RAILWAY SENIOR CITIZENS WELFARE SOCIETY *(REGD.)*

(Estd. 1991, Regd. No. 1881)

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No. RSCWS / SCPC / Rep- DOP **Date 24th April, 08**

To

The Director,
Department of Pension & Pensioners Welfare,
Ministry of Personnel, P.G. & Pensions,
Government of India,
3rd Floor, Lok Nayak Bhawan,
Khan Market, New Delhi.

Subject:- Views / comments on the recommendations of 6th CPC - Relating to pensionary benefits.

Reference:-Your Memo No. DOP & PW memo.No.38/35/2008 P&PW(A) dated 17/04/2008 on the subject cited above.

Sir,

In response to the notice cited above, as an Association of the Railway Pensioners, we would like to draw attention of the Department of Pension & Pensioners Welfare, Government of India, towards the following points which need to be addressed to by the authorities while finalizing the implementation of the recommendations of the Sixth Central Pay Commission pertaining to the existing pensioners:

1. DISPARITY IN PENSION OF PRE AND POST 1-1-2006 CATEGORIES

There will be a wide variation between the pensions in cases of Pre & Post 1-1-06 Retirees, even though they belong to the same Pay Band in both cases of retirees.

As per Para 5.1.47 of the 6th PC report, the pension of the pre 1-1-06 retirees is to be fixed as per Fitment Table (Annex 5.1.1) subject to the provision that the revised Pension shall in no case be lower than 50% of the sum of the minimum of the pay in the pay band and the grade pay thereon corresponding to the pre-revised pay scale from which the pensioner had retired. *(The stage-wise pay fixation of the serving employees in the revised running pay bands has been given in Table 2.2.2 of the report).*

The enclosed table (Table I) shows the comparison of the pension for all the existing scales from S-4 to S-34 (Pay Bands PB-2 to PB-4), in cases of Pre & Post 1-1-06 Retirees, even though they belong to the same Pay Band in both the cases of retirees. It would be seen that there is a wide variation between the pensions although the parent pay band is the same in both cases of retirees. A very anomalous situation arises because a person retiring on 31st Dec. 2005 gets a lower pension than his counterpart retiring at the initial stage of the same scale a month later. Justice demands that there should be no difference in pension when the same pay band is applicable in both the cases.

It will be appreciated that this inequality in pension needs to be removed as else it would be a great injustice to past pensioners and shall be a violation of laws of natural justice (*as held by the Hon'ble Supreme Court of India in Nakara's Case.*)

2. INCOHERENCE AND PARTIALITY IN UPGRADATION OF PAY SCALES WITH RESULTANT EFFECT ON PENSIONS

Combining of the existing 34 scales into four pay bands and grade pay has given rise to many incongruent situations as mentioned below:

i) Ratio between the 5th PC scales and the new pay bands (both taken at the minimum level) is very erratic varying from 1.46 to 3.37 which will be evident from the enclosed table (Table II). Not only that, but also there is wide variation within the same pay band. This variation is 1.70 to 2.42 for PB 1, 1.61 to 2.58 for PB 2, 1.46 to 2.63 for PB 3 and 2.17 to 3.37 for PB 4. There is no justification for such huge variations within either between the 4 Bands or within each Band especially if the intention behind the Band is to group personnel who are manning the posts of almost equal responsibility.

It would be pertinent to point out here that a uniform ratio of 3.3 with plus minus variation of about 10% was adopted by 5th CPC while upgrading the scales of 4th CPC. The haphazard ratio, adopted by the Sixth CPC, in up-gradation of scales is resulting into a wide variation of increase in pay fixation of various scales with consequential effect on pensions. This will be clear from the enclosed table of pay fixation (Table III). Percentage increase in the pay over what was drawn on 1-1-06 is reflected in the last col. and the variation is from 21.02 % to 81.22 %. Such a huge inequality is unheard of. It is difficult to believe that such was the intention of the 6th CPC.

ii) For the past pensioners having a choice of selecting better of the pensions as per fitment table (Annex 5.1.1) or 50 % of the new pay bands with grade pay, a table (Table IV) is enclosed for all the pay scales. The beneficial pension is indicated in bold figures. It would be seen that increase in pension is just 15.1 % in most of the cases as the new pay bands give a lower pension in their case. Where-ever pension is more on the basis of pay bands, there also is a wide variation in percentage increase. In one case of scale S-28, the increase in pension is of the order of 81.2 %. What is the justification for such a vast variation is any body's guess?

