

Pension (1899) Department.

ORDINARY PRINTED.

G.O., No. 267

DATED 10-5-99

R.

[Despatch Abstract.]

Cams. to all Secys of the Secretariat
for information and guidance Resolution of
the Govt of India (Finance & Commerce Dept)
explaining the rules relating transfers of Govt.
officers to foreign service.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government {1899} of Madras. PENSION.

Recd.

Regd.

} 1899.

Enclosures

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G.O., No. 267, 10th May 1899.

MAY.

Foreign Service.

Communicating to all Departments of the Secretariat, for information and guidance, Resolution of the Government of India (Finance and Commerce Department), explaining the rules regulating transfers of Government officers to —.

GOVERNMENT OF MADRAS.

PENSION DEPARTMENT.

READ—the following Resolution of the Government of India, Finance and Commerce Department (Pensions and Gratuities), dated Calcutta, the 20th March 1899, No. 1282-P. :—

The Government of India are frequently asked to sanction the transfer to foreign service of the first or second kind, of officers who have not rendered the prescribed term of qualifying service, and who are not shown to possess such special qualifications as would justify an exception being made in their favour. In some cases the duties to be performed by them on foreign service involve no special responsibility or capacity, and the only apparent cause of their selection for transfer is their own desire to be transferred. The Governor-General in Council thinks it desirable to call attention to the principles which regulate the transfer of officers to the service of Native States and public bodies.

2. As explained in article 805, Civil Service Regulations, the Government of India do not lend their own officers to a foreign employer, unless it can be shown that the latter cannot otherwise obtain competent officers, and that political or public considerations require that the foreign employer should be assisted by the Government. Where these conditions are not satisfied, an officer of the Government, who in his own interests seeks to be transferred to foreign service, must be content to forfeit all claims on the British Government.

3. When, however, the loan of an officer is justifiable on public grounds, a further question arises as to the particular officer to be selected; and on this point the Government of India have laid down the rule that (with certain specified exceptions) the officer chosen shall have had ten years' qualifying service. It is opposed to the policy of Government to incur pensionary liabilities on account of officers who have abandoned their service. In the case, however, of officers who, by a substantial term of service prior to transfer, have established pensionary claims on the Government, which they cannot without hardship be required to forfeit, the Government accept contributions and undertake a continued responsibility for pension. But they cannot undertake this responsibility as they have been asked to do, on behalf of officers of only three, two, and even one year's service. The limit, which is necessarily an arbitrary one, has been fixed at ten years, and it is desirable that this limit should be adhered to in all but clearly exceptional cases, even though its application may occasionally cause some difficulty in obtaining a suitable and willing officer.

4. The Government of India also take the opportunity of referring to another point on which misconceptions have arisen. It occasionally happens, especially in the cases of officers on low pay, that an officer is transferred from pensionable service to foreign service or service under a Local Fund, and the necessity for the payment of contribution is overlooked. Many years afterwards, when he is about to retire, it is found that his claims to pension have been forfeited by an omission of which both he and his superiors were unaware, and the Government are asked to accept arrear contributions on his behalf. It is at the same time represented, and correctly, that the case is one of considerable hardship, as the officer may have been transferred as a matter of routine posting, with no increase of pay or other advantage to himself. Again, officers of Government sometimes accept transfer to foreign service on a considerably enhanced salary and pay no contributions. The presumption is that they understood at the time that their service under the foreign employer would not count for pension, but accepted the position in view of the immediate increase of salary. At the end of their service, however, they ask to be permitted to revive their title to pension by the payment of contributions in arrear, or the offer to make such payment is made by the municipality or other body employing them, with the object of rewarding a long period of satisfactory service by the grant of pension.

5. In almost all such cases the Government of India find themselves compelled to refuse the concession asked for. Pension contributions are paid on principles of insurance and would at the present rates be quite insufficient to cover the cost of the pensions ultimately payable if they were not levied till it became certain in each case that a pension would actually fall to be paid—just as no insurance company would agree to a life policy being taken out after the subject of it had actually died. The Government in fact guarantee the payment of an annuity commencing from a certain age and subject to such conditions as continued service and good conduct up to that age. It is a necessary condition of the acceptance by the Government of this liability that the monthly payments necessary to secure the annuity should be regularly made while the various risks involved, such as that of premature death, are still wholly contingent. Nor can the Government accept the view that the grant of pension in such a case is sufficiently justified by the fact of long and efficient service. It is an extremely rare proceeding to declare, as a reward of good service, that an officer's non-pensionable service should count for pension, and it does not seem advisable to permit that to be done in the case of foreign service and service under Local Boards which is practically inadmissible in the service of Government.

