



# One-Rank One-Pension

■ MAJ GEN (RETD) SURJIT SINGH

“Equal Pay for Equal Work” is a directive principle of the state policy in our Constitution. The right to equal pension at each rank for the same length of service derives from the same tenet.

## SUMMARY

*“One-Rank-One-Pension” (OROP) is an emotive issue. When two soldiers of the same rank and with equal length of service find that they are in receipt of different pensions, just because they retired on different dates, they are unable to reconcile with the situation. The feeling of hurt is not confined to the lower ranks alone. Even general officers whose pensions were depressed by the Fifth Pay Commission, felt so aggrieved that they took the matter to the courts to seek justice, and their case is still pending in the Supreme Court. OROP is one of the few pending grievances of our veterans. No responsible person has ever said that the demand is either unjustified or unreasonable. The benefit of this dispensation will go to veterans who are really old, and needy. Grant of OROP will instill a sense of fairness and equity amongst the old soldiers, since ideally, the pay and pensions of soldiers should be regulated through simple charts wherein the entitlement of a soldier or a veteran is governed by only two basic factors: his rank and the length of his service.*

*The financial effect of OROP was officially estimated at Rs 600 crore per annum in 2004, as per the records of a parliamentary committee which examined the issue. This figure would have increased due to inflation during the last four years.*

*No civilian organisation has, till this day, sought the equivalent of OROP. Further, when a “One Time Increase” was granted to the soldiers in 1992, there was no reaction from the civilian pensioners. Hence, there need be no reservations about the apprehension of similar demands from civilian pensioners.*

*OROP has been the stated policy of all mainstream political parties. It was there even in the President’s opening address to Parliament in 2004. That makes it the declared policy of the government, not just of a political party. The Pay Commission is a creature of the government and works in close coordination with the Finance Ministry. Therefore, the report of the Sixth Pay Commission reneges on the declared guiding principle of the government. The call is for the government to honour its promise. NOW is the ideal time to institute this reform, since the report of the Pay Commission is in the process of being implemented.*

# One-Rank...

## Background

The pension system for the military underwent rapid changes during the first three decades after Independence. And for some reason or the other, the reforms were invariably made effective prospectively, without extending the new benefits to the past pensioners. In many cases, retirees were given options to choose from. Consequently, by 1985, there were fourteen categories of pensioners. Quite naturally, the veterans sought rationalisation of the system. The quest for OROP began during the early Eighties. A high level committee, headed by Shri KP Singh Deo, was formed to examine all issues related to the problems of ex-Servicemen, and this was one of the main concerns. The committee identified over sixty problem areas, most of which were resolved, but OROP lingered on. Thereafter, this quagmire has been examined by three Pay Commissions and several parliamentary committees. It has continued to bug successive governments and has now become a 'war cry' of our ex-Servicemen. During the run up to the elections for the current Lok Sabha, all major parties promised to resolve this issue. It even figured in the President's address to the Opening Session of Parliament, thus, making it government policy. However, to our dismay, the Sixth Pay Commission has ignored the issue.

## The Nature of the Proposed Reform

At the outset, it must be understood quite clearly that OROP implies the grant of equal pension to soldiers of a particular rank, who have rendered the same length of service, irrespective of the date of their

retirement. It will, thus, remove the sense of injustice which the earlier retirees experience when they find that their pension is less than that of someone who was their equal in service. In a majority of cases, the actual difference is no more than 10 or 15 per cent, but the heartburn which that small amount of money causes has resulted in representations, petitions and even court cases. Many old soldiers feel that the government is insensitive to their just and legitimate plea.

## Present Position of the Case

There are two reasons for successive governments failing to resolve this issue so far. One, that the state could not bear the financial burden of admitting OROP; and two, because there was always a lurking fear that a similar demand could come from civilian pensioners, and the fiscal effect of granting this concession to all central and state pensioners would be exorbitant. However, within the constraints of the resources, a "One Time Increase" was granted by the Congress government in 1992 and, later, the Fifth Pay Commission amalgamated all pre-1996 pensioners into just one category. Consequently, we now have only two types of pensioners: the pre-1996 pensioners and the post-1996 retirees. For complete resolution of the problem, a parliamentary committee, headed by Shri Madan Lal Khurana, was constituted. The record of their deliberations reveals that this committee also ran into the same imbroglio. Mercifully, the financial effect estimated by the government on April 1, 2004 was a modest figure of Rs 600 crore. But if they choose to admit arrears with effect from 1996, it would cost an additional outgo of Rs 4,000 crore. Meanwhile, the report of the Sixth Pay Commission has come in, and after taking into account all factors, the current estimate of the price tag on this reform may have risen to a proportionately higher figure. But the magnitude of the financial effect would be of the same order. The veterans are agitated at the dismissal of their demand for OROP by the Pay Commission and have threatened to demonstrate and even resort to a hunger strike.

