HOPES END IN DESPAIR

(A critical analyse of Seventh Pay Commission Report)

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I have made an effort to analyse the recommendations of the Seventh Central Pay Commission report generally and specifically in the light of our cadre related demands. Generally, many of the Commission's claims relating to new pay model and minimum increase in pay are found to be hollow, but the casual approach the Commission has adopted to examine our cadre related demands is really disappointing.

Many of the recommendations of seventh pay commission report suffers with internal contradictions and inconsistencies. While the Commission boasts of attracting right kind of talent into Government service, a critical analysis would prove that its recommendations are retrograde and demotivational. Its calculations are unscientific and its recommendations are based on misplaced assumptions. It is strange that the Commission quoted the observations of Apex Court in the case of Bhupendra Nath Hazarika and another vs. State of Assam and others wherein it was observed that "……… It should always be borne in mind that legitimate aspirations of the employees are not guillotined and a situation is not created where hopes end in despair. Hope for everyone is gloriously precious and that a model employer should not convert it to be deceitful and treacherous by playing a game of chess with their seniority". I have no hesitation to state that the recommendation would result in great anguish and frustrations among Central Government Employees.

1. **THE MYTHICAL 23.55% HIKE:**

   They 23.55% pay hike in pay as reported by CPC is not correct as in many posts with lower grade pay, the increase in the pay is below 10%. Take the example of an employee who occupies staff quarters with pay of 11500 and GP of 2800 in PB-I. His total remuneration is Rs.35775/- as on 01.01.2016. His new pay in the pay matrix is Rs.37000 plus 3600 (TA) and his total emoluments as per new pay system is Rs. 40600/-. If we adjust the contribution towards CGEGIS (less Rs. 1500), the net increase is only Rs. 3325/- which represents only 9.29% hike. This miniscule increase has to be seen against the 23.55% hike projected by the CPC.

2. **THE 3% ANNUAL INCREMENT:**

   The report states that the rate of annual increment is being retained at 3%. But in many cases the increment falls short of 3% obviously due to rounding off to the next 100 rupees by which they ignored values below Rs.49/-. This approach is not correct as it has cumulative effect and the loss could be substantial in long term. There should be a minimum 3% increase in all cases.

3. **DEMOTIVATIONAL:**

   In para 4.1.17, the Commission stated that it adopted an innovative design to make the remuneration attractive. But in practice, by adopting a demotivational pay matrix, the real increase on account of promotion in many cases is only one increment. In the present system, on promotion one would get one additional increment and difference in Grade Pay.

4. **THE NEW PAY MATRIX PROVEN WRONG:**

If the new pay matrix is approved, it would lead to irrational scenario. Suppose an employee at level 8 with Pay of Rs.66,000/- gets promotion, he will move to level 9 and his pay will be fixed at Rs.69,200/-. If he gets two promotion at once, he will move to level 10 and his pay will be fixed at Rs.69,000/- . Further, he had to incur an extra amount of Rs.2,500/- towards contribution to CGEGIS. Funny that, he will be losing around Rs.2,700/- on getting two promotion at once. This shows that the new pay matrix is unscientific and irrational.

5. **ITS VIEWS ON PROMOTION PROSPECTS OF SUPERINTENDENTS ARE MISCONCEIVED:**

While dealing with the issue of stagnation in the cadre of Inspectors and Superintendents, (Para 11.18.68), the Commission stated the present stagnation in promotion will be alleviated to a great extent on account of 2118 temporary post of Assistant Commissioner. The Commission further observes that this move would provide adequate career progression for these feeder cadres. The validity of sanctioning the temporary posts are now under threat with the interference from UPSC. Further, the Commission failed to see the riders attached to the decision, the major one being the abolition of these temporary posts after 2018. So without going deep into the various pros and cons of the decision, the Commission merely found a flimsy justification for rejecting our long pending genuine demand. The sanctioned strength of Superintendents is 20108 and that of AC is 2080 (approx.). If we take 50% of the post of AC as promotional post that means 20108 Superintendents are racing for 1040 post of AC. Commission's comments that this skewed ratio would provide adequate career progression for Superintendents is misconceived and irrational. Further, while analysing the demands of Deputy Central Intelligence Officer in IB, the Commission has found merit in their demand of Senior Time Scale (GP 6600) to DCIOs with 15 years of total service including four years as DCIO and strongly suggested that the same may be brought to the attention of the Ministry for appropriate action. While Commission's decision on the genuine demands of DCIO is appreciable, its negative approach towards Superintendents of Central Excise who are still drawing GP – 5400 in PB -2 after putting more than 35 years of total service (Plus Inspector) is really discriminatory and therefore unacceptable. This clearly shows inconsistent stand taken by the Commission while dealing with demands of two cadres.

