

CHAPTER IV **WAGE POLICIES & RELATED MATTERS**

(a) Wage Policy/Pay Revision/HPPC Recommendations

10. DPE/Guidelines/IV(a)/10
Pay Revision of the Central Public Sector employees following CDA pattern in 69 PSEs—Revision of rates of Non-Practising Allowances, etc.

In continuation of this Department's OM of even number dated 20th July, 1998 pay revision of the public sector employees following CDA pattern in 69 PSEs the undersigned is directed to convey that the Government have decided to extend the following benefits to the Central Public Sector employees following CDA pattern as contained in the OMs, mentioned below, which were made applicable to the Central Govt. employees based on the recommendations of the Fifth Central Pay Commission.

1. Revision of rates of Non-Practising Allowance attached to Medical Posts other than posts included in the CHS issued vide Ministry of Finance, Deptt. of Expenditure OM No.7(25)/E.III/(A)/97 dated 15.4.98 (copy enclosed).
2. Decisions relating to the grant of Children Education Assistance issued vide Ministry of Personnel, Public Grievances and Pensions (Deptt. of Personnel & Training) O.M. No.21017/1/97-Estt. (Allowances) dated 12.6.98 (copy enclosed).
3. Construction Projects – Grant of Project Allowance – Revision of rates issued vide Ministry of Finance, Deptt. of Expenditure OM No.6(6)/97/E-II(B) dated 1.4.1998 (copy enclosed).
4. Bad Climate/Unhealthy Locality Allowance – Recommendations of the Fifth Central Pay Commission – Revision of the Rates issued vide Ministry of Finance, Deptt. of Expenditure O.M. No.5(1)/97-E.II(B) dated 1.4.1998 (copy enclosed).

All administrative Ministries/Deptts. of the government of India are requested to bring the foregoing to the notice of public sector enterprises, under their administrative control, who are following CDA pattern for their information and necessary action.

(DPE O.M. No. 2(42)/97-DPE(WC) dated 23rd September, 1998)

Copy of Department of Expenditure's O.M.No.F.No.7(25)/E.III(A)/97 dated 15th April, 1998 regarding Revision of rates of Non-Practising Allowance attached to Medical Posts other than posts included in the CHS.

The undersigned is directed to invite a reference to this Ministry's OM No.F.7(90)E.III/89 dated 27.2.1990 wherein revised rates of Non-Practising Allowance for medical posts ranging from Rs.600 p.m. to Rs.1000 p.m. for different pay ranges were sanctioned. In para 52.16 of their Report, the Fifth Central Pay Commission has recommended that the present system of payment of the Non-Practising Allowance to doctors based on pay ranges may be dispensed with and this Allowance may instead be granted at a uniform rate of 25 per cent of the basic pay subject to the condition that pay plus the Non-Practising Allowance does not exceed Rs.29,500. Government have considered and accepted this recommendation.

2. Accordingly, the President has been pleased to decide that the Non-Practising Allowance for medical posts other than those included in duly constituted Medical Services, such as the Central Health Services, would henceforth be paid at the rate of 25 per cent of the basic pay subject to the condition that pay plus the Non-Practising Allowance shall not exceed Rs.29,500/-. The revised rate would be effective from the date an employee draws pay in the revised scale applicable to him in accordance with the provisions of the Central Services (Revised Pay) Rules, 1997.

3. The Non-Practising Allowance at the revised rate would be admissible only in respect of those medical posts for which a medical qualification recognised under the Indian Medical Council Act, 1956 or under the Dentists Act, 1948 has been prescribed as an essential qualification and to which this Allowance is attached at present.

4. The Non-Practising Allowance will be treated as 'Pay' for all service matters as at present. In other words, the Allowance will be taken into account for computing Dearness Allowance, entitlements of Travelling Allowance and other allowances as well as for calculation of retirement benefits.

5. These orders will not be applicable in respect of medical posts under the Ministries of Railways and Defence and the Department of Atomic Energy for which separate orders will issue.

Copy of DOPT's OM No.21017/1/97-Estt.(Allowances) dated 12th June, 1998 regarding Recommendations of the V Pay Commission – Decisions relating to the grant of Children Educational Assistance.

The undersigned is directed to say that in pursuance of the decisions taken by the Government on the recommendations made by the Fifth Central Pay Commission in paras 113.3 to 113.6 of their Report, regarding Children Educational Assistance to Central Govt. employees, the President is pleased to decide that the following modifications in Central Civil Services (Educational Assistance) Orders, 1988 issued under this Department's O.M. No.21011/21/88-Estt. (Allowances) dated 17.10.1998, read with O.M.No.12011/4/88-Estt(AL) dated 31.5.89, No.12011/2/83-Estt.(AL) dated 27.12.89, No.21011/2/88-Estt.(AL) dated 3.8.90 and O.M. No.12013/1/90-Estt.(AL) dated 8.5.92 shall be made:-

Educational Assistance	Revised rate of payment/limit of reimbursement of fee	
(i) (a) Children Educational Allowance (Clause 16 of the Orders) (b) Reimburse-ment of tuition Fee (Clauses 19 and 21 of the Orders) (c) Hostel Subsidy (Clause 22 of the Orders)	Primary, Secondary, Hr. & Sr. Secondary Classes (I to XII) (a) Class I to X (b) Class XI to XII (c) Class I to XII in respect of physically handicapped and mentally retarded children. Science Fee, if charged separately, will be re-imbursable in addition to tuition fee in respect of children studying in class IX to XII and offering science subjects. Primary, Secondary, Higher Secondary & Sr. Secondary Classes (I to XII)	Rs.100/- p.m. per child Rs.40 p.m. per child Rs.50/- p.m. per child Rs.100/- p.m. per child Rs.10/- p.m. Rs.300/- p.m. per child
(ii) Clause 13 of the Central Civil Service (Educational Assistance) Orders, 1988 shall be revised as follows:- "If a Government servant is transferred from a station where there is no school of the requisite standard to a station where there is such school and if he was in receipt of the allowance at the former station in respect of any child, he shall continue to remain eligible for such allowance as long as the child continues to study in the same school."		
(iii) Re-imbusement of Tuition fee in case of physically handicapped/mentally retarded child of a Government servant shall be permitted even if the institution in which the child is studying is not recognised by the Central/State Govt. or Union Territory Administration, as the case may be.		

