Pension Circular No 01/2019 Revision (III)

My No. Pen/Circular 2019

Department of Pensions,

Maligawaththa

Colombo 10

05.09.2019

To all District Secretaries and

**Divisional Secretaries** 

# Adjusting pension in terms of Public Administration Circular No 03/2016 as per budget proposals 2019

Reference the Pension Circular No. 01/2019 dated 11.06.2019 issued by me on the above matter.

02. It is hereby informed that the instructions attached herewith are issued in addition to the series of instructions issued for taking action as per the provisions stipulated in the aforesaid circular.

A.Jagath Dias
Director General of Pensions

#### Copies-

Secretary to H.E. the President
 Secretary to Hon. Prime Minister
 For information

3. Secretary, Ministry of Public -For information

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& Provincial Councils and Local Government

5. Secretary, Ministry of Finance - For information

6. Auditor General - For necessary action

## <u>Conversion of pension as per Public Administration Circular No 14/2019:</u> <u>General Instructions</u>

Adjustments to the pension of the pensioners are now being made as per Public Administration Circular No 14/2019 at the level of Divisional Secretariats. Therefore following instructions are hereby submitted in addition to the instructions, which have been already given in respect of the procedure to be followed in this regard.

- 1) Application of information technology systems
- 1.1. In case where any defect is revealed at later occasion in a certain application for conversion, which has been recommended by the Accountant for the payment after making such conversion with the application of information technology system, the authority for rejecting the same for the purpose of rectification has been vested in the Accountant. Accordingly,
- i. The Accountant should access the list verified for payment in the information technology system.
- ii. Accordingly particulars of the conversion, which is required to rectify again, should be identified by the N.I.C number of the relevant pensioner.
- iii. Then it is required to have access to the detailed view in relation to the selected information.
- iv. Facilities have been made there to reject the conversion with the inclusion of reason for such rejection by way of using the icon appears at the top right corner of the screen for rejection.
- 1.2. In case where it is necessary to make any rectification in relation to a conversion, of which payment has already been commenced after the conversion, facilities are available also for such purpose in the system. Accordingly
- i. The Accountant should access the list of conversions for which payments have already been made.
- ii. The conversion to be rectified should be selected from the list.

- iii. It may be referred to Pension Officers/relevant Officers to rectify again the conversion mentioning the reasons for such re- revision by way of using re-revision button.
- 1.3. When the pension adjustments are made as per Public Administration Circular No 14/2019, a pensioner, whose pension has been prepared corresponding to a salary mentioned under Public Administration Circular No 6/2006, is entitled to a salary corresponding to a salary relevant to year 2017 in Public Administration Circular No 3/2016. Accordingly the maximum of the increase in salary will be between 43%-48% in this conversion. Therefore the system obstructed the conversion when the increase exceeds 48% in the conversion of pension this time. However in case where the certain pensions are increased by more than 48% in the present conversion due to various grounds, facilities have now been made available in the conversion of pension to convert the pension reporting the reasons for such increase beyond the common limit. Accordingly in such cases where the existing pension is increased beyond 48% at the conversion, it is hereby informed to make the conversion of pension by way of paying attention in this regard and further verifying the accuracy of conversion. Further the reasons for the increase of pension beyond 48% should be included in the system.
- 2. Conversion of the pension of the pensioners belonging to section 2 and 12, 2 and 15 and schedule 'O" of the Pension Minute.

New sub system has been introduced in the information technology system for the purpose of converting the pension of the pensioners, who have been sent on retirement under above mentioned sections. Accordingly the officers have now access to another sub system as revision manual in addition to the 2017 revision, revision forces and sub systems provided earlier, when the officer enters the system applying relevant user name and password. In the conversion of pensions of the pensioners belonging to section 2 and 12, 2 and 15 and schedule 'O' by aforementioned system, instructions mentioned below should be followed.

- i. The section applied for retirement should be included accurately.
- ii. The correct period of service should strictly be included. (Facilities are available to include the service in the system, even where the service is less than 10 years.)
- iii. Facilities have been made in the system to revise the percentages once such percentages are calculated in relation to above instances. Accordingly,

(i) In case of an officer scheduled in 'O', percentages, which are to be included in accordance with his/her period of service, should be included in the system with rectifications.

E.g. If the period of service is 5 years, the percentage to be included in the system should be 33.3%.

(ii) In case of a retirement made under section 2 and 12 of Pension Minute on disciplinary grounds and where an order has also been made to deduct the percentage for calculation of pension as per such disciplinary order, the due percentage should be included on deduction of the percentage to be deducted from the percentage, which is calculated by the system.

