



Dated Lahore, the 29th December, 2004

Handwritten: To

1. All Provincial Ministers, Punjab.
2. The Senior Member, Board of Revenue, Punjab.
3. The Additional Chief Secretary, Punjab.
4. All the Administrative Secretaries in the Punjab.
5. The Provincial Police Officer, Punjab.
6. The Registrar, Lahore High Court, Lahore.
7. All District Nazims in the Punjab.
8. All District Coordination Officers in the Punjab.
9. All Heads of Attached Departments in the Punjab.
10. All Heads of Autonomous Bodies in the Punjab.
11. The Secretary, Punjab Public Service Commission, Lahore.
12. The Registrar, Punjab Service Tribunal, Lahore.
13. The Chairman, Chief Minister's Inspection Team, Lahore.
14. The Accountant General, Punjab, Lahore.
15. All District Accounts Officers in the Punjab.

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SUBJECT CONTRACT APPOINTMENT POLICY

In the past, contract appointments were made against a few selected posts whereas, the bulk of appointments in the government sector were made on regular basis. However, during the last few years, it has been increasingly realized that the regular mode of appointment is not suitable for most of the government sector assignments due to administrative and financial factors.

2. The Government has now generally shifted from regular mode of appointment to the contract mode, in view of the changing management practices and to achieve the goals of good governance in public sector departments/organizations. Despite this major shift in policy, no legal/policy framework, governing various aspects of contract appointment, is available except the general guidelines issued by Finance Department regarding terms and conditions of contract appointment. As a result, a number of confusions keep arising, especially with respect to the contract appointments of persons who are already working on regular basis in the government sector.

3. To clarify the legal position of contract appointments and to provide policy guidelines for the same, a comprehensive Contract Appointment Policy has been framed which is hereby issued as under:-

1) BACKGROUND OF CONTRACT APPOINTMENTS IN PUNJAB

i) Historically, contract appointments were made against very few posts in case of:

- a) Re-employment.
- b) Development Projects.
- c) Tenure posts, for example Member PPSC, Ombudsman, etc.

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- ii) Contract appointments were started in bulk in Health Department from the year 1996-97 onwards.
- iii) Education Department also shifted to the contract mode of appointment from the year 2000-2001 onwards.
- iv) In June 2003, Finance Department issued a circular letter No.E&A(FD)12-7/2003(P) dated 02.06.2003 stating that all appointments be made on contract, unless otherwise allowed.
- v) Consequently, almost all appointments in Government Departments were made in the contract mode, under the Recruitment Policy—Phase-I.
- vi) Under Recruitment Policy Phase-II issued vide No.SOR-IV(S&GAD)10-1/2003 dated 17.09.2004, it has again been clearly specified that all appointments should be made in the contract mode unless specifically allowed otherwise by the Chief Minister, on the recommendations of the Contract Appointments Regulations Committee (CARC).

ii) RATIONALE BEHIND SHIFT TO THE CONTRACT MODE

Financial/economic reasons

- a) Due to financial constraints the Government had imposed ban on recruitments since long, under the Economy Measures.
- b) The Government could not even foot the bill of salaries let alone the pension bill.
- c) The financial burden of the annual pension bill has accumulated to the tune of Rs. 10 billion (approx). The budget estimates of annual pension liability have risen from 1739.230 million in 1990-91 to Rs. 9734.935 million in 2000-05. Such steep increase in the rate of pension liability cannot be sustained by the Province.

Administrative reasons

- a) Large-scale practice of absenteeism of regular government servants, especially in the case of Health and Education sectors.
- b) The performance of regular employees had become abysmal leading to poor service delivery.
- c) Regular employees became too secure in their service, leading to poor performance.
- d) Cumbersome accountability mechanisms under E&D Rules as well as PRSO, with the result that no meaningful action could be taken against poor performers.
- e) Huge administrative costs on transfers/promotions, etc., of regular employees as administrative machinery remained totally engrossed in these functions instead of focusing on supervisory and policy-making functions.
- f) Regular mode of appointments did not distinguish between better and poor performers, resultantly all and sundry would be promoted to the next higher scale, undeservingly.
- g) No concept of performance based indicators for retention in service resultantly, inefficient and corrupt elements continued in service without any hindrance.
- h) Contract mode of appointments is a preferred mode in all private enterprises providing the employers all the flexibility to tap in the best human resources available in the market. Hence

performance in private sector is generally considered much better as compared to the performance in the Government sector.

- i) Latest management practices in the developed world also recommend contract mode of appointments with better pay packages, for improved performance and service delivery, resulting in good governance.

