

INDIAN RAILWAYS TECHNICAL SUPERVISORS' ASSOCIATION

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Harchandan Singh,
Chairman, IRTSA,
C.Hq. 32, Phase 6, Mohali,
Chandigarh-160055.
(Ph:0172-2228306,
Mob:9316131598)

M. Shanmugam,
Central President, IRTSA
4, Sixth Street, TVS Nagar,
Padi, Chennai - 600050.
Email- cpirtsa@yahoo.com
Mob: 09443140817

K.V.Ramesh,
General Secretary, IRTSA
G3-LIKITH HOMES, 3, Lakshmanan Nagar
West Street, Peravallur, Chennai-600082.
rameshirtsa@yahoo.co.in
9003149578, 9444100842

No:IRTSA/Memo/7/8th CPC_Questionnaire

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**CHAIR PERSON,
8th Central Pay Commission,
3rd Floor, Chanderlok Building,
Janpath, New Delhi – 110001**

Respected Justice,

Sub: Submission of reply for the Questionnaire of 8th CPC.

Indian Railways Technical Supervisors Association (IRTSA) represents about 74,000 Technical Supervisors / Rail Engineers (Junior Engineers & Senior Section Engineers, CMS, CMA, CDMS, DMS JE(IT) & SE (IT)) working in Railways in the Technical Departments - including Civil, Mechanical, Electrical, Signal & Telecom Engineering, Drawing and Design wings, Material management/ Stores Deptt, IT and Chemical & Metallurgical Labs. They supervise and guide around 7 lakh workforces out of around 12.5 lakh railway employees with the overall guidance of around 12,000 Group "A" and 5000 Group "B" officers. Approximate strength of our categories in Indian Railways is

- 66,000 Junior Engineers (JEs) & Senior Section Engineers (SSE)
- 4000 Drawing & Design Engineers
- 1000 Chemical & Metallurgical Engineers (CMS & CMA)
- 2500 Stores & Material Management Engineers (CDMS & DMS) &
- 600 IT Engineers (JE/IT & SE/IT).

Technical Supervisors/Rail Engineers play a crucial role in ensuring productivity, efficiency, quality control, punctuality, and safety across various railway functions. Technical Supervisors shoulder the direct responsibilities of safe, efficient & 'Failure-proof' production, repair, maintenance and operation of Rolling Stock, Locomotives, P-Way, Works, Bridges, Signal & Telecommunication Systems, Overhead Equipment (OHE) and other assets and equipment on the Railways. Reduced manpower, introduction of large number of new trains, addition of new assets and introduction of new & modern technologies etc, have substantially added to their duties and responsibilities over the years. Other departments provide only necessary support to them to enable them to discharge their functions.

We have submitted the answers to the questioners provided by 8th CPC through "on line" and submit copy of the same for your kind pursual.

Thanking you. With kind regards,

Enclosure

Copy of reply posted in the web portal

Yours' truly

K.V.RAMESH
General Secretary, IRTSA
9003149578

Reply to the Questionnaire of 8th CPC by Indian Railways Technical Supervisors' Association (IRTSA)

Pay Matters

Q1. Implementation of the recommendations of a Pay Commission has macroeconomics impacts. Some of these are positive in terms of boost to consumption and savings whilst others are negative in terms of the higher fiscal deficit, inflationary potential & crowding out of other expenditure such as for overall development & public welfare. Decisions in this regard involve choices. Based on current state of the economy & the country's aspirations, what should be the guiding philosophy which must underpin the overall approach of the 8th CPC?

Answer

Total expenditure on pay and allowances as percentage of revenue expenditure of the Central Government came down from 10.45% during 2015-16 to 7.05% in 2022-23. Central government services are more complex and diverse than private sector. Government stipulates high standard recruitment rules to get efficient and competent workforce. Regular pay structure revisions every five years are required to attract best of talent to public service. Considerable amount of these payments comes back to Government as taxes. Standard of living should not be measured by capacity only to provide bare physical subsistence but for the maintenance of health and decency, economic comfort, provision for education for the children, protection against ill health, requirements of essential social needs, insurance against important misfortunes, etc. Government should play the role of the "Model Employer" and pay a "Fair Wage" to keep employees efficient and to adequately meet their personal and social needs. Wide gap between pay structure decided 10 years back based on Labour Bureau statistics and market prices. Compilation of CPI/IW (on which payment of DA is based) is unrealistic and not in accordance with the actual Market rates prevailing all over the Country for all the Consumer items.

