

ANNEXURE I

Introductory

- 1) Government constituted a Pay Revision Commission in their order No. GO MS.115/2005/Fin. dated 14/03/2005 to study and make recommendations on revising pay and allowances and other benefits of State Government employees including teaching and non-teaching staff of aided educational institutions, Local Bodies etc. The terms of reference included “inter-alia” the following clause. “To examine the need to give interim relief to employees and submit the Commissions’ views in this regard within three months”
- 2) Although the Government order constituting the Commission was issued on 14/03/2005 the lead time that was taken to make the office of the Pay Revision Commission functional took a month and a half from the date of issue of the order. In view of the time consumed in the initial commencement of work of the Commission, the time-limit of three months from 14/03/2005 could not be adhered to and the Commission sought for extension of time atleast till 31st July from the Government., which in effect is only 2 months period as against 3 months granted earlier by the Government.
- 3) Interim Relief previously was given as a prelude to the setting up of the former Pay Revision Committee in two separate Government orders. A flat rate of Rs..100/- per month for all employees was sanctioned with effect from 01/12/1995. For pensioners the flat rate was Rs.50/- per month. A second instalment of interim relief at the rate of 10% of the basic pay subject to a minimum of Rs.100/- per month for Government employees and Rs.60/- for part-time contingent employees with effect from 14/1/1997 was also sanctioned. For pensioners also `the second instalment was given as a percentage of the pension, subject to a minimum of Rs. 50/-per month. For part-time contingent employee pensioners the minimum was fixed at Rs. 10/-per month and for Family Pensioners the minimum was fixed at Rs.25/- per month. These orders granting interim relief were issued by Government before the orders constituting the 1997 Pay Revision Committee were issued. Interim relief was also given on an earlier occasion during the 1983 Pay Revision. However this is the first time that a Pay Revision Commission has been entrusted with the task of considering the issue regarding interim relief and give a specific recommendation on it to Government. Procedurally the Commission had to devise its own methodology, consistent with factors governing State revenue, States’ responsibilities to its employees and aspirations and expectations of its employees and then to arrive at a recommendation. The Commission therefore as a first step held a meeting on 6th June 2005 with the representatives of major Unions and Associations of Government employees and pensioners mainly to assess their views on interim relief and the extent of their expectations in this regard..
- 4) The names of the Organisations and Associations who took part in the meeting is given in the Annexure..I

- 5) Since the views and demands echoed by the Union representatives present only one side of the issue it was decided that the views of the Government be ascertained and discussions were held with the Principal Secretary (Finance). The Commission is convinced that before it finalises its recommendations, the budgetary constraints and the persistent fiscal deficits inherent in the Kerala Budget are important factors that should weigh with it. The Principal Secretary (Finance) presented his views and thereafter the Commission held 3 sittings before finalising its views and in doing so it had to keep in mind the delicate balance between the demands of the employees on the one hand and the affordability of the State exchequer to bear the additional financial burden consequent on the grant of interim relief on the other.
- 6) The Commission also tried to ascertain whether interim relief has been granted to the employees of the neighbouring States of Andhra Pradesh, Karnataka and Tamilnadu and if so the quantum. It has been ascertained that 8.5% of basic pay has been sanctioned as interim relief from 01/04/2005 in Andhra Pradesh. No interim relief has been sanctioned in Tamilnad though the Central pattern of pay scales has been adopted there. In Karnataka a pay revision Commission has been constituted only recently and the information is that no interim relief has been sanctioned so far.
- 7) Taking all these aspects into consideration and the available data, which was rather limited because paucity of time precluded the Commission from collecting and analysing data particularly from other States, the Commission has endeavoured to make a recommendation which in its judgement is fair and equitable not only to the employees and pensioners but also to the Government.
- 8) The clause in the terms of reference relating to interim relief, when examined carefully, would indicate that the first aspect to be taken note of is the need for interim relief. This has to be co-related to the inflation factor and the consequent increase in the cost of living. The second aspect arising out of this clause in the terms of reference is that if there is a need to grant interim relief, what should be the quantum. Needless to say, the quantum depends upon a need based factor on the one hand and the financial capability of the State to shoulder the burden on the other hand. The third aspect is in relation to the date of effect from which interim relief may be payable. This again would be influenced by the need based consideration and the financial capability of the State. These three issues are examined one by one in the subsequent sub headings.

Need for granting interim relief.

- 9) The question whether there is any need at all for granting interim relief prior to the restructuring of pay scales would appear to be a seemingly redundant issue. This is particularly so in the light of the averment of the employees organisations that a promise had been made by the Chief Minister as early as February 2005 to the Unions that interim relief, pending the recommendations

of a Pay Commission proposed to be set-up, would be announced within three months. This point was emphasised during the meeting that the Commission held with the Unions on the 6th of June 2005. During this meeting the employees also pointed out that the pay packet drawn by the State employees suffered in comparison with almost all categories of Central government employees and that this became more pronounced after the Central Government announced that from 01/04/2004 50% of the D.A. would be treated as Dearness Pay and merged along with the basic pay in order to calculate the quantum of other allowances.

- 10) It was pointed out that when one compares the level of emoluments drawn in the Centre against the State, the State employees are adversely affected by the wide disparity in emoluments which is aggravated on account of the time lag in catching up with Central rates of DA. If the Central pattern of DA. were to be followed the State employees should have been paid D.A. at the rate of 67% from 01/01/2005 instead of 59% which they are currently drawing. The technical loss in emoluments consequent on deferring the extra 8% DA and not merging 50% of DA to pay, would result in a shortfall of 16.5% which can be illustrated in the following table.

.Basic pay Rs. 2610/-

Central Govt (50% DA merged with Basic pay. (1)		State Govt. (DA @ 67% only.. (2)		State Govt. (if DA @ 75.5% Sanctioned ie.59% plus shortfall of 16.5% (3)	
Basic pay.	Rs. 2610	Basic pay.	Rs. 2610	Basic pay.	Rs. 2610
50% DP	Rs. 1305	DA @ 67%	Rs. 1749	DA @ 75.5%	Rs. 1971
DA @ 17%	Rs. 666	Total	Rs. 4359	Total	Rs. 4581
.Total	4581	Difference (1)-(2)	222	Difference. (1)-(3)	Nil

Basic Pay: 6500/-

Central Govt (50% DA merged with Basic pay. (1)		State Govt. (DA @ 67% only.. (2)		State Govt. (if DA @ 75.5% Sanctioned ie.59% plus shortfall of 16.5% mentioned in the note) (3)	
Basic pay.	Rs. 6500	Basic pay.	Rs. 6500	Basic pay.	Rs. 6500
50% DP	Rs. 3250	DA @ 67%	Rs. 4355	DA @ 75.5%	Rs. 4908
DA @ 17%	Rs.1658	Total	Rs. 10855	Total	Rs. 11408
.		Difference (1)-(2)		Difference.	

Total	11408		553	(1)-(3)	Nil
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- 11) It was argued that the shortfall in emoluments gets further exacerbated in the context of the ever increasing cost of living, and, the failure of Government in announcing interim relief has widened the gap between need based income and actual income
- 12) Notwithstanding the above arguments in favour of creating a ground for the grant of interim relief, the Commission felt that in view of the explicit wordings in the terms of reference which speak of “need” for granting interim relief, it was the duty of the Commission to examine this aspect dispassionately, The Commission therefore felt that the real criterion to determine the need for granting interim relief lay in assessing the extent of increase in the cost of living that occurred from the date of effect of the previous Pay Revision and the present date and whether the emoluments drawn currently are adequate to take care of such an increase in the cost of living. The Director of Bureau of Economics and Statistics was approached for the purpose of obtaining information on this point. He has given a report which reveals that the cost of living index has increased from 1996-1997 to 2004-2005 by 48.4%, This calculation is based on the All India wholesale price index which classifies commodities in three separate baskets. The following table will make the position clear.

