

# Employment Practice Living Wage

Since the AIOU is a public sector university, it complies with the policy already in place by the Finance Division, Government of Pakistan. The policy grants rights to all civil employees a minimum of 25,000/- PKR which is determined as a decent local living wage by the Government of Pakistan. The official notification is provided in the following link:

[https://www.finance.gov.pk/circulars/circular\\_14042022\\_1.pdf](https://www.finance.gov.pk/circulars/circular_14042022_1.pdf)

## **OFFICE MEMORANDUM**

**Subject: GRANT OF SPECIAL ALLOWANCE TO THE CIVIL EMPLOYEES OF THE FEDERAL GOVERNMENT**

The President has been pleased to sanction with effect from 1<sup>st</sup> April, 2022 and till further orders, a minimum gross salary @ Rs. 25,000/- to all the Civil Employees of the Federal Government as well as the civilians paid from Defence estimates including contingent paid staff and contract employees employed against civil posts in Basic Pay Scales on standard terms and conditions of contract appointment. Those, whose gross salary is less than Rs. 25,000/- shall be allowed the difference as Special allowance.

2. The amount of Special Allowance:
- Will be subject to income Tax;
  - Will be admissible during leave and entire period of LPR except during extra ordinary leave;
  - Will not be treated as part of emoluments for the purpose of calculation of Pension/Gratuity and recovery of House Rent;
  - Will not be admissible to the employees during the tenure of their posting/deputation abroad; and
  - Will be admissible to the employees on their repatriation from posting/deputation abroad at the rate and amount which would have been admissible to them had they not been posted abroad.

3. The above Special Allowance shall be accommodated from within the budgetary allocation for the year 2021-22 by the respective Ministries/ Divisions/ Departments and no supplementary grants would be given on this account.

  
(Muhammad Ishraf Hussain)  
Section Officer (R-5)

All MINISTRIES/DIVISIONS/DEPARTMENTS

The average salary levels of our faculty and staff, as shown below, are all higher than the aforementioned basic wage standard.

<b>Basic monthly salary announced by the Govt of Pakistan</b>	<b>Faculty</b>	<b>Administrative staff</b>	<b>Contract Staff/ Daily wagers</b>	<b>Average Pension per person in AIOU</b>
<b>PKR 25,000/-</b>	<b>PKR 180,000/-</b>	<b>PKR 85,000/-</b>	<b>PKR 40,000/-</b>	<b>PKR 45,000/-</b>

The average salary that AIOU pays to all our faculty and staff are higher than the standard for basic wages approved and announced by the Finance Division of Govt of Pakistan.

The average pension that AIOU pays to all its retired staff is higher than the minimum pension declared, approved and announced by the Finance Division of Govt of Pakistan.

Government of Pakistan  
Finance Division  
(Regulations Wing)  
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No.F. 15(1)-Reg.6/2018-644

Islamabad, the 3<sup>rd</sup> July, 2018.

OFFICE MEMORANDUM

Subject:- MINIMUM PENSION.

The undersigned is directed to refer to Finance Division's O.M. No. 15(1)-Reg.6/2014, dated 07.07.2014 on the subject cited above and to state that the President has been pleased to sanction with effect from 1<sup>st</sup> July, 2018 the increase in minimum pension from Rs.6,000/- p.m. to Rs.10,000/- p.m. to civil pensioners of the Federal Government including civilians paid from Defence Estimates as well as Armed Forces Personnel and Civil Armed Forces .

2. Similarly, family pension allowed to the family of a retired government employee including those paid from Defence Estimates as well as Armed Forces Personnel and Civil Armed Forces under the Pension-cum-Gratuity Scheme 1954, and Liberalized Pension Rules, 1977 has also been increased from current rate of Rs. Rs. 4,500/- p.m to Rs. 7,500/- p.m.

3. It has also been decided that rate of minimum pension would be Rs. 15,000/- p.m. for the civil pensioners of the Federal Government including civilians paid from Defence Estimates as well as Armed Forces Personnel and Civil Armed Forces who are 75 years age or more on 01.07.2018 or who would attain the age of 75 years subsequently.

4. Similarly rate of minimum family pension would be Rs. 11250/- p.m. for the family of civil pensioners of the Federal Government including civilians paid from Defence Estimates as well as Armed Forces Personnel and Civil Armed Forces under the Pension-cum-Gratuity Scheme 1954, and Liberalized Pension Rules, 1977 who are 75 years age or more on 01.07.2018 who would attain the age of 75 years subsequently.

5. Commutation of any part of the increase allowed vide this O.M. will not be admissible.



(Muhammad Shahid Ahmed Ch.)  
Deputy Secretary (R-III).

ALL MINISTRIES/DIVISIONS/DEPARTMENTS.

