam, A & N Islands, Lakshadweep and those posted in Tripura. In the post 2006 era, the Government introduced another allowance to the officers in the organised Group A services and all India Services and the same was 25% of the salary. Therefore at the time of the 7<sup>th</sup> CPC, while the officers were in receipt of 37.5% of salary as SDA, the employees were given only 12.5%. The demand before the 7<sup>th</sup> CPC was to end this discrimination which had been earlier found to be untenable by the highest court of justice. The 7<sup>th</sup> CPC has recommended that SDA rates would be slashed by a factor of 0.8 and wherever the newly created Tough Area allowance is given, SDA will stand withdrawn. If the 7<sup>th</sup> CPC recommendation is accepted in toto, some of the employees will have lesser emoluments when compared to what they were getting prior to 2016. As has been pointed out elsewhere in the note the reduction by a factor of 0.8 is not at all justified when the increase in wages was of the order of 14%. The presumption that what has been recommended by the 6<sup>th</sup> CPC as compensation is full and perfect reimbursement of the total expenditure

incurred by an official is erroneous. In the case of A & N Islands and Lakshadweep, the withdrawal of the SDA wherever the Tough area allowances are given will render large number of employees not entitled for SDA and consequent drop in their emoluments. We, therefore, request the Committee that

- (ii) The recommendation of the 7<sup>th</sup> CPC to the effect that where Tough area compensatory allowance is given, the SDA must be withdrawn should be rejected.
- (iii) The reduction in the present rate of SDA of 12.5% by the multiplication factor of 0.8 for the reasons mentioned in the preceding paragraphs must be withdrawn.
- (iv) The discrimination in the grant of SDA between the officers of All India services and the employees in these regions must be removed and all to be paid SDA at the same rate as what is applicable for the Group A officers.

### 3. DEPARTMENT SPECIFIC ALLOWANCES.

#### **(A) POSTAL:**

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##### **(i) Post and RMS Accountants special allowance.**

Postal Assistants and Sorting Assistants of Postal department are posted as PO & RMS Accountant after passing a qualifying examination. Taking into consideration their work which require much skill, application of mind, and knowledge of all rulings, Special allowance is granted to them. This allowance may be retained and enhanced.

##### **(ii) Savings Bank allowance in post offices.**

In Department of Posts, Savings Bank Allowance is granted to Postal Assistant working in Post Office Savings Bank (POSB) for shouldering strenuous and complicated nature of Savings Bank work. Postal Assistants need to qualify an aptitude test to get this allowance. The current rates are Rs.300/- per month for fully engaged staff and Rs.150/- per month for partially engaged staff.

In para 8.10.80 of the report, the Commission recommended as follows:

“Savings Bank Allowance be abolished as the justification provided by the concerned ministry for the grant of this allowance is not sufficient for their continuance”.

Demand of staff side: Savings Bank Allowance should be retained and enhanced in view of the justification given above.

##### **(i) Cycle allowance.**

In para 8.15.10 of the report the 7<sup>th</sup> CPC made the following observation.

“It is paid where the duties attached to the post require extensive use of bicycle and the official concerned has to use and maintain his own cycle for official journeys. The existing rate is Rs.90 p.m.

In para 15.11 the commission made the following recommendation –

“The Commission is of the view that amount of this allowance is meagre and the allowance itself is outdated. Hence it should be abolished.

Demand of the staff side:

This allowance is at present given to more than 40000 Postmen staff and about 50000 Gramin Dak Sevaks of the Postal Department. When the commission itself observed that an official using his own bicycle for official duties has to incur expenditure for maintenance of the cycle. When the maintenance work is done for performing official duties, the amount should be reimbursed to the official, whether the amount is meagre or not – Hence this allowance should be retained and enhanced.

## **(B) DEFENCE**

### **1. Risk Allowance.**

Defence Civilian Employees are involved in manufacturing and repairing of Arms, ammunition, Explosive and also they have to deal with various Chemicals, Acids and Hazardous nature of operations. Recognising this fact the Govt. has approved 45 Risky operations in which Defence Civilian Employees are involved and are paid Risk Allowance. The amount is very meager, since the same has not been revised after 5<sup>th</sup> CPC. Considering the fact that the Defence Civilian Employees are involved permanent nature of risky and hazardous work, the committee may kindly recommend for continuing the Risk Allowance to the Defence Civilian Employees and also to revise the same based on 6<sup>th</sup> CPC and 7<sup>th</sup> CPC pay scales. It is also pertinent to mention here that a committee of Ministry of Defence have already recommended for including many additional risky operations which are subsequently introduced in the Defence Establishments. The committee has also recommended for including additional categories and also left out organizations. The committee may consider all these aspects and may kindly recommend for including the additional operations, additional categories and also the left out organizations.