Wholesale Price Index (All India) (Figures for Kerala not available)

Year	Index Nos. of Groups			
	Primary Articles	Fuel Power light and lubricants	Manufactured Products	All commodities
1993-94	100	100	100	100
1996-97	135.8	126.4	124.4	127.2
2004-05(De.04)	186.3	288.5	167.3	188.8
% Change 96-97 to 2004-05	37.19	128.24	34.49	48.43

- 13) Although these are All India figures, which may not be the same for Kerala, there may not be too much of a difference in the overall percentage of the rise in the index in Kerala. This rise in the cost of living index has been compensated to a large extent by the grant of DA instalments, which increased from 8% in 1997 to 59% on 01/01/2004. It can be argued that the enhanced DA has, consequently, taken care of the rise in the cost of living, which has risen by only 48.43%. However, what is important is to assess the

real value of the rupee. Calculations made reveal that in terms of the real value of the rupee the percentage increase is well below 48.43%. Two examples will make this clear. The basic pay of a new entrant in the lowest scale of pay is Rs. 2610/- per month. The eligible percentage of DA on 01/03/1997 was 8% and hence, net of other allowances like HRA etc, his salary level works out to Rs.2819/-. The same employee draws an amount of Rs.4913/- in the year 2005, broken up as follows:

	*		*
Basic pay 2610+ 8x60		= Rs.3090/-	Annual increments earned.
DA at 59% over Rs. 3090/-		=Rs. 1823/-	
Total		=Rs. 4913/-	

- 14) The purchase value of Rs.4913/- using the wholesale price index as a benchmark is only Rs.2602/-, the variation being 17.4% between 1997 and 2005.

Year	Pay	Wholesale price Index	Purchase Value	% Change
1997	2819	1272	2216	
2005	4913	1888	2602	17.4

The percentage will be more or less the same for other employees also as can be seen in the following example, wherein the variation is 18.84%

An employee draws basic pay of Rs. 4800/- in the revised scale of 4600-100-5000-125-5750-150-8000.

On 1/3/1997 he draws pay	= 4800
D.A. at 8%.	= 384
Total.	= 5184
Purchase value in 1997	= $\frac{5184}{127.2} \times 100 = \mathbf{Rs.4075}$

In the year 2005 his salary is Rs, 5750 and DA at 59% is Rs. 3393 making a total of Rs.9143

Purchase value in 2005 is $\frac{9143}{188.8} \times 100 = \mathbf{Rs. 4843}$

Percentage change is 18.84%

- 15) The gap between such variation and the percentage change in the wholesale price index justifies a claim for increased emoluments, the first step of which could be the grant of interim relief. The data available from the Statistics Department also indicate that the real earnings of the Government employees have suffered due to inflation and there is consequently a need for granting interim relief to atleast partially compensate the fall in purchase value due to

inflation. A similar conclusion can be arrived at by taking the figures of N.S.S.-Round 53-59 on per capita expenditure. The percentage increase is 87.56% from 53rd round of Dec., 1997 to 59th round of January 2003. This is indicated in the following table.

		53 rd round January-December 1997			59 th round January-December 2003		
		Rural	Urban	Combined	Rural	Urban	Combind
Monthly Percapit Expenditure in Rupees.	Food	321.43	393.78	344.35	440.82	488.58	455.13
	Non-food	247.14	400.33	295.66	540.59	801.09	605.14
	Total	568.57	794.11	640.01	981.41	1299.67	1060.27
Percentage of compon ents to total.	Foo	56.53	49.59	53.8	44.92	38.36	42.93
	Non-food	43.47	50.41	46.02	55.08	61.64	57.07
	Total.	100	100.00	100.00	100.00	100.00	100.00
Index of Compon ents	Food.	100	100	100	137.14	126.61	132.17
	Non-food	100	100	100	218.74	200.11	204.67
	Total.	100	100	100	172.61	163.66	165.67
Expected for 2005.						187.56	

- 16) One should also bear in mind that the Bureau of Economics and Statistics has relied upon the All India Consumer Price Index in which the cost of living index is calculated by classifying consumption materials into three categories. The first is primary articles which include basically food items and ordinary household items. The second is on fuel, power, light and lubricants and the third is on manufactured products. While these are no doubt relevant to determine the wholesale price index, the fact of the matter is that the physical quality of life in Kerala is much higher than in any other State, which leads to higher expenses, resulting in expectations of higher remuneration.. All these factors call for more disposable income in hand and hence an interim relief to tide over the pressure would be an appropriate remedy at this point of time.
- 17) The major point against the grant of interim relief is that pay revisions in the State compared to pay revisions taking place in the Centre, are much more frequent and therefore even without the grant of interim relief there is an upward mobility in the emolument structure at shorter intervals than in the

Centre. However, since there is a gap existing between actual remuneration received and need based income there is justification for the grant of relief as an interim measure. The logical sequel to this conclusion is to consider the quantum of interim relief.

Quantum of Interim Relief.

18) In deciding upon the quantum of interim relief that should be recommended to the Government the Commission took note of the demands placed before them by the representatives of Government organisations. These demands varied from an interim relief of 20-25% of basic pay and merger of 50% of DA with basic pay from 01/04/2004 as was done in the Central Government.

19) The Commission had to reject this high level of demand since, apart from the huge financial commitment that the State would have to face, a large amount of interim relief granted at this stage would result in an obligation to the Commission to include this quantum in the revised pay scale that would ultimately be formulated. Another reason as to why a large amount of interim relief is not justified at present is because the per capita income in the State today is only about Rs.2,000/- per month against which the salary level of Government employees is much better and therefore widening the gap further between a Government employee and an ordinary man on the street will not be socially justified. The following tables will illustrate this point. The figures on per capita income at current prices are given in the table below:

1997-98.	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-2004.
Rs.14231	16029	17709	19951	19803	21853	24053

The increase in per capita income from 1997-98 to 2003-04 is around 69%. On the other hand the increase in salaries and pensions from 1997-98 to 2003-04 is as high as 101.5% as can be seen from the following table. The gap between the per capita income and the growth of emoluments in salaries is widening as is evident from the accompanying tables.

	(Rs. in crores)						
	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-2004
Salaries.	2803	3255	4503	4492	4201	4679	5067
Pensions.	913	1154	1808	1930	1838	2283	2408
Total:-	3716	4409	6311	6422	6039	6962	7475

20) In view of the above position, the Commission therefore felt that for evolving such a formula an assessment should be made as to the extent to which the State finances would be able to bear the additional expenditure in the form of interim relief

21) It is well known that the trend in the expenditure on payment of salaries and pensions is quite disturbing from the point of view of the overall fiscal position of the State. The 12th Finance Commission looked into the increasing liabilities of State Governments on account of salary and pension particularly

in the wake of the hike in salaries and pensions recommended by the 5th Central Pay Commission and the compulsions that the State Governments had, to follow suit. Like other States,. Kerala also had to substantially increase salary and pension components after the 5th Central Pay commission.. The result was that there was a sudden jump in the outflow of salaries and pensions as is evident from the following table.

ANALYSIS OF PENSION AND SALARY.

Year	Pension		Salary	
	Rs. Cr.	Increase.	Rs.cr.	Increase.
1993-94	465		1836	
1994-95	565	21.7%	2194	19.5%
1995-96	717	26.8%	2230	1.6%
1996-97	754	5.1%	2617	17.3%
1997-98	913	21.1%	2803	7.1%
1998-99	1154	26.4%	3255	16.1%
1999-00	1808	56.7%	4503	38.4%
2000-01	1929	6.7%	4492	0.2%
2001-02	1838	4.7%	4201	6.5%
2002-03	2283	24.2%	4679	11.4%
2003-04 P	2409	5.5%	5147	10.4%
2004-05 BE	2561	6.3%	5878	14.2%
CAGR.	17.9%		10.9%	

- 22) The impact was felt to the maximum in the year 1999-2000 when the benefits of the last Pay Commission started to accrue as cash outflow to the employees.
- 23) The 12th Finance Commission has pointed out that per employee salary expenditure in 1995-1996 in Kerala was only Rs. 42,762/-and that this increased to 63,130/-after the 1997 pay revision came into effect. The percentage increase is 47.63. Although percentage-wise this increase compares favourably with Karnataka and Tamilnadu where the corresponding increases were 66.9 and 105.70 respectively, it is much higher than Andhra Pradesh where the increase was only 32.2%.. The expenditure on salary, excluding interest payments and pension as a percentage of revenue expenditure is also a factor which has to be borne in mind. The State wise figures upto year 2002-2003 indicate that the percentage in Kerala is 32 compared to 25.5 in Andhra Pradesh, 38.3 in Karnataka and 40.8 in Tamilnad. It might appear that Kerala by these indicators is more favourably placed than Karnataka and Tamilnad. However, the percentage of salaries and pension to the States total revenue receipts is much higher in Kerala than in the other neighbouring States. The Budget Estimates for the year 2005-2006 indicate that salaries and pensions constitute 60.39% of the total revenue receipts (TRR) and 79.31% against States' own revenue (SOR) This high percentage

compares very unfavourably with Karnataka where the percentage to TRR is only 29.42 and in Andhra Pradesh it is just under 40%. In Tamil Nadu it is 46.72 percent.