Q2. Pay determination in organisations including Government involves "horizontal relativity" i.e. for analogous posts across domains/cadres being placed in the same level/scale & "vertical relativity" i.e. on promotion, transition to a higher scale/band of pay. Relativity within different posts of Government has been broadly established over time. However, relativity/positioning between pay and perquisites in Government and the private sector is less established. How should the 8th CPC assess/evaluate relativity between pay & perquisites in Government and the public/private sector?

Answer

Horizontal relativity between different posts in the Government should be re-assessed based upon responsibility. The supervisor and supervised can never be assessed equal. The complexity of the job, as in Railways should be given more weightage. This principle has been ignored for long in the past. Principal of 6th & 7th CPC's recommendations "when employee receives promotion, he/she progresses one level ahead in pay level/Grade Pay" and Supreme Court Judgement "Promotion thus not only covers advancement to higher position or rank but also implies advancement to a higher grade" should be followed.

Relativity of pay & perquisites between Engineers working in Government and public/private sectors has to be recognized through systematic bench markings. Government employees' role

on implementation of policies and regulatory functions should be given weightage. Benchmarking based on parameters like size and value of infrastructure installed and maintained, accountability of Government to the public, contribution of particular sector for growth of economy and industry, type of services provided, essentiality of service to the citizens, availability of service round the clock, accountability in operation, safety etc., should be considered. Contribution and sacrifices of Government employees in emergency situations (natural calamities, COVID) should be taken into account.

Q3. Should 8th CPC consider uniform horizontal relativity across all government departments, or should it consider sector-specific benchmarking where government functions are compared with their respective industry peers? For instance, should compensation for government engineers be benchmarked against private sector engineering firms, financial officers against the BFSI sector, and healthcare professionals against private healthcare? What would be the advantages and implementation considerations of such an approach?

Answer

8th CPC should consider sector specific benchmarking with their respective peers. Compensation for Government Engineers should be benchmarked against private sector engineering firms. If benchmarking is done comparing Engineers of giant private firms, motivation, standard of working, acquiring and updating knowledge, adoptability for new technology and sophistication will improve. Introduction of new modern techniques will be easier for administration. Sector specific benchmarking will keep the sector fresh and updated. Government engineers doing the role of creation of concept/design, work execution, supervision and policy implementation need to have decent package comparable to their peer in private sector executing the work. They should be comparable in terms of professional status within the core sector. This will ensure better talent attraction and retention in critical sectors, skill sets in line with market reality and reduced attraction towards private sectors. Central Government employees' duties, accountabilities, adherence to administrative & financial rules, subjected for scrutiny & RTI, etc should be given due weightage.

Q4. Security of tenure, a training regimen, housing, leave encashment, predictable increments, medical coverage, time bound progression, inflation indexed salary, retiral benefits are certain features associated with most jobs in Government. How should these be factored in while crafting a compensation matrix and relative positioning viz-a-vis the private sector?

Answer

Responsibility of governance and accountability held by Government employees to public work cannot be compared with private sector. Governance includes managing private sectors. While private sector works for profit, Government service is for rendering quality service to public without any favoritism. The principles of equity and social justice cannot be achieved by paying less to the Government employees. Since Government employees are the arms of the Government by which the policies, projects and welfare schemes are implemented they have to be strong and independent. The financial independence & soundness will help them to make decisions more boldly and judiciously, in the best interest of the policies of the Government.

Assured minimum tenure to perform duties without the fear of being shunted out and to uphold

public interest, training schedule to improve skill, competency, efficiency and specialized training in technical roles and safety compliance, provision of good Government accommodation or sufficient compensation, tax free leave encashment as a reward for consistent attendance, increment to motivate consistent performance, easy access to free medical facilities or medical insurance, five promotions in career, realistic dearness allowance formula to compensate the inflation, secured retired life should be part of compensation matrix.

Q5. Government employment is part of the organized sector. A far larger proportion of the job force is in the informal sector and the gig economy. What influence do you think entry level pay scales implemented by Government have on compensation practices in the informal or gig sector?

Answer

Salary for large job force in the informal sector and the gig economy should not be compared with Government sectors. However informal sector are expected to improve as happened in the past after the implementation of recommendations of previous Pay Commissions. Central Government pay particularly for entry level is expected to set a bench mark for private sectors. When earning proposition of organized sector improves, improvement in informal sector will happen. Implementation of 8th CPC recommendations will have positive influence on the informal sector; it will improve overall living and social standard.