## **(C) ATOMIC ENERGY**

### **1. Update Allowance**

Pay Commission Recommendations: Para No. 8.4.9

*Recommended to increase the Profession Update Allowance by 50%*

Update Allowance was introduced in the Department after the 5<sup>th</sup> CPC recommendations to all section of employees. The non gazette staff was introduced with Rs 3000/0- as Update Allowance. The Sixth Central Pay Commission while recommended to enhance the Updating Allowance to Rs 5000/- per year , it has been indexed with DAE and recommended to enhance by 25% when DA crosses to 50%. Accordingly all non gazette staff of the Department got Rs 7500/- per year as update Allowance for the year 2015.

While recommending enhancing the Update Allowance to the Gazetted Scientific community, the Pay Commission has not been recommended the increase in Update Allowance for Non Gazetted Employees of the Department.

It is therefore requested that the Update Allowance of all other section of employees who are covering under the recommendation of the Pay Commission also should be increased by 50%

## **2. Qualification Incentive Scheme (QIS)**

Pay Commission Recommendations:

*No specific recommendation*

The Qualification Incentive scheme (QIS) introduced the Department of Atomic Energy (DAE) in its specific nuclear operating plants to ensure the safe operation, adopt higher safety measures, safe working procedure in nuclear plants by adhering to IAEA/AERB/BSC standards, etc. Every operational, maintenance persons in the nuclear plant shall be well trained, qualified and experienced to understand the intricacy of the safe operation and maintenance procedure of the nuclear plant.

For that purpose this scheme was introduced through a meticulous qualification process of completing the check list, examination, interview etc. The employees are qualified in five different levels depending on their responsibility qualification and experience. Accordingly the incentives are also paid in five different levels and yearly evaluated the performance.

Though 5<sup>th</sup> and 6<sup>th</sup> Pay Commission has been given recommendation on QIS, the 7<sup>th</sup> CPC has not been given any specific reference regarding the Qualification Incentive, though we demanded to increase the QIS.

Hence, we request to retain the Qualification Incentive Scheme and enhance by 2.25 times of the existing amount.

## **3. Nuclear Research Plant supporting Allowance (NRPSA)**

Pay Commission Recommendations: Para No. 8.17.82

*Recommended to continue and recommended to increase the NRPSA by multiplying a factor of 1.5.*

*Further recommended to restrict NRPSA upto Level 5 with two slabs.*

The recommendation by the Pay Commission was without considering the back ground of the introduction of the NRPSA to compensate the extra work being carried out by the Round the Clock shift personnel. The Department also failed to convince the CPC Thus the NRPSA should be revised to its actual wage for extra work being done by all employees working in the Round the Clock Shift duty, irrespective of the level.

By restricting the NRPSA upto level 5 even 30% of the employees working in the Round the Clock shift will not get the Allowance.

NRPSA have been introduced based on an arbitration award to compensate the extra work being done by the Round the clock Shift personnel. NRPSA is being given in slab wise and a ceiling has been introduced. The extra work being done by the employees working in Round the Clock Shift comparing with the general shift people was compensated with NRPSA. Though the name of the allowance is NUCLEAR RESEARCH PLANT SUPPORTING ALLOWANCES, it is nothing but an allowance to compensate Extra Duty which was extended based on an arbitration award.

By putting a ceiling for NRPSA, all those employees performing the duty in the Round the Clock shift has not been getting the NRPSA, though they are eligible. At the present the employees having Rs 16670 as basic pay in Pay Band without considering the Grade Pay are eligible for NRPSA.

To ensure the allowance to all eligible employees, requested to the Pay Commission, to remove the ceiling for eligibility and revise the Allowance equal to the actual wage for the extra work. But the Pay Commission has not been considered the same and just increased by 50% and eligibility restricted upto level 5 employees. By this recommendation, instead of extending NRPSA to all eligible employees, a good number of employees who are getting the allowance also kept out of the purview of NRPSA. Further the senior most employees of DAE also have to perform in Round the Clock Shift Duty due to the peculiar nature of nuclear plants.