---

**In a majority of cases, the actual difference is no more than 10 or 15 per cent, but the heartburn which that small amount of money causes has resulted in representations, petitions and even court cases.**

---

### **Fear of a Possible Demand Being Raised by Civilian Pensioners**

Relating civilian pensioners with veteran soldiers is like comparing chalk with cheese. The two categories of personnel are so different that using this as an argument is actually a red herring. This ghost has been haunting the governments in power for over two decades and preventing them from implementing a straightforward reform. Given below is a list of the major factors which distinguish soldiers from the civilians:

- First and foremost, soldiers are the only people who have ‘ranks’, which conform to internationally accepted norms. Thus, a battalion is commanded by a colonel and the boss of a ship is a captain, the world over. On the other hand, the civilian grades are municipal ‘designations’ which have no formal sanctity. Even a miniscule organisation can have a ‘director’ and he can designate his assistants as ‘general managers’ or ‘secretaries’. Thus, the very basis of OROP is inapplicable in their case.
- While all civilians retire at the age of sixty years, the length of service of soldiers is related with the rank attained. A very large number of combat soldiers are sent home in their mid-thirties, to keep the army young.
- Soldiers are the only government servants who are exposed to war risk, and disabilities acquired during training. Consequently, they have different types of pensions. Their case merits examination on a different plane.
- Major changes in the pension structure occur whenever a Pay Commission report is implemented. The civilians retire at sixty, and, therefore, they rarely live past one such major reform. Soldiers retire at forty, and they sometimes see through three or even four Pay Commissions. This is one more reason to review their pensions more rationally
- It needs to be noted, that no civilian organisation has, till this day, sought the equivalent of OROP. Further, when a “One Time Increase” was granted to the soldiers in 1992, there was no reaction from the civilian pensioners.
- Finally, it needs to be noted that the existing pension structure of the armed forces is different from that of the civilians. For the military, (a) pensions of the personnel below officer rank (PBOR) are calculated on the basis of the ‘top of the scale’; (b) there is a system of ‘weightages’ to compensate for truncated service;

### **Soldiers are the only government servants who are exposed to war risk, and disabilities acquired during training. Consequently, they have different types of pensions.**

and (c) the percentage of pension that can be commuted is higher than what is admissible for the civilians. Till date, no civilian service has sought parity with the soldiers on these counts.

#### **The Need to Act Immediately**

The report of the Sixth Central Pay Commission is currently being examined by the government. The pay structure may undergo a radical change. Since pensions derive from the pay scales, it is imperative that OROP be implemented at this stage. In fact, it is very important that these two actions be initiated simultaneously. The government should constitute a body similar to the Armed Forces Pay Review Boards (AFPRB) that have been created in several countries. It also needs to be noted that in most countries, the review of the salary structure of the soldiers is carried out by separate bodies, and they invariably have suitable representation from amongst serving as well as retired soldiers.

#### **Lateral Shift of Soldiers to Para Military Forces**

Inextricably linked with military pensions is the issue related with resettlement of soldiers. To maintain a youthful profile, jawans are sent home when they are still in their mid-thirties. The military has, therefore, to carry the burden of 19.4 lakh pensioners. The total number of civilians employed by the central government is nearly three times larger than the soldiers, and yet, the number of civilian pensioners, as assessed by the Sixth Pay Commission is only 19.01 lakh. To remedy this situation, it was suggested as early as 1985 that soldiers be laterally shifted to civilian posts after their military service. The viability of this scheme was also examined by the Sixth Central Pay Commission and they devoted a complete chapter, number 2.4, to this issue. Their recommendation, based on cogent rea-

# ...One-Pension

sons supports this proposal quite unequivocally. The suggestion made by the pay panel offers a win-win solution through which all parties gain. However, we find that the government has not yet been able to make much headway in this direction, and in the resolution issued on the August 30, 2008, all that is said in para 2 of the order is, “the recommendation relating to lateral shift of defence personnel to Para Military forces would be examined separately.”

## The Summing Up

OROP is an emotive issue. When two soldiers of the same rank and with equal length of service find that they are in receipt of different pensions, just because they retired on different dates, they are unable to reconcile with the situation. The feeling of hurt is not confined to the lower ranks alone. Even general officers whose pensions were depressed by the Fifth Pay Commission, felt so aggrieved that they took the matter to the courts to seek justice, and their case is pending in the Supreme Court. One-Rank-One-Pension is one of the few pending demands of our veterans. No responsible person has ever said that the demand is either unjustified or unreasonable. The benefit

**When two soldiers of the same rank and with equal length of service find that they are in receipt of different pensions, just because they retired on different dates, they are unable to reconcile with the situation.**

of this dispensation will go to veterans who are really old, and needy. The Sixth Pay Commission has recommended a special ‘add on’ largesse for pensioners who are over eighty years old. Whether the government will be able to grant that, remains to be seen. Grant of OROP will instill a sense of fairness and equity amongst the old soldiers. Ideally, the pay and pensions of soldiers should be regulated through simple charts wherein the entitlement of a soldier or a veteran is governed by only two prime factors: his rank and the length of his service.

## Acknowledgements

I wish to place on record, the inspiration provided by Sh KP Singh Deo and Admiral RH Tahiliani for undertaking the investigation effort on the above subject. My life long friends, Joseph Thomas and Raj Kadyan were kind enough to go through the rough draft and offer critical comments.



Maj Gen (Retd) **Surjit Singh**, AVSM VSM was associated with the army pay cells for the Fourth as well as the Fifth Pay Commissions. He has written a book on the subject, *Wages Down the Ages*, published by Lancer International in 1989.

*Views expressed in this Issue Brief are those of the author and do not represent the views of the Centre for Land Warfare Studies.*



## CENTRE FOR LAND WARFARE STUDIES (CLAWS)

RPSO Complex, Parade Road, Delhi Cantt, New Delhi 110010

Tel.: +91-11-25691308, Fax: +91-11-25692347, Email: [landwarfare@gmail.com](mailto:landwarfare@gmail.com)

Website: [www.clawsindia.in](http://www.clawsindia.in)