24) This being the scenario, any additional expenditure on salaries and pensions by way of granting interim relief would only aggravate the situation. In this connection it is also necessary to take note of the recommendations of the 12th Finance Commission in Chapter IV in which it is stated that States should achieve a ratio of salary expenditure to revenue expenditure net of interest payments and pensions of 35%. In order to reach this target for the State of Kerala where the percentage is as high as 46.07, the three possible routes prescribed by the Finance Commission which are (a) reducing the number of employees (b) reducing the average per employee salary and (c) increasing the level of revenue receipts without increasing the revenue deficit, are to be scrupulously followed. Out of these measures it is only the last mentioned namely increasing the level of revenue receipts, that is perhaps practically possible.. This in fact is the only way out to accommodate the additional expenditure that would arise on the sanction of interim relief. Although it is the responsibility of the State to augment revenue collection, the Commission had a look into the overall scenario on revenue receipts.

25) The total revenue receipts of the State comprise in the main, State taxes and duties, non-tax revenue and transfers of funds from the Centre. The most flexible out of these is State taxes and duties. Out of the States taxes, the most important one is sales tax which consists of nearly 60% of the total tax revenue. The pattern of growth from 1995-96 shows that sales tax has been growing at an average rate of 12.5 to 13% per year as can be seen from the following table.

Year..	Sales Tax Revenue Rs. in crores.
1995-96	2285..96
1996-97	2772.28
1997-98	30.84.09
1998-99	3366.62
1999-2000	3853.54
2000-01	4344.33
2001-02	4440.85
2002-03	5343.15
2003-04	5991.43
Growth rate.	13.1%
Revised Estimate for 2004-05 is 7001.3	

26) The Budget Estimate for the current year is that sales tax revenue will be Rs. 8200 crores. This represent a growth rate of 17.14% from the RE for 2004-2005. The possibility of achieving this target is therefore somewhat limited particularly so in view of the introduction of VAT and the uncertainty of full collection in the initial stages of the VAT regime. Nevertheless, if one looks

at the the break up of the commodity-wise collection of sales tax it can be seen that under the head 'petroleum products', which accounts for nearly 25% of the total sales tax revenue, there is some elasticity because the periodical hike in petrol and diesel prices will automatically yield to a larger than anticipated inflow of revenue under sales tax. Commodity-wise collection of sales tax till 2003-04 is given in a table at Annexure.

- 27) Apart from sales tax, collections under stamps and registration and motor vehicle tax could be increased with better administration and plugging of loopholes. There is also a possibility of some increase in the States' non tax revenue particularly from forest revenue which has shown a compounded growth rate of only 0.7%. As far as transfer of funds from the Centre, on the basis of the 12th Finance Commission award is concerned, it is unfortunate that there has been a decline in the percentage of total transfers between the 11th Finance Commission and 12th Finance Commission by .932% which in absolute terms would be a very large amount. However, Union excise duties are an extremely buoyant source of revenue and there is a hope that with stronger economic growth the estimated amount that would accrue to the State by way of such transfer would show an upward trend..
- 28) Keeping all these factors and variables in mind a reasonable upper limit assessed by the Commission which would not disturb the budget estimates alarmingly will be an extra Rs.300 crores annually by way of interim relief and that this amount could be accommodated without disturbing the existing percentage of salary and pension out flow against the States own revenue, total revenue receipts and the total revenue expenditure. Keeping this figure as an outer limit the Commission undertook an exercise to evolve and determine possible options on interim relief.
- 29) Since the first of the previous orders on interim relief ordered to give a flat rate to all Government employees and pensioners, one of the alternatives before the Commission was to recommend the payment of a flat rate to Government employees and pensioners. Taking note of the need to balance the financial commitment to Government on the one hand and to satisfy the demands of the employees on the other hand, the Commission felt that a flat rate of Rs. 300/- per month for serving employee would be a reasonable amount of interim relief. for pensioners, the last time the amount granted by Government as interim relief was one half of the amount granted to serving employees. The Commission however felt that restricting the amount to one half of what is payable to Government employees to pensioners, will not take into account the need based requirements of pensioners. At the same time the burden of pension payments to the ex-chequer has to be kept in mind. Pension payments, which include family pensions, have shown a sharp rise over the years. Since the age of retirement in Kerala is only 55 and in view of longevity of life expectancy increasing, the pension liabilities of the State are

almost on an unchecked upward spiral.. In an RBI study conducted in the year 2003 to study the pension liabilities of State Governments it has been reported that while during the first half of the nineties the average ratio of pension payments to total revenue receipts was 4.8 percent for all States, it was 11.9 percent for Kerala and in the second half of the nineties, while this ratio rose to 7.8 per cent, for all the States, it became 15.4 percent for Kerala. The figure for the year 2001-02 for Kerala is 20.3 percent which is the highest for all the States. This high percentage precluded the Commission from recommending interim relief for pensioners at a level closer to the serving employees.. Since the pensioners are senior citizens, and therefore deserving a slightly better deal than being granted exactly 50% of interim relief due to serving employees, the Commission felt that a flat rate of Rs.175/-pm may be given to all pensioners and Rs. 100/- for family pensioners. A sum of Rs.120/- pm is recommended for part-time contingent employees and a sum of Rs.30/- pm for part-time contingent employee pensioners. The financial implication, if the above formula is implemented, will be Rs.248.06 crores per annum.

- 30) While grant of a flat amount as recommended above would be administratively convenient and easy to implement, the Commission having been given the task of considering the issue of interim relief as a specific item in the terms of reference, feel that other alternate formulae should also be given due consideration. Accordingly, the implication of granting interim relief on the basis of a percentage of basic pay was also looked into. While calculating the monthly financial commitment, if a percentage of basic pay is given as interim relief, the Commission thought it desirable that under such a dispensation there should be a minimum and a maximum. By prescribing a minimum and a maximum it can be ensured that the percentage of relief given to the lower categories would be comparatively higher. If, therefore 5% of basic pay subject to a minimum of Rs.300/- per month and a maximum of Rs.750/- per month is adopted, a person at the lowest pay scale at the entry stage will get nearly 11.5% of basic pay as interim relief. By restricting the maximum to Rs. 750/- per month there can be some control in the overall financial commitment also. For pensioners also a rate of 5% may be adopted subject to a minimum of Rs.200/- pm. The same rate may be applicable to family pensioners and part-time contingent employees and part-time contingent employee pensioners subject to a minimum of Rs.100, Rs.100 & Rs.30/- respectively. The estimated annual commitment if this formula is adopted would be around Rs. 328 crores. Another formula considered by the Commission was to categorise the employees into three groups of pay ranges and to suggest differential percentage rates These are in the following three ranges namely
- (a) Rs. 2610 to Rs. 5000.
 - (b) Rs. 5001 to Rs. 7800 and
 - (c) Rs. 7801 to Rs. 19,900.

The pay ranges would result in certain stages in the pay scales overtaking the next range. For example, a person in the pay scale of Rs. 3350 – 80 – 3830-85-5275 will belong to the first range until he crosses the Rs.5000 mark, after which he will go to the next range. The percentage of interim relief will accordingly change. Various rates were worked out and after considering the alternatives, a reasonable formula that emerged was to recommend 8.5% of basic pay subject to a maximum of Rs.300/- for the first category in the pay range Rs.2610 –5000. Incidentally, the maximum number of Government employees fall under this category. For the second category ie.Rs.5001 – 7800, the rate recommended is 5% of basic salary subject to a minimum of Rs.300/ and a maximum of Rs. 390/-For the third category, ie.Rs.7801– 19,900 the percentage recommended is 3% subject to a minimum of Rs.390/-. For pensioners, a flat rate of 8.5% subject to a maximum of Rs.300/- is considered to be reasonable. For family pensioners a flat rate of 5% is recommended subject to a maximum of Rs.200/- per month. The financial implication under such a dispensation would be approximately Rs.263 crores per annum..

The details of calculation are in Annexure. III.

- 31) Among these alternatives the Commission feels that the flat rate being the most easily implementable option could be adopted by the Government. However this option suffers from the draw-back that everybody gets an equal amount which does not reflect upon the status and responsibility in a hierarchical set-up in the Government which has come to stay over the years

Date of effect.