6. **PAY PARITY WITH INSPECTOR OF CBI / IB**

While dealing with the demand of parity with Inspector of CBI / IB, the Commission's decision to reject the same are not based on facts. There was historical parity of pay scales with the Inspectors in IB and CBI till V-CPC. It may be stated that the IV- CPC had acknowledged the parity and granted the same pay scale of Rs. 1,640-2,900/- to Inspectors of Central Excise and CBI, IB etc. However, the Government chose to create disparity with Inspectors of Central Excise by granting higher scale of pay of Rs. 2,000-3,200/- to the Inspectors of CBI, IB etc. vide order dt. 22.09.86 without any valid reasons / rationale. The V-CPC examined the issue of parity of pay scales between the two sets of employees and recommended the same replacement scale of Rs. 5,500-9,000/- for the both but government enhanced the pay scale of the Inspectors of CBI/IB by awarding them a higher pay scale of Rs. 6,500-10,500/-.

Though the same was restored by the Government on 21.04.04, the restoration was not considered by the VI-CPC. Again the parity was restored by the Government on our persistent efforts. Therefore to state that there was never a historical parity with the pay scales of Inspectors of C. Excise and that of CBI / IB is factually incorrect. So whenever, the parity was got disturbed by earlier CPC, the same was got restored by the Government on merit. The Commission under Para 11.18.60 has observed that since the Government, subsequent to the VI-CPC, had upgraded the pay scale of Inspector of CBI to GP – Rs.4800/-, parity cannot be granted. This is a factual mistake committed by the Commission because Government never granted GP – Rs.4800/- to Inspector of CBI and their GP remains to be Rs.4,600/- till VIII-CPC. So the demand for parity was rejected on flawed reasoning. Further the reason the Commission now offered to upgrade the pay scale of Inspector of CBI (Para 11.35.20) is that the same had a historical parity with the post of ACIO-I. So the Commission undoubtedly took inconsistent stand while analysing the demands of Inspectors of Central Excise & Inspectors of CBI.

7. **MACP**

Commission's stand against increase in frequency of upgradation under MACP as made by various associations are devoid of any merit. In a cadre like ours where one has to wait almost 20 years to get first promotion, it is only reasonable that the frequency in administering MACP should be made at 10, 18, 24 and 30 years of interval. While it appears that the Commission has suggested upgradation under MACP in promotional hierarchy, the same is not mentioned in unambiguous terms.

8. **THE ENGINEERED DELAY:**

There is ample proof to the fact that the Commission had finalised its report long back and it was only due to the engineered delay by the Govt., that it submitted it report now. Para 8.17.16 of the report mentions about 113% DA which means that the report had been finalised before July, 2015. This is further corroborated by comments of FFC reproduced in Para 2.2.10 of the report. This shows the undue interference from the part of the government into the independent functioning of 7CPC.

9. **ABOLITION OF VARIOUS ADVANCES**

(i) Motor Car / Motor Cycle Advance: The decision to abolish motor car advance is based on flawed reasoning. It merely states that funds allotted to these allowances are meagre and there are few financial schemes available for this purpose. These could not be valid reasons for withdrawal of this advance in as much as the interest subsidy offered by Government advance is substantial. Further as regard to the availability of vehicle loans in the market, the same is applicable to PC advance and HBA, for which the Commission took a contradictory stand and increased the amount of advance in these two cases.

(ii) LTC Advance: Abolition of LTC advance is decided in a casual way. The Commission has not analysed its implications in depth. As a matter of fact almost 95% of employees opt for this advance on availing LTC and hence, the decision, if accepted by the Government will put employees in great hardship. Since the advance taken is adjusted in the next month's LTC claim, the reason offered by the Commission for discontinuance of this advance is misconceived.

10. **ABOLITION OF VARIOUS ALLOWANCES:**

The abolition of diet allowance has been decided in a casual manner. It merely states that the amount paid under this allowance is meagre. If this argument is to be accepted, the Commission should have proposed enhanced amount. For staff working in International Airports, where food bills are exorbitantly high, this allowance, if increased, would provide some sort of relief.