6. It is important, therefore, that the exact terms on which an officer is transferred should be considered and explained to him at the time the transfer is made. If it is intended that the right to count service for pension should continue, the payment of contributions should commence forthwith, and the officer should be warned that, if contributions are not paid at the time, arrear payments cannot subsequently be accepted except to the limited extent allowed under article 832 of the Civil Service Regulations. The latter article, it may be noted, applies only to the cases of foreign service of the first and second kinds.

7. Several recent applications have shown that in respect of article 863 it is necessary to explain that there is no authority for receiving pensionary contributions, arrear or otherwise, from a local body for individual employes selected from among its establishment. The rule in article 863 of the Civil Service Regulations authorises the Local Government to permit the administrators of a local fund to contribute for pensions from the general revenues, for the whole of its permanent employes or for any specified classes of them. It is intended that the contributions should be calculated upon the total of the sanctioned salaries of the appointments in respect of which they are paid, without reference to the question whether the particular individuals who at any time hold the appointments are rendering qualifying service or not. The effect of a transfer to service under a local fund in the case of any particular individual is, therefore, that his service under the local fund will qualify for a pension from general revenues if the appointment to which he is transferred is one of a class for which contributions are paid, whether his previous service under Government was qualifying or not; but it will not qualify if the appointment does not belong to such a class.

8. Finally, it must be remembered that officers transferred to foreign service remain subject to the general disciplinary rules of Government service; * that they may not receive extra remuneration, whether as increased pay or in any other form, without the sanction of the Government of India or the Local Government as the case may be; † and that no officer whether European, Eurasian or Native in the service of, or in receipt of a pension from, the British Government may accept a pension or gratuity from the Native State in which he is employed except with the sanction of the Government of India. ‡ Accordingly in the case of a medical officer, the rules § regulating remuneration for attendance on native chiefs, nobles and gentlemen of high position in a Native State continue to apply; while, except as provided in the rules last cited, permission is required before an officer who

* Article 806 (v), Civil Service Regulations.

† Article 806 (iv), Civil Service Regulations.

‡ Article 840, Civil Service Regulations.

§ Notification of the Government of India in the Home Department, No. 437, dated the 25th July 1893.

Circular of the same department, No. 9 (Medical), dated the 19th October 1894.

§ 776
(4.8.94)

is actually occupying a Government appointment may undertake any duty on behalf of a Native State for remuneration. If the Native State and the officer concerned are subordinate to the same Local Government, the sanction of the Local Government is sufficient; in other cases the sanction of the Government of India is required. The same principle which forbids an alteration of pay also disallows a substantial change of duty without sanction.

Order.—Ordered, that this Resolution be communicated to all Local Governments and Administrations, to the several departments of the Government of India, to the Heads of Departments under the Finance Department; and to all Accountants-General and Comptrollers, for information and guidance.

(By order.)

(Signed) J. B. BRUNYATE,
Under Secy. to the Govt. of India.

ORDER—No. 267, Pension, dated 10th May 1899.

Communicated to all departments of the Secretariat for information and guidance.

(True Extract.)

(Signed) G. S. FORBES,
Secretary to Government.

To the Departments of the Secretariat.
Copy to the Board of Revenue.
„ all Collectors.

Exd. Shaik Karim.

400 Copies.

Local & Munl. (1899) Department.

CURRENT No. ³¹⁵
~~9652~~



From

The Government of India
Finance and Commercial Department

No. 1282 P

Read C. No. 315. Full.

Order No. 267 of 10th May 1899

Communicated to all departments of the
Secretariat for information and guidance.

Dated 28-3-99

Received 29-3-99

Registered 30-3-99

Enclosures nil

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SUBJECT.

Communicating resolution
of the Government of India
explaining the rules
regulating transfers of
Government Officers to
Foreign Service.

10/4/99.

BACK PAPERS

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.



LOCAL & MUNICIPAL DEPT.

No. 1282 P.

GOVERNMENT OF INDIA.

FINANCE AND COMMERCE DEPARTMENT.

Pensions and Gratuities.

RESOLUTION.

Calcutta, the 20th March 1899.

THE Government of India are frequently asked to sanction the transfer to foreign service of the first or second kind, of officers who have not rendered the prescribed term of qualifying service, and who are not shown to possess such special qualifications as would justify an exception being made in their favour. In some cases the duties to be performed by them on foreign service involve no special responsibility or capacity, and the only apparent cause of their selection for transfer is their own desire to be transferred. The Governor General in Council thinks it desirable to call attention to the principles which regulate the transfer of officers to the service of Native States and public bodies.