- 32). Although some of the representatives of Government employees argued that interim relief should be given from 01/03/2002 on the ground that a pay revision was actually due from that date, the consensus of the demand was that such relief should be granted from 01/04/2004. This date was pointed out as the most appropriate one since it was from this date that 50% of DA was merged as dearness pay for Central Government employees. The Commission deliberated on this issue and considered the requests with an open mind. It was felt that 01/03/2002 cannot be given any consideration not only because of the huge financial commitment but also due to the erroneous assumption that a pay revision was actually due on that date. In fact the previous Pay Committee had stated explicitly that the next pay revision in the State should coincide with the next Central Pay Commission. Therefore the advancement in the effective date for interim relief has no substantial argument in its favour..
- 33). Interim relief is meant only to be a partial compensation and is a forerunner to the restructuring of pay scales. The pattern has been to evolve pay structures in which interim relief gets subsumed in the new pay scales. So interim relief cannot and should not be given with too much of retrospective effect. Central pay scales were revised with effect from 01/01/1996 and even though no steps

have been taken to constitute the 6th Central Pay Commission the Government of India announced the merger of 50% DA as Dearness Pay from 01/04/2004, which conferred multiple benefits to employees in the form of enhanced DA and other allowances like HRA, which are linked to the basic pay in the form of percentages. This order has been construed as an interim relief and the interpretation is that it is a prelude to the setting up of a new Pay Commission. Whatever be the interpretation it is the date that is important. The Commission however feels that merely because a relief was given by the Central Government on 01/04/2004, it does not obligate the State Government to follow suit because the changes in the pay pattern between the Centre and the State are, in any case, not uniform. The date of 01/04/2004 is however significant in this sense that it is 8 years and 3 months after the new pay scales came into effect. If the same time period is applied to the State, the 8 year and 3 month period ends on 01/06/2005. This is therefore a possible effective date. The Commission deliberated in detail regarding the effective dates that could be considered and came to the conclusion that conceptually interim relief is meant only as a bridge between two levels of take home emoluments and consequently there is not much justification in sanctioning interim relief with retrospective effect. The current ways and means position of the Government is also a relevant factor. Therefore, the Commission is of the view that, as in the past, the effective date from which interim relief need be sanctioned may be from the month in which the Government orders sanctioning the interim relief are issued.

- 34).** Whatever be the amount of interim relief sanctioned by Government, this amount may be treated as a separate component to the pay packet. In other words, the interim relief should not be added on to the basic pay for purposes of drawing DA or any other allowances which are calculated on the basis of a percentage of the basic pay..
In conclusion, the following views of the Commission are summarised.
- (a) There is reasonable justification in sanctioning interim relief so as to partially compensate the Government employees and pensioners from the increased cost of living.
 - (b) The quantum of interim relief should strike a balance between the demands of the employees and the ability of the State to cope with the extra burden.
 - (c) Keeping the above requirement in mind, either a flat rate, separately for serving employees and pensioners or a percentage of basic pay/pension may be sanctioned as interim relief. The flat rate may be Rs. 300/- pm for serving employees, Rs. 175/- pm for pensioners, Rs. 100/- pm for family pensioners, Rs. 120/- pm for part-time contingent employees and Rs. 30/- pm for part-time contingent employee pensioners. If a percentage of basic pay/pension is adopted as an alternative, this percentage may either be a flat rate or a differential rate for different pay ranges. If it is a flat rate, it may be 5% for

serving employees subject to a minimum of Rs.300/- pm and maximum of Rs.750/- pm For pensioners the minimum may be Rs.200/- pm and for family pensioners Rs.100/- pm. For part time contingent employees and part time contingent employee pensioners minimum may be Rs.100/- pm and Rs.30/- pm respectively. The differential percentage rates may be 8.5, 5 and 3 for employees under three different pay ranges, which are Rs. 2610-5000, Rs.5001-7800 and Rs. 7801-19900. The maximum in the first category may be Rs.300/- with no minimum, for the second category the minimum may be Rs. 300/-. The maximum can be only Rs.390/- For the third category, minimum may be Rs.390/-. No maximum need be specified since the highest would be Rs. 597/-. For pensioners a rate of 8.5% is suggested subject to a maximum of Rs.300/- and for family pensioners a rate of 5% is recommended subject to a maximum of Rs.200/-per month.

- (d) The date of effect may be from 01/08/2005. Interim relief may be a separate component in the pay packet..

P. Chandramathy Amma,
Member Secretary

A.K. Thomas
Member

C.M. Radhakrishnan Nair
Member

R.Narayanan
Chairman

SOURCES OF DATA

1. Para 12 Bureau of Economics and Statistics.
2. Para 15 Bureau of Economics and Statistics.
3. Para 19 Bureau of Economics and Statistics & Economic review-2004
4. Para 21 Finance Department
5. Para 23 Report of the 12th Finance Commission & Budget in brief
2005-2006.
6. Para 25 Commissioner of Sales Tax.
7. Para 29 RBI Report of the Group to study pension liabilities of
State Government.

ANNEXURE I –Attachment I

**ATTENDENCE OF THE PARTICIPANTS IN THE DISCUSSION OF THE PAY
REVISION COMMISSION WITH THE REPRESENTATIVES OF SERVICE
ORGANISATIONS OF EMPLOYEES AND TEACHERS**

Sl. No	Name & Designation	Name of Organisation
1.	C.R. Jose Prakash, Joint Council Adhyapaka Service Samara samithy	Joint Council
2.	Eravoor Prasanna Kumar Kerala Government Employees Samyuktha Samara Samithy	
3.	C.H.Ashokan Generala Convenor	Action Council
4.	Kallada Neppolian President	NGO Front
5	A.K.Chandran	ActionCouncil
6.	P.Chandra Senan President	Adhyapaka Service Sangadana Samarasamithy
7	N.Sreekumar State President	AKSTU
8	G.Bhuvanachandran Nair General Secretary	Kerala Local Fund Audit Association SETO
9	M.Vijayaraghavan General Secretary	KGPSHA
10	C.P. Narayanan Namboothiri President	Kerala State Service Pensioners Union
11	V.Chackko General Secretary	Kerala State Service Pensioners Union
12	K.P.Kesava Karanavar	Kerala State Service Pensioners Union
13	R.Reghunathan Nair	KSSPU
14	N.Bhaskaran Nair	KSSPU
15	C.J.Joseph	KSSPU
16	Mohanan VTV General Secretary	HSTA
17	K.G.Susamons General Secretary	All Kerala Public Health Nurses Assosiation
18	Sukeshan Choolikkadu General Secretary	Kerala Leprosy Eradication Staff Association,Thiruvananthapuram
19	R.Rajesh General Secretary	Kerala Government Optometrists Association.
20	Jony George Joint Secretary	All Kerala Public Health Nurses Association
21	A.M.Devasatha Secretary	Kerala Gazetted Officers Federation
22	A.Vikraman Nair	Kerala Secretariat Association
23	M.P.Salim	Kerala Finance Secretariate Association
24	P.P.Ashraf Convenor	Adyapaka Service SangadanaAikyavedi
25	G.Kesavankutty Nair	Adyapaka Service SangadanaAikyavedi
26	Chunakkara Haneefa Chairman	State Teachers and Employees Centre
27	Alex Sam Christmas	STEC

	Secretary	
28.	C.Isac Convenor	STEC
29	K.K.Sreekumar	Kerala Private College Employees Sangh
30	K.Gopalakrishnan Nairr	(PCES)
31	Mathew P. Koshy	KFSA
32	E.Abdul Vahab	KFSA
33	G.Rajan	N.G.O.A
34	Kottathala Mohan State Secretary	Kerala NGO Association
35	K.Sudevan Convenor	SETO
36	R.Rajan Kurukkal General Secretary	Kerala NGO Association
37	T.M. Narayanan	FETO
38	M.S.Syamkumar President	Kerala NGO Sangh
39	K.Kumaraxi General Secretary	FETO
40	Pallimon Madhu General Secretary	N.T.U
41	Sooranad Chandrasekharan General Secretary	Kerala Govt. Employees Union
42	Sudhakaran Kazhchaparambil Vice-President	Kerala Govt.Employees Union
43	P.K.Raveendran President	Kerala NGO Association
44	James Sunny State Secretary	Kerala NGO Association
45	George Mathew General Secretary	Kerala NGO Front
46	E.Vilfred John	SLR Workers
47	C.E.Augistine Convenor	Kerala State Employees and Teachers Front
48	K.Vijayakumar President	Forest Protection Staff Association
49	K.Jayakumar General Secretary	Kerala Forest Protecitive Staff Association
50	Ashraf.K General Secretary	Kerala State PWD M/Staff Union
51	M.Emamudheen General Secretary	KAMA
52	C.Simon	All Kerala Mechanic Staff Union
53	C.Sasidharan Nair	Government Hospital Leprosy Attender Staff Association
54	A.Nazim General Secretary	SEU
55	Jaison Manthottom Convenor	F.S.E.T.F
56	Azad Wandoor President	SEU
57	P.P. Shana Nawas General Secretrary	KLSEO
58	Dr.G.Bhadran	OGHMOK

