

## **Providing proper minimum wage of Rs 27000/- for CG Employees including that of GDS employees and pay fixation formula:**

The staff side of the JCM had given representation demanding Rs 10,000/- as minimum wage for Central Government Employees. The 6th CPC in its report vide para no 2.2.15 had calculated a minimum wage of Rs 5478/- today if we are calculate the minimum wage it should be more than Rs 21,000/- apart from HRA and other allowances. Hence there is three times increase in actual prices calculated by the 6th CPC and the current prices. The current wages of the CG Employees should be doubled at least including that of GDS.

The most comprehensive criteria for covering all the basic needs were evolved by the 15th Indian Labour Conference (ILC) in 1957 for fixing minimum wages. The norms are that a need-based minimum wage for a single worker should cover all the needs of a worker's family consisting of a spouse and two children.

The food requirement was to be 2,700 calories, 65 grams of protein and around 45-60 grams of fat as recommended by Dr Wallace Aykroyd for an average Indian adult of moderate activity. Dr Aykroyd pointed out that animal proteins, such as milk, eggs, fish, liver and meat, are biologically more efficient than vegetable proteins and suggested that they should form at least one-fifth of the total protein.

**Dr Aykroyd** worked on nutrition for nearly 30 years and was director of the Nutrition Division, Food and Agriculture Organisation, United Nations. In 1935, he was appointed Director of the Government's Nutritional Research Centre in India, situated in Coonoor in the south.

The 15th ILC further resolved that clothing requirements should be based on per capita consumption of 18 yards per annum, which gives 72 yards per annum for the average worker's family. For housing, the rent corresponding to the minimum area provided under the government's industrial housing schemes was to be taken. Fuel, lighting and other items of expenditure were to constitute an additional 20% of the total minimum wage.

The Supreme Court upheld these criteria in the case of *Unichoy vs State of Kerala* in 1961. In the later *Raptakos Brett Vs Workmen* case of 1991, the SC went one step further, and held that besides the five components enunciated by the 15th ILC, minimum wages should include a sixth component, amounting to 25% of the total minimum wage, to cover children's education, medical treatment, recreation, festivals and ceremonies. The SC also observed that a wage structure including the

above six components would be “nothing more than minimum wage at subsistence level” which the workers must get “at all times and under all circumstances”.

### ***Minimum Salary-Analysis &Recommendations para 2.2.15***

The Commission, however, agrees that the norms set by the 15th International Labour Conference (ILC) are appropriate for computing minimum salary. It is also observed that the minimum salary is applicable at the time a person joins the Government which will usually be at a young age when a person may be just married and will not have responsibility of parents or many children. **Accordingly, the family unit for minimum salary can only be taken as three.**

***The Minimum Salary should be based on 6 units not three units as per 6<sup>th</sup> CPC calculation. As both parents and two children are depending on the salary of Government servant apart from spouse. the additional burden the employees will carry after a few years of service as his parents would have retired from service and are wholly dependent on him also his children would have stepped into school / college level, even small baby requirements are much unlike in the past years, the hence the minimum wage he gets will not compensate with the family financial burden Hence the whole calculations needs a undergo a drastic change in next CPC taking into account of 6 units rather than 3 units .***

The Sixth Central Pay Commission has recommended a minimum wage of Rs 6600/- per month against the demand of Rs 10,000/- per month as worked out by Staff side of JCM. Today the minimum need based wage works out to Rs 21,000/ per month+ HRA+ allowances. The general minimum expenses per month for a family of four members are as follows when a Government servant joins the duty with two small children:

- a) Vegetables Rs 3000/-
- b) Food Grains /Groceries Rs 7000/-.
- c) House rent single room Rs 6000/-
- d) Clothing Rs 3000/-
- e) Children education and their expenses Rs 2000/-
- f) Electricity Charges Rs 800/-
- g) Water Charges Rs 250/-
- h) Transportation charges Rs 1000/-
- i) TV cable rent Rs 300/-
- j) Medical Expenses Rs 500/-
- k) Mobile expenses Rs 250/-
- l) Cooking Gas Rs 450/-
- m)Recreation charges Rs 500/-
- n) Personal expenses Rs 1000/-

