

I AS INTRODUCED IN THE NATIONAL ASSEMBLY]

A

Bill

further to amend the Civil Servants Act, 1973

WHEREAS, it is expedient further to amend the Civil Servants Act, 1973 (LXXI of 1973) in the manner and for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement.- (1) This Act shall be called the Civil Servants (Amendment) Act, 2024.

(2) This Act shall come into force at once.

2. Substituted of section 11A, Act LXXI of 1973.- In the Civil Servants Act, 1973 (LXXI of 1973), hereinafter called as the said Act, for section 11A, the following shall be substituted, namely:-

"11A. Absorption of civil servants rendered surplus.- Notwithstanding anything contained in this Act, the rules, agreement, contract or the terms and conditions of service, a civil servant who is rendered surplus as a result of abolition of a post in pursuance of a decision of the principal accounting officer may be appointed to a post, carrying basic pay scale equal to the post held by him before such appointment, if he possesses the qualifications and fulfils other conditions applicable to that post:

Provided that where no equivalent post is available he may be offered a lower post in such manner and subject to such conditions as may be prescribed and where such civil servant is appointed to a lower post the pay being drawn by him in the higher post immediately preceding his appointment to a lower post shall remain protected."

3. Insertion of new Chapter, Act LXXI of 1973.- In the said Act, after Chapter II, the following new Chapter shall be inserted, namely:

"CHAPTER IIA
CONSEQUENCES OF ABOLITION, RESTRUCTURING
OR RE-ORGANIZATION OF DIVISIONS, ETC.

22A. Definitions.- In this Chapter, unless there is anything repugnant in the subject of context, -

- (a) "redundant" means declaring as a consequence of Government's decision a civil servant redundant owing to full or partial abolition, restructuring or re-organization of his parent division, department or office entitling him for payment of financial compensation through severance package in accordance with the provisions of section 22B.
- (b) "severance package" means financial compensation notified by the finance division for payment to the civil servants who are rendered redundant; and
- (c) "surplus" means declaring a civil servant surplus, as a result of abolition of a post, which entitles him for subsequent absorption in other division, department or office in accordance with the provisions of section 11A.

22B. Abolition or restructuring or re-organization of divisions, etc.-

(1) The Federal Government may at any time decide full or partial abolition, restructuring or re-organization of a division, department or office and in respect of civil servants liable to be affected thereby declare the posts, cadres or nomenclatures of civil servants to be abolished and incumbents civil servants thereof rendered surplus or redundant.

(2) On receipt of decision of the Federal Government, the appointing authority shall offer a severance package to the civil servant declared redundant who shall be obliged to accept it. Where the civil servant to whom the severance package is offered is dissatisfied with calculation or quantum of the severance package, he may within seven days of the offer make a representation before a redressal committee constituted by the Federal Government which shall decide it within thirty days. Such

decision shall be final and shall not be called in question before any court or tribunal including the Supreme Court and a High Court.

(3) Subject to the provision of sub-section (1), the services of a civil servant who stands redundant shall be liable to termination by the appointing authority.

Provided that nothing contained in this Act, the rules, any other law for the time being in force, agreement, contract or the terms and conditions of service or any order or judgment of any court or tribunal shall limit or abridge the power of the Federal Government or the appointing authority to decide full or partial abolition, restructuring or re-organization of a division, department or office or to declare the posts, cadres or nomenclatures of civil servants to be abolished or to decide rendering surplus or redundant civil servants against whom departmental or criminal proceedings are pending finalization, however, the payment of severance package to them shall be subject to final decision of their departmental or, as the case may be, criminal proceedings

(4) A civil servant shall not be eligible to receive the severance package if a major penalty of compulsory retirement, removal from service or dismissal from service is imposed upon him under the prescribed rules.

(5) A civil servant having service not exceeding ten years who is rendered redundant under this section shall, for the purpose of initial appointment to a post in connection with affairs of the Federation, be entitled to age-relaxation equal to the number of years of his rendered service.

(6) Where the Federal Government decides that one or more posts, cadres or nomenclatures of civil servants are required to be abolished and the incumbents civil servants thereof are rendered surplus, the provisions of section 11A shall apply mutatis mutandis.

(7) The provisions of this section shall have effect notwithstanding anything contained in this Act, rules, agreement, contract, the terms and conditions of service or any other law for the time being in force.”.

STATEMENT OF OBJECTS AND REASONS

The Federal Government has embarked upon administrative reforms aimed at improving efficiency and realizing savings through rightsizing. Further, delivery models of many government functions are being transformed as a result of new management paradigms such as outsourcing, public private partnerships, etc. and technological advancements through e-governance. It is, therefore, expected that certain divisions/departments/offices will be restructured, merged or abolished, consequent to administrative reforms designed for better governance.

The Civil Servants Act, 1973 envisages termination of civil servants in individual cases only and does not deal with situations in which a policy decision is taken, in public interest, in the context of wider administrative reforms and where it is not possible for the government to continue to retain human resource which is no longer required. The current provision of the Act (Section 11A) only provides for alternative appointments for civil servants rendered surplus.

The proposed amendment in the Civil Servants Act, 1973 provides the enabling framework for the Federal Government to undertake meaningful reforms in the shape of reorganization, restructuring or abolition without retention and adjustment of civil servants through the surplus pool mechanism. It elaborates contours of a due process and necessitates a severance package for the affected civil servants, balancing individual rights with wider, public welfare objectives.

Minister-in-Charge