[https://www.finance.gov.pk/circulars/circular\\_03072018\\_2.pdf](https://www.finance.gov.pk/circulars/circular_03072018_2.pdf)

[https://www.finance.gov.pk/circulars/circular\\_08072021\\_2.pdf](https://www.finance.gov.pk/circulars/circular_08072021_2.pdf)

Government of Pakistan  
Finance Division  
(Regulations Wing)  
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No. F. 4(1)-Reg.6/2021-486.

Islamabad, the 8<sup>th</sup> July, 2021.

OFFICE MEMORANDUM

Subject: - GRANT OF INCREASE IN PENSION TO PENSIONERS OF THE FEDERAL GOVERNMENT.

The President has been pleased to sanction an increase @ 10% of net pension with effect from 1<sup>st</sup> July, 2021 until further orders to all Civil pensioners of the Federal Government including Civilians paid from Defence Estimates as well as retired Armed Forces personnel and Civil Armed Forces Personnel.

2. The 15% increase in pension as allowed vide para-12(i) of Finance Division's O.M. NO. F. 1(5)-Imp/2011-419, dated 4<sup>th</sup> July, 2011, 7.5% increase in pension as allowed vide para-1 of Finance Division's O.M. No 4(1)-Reg.6/2015-697, dated 7<sup>th</sup> July, 2015, 10% increase in pension as allowed vide para-1 of Finance Division's O.M. No. 4(1)-Reg.6/2016-870, dated 1<sup>st</sup> July, 2016, 10% increase in pension as allowed vide para-1 of Finance Division's O.M. No. 4(1)-Reg.6/2017-831, dated 3<sup>rd</sup> July, 2017, 10% increase in pension as allowed vide para-1 of Finance Division's O.M. No. 4(1)-Reg.6/2018-663, dated 3<sup>rd</sup> July, 2018 and 10% increase in pension as allowed para-1 of Finance Division's O.M. No. 4(1)-Reg.6/2019-838, dated 15<sup>th</sup> July, 2019 shall be admissible to the new pensioners who would retire on or after 01.07.2021.

3. The 10% increase in pension as mentioned at para-1 above will also be admissible to the pensioners who would retire on or after 01.07.2021.

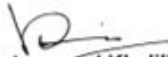
4. For the purpose of admissibility of increase in pension sanctioned in this O.M. the term "Net Pension" means "Pension being drawn" minus "Medical Allowance".

5. The increase will also be admissible on family pension granted under the Pension-cum-Gratuity Scheme, 1954, Liberalized Pension Rules, 1977, on pension sanctioned under the Central Civil Services (Extra Ordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353.

6. If the gross pension sanctioned by the Federal Government is shared with any Government in accordance with the rules laid down in part-iv of Appendix-III to the Accounts Code, Volume-I, the amount of the increase in pension will be apportioned between the Federal Government and the other Government concerned on proportionate basis.

7. The increase in pension sanctioned in this O.M. will not be admissible on Special Additional Pension allowed in lieu of pre-retirement Orderly Allowance and monetized value of a driver or an orderly.

8. The benefit of increase in pension sanctioned in this O.M. will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad (other than those residing in India and Bangladesh) who retired on or after 15.08.1947 and are not entitled to, or are not in receipt of pension increase under the British Government's Pension (increase) Acts. The payment will be made at the applicable rate of exchange.

  
(Muhammad Khalil)  
Section Officer (R.6)

ALL MINISTRIES/DIVISIONS/DEPARTMENTS:

ALLAMA IQBAL OPEN UNIVERSITY  
(Registrar's Department)

No.F.1-10/2021-Admn/3795

Dated: 4<sup>th</sup> October, 2021.

NOTIFICATION

The Vice-Chancellor, in anticipation of the approval of the AIOU Executive Council has approved the adoption of the following Government of Pakistan Office Memorandums regarding revision in rental ceilings for hiring of residential accommodation at specified stations and revision of Tenure Track System (TTS) Pay Package (copies enclosed):

S.No.	Government Notification	Effective from
1.	Government of Pakistan, Ministry of Housing and Works Office Memorandum No.F.4(8)/92-Policy dated 28.09.2021 regarding enhancement of rental ceiling for hiring of residential accommodation at Islamabad and other specified stations i.e. Rawalpindi, Karachi, Lahore, Quetta and Peshawar.	01.07.2021
2.	Government of Pakistan, Finance Division (Regulations Wing) Office Memorandum No.F.No.4(6)R-4/2016 dated 29.09.2021 regarding revision of Tenure Track System (TTS) Pay Package @ 35%.	20.09.2021

  
(Rana Sharafat Ali)  
Assistant Registrar (General)

Distribution:

1. All Deans/Directors/  
Chairman's/Heads of Departments.
2. Director General, Regional Services.
3. All Regional Heads.
4. Deputy Registrar (AMC). - For including in agenda of  
forthcoming meeting of Executive  
Council.
5. PS to Vice-Chancellor.
6. Relevant File.