The above analysis clearly brings out the discrepancies in the pay bands giving rise to huge variations in revised pay as well as pension. This needs to be remedied in interest of justice and to avoid serious heart burning amongst the majority of the employees as well as the Pensioners.

3. NEED FOR INCREASED PENSION FOR OLDER PENSIONERS

In Para 5.1.32 of the report, the Commission has graciously considered the need for increased pension for older pensioners. But the threshold age of 80 years for this benefit is too late in the evening of pensioners. The span of residual life left after superannuation is greatly influenced by the post retiral tensions arising out of health and economic problems and very few may be lucky to receive the benefit granted after the age of 80 years.

It is, therefore, urged that the pension be increase by 5 % for every five years starting from the age of 65 years going up by 10 % after 70 years of age and 15 % after 75 years of age as is the case in some of the States which are already granting such increase in pensions. With this it will be 20 % at 80 years and there onwards as recommended by the Pay Commission.

4. <u>UNJUST EXCLUSION OF 'EFFECT OF MERGER OF 50% DEARNESS ALLOWANCE'</u>

The Pay Commission has unjustly proposed 'exclusion of effect of merger of 50% Dearness Allowance' for fitment of revised Pension of Existing Pensioners. This defeats the very purpose of merging the Dearness Allowance.

It is therefore requested that not only the entire amount of 74 % Dearness Allowance (as on 1.1.06) but rather the DP (@ 50 % merged portion of DA with 24 % DA thereon, should be Counted for the fitment of Pension.

5. <u>GRANT OF INTERIM RELIEF</u>

The setting up and consequently the Report of the Sixth Pay Commission had been greatly delayed causing much suffering to the Pensioners. Processing and implementation of the final orders thereon, are bound to take their own time. It is therefore requested that an Interim Relief of at least 40% of the Pension be granted early w.e.f. 1.1.2006, to all existing Pensioners.

We are confident that our submissions on the above issues will be given due consideration while finalizing the implementation of the recommendations of the Pay Commission.

Yours faithfully,

(HARCHANDAN SINGH,
Secretary, RSCWS

Encl: Four, as above.

Table I- PENSION OF RETIREES BEFORE AND AFTER 1-1-06 – A COMPARISON				
A	**B**	**C**	**D**	**E**
Existing Pay Scales as per 5th CPC	**Pay at the initial stage of corresponding Pay Band as per 6th PC**	**Pension for a retiree after 1-1-06 at the initial stage of pay (50% of col.B)**	**Pension of Retirees prior to 1-1-06 (Better of Fitment Table or 50% 0f new pay Band)**	**Difference of Pension (col.C-Col.D)**
		P B 2		
S-9 (5000-8000)	**12900**	**6450**	**6450**	**0**
S-10 (5500-9000)	**13770**	**6885**	**6450**	**435**
S-11,12(6500-6900,10500)	**15510**	**7755**	**6955**	**800**
S-12	**15510**	**7755**	**6955**	**800**
S-13 (7450-11500)	**17570**	**8785**	**7971**	**814**
S-14 &500-12000)	**17850**	**8925**	**8025**	**900**
S-15 (8000-13500)	**19320**	**9660**	**8560**	**1100**
		P B 3		
New scale- (Group A entry) (8000-13500) (JS)	**21390**	**10695**	**10500**	**195**
S-16 (9000)	**21000**	**10500**	**10500**	**0**
S-17 (9000-9550)	**21390**	**10695**	**10500**	**195**
S-18 (10325-10975) (SS)	**24070**	**12035**	**11047**	**988**
S-19 (10000-15200)	**23500**	**11750**	**10850**	**900**
S-20 10650-15850)	**25040**	**12520**	**11396**	**1124**
S-21 12000-16500) (JAG)	**27480**	**13740**	**12840**	**900**
S-22 (12750-16500)	**29690**	**14845**	**13643**	**1202**
S-23(12000-18000)	**28480**	**14240**	**12840**	**1400**
S-24 (14300-18300) (SG)	**32490**	**16245**	**15301**	**944**
S-25 (15100-18300)	**34580**	**17290**	**16157**	**1133**
S-26,27 (16400-20000,20900)	**36940**	**18470**	**17548**	**922**
		P B 4		
S-28 (14300-22400)	**48200**	**24100**	**24100**	**0**
S-29 (18400-22400) (SAG)	**52280**	**26140**	**24100**	**2040**
S-30 (22400-24500) (PHOD)	**59990**	**29995**	**25100**	**4895**
S-31 (22400-26000)	**61990**	**30995**	**25200**	**5795**
S-32 (24050-26000)	**65770**	**32885**	**26100**	**6785**
S-33 (26000)(fixed)(Secy)	**80000**	**40000**	**40000**	**0**
S-34 (30000)(Cab.Secy)	**90000**	**45000**	**45000**	**0**