2. As explained in Article 805, Civil Service Regulations, the Government of India do not lend their own officers to a foreign employer, unless it can be shown that the latter cannot otherwise obtain competent officers, and that political or public considerations require that the foreign employer should be assisted by the Government. Where these conditions are not satisfied, an officer of the Government, who in his own interests seeks to be transferred to foreign service, must be content to forfeit all claims on the British Government.

3. When, however, the loan of an officer is justifiable on public grounds, a further question arises as to the particular officer to be selected; and on this point the Government of India have laid down the rule that (with certain specified exceptions) the officer chosen shall have had ten years' qualifying service. It is opposed to the policy of Government to incur pensionary liabilities on account of officers who have abandoned their service. In the case, however, of officers who by a substantial term of service prior to transfer, have established pensionary claims on the Government, which they cannot without hardship be required to forfeit, the Government accept contributions and undertake a continued responsibility for pension. But they cannot undertake this responsibility as they have been asked to do, on behalf of officers of only three, two, and even one year's service. The limit, which is necessarily an arbitrary one, has been fixed at ten years, and it is desirable that this limit should be adhered to in all but clearly exceptional cases, even though its application may occasionally cause some difficulty in obtaining a suitable and willing officer.

4. The Government of India also take the opportunity of referring to another point on which misconceptions have arisen. It occasionally happens, especially in the cases of officers on low pay, that an officer is transferred from pensionable service to foreign service or service under a Local Fund, and the necessity for the payment of contribution is overlooked. Many years afterwards, when he is about to retire, it is found that his claims to pension have been forfeited by an omission of which both he and his superiors were unaware, and the Government are asked to accept arrear contributions on his behalf. It is at the same time represented, and correctly, that the case is one of considerable hardship, as the officer may have been transferred as a matter of routine posting, with no increase of pay or other advantage to himself. Again, officers of Government sometimes accept transfer to foreign service on a considerably enhanced salary and pay no contributions. The presumption is that they understood at the time that their service under the foreign employer would not count for pension, but accepted the position in view of the immediate increase of salary. At the end of their service, however, they ask to be permitted to revive their title to pension by the payment of contributions in arrear, or the offer to make such payment is made by the municipality or other body employing them, with the object of rewarding a long period of satisfactory service by the grant of pension.

5. In almost all such cases the Government of India find themselves compelled to refuse the concession asked for. Pension contributions are paid on principles of insurance and would at the present rates be quite insufficient to cover the cost of the pensions ultimately payable if they were not levied till it became certain in each case that a pension would actually fall to be paid—just as no insurance company would agree to a life policy being taken out after the subject of it had actually died. The Government in fact guarantee the payment of an annuity commencing from a certain age and subject to such conditions as continued service and good conduct up to that age. It is a necessary condition of the acceptance by the Government of this liability that the monthly payments necessary to secure the annuity should be regularly made while the various risks involved, such as that of premature death, are still wholly contingent. Nor can the Government accept the view that the grant of pension in such a case is sufficiently justified by the fact of long and efficient service. It is an extremely rare proceeding to declare, as a reward of good service, that an officer's non-pensionable service should count for pension, and it does not seem advisable to permit that to be done in the case of foreign service and service under Local Boards which is practically inadmissible in the service of Government.

6. It is important, therefore, that the exact terms on which an officer is transferred should be considered and explained to him at the time the transfer is made. If it is intended that the right to count service for pension should continue, the payment of contributions should commence forthwith, and the officer should be warned that, if contributions are not paid at the time, arrear payments cannot subsequently be accepted except to the limited extent allowed under Article 832 of the Civil Service Regulations. The latter Article, it may be noted, applies only to the cases of foreign service of the first and second kinds.

7. Several recent applications have shown that in respect of Article 863 it is necessary to explain that there is no authority for receiving pensionary contributions, arrear or otherwise, from a local body for individual employes

selected from among its establishment. The rule in Article 863 of the Civil Service Regulations, authorises the Local Government to permit the administrators of a Local Fund to contribute for pensions from the General Revenues, for the whole of its permanent employes or for any specified classes of them. It is intended that the contributions should be calculated upon the total of the sanctioned salaries of the appointments in respect of which they are paid, without reference to the question whether the particular individuals who at any time hold the appointments are rendering qualifying service or not. The effect of a transfer to service under a Local Fund in the case of any particular individual is, therefore, that his service under the Local Fund will qualify for a pension from General Revenues if the appointment to which he is transferred is one of a class for which contributions are paid, whether his previous service under Government was qualifying or not; but it will not qualify if the appointment does not belong to such a class.

