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The central government is likely to constitute the 7th Pay Commission for revising the salaries of its over 50 lakh employees before the start of process of next general elections due in May, 2014.

“The Finance Ministry is working out a Cabinet proposal for constitution of the 7th Pay Commission which could be taken up for consideration in the next couple of weeks,” a source said.

According to information available, the government’s intention to constitute 7th Pay Commission before going for polls is clear as it has made provision of Rs. 3.5 crore in the second supplementary demands for grants in this regard which was approved by Parliament in the just concluded Winter Session.

Earlier in September this year, Finance Minister P. Chidambaram had announced that Prime Minister Manmohan Singh has approved setting up of the 7th Pay Commission.

According to the announcement, the Commission will be mandated to submit its report in two years time and its recommendations would be implemented from January 1, 2016.

However, after that announcement, no formal proposal was put up before the Union Cabinet for constitution of the Commission.

As per the practice, the Commission is headed by a former Supreme Court Judge and its other members would include experts and officials.

Meanwhile, the government is also believed to have approved fixing minimum pension of Rs 1,000 per month under the Employees’ Pension Scheme 1995 (EPS-95) run by retirement fund body Employees’ Provident Fund Organisation (EPFO).

The government is also understood to have cleared maximum basic wage ceiling of Rs. 15,000 per month for deduction of Provident Fund from existing Rs. 6,500 per month for private sector workers, in general, covered under schemes run by EPFO.

Source: [The Hindu](#)