**Total Rs 26500/-Hence minimum wage works out to Rs 27,000/-**

**The expenses will increase as the age of Government servant goes up and family responsibility will increase as he has to educate the children in professional courses, marriage of his children has to be performed, his medical expenses will increase, his parents will stay with him and now there are quite dependant on the Government servant for their lively hood. As such the salary should be more to meet his expenses. The Government is a model employer hence the wages should be provided with the needs.**

**Table:**

Fixation of Minimum wage as on 1.1.2006 as per 15 ILC norms as per Table 2.2.1 of the 6<sup>th</sup> CPC report and the minimum wage as per current prices we compare minimum wage should be three times the 6<sup>th</sup> CPC recommendations.

<b>Items</b>	<b>Per day PCU (In grams</b>	<b>Per month 3CU (In kg)</b>	<b>Price per kg. taken by 6<sup>th</sup> CPC  (In Rs)</b>	<b>Total cost as per rates of 6<sup>th</sup>CPC (in Rs)  As on 1/1/2006</b>	<b>Price per kg. as per prevailing market rates (in Rs) 1/6/13  At Bangalore</b>	<b>Total cost as per prevailing rates (in Rs) 1/6/2013</b>
Rice/wheat	475	42.75	18	769.5	55	2351
Dal (Toor/ Urad / moong	80	7.2	40	288	80	576
Raw Veg.	100	9.00	10	90	60	600
Greenleaf Veg	125	11.25	10	112.5	40	400
Other Veg.	75	6.75	10	67.5	45	450
Fruits	120	10.80	30	324	80	864
Milk	200 MI	18 Lt.	24.00	432	35	630
Sugar and Jaggery	56	5.00	24.00	120	45	225

Edible Oil	40	3.6	50	180	100	360
Fish		2.5	120	300	180	450
Meat		5.00	120	600	375	1875
Egg		90	02	180	04	360
Detergents etc		200		200	400	400
Clothing		5.5 Mt.	80/Mt	440	200	1100
Total				4103.5		10641
Misc. @ 20%*				827		2660
Total				4930.5		13301
Addl. Exp @ 25%**				400		3325
Total				5330.5		16626
Housing @ 10%***				148		600^
Grand Total				5478.5		17226

Source: Average market rates in Kolkata, Chennai, Delhi and Mumbai as indicated in the Economic Times &

Other major dailies (element of 20% has been added to cover the increase in cost in retail sale).

**Notes PCU = Per day Consumption Unit 3CU = Three Consumption Units that is wife, husband and a child no parents or second child is taken into account.**

\* 20% Miscellaneous charges towards fuel, electricity, water etc.

\*\* Additional Expense at the rate of 25% includes expenditure towards education,

Medical treatment, housing, recreation, festivals etc.

# Has been taken as Rs.400 because separate allowances for education, medical

Treatment and housing exist in the Government. Consequently, only the expenditure

Towards recreation & festivals need to be taken in account.

^ Being the license fee chargeable for government accommodation at an average rate of

3% of the basic pay.

Total minimum wage is Rs 17225+ HRA Rs 7000/- + Transportation Allowance Rs 2500/- = Rs 26725 that is Rs 27,000/-

**The fixation of minimum basic pay of Rs 21000/- is taking into the account of minimum skill and education requirement as 10<sup>th</sup> Standard as prescribed by the 6<sup>th</sup> CPC. As the education requirement is more such as Diploma in Engineering or Degree in Science or Commerce, then the minimum basic pay should be Rs 40,000/- (8700+4200) X 3 = Rs 39,000/-. For Engineering Graduates and Master Degree it should be Rs 65,000/- .**