	General Secretary	
59	Vijayan General Secretary	GHNHA
60	A.K.Sainudheen General Secretary	SETCO
61	A.K.Sadhik n	SETO
62	Dr.Jose Kuriyan Kattukaran President	KGOU
63	B.V.Subash Secretary	Kerala PWD Electrical Wing Executive Employees Association Thiruvananthapuram.
64	S.Balabhadran	KGPSHA
65	K.Vikraman Nair	GSTU
66	P.Radhakrishnan	PSTA
67	P.Sudheesh Kumar	PSCEA
68	Dr.A.P.S.Nair	KGOU
69	S.Sasidharan President	Kerala Local Fund Audit Association
70	D.A.Hariharan General Secretary	KAPTU
71	C.S.Sukumaran	KAPTU
	P.C.Velayudhankutty State President	KPEO
72	V.P.Aravindan General Secretary	KPPHA
73	M.Madana Devan	KSSPA
74	N.Aravindakshan Nair	KSSPA
75	K.Muraleedharan Nair General Secretary	Kerala Tourism Department Employees Association
76	K.G.Radhakrishnan President	KITDTSO
77	R.Prabhakaran Thampi General Secretary	KSSPA
78	K.Karunakaran Pillai General Secretary	KSSPA

ANNEXURE I – Attachment II

COLLECTION FROM BEVERAGES AND OIL COMPANIES

Year	BEVERAGES		OIL COMPANIES		OTHERS		TOTAL
	Colln	% to Total	Colln	% to Total	Colln	% to Total	
1998-99	579.02	17	931.27	28	1856.33	55	3366.62
1999-00	615.76	16	1172.61	30	2065.17	54	3853.54
2000-01	764.27	18	1332.4	31	2247.66	52	4344.33
2001-02	844.27	19	1275.26	29	2321.32	52	4440.85
2002-03	1121.85	21	1502.07	28	2719.23	51	5343.15
2003-04	1303.5	21	1661.9	27	3115.73	51	6081.13

ANNEXURE I – Attachment II

Option 1 Flat rate of Rs.300 per month for serving employees

Rs.175 for pensioners, Rs 100 for family pensioners
Rs.120 Part Time Contingent Employees and Rs.30 for PTC Pensioners.

No of Serving Employees	Rate of IR	Total Amount Required	
		Per month	Annual
4,90,525	Rs 300 pm	14.71	176.52
No of Pensioners 2,94,000	Rs.175	5.14	61.72
Family Pensioners 73400	100	74	8.82
Part Time Contingent	Rs.120 (approx)		1.00
PTCC Pensioners	Rs. 30(aaprox)	Total	248.06

Option2 5% of basic pay subject to a minimum of Rs. 300 per month and a maximum of Rs.750 Per Month

No of Employees	Rate of IR	Total Amount Required	
		Per month	Annual
4,90,525	5% Min. Rs. 300 /-Max.Rs..750 /-	16.8	201.60
No. of Pensioners 2,94,000	5% Subject to a minimum of Rs.200	10.49	125.88
No.of Family Pensioners 73,400	5% Subject to a minimum of Rs.100		
PTCE	5% subject to min. of Rs 100		1.00
PTCE Pensioners	5% subject to min. of Rs.30		
Total			328.48

Option 3

(Rs.in Crore)

Pay Range	Number	Rate of IR	Per Month	Annual
2610-5000	248702	8.5% Max.Rs.300/-	7.00	84.00
5001-7800	199819	5 % Min.Rs.300/-	6.40	76.8
7801-19900	42004	3 % Min Rs.390/-	1.7	20.4
<i>Total</i>	<i>490525</i>		<i>15.1</i>	<i>181.2</i>
Service Pensioners	294000	8.5% Max.Rs.300/-	6.23	74.76
Family Pensioners	73400	5 % Max Rs.200/-	0.57	6.84
total pensioners	367400		6.8	81.6
Grand Total			21.9	262.8

Note: 1.Rate of interim relief of PTCE and PTCE pensioners in Option 3 is the same as in Option 2
2.For purposes of calculation the ratio of pensioners to family pensioners is taken as 4 : 1

ANNEXURE II

Record of the Brain Storming Session

- 1) A Brain Storming session was arranged on 30-08-2005 in the Conference Hall V-A of the Legislature Complex. Those who participated in the discussion are Sri.M.N.Prasad, Dr.E.T.Mathew, Dr.K.M.Abraham, Sri.K.P.Kesava Karnavar, Sri.M.Ramachandra Panicker, Sri.K.G.Sukumara Pillai and Sri.Meera Sahib. In his introductory speech the Chairman mentioned that the purpose of the Brain Storming Session was to elicit views from those participating on certain fundamental issues, which have been listed out in the letter send to the participants. He wanted a free and uninhibited discussion. Thereafter the discussion commenced. The views expressed by those who participated are briefly summarized below:

Sri.M.N.Prasad:-

- A pay revision did not necessarily mean a pay increase. Efficiency and accountability have to go hand in hand with higher emoluments.
- Inflation elements are to be considered when we talk about the overall expenditure.
- Allowances should be rational
- During the course of discussion he mentioned that health sector receives service from the private sector also.
- Interests to be paid are an inescapable component.
- In China employees work in 3 shifts and they pay more through subsidized distribution system.
- Another suggestion is to have recruitment at younger age and rigorous induction training to higher age recruitees. This will increase the efficiency and reduce the financial expenditure connected with pension.
- Introducing a medical scheme on par with CGHS in Central Government may be thought of.

Sri.E.T.Mathew:-

- With more and more use of computers, work that can be performed with the help of mechanical aids is increasing day-by-day. Corresponding staff reduction has to be considered in a gradual manner by not filling a certain portion of the vacancies arising at a particular period. To this point Chairman added that around 20,000 retirements arise every year. Non-filling of such vacancies except a limited extent without affecting the work may be an option. Sri.Mathew agreed to the suggestion.
- He also pointed out that in western countries a citizen prefers business offerings and the least attractive job offering is government service. He felt that this trend should get in and Government service shall be made less attractive.

Sri.Meera Sahib:-

- While talking about the percentage increase in salary we have to think about other factors like total debt liability of the state (around Rs.53,000 crores by the end of the term of this ministry), fiscal deficits and highly paid salaried class in government service. Government is neither taking any steps to reduce total deficit of the State nor taking any long term action to recover from the huge debt. There is no deliberate effort to reduce higher level posts like IAS officers, IPS officers, IFS officers (actually the forest area is reducing), Chief Engineers etc.
- SDP is steady. We have to procure everything from other states. The primary sector (Agriculture and allied areas) is drastically reducing. The secondary sector (Industry and trade) also shows reduction. But there is increase in the Tertiary sector (modern).
- When we talk about increase in the salary sector, it is reasonable to mention about the areas in which we had made considerable progress like Health, Education etc which are the social service sectors. This fact has been approved world-wide. For sustaining such progress manpower is an inevitable part and that cannot be substituted by machines. Here Sri.Radhakrishnan Nair, member of the commission remarked that private sector is also a mentionable factor for this achievement.
- Higher-level authorities like Ministers, MLAs have to set examples for reduction of expenditure. He pointed out that while forming the new ministry, number of ministers have increased which eventually resulted in the increase in personal staff, official residences, and other expenses (telephone, TA, accommodation etc). Similarly the number of PSC members were increased without proper reason.
- We are not getting due share from GOI for the taxes we are paying. 12th Finance Commission did not do justice to the State's requirements.
- The modernization aspect is confined only to areas like furniture replacement.
- There is no mechanism for checking the working of IAS officers.
- The present method of appointment of Deputy Collectors to the IAS cadre is not a correct method. Government servants of all departments should get such opportunities.

