

Public Administration Circular No : 06/2008

My No: E 5/1/26-1
Ministry of Public Administration &
Home Affairs
Independence Square
Colombo 07
06 February 2008

Secretaries to Ministries
Chief Secretaries to Provincial Councils
Heads of Departments

**Revision of the Payment of Cost of Living Allowance
to the same person in several ways**

It has been reported that the Cost of Living Allowance is received by the same person in several ways in his/her capacity of a Public Servant, Widows/Widowers' Pension Recipient, Dependant and Disabled Pension Recipient under the provisions of the following circulars issued for the payment of Cost of Living Allowance to Public Servants and Pensioners with effect from 01.01.2006.

- (i) Public Administration Circular No. 6/2006 of 25.04.2006 - Rs.1000.00 and Rs.500.00 to Public Servants and Pensioners respectively from 01.01.2006.
- (ii) Public Administration Circular No. 12/2006 of 25.08.2006 - Rs.1375.00 and Rs.687.50 to Public Servants and Pensioners respectively from 01.07.2006.
- (iii) Public Administration Circular No. 02/2007 of 24.01.2007 - Rs.1750.00 and Rs.875.00 to Public Servants and Pensioners respectively from 01.01.2007.
- (iv) Public Administration Circular No. 17/2007 of 17.07.2007 - Rs.2125.00 and Rs.1062.50 to Public Servants and Pensioners respectively from 01.07.2007.
- (v) Public Administration Circular No. 02/2008 of 14.01.2008 - Rs.2500.00 and Rs.1250.00 to Public Servants and Pensioners respectively from 01.01.2008. (Rs.2875.00 and Rs.1437.50 are to be paid to Public Servants and Pensioners respectively from 01.07.2008.)

02. Since it is clearly seen that the Cost of Living Allowances is received by the same person in several ways, it has been decided that no public Servant shall be entitled to Cost of Living Allowance which may exceed the full amount of Cost of Living Allowance drawn by a person as a Public Servant.

03. Action should be taken by the Heads of Institutions to get a declaration (in duplicate) as per form Annexure I attached, before 15.03.2008, from all officers who are in receipt of the Cost of Living Allowance also on another basis, in addition to the Cost of Living Allowance received together with their salary, as mentioned in the paragraph 02 above. Subsequently, action should be taken with effect from 01.04.2008 by the Heads of Institutions to deduct an amount equivalent to the Cost of Living Allowance received on another basis by the relevant officers from their Cost of Living Allowance paid together with the salary and make payment. Action should be taken to send a copy of the declaration in annexure I to the paying authorities, (Director General of Pensions / Divisional Secretaries / Heads of the institutions) by whom payment the Cost of Living Allowance is made on another basis and get a confirmation from them.

04. In addition to the above, it has been observed that the Cost of Living Allowance is received by the same person on several occasions on the following grounds, even after leaving the service.

- (a) Cost of Living Allowance is received by the officers, disabled due to terrorist activities together with the salary up to 55 years of age and the disabled pension depending on the disabled nature and also with the service pension when the service period of 10 years has been completed.
- (b) Cost of Living Allowance is received together with the salary by the spouse of the officer died due to terrorist activities or to Tsunami Disaster up to the completion of 55 years of the officer and with the Widow/Widowers' and Orphans' pension and with the Dependents Allowance.
- (c) In event of death of an unmarried officer in the Armed Forces the Cost of Living Allowance is received by his parents with the salary payable until the completion of 55 years of age together with the allowances paid to the dependents.
- (d) Cost of Living Allowance is received with the pension payable as a Government Pensioner and with the Widows' and Orphans' Pension/Widowers' Pension payable due to the death of the spouse.

05. Accordingly it has been decided that a Cost of Living Allowance which exceeds the full amount of Cost of Living Allowance should not be paid to any Public Servants for one and the same period under Para 04 above. Therefore, Divisional Secretary should take action to call particulars on the form in annexure II, and also to deduct the Cost of Living Allowance drawn by Public Servants in excess to the amount entitled to an employee as a Public Servant with effect from 01.04.2008. However in the Case of Pensioners who are drawn Cost of Living Allowance along with the Pension (half of the total Cost of Living Allowance) they are not restricted to be drawn the Cost of Living Allowance along with Widows/Widowers' and Orphan pension (half of the total Cost of Living Allowance) at the demise of spouse. The rationale in this case is that the total Cost of Living Allowance entitled by the person will no way exceed the Cost of Living Allowance entitled to such person as a Public Servant.

06. You are further informed to contact the Director General of Pensions if further clarification in this content is required.

07. This Circular is issued on the instructions of the General Treasury.

Sgd./ D. Dissanayake
Secretary
Ministry of Public Administration &
Home Affairs

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Payment of Cost of Living Allowance

I am in receipt of a Cost of Living Allowance of Rs. per month with my salary and I work as a attached to the Department / Ministry of

02. I declare in addition to the under the rights of my spouse.

A Cost of Living Allowance of Rs. per month, with a Widows/Widowers Orphan Pension and a Cost of Living Allowance of Rs..... per month in respect of is received by me.

03. The institution and reference number by which allowance relevant to paragraph 2 above are as follows:

Institution	Reference No
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Date..... Signature
Name and Designation :

My no :.....
Your No :.....
Date :.....

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Ministry of./Department of.....

I certify that the above information are correct.

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Divisional Secretary/Head of the Institution