8. Finally, it must be remembered that officers transferred to foreign

* Article 806 (v), Civil Service Regulations.

service remain subject to the general disciplinary rules of Government service;*

that they may not receive extra remuneration, whether as increased pay or in any other form, without the sanction of the Government of India or the Local

Government as the case may be;† and

† Article 806 (iv), Civil Service Regulations.

that no officer whether European, Eura-

sian or Native in the service of, or in receipt of a pension from, the British Government may accept a pension or gratuity from the Native State in which

he is employed except with the sanction

‡ Article 840, Civil Service Regulations.

of the Government of India.‡ Accord-

§ Notification of the Government of India in the Home Department, No. 437, dated the 25th July 1893.

ingly in the case of a medical officer, the

Circular of the same Department, No. 9 (Medical), dated the 19th October 1894.

rules § regulating remuneration for atten-

dance on Native Chiefs, Nobles and gentle-

men of high position in a Native State

continue to apply; while, except as provided in the rules last cited, permission

is required before an officer who is actually occupying a Government appointment may undertake any duty on behalf of a Native State for remuneration.

If the Native State and the officer concerned are subordinate to the same Local Government, the sanction of the Local Government is sufficient; in

other cases the sanction of the Government of India is required. The same

principle which forbids an alteration of pay also disallows a substantial change of duty without sanction.

ORDER.—Ordered, that this Resolution be communicated to all Local Governments and Administrations, to the several Departments of the Government of India, to the Heads of Departments under the Finance Department; and to all Accountants General and Comptrollers, for information and guidance.

By order,

W. Brumate

Under-Secy. to the Govt. of India.

GOVERNMENT OF INDIA:
Finance and Commerce Department.
Pensions and Gratuities.

RESOLUTION.

No. 1282 P.

Dated Calcutta, the 20th March 1899.

Explanation of the rules regulating transfers of Government officers to Foreign Service.

G. I. C. P. O.—No. 866 F. & C. D.—20-3-99.—2,030.—Rose.

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Despatched in print.

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1899.

DATED

CURRENT No.

ENCLOSURES TO G. No.

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LETTER OF GOVERNMENT

STATEMENT WITH DITTO.

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Government {1899} of Madras.
PENSION.

Recd.

Enclaves

Regd.

} 1899.

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G.O., No. 267, 1th May 1899.

MA.

Foreignvice.

Communicating to all Departments of Secretariat, for information and guidance,
Resolution of the Government of India (Finance and Commerce Department), explaining the
rules regulating transfers of Government office —.

GOVERNMENT OF MADRAS.

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2. As explained in article 805, Civil Service Regulations, the Government of India do not lend their own officers to a foreign employer, unless it can be shown that the latter cannot otherwise obtain competent officers, and that political or public considerations require that the foreign employer should be assisted by the Government. Where these conditions are satisfied, an officer of the Government, who in his own interests seeks to be transferred to foreign service, must be content to forfeit all claims on the British Government.

3. When, however, the loan of an officer is justifiable on public grounds, a further question arises as to the particular officer to be selected; and on this point the Government of India have laid down the rule that (with certain specified exceptions) the officer chosen shall have at least ten years' qualifying service. It is opposed to the policy of Government to incur pensionary liabilities on account of officers who have abandoned their service. In those, however, of officers who, by a substantial term of service prior to transfer, have established pensionary claims on the Government, which they cannot without hardship be required to forfeit, the Government accept contributions and undertake continued responsibility for pension. But they cannot undertake this responsibility they have been asked to do, on behalf of officers of only three, two, and even one year's service. The limit, which is necessarily an arbitrary one, has been fixed at ten years, and it is desirable that this limit should be adhered to in all but clearly exceptional cases, even though its application may occasionally cause some difficulty in obtaining a suitable and willing officer.

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* Article 806 (v), Civil Service Regulations.

† Article 806 (iv), Civil Service Regulations.

‡ Article 840, Civil Service Regulations.

§ Notification of the Government of India in the Home Department, No. 437, dated the 25th July 1893.

Circular of the same department, No. 9 (Medical), dated the 19th October 1894.

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Order.—Ordered, that this Resolution be communicated to all Local Governments and Administrations, to the several departments of the Government of India, to the Heads of Departments under the Finance Department; and to all Accountants-General and Comptrollers, for information and guidance.

(In order.)

(Signed) J. B. BRUNYATE,
Under Secy. to the Govt. of India.

ORDER—No. 267, Pension, dated 10th May 1899.

Communicated to all departments of the Secretariat for information and guidance.

(True Extract.)

(Signed) G. S. FORBES,
Secretary to Government.

To the Departments of the Secretariat.
Copy to the Board of Revenue.
„ all Collectors.

Exd. Shaik Karim.

400 Copies.