An Overview

- Entitlements are government benefits or programs that have been permanently written into law in such a way as to command resources regardless of other competing needs
 - > The government provides financial assistance to its employees by way of means-tested schemes. These allowances are usually paid as per eligibility and depend on a number of requirements and conditions

Objectives

- Various entitlements admissible to a Government servant.
- Fee/ honorarium & Bonus
- HRA/ CCA/ Special compensatory allowance
- Transport allowance/ conveyance allowance
- Tuition fee/ Education Allowance
- Medical facilities
- TA & LTC
- GPF
- Leave including regular and other kinds of leave.
- Government residential accommodation facilities
- Incentives/ other welfare measures
- Small Family Norms concessions to Govt. Servant
- Other misc. allowances

Various entitlements admissible to a Government servant

General

Allowances and entitlements can be fixed or variable in the quantum depending on various factor, viz., scale of pay, percentage applicable to a particular area where a Government servant is posted, etc.

Interpretation of terms

Entitlement

In its dictionary meaning it means 'a just claim'

Allowance

 An amount or sum allowed to a person, especially regularly for a stated purpose

Fixed Allowances/ Entitlements

• Allowances that are given as a fixed amount based on the pay scale (or not) of a Government employee or given as a fixed percentage of the pay depending on the place of posting are termed as *Fixed Allowances*

Variable Allowances/ Entitlements

Allowances and Entitlements which are not fixed amount and their quantum vary according to the distance, duration, mode of transport, etc.

<u>Fee</u>

A recurring or non-recurring payment to a Government servant from a source other than the Consolidated Fund of India or the Consolidated Fund of a State whether made directly to the Government servant or indirectly through the intermediary of government

Honorarium

A recurring or non-recurring payment granted to a Government servant from the Consolidated Fund of India or the Consolidated Fund of a State as remuneration for special work of an occasional or intermittent character.

Pay

- Amount drawn monthly by a Government servant as—
 - The pay, other than special pay or pay granted in view of his personal qualifications which has been sanctioned to a post held by him substantively or in an officiating capacity or to which he is entitled by reason of his position in a cadre;
 - Special pay and personal pay; and
 - Any other emoluments which may be specially classed as pay by Government.

Dearness Allowance

An allowance granted to compensate the price increase above 306.33 points (Base year 1982=100), to which the revised pay scales relate. It is sanctioned twice a year, payable from 1st January and 1st July

<u>Dearness Pay</u>

When the percentage of Dearness Allowance crosses 50 % of the existing basic pay, it is merged with the basic pay and is termed as Dearness Pay

Special Compensatory Allowance

 Granted to Central Government employees serving in the specified remote localities of the country, as specified in Part I and V of the Fundamental Rules and Supplementary Rules

City Compensatory Allowance

- granted to a Government servant to meet the cost of living in his place of posting
- granted at fixed
- percentage based on the scale of pay which an employees draws

House Rent Allowance

- Commonly known as HRA
- granted to the employees to meet the cost of housing incurred by a Government servant in the place of his duty.
- granted as a fixed percentage of the pay drawn by the employee.
- percentage applicable to a given city/ town depending on the cost of living in that town/ city

Transport Allowance

- Vth Central Pay Commission had recommended the grant of Transport Allowance to Central Government Employees to suitably compensate them for the cost incurred on account of commuting between the place of residence and the place of duty. This replaced the Conveyance Allowance admissible prior to the sanction of the Transport allowance.
- It is granted as a fixed allowance based on the scale of pay and the place of posting of the employee

Education Allowance/ Reimbursement of Tuition Fees

- A fixed allowance admissible to all Government employees (irrespective of their pay scale)
- Admissible in respect of two children
- To meet the cost of education fees, hostel expenses and other education related expenses; subject to certain conditions.
- A Government servant can also claim reimbursement of tuition fees (ceiling applicable) paid in respect of his two children.

Hill Compensatory Allowance

 A composite allowance admissible throughout the year to Central Government employees posted at hill stations situated at a height of 1000 meters or more above sea level

Special Duty Allowance

- Admissible to Central Government servants having All India Transfer liability on posting to any station in the North Eastern Region
- At fixed percentage, @ 12.5%, of pay drawn by an employee

Cash handling Allowance to Cashiers

Admissible to employees entrusted with the work and duties of Cashiers in the office/ department. The fixed rate of allowance depends on the quantum of average monthly cash which is handled by the employee functioning as cashier

Non Practising Allowance

Admissible to the Government employees in Veterinary or medical posts at 25% of basic pay subject to the conditions that pay plus NPA does not exceed 29,500, the allowance will count as pay for all Service benefits.