Q6. Salaries in Government have a distinct element of compensation for length of service (increment, usually annual), an element of neutralization for changes in cost of living/inflation (dearness allowance) & an element for higher responsibilities based on seniority/merit (pay scale on promotion). In that context, what do you think the "fitment factor" adopted by Pay Commissions should represent? What should such a fitment factor principally aim for?

Answer

Fitment factor should make Government as model employer and fair wages should be paid. Hybrid system of calculating fitment factor using Dr. Wallace Aykroyd's formula followed by 7th CPC and constant relative income approach followed by 5th CPC should be considered. Consumption expenses towards bottled drinking water, internet charges, premium towards health insurance should be made part of calculation while calculating fitment factor. Consumption units per family should be taken as 4.6 instead of 3 including responsibility over aged parents and children.

Broad assessment of duties and responsibilities of various posts by adopting job evaluation technique for various departments should be done to arrive fitment factors for different stages of pay level. The structure should adequately reflect the substantial difference in duties and responsibilities of various posts. Hence, Multiple fitment factors have to be adopted for different level. In Ministry of Railways, for safety category posts, higher indexing of fitment factor should be followed for posts from level-6. If fitment factor for level-1 post is fixed as "R", fitment factor for level-6 post should be "R X 1.2". For mid position posts in pay level-9 fitment factor of "R X 1.3" should be adopted.

Q7. Salary of a Secretary in the Central Government typically represents the apex or the pinnacle i.e. the highest end of the scale. What should be the principle for determining this? Should there be a variable pay component for such position?

Answer

Apex scale should reflect the responsibility, as well as impact on Government's policies and resources. It should not be limited to the ratio between minimum pay and maximum pay. Given the nature of public service leadership, a high and stable fixed pay is preferable, but a limited variable pay components can be made as part package.

Q8. How can pay scales for all Group A Services be fixed so as to attract candidates of the requisite caliber? Should pay scales be more attractive at entry point or later, after a few years in service? What principles should guide such differentiation to ensure competitive positioning for talent-critical roles while maintaining fiscal prudence?

Answer

It should be more attractive starting from entry point. Present compensation package does not attract suitable talent in the Government services, as far better packages are offered by the private & corporate sectors. As a result, talented people are staying away from Government Services or leaving at first chance. The guiding principle should be career-long attractiveness, ensuring fiscal prudence and retention of worthy experienced officers.

Q9. How should rates and frequency of increments in respect of different scales of pay be determined? Should these be uniform or vary across scales/ time periods during service?

Answer

Increment acknowledges employees' contribution and maintains keenness in their service. Uniform rate of annual increments is desirable. Reasonable quantum of annual increment should be equal 6% of Basic Pay. Promotional increment should be equal to 12% of basic pay or equal to two annual increments.

Allowances

Q10. Over course of time, many allowances have been introduced or rationalized based on specific nature of work, expenses such as on travel, compensation for hardship/risk/ peculiarities associated with place of posting etc. Most of these are partially inflation indexed. An alternative approach has been the Cafeteria Approach followed by Central Public Sector Enterprises (CPSEs), wherein except for a handful of allowances, executives choose from a set of perquisites & allowances, subject to an overall ceiling of basic pay. Which approach do you think is more appropriate for Central Government employees?

Answer

Allowances should be tax free, so that their real value doesn't erode. Existing system of allowances should be continued with a few modifications and additions. Principle of population criteria to classify cities shall be continued. All allowances should be made inflation proof. Payment of HRA shall be continued to pay in percentage to Basic Pay. Existing 27%, 18% & 9% should be enhanced. Cities with tourism importance should be upgraded one level higher for the purpose of HRA to compensate the high level of cost of living. Classification of cities based on population as "X", "Y" and "Z" should be modified and a class between "Y" and "Z" should be introduced, since the gap between "Y" and "Z" are large. In Railways, Risk and hardship allowance should be extended to new areas which are deserving. Night shift allowance should

be extended to all Railway employees attending night shift without any ceiling in basic pay. City Compensatory Allowance should be reintroduced for metro cities and big cities to compensate high cost of living. National holiday allowances should be paid to all employees attending the work during national holiday equal to their one day pay or equal to over time allowance.

