



EMPLOYEES' OLD-AGE BENEFITS INSTITUTION

16th

MINUTE BOOK

HELD AT
KARACHION
14TH JANUARY, 1987TIME
10:00 a.m.

MINUTES OF THE 16TH MEETING OF THE BOARD OF
TRUSTEES OF EOBI HELD AT THE HEAD OFFICE OF
E.O.B.I. AT 10:00 A.M. ON 14TH JANUARY, 1987.

The 16th meeting of the Board of Trustees of the Institution was held at the Head Office of the Institution at Karachi at 10:00 a.m. on 14th January, 1987. The following attended the meeting:-

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|-----|--|-----------|
| 1. | Mr. Javed Ahmad Mirza
Secretary Labour, Manpower &
Overseas Pakistanis,
Government of Pakistan. | President |
| 2. | Mr. Hamid Akhtar Niazi
Financial Adviser,
Labour Division. | Member |
| 3. | Mr. Javed Ashraf Hussain
Secretary Labour Department,
Government of Sind. | Member |
| 4. | Mr. Saadullah Khan Marri
Secretary Labour Department,
Government of Baluchistan. | Member |
| 5. | Mr. Abdullah Ismail
Employers' Representative. | Member |
| 6. | Mr. Malik Meherban Khan
Employees' Representative. | Member |
| 7. | Mr. Nabi Ahmad
Employees' Representative. | Member |
| 8. | Mr. M. Zahoor Awan
Employees' Representative. | Member |
| 9. | Mr. S. Imran Shah
Chairman, E.O.B.I. | Member |
| 10. | Mr. S. Barkatullah
Director General, E.O.B.I. | Member |

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2. The following officers were also present in the meeting to assist the Board:

1. Mr. Abbas Husain,
Dy. Director General (EDP).
2. Mr. Iqbal Ahmad Siddiqui,
Asth. Director General (Finance).
3. Mr. Asadulla Khan,
Asth. Director General (F.O.).
4. Mr. Raja Faizul Hasan,
Asth. Director, Law/BOT Secretariat.

3. Mr. Iqbal Ahmad Siddiqui recited the Holy Quran before the commencement of the meeting.

4. Mr. Niazi informed the President that the F&A Committee had already deliberated upon the items of the agenda in its meeting held on 13th January, 1987, and had made recommendations on each item. The President then took up the items of the agenda for discussion.

ITEM 1: CONFIRMATION OF THE MINUTES OF THE LAST BOARD MEETING.

5. The minutes were confirmed. The President advised that the minutes of the previous meeting should always be circulated with the agenda for each meeting.

ITEM 2: REPORT ON ACTIONS TAKEN ON THE DECISIONS OF THE LAST BOARD MEETING.

6. The following items of the report were discussed as under:-

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S.No 2 Item No 1.

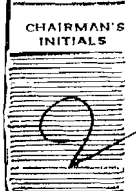
7. The President enquired about the position of supply of record of contributions to the insured persons as decided earlier by the Board. Mr Barkatullah informed that the EDP Division of the Institution was working on the matter and by the beginning of the next financial year, the Institution would be in a position to provide the requisite details to the insured persons in the shape of either a card or a statement.

S.No -4 Item No 2.

8. The recommendations of the F&A Committee on the subject were considered and it was decided that henceforth the Purchase Committee should comprise of five, instead of four, members. The fifth member to be added would be a non-official member from the province where the property to be purchased was located. Three members would form a quorum and out of Financial Adviser and Joint Secretary Labour (both of them members of the Committee) one should be present. The following employers'/employees' representatives were selected for association with the Purchase Committee:

1. Mr. Abdullah Ismail
for Sind and Baluchistan.
2. Mr. Malik Meherban Khan
for Punjab.
3. Mr. Zahoor Awan
for N.W.F.P.

9. The question whether it would be better for the Institution to buy plots of land and construct its own buildings, or buy constructed buildings, instead of plots, was discussed in detail and it was decided that both the alternatives should be kept open and Institution may take

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necessary action as deemed fit.

S.No 11 Item No.5.

10. The question of survey of unregistered establishments, through students of colleges and universities, was discussed and it was decided that the mechanism for conduct of survey should be left to the Institution. While the subject was being discussed, Mr. Nabi Ahm d referred to leakage of contribution and the suggestion of the F&A Committee for formation of an Inspection Team to conduct regular checking of employers. Agreeing with the need of Inspection, the President pointed out that this was the responsibility of the Institution who should shoulder it in the best manner possible. If any staff was required by them for inspection work the Board could consider the request for additional staff. The Board was of the opinion that EOBI must hold regular surveys & inspections to cover more units & to ensure that each unit paid the correct contribution according to the number of persons actually employed by it.

ITEM 3: REVIEW OF THE PERFORMANCE OF THE INSTITUTION RELATING TO THE PERIOD BETWEEN TWO BOARD MEETINGS.