Joining Time Entitlement

The time allowed to a Government servant in which to join a new post or to travel to or from a station to which he is posted

Leave entitlements

- A Government servant, in a given year, is also entitled to variety of leave which he can claim either to perform his personal works or for taking off from the work place for visiting other places of interest
- Earned Leave;
- Half Pay Leave;
- Commuted Leave;
- Extraordinary Leave;
- Maternity Leave;
- Paternity Leave;
- Hospital Leave;
- Study Leave;
- Casual Leave;
- Leave not due;
- Special Disability Leave.

Travelling Allowance

- Travelling allowances are intended to meet the costs necessarily incurred by employees who are required to travel away from home/place of work on official business
- costs cover accommodation, meals and incidental expenses
- Allowance includes a travelling or subsistence allowance for travel within the work sphere by the holder of an office
- granted on Tour, Transfer, Temporary Transfer, On Local Journey, On Retirement, On death of the employee and other occasions

Leave Travel Concession

- Financial concession granted to a Government servant to meet the cost of his expenses to visit his home town or to any place in India, subject to his entitlements which depend on the scale of pay which the employee draws
- Consists of two schemes:
 - Home Travel Concession- admissible in a block of two years
 - All India Travel Concession-once in a block of 4 years

Advances for Purchases/ Investments/ Miscellaneous

- An advance from public funds can be granted to a Government employee, for various purposes, by a competent authority; keeping due regard to the terms, rules and conditions applicable in case of the relevant category of 'advance'
- Interest Free Advances are as under:
 - Festival Advance
 - Leave salary Advance
 - Education Advance
 - Advance in connection with medical treatment.
 - Advance in the event of natural calamity like flood, drought, cyclone, etc
 - Advance on first appointment/ deputation and leave ex-India.

Interest free advances (contd.)

- Tour Advance.
- Advance of Pay and TA on transfer.
- Advance of LTC
- Advance of TA to the family of the deceased employee

Interest Bearing Advances are:

- Warm Clothing Advance
- Calculator Advance
- Computer Advance
- Bicycle Advance
- Motor Cycle Advance
- Car Advance
- Marriage Advance
- House Building Advance

Retirement Benefits/ Entitlements

Pension

 Recurring monthly payment admissible to a Government servant retiring after qualifying service of not less than 10 years is referred as pension

Gratuity

- Money given in recognition of services is termed as Gratuity.
- retirement gratuity on his retirement at the rate of 1/4th of emoluments for each completed six monthly period of qualifying service subject to a maximum of 16½ times of monthly emoluments

Family pension

 The family of a Government servant is eligible for family pension in the event of his death either in service or after retirement.

Provident/Insurance Benefits

- General Provident Fund
 - Fund maintained by the Government on account of the subscriber, i.e., the Government servant, out of monthly 'emoluments' of the Government servant; for his future exigencies or requirements"
 - Rates of subscription
 - minimum of 6 % of emoluments and not more than his total emoluments.
- Deposit- linked Insurance Scheme
- Group Insurance Scheme

Medical Benefits

 All the Government servants are also eligible for medical benefits from Government Authorised Medical Attendants for themselves and their families

Central Government Health Schemes

- The Scheme is applicable to all employees paid from Civil Estimates having their headquarters and their family members in the cities notified by the Government in this respect.
- to claim the benefits of the scheme, the Government servants should reside in the area covered by the Scheme

Other Welfare Measures Promoted by the Government

- Incentives for promoting small family norms
 - Concessions of special increments (equal to the amount of next increment due) in form of Personal Pay are available to the Government servants promoting small families
- Compassionate Appointments of Dependents
 - An employee's wife/son/daughter may be appointed on compassionate grounds in relaxation of the Recruitment Rules to a Group D or Group C posts when the employee dies in service/ extension of service but nor during re-employment

Government Quarters

 Based on the basic pay range, Government servant is also entitled for Government accommodation depending upon the availability of the type of accommodation to which he/ she is entitled