

GOVERNMENT OF PAKISTAN  
FINANCE DIVISION

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No.F.1(1)Imp/2020-365

Islamabad, the 12<sup>th</sup> November, 2021

**NOTIFICATION**

Subject: **STRENGTHENING OF PAY AND PENSION COMMISSION, 2020**

The Prime Minister has been pleased to strengthen the Pay & Pension Commission notified vide Notification No.F.1(1)Imp/2020-498, dated 13-11-2020. The composition and TORs of the Pay & Pension Commission have been revised as follows:

**PRIVATE MEMBERS**

<b>Sr. #</b>	<b>Names</b>	<b>Designation</b>
1	Zafar Ahmad Khan Ex-CEO PIA, PTCL, ENGRO	Chairman
2	Rukhsana Asghar Owner Fulcrum Pvt. Ltd.	Member
3	Amyr Malik Senior Partner KPMG	Member
4	Salman Hussain Senior Partner, A.F.Ferguson & Co.	Member
5	Ms. Nazrat Bashir Retired Civil Servant	Member
6	Dr. Masood Akhtar Chaudhry Retired Civil Servant	Member
7	Mr. Mehfooz Ali Khan Retired Civil Servant	Member
8	Vice Admiral Shah Sohail Masood (R) Vice Admiral Pakistan Navy MD Bahria Foundation	Member

**MEMBERS EX-OFFICIO**

9	Secretary, Finance Division	Member
10	Secretary, Establishment Division	Member
11	Secretary, Defence Division	Member
12	Secretary, Finance Department (Government of Punjab)	Member
13	Secretary, Finance Department (Government of Sindh)	Member
14	Secretary, Finance Department (Government of Khyber Pakhtunkhwa)	Member
15	Secretary, Finance Department (Government of Balochistan)	Member
16	Secretary, Finance Department (Government of AJK)	Member
17	Secretary, Finance Department (Government of Gilgit Baltistan)	Member
18	An Officer of BPS-21 of the Auditor General of Pakistan	Member
19	An Officer of BPS-21 of the Controller General of Accounts	Member
20	Director General PP&A, GHQ, Defence Division	Member
21	Sr. Joint Secretary/Joint Secretary (Pay & Pension Commission), Finance Division	Member/ Secretary

2. Dr. Ishrat Hussain will advise the Commission.
3. Pay & Pension Commission shall submit its recommendations within three months.
4. Scope of work of the commission will be as follows:

The scope of work of the Commission will include federal and provincial civil servants, other government servants, civilians paid from defence estimates, all Armed Forces/Civil Armed Forces personnel and holders of the posts in Management Scales and employees of such public sector corporations/autonomous/semi- autonomous bodies, other than banks and DFIs, which have adopted the scheme of Basic Pay Scales in toto. Employees of Public Sector Corporations/Autonomous/Semi-Autonomous bodies who are regulated under the pay scales prescribed by these organizations and the employees governed under the Industrial Relations Ordinance, 1969 and/or whose financial terms of service are settled through collective bargaining agents, are excluded from the scope of work of the Pay & Pension Commission.

5. Terms of Reference of the commission are as following:
  - a. Study the adequacy of existing Basic Pay Scale System and to evaluate the current salaries of Government employees throughout the federation including the provincial government and recommend measures for its improvement and uniformity. Also make recommendations for the streamlining of existing classification from BPS 1-22.
  - b. Study the separation of existing Basic Pay Scales for specialized departments/occupations/cadres.
  - c. Review of Special Scales such as Management Grades, Management Position Scales (MP Scales), Special Professional Pay Scales (SPPS), Project Pay Scales etc. and propose measures for uniformity and improvement.
  - d. Review of admissible regular allowances, special incentives and all other allowances with a view to highlight prevalent distortions and recommend corrective measures.
  - e. Review of existing perks and facilities and make recommendations, including possibility of their monetization.
  - f. To align the compensation of the government employees, both the federal and provincial, with the market over a period of time. This includes the salary and monetization of the compensation. In this regard, to propose a system of incorporating pay for performance concept as the basis for future increases.
  - g. To propose measures as to how to merge the present allowances and ad-hoc allowances into the pay scales.
  - h. To propose measures to bring uniformity in the present salaries being drawn by different divisions of the government in consonance with the professional expertise of the employees.
  - i. To research international best practices of how civil servants are remunerated and how pensions are paid; especially with regards to the countries that are in the region and similar to Pakistan but better performers.
  - j. Highlight existing distortions and anomalies in the pension scheme and recommend remedial measures. Verify the sustainability of the current model after critically evaluating future liabilities through an actuarial study.

