

Civil Servants Salary Structure

Dr. Faiz Bilquees

Pay Scales Revision Overtime

- 1949, 1970, 1972, 1976, 1983, 1987, 1991, 1994, 2001, and 2005
- Paper covers period of 1991 – 2005
- In principle pay scales should be revised after every three years
- Six years gap between 1994 – 2001
 - Reasons...?

Determination of Basic Minimum Salary

- Basic minimum plus all the relief allowances is topped up with a mark up to fix the new basic minimum of level scales
- Objective is to minimize gaps between the highest and the lowest grade
- It is constant at 1:9 for the period length of pay scales

Main Elements of the Pay Scale

- Length of the pay scales

Table II: Number of Stages between the Minimum and Maximum of a Scale

Years/ Grades	1-16	17	17-19	18-22	20-22
1991	15	12	-	10	-
1994	15	12	-	10	-
2001	30	-	20	-	14
2005	30	-	20	-	14

Main Elements of the Pay Scale

- Increments
- Efficiency bar to an increment was abundant by the pay commission of 1983.

Main Elements of the Pay Scale

- Overlap of pay scales

**Table III
Overlapping of Pay Scales**

Years	Grades with zero overlap	Grades with 3 overlaps	Grades with 4-9 overlaps	Grades with 10-14 overlaps
1991	22	14-21	7-13	1-6
1994	22	14-21	7-13	1-6
2001	22	15-17 19-21	7-14 18	1-6
2005	22	15-17 19-21	7-14 18	1-6
1991-94		38.1%	33.3%	28.6%
2001-05		28.6%	42.8%	28.6%

Regular Allowances

House Rent and Conveyance

- House rent granted by the government fall into three categories
 - Own arrangement, receives 50 percent of basic salary
 - Hire house according to grades ceiling
 - Government build accommodation
- House rent increases overtime
- Four increases before and after salary revisions at a declining rate

Regular Allowances

- Part c shows H.R. becomes inequitable between the grades
- It declines for higher grades where grades are grouped together
- It is the most awkward for the grades 17 & 18
- Compare rent paid Vs the grant accommodation
- Grades, grouped, and part c show the same inequity arising here as in case of house rent

Conveyance Allowance of Two Highest Grate

Table VI
Monthly Cost of Fully Maintained Cars

	Litres of fuel	Cost of fuel (Rs)	Driver's salary excluding overtime	Token Tax	Maintenance	Total	Fuel as % of basic salary
BPS-21 1990/91 2005/06	144	1698	1769	10	1000	4477	31
	180	9482	5673	29	3000	18184	51
BPS-22 1990-91 2005-06	192	2264	1769	10	1200	5243	39
	360	18965	5673	29	3500	28167	94

Grades specific Allowances

- Entertainment
- Orderly
- Senior post allowance
- Allowances of grade 22 are exceptionally high

Issues in Allowances

- HR becomes taxable and so does conveyance
 - Implies that they are part of salary
- Why not pay out or monetize these perks at market rate and pay as part of the salary package?

Benefits

- Employees
 - Choose to live in relatively smaller houses and drive smaller cars
- Government
 - Get rid of the corrupt and inefficient infrastructure set up to maintain these facilities

Welfare of the Employees

Indices of Real Wages

- Table VIII

Nominal Wages as a percentage of GNP per capita

- Table IX