III) NEED FOR POLICY FRAMEWORK FOR CONTRACT APPOINTMENTS

- i) Though Government has made a paradigm shift from regular to contract mode of appointments, no policy framework exists to cover contract appointments.
- ii) No uniform policy of contract appointments exists, therefore, departments have adopted various policies leading to disparities at inter and intra departmental level.
- iii) There is no institutional arrangement for deciding as to whether a certain category of posts is to be filled on contract or regular basis. Resultantly, same category of posts in one department is being filled on regular basis whereas, in other departments it is being filled on contract basis.
- iv) No institutional arrangement for fixing pay packages. Huge disparities in pay packages have, therefore, emerged for same or similar categories of posts.
- v) Contract appointments are being made in various departments without any service rules or without getting the criteria of qualification, etc. approved.
- vi) Numerous problems regarding contract appointments of regular government servants have emerged e.g., issue of retention of lien, treatment of period spent on contract, pension, etc.

IV) APPOINTMENTS — LEGAL POSITION

- i) Section 4 of the Punjab Civil Servants Act, 1974 provides that appointments to a civil service of the province or to a civil post in connection with the affairs of the province shall be made in the prescribed manner.
- ii) Rule 3 (1) of the Punjab Civil Servants (Appointment and Conditions of Service) Rules, 1974 provides that appointment to posts shall be made by promotion, transfer or initial recruitment, as may be prescribed.
- iii) Rule 17 of the Punjab Civil Servants (Appointment and Conditions of Service) Rules, 1974 requires that initial recruitment (either on regular or contract) against all posts in BS-1 and above shall be made on merit after advertisement of vacancies in newspapers.
- iv) The above provisions of the Act and the rules do not specify that initial recruitment/appointments should be made on regular or contract basis. Therefore, appointments to posts reserved for initial recruitment can be made either on contract or regular basis, as per discretion and requirement of the Government.

V) APPOINTMENT ON REGULAR BASIS

Appointment on regular basis is made under the provisions of the Punjab Civil Servants Act, 1974, Punjab Civil Servants (Appointment

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& Conditions of Service) Rules, 1974 and relevant Service Rules of the posts in the following manner:

- i) Initial appointment on regular basis to all posts in BS-16 and above is made on the recommendations of the Punjab Public Service Commission.
- ii) (a) As per notification No.SOR-III(S&GAD)1-14/75, dated 24.07.04, initial appointment on regular basis to all posts in BS-11 to 15 of the following departments/attached departments shall be made on the recommendations of the Punjab Public Service Commission:
 - i) Services & General Administration.
 - ii) Revenue.
 - iii) Finance.
 - iv) Police.
- (b) Initial appointment on regular basis to the following posts in the departments/attached departments mentioned against each shall also be made on the recommendations of the Punjab Public Service Commission:

a) Assistant Superintendent Jail.	Prison
b) Assistant Food Controller.	Food
c) Excise and Taxation Inspector.	Excise & Taxation
d) Sub Engineer.	Irrigation & Power
e) Sub Engineer.	Communication & Works
f) Sub Engineer.	Housing, Urban, Development and Public Health Engineering
- iii) Initial appointment on regular basis in BS-1 to 10 in all departments and against posts in BS-11 to 15, other than those listed at serial no. (ii) above, shall be made on merit by the relevant committees/boards as notified by the government.
- iv) Persons appointed on regular basis are governed by the rules framed under the Punjab Civil Servants Act, 1974 such as the Punjab Civil Servants (Appointment & Conditions of Service) Rules, 1974, Service Rules of the post, Leave Rules, Pension Rules etc., or other rules framed under any other law, specific to any category of employees.

VI) APPOINTMENT ON CONTRACT BASIS

- i) Appointment on contract basis is to be made through the appropriate selection committees as notified by the Government.
- ii) Under the provisions of Rule 4 of the Punjab Public Service Commission (Functions) Rules, 1978, contract appointments are excluded from the purview of the PPSC. However the Departments should preferably adopt the channel of PPSC even for contractual appointment against posts, which otherwise fall within the purview of PPSC under Sub Head V above, by seeking relaxation of Rule 4 ibid from the Chief Minister.
- iii) The Service Rules applicable to various posts shall be applicable also in case of appointment on contract basis. If, however, the Service Rules for a post have not been framed, the departments are advised to get them framed in consultation with the Regulations Wing of S&GAD and with approval of the Chief Minister.
- iv) Where Service Rules for posts to be filled on contract basis are not available or where the department intends to adopt qualifications etc., different from those provided in the Service Rules,

comprehensive criteria regarding proposed qualification, experience, age, appointing authority etc., may be got approved from the Chief Minister after consultation with the Regulations Wing, as per provisions of sub head VII-2 below.

