GOVERNMENT OF INDIA PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS LOK SABHA

UNSTARRED QUESTION NO:2137 ANSWERED ON:07.12.2011 SIXTH PAY COMMISSION'S BENEFITS Gavit Shri Manikrao Hodlya

Will the Minister of PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether the Sixth Central Pay Commission has given any specific recommendation on the employees retired before 2006;

(b) if so, the details thereof and the reaction of the Central Government thereto;

(c) whether the employees retired before 2006 have been deprived of the benefits of Sixth Pay Commission by the Government; and

(d) if so, the reasons therefor and the time by which the recommendations of Sixth Pay Commission in respect of such employees are likely to be implemented by the Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE.(SHRI V. NARAYANASAMY)

(a) Yes, Madam.

(b): The Sixth Central Pay Commission made the following specific recommendation in para 5.1.47 of its report in regard to revision of pension of the employees who retired before 1.1.2006:

"All past pensioners should be allowed fitment benefit equal to 40% of the pension excluding the effect of merger of 50% dearness allowance/dearness relief as pension (in respect of pensioners retiring on or after 1/4/2004) and dearness pension (for other pensioners) respectively. The increase will be allowed by subsuming the effect of conversion of 50% of dearness relief/ dearness allowance as dearness pension/ dearness pay. Consequently, dearness relief at the rate of 74% on pension (excluding the effect of merger) has been taken for the purposes of computing revised pension as on 1/1/2006. This is consistent with the fitment benefit being allowed in case of the existing employees. The fixation of pension will be subject to the provision that the revised pension, in no case, shall be lower than fifty percent 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."

In Para 5.1.32 of its report, the Pay Commission recommended that quantum of pension available to the old pensioners should be increased by 20%, 30%, 40%, 50% and 100% on attaining the age of 80, 85, 90, 95 and 100 years, respectively.

These recommendations were accepted by the Central Government vide Department of Pension and Pensioners' Welfare's Resolution No.38/37/08-P&PW(A), dated 29th August, 2008 with the modification that fixation of pension shall be based on a multiplication factor of 1.86, i.e. basic pension + Dearness Pension (wherever applicable) + dearness relief of 24% as on 1.1.2006, instead of 1.74. Instructions for revision of pension, with effect from 1.1.2006, of pre-2006 Central Government civil pensioners were issued vide Department of Pension and Pensioners' Welfare's Office Memorandum No.38/37/08-P&PW(A), dated 1st September, 2008. Ministry of Defence (Department of Ex-servicemen) issued separate orders for revision of pension of retired Defence personnel.

In para 4.11.3 of its report, the Commission also recommended for enhancing the amount of medical allowance for pensioners living in non-CGHS areas appropriately. Orders have been issued vide Department of Pension and Pensioners' Welfare's O.M. No 4/25/2008-P&PW(D) dated 26.5.2010 for enhancing the amount of Fixed Medical Allowance from Rs. 100/- p.m. to Rs. 300/- p.m.

(c) No, Madam.

(d) Does not arise.