11. Mr Niazi explained that the F&A Committee had already examined the reports submitted by the Institution on its performance for the period July - November, 1986, and noted that lesser number of employers and employees were registered during the period in question than in the corresponding period of the previous year. He explained the point of view of the Institution in this regard which was that with the passage of time the number of new employers and employees was bound to register a decrease. Mr. Niazi also mentioned the recommendation of the F&A

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Committee for constitution of an Inspection Team for Karachi area on an experimental basis. The President expressed agreement with the idea of Inspection Team but was of the view that the team could carry out only test checks and should not remain confined to only one area but should, in due course, cover other areas also. The Board agreed to the constitution of a three man Inspection Team by the Chairman of the Institution. The President advised the Institution to start organizing the work of survey of unregistered establishments and inspecting the employers' records and desired that the Board should be briefed regularly about these two activities. Mr. Barkatullah assured the Board that the work would be started with Institution's available manpower but some funds would be required for meeting contingent expenses.

12. Regarding collection of contribution, Mr. Niazi said that from the report it appeared to be satisfactory. Mr. Imran Shah informed that the Institution had collected the first cheque on account of the government contribution, amounting to about Rs. 68 million. He thanked the Labour Division for their generous assistance in securing the cheque.

13. Regarding claims, the proposal of Mr. Nabi Ahmad that rejected claims for 1986 should be brought before the Board was discussed in detail. Explaining his point of view, Mr. Nabi Ahmad said that due to repeated changes in the law some of the employees dealing with the claims work were not fully aware of the legal complications and there was a possibility of errors in the settlement of claims by them. He expressed more concern in the settlement of claims of widows' pension. The Board decided that the rejected cases of 1986 may be placed before

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the employees representatives at a joint meeting for their information before the next Board meeting.

ITEMS-4 & 5: ✓

ITEM-4: PERFORMANCE OF E.D.P. DIVISION.ITEM-5: MANPOWER REQUIREMENT OF EDP DIVISION OF THE INSTITUTION.

14. The Board took note of the recommendations of the F&A Committee on these two items and approved installation of two additional disc drives of 500 and 60 MB each, involving a total capital expenditure of about Rs: 8 lacs. The Board also sanctioned four additional posts of DPOs and one post of Computer Operator (all in E.O's. grade) in the EDP Division.

ITEM 6: MOVE-OVER OF THE OFFICERS OF THE INSTITUTION TO THE NEXT HIGHER SCALE OF PAY ON REACHING THE MAXIMUM OF THEIR EXISTING PAY SCALE.

15. The Board approved move-over of Officers of the Institution to the next higher scale of pay, on reaching the maximum of their existing pay scale, as suggested in the working paper, but desired that the conditions of efficiency and good service records, as prescribed by the Government, should strictly be taken into consideration while allowing move-over to the Officers.

ITEM 7: HOUSE BUILDING LOANS TO THE OFFICERS OF THE INSTITUTION.

16. After considerable discussion on the subject, during the course of which various suggestions given by the Members were considered, it was finally unanimously decided that House Building Loans to the Officers of the Institution might be allowed on the following basis -

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- (A) The total amount for the purpose of House Building Loans to the Officers should not exceed Rs. 20 million as under:-
- (1) Rs.7.5 million for the year 1986-87.
 - (2) Rs.7.5 million for the year 1987-88.
 - (3) Rs.1.0 million for each of the subsequent years during the next five years.
- (B) The rate of mark-up to be charged on the loan should be 10% (S.I).
- (C) Loans should be given to Officers who have 10 years service to their credit. However, the service condition might be relaxed by the Chairman in cases which he is satisfied warrant such relaxation.
- (D) The House Building Loans should not exceed 60 months basic pay including Indexation Pay.

17. The Board desired that the above scheme should be implemented after getting a clearance from the Ministry of Finance.

18. As per the decision of the last Board meeting the Board at this stage allowed Mr. Mazharuddin, Actuary, State Life Insurance Corporation of Pakistan to make a presentation on the role of an actuary in EOBI. Mr. Mazhar explained that EOBI was concerned with payment of pensions to determine the quantum of which statistics about mortality, disablement, etc had to be collected and collated in order to make forecast as to the quantum of pension in relation to the amount of contribution charged. An actuary could be useful to the Institution in determining the rate of contribution and benefits and in the review of these rates in relation to the rate of inflation. An actuary could

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also advise the Institution on investment of Institution's fund.

19. After the presentation by Mr. Mazhar, the Board felt that there was a genuine need of an actuary in the Institution.

20. After the presentation the remaining items were discussed as under:-

ITEM 8: (1) CONSTRUCTION OF FIRST FLOOR AT KARACHI EAST REGIONAL OFFICE AND ONE ADDITIONAL ROOM FOR CHAIRMAN'S OFFICE AT HIS RESIDENCE.