- v) As a result of shift towards contract appointment, the feeding cadres for posts required to be filled by promotion under the relevant service rules, are expected to diminish. This means that after sometime, regular government servants may not be available for appointment to posts reserved for promotion under the rules. In order to ensure that the posts do not remain vacant simply on the grounds that regular employees are not available in the feeding cadre for promotion, the Departments should review the existing service rules and propose appropriate amendments so as to add a provision that, "if none is available by promotion then by initial recruitment." Moreover, the qualification, age and experience for initial appointment against such posts shall also be got incorporated in the service rules, if it does not exist already, by placing the case before the Service Rules Committee.
- vi) To provide better prospects for selection (on contract) against higher posts to the contract employees, the departments should carry out an exercise to rationalize the existing service rules. With the depletion of regular employees in the feeding cadre, the percentage of posts reserved for promotion should be reviewed.
- vii) Persons appointed on contract basis are not civil servants, therefore, their service matters shall not be governed by the rules framed under the Civil Servants Act, 1974. Their appointment shall be strictly regulated by the terms and conditions of their contract.
- viii) Appointment on contract basis shall be non-pensionable.

VII) DETERMINATION OF POSTS TO BE FILLED ON REGULAR OR CONTRACT BASIS

As mentioned above, the Government has generally shifted from regular mode of appointment to the contract mode. However, regular appointments can be allowed under special circumstances in individual cases. Therefore, in order to determine as to whether various categories of posts should be filled on regular or contract basis, a Contract Appointment Regulations Committee (CARC) has been constituted vide Notification No.SOR.IV(S&GAD) 12-2/2004, dated 16.04.2004.

1. Constitution of the Committee (CARC)

- i) Secretary Regulations, S&GAD. Chairperson
- ii) Secretary, Punjab Public Service Commission. Member
- iii) Additional Secretary (Regulations), Finance Department. Member
- iv) Additional Secretary (Management) S&GAD. Member/Secretary
- v) Additional Secretary (Regulations) S&GAD. Member
- vi) A representative of A.D. concerned (not below the rank of Additional Secretary. Where the department does not have an Additional Secretary then Deputy Secretary shall represent the Department). Member
- vii) Any other Member to be co-opted by the Committee.

2. Submission of Proposals to the Committee

- (i) The departments shall send comprehensive proposals regarding all categories of posts falling under their control to the Regulations Wing with clear recommendations alongwith justification as to whether a specific post/category of posts should be filled on regular or contract basis, as per proforma (Annexure A) for consideration by CARC.
- (ii) Where the department intends to fill the post(s) on contract on the basis of qualification, experience and age limit etc., other than that prescribed in the relevant Service Rules of the said post(s) or where Service Rules for the post do not exist, the department shall propose detail of qualification, experience, age limit etc., required to fill the post(s) with justification and place the case before CARC.
- (iii) Where the department intends to make appointment on a pay package different from the Basic Pay Scale of the post, the Department shall provide the detail of pay package and terms and conditions of appointment with full justification for consideration by the CARC.

3. Guidelines/Criteria for Consideration by the Committee

The CARC shall examine the proposals submitted by the Departments for filling in the posts on regular or contract basis on the basis of the following general criteria:

i) Financial Responsibility

The posts, which have no financial responsibility, may be considered to be filled on contract basis in the pay scale of the post while the posts having high levels of financial responsibility be considered for appointment on regular basis or on contract basis with higher pay package.

ii) Job Description

Where the job assigned to a post is of important nature, it may be filled on regular basis or with higher pay package on contract basis while the posts carrying lesser responsibility be considered for appointment on contract basis in the pay scale prescribed for the post.

iii) Long Term Experience

Where the posts in the higher scales of a cadre require long term experience of specific nature in the junior scales then regular appointments may be made in the lower posts so that feeding cadre would remain available for promotions. In the alternative, senior scale posts may be allowed to be filled on contract with higher pay package. However, if the senior post does not require long-term experience in the cadre then contract appointments in pay scale of the post may be considered on junior as well as senior posts.

iv) Period of Availability of Post

In case a post has been created for a specific period then the appointment shall be made on contract basis. Thus project posts shall always be filled on contract basis. The posts created for an indefinite period or permanent basis, could only be considered for appointment on regular basis.