2. These orders shall be effective from 1st August, 1997.

3. The other conditions as laid down in the Central Civil Service (Educational Assistance) Orders, 1998 and subsequent amendments/orders issued from time to time would continue to apply.

4. In so far as persons serving in the Indian Audit and Accounts Departments are concerned, these orders issue in consultation with the Comptroller and Auditor General of India.

Copy of Department of Expenditure's OM No.6(6)/97/E.II(B) dated 1st April, 1998 regarding Construction Projects-Grant of Project Allowance – Revision of Rates.

The undersigned is directed to say that consequent upon the decision taken by the Government on the recommendations of the Fifth Central Pay Commission, the President is pleased to decide that in modification of OM No.20011/5/73-E.IV(B) dated the 17th January, 1975 as amended from time to time on the subject mentioned above, the rates of Project Allowance shall be as follows:-

Pay Range (Basic Pay)	Rates of Project Allowance per month (Rs.)
Below Rs.3000/- p.m.	150
Rs.3000/- p.m. to Rs.4499/- p.m.	300
Rs.4500/- p.m. to Rs.5999/- p.m.	450
Rs.6000/- p.m. to Rs.8999/- p.m.	600
Rs.9000/- p.m. and above	750

2. Central Government employees of other Departments whose offices have been located in the project area not specifically for the work of project authorities shall be allowed Project Allowance at 50% of the above rates.

3. The term 'pay' for the purpose of Project Allowance shall be the pay drawn in the prescribed scale of pay, including stagnation increment(s) and non-practising allowance, but shall not include any other type(s) of pay like special pay or personal pay etc. In the case of those employees who opt to retain the existing scales of pay, it will include, in addition to pay in the pre-revised scale, dearness allowance and interim relief appropriate to that pay admissible under orders in existence on 1.1.1996.

4. Where the application of revised rates results in a monetary loss to an employee, who has been continuously drawing the allowance from a date prior to 1.8.1997 amount drawn by him immediately prior to that date will be protected by treating the difference between the allowance so drawn and that admissible at the revised rates as personal to him. The protection will continue till the employee remains posted in the said project area and becomes eligible to higher amount either on promotion or otherwise.

5. These orders will take effect from 1.8.1997. For the period from 1.1.96 to 31.7.97, the above allowance will be drawn at the existing rates on the notional pay in the pre-revised scale.

6. These orders will apply to all civilian employees of the Central Government including civilian employees paid from the Defence Services Estimates. In regard to Armed Forces personnel and Railway employees, separate orders will be issued by the Ministry of Defence and Ministry of Railways, respectively.

7. In so far as persons serving in the Indian Audit & Accounts Department are concerned, these orders issue after consultation with the Comptroller & Auditor General of India.

Copy of Department of Expenditure's OM No.5(1)/97.E.II(B) dated 1st April, 1998 regarding Bad Climate/Unhealthy Locality Allowance—Recommendations of the Fifth Central Pay Commission—Revision of the rates.

The undersigned is directed to say that, consequent upon the decisions taken by the Government on the recommendations of the Fifth Central Pay Commission related to the above mentioned allowance, the President is pleased to decide that in modification of this Ministry's OM No.20012/2/73-E.IV dated 4.1.74 and No.20012/1/86.E.IV dated 23.9.86 as amended from time to time, Special Compensatory (Bad Climate) Allowance to the Central

Government employees shall be admissible at the following rates:-

Pay Range (Basic Pay)	Rates of Project Allowance per month (Rs.)
Below Rs.3000/- p.m.	40
Rs.3000/- p.m. to Rs.4499/- p.m.	80
Rs.4500/- p.m. to Rs.5999/- p.m.	120
Rs.6000/- p.m. to Rs.8999/- p.m.	160
Rs.9000/- p.m. and above	200

2. 'Pay' for the purpose of these orders, will be the pay drawn in the prescribed scale of pay, including stagnation increment (s) and non-practising allowance, but shall not include any other type(s) of pay like special pay on pre-revised pay etc. In the case of those who opt to retain the existing scale of pay, it will include, in addition to pay in the pre-revised scale, dearness allowance and interim relief appropriate to that pay admissible under orders in existence on 1-1-1996.

3. All other terms and conditions governing the grant of Bad Climate/Unhealthy Locality Allowance shall continue to be applicable. These orders shall take effect from 1.8.1997.

4. In case there are any other Special Compensatory Allowance(s) admissible at a particular place, the Central Government employee working there will have the option to choose the allowance which benefits him the most. Persons drawing Special Compensatory Allowance shall not be eligible for any City Compensatory Allowance.

5. These orders shall also apply to the civilian employees paid from the Defence Service Estimates and the expenditure will be chargeable to the relevant Head of the Defence Service Estimates. In regard to Armed Forces

personnel and Railway employees, separate orders will be issued by the Ministry of Defence and Ministry of Railways, respectively.

6. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor General of India.