**The pay scales should start with a minimum basic pay including Grade Pay of Rs 21,000/- to end with 2, 10,000 with a ratio of 1:10 of minimum scale and maximum scale. Since government is a model employer they should provide minimum wages as per the 15 ILO conference and other wages as per the educational qualification & skill requirement of the job.**

**The multiplying factor is calculated as below:**

**The existing basic pay + Grade pay+ DA 100%+ weightage of 100% ( that is the difference between the actual price rise and the DA paid) that is the multiplying factor works out to three.**

**Note: The actual price rise is over 200% the DA is only 90%.**

**Or**

**The existing basic pay + grade pay+ DA 100%+DA merger = Net wage + weightage of 70% (that is the difference between the actual price rise and the DA paid).**

**The pay scales should have a multiplying factor of three, that means the existing pay scales and pay (basic pay + GP) should be multiplied by three. The pay scales arrived should not have any bunching of basic pay as done in the 5<sup>th</sup> CPC. The time scales should last for more than 10 years so that there is no stagnation.**

The concept of fair wages has been deprived to CG Employees. Usually pay commissions had adopted a multiplying factor of 3.2 to 3.8 to arrive at the new scales compared to earlier scales. But the VI CPC adopted conversion factor of about 2.6 at the lowest where as it was about 3.6 at the highest scale. By this method well established ration 1:12 between the lowest scale and highest scale was disturbed by the VI CPC.

The minimum pay & band pay fixed by the 6<sup>th</sup> CPC was very low compared all other pay commissions for example a new recruit for the post of LDC his pay is Rs 5200+ 1900 = Rs 7100/- + allowances, that should have been actually Rs 3050 multiplied by 3.6 times which works out to Rs 11000/- .

In case of a Graduate or Diploma holder as per 6<sup>th</sup> CPC it is Rs 9300 + 4200= Rs 13500/- + allowances, that should have been actually Rs 5000 multiplied by 3.6 times which works out to Rs 18000/- .

In case of a Master degree holder as per 6<sup>th</sup> CPC it is Rs 9300 + 4800= Rs 14100/- + allowances, that should have been actually Rs 6500 multiplied by 3.6 times which works out to Rs 23000/- .

Hence the justification of multiplying factor of three is justified.

The ratio between the lowest and highest scales should not more than 1:10

<b>III PAY COMMISSION VS IV PAY COMMISSION GROUP D,C and B</b>			
<b>S.N</b>	<b>III PAY COMMISSION PAY SCALES</b>	<b>IV PAY COMMISSION PAY SCALE</b>	<b>INCREASE (X) TIMES</b>
1.	a) 196-3-220-EB-3-232	750-12-870-EB-14- 940	3.8
	b) 200-3-212-4-232-EB-4-240(SG)		
2.	a) 200-3-212-4-232-EB-4-240	775-12-955-EB-14-1025	3.8
	b) 200-3-206-4-234-EB-4-250		
3.	a).210-4-250-EB-5-270	800-15-1010-EB-20-1150	3.8
	b) 210-4-226-EB-4-250-EB-5290		
4.	225-5-260-6-EB-6-308	825-15-900-EB-20-1200	3.7
5.	260-326-EB-8-350	950-20-1150-EB-25-1400	3.7
6.	a) 290-6-326-EB-8-350	950-20-1150-EB-25-1500	3.4
	b) 260-6-290-EB-6-326-8-366-EB-8-390-10-400		
7.	260-8-300-EB-8-340-10-380-EB-10-430	975-25-1150-EB-30-1540	3.7
8.	330-8-370-10-400-EB-10-480	1200-30-1440-EB-30-180	3.6
9.	a) 330-10-380-EB-12-500-EB-15-560	1200-30-1560-EB-40-2040	3.6
10.	a) 380-12-500-15-530	1320-30-1560-EB-40-2040	3.5
	b) 380-12-500-EB-15-560		
11.	a)380-12-440-EB-14-560-EB-20-640		3.5