4. Recommendations of the Committee/final approval

- i) On the basis of the recommendations of the Committee, the O&M Wing, S&GAD, shall submit a summary to the Chief Minister.

- ii) On receipt of approval of the Chief M shall convey to the departments the call should be filled on regular or contract basis

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VIII) APPOINTMENTS TO BE MADE ON MERIT

- i) Under the Chapter titled "Fundamental Rights" of the Constitution of Pakistan, equality of citizens and safeguard against discrimination in services has been guaranteed. Article 25 of the Constitution provides that all citizens are equal before law and are entitled to equal protection of law while article 27 provides that no citizen otherwise qualified for appointment in the service of Pakistan shall be discriminated against.
- ii) Supreme Court of Pakistan in its judgment dated 19.01.1993 in Human Rights Case No. 104 of 1992 stated that recruitments, both adhoc and regular, without publicly and properly advertising the vacancies, is violative of fundamental rights. As such no post could be filled in without proper advertisement, even on adhoc or contract basis.
- iii) Under the provisions of Rule 17 of the Punjab Civil Servants (Appointment & Conditions of Service) Rules, 1974 no post can be filled in without proper advertisement.
- iv) Recruitment Policy, 2004 does not allow appointment of any person without advertisement and in violation of any procedural formalities laid down in the policy.
- v) All posts to be filled on contract shall be advertised properly in at least two leading newspapers, as per rules.
- vi) No relaxation of qualification, experience, physical criteria etc., as provided in the relevant service rules or as determined by the Government shall be allowed, except as prescribed under the rules.
- vii) The relevant Selection Committees shall ensure that contract appointments are made strictly on merit and in accordance with the rules, selection criteria and other provisions of this policy as well as the prevailing Recruitment Policy.

IX) ELIGIBILITY FOR APPOINTMENT

- i) Article 27 of the Constitution of Islamic Republic of Pakistan provides that no citizen, otherwise qualified for appointment in the Service of Pakistan (which includes Federal as well as Provincial Service) shall be discriminated against in respect of any such appointment on the ground of race, religion, caste, sex, residence or place of birth.
- ii) Article 27 (2) of the Constitution provides that the Provincial Government may prescribe the condition of residence in the province prior to appointment against any post under the provincial government or authority.
- iii) Rule 20 of the Punjab Civil Servants (Appointment and Conditions of Service) Rules, 1974 requires that posts in connection with the affairs of the province shall be filled from persons domiciled in the province of Punjab, in accordance with merit.
- iv) From the above provisions of Constitution/law, it is clear that all persons who are domiciled in Punjab are eligible for appointment on merit either on regular or on contract basis, against any post in any department, attached department, autonomous body, district government, etc., provided they are otherwise eligible i.e., they meet the criteria/requirements of

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qualification, experience, age limit, etc., as provided in the service rules for the post or as prescribed by the competent authority/government.

v) The existing regular/confirmed government servants are eligible for appointment on contract basis and the issues regarding their lien etc., to their permanent substantive posts shall be dealt with under the provisions of this Policy.

vi) Under Section 13(1) of the Punjab Civil Servants Act, 1974, a retired government servant is not eligible for appointment either on regular or on contract basis. Thus all categories of retired government servants are not eligible for initial appointment against government posts except under the provisions of Re-employment Policy. The various kinds of retirement are explained as under:-

- a) Retirement on attaining the age of superannuation i.e., 60 years under Section 12(1)(ii) of the Punjab Civil Servants Act, 1974.
- b) Compulsory retirement under Section 12(1) of the Act ibid after completion of 20 years service.
- c) Compulsory retirement under the provisions of Punjab Civil Servants (E&D) Rules or Punjab Removal from Service (Special Powers) Ordinance, 2000.
- d) Retirement on grounds of invalidation under rule 3.3 of Punjab Civil Service Pension Rules.
- e) Optional retirement after completion of prescribed qualifying service for pension, under rule 3.5 of the Punjab Civil Service Pension Rules.

vii) Retired armed forces personnel are eligible for appointment on contract basis on merit only at the time of making general recruitment through advertisement against civil posts, provided they are otherwise eligible for appointment, under the rules.

