

General Secretary Indian Rlys. Technical Supervisors Association (IRTSA)
Secretary General Railway Senior Citizens Welfare Society (RSCWS)
Vice President Bharat Pensioners' Samaj (BPS / AIFOPA)
Secretary General Coordination Committee of Central Govt Pensioners' Associations
(CCCGPA)

32 Phase 6, Mohali (Chandigarh) – 160056

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No: RSCWS/ AIRF

Dated 1-2-2011

Dear Com. Mishra,

Thank you very much for sparing valuable time to attend our Meetings at Chandigarh on 30th January, 2011.

As desired by you, Important items for Agenda for Pensioners, are sent herewith for inclusion in the Agenda for the Meeting with the Secretary DOP - P&PW on 4th & 5th March, 2011.

With best wishes,

Yours sincerely,



HARCHANDAN SINGH

General Secretary Indian Rlys. Technical Supervisors Association (IRTSA)

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Important items for Agenda for Pensioners

1. a) DENIAL OF MODIFIED TO PARITY TO PRE 2006 PENSIONERS – AS RECOMMENDED BY SIXTH CPC & ACCEPTED BY GOVERNMENT
- b) DENIAL OF EQUITABLE FITMENT BENEFIT TO PENSIONERS AT PAR WITH SERVING EMPLOYEES – AS RECOMMENDED BY 6TH CPC & ACCEPTED BY GOVT.

Reference: i) DOP O.M. F. No. 38/37/08-P&PW (A), dated 1.9.2008

ii) DOP O.M. F.No. 38/37/08-P&PW (A) pt.1 dated 3. 10. 2008

It is regrettable that a very fair recommendation made by the 6th Central Pay Commission for giving equal fitment benefit to serving employees and pensioners has been belied in implementation orders issued by DOP

Sixth Pay Commission in Para 5.1.47 of its Report had recommended as under:

- a) *“However, in order to maintain the existing modified parity between present and future retirees, it will be necessary to allow the same fitment benefit as is being recommended for the existing Government employees. The Commission, accordingly, recommends that all past pensioners should be allowed fitment benefit equal to 40% of the pension”.*

Tables were accordingly issued vide para 4.1 of DOP OM of 1/9/08 (Ref.(ii) above) wherein basic pension drawn on 1-1-2006 was increased by 40% for all and termed as consolidated pension working out to 2.26 times of existing basic pension with an effective increase of 21.5%.

- b) It was further laid down by the Sixth CPC that ;

“The fixation as per this table 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. To this extent, a change would need to be allowed from the fitment shown in the fitment table”.

The objective of above accepted recommendations has been set at naught in the implementation orders issued by DOP. The operative orders issued vide OM dated 3/10/2008 (Ref. (ii) above) that minimum of the pay in the pay band (PB) to be taken as minimum of the pay in the Pay Band *“irrespective of the pre-revised scale of pay”* - has reduced the legitimate pension of pre-2006 pensioners, created difference in the fitment benefit which was intended to be the same for serving employees and the pensioners and resulted in difference in pension between Pre and Post 2006 Pensioners retiring from the same scale / grade (as is apparent from following Table).

Pay Band/scales	Difference in pension p.m. of Pre & Post 2006 Pensioners
PB 1 (S 4 – S 8)	Rs 165 to 500
PB 2 (S 9 – S 15)	Rs 465 to 1100
PB 3 (S 16 - S 23)	Rs 570 to 1400
PB 4 (S 24 – S 29)	Rs 1145 to 3650

It is requested that the Pensions of Pre-2006 Pensioners be fixed so that it is not less than 50% 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 – as recommended by the Sixth Pay Commission (accepted by Cabinet) as this alone will ensure same fitment benefit as given to serving employees and restore the equal modified Parity between Pre and Post 2006 Pensioners.

2. FIXED MEDICAL ALLOWANCE (FMA) OF RS 1200 P.M. TO THE CENTRAL GOVT PENSIONERS IN VIEW OF HIGH COST OF MEDICINES (at par with EPFO under MoL).

Pensioners are suffering serious hardship on account of meager amount of Rs.300 p.m. - paid to them - vide *DOPP & PW Office Memorandum No. 4/252008-P&PW(D) Dated 26-5-2010* - as Fixed Medical Allowance (FMA). The amount is so less and in fact negligible that it does not meet with even a fraction of day-to-day Medical expenses for treatment of old-age problems – not requiring hospitalization. It thus defeats the very purpose for which the said Allowance is purported to be paid – as defined in the OM under reference.

Employees Provident Fund Organisation – under the Ministry of Labour & Employment, Gol, has enhanced the Fixed Medical Allowance (FMA) from Rs.600 p.m. (Rupees Six hundred only) to Rs. 1200 p.m.(Rupees one thousand two hundred only) for outdoor treatment, vide its *Circular No. HRM-V/12(1)2003/FMA/Vol-II* dated: 11.1.2010 (*Copy of the order is attached*).