	b) 425-15-530-EB-15-560-20-600	1350-30-1440-40-1800-EB-50-2200	
12.	c) 425-15-560-EB-20-640	1400-40-1800-EB-50-2300	3.3
	b) 425-15-500-EB-15-560-20-700		
	c) 455-15-560-20-700		
13.	a) 425-15-500-EB-15-560-20-640-EB-20-700-25-750	1400-40-1600-50-2300-EB-60-2600	3.3
	b) 425-15-500-EB-15-560-20-700-EB-25-800		
	c) 470-15-530-EB-20650-EB-25-750		
14.	a) 550-20-650-25750	1600-50-2300-EB-60-2660	2.9
	b) 550-20-650-25-800		
15.	a) 500-20-700-EB-25-900	1640-60-2600-EB-75-2900	3.1
	b) 550-25-750-EB-30-900		
16.	a) 650-30-74035-800-EB-40-960	2000-60-2300-EB-75-3200	2.8
	b) 650-30-740-35-880-EB-40-1040		
	c) 700-30-760-35-900		
	d) 775-35-880-40-1000		
17.	650-30-740-35-810-EB-880-40-1000-EB-40-1200	2000-60-2300-EB-75-3200-100-3500	3.0
18.	a) 840-40-1040	2375-75-3200-EB-100-3500	2.8
	b) 840-40-1000-EB-40-1200		
19.	a) 650-30-740-35-880-EB-40-1040	2000-60-2300-EB-3200-100-3500	3.0
	b) 650-30-740-35-810-EB-35-880-40-1000-EB-40-1200		

IV CPC PAY SCALES VS V CPC PAY SCALES				
FOURTH PAY COMMISSION PAY SCALES		FIFTH PAY COMMISSION PAY SCALES		INCREASE X TIMES
1	750-12-870-14-940	S-1	2550-55-2660-60-3200	3.4
2	775-12-871-14-1025	S-2	2610-60-3150-65-3540	3.3
3	800-15-1010-20-1150	S-3	2650-65-3300-70-4000	3.3
4	825-15-900-20-1200	S-4	2750-70-3800-75-4400	3.3
5	950-20-1150-25-1400 950-20-1150-25-1500 1150-25-1500	S-5	3050-75-3950-80-4590	3.2
6	975-25-1150-30-1540 975-25-1150-30-1660	S-6	3200-85-4900	3.3
7	1200-30-1440-30-1800 1200-30-1560-40-2040 1320-30-1560-40-2040	S-7	4000-100-6000	3.3
8	1350-30-1440-40-1800-50-2200 1400-40-1800-50-2300	S-8	4500-125-7000	3.3
9	1400-40-1600-50-2300-60-2600 1600-50-2300-60-2660	S-9	5000-150-8000	3.5
10	1640-60-2600-75-2900	S-10	5500-175-9000	3.35
11	2000-60-2120	S-11	6500-200-6900	3.25

12	2000-60-2300-75-3200 2000-60-2300-75-3200-3500	S-12	6500-200-10500	3.25
13	2375-75-3200-100-3500 2375-75-3200-100-3500-125-3750	S-13	7450-225-11500	3.13
14	2500-4000 (proposed new pre-revised scale)	S-14	7500-250-12000	3
15	2200-75-2800-100-4000 2300-100-2800	S-15	8000-275-13500	3.5
16	2630/- FIXED	S-16	9000/- FIXED	3.42
17	2630-75-2780	S-17	9000-275-9550	3.42
18	3150-100-3350	S-18	10325-325-10975	3.2
19	3000-125-3625 3000-100-3500-125-4500 3000-100-3500-125-5000	S-19	10000-325-15200	3.3
20	3200-100-3700-125-4700	S-20	10650-325-15850	3.32
21	3700-150-4450 3700-125-4700-150-5000	S-21	12000-375-16500	3.24
22	3950-125-4700-150-5000	S-22	12750-375-16500	3.22
23	3700-125-4950-150-5700	S-23	12000-375-18000	3.24
24	4100-125-4850-150-5300 4500-150-5700	S-24	14300-400-18300	3.4
25	4800-150-5700	S-25	15100-400-18300	3.1
26	5100-150-5700 5100-150-6150 5100-150-5700-200-6300	S-26	16400-450-20000	3.2
27	5100-150-6300-200-6700	S-27	16400-450-20900	3.2
28	4500-150-5700-200-7300	S-28	14300-450-22400	3.1
29	5900-200-6700 5900-200-7300	S-29	18400-500-22400	3.1
30	7300-100-7600	S-30	22400-525-24500	3
31	7300-200-7500-250-8000	S-31	22400-600-26000	3
32	7600/- FIXED 7600-100-8000	S-32	24050-650-26000	3.1
33	8000/- FIXED	S-33	26000/- FIXED	3.2
34	9000/- FIXED	S-34	30000/- FIXED	3.3