X) RELAXATION IN UPPER AGE LIMIT FOR CONTRACT APPOINTMENT

- i) 05 years relaxation in upper age limit shall be allowed, across the board, for contract appointment against all categories of posts in BS-1-17 (except Police) upto 30.06.2005, as provided in the Recruitment Policy, 2004.
- ii) Any general relaxation in age limit allowed by the Government from time to time, shall be applicable in the case of contract appointments also.
- iii) The age relaxation allowed under Punjab Civil Servants Recruitment (Relaxation of Upper Age Limit) Rules, 1976, shall be applicable in the case of contract appointments.
- iv) In all cases, age relaxation shall be given across the board as per above provisions and shall appear as a part of the advertisement and shall not be allowed in individual cases. This will obviate the necessity of individuals approaching various authorities for getting age relaxation.
- v) Where a person has rendered service on contract basis or on regular basis under the Punjab Government, the period spent by him in such service shall, for the purpose of upper age limit prescribed under any rule for appointment to any service/post, be excluded from his age. However, the upper age limit shall not exceed 35 years for recruitment to any post to

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be filled on the recommendations of the Punjab Public Service Commission, on the basis of the Combined Competitive Examination, as laid down under the relevant rules.

- vi) Where contract appointments are made against posts where the upper age limit for a post to be filled on contract basis has already been enhanced by the department (e.g. in the case of Educators etc., of Education Department) as against the age limit prescribed in the service rules, no relaxation in the upper age limit shall be allowed.

XI) MAINTENANCE OF PRESCRIBED QUOTAS

The following quotas already provided under various notifications shall continue to be observed for appointments on contract basis:

- i) 2% quota for disabled persons, as prescribed vide Notification No. SOR-III-2-88/97 dated 28.02.1999.
- ii) 5% quota for women as prescribed vide Notification No. SOR-III-1-35/93 dated 17.04.2002.
- iii) 20% quota of posts in BS-1 to 5 for the children of serving/retired Government employees in BS-1 to 5, as prescribed vide Notification No. SOR-III-1-22/90 dated 01.09.1993.

Explanation: The posts reserved for quotas mentioned above are to be filled only at the time of making general recruitment through advertisement, under the Recruitment Policy. If general recruitment against any category of posts is being made on contract basis, appointments against above mentioned quotas shall also be made on contract basis.

XII) GUIDELINES FOR FIXING TERMS AND CONDITIONS OF CONTRACT APPOINTMENTS

- i) The terms and conditions of contract shall be settled by the Administrative Department in accordance with the provisions of this Policy and the terms and conditions specified thereunder, where appointment is made in prescribed pay scale of the post.
- ii) Where appointment is made on a pay package other than the basic pay scales, the terms and conditions of appointment shall be settled by the Administrative Department in consultation with the Finance Department as per approval of the Chief Minister, obtained on the recommendations of the Contract Appointment Regulations Committee.
- iii) In all contracts, it shall be clearly provided that the services of the contract employee are liable to be terminated on one month's notice or one month's pay, in lieu thereof, on either side, without assigning any reason.
- iv) Comprehensive guidelines for fixing terms & conditions of contract appointments are given at Annexure B. The Departments/ organizations must strictly abide by these guidelines.
- v) Appointment/service on contract basis shall be non-pensionable.
- vi) A contract employee shall, under no circumstances, claim conversion of his contract appointment into regular appointment.

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XIII) PAY PACKAGE

To attract the best human resource available in the province, the policy envisages better pay packages for contract appointments. Two broad categories of pay packages that may be offered are described as under:

- i) Where appointment is made in the prescribed pay scale of the post:
 - a) package of pay and allowances as per pay scale of the post.
 - b) 30% of the minimum of pay scale as social security benefit in lieu of pension.

Provided that persons who are already retired and getting pension shall not be eligible for this benefit when re-employed on contract.

- c) Any ad hoc/special relief etc., given to the regular government servants shall also be admissible to the contract employees.

- c) Annual increment as per pay scale of the post.

- ii) Where appointment is made on pay package other than the pay and allowances prescribed under the National Pay Scales:

- a) A package of pay & allowances as approved by the Chief Minister on the recommendations of the Contract Appointment Regulations Committee, keeping in view the specific requirements, including qualification, etc., of the job.

- b) Any ad hoc/special relief etc., given to the regular government servants, shall not be admissible.

- c) Annual increment, shall not be allowed unless specifically provided in the pay package.