21. The Board, after discussion agreed with the F&A Committee and approved the construction at the first floor of the Karachi (E) Regional Office at Malir and an additional bed room at the EOBI House (Chairman's Residence) in lieu of a room to be converted into servant quarter.

ITEM 8: (2) AMENDMENT IN EOBI SERVICE REGULATION.

a) Regulation 14(2)

22. The Board agreed to the recommendation of the F&A Committee for raising the maximum age limit prescribed for appointment in pay scales 1 to 4 from 25 years to 30 years, relaxable by the Chairman upto 7 years in suitable cases.

b) Regulation 5(2)

23. The Board accepted the recommendation of the F&A Committee that the service regulation may be amended and instead of Federal Government" the word "Board" may be replaced in the concerned regulation.

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ITEM 8: (3) POSTING OF ASSISTANT DIRECTORS AT FIELD OFFICES WITH AVERAGE ANNUAL CONTRIBUTION INCOME OF 4 MILLION OR MORE.

24. The Board accepted the recommendation of F&A Committee that ten Field Offices, as mentioned in the working paper, should be headed by Assistant Directors, instead of EOs and gave its approval to the creation of ten posts of Assistant Directors, by upgradation of 8 existing posts of Executive Officers, besides creation of 2 posts of Assistant Directors and 2 posts of Assistants and two of Naib Quasids. The Board also endorsed the recommendation of F&A Committee that the Assistant Directors to be posted at the Field Offices should be given a target of Rs. 6 million per annum for collection of contribution. Any shortfall/difficulty in the achievement of this target should be brought to the notice of the Board.

25. While the subject of Field Offices was being discussed, Mr. Nabi Ahmed suggested that the Field Office proposed to be set up at Nooriabad Industrial Estate should be controlled from Karachi rather than Hyderabad. Mr. Barkatullah explained that Nooriabad formed a part of Dadu District and since the Regional Heads of the Institution were exercising powers under the Land Revenue Act on the basis of districts, it would not be possible for any one of the Directors based at Karachi to exercise Land Revenue Powers in Nooriabad, which was a separate district.

ITEM 8: (4) PAYMENT OF TECHNICAL ALLOWANCE/COMPUTER ALLOWANCE TO THE OFFICIALS OF THE INSTITUTION.

26. The Board accepted the recommendation of F&A Committee that the Institution might determine the policy of payment of Technical

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Allowance/Computer Allowance to the Officers of the EDP Division including the Head of the Division but the maximum amount payable should not exceed Rs.500/- per month, the maximum limit prescribed by the Ministry of Finance in OM No:3 (6)-R-1/85, dated 1-7-1986.

27. The Board while examining the working paper on the subject noted that the Finance Division OM, referred to above, had laid down certain educational qualifications, only on the fulfilment of which Computer Personnels in BPS-18, 17 and 16 could be granted the Computer Allowances referred to above. Some of the existing staff of the Institution, working in the Computer Division of the Institution, did not possess these qualifications. To avoid any hardship to the existing staff, the Board decided that they should be paid the Technical/Computer Allowances, as recommended by the F&A Committee on the basis of certification of their experience and efficiency by the Head of EDP Division. The Board decided that staff to be recruited in future must be recruited strictly in accordance with the educational qualifications, prescribed by the Ministry of Finance.

ITEM 8: (5) PENSION SCHEME FOR EOBI EMPLOYEES.

28. This paper was for the information of the Board which approved introduction of pension scheme for the employees of the Institution but desired that when the draft of EOBI Employees (Pension) Rules was approved by the Finance Division the same should be put up to the Board for its approval.

29. Before the Board could conclude its deliberations, Mr Malik Meherban invited attention to the case of EOBI Employees' Union against

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the Management of the Institution. He expressed that Industrial Relations Ordinance was applicable to the Institution and the claim of the Institution that it was not an "Industry", was not correct. Speaking on the subject, Mr. Nabi Ahmed said that it was in the interest of the Institution to have a compromise with the Union and withdraw the case pending in the Supreme Court of Pakistan. After some discussions, it was decided that since the matter had already gone to the Supreme Court its decision should be awaited, but in the meantime, the suggestion for allowing monetary benefits might be examined by the Institution in consultation with its Legal Adviser.

30. With the permission of the Chair, Mr. Saadullah Khan Marri pointed out that the decision of the Board to provide a more powerful jeep to Quetta Region had not been implemented. Mr. Barkatullah informed that the new Regional Head, Quetta Region had been asked to recommend in the light of his experience of the Region, whether a more powerful jeep was really needed by him or not. Mr. Saadullah suggested that if it was not possible to provide a Toyota Jeep to the Quetta Region then a "Rocky" Jeep may be provided, in addition to the Suzuki Jeep already given. Mr. Marri also requested for provision of an Executive Officer to Quetta Region for registration and claim work. Mr. Barkatullah informed that one E.O. had already been provided.

31. There being no other item, the meeting ended with a vote of thanks to the Chair.

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