Pensions

Q11. The Seventh Pay Commission had assessed that in January, 2014, there were about 47 lakh serving Central Government personnel. This included CAPF, Railways & Defence forces. The number of pensioners was just short of 52 lakh. In 2025-26, the number of Central Government personnel stands at about 50 lakh, which the number of pensioners is almost 70 lakh. The increase in the number of pensions has created additional demands on Government's Budget. What approaches could help to satisfy reasonable expectations of pensioners whilst keeping the fiscal impact within manageable limits?

Answer

5th CPC said, "It needs to be averred emphatically that pension is not in the nature of alms being doled out to beggars. Senior Citizens (Retired Government employees) need to be treated with dignity and courtesy befitting their age. Pension is their statutory, inalienable, enforceable right & it has been earned by the sweat of their brow". 8th CPC is requested to follow this principal.

All the employees recruited after 1.1.2004 should to be brought under Defined Benefits Pension (DBP) instead of Defined Contributory Pension (DCP). UPS/NPS has led to extreme discontentment and resentment amongst the concerned employees as it tantamount to the anomalies and disparities. UPS/NPS are Contributory Pension Scheme which is against the spirit of Supreme Court's judgement in D. S. Nakara case, which had defined Pension as a - Deferred Wage for the Past services rendered during active years of service. Pension should be revised every five years along with pay revision reflecting higher cost of living and progressively higher at older age to meet higher medical expenses.

Dearness Allowance

Q12. The Seventh Pay Commission was constituted in 2014 and implemented from 1.1.2016. The period since then has been marked by a lower trajectory of inflation, as compared to earlier decades. This is also reflected in the All-India Consumer Price Index (Industrial Workers) which is used for DA calculation. Should the 8th CPC explore a hybrid indexation approach that factors in both inflation protection and formal sector wage growth trends? What proportion might be reasonable for each component, and what implementation considerations would arise? What are your expectations on inflation/CPI increase over the next 10 years?

Answer

Dearness Allowance based on the All-India Consumer Price Index (IW) is paid to Central Government employees to adjust the cost of living and to protect their Basic Pay from erosion in the real value on account of inflation. Every Pay Commissions observed inconsistencies in the method of computing DA. 6th CPC had recommended that the National Statistical Commission may explore the possibility of a specific survey covering government employees exclusively, so as to construct a consumption basket representative of government employees

and formulate a separate index. 8th CPC should consider recommendations of 6th CPC. Population of Central Government employees concentrated 37% in “X” cities (cities more than 50 lakh population), 25.5% in “Y” cities having population 5 to 50 lakh and 37.5% in “Z” cities, should have a realistic DA calculation formula reconciling with the prices and consumption pattern in these cities. Increased use of fast-moving consumer goods, electrical and electronic items at all levels of society should be taken into consideration. It is not wise enough to predication on inflation/CPI increase over next 10 years.

The principle laid down by the 5th CPC for merger of 50% of DA with the Pay as DP should be followed.

Railways, CAPF & Defence

Q13. Railways, CAPF and Defence forces typically account for about 70% of Central Government personnel. What particular considerations, monetary or nonmonetary should be factored in while determining their pay & allowances?

Answer

Railway

Gross revenue receipt of Indian Railways has increased by 51.6% from Rs. 1,68,379.6 crores in 2015-16 to Rs. 2,55,272.63 crore in 2023-24. In the same period number of employees has been reduced by 6%, from 13.3 lakh to 12.52 lakh. Employees contribution towards improved performance of Railways should be taken into consideration.

Railway employees require distinct compensation treatment considering its size, strenuous working conditions, operation spread all over India, transporting passengers from all walks of life across the nation (giving service for rural, urban and metro cities), movement of essential goods for day-to-day requirements and for industries and power sector, and operational demands including 24X7 working, maintaining safety, punctuality and comfort. Monetary considerations like Risk and hardship allowances, Night duty allowance, National holiday allowance, operational pay/allowances attached to specific categories, realistic productivity linked bonus (PLB), etc., should be made available linking with pay level or basic pay. Non-Monetary considerations like housing, schooling & higher education, healthcare access in remote locations, easy access to cashless medical treatment for specialized/super specialty treatments and emergency & Trauma care should be ensured.

Scientists

Q14. Scientists work in certain specialized streams/departments such as Department of Space, Department of Atomic Energy etc. What should be appropriate benchmarks to be kept in mind for fixing their emoluments?