XIV) PERIOD OF CONTRACT APPOINTMENT AND EXTENSION IN CONTRACT

- i) The period of initial contract appointment shall be between 3 to 5 years.
- ii) Where the post has been created for a specific period (e.g. projects posts) the period of initial contract appointment shall be 3 years or the period for which the post has been created, whichever is less.
- iii) Contract employee shall not claim extension in his contract appointment as a matter of right.
- iv) Extension in contract appointments may be granted by the relevant appointing authorities. Prior approval of the Chief Minister shall be obtained in all cases for extension in the period of contract appointment.
- v) Extension in contract appointments shall not be granted as a matter of routine. The appointing authorities shall take into consideration the performance of the contract employee and extension in contract shall only be recommended if his performance remained good/very good.
- vi) Extension in contract appointment shall generally be granted for a period of 3-5 years and shall not be granted for an indefinite period.

- vii) Ban on recruitment shall not be applicable in case of extension in contract period of existing contract employees.
- viii) Decision regarding extension in contract appointment must be made by the relevant authorities well before the expiry of the contract period of an employee, after seeking approval of the Chief Minister.
- ix) On expiry of the contract appointment, if no extension is granted, it must be ensured that the contract employee is not allowed to continue in service. Appointing Authorities concerned and the office of the Accountant General, Punjab/District Accounts Officers must remain vigilant in this respect and ensure that salaries are not released to a contract employee whose period of contract appointment has expired or whose contract appointment has been terminated.

XV) CONTRACT APPOINTMENTS TO BE NON-TRANSFERABLE

- i) Contract appointments shall be post specific and non-transferable. Contract employee shall not, under any circumstances, claim any right for transfer from one post to another.
- ii) The Departments shall ensure that the disabled persons appointed on contract are adjusted against the posts in the cadre as near as possible to their home station, irrespective of their position on merit.

XVI) MONITORING AND EVALUATION OF PERFORMANCE OF CONTRACT EMPLOYEES

- i) Appointing/Supervisory authorities must remain vigilant regarding performance of contract employees. They must monitor their working on regular basis to ensure that inefficient and corrupt elements are not allowed to continue in service.
- ii) The performance of contract employees shall be assessed on annual basis, by the immediate superior authorities as per a simplified proforma at Annexure C.
- iii) The Departments should, however, develop their own performance evaluation proformae, keeping in view the specific measurable performance indicators of various posts, in order to make a meaningful assessment of performance.
- iv) The decision regarding extension in contract appointment shall be made by the appointing authorities on the basis of the Performance Evaluation Reports of the contract employee.

XVII) TERMINATION OF CONTRACT APPOINTMENT

- i) Contract appointment is liable to be terminated on one month's notice or one month's pay, in lieu thereof, on either side without assigning any reason.
- ii) Since the Government has shifted from regular mode of appointment to the contract mode in general, there is a need to ensure that sufficient safeguards are provided against arbitrary termination of contract employees and such employees are given a reasonable security with respect to the terms and conditions of their contract service. Appointing Authorities should, therefore, ensure that contract appointments are generally not terminated before the expiry of the term of contract, unless it is clearly determined that performance of a contract employee is unsatisfactory or he is guilty of inefficiency, misconduct or corruption.

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XVIII) POLICY FRAMEWORK FOR REGULAR GOVERNMENT SERVANTS WHO ARE APPOINTED ON CONTRACT BASIS IN GOVERNMENT SECTOR

1. Eligibility

- (i) A confirmed civil servant is eligible to apply for appointment on contract basis against a post in connection with the affairs of the Province, in an administrative department, attached department/ office/institution, autonomous body, corporate body etc., set up by the Government of the Punjab or in any District Government in the Punjab.
- (ii) Before applying for such an appointment, a civil servant must obtain prior approval of his appointing authority as required under the provisions of the Punjab Civil Services (Application for Posts) Rules 1987.
- (iii) A civil servant, retired on superannuation or earlier on any grounds, shall not be eligible for appointment on contract basis.

2. Pay and Allowances

A confirmed civil servant when appointed on contract shall draw pay and allowances as per terms and conditions of contract. During his contract appointment he shall not be entitled to claim any protection of the pay, last drawn by him against his substantive post.

3. Terms and Conditions of Contract

- i) Contract appointment of a civil servant shall be governed by the terms and conditions as provided in the contract, including issues of leave, T.A./D.A., medical facilities, etc.
- ii) A civil servant when appointed on contract against any post shall not be entitled to claim any benefit as allowed to the civil servants, under any rules, unless such rules are specifically applicable to him under the terms & conditions of his contract.

4. Retention of Lien

A confirmed civil servant when appointed on contract basis against any government post in connection with the affairs of the Province, shall retain his lien against his original substantive post.

5. Pension for the Period Spent on Contract

Period spent on contract basis shall not be counted towards pension.