TABLE II

RATIO BETWEEN MINIMUM OF 5TH & 6TH CPC SCALES

A	B	C	D	E	F	G
Existing Pay Scales as per 5th CPC	Equivalent Pay Band & Grade Pay (6th CPC)	Max.of 5th CPC Scales	Max. of 6th CPC Scales	Min. pay - 6th CPC	Min. pay - 5th PC	Ratio between MIN. 5th & 6th CPC Scales
			P B-2			
S-9 (5000-8000)	8700-34800+4200	8000	39000	12900	5000	2.58
S-10 (5500-9000)	8700-34800+4200	9000	39000	12900	5500	2.35
S-11(6500-6900)	8700-34800+4200	6900	39000	12900	6500	1.98
S12((6500-10500)	do	10500	39000	12900	6500	1.98
S-13 (7450-11500)	8700-34800+4600	11500	39400	13300	7450	1.78
S-14 (7500-12000)	8700-34800+4800	12000	39600	13500	7500	1.80
S-15 (8000-13500)	8700-34800+5400	13500	40200	14100	8000	1.76
			P B-3			
New scale- (Group A entry) (8000-13500)(JS)	15600-39100+5400	13500	44500	21000	8000	2.63
S-16,(9000)	15600-39100+5400	9000	44500	21000	9000	2.33
S-17(9000-9550)	do	9550	44500	21000	9000	2.33
S-18 (10325-10975) (SS)	15600-39100+6100	10975	45200	21700	10325	2.10
S-19 (10000-15200)	15600-39100+6100	15200	45200	21700	10000	2.17
S-20 10650-15850)	15600-39100+6500	15850	45600	22100	10650	2.08
S-21 12000-16500 JAG)	15600-39100+6600	16500	45700	22200	12000	1.85
S-22 (12750-16500)	15600-39100+7500	16500	46600	23100	12750	1.81
S-23(12000-18000)	15600-39100+7600	18000	46700	23200	12000	1.93
S-24 (14300-18300) (SG)	15600-39100+7600	18300	46700	23200	14300	1.62
S-25 (15100-18300)	15600-39100+8300	18300	47400	23900	15100	1.58
S-26 (16400-20000)	15600-39100+8400	20000	47500	24000	16400	1.46
S-27(16400-20900)	do	20900	47500	24000	16400	1.46
			P B-4			
S-28 (14300-22400)	39200-67000+9000	22400	76000	48200	14300	3.37
S-29 (18400-22400) (SAG)	39200-67000+9000	22400	76000	48200	18400	2.62
S-30 (22400-24500) (PHOD)	39200-67000+11000	24500	78000	50200	22400	2.24
S-31 (22400-26000)	39200-67000+13000	24500	80000	52200	22400	2.33
S-32 (24050-26000)	39200-67000+13000	26000	80000	52200	24050	2.17
S-33 (26000))(Secy)	80000	26000	80000	80000	26000	3.08
S-34 (30000)(Cab.Secy)	90000	30000	90000	90000	30000	3.00