Sri.K.P.Kesava Karnavar:-

- He objected to the remarks made by Sri.Mathew that the dullest people are selecting government jobs (Sri.Mathew clarified that he mentioned it in the context of western countries). Sri.Karnavar felt that in India the brightest people select government jobs, the next category business and the lowest politics. Ultimately politicians rule all the others!!
- Administrative expenditure has to be considered as a single item of expenditure for achieving goals. The present method of segregating salary component and making it as the main source of expenditure is not a good trend. Achievements made in the social sector are mainly due to the contribution of the public sector.

- He mentioned that the rent for MLA hostel is Rs.25 and other similar perks, which were fixed in 1970 are still in force. Reasonable increase in such areas is also necessary to show an example to others.
- A note relating to pension was also submitted. The main reason why there is an increase in the number of pensioners is the late recruitment in service. Due to the existing rules for recruitment, there are chances for recruitment even above the age of 45. Employees with lesser number of years of service will eventually result in the increase in the number of pensioners. So necessary modification is necessary in the recruitment policy.
- One rank one pension is another aspect to be considered. During pay revisions it is reasonable to increase the pension at least to that of the corresponding minimum salary of the cadre. Only a small portion of the employees is affected in this manner and hence the financial commitment will be minimized. He is in support of constituting a pension fund especially in the context that pension is deferred wage.
- In order to mobilize resources he suggested that Education cess, Health cess, Road cess etc. should be introduced. He also opined that interest payment on public debt may not be linked with salary expenditure.

Dr.K.M.Abraham:-

- In reply to the remarks made by Sri.Meera Sahib, he mentioned that with the IAS restructuring considerable reduction has been made in the recruitment of IAS officers. Based on the above decision, reduction has been made in Kerala cadre also. (Similar reduction has been made in the total posts in the Secretariat also). But in reality Kerala is now facing acute shortage of higher-level IAS officers.
- Replacement of furniture was not on the basis of the recommendation of MGP, but based on the decision taken in 1999. He made this remark also as a reply to Sri.Meera Sahib and mentioned that such a clarification is necessary, since Sri.Meera Sahib is one who is sharing such ideas in other stages.
- In the 1998 pay revision the calculated expenditure for implementing Pay revision was Rs.608 crores whereas the actual expense calculated one year later was Rs.1400 crores. The increase was due to various reasons like additional benefits sanctioned by government over and above what is recommended by the Commission, re-fixation benefits etc. He proposed that the present Commission may take adequate steps to safeguard against this 'Creep' trend. The Chairman said that it is one of the items, the Commission is examining.
- Plan outlays have been increased without control resulting in high overall fiscal deficits.
- Reduction of staff is impossible in the present condition. Actually there is shortage of staff in various sectors like Police, Health, Local bodies etc. He also mentioned that compared to other countries, the service sector in

India is the lowest and it is necessary to be enhanced. More staff is necessary in vital areas and allotment at the right sector/ right place is the crucial thing. Providing more staff and giving them reasonable salary is an inescapable reality. But we have to enforce accountability in the right perspective.

- Financial review has to be made as an inevitable part in the implementation of schemes. Such reviews should reveal a comparative reality as to what the layman gets.
- In the case of accountability it is difficult to watch the output of each employee. However, MGP in Government are presently working out a model of quantifying the qualitative output in Government by evolving a PMF (Performance Management Framework), which can be replicated with suitable modifications for all departments.
- Another point proposed is suitable frequent training to the employees. His recommendation to the Commission is that training credits may be included as an indispensable component for promotions. Opportunities should be made open to the employees for attending such trainings and the attendance may be recorded for future verification. It is also mentioned that some training policy should be evolved.

Sri.K.G.Sukumara Pillai:-

- While comparing with the Centre and other States, an average employee in Kerala is getting more than that of their counterpart in other States and the Centre. This may be due to frequent pay revisions; time bound promotions and the benefit of 28-A fixation.
- He is of the strong opinion that accountability should be enforced in the service sector without any delay.
- Lateral entry to regular streams with lesser qualifications has to be discouraged. He explained the case of Typists and CAs with lesser qualifications and calibre getting promoted along with assistants to the post of Section officer and higher levels. The deterioration in quality of service in Secretariat is the result of the above procedure. He pleaded that the Commission take adequate steps to eliminate such practices in future.

Sri.Ramachandra Panicker:-

- Comparing salary as a percentage of revenue receipts alone is not quite right. The total receipts including capital receipts and those receipts from GOI have to be taken into account while making such comparisons. Manpower requirement is necessary in all those areas.
- While making such calculations it is necessary to highlight expenditure relating to aided staff which is also met from the government exchequer. The manager does the recruitment, posting and transfer of teachers of private schools, but their salary including pension is coming as the liability of government. Such a phenomenon is happening in Kerala alone, the peculiarity of which has to be recognized while calculating the total salary and pension liability of the State.

ANNEXURE III

List of Unions/Association who have submitted memorandum before the Commission

Name of Union/Association

Kerala Advocate General's Department Staff Association
Association of Agricultural Officers, Kerala
Association of Soil Conservation Officers
Kerala Agricultural Assistants Association
Kerala Agricultural Technical Staff Association
Kerala Agriculture Department Staff Centre
Kerala Government Agricultural Officers' Association
Kerala Scientific Assistants Association
Kerala Soil and Water Conservation Engineering Staff Federation
Kerala Soil Conservation Officers' Union
Kerala State Agriculture Dept Soil Consrvn Unit, Technical Employees Front
Lab Attenders & Assistants Association
State Agricultural Assistants Association, Kerala
Animal Husbandry Ministerial Staff Association
Animal Husbandry Officers' Association, Kerala
Indian Veterinary Association, Kerala
Kerala Animal Husbandry Department Ministerial Staff Association
Kerala Live Stock Inspectors Association
Kerala Veterinary Surgeons Service Association
Livestock Inspectors Union
Kerala Archeological Technical Staff Association
Archives Technical Staff Association - Kerala
Kerala State Archives Staff Association
Akhila Kerala Government Ayurveda College Adhyapaka Sankhadana
Ayurveda Pharmacists' Association
Government Sidda Medical Officers Association
Govt. Ayurveda Graduate Medical Officers Federation
Kerala Govt. Ayurveda Masseurs Association
Kerala Govt. Ayurveda Nurses Association
Kerala State Government Ayurveda Medical Officers Association
Kerala State Govt. Ayurveda Specialist Medical Officers' Federation
Kerala Civil Supplies Officers Association
Association of Kerala Govt. College Teachers
Govt. College Post-graduate Physical Education Coaches Association

Kerala Music College Teaching Staff Association
Kerala Non-Teaching Staff Union
Kerala Private College Employees Union
Kerala Private College Ministerial Staff Association
Kerala Private College Teachers Association
Private College Employees Sangh
The Kerala Collegiate Education Department Ministerial Staff Association
The Kerala State Co-operative Inspectors' and Auditors' Association
All Kerala Dairy Forum Instructors Association
The Association of Dairy Officers
The Kerala Dairy Development Department Ministerial Staff Association
Kerala Assistant Public Prosecutors Association
All Kerala Filaria Field Workers Federation
All Kerala Govt. Psychiatric Social Workers Association
All Kerala Health Services Rehabilitation Technicians' Association
All Kerala Public Health Nurses Association
All Kerala Qualified Health Inspectors' Association
Analytical Laboratory Technical Staff Association
Chevayoor Government Leprosy Hospital Patients and Employees' Association
District Malaria Officers' Association, Kerala
Government Hospital Nursing Assistants and Attenders Staff Association
Government Hospital Workers' Union
Health Services Physiotherapists' Association, Kerala
Keala Health Services Physiotherapists' Association
Kerala Government Camp Co-ordinators' Association
Kerala Government Clinical Psychologists' Association
Kerala Government Dental Hygienists' Association
Kerala Government Dental Specialiss' Association
Kerala Government Dieticians' Organisation
Kerala Government Hospital C.S.R. Technicians' Association
Kerala Government Hospital Employees' Association
Kerala Government Hospital Nursing Assistants and Attenders Staff Association
Kerala Government Junior Public Health Nurses and Supervisors' Union
Kerala Government Medical Officers' Association
Kerala Government Nurses' Association
Kerala Government Nurses, Union
Kerala Government Nursing Teachers Association
Kerala Government Ophthalmic Officers' Association