6. Pay Fixation on Repatriation to Original Substantive Post

On return from contract appointment to his original substantive post, the pay of a civil servant shall be fixed by adding the annual increments for the period spent on contract, provided that no arrear on account of re-fixation of pay or increment shall be admissible.

7. Seniority & Promotion in the Original Cadre

- i) Where contract appointment is upto 5 years
 - a. Where a civil servant, during the period of contract appointment, becomes due for promotion in his

own cadre or service, he shall be deferred for promotion and shall only be eligible for consideration for promotion on his return from the contract appointment.

b. Where a civil servant is promoted on his return from contract appointment, he shall not be eligible for grant of proforma promotion. However he shall be allowed to retain his original seniority in his cadre

ii) **Where contract appointment continues beyond five years**

a. The name of such civil servant shall be removed from the seniority list of his cadre and he shall be placed on a separate static list. He shall have no claim to promotion or to seniority over any junior who may have been promoted during the period spent on contract beyond 5 years.

b. His name shall be brought back on the seniority list only after he resumes duty.

c. On return, his seniority shall be determined after deducting the period he remained on contract beyond five years.

d. On his promotion, he will not regain his original seniority.

iii) The period spent on contract basis, against an equivalent or a higher post in the cadre, shall count towards experience for the purposes of promotion in the cadre, on repatriation from contract appointment.

8. **Disciplinary Proceedings**

If a civil servant is found to be inefficient or guilty of misconduct or corruption during the period of his contract appointment, he shall be liable to be proceeded against under the prevailing disciplinary law/rules of the Punjab Government, in addition to the termination of his contract appointment.

9. **Termination of Contract**

Contract appointment of a civil servant may be terminated as per terms & conditions of his contract, without assigning any reason. On termination of contract, such civil servant shall immediately report to his parent department/organization.

10. **Contribution towards General Provident Fund**

A civil servant, when appointed on contract basis, shall not contribute towards G.P. Fund.

11. **Contribution towards Benevolent Fund & Group Insurance**

A civil servant when appointed on contract basis shall contribute towards Benevolent Fund and Group Insurance as per prevailing rules. The rate of contribution of Benevolent Fund/Group Insurance will be the same as was applicable to him against his substantive post just before appointment on contract basis. He will also be entitled to the benefits

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admissible under the Benevolent Fund and Group Insurance rules, applicable to him.

4. This issues with the approval of the Chief Minister Punjab. All the Administrative Departments/Authorities are requested to ensure strict compliance of this policy, at all levels.

Rashida
26/12/04
(RASHIDA MALIK)
SECRETARY REGULATIONS

CC:

1. The Chief Secretary, Punjab.
2. The Principal Secretary to Governor, Punjab.
3. The Principal Secretary to Chief Minister, Punjab.

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PROFORMA RECOMMENDING CATEGORIZATION OF THE POSTS TO BE FILLED ON REGULAR OR ON CONTRACT BASIS

Sr. No.	Name of the Department	Functional Unit	Nomenclature & Basic Pay Scale of the Post	Job Description in brief	Financial Responsibility of the post, if any	Method of recruitment as prescribed in service rules	Qualification as prescribed in service rules	*Suggested mode of appointment/proposed pay package (if any)	Justification for the proposal in column 10
1	2	3	4	5	6	7	8	9	10

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- * On regular basis; or
- ii) On contract basis:
 - a. As per prescribed pay scale of the post, or
 - b. With pay package other than prescribed pay scale of the post.
 - c. With qualification/experience/age limit other than prescribed under the service rules

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GUIDELINES FOR FIXING TERMS AND CONDITIONS OF CONTRACT APPOINTMENTS

1. Pay Package

- i) Where appointment is made in the prescribed pay scale of the post.
 - a) package of pay and allowances as per pay scale of the post.
 - b) 30% of the minimum of pay scale as social security benefit in lieu of pension.
Provided that persons who are already retired and getting pension shall not be eligible for this benefit.
 - c) Any ad hoc/special relief etc., given to the regular government servants shall also be admissible to the contract employees.
 - d) Annual increment as per pay scale of the post.

ii) Where appointment is made on pay package other than the pay and allowances prescribed under the National Pay Scales.

- a) A package of pay & allowances as approved by the Chief Minister, keeping in view the specific requirements including qualification, etc., of the job.
- b) Any ad hoc/special relief etc., given to the regular government servants, shall not be admissible.
- c) Annual increment, shall not be allowed unless specifically provided in the pay package.

2. Medical Fitness Certificate

The selected candidate will appear before the competent medical authority/board, as per directions of the appointing authority for medical examination and on having been declared medically fit he will be able to join service.