- k. Evaluate alternate systems of pension like defined contribution and setting up of pension funds in light of international best practices and recommend a system with clear timelines that is more efficient and sustainable, considering the available resources.
  - l. To review the existing incentive regime (honorarium and special rewards) and recommend improvement in it.
  - m. To evaluate and recommend legislative measures to protect and streamline pay, pension and allowances regime for government employees.
  - n. The Commission may, if so desired by the Government, make interim recommendations to provide interim relief, pending the submission of its final report.
  - o. The Commission shall have power to co-opt any person or agency to assist it in its deliberations.
  - p. While formulating its proposal/recommendations on the above terms of reference, the pay and pension commission would take into consideration the financial resources of the Government.
6. The Finance Division shall provide secretariat support to the Commission.

  
(Muneza Hamid)  
Section Officer (Implementation)

The Manager,  
Printing Corporation of Pakistan Press,  
Islamabad

Copy also forwarded for information to:

1. President's Secretariat (Public), Islamabad.
2. President's Secretariat (Personal), Islamabad.
3. Prime Minister's Office (Internal), Islamabad.
4. Prime Minister's Office (Public), Islamabad.
5. National Assembly Secretariat, Islamabad.
6. Senate Secretariat, Islamabad.
7. Election Commission of Pakistan, Islamabad.
8. Supreme Court of Pakistan, Islamabad.
9. Federal Shariat Court, Islamabad.
10. Auditor General of Pakistan, Islamabad with request to nominate an officer of BPS 21.
11. Controller General of Accounts, Islamabad with request to nominate an officer of BPS 21.
12. AGPR, Islamabad/Lahore/Peshawar/Karachi/Quetta.
13. Military Accountant General, Rawalpindi.
14. Special Assistant to Finance secretary Finance Div Islamabad.
15. Chief Accounts Officer, M/O Foreign Affairs, Islamabad.
16. Chief Accounts Officer, Pakistan Railways, Lahore.
17. All Chief Secretaries/Finance Secretaries of the Government of Punjab/Sindh/Khyber Pakhtunkhwa/Balochistan/Azad State of Jammu & Kashmir and Gilgit Baltistan.
18. All Federal Ministries Divisions
19. Additional Finance Secretary, HRM Wing, Finance Division, IBD.
20. Secretary, Wafaqi Mohtasib (Ombudsman)'s Secretariat, Islamabad.
21. Mr. Muneer Qureshi, Retired Civil Servant.
22. Ms. Nazrat Bashir, Retired Civil Servant.
23. Mr. Habib Ullah Khan, Retired Civil Servant.
24. Mr. Saud Mirza, Retired Civil Servant.
25. Dr. Masood Akhtar Chaudhry, Retired Civil Servant.
26. Mr. Mehfooz Ali Khan, Retired Civil Servant.
27. Dr. Noor Alam, Retired Civil Servant.
28. Vice Admiral Shah Sohail Masood (R), Vice Admiral Pakistan Navy, MD Bahria Foundation.
29. Birg (R) Mohammad Ashraf, Veterans of Pakistan.
30. Ms. Nausheen Ahmed, Company Secretary, ICI (Pakistan) Limited.
31. Mr. Aquil Raza Khoja, Private Sector.
32. Ms. Rukhsana Asghar, Owner Fulcrum Pvt. Ltd
33. Mr. Aryn Malik, Senior Partner KPMG
34. Mr. Salman Hussain, Territory Senior Partner, A.F.Ferguson & Co
35. Mr. Zafar Ahmad Khan, Ex-CEO, PIA, PTCL, ENGRO
36. Web Administrator, Finance Division, Islamabad (for uploading at Finance Division's website i.e. [www.finance.gov.pk](http://www.finance.gov.pk))



(Muneza Hamid)

Section Officer (Implementation)