Kerala Government Optometrists' Association
Kerala Government Pharmacist's Association
Kerala Government Public Health Nurses & Supervisor's Association
Kerala Government Qualified X-ray Technicians Association
Kerala Government Radiographers' Association
Kerala Govt. Physiotherapist (Leprosy) Association
Kerala Health Inspectors Union
Kerala Health Services Blood Bank Technicians' Association
Kerala Health Services Laboratory Technicians Association
Kerala Health Services Medical Record Employees Association
Kerala Health Services Pharmacy Graduates' Association
Kerala Health Services Refrigeration Mechanics' Association
Kerala Leprosy Eradication Staff Association
Kerala State Health Inspectors Association
Kerala State Health Services Food Inspectors' Association
Kerala State Health Transport and Equipment Technical Staff Association
Kerala State Treatment Organisers & Senior Treatment Supervisors' Union
Trained Public Health Nurses Association of Kerala
All Kerala Rehabilitation Technicians' Association
Kerala Government Blood Bank Technicians' Association
Kerala Government Dental College Teachers Association
Kerala Government Medical College Junior Laboratory Assistants' Association
Kerala Government Medical Laboratory Technicians Association
Kerala Government Medical Laboratory Technicians' Association
Kerala Government Medical Laboratory Technology Teachers' Association
Kerala Government Optometrist Association
Kerala Govt. Medical College Social Scientists Association
Kerala State Laboratory Technicians(Pharmacy)Association
Laboratory Assistants' Association
Kerala State Drugs Control Enforcement Officers Association
Kerala State Drugs Testing Officers Association
The Kerala Drugs Control (Non-gazetted) Staff Association
Economics & Statistics Technical Staff Federation
Economics & Statistics Technical Staff Organisation
The Department of Economics & Statistics Gazetted Officers(Technical)Association
Electrical Inspectorate Engineers' Association
Kerala State Excise Officers' Association
Kerala State Excise Staff Association

Chemical Engineers' Association of Kerala
Engineer's Association of the Directorate of Factories and Boilers Kerala
Kerala Factories and Boilers Officers Association
Kerala Fire Force Officers' Association
Kerala Fire rescue Services Ministerial Staff Association
Kerala Fire Service Association
Kerala Fire Service Drivers & Mechanic Association
College of Fisheries Panangad Aluminium Association
FASE of Fisheries
Professional Fisheries Technical Officers Organisation
Association of Forest Gazetted Officers, Kerala
Kerala Forest Drivers Association
Kerala Forest Ministerial Staff Union
Kerala Forest Protective Staff Association
Kerala Forest Rangers' Association
Kerala Wildlife Sanctuary Staff Association
All Kerala Elementary Teacher Educators' Association
All Kerala School Teachers' Union
Democratic School Teachers' Association
Department of Physical Education Teachers' Association
Deseeya Adhyapaka Parishath, Kerala
DIET Staff Association, Kerala
Government School Teachers' Union, Kerala
High School Teachers' Association
IME Association, Kerala
Kerala Aided Primary Teachers' Union
Kerala Aided School Last Grade Employees' Union
Kerala Arabic Munshies' Association
Kerala Arabic Teachers' Federation
Kerala Departmental Sanskrit Teachers' Federation
Kerala Education Department Ministerial Staff Association
Kerala Government Primary School Headmasters' Association
Kerala Government Teachers' Federation
Kerala Language Teacher Educators' Association
Kerala Private Primary Headmasters' Association
Kerala Private School Physical Education Teachers' Association
Kerala Private Teachers' Front
Kerala School Teachers' Association

Kerala School Teachers' Union
Kerala State Teachers' Centre
Kerala Urdu Teachers' Association
Pourasthya Bhashadyapaka Sankatana
Private School Graduate Teachers' Association
Private School Specialised Teachers' Union
Private School Teachers' Association
Special School Non-Teaching Staff Union
All India Employed Ex-Servicemen's Association
All Kerala Attenders Association
All Kerala Librarians' Association
All Kerala Typists & Stenographers' Association
Divisional Accountants & Finance Officers Association
Federation of Executive Employees Organisation
Joint Council of State Service Organisations
Judicial Confidential Assistants (Civil & Criminal) Association
Kerala Contingent Employees Federation
Kerala Financial Assistants' Association
Kerala Gazetted Officers' Association
Kerala Gazetted Officers Federation
Kerala Gazetted Officers' Sangh
Kerala Gazetted Officers' Union
Kerala Government Class IV Employees Union
Kerala Government Drivers Association
Kerala Government Employees Union
Kerala Government Finance Officers' Forum
Kerala Government Lift Operators' Association
Kerala Library and Information Professionals' Association
Kerala N.G.O Association (P K Raveendran)
Kerala N.G.O Association (P V Sivadasan)
Kerala N.G.O Front (Chembooru Jayakumar)
Kerala N.G.O Front (Kallada Napoleon)
Kerala N.G.O. Centre
Kerala N.G.O. Sangh
Kerala N.G.O. Association (Kampara Narayanan)
Kerala N.G.O. Front (Mathachan Planthottam)
Kerala N.G.O. Union
Kerala State Common Pool Librarian's Association

Kerala State Drivers Union
Kerala State Typist Steno (Converted) Association
State Employees Union
State Gazetted Officers' Union
Kerala Federation of the Blind
Kerala State Government Physically Handicapped Employees Federation
Kerala State Physically Handicapped Employees Association
Ground Water Scientists' Association of Kerala
Kerala Ground Water Department Employees' Federation
Kerala Ground Water Department Technical Staff Association
Kerala Water Quality Scientists' Association
Government Homoeopathic Medical College Nurses' Association
Government Homoeopathic Medical College Staff Union
Government Homoeopathic Medical College Teachers' Association
Kerala Government Homoeo Employees Association
Kerala Government Homoeo Medical Officers' Association
Kerala Government Homoeo Pharmacists' Association
Organisation of Homoeo Medical Officers Kerala
HR & CE Employees Union
Aided Higher Secondary Teachers' Association
Association of Doctorates in Higher Secondary Schools
Higher Secondary School Mathematics Association
Higher Secondary School Principals' Forum
Higher Secondary School Teachers' Association
Kerala Aided Higher Secondary Teachers Association
Kerala Higher Secondary Teachers Union
Kerala Private Secondary School Headmasters' Association
Kerala Hydrographic Survey Technical Staff Association
Insurance Medical Services Homoeo Officers' Association
Insurance Medical Services Staff Union, Kerala
Kerala Govt. Insurance Medical Officers' Association
Kerala Govt. Ayurveda Medical Officers' Association - ESI Wing
Association of Graduate Engineers(Industrial Training Department)
I.T.I Hostel Superintends Association
Industrial Training Department Assistant Hostel Supdt's Association
Industrial Training Department Non-Technical Staff Association
Industrial Training Department Technical Staff Federation
Kerala Industrial Training Department Technical Staff Organisation

Kerala State Industrial Training Department Instructional Staff Association
Association of Graduate Engineers of the Department of Industries & Commerce
Industries Extension Officers Association
Kerala State Industries Officers Association
Kerala Irrigation and Project Workers' Union
Kerala Irrigation Engineers Association
Indian System of Medicine Department Staff Association
Kerala State Siddha Pharmacist Association
Kerala Civil Judicial Process Server's Association
Kerala Civil Judicial Staff Organisation
Kerala Criminal Judicial Staff Association
Kerala Labour Department Staff Union
Kerala Labour Officers' Association
Kerala Labour Officers Forum
Kerala Land Revenue Staff Association
Kerala Revenue Department Staff Association
Kerala State Revenue Villageman Organisation
Village Man Staff Association
All Kerala Part-time Law Lecturers' Association
Kerala Legal Metrology Department Staff Association
Kerala Legal Metrology Inspecting Assistance Association
Kerala Legal Metrology Officers Forum
Kerala Local Fund Audit Association
Kerala Local Fund Audit Union
Local Fund Audit Typist & Confidential Assistants' Association
Mining & Geology Dept. Employees' Confederation
Kerala Assistant Motor Vehicles Inspectors Association
Kerala Motor Vehicles Department Gazetted Officers Association
Kerala Motor Vehicles Department staff Association
All Kerala Municipal Staff & Health Federation
Kerala Municipal & Corporation Health Staff Association
Kerala Municipal Corporation Medical Officers' Union
Kerala Municipal Librarians' Forum
N C C Officers' Association
The Kerala N.C.C. Civilian Staff Association
National Savings Officers' Association
Employment Department Staff Union
Employment Officers' (Gazetted) Association