Comparing the working hours with the General Shift people, the Staff working in the Round the Clock Shift are working man days equal to 20 days. This was compensated by the arbitrator and awarded to extend compensation for their extra work. Therefore they are eligible for extra wages for 20 days.

Without prejudiced to the demand for actual wages for the extra duty, the recommendation of the Pay Commission to enhance the NRPSA by just 50% also is against the analogy adopted by the pay commission. Almost all Allowances which are not indexed with DA, has been enhanced by 2.25 times of the existing rate and those Allowances indexed with DA increase has been recommended an increase of 50% of the existing rate.

Therefore we propose the following to remove the discrepancies in the recommendation on NRPSA by the Pay Commission:

- NRPSA should be renamed as EXTRA DUTY ALLOWANCE
- NRPSA should be given on actual wages for the extra work being done by the Round the Clock shift personnel.
- Ceiling on NRPSA should be removed and ensure that all eligible employees should get the NRPSA.
- Without prejudice to the above demands, it is suggested that Government should ensure that all employees getting the allowance as on that day of the implementation the recommendations of 7<sup>th</sup> CPC should ensured NRPSA at the rate of 2.25 times of the existing rate of NRPSA.
- At present an employee with Grade Pay of Rs4800 is eligible for NRPSA. Till final decision on extending NRPSA to all employees, those who are in the Level 8 should be extended NRPSA.

#### **4. Risk & Hardship Matrix**

Pay Commission Recommendations: Para No. 8.10.66

*A new methodology derived the Pay Commission to work out the quantum of risk and hardship involved in the work and accordingly divided into 9 based on the Low, medium, and High Risk with Low, Medium and High hardship.*

Based on the new terminology of Risk and Hardship Matrix Department should review the factor of Risk and Hardship involved in the activities in Nuclear Installations and in the Chemical plants considering the material handling by the workers.

Considering the functional intricacies of the organization especially taking into account the fact that the nature of occupation of employees in the area of high level nuclear radiation warranting a special allowance. The employees working in various DAE units are exposed to radiation as well as to the highly toxic gases, etc. It is worth to mention that some departments are already granted Risk Allowance to 'X – Ray' Attendants, which is an insignificant Radiation exposure occupation than the DAE employees working in various nuclear plants/laboratories etc.

Based on the above mentioned concept, a Risk allowance should be worked out to the DAE employees who are exposed to high level of nuclear radiation, highly hazardous gases, etc.

## **RAILWAYS**

### **Allowances Abolished**

1. **Break Down Allowance** (SN – 18)

**The Break Down Allowance** has been continuing since long. This is as per para 704 of IREM, Vol – I.

Railway Staff are classified under Hours of Employment Regulation. This set of employees who are entitled for Break Down Allowance are of continuous workers. Their working hours is 48 hours weekly and 8 hours a day. They are the staff of C&W and electrical, mainly this classification has been accepted by the Railway Board and Govt. of India when a bill was introduced by S. Guruswami, Member of Central Legislative Assembly demanding their inclusion as per Factory Workers, Factory Act. The Govt. made a compromise and then the duty hours has been fixed.

These staff are earmarked for attending to any accident at any moment. As soon as accident occurred these set of employees are to rush immediately to the Accident Relief Train (ART), who are performing duties outside their HQs for days together. In many places not even drinking water is available in accident site.

2. **Coal Pilot Allowance** (SN – 28)

Staff working as Coal Pilot are to work inside the collieries where there is dust, fame etc., causing potential danger to their health.

3. **Commercial Allowance** (SN – 32)

Commercial Staff posted in „D“ Class station, the station where no ASM is posted.

4. **Compensatory (Construction or Survey) Allowance** (SN – 34)

Staff are recruited in the Railways in Open Line Organisation. They are deputed to work in Construction or undertaking survey in different inaccessible areas.

They are to remain away from their family for days together in difficult areas, Jungles etc, where hardly any communication is available.

5. **Cycle Allowance** (SN – 42)

Cycle Allowance is paid to the staff who are to move from Railway Colony to colony for performing duties. Say the duty of Metre Reader of Electrical Department.

6. **Language Reward and Allowance** (SN – 97)

This allowance is granted for promoting Hindi Language, which is the Official Language of the country.