It is, therefore, requested that the Fixed Medical Allowance (FMA) to Pensioners and Family Pensioners may please be enhanced to Rs.1200 p.m. (*at par with EPFO*) to mitigate the hardship of the Pensioners and their dependents.

3. ADDITIONAL QUANTUM OF PENSION TO OLDER PENSIONERS IN THE AGE GROUP OF 65 TO 80 YEARS

Ref: Para 5.1.32 of the report of the Sixth Central Pay Commission

The Sixth Central Pay Commission in the penultimate lines of Para 5.1.32 of its report had observed as follows:-

“The Commission, however, is of the view that older pensioners require a better deal because their needs, especially those relating to health, increase with age.”

Accordingly, the Pay Commission had recommended that the quantum of pension available to the older pensioners should be increased by 20% of basic pension to 100% of basic pension on attaining the age of 80 years to 100 years in various stages.

However, the Pay Commission failed to apply its own criteria of the needs of those in age group of 65 years to 80 years whose requirement, especially on account of health also increase with the advancement of age.

It is, therefore, requested that those in the age group of 65 years and above may also please be granted additional pension as indicated below:-

<u>On attaining age of</u>	<u>Additional quantum of pension proposed</u>
65 years	5% of basic pension
70 years	10% of basic pension
75 years	15% of basic pension

4. PENSION SHOULD BE NET OF INCOME TAX AS RECOMMENDED BY VTH CPC:

Inflation erodes the real income or Pension and the DA / DR is paid to protect the real income. Income Tax erodes major part of already inadequate pension thus defeating the very purpose of the DA / DR. To enable pensioners in the fag end of their lives to live honorably, they should be spared from paying Income Tax – as recommended by Fifth Pay Commission (*vide Para 167.11*).

5. MERGER OF DR WITH PENSION WEF 1-1-2011 – since it has gone above 50%: In case of the working personnel most of their allowances automatically go up by 25% whenever D.A. goes above 50%. As pensioners do not get any allowances (except DA), they will feel cheated if DA is not merged with Pension from 1-1-2011 - since DA will go above 50% from January 2011.
6. PENSION TO DISABLED & SICKLY PENSIONERS BE DISBURSED AT THEIR RESIDENCE AS PER RBI GUIDELINES: Quite a number of pensioners, due to physical/mental disability or due to sickness, are unable to go to Pension disbursing agency. Though in such cases RBI has provided for payment of pension at their residence, in actual practice Bank authorities avoid doing so.
7. Items for Ministry of Railways:
MAKE RELHS AN OPEN-ENDED SCHEME WITHOUT LOCK-IN PERIOD: Like CGHS, RELHS should be made an open-ended scheme without lock-in period and without any hassle open to all pensioner / family pensioners including the secondary Family Pensioners.

EMPLOYEES' PROVIDENT FUND ORGANISATION
MINISTRY OF LABOUR AND EMPLOYMENT, GOVERNMENT OF INDIA
HEAD QUARTERS
Bhavishya Nidhi Bhawan, 14, Bhikaiji Cama Place, New Delhi 110066
www.epfindiamov.in: www.epfindia.nic.in

File No. HRM-V/12(1)2003/FMA/Vol-II

Dated : 11 JAN 2010

To

All Addl. Central-Provident Fund Commissioner (Zones)

Director NATRSS

All Regional Provident Fund Commissioners in-charge of the Regions

All Officers in-charge (Sub Regional Office)

All Officers in-Charge (ZTIs)

RPFC (ASD) Head Office

Subject:- Enhancement in the rate of Fixed Medical Allowance, payable to the serving as well as retired employees of the EPFO for outdoor medical treatment - regarding.

Sir,

I am directed to convey the approval of the 67 th Executive Committee, held on 4.12.2009; CBT EPF for enhancement of the Fixed Medical Allowance – (FMA) from Rs.600/- p.m. (Rupees Six hundred only) to Rs. 1200/- p.m. (Rupees one thousand two hundred only). This enhancement will be effective from 1st January, 2009 and subject to the following conditions.

(i) The enhancement of fixed medical allowance will be available to serving employees and pensioners (including family pensioners) of the Employees Provident Fund Organization. The serving employees of the Organization who are in the Head Office at New Delhi and Regional / Sub Regional Office at Delhi and at stations which are covered by the Central Government Health Scheme will not be eligible for Fixed Medical Allowance. As soon as any employee is covered by Central Government Health Scheme, the fixed medical allowance admissible to him/ her shall be stopped.

(ii) If two or more members of family-are working in the EPF Organisation, only one of them will be eligible for the facility of fixed medical Allowance.

(iii) In the case of an employee whose wife / husband spouse is an employee of a Government or any other organization (including private Firm /Office) he/she will be required to give an undertaking that his /her spouse is not availing of medical facilities in cash, if any granted by their respective employees.

(iv) The Fixed Medical Allowance will be in lieu of the medical facility available for outdoor treatment under The Central Services (Medical Attendance) Rules, 1944 as adopted by the EPF Organisation for its own employees and pensioners

Your faithfully

Sd/-

(V.P. Ramaiah)

Additional Central Provident Fund Commissioner (HR)

11-1-10