Kerala National Employment Service N.G.O. Association
Kerala Panchayat Employees Association
Kerala Panchayat Employees' Organisation
Kerala Panchayat Employees Union
Kerala Panchayat NGO Federation
Kerala Panchayat Secretaries Association
Kerala Panchayat Secretaries' Union
Kerala Panchayath Libraries Association
Panchayat Engineering Staff Union, Kerala
Panchayat Sanitary Inspectors Union
Kerala Police Pensioners Welfare Association
Kerala Retired Teachers Congress
Kerala Service Pensioners Organisation
Kerala State Pensioner's Sangh
Kerala State Service Pensioners Association
Kerala State Service Pensioners Forum
Kerala State Service Pensioners' Union
Sayahna
Secretariat Pensioners' Welfare Association
Kerala Police Ministerial Staff Association
Kerala Police Photographic Bureau Staff Association
Kerala Police Association
Kerala Police Finger Print Staff Association
Kerala Police Officer's Association
Kerala Police Service Officer's Association
Kerala State Special Branch CID Ministerial Staff (NGO) Association
Kerala Port Technical Staff Association
Kerala Government Presses Employees' Union
Kerala Government Presses Worker's Congress (INTUC)
Kerala Government Presses Workers Congress (INTUC-I)
Kerala Jail Executive Officers Association
Kerala Jail Subordinate Officers' Association
Kerala P.S.C Employees Union
Kerala Public Service Commission Lower Grade Employees' Association
Kerala Public Service Commission Officers' Association
Kerala Public Service Commission Staff Association
P.S.C. Employees Association
Public Relations Department Staff Association

Association of Engineeres, Kerala
Association of Graduate Engineers
Kerala Engineering Diploma Holders' Association
Kerala Engineering Staff Association
Kerala PWD Electrical Wing Employees Association
Kerala PWD Electrical Wing Executive Employees Association
Kerala PWD Graduate Engineers' Association
Kerala PWD Mechanical Staff Union
Kerala PWD of Irrigatio n Workers federation
Kerala PWD Rest House Employees Union
Kerala State Engineering Diploma Holders' Union
Kerala State SLR Workers Front (KTUC - Jacob)
Kerala State Swathanthra Ferry Workers' Union (SFWU)
Post Graduate Engineers Association
PWD Electronics Staff Assn
PWD Staff Association
Kerala Registration Staff Association
Registration Department's Officers Association
Kerala Community Development Extension Officers' Association
Kerala State Block Development Officers Association
Kerala Village Extension Officer's Organisation
Kerala State Sports Council Coaches Association
Sainik Welfare Officers' Association
Kerala Scheduled Caste Development Department (Technical Staff Assn)
Scheduled Caste Development Department Employees Association
Scheduled Caste Development Officers Association
All Kerala Binders Association (Secretariat Unit)
Kerala Assembly Library Staff Association
Kerala Finance Secretariat Staff Congress
Kerala Government Secretariat Confidential Assistants' Association
Kerala House Employees' Association
Kerala Law Secretariat Association
Kerala Legislature Secretariat Employees' Organisation
Kerala Legislature Secretariat Staff Association
Kerala Legislature Secretariat Staff Federation
Kerala Legislature Secretariat Staff Union
Kerala Secretariat Clerical Assistants and Attenders' Association
Kerala Secretariat Confidential Assistant's Association

Kerala Secretariat Employees Association
Kerala Secretariat Employees Sangh
Kerala Secretariat Last Grade Officers Association
Kerala Secretariat N.G.O Association
Legislature Secretariat Reporters Association
SAVE
Secretariat Staff Association
The Kerala Finance Secretariat Association
All Kerala Caretakers' Association
Kerala Government Caretakers Union
Kerala Probation Officers Association (Social Welfare)
Kerala State ICDS Supervisors Organisation
State Planning Board Research Assistant's Association
State Planning Board Technical Officers Association
State Central Library Employees Association
State Central Library Staff Association
Stationery Department Staff Association
Kerala State Scheduled Tribe Development Employees Association
Kerala Survey Field Staff N.G.Os' Association
Survey & Land Records Gazetted Officers Association
Survey and Land Records Technical Staff Association
Kerala Commercial Taxes Gazetted Officers' Association
Kerala Commercial Taxes Staff Association
All Kerala Part-time Law Lecturers' Association
All Kerala Private Aided Polytechnic College Lectures Association
All Kerala Private Engineering and Polytechnic Staff Union
All Kerala Trade Instructors & Tradesmen Organisation
Democratic College Staff Association
Government Commercial Institute Teachers Federation
Government Polytechnic Technical Staff Association
Kerala Non-Teaching Staff Union (Technical Wing)
Kerala Polytechnic Physical Instructors' Association
Kerala State Matrons' Association
Kerala State Technical Staff Organisation
Organisation of Non-Technical Attenders
Polytechnic College Principals' Council
Polytechnic Commercial Practice Staff Association, Kerala
Polytechnic Engineering Graduate Technicians Association

Technical Education Engineering Diploma Holder's Association
Technical Education Engineering Diploma Staff Association
Kerala Government Tourism Department Vehicle Staff Association
Kerala Tourism Department Managers' Association
Town Planning Staff Association
Kerala Treasury Staff Association
Kerala Municipal & Corporation Staff Sangh
Kerala Municipal & Corporation Staff Union
Kerala Municipal and Corporation Staff Association
Kerala Municipal Secretaries Association
All Kerala Vocational Higher Secondary (Aided) Vocational Instructors' Association
All Kerala Vocational Higher Secondary School GFC Teachers' Association
Kerala Aided Vocational Higher Secondary School Lab Assistants Union
Private School Vocational Lecturer's Association
Vocational Higher Secondary Non-Vocational Lecturers' Association
State Water Transport Department Drivers' Union
State Water Transport Department Employees' Federation
State Water Transport Department Station Masters Union
The Steam and Motor Boat Crew Association
Water Transport Employees Union

Rules of Procedure

Government have constituted a Pay Revision Commission in their order MS 115/05 Fin dated 14/3/05. The following Rules of Procedure are to be followed to regulate the work of the Commission:-

- 1) Formal meetings of the Commission shall be held as and when necessary for taking evidence and/or for meeting representatives of state government employees and other public bodies and individuals. The time and place of such meetings shall be fixed by the Member Secretary (MS) after ascertaining the convenience of the chairman and Members.
- 2) Internal meetings of the Commission shall be informal. As far as possible all internal meetings should have an agenda with brief notes/discussion points preparation of which will be the responsibility of the MS.
- 3) All meetings of the Commission shall be held in private session.
- 4) Meetings shall ordinarily be so arranged that all the members are present. If for unavoidable reasons any member is unable to attend, meetings may still be held if at least three members including the MS and the chairman are present. If for any reason the Chairman is unable to attend he may nominate one of the members to chair the meeting.
- 5) Such officer(s) of the Commission shall be present at the meetings of the Commission as are so directed by the MS in consultation with the Chairman.
- 6) The minutes of the proceedings of informal meetings shall be maintained by the MS in the form of a minute book and shall be circulated to the members, for confirmation in the next meeting of the Commission.
- 7) No verbatim record of the proceedings of the formal meetings of the Commission shall ordinarily be kept. However a summary of the proceedings of the meetings shall be prepared by or under the direction of the MS as soon as possible and shall be circulated to the members of the Commission.
- 8) No information relating to the meetings or the work of the Commission shall be furnished to the press by any member of the staff except under the direction of the Chairman or MS.
- 9) The MS of the Commission, under the general direction of the Chairman, shall be in overall charge of the office of the Commission and shall be responsible to the Commission for its proper functioning.

- 10) All communications from the Commission, other than a formal report, shall be signed by the Chairman or the MS (or by an officer not below that rank of Deputy Secretary authorised by the MS to sign on her behalf) as may be appropriate, but no communication purporting to express the views of the Commission shall be issued without its approval.
- 11) The MS shall keep the Commission informed from time to time of all important matters pertaining to the work of the Commission.
- 12) Allocation of work to the staff shall be made by the MS keeping the Commission so informed. Appointment of personal staff to the members shall be done by the MS in consultation with the members concerned.
- 13) The MS may grant leave, whether regular or casual, to a gazetted officer. As regards the non-gazetted staff, the leave may be sanctioned by an officer authorised by the MS for the purpose. In the case of the personal staff of the Chairman and members they will be duly consulted before leave is granted to them.
- 14) All communication received by the Commission, all material placed before the Commission and all discussions at the meetings of the Commission shall be treated as confidential.