1. The ratio corresponding to min. of scales is varying from 0.15 to 3.37 which is a wide variation and reflects partial treatment.
2. This ratio between pay scales of 4th and 5th PC was 3.25 or quite close to it in all the scales

Table III

WIDE VARIATION OF % AGE INCREASE OF MINIMUM OF PAY IN THE EXISTING AND PROPOSED PAY SCALES RECOMMENDED BY SIXTH CPC

AS PER PAGE No 59, 60, 61 AND 62 OF VI CPC REPORT

(%age Rise of Total Emoluments – Calculated as on 01.01.2006)

Pre-Revised Scale	Existing Emoluments				Recommended Emoluments					
	Min of Exist. Scale	Max of Exist. Scale	Min. Emolument BP+DP+ 24%DA On 1.1.06	Max Emolu-ments	Pay Band	Corres-ponding pay bands	Grade pay	Total Min. Pay On 1.1.06	Increase/ decrease in Min. Pay	% age increase
S-1	2550	2660	4743	4948	1S	4440	1300	5740	997	21.02
S-2	2610	3150	4855	5859	1S	4550	1400	5950	1095	22.56
S-3	2650	3300	4929	6138	1S	4620	1650	6270	1341	27.21
S-4	2750	3800	5115	7068	PB-1	4990	1800	6790	1675	32.75
S-5	3050	3950	5673	7347	PB-1	5310	1900	7210	1537	27.09
S-6	3200	4900	5952	9114	PB-1	5570	2000	7570	1618	27.18
S-7	4000	6000	7440	11160	PB-1	6960	2400	9360	1920	25.81
S-8	4500	7000	8370	13020	PB-1	7830	2800	10630	2260	27.00
S-9	5000	8000	9300	14880	PB-2	8700	4200	12900	3600	38.71
S-10	5500	9000	10230	16740	PB-2	9570	4200	13770	3540	34.60
S-11	6500	6900	12090	12834	PB-2	11310	4200	15510	3420	28.29
S-12	6500	10500	12090	19530	PB-2	11310	4200	15510	3420	28.29
S-13	7450	11500	13857	21390	PB-2	12970	4600	17570	3713	26.80
S-14	7500	12000	13950	22320	PB-2	13050	4800	17850	3900	27.96
S-15	8000	13500	14880	25110	PB-2	13920	5400	19320	4440	29.84
New	8000	13500	14880	25110	PB-3	15990	5400	21390	6510	43.75
S-16	9000 (Fixed)		16740	25110	PB-3	15600	5400	21000	4260	25.45
S-17	9000	9550	16740	17763	PB-3	15990	5400	21390	4650	27.78
S-18	10325	12575	19205	23390	PB-3	17970	6100	24070	4866	25.34
S-19	10000	15200	18600	28272	PB-3	17400	6100	23500	4900	26.34
S-20	10650	15850	19809	29481	PB-3	18540	6500	25040	5231	26.41
S-21	12000	16500	22320	30690	PB-3	20880	6600	27480	5160	23.12
S-22	12750	16500	23715	30690	PB-3	22190	7500	29690	5975	25.20
S-23	12000	18000	22320	33480	PB-3	20880	7600	28480	6160	27.60
S-24	14300	18300	26598	34038	PB-3	24890	7600	32490	5892	22.15
S-25	15100	18300	28086	34038	PB-3	26280	8300	34580	6494	23.12
S-26	16400	20000	30504	37200	PB-3	28540	8400	36940	6436	21.10
S-27	16400	20900	30504	38874	PB-3	28540	8400	36940	6436	21.10
S-28	14300	22400	26598	41664	PB-4	39200	9000	48200	21602	81.22
S-29	18400	22400	34224	41664	PB-4	43280	9000	52280	18056	52.76
S-30	22400	24500	41664	45570	PB-4	48990	11000	59990	18326	43.99
S-31	22400	26000	41664	48360	PB-4	48990	13000	61990	20326	48.79
S-32	24050	25000	44733	46500	PB-4	52770	13000	65770	21037	47.03
S-33	26000 (Fixed)		46500	-	-	80000	(Fixed)	-	33500	72.04
S-34	30000 (Fixed)		55800	-	-	90000	(Fixed)	-	34200	61.29