### Comparison of pay scales of the 4<sup>th</sup> CPC , 5<sup>th</sup> CPC and 6<sup>th</sup> CPC

SL. NO	4th CPC Pay scale w.e.f. 1.1.1986	5th CPC Post/Grade and Pay scale w.e.f. 1.1.1996		6th Central Pay Commission w.e.f. 1.1.2006 Corresponding		
		GRADE	SCALE	Name of Pay Band/Scale	Pay Bands/ Scale	Grade Pay
1	750-12-870-14-940	S-1	2550-55-2660-60-3200	-1S	4440-7440	1300
2	775-12-871-12-1025	S-2	2610-60-3150-65-3540	-1S	4440-7440	1400



3	775-12871-14-955-15-1030-20-1150	S-2A	2610-60-2910-65-3300-70-4000	-1S	4440-7440	1600
4	800-15-1010-20-1150	S-3	2650-65-3300-70-4000	-1S	4440-7440	1650
5	825-15-900-20-1200	S-4	2750-70-3800-75-4400	PB-1	5200-20200	1800
6	950-20-1150-25-1400/950-20-1150-25-1500/1150-25-1500	S-5	3050-75-3950-80-4590	PB-1	5200-20200	1900
7	975-25-1150-30-1540/975-25-1150-30-1660	S-6	3200-85-4900	PB-1	5200-20200	2000
8	1200-30-1440-30-1800/1200-30-1560-40-2040/1320-30-1560-40-2040	S-7	4000-100-6000	PB-1	5200-20200	2400
9	1350-30-1440-40-1800-50-2200/1400-40-1800-50-2300	S-8	4500-125-7000	PB-1	5200-20200	2800
10	1400-40-1600-50-2300-60-2600/1600-50-2300-60-2660	S-9	5000-150-8000	PB-2	9300-34800	4200
11	1640-60-2600-75-2900	S-10	5500-175-9000	PB-2	9300-34800	4200
12	2000-60-2120	S-11	6500-200-6900	PB-2	9300-34800	4200

13	2000-60-2300-75-3200/2000-60-2300-75-3200-3500	S-12	6500-200-10500	PB-2	9300-34800	4200
14	2375-75-3200-100-3500 / 2375-75-3200-100-3500-125-3750	S-13	7450-225-11500	PB-2	9300-34800	4600
15	2500-4000	S-14	7500-250-12000	PB-2	9300-34800	4800
16	2200-75-2800-100-4000/2300-100-2800	S-15	8000-275-13500	PB-2	9300-34800	5400
17	2200-75-2800-100-4000	NEW SCALE	8000-275-13500 (Group A Entry)	PB-3	15600-39100	5400
18	2630/-FIXED	S-16	9000	PB-3	15600-39100	5400
19	2630-75-2780	S-17	9000-275-9550	PB-3	15600-39100	5400
20	3150-100-3350	S-18	10325-325-10975	PB-3	15600-39100	6600
21	3000-125-3625/3000-100-3500-125-4500 / 3000-100-3500-125-5000	S-19	10000-325-15200	PB-3	15600-39100	6600
22	3200-100-3700-125-4700	S-20	10650-325-15850	PB-3	15600-39100	6600
23	3700-150-4450/3700-125-4700-150-5000	S-21	12000-375-16500	PB-3	15600-39100	7600
24	3950-125-4700-150-5000	S-22	12750-375-16500	PB-3	15600-39100	7600
25	3700-125-4950-150-5700	S-23	12000-375-18000	PB-3	15600-39100	7600

