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Secretary

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No.NC-JCM-2024/8th CPC

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The Cabinet Secretary,
Government of India,
&
Chairman,
National Council- JCM
Cabinet Secretariat
Rastrapati Bhawan, New Delhi

Sub:- Immediate constitution of 8th Central Pay Commission for revising the pay / allowances / Pension and other benefits of Central Government Employees.

Respected

The 7th Central Pay Commissions recommendations were implemented by the Government w.e.f. 01.01.2016. However, the demand of the Staff Side to the 7th CPC and subsequently to the Government of India for revising the minimum pay to Rs. 26,000/- per month as on 01.01.2016 calculated on the basis of the various components of the ILC norms and Dr. Aykroyd Formula etc. We have also submitted before the 7th CPC that the minimum pay proposed by the Staff Side of National Council (JCM) is still on the lower side. Unfortunately all our arguments were rejected by the 7th CPC without any basis and recommended for Rs. 18,000/- as minimum pay w.e.f. 01.01.2016. While the Staff Side demanded that the Fitment Factor should be 3.68%, the 7th CPC recommended only for 2.57% which the Government straightaway agreed without holding any negotiation with the Staff Side which usually takes place. Aggrieved by the adverse recommendations of the 7th CPC and the acceptance of the same by the Government without holding any discussion with the Staff Side and without considering the proposals given by the Staff Side, the constituent organizations of the National Council (JCM) served a Strike Notice on the Government demanding for revision of minimum pay and Fitment Factor. The Government constituted a Committee of Ministers to negotiate with the Staff Side under the Chairmanship of Shri. Rajnath Singh Home Minister, Late Arun Jaitley the then Finance Minister, Shri Suresh Prabhu the then Railway Minister, and Shri Manoj Sinha the then State Railway Minister after discussion the Government agreed that the demands of the Staff Side would be further discussed with them to reach an amicable settlement. Based on the assurance given by the Committee of Ministers the indefinite

strike was also postponed. Unfortunately no positive steps were taken by the Government to negotiate with the Staff Side and to increase the minimum pay and the Fitment Factor.

Government itself says that the inflation is in the range of 4 % to 7% on average it shall be about 5.5 % . The post covid the inflation is higher than pre covid levels .

If we compare the retail prices of essential commodities and goods which are required for daily life from 2016 to 2023 they have increased by over 80 % as per the local market , but we are provided by only around 46 % Dearness Allowance as on 1/7/2023 . Hence there is a gap between the actual price rise and DA provided to the employees and pensioners.

The Central Government revenue has also doubled from the year 2015 to 2023 as per the budget statements we can notice a considerable increase in the revenue collection.

The Central Government's actual revenue has increased by over 100 % . Hence the Central Government has more paying capacity compared in the year 2016. The GST collection has also increased in April 2023 Rs 1.87 lakh crores has been collected. Income tax collections were highest in the year 2022-23 . The gross Personal Income Tax collection (including STT) (provisional) in FY 2022-23 is at Rs. 9,60,764 crore and has shown a growth of 24.23% over the preceding year

India's indirect tax collections rose 7.21% in 2022-23 to ₹ 13.82 lakh crore from ₹ 12.89 lakh crore in the previous year. Source Central Board of Indirect Taxes and Customs (CBIC).

The Budget estimate for the year 2023-24 revenue collection is expected to be Rs 33,60, 858 crores , Gross revenue in 2022-23 was Rs 30,43,067 crores . After state share net Central Government actual revenue was Rs 20, 86,661 crores

The staff strength of Central Government employees has decreased from the last decade with about 10 lakhs vacancies .The work pressure is on the existing employees.

The actual expenses for wages (salary) and allowances is only 7.29% of the total revenue expenditure for the Central Government employees for the year 2020-21. In respect of Pensioners the actual expenses on pension is around 4% of the total revenue expenditure.

"1.22 It is also recommended that the matrix may be reviewed periodically without waiting for the long period of ten years. It can be reviewed and revised on the basis of the Aykroyd formula which takes into consideration the changes prices of the commodities that constitute a common man's basket, which the Labour Bureau at Shimla reviews periodically. It is suggested that this should be made the basis for revision of that matrix periodically without waiting for another Pay Commission."

The Government so far neither accepted the above recommendations nor constituted the 8th Central Pay Commission. DA of the Central Government Employees and Pensioners have already reached 50% w.e.f. 01.01.2024 the DA element will cross 50% considering the inflation and the price rise. It is also pertinent to mention here that more than 20 lakhs of Civilian Central Government Employees are governed under the National Pension System and every month they have to contribute 10% of their Basic Pay and DA to the NPS. This considerably reduce their take home pay. The Government have so far not agreed to our demand to scrap NPS and to restore the Pension under CCS(Pension) Rules, 1972 (now 2021) to the Central Government Employees recruited on or after 01.01.2004.

Considering all the above aspects and today's requirement of life and also to attract qualified and talented candidates to the Government service time has now come to immediately constitute the 8th Central Pay Commission and to revise the Pay Scales / Allowances / Pension and other benefits of the Central Government Employees through mutual discussions and settlements. Therefore, the Staff Side demands that the Government of India may immediately constitute the 8th Central Pay Commission.

With Kind Regards,

Sincerely yours,



(Shiva Gopal Mishra)
Secretary

✓ Copy to:-

The Dy.Secretary-JCA, & Member Secretary - JCM
Department of Personnel & Training, North Block,