Table IV-
WIDE VARIATION OF % AGE INCREASE OF PENSION

A	B	C	D	E	F	G	H	I	J
Existing Pay Scales as per 5th PC	Pension (50%of min. of scale)+ 50% DA	Fitment Pension as per 6th PC Table 5.1.1	%age increase col B to C	Pension drawn on 1-1-06 with 24% DA	Increase in Pension as on 1-1-06 as per Fitment Table(C-E)	Pension @ 50% of min. of New Pay Bands with Grade Pay	Increase in Pension w.r.t. to New Pay Bands (Col G-E)	%age Increase with fitment table- (Col C&E)	%age Increase with New Pay Band (Col G&E)
P B 2									
S-9 (5000-8000)	3750	5350	42.67	4650	700	* 6450	1800	15.1	38.7
S-10 (5500-9000)	4125	5885	42.67	5115	770	*6450	1335	15.1	26.1
S-11 (6500-10500)	4875	6955	42.67	6045	910	6450	405	15.1	6.7
S-12 (6500-6900)	5587	7971	42.67	6927	1043.12	6650	-277	15.1	-4.0
S-13 (7450-11500)	5625	* 8025	42.67	6975	1050	6750	-225	15.1	-3.2
S-14 7500-12000)	5625	8025	42.67	6975	1050	6750	(-) 225	15.1	(-) 3.2
S-15 (8000-13500)	6000	8560	42.67	7440	1120	7050	(-) 390	15.1	(-) 5.2
P B 3									
New scale- (Group A entry) (8000-13500) (JS)	6000	8560	42.67	7440	1120	10500	3060	15.1	41.1
S-16,17(9000, 9000-9550)	6750	9630	42.67	8370	1260	10500	2130	15.1	25.4
S-18 10325-10975(SS)	7743	11047	42.67	9601	1445.68	10850	1248	15.1	13.0
S-19 (10000-15200)	7500	10700	42.67	9300	1400	10850	1550	15.1	16.7
S-20 10650-15850)	7988	11396	42.66	9905	1490.88	11050	1144	15.1	11.6
S-21 (12000-16500) (JAG)	9000	12840	42.67	11160	1680	11100	-60	15.1	(-) 0.5
S-22 (12750-16500)	9563	13643	42.66	11858	1784.88	11550	(-) 308	15.1	(-) 2.6
S-23(12000-18000)	9000	12840	42.67	11160	1680	11600	440	15.1	3.9
S-24 (14300-18300) (SG)	10725	15301	42.67	13299	2002	11600	(-) 1699	15.1	(-) 12.8
S-25 (15100-18300)	11325	16157	42.67	14043	2114	11950	(-) 2093	15.1	(-) 14.9
S-26,27 (16400-20000,20900)	12300	17548	42.67	15252	2296	12000	(-) 3252	15.1	(-) 21.3
P B 4									
S-28 (14300-22400)	10725	15301	42.67	13299	2002	24100	10801	15.1	81.2
S-29 (18400-22400) (SAG)	13800	19688	42.67	17112	2576	24100	6988	15.1	40.8
S-30(22400-4500) PHOD	16800	23968	42.67	20832	3136	25100	4268	15.1	20.5
S-31 (22400-26000)	16800	23968	42.67	20832	3136	25200	4368	15.1	21.0
S-32 (24050-26000)	18038	25734	42.67	22367	3366.88	26100	3732	15.1	16.7
S-33 (26000)(fixed)(Secy)	19500	27820	42.67	24180	3640	40000	15820	15.1	65.4
S-34 (30000)(Cab.Secy)	22500	32100	42.67	27900	4200	45000	17100	15.1	61.3