3. Tenure

The contract shall be generally for a period of 3 to 5 years from the date of joining. However, the period of contract appointment may be curtailed in the following cases;

- a) Where the post exists for a lesser period e.g. 'Project Post'.
- b) Where the tenure of post is fixed as per provisions of law.
- c) Where a person is re-employed as per provisions of Re-employment Policy.

4. Pension

Appointment/service on contract basis shall be non-pensionable.

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5. Contributory/G.P. Fund

- a) The employer shall not pay any pension or Contributory Provident Fund.
- b) The employee shall also not contribute General Provident Fund.

6. Contribution towards Group Insurance/Benevolent Fund

- a) The contract employee shall not contribute towards Group Insurance and Benevolent Fund.
- b) A civil servant employed on contract shall contribute towards Group Insurance and Benevolent Fund as per rules.

7. Leave

- a) Casual leave not exceeding 24 days per year shall be admissible. More than 10 days leave at one time shall not be allowed;
- b) 90 days maternity leave with pay (in case of female employees only), once in the tenure of five years, shall be admissible.
- c) Leave on medical grounds without pay shall be admissible on production of medical certificate by the competent authority as per Punjab Medical Attendance Rules, 1959. However, if medical leave continues beyond 3 months, his contract shall be liable to be terminated.
- d) The person appointed against non-vocational post shall earn 10 days leave per year to be availed by him during the tenure.

8. Medical Facilities

Medical facilities as admissible to the regular employees of his scale under the rules.

9. Traveling Allowance/ Daily Allowance.

- a) TA/DA as applicable to the regular employees of his scale under the rules.
- b) Where a person is appointed on a package other than normal pay scale, TA/DA will be admissible as provided in the pay package.

10. Transfer/Posting.

The contract appointment shall be post specific and non-transferable. Contract appointee shall not, under any circumstances claim any right for transfer from one post to another.

11. No right of Regular Appointment

Contract appointments shall not confer any right of regular appointment nor shall such appointment be regularized under any circumstances.

12. Training

The contract appointee shall have to undergo essential training programme, as may be prescribed.

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13. Performance Evaluation

The performance of the appointee shall be assessed/evaluated on regular basis keeping in view his efficiency and conduct as per provisions of Contract Appointment Policy.

14. Appointment on the basis of forged/bogus documents

If, at any stage, it is discovered that the person appointed on contract had obtained the appointment on the basis of forged/bogus documents or through deceit by any means, the appointment shall be considered to be void ab-initio and he shall be liable to refund all amounts received from the Government as a consequence of appointment in addition to such other action as may be taken against him under the law.

15. Recovery of loss caused to the Government

Recovery of any pecuniary loss caused to the employer shall be effected from the contract employee.

16. Performance of duties

The employee shall be liable to perform duties, in public interest, as may be entrusted to him by competent authority from time to time.

17. Interpretation of the Terms & Conditions

The interpretation of the terms and conditions and the decision of the competent authority in this behalf shall be final.

18. Termination of Contract

Contract appointment shall be liable to termination on one-month's notice or on payment of one-month pay in lieu thereof, on either side, without assigning any reason.

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For Categories
of contract employees

ANNEXURE C

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CONFIDENTIAL

GOVERNMENT OF THE PUNJAB
DEPARTMENT
PERFORMANCE EVALUATION REPORT

For the period ----- to -----

PART-I

1. Name (in block letters) with Father's name _____
2. Date of Birth _____
3. Domicile _____
4. B.S. with present pay _____
5. Post held during the period _____
6. Academic/professional qualifications _____
7. Period served _____
 - (a) in present post _____
 - (b) under reporting officer _____
8. Signature of the official reported upon with date _____

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I INTEGRITY

Honest <input type="checkbox"/>	Reported to be corrupt <input type="checkbox"/>	Believed to be corrupt <input type="checkbox"/>
------------------------------------	--	--

II OVERALL GRADING

Comparing him with other employees of the same level and keeping in view the evaluation on account of personal qualities, attitudes, proficiency in job, integrity, efficiency, punctuality, etc., give your general assessment of the employee by initiating the appropriate box below:

(i)	Very Good		
(ii)	Good		
(iii)	Average		
(iv)	Below Average		
(v)	Poor		

III USEFULNESS FOR RETENTION/EXTENSION IN SERVICE

Useful	Not Useful
<input type="checkbox"/>	<input type="checkbox"/>

Name of the Reporting Officer _____ Signature _____
(Capital letters)

Designation _____ Date _____