In case where it is directed by the disciplinary order to deduct a certain amount from the pension, it should be selected as a deduction under non- pensionable allowance and the conversion should be made with the inclusion of the relevant negative value in the system.

In addition to the above, conversion should be made applying this system at every occasion, where the pension is calculated deviating from the normal methodology i.e. payment of 50% of widows and orphan's pension.

#### 3) Conversion of the pension in Armed Forces

Percentages in relation to the calculation of the pension of Armed Forces are determined strictly on the service in the Armed Services and further the percentage is not determined based on the salary as it is calculated in civil pension. In case where a percentage, which is different from the pension percentage calculated by the system, is included in the Pension Award in the conversion of the pension of Armed Forces, the percentages in the system should be rectified as per the percentage in the Pension Award.

### 4) Conversion of Widow's Pension in Armed Forces

When the Widow's Pension in Armed Forces is converted, the percentages shown according to the Pension Award as mentioned 3 above should strictly be applied. Further when the Widow's Pension in Armed Forces, which is paid to the widows of officers, who demise whilst in the service, is converted, the period of service should be calculated as per the provisions in sub sections in section 20 of Widows' and Orphans' (Armed Forces) Pension Scheme Act No 18 of 1970.

Actual period	Period of
of service	service
	applied for
	the
	calculation of
	pension
Less than 20	20 years
years	
Less than 22	22 years
years	
Less than 10	10 years
years	
Less than 12	12 years
years	12 9 0010
	Less than 20 years  Less than 22 years  Less than 10 years  Less than 12

• Table of percentages relevant to the period of service is attached in annex 01

Provisions of	Service	Actual	Period of	Percentage	Percentage
Widows' and	Category	period of	service	applied for	applied for
Orphans'		service	applied for	the	the
(Armed			the	calculation of	calculation of
Forces)			calculation	pension (Non	pension (Non
Pension			of pension	deducted)	deducted)
Scheme Act			(years)	<b>.</b>	
No 18 of				Demised	Demised
1970.				before	after
				19.05.2009	19.05.2009
Demised	Officers	Less than	20	65%	80%
whilst in	Officers	20 years	20	0370	0070
service before		20 years			
completion of	Other	Less than	22	70%	85%
20/22 years of	Ranks	22 years		7070	0370
service	Ranks	22 years			
SCI VICC					
Demised	Officers	More than	Actual	Percentage	Percentage
whilst in		20 years	period of	relevant to	relevant to
service after					
		I	J	1	

completion of			service	the service	the service
20/22 years of					
service					
	Other	More than	Actual	55%	
	Ranks	22 years	period of		
			service		
0.00	0.00		10	40.54	
Officers	Officers	Less than	10 years	60%	
demobilized		10 years			
for being					
disabled	Other	Less than	12 years		
	Ranks	12 years			

## Annex 01

Table of pension percentages ( Percentage entitled as per					
period of service)					
Officer					
Before 19.05.2009		After 19.05.2009			
Previous percentage		New percentage			
Non deducted	Deducted	Non deducted	Deducted		
55	45				
56	46				
57	47				
58	48				
59	49				
60	50	75	65		
61	51	76	66		
62	52	77	67		
63	53	78	68		
	Officer Before 19.0 Previous pe Non deducted 55 56 57 58 59 60 61	Officer  Before 19.05.2009  Previous percentage  Non deducted  55 45  56 46  57 47  58 48  59 49  60 50  61 51  62 52	Officer  Before 19.05.2009		

19	64	54	79	69
20	65	55	80	70
21	66	56	81	71
22	67	57	85	75
23	68	58	85	75
24	69	59	85	75
25	70	60	85	75
26	71	61	85	75
27	72	62	85	75
28	73	63	85	75
29	74	64	85	75
30	75	65	85	75
31	77	67	85	75
32	79	69	85	75
33	81	71	85	75
34	83	73	85	75
35	85	75	85	75

Table of pensio	on percentages (	Percentage en	titled as per pe	eriod of service)	
	Other Rank	as s			
	Before 19.05.2009  Previous percentage		After 19.05.2009  New percentage		
Years	Non deducted	Deducted	Non deducted	Deducted	
10					
11					
12	60	50			
13	61	51			
14	62	52			
15	63	53	78	68	
16	64	54	79	69	
17	65	55	80	70	
18	66	56	81	71	
19	67	57	82	72	
20	68	58	83	73	
21	69	59	84	74	
22	70	60	85	75	
23	71	61	85	75	
24	72	62	85	75	
25	73	63	85	75	
26	74	64	85	75	
27	75	65	85	75	
28	76	66	85	75	

29	77	67	85	75
30	78	68	85	75
31	80	70	85	75
32	82	72	85	75
33	84	74	85	75
34	86	76	85	75
35	88	78	85	75