8. **Night Patrolling Allowance** (SN – 111)

Trackmen engaged for night patrolling of tracks. They are to move minimum 20 KM to and fro during torrential rain, through jungles, bridges etc. Their duty is most hazardous. There are many incidents of their death by accident mainly while working in bridges (where no path way is provided), killed by wild animals like elephant, Tiger etc. So this allowance should continue.

9. **Operation Theatre Allowance** (SN – 117)

The Dressers are specially trained to perform the job in Operation Theatre. There is no time limit or duty hours for the job. At any time they have to attend on call. This is specialised job. They are attending Doctors in Operation Theatre for disinfection, dressing etc. So this allowance should continue.

10. **Raidhani Allowance** (SN – 137)

The normal duty hours of Ticket Checking Staff is within the duty of 8 hours and from nominated station to station. Staff deputed for the Rajdhani Express are to work from starting Station to Ending Station. They are to remain away from their family for days together. So this allowance should continue.

11. **Risk Allowance** (SN – 142)

Risk Allowance is granted to the staff working in a Marshalling Yard round the clock. They are to perform their duties of Shunting duty which is most hazardous, causing accident, losing limbs, life etc.

This allowance also granted to the persons having duties and working in difficult areas like high drains etc. for cleaning and other purposes.

13. **Special Compensatory (Remote Location) Allowance** (SN – 159)

This allowance is paid to the staff working in Remote Location for days and years together. In most of the places medical facilities, facility for children education etc. are not available. Thus this allowance should continue.

14. **Supplementary Allowance in Training Establishments.** (SN – 176)

This allowance is paid for updating the knowledge on development of Railway working system and to administer the same within trainees like Loco Pilot, Guards, ASMs etc. This allowance should continue.

15. **Sundarban Allowance** (SN – 178)

Sundarban is infested by wild animal. Royal Bengal Tiger is a well known feature. Sundarban is a forest area animals are passing there place to place. Life is very difficult. Hence, this allowance should continue.

Copy of letter in No.AIRF/405(VII CPC)Dated: September 8, 2016 to the Secretary, Expenditure, Ministry of Finance,

Government of India, North Block, New Delhi. 110 001.

**Sub: Recommendations of the VII CPC on the allowances**

- (i) The VII CPC under **para 11.40.50** (page No.738 of the report) has recommended **Special Train Controllers' Allowance of Rs.5,000 p.m.** to Train Controllers.
- (ii) Under **para 8.10.75**(Cell Name: R3H2) of their report, the VII CPC has recommended for RHA of **Rs.2,700 p.m.** to **Track Maintainers/Trackmen.**

(iii) **Running Staff**

Loco Pilot(Mail & Express)	Rs.2,250 p.m.
Motormen/Loco Pilot(Passenger)	Rs.1,125 p.m.
Loco Pilot(Goods)	Rs. 750 p.m.
Guard(Mail & Express)	Rs.1,125 p.m.
Guard(Passenger)	Rs. 750 p.m.

As per VII CPC report; **Daily Allowance** will be payable on this allowance.

Copy of letter No.AIRF/405(VII CPC) Dated: September 8, 2016 addressed to the Secretary Expenditure, Ministry of Finance, GOI, New Delhi.;

**Sub: Non-appearances of certain allowances in the report of the VII CPC**

The following allowances have not appeared in the report of the VII CPC:-

1. **Special Incentive** to the staff working in certain National Projects in N.E. Region @ **Rs.12.5%** (w/o D.A.) from **01.04.2012**. (AIRF"s PNM Item No.35/2006)
2. **Officiating Allowance** to different categories of staff for less than 30 days. 30 days and above, Full Allowances. (Running Staff – Railway Board"s letter No.E(P&A) II-2010/RS-31 dated 07.01.2014).
3. **Risk Allowance to Unskilled Staff** (Railway Board"s letter No.E(P&A) I-84/SP-1/TP-1 dated 21.08.1991 and E(P&A) I-2008/SP1/AD-3 dated 02.05.2013).
4. Family accommodation of Trackmen and provision of HRA. (Railway Board"s letter No.2014/CE-1/GNS/7 dated 11.06.2014).
5. **Special Allowance** of Rs.1,000 p.m. for the staff of **Pay & Cash Office** in GP Rs.2400 and Rs.4200 for posting as Stock Verifier, subject to passing of Appendix IV-A(IREM) Examination. (Railway Board"s letter No.E(P&A) I-2011/SP-1/AC-1 dated 16.12.2014).