

The Pay and Pension Committee (P&PC) constituted by the Federal Government under the chairmanship of former Secretary General, Finance Division Mr Moeen Afzal is deliberating on the point as how to reduce the existing widening gap between the salaries of government and private sector employees.

The recommendations made by the committee would be placed before the government by early April for incorporating in the budget. As a matter of fact the employees working in private sector are enjoying a handsome salary package, with fringe benefits, whereas public or government servants can hardly make ends meet. Indeed the task assigned to the P&PC is a challenging one, keeping in view, when 2.9 million government employees are facing severe financial hardships and the government is focusing to contain the budget deficit within limit, by curtailing non-development expenditures.

The incumbent government is not the one, which thought about a reasonable salary package for the government employees, the previous governments also had the same in mind. To some extent they also provided 'ad-hoc relief' keeping in view the increasing trend of price-hike at that time, but what the government employees actually had been demanding was a revision in their basic pay scales. The actual benefit received by government servants in Basic Pay

Pining hopes with P&PC

Nation

BY W.D. MIRZA

Pak Economy 8-3-05

An employee of BPS-5 gets a house rent of Rs 475 per month.

Scales (BPS-16) was not more than Rs 900 in terms of 'ad-hoc relief' or dearness allowance. The situation remained quite dismal for the low grade employee of BPS 1 to 4 who received just Rs 200 under same head.

The crux of the problem arises when government expects a high proficiency in delivering better service from its employees. How can an employee perform better, if his social life is disturbed solely by imbalance between his actual take-home salary and his existing needs. It is a natural phenomenon that when a person fails to meet his income according to his demands, he looks for other options for getting extra income. He may either opt for part time job or look a safe avenue for corruption. One cannot perform his obligations in a good manner if his pocket does not allow him to do so.

A reasonable salary package could save him from utter dismay, which eventually could result in a breakthrough in his overall performance. So the P&PC must seriously consider providing a reasonable relief, which could be in the form of revision in pay scales consonant with existing price-hike.

The discrepancy in house rent

should also be done away with by P&PC. Some have even sublet their houses at higher rates and continue to get lower housing allowance deducted. Great injustice is done with the other category, who get marginal house rent out of his basic pays. Of course government cannot provide residential facilities to all its employees, but it can even implement the formula of uniformity.

House rent should be accorded to official ceilings. An example in this regard would elaborate the situation. A government servant in BPS-5 gets house rent of Rs 475 per month in his salary. How can he get a house with the said rent when his actual ceiling is Rs 2025. So it would be more appropriate to restore the actual ceiling of those employees having no official residences or self-hiring facilities, rather than giving them marginal house rent.

Government servants, below grade-

16, get a medical allowance of Rs 100. God forbid! If he suffers from some illness how could he afford to get a treatment. If he goes to the hospital and gets a medical prescription, he would have to bear expenses from his own pocket, as in most cases no reimbursement is given to low grade servants. The case of conveyance allowance is no different either, which needs immediate revision, as petroleum prices have increased manifold resulting in sky rocketing prices.

Detailed study of the salary package, reveals that the whole structure needs immediate overhauling. Even this fact is realised by successive government, but the idea could not be materialised due to one reason or another. Sooner the idea is materialised, better the outcome would be.

Prime Minister Shaukat Aziz at one of the seminars underlined the need of giving a handsome salary package to government servants for ensuring good governance and eliminating rampant corruption. Indeed this is a good realisation, provided he meant for what he actually said.

Benefits to government employees should be given keeping in view their annual performance. The perform-

ance evaluation committee should be established in each department of the federal government and lower staff should also be given representation in the committee.

Pensioners are perhaps the worst victims of price hike. In western countries, pensioners are given more incentives like insurance policies, social protection, old-age funds, etc. In South Asia pensioners are considered a burden on the national kitty and discarded from social life. In Pakistan, where government provides no social security to the pensioners in their old-age, National Saving Schemes (NSS) remain the only hope for them, where they could deposit their gratuity after opting retirement and getting reasonable profit out of their gratuity. But in the last couple of years, profit rates on NSS have been drastically reduced, thereby diminishing the last ray of hope for pensioners to invest. Many are scared to invest in co-operatives for fear of losing their hard earned money. Even though raising profit rate on NSS does not hitherto come under the mandate of P&PC, but it can bring a pension raise. Reports of suspension of gratuity should be clarified.

Indeed the task assigned to the P&PC by the present government is of highly sensitive nature, because it has to keep many things into account i.e., the budget position, hopes of the government servants which are truly justified.