26	4100-125-4850-150-5300/4500-150-5700	S-24	14300-400-18300	PB-4	37400-67000	8700
27	4800-150-5700	S-25	15100-400-18300	PB-4	37400-67000	8700
28	5100-150-5700/5100-150-6150/5100-150-5700-200-6300	S-26	16400-450-20000	PB-4	37400-67000	8900
29	5100-150-6300-200-6700	S-27	16400-450-20900	PB-4	37400-67000	8900
30	4500-150-5700-200-7300	S-28	14300-450-22400	PB-4	37400-67000	10000
31	5900-200-6700/5900-200-7300	S-29	18400-500-22400	PB-4	37400-67000	10000
32	7300-100-7600	S-30	22400-525-24500	PB-4	37400-67000	12000
33	7300-200-7500-250-8000	S-31	22400-600-26000	HAG+SCAL E	75500-80000	NIL
34	7600/- FIXED / 7600-100- 8000	S-32	24050-650- 26000	HAG+SCAL E	75500-80000	NIL
35	8000/- FIXED	S-33	26000(FIXED )	APEX SCALE	80000(FIXED )	NIL
36	9000/- FIXED	S-34	30000(FIXED )	CAB. SEC.	90000(FIXED )	NIL

<b>SIXTH CPC PAY STRUCTURE</b>				<b>PAY STRUCTURE FOR NEXT (VII) PAY COMMISSION DEMANDED</b>		
<b>Name of Pay Band/ Scale</b>	<b>Corresponding Pay Bands</b>	<b>Corresponding Grade Pay</b>	<b>Entry Grade +band pay</b>	<b>Projected entry level pay using uniform multiplying factor `3`</b>		
				<b>Band Pay</b>	<b>Grade Pay</b>	<b>Entry Pay</b>
PB-1	5200-20200	1800	7000	15600- 60600	5400	21000

PB-1	5200-20200	1900	7730	15600-60600	5700	23190
PB-1	5200-20200	2000	8460	15600-60600	6000	25380 *
PB-1	5200-20200	2400	9910	15600-60600	7200	29730
PB-1	5200-20200	2800	11360	15600-60600	8400	34080*
PB-2	9300-34800	4200	13500	29900-104400	12600	40500
PB-2	9300-34800	4600	17140	29900-104400	13800	51420
PB-2	9300-34800	4800	18150	29900-104400	14400	54450
PB-3	15600-39100	5400	21000	29900-104400	16200	63000 *
PB-3	15600-39100	6600	25530	46800-117300	19800	76590
PB-3	15600-39100	7600	29500	46800-117300	22800	88500
PB-4	37400-67000	8700	46100	112200-20100	26100	138300
PB-4	37400-67000	8900	49100	112200-20100	26700	147300
PB-4	37400-67000	10000	53000	112200-20100	30000	159000

**The existing basic pay should be multiplied by factor three, so that there is no bunching of basic pay. The existing GP of Rs 2000/- and Rs 2800/- should be removed. Likewise there are GP of Rs 5400/- in both PB-2 and PB-3 one of them is to be removed.**

There are 34 scales recommended by the 6<sup>th</sup> CPC, out of which four Grade Pay has been not in existence, as such 30 GP are right now available.

With the merger of pay scale from S9 to S12 into Grade Pay of Rs 4200/-

**There are many pay scales which was merged into single GP of Rs 4200/- which has created anomalies, the promotions have been made in same grade pay without financial benefits.**

**There should be time scale rather than grade pay system, these time scales should long enough.**