

Seventh pay panel's term extended till December

The Union Cabinet extended the Seventh Pay Commission's term by four months till December 31 to give its views on revising salaries and pensions for nearly 9.8 million central government employees and 9.9 million pensioners.

The panel headed by Justice AK Mathur, whose recommendations might also have a bearing on the salaries of the state government staff, was given the extension a day before its original 18-month term ended.

The commission was appointed by the previous United Progressive Alliance government in February 2014, and its recommendations are scheduled to take effect from January 1, 2016. "The Cabinet chaired by Prime Minister Narendra Modi on Wednesday gave its approval for the extension of the term of the Seventh Central Pay Commission by four months up to December 31, 2015," an official statement said. In view of its volume of work and intensive stakeholders' consultations, the Pay Commission had made a request to the government for a four-month extension up to December 31, it added.

The government constitutes the Pay Commission almost every 10 years to revise the pay scales of its employees and often these are adopted by states with some modifications.

The Commission holds discussions with various stakeholders, including organisations, federations, groups representing civil employees as well as Defence services.

The other members of the commission are Vivek Rae, a retired IAS officer of 1978-batch, and Rathin Roy, an economist. Meena Agarwal is the secretary of the Commission.

“We have to take into account the drastically reduced fiscal space; uncertainties that implementation of GST will create; and the likely burden from the report of the 7th Pay Commission,” Arun Jaitley had said in his Budget speech, while citing various reasons for estimating a fiscal deficit of 3.9 per cent of the gross domestic product for 2015-16, as compared with 3.6 per cent laid out in the previous fiscal consolidation road map.

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