Answer

Scientist working in departments like space, atomic energy should fixed special emoluments. Compensation should emphasize, higher in-career growth, research-linked incentives and long-term professional recognition. Competitive pay & perks and supportive system for life long research activities has to be ensured for scientists.

Armed Forces

Q15. Military Service Pay is currently admissible to personnel of Armed Forces. This was in recognition of the special nature of their duties. In that context and given the changing nature of their jobs, how should the pay of soldiers, sailors and air force personnel be determined? How should it relate to the starting salary in Government or the pay of a constable in CAPFI Police?

Answer

In the era of Global terrorism & internal separatists' movements, Defence forces face many risks, inconvenience, inhospitable field conditions, essentiality of the services, restriction of their freedom etc., which need to be considered while determining their salary and other compensations. The armed forces personnel may be allowed a 30% increase in pay and allowances, when compared to Central Civil Service personnel, in addition to all the prevailing benefits. Military Service Pay should continue and be periodically reviewed. Pay progression should be steeper in early service years to compensate for shorter service spans. Direct equivalence with civilian posts should be avoided; functional uniqueness should be valued. During their appointment to other Government services on ex-service man quota, they should be given service continuity from where they left the defence service, and continue to be in same grade and basic pay they retire from defence.

Q16. The nation has many more military pensioners than serving military personnel. In 2025-26, outgo on Defence Pensions is likely to be higher than the outgo on Defence salary and allowances. As overall defence pension bill increases, in line with projections, impact will be visible on equipment and arms purchase, their maintenance and on modernization of defence forces. What changes would you recommend to contain increases in defence manpower costs and its pension bill?

Answer

Brave men and women put their younger days in armed forces to keep the nation safe. It becomes responsibility of the Government to provide financial and social security to these bravehearts when they retire. Defence pension is a way to recognize their services and respect sacrifices rendered towards defence of the nation. They should continue to be brought under Defined Benefits Pension (DBP) scheme. Specialized pensions to personnel injured or disabled during their service, or in war-like operations should be ensured.

Bonus

Q17. Productivity Linked Bonus (PLB) is paid to some employees of Government such as Railways, Postal staff whilst Non-Productivity Linked Bonus is given to specified Central Government employees including some in Armed Forces. How can the Bonus structure be reimaged for rewarding excellence in productivity & performance? Should PLB/ Ad-hoc Bonus continue to be given on uniform basis (e.g. 60 days of salary for all) or be differentiated, based on individual performance?

Answer

Bonus is deferred wage payable to employees irrespective of gain or loss. Government Departments, for example, Indian Railways is concentrating only on maximization of service, not on maximization of profit. For Indian Railways Employees Productivity linked bonus (paid in terms of number of days) not really show any monetary increase as like increase in number of days for which bonus is paid. Unrealistic ceiling of Rs.7000 for the purpose of PLB calculation

should be changed. The PLB amount of ₹17,951 has not increased for the past eleven years, ignoring even inflation. Since implementation of 7th CPC pay matrix, rate of DA increased to 58% up to January 2026. Minimum amount for Bonus calculation should be at least equal to Minimum basic pay recommended by 8th Pay Commission + DA admissible from time to time. Employees belonging to higher pay levels should be paid Bonus at higher rates in proportion to their respective pay level. Bonus should be equal to at least one month's basic pay or more, depending upon the Productivity. All the employees up to the highest level of Government employees (in Group A, B & C) should be made eligible for the bonus.

Reforms in staffing

Q18. Contractual appointments in the form of lateral entry have been tried during the last few years. Do you think this should be expanded and other practices such as part-time work, flexi time etc. be introduced in Government at middle/ higher levels to tap a bigger talent pool? What could be the pros and cons of doing so?

Answer

Contractual appointments at middle/higher levels will bring more troubles than benefits. Government working and implementation of Government schemes requires control centric environment and of perennial nature. Government's function involving contractual appointees and part-time employments will lack in continuous accountability. Possibility of contractual appointees get stuck in survival mode and attempt to take short term benefits, overlooking long term goals will defeat basic principle of Government. Accountability and performance monitoring, cultural adaptation in a rule-based bureaucracy, data security and confidentiality will be reduced. Contractual appointments may weaken institutional memory, turn in to demotivational factor for the career of civil servants, will compromise on transparency and more chances of conflict-of-interest, etc.

Yours' truly



K.V.RAMESH
General Secretary, IRTSA
9003149578