
PSMC Privatization - Details of package for employees released

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Mr Awais Ahmed Khan Leghari Federal Minister for Privatization & Investment and Information Technology said that the federal government would provide a financial package of Rs 15.64 billion for the Voluntary Separation Scheme to be offered to the 100% employees of the Pakistan Steel Mills Corporation. The PSMC would also contribute 1.5 billion separately to the employee's package. Giving details of the Golden Handshake Scheme and the Voluntary Separation Scheme agreed in consultation with employees and officers of the PSMC, the minister said that workers opting for GHS are entitled to normal retirement benefits plus four basic salaries for each completed year of service, no age restriction is applicable.

Under the VSS, the officers below the age of 58 years will be entitled to normal retirement benefits plus two basic salaries for each completed year of service. Junior officers of PSMC will be offered VRS at 1+3 as a special package. Officers of the age of 58 years or above are entitled to 12 gross salaries or for the remaining period of service, whichever is less.

In case the authorities concerned decline the GHS package to any employee, the employee would get a service protection for up to five years or his retirement, whichever is earlier. In case the new management decides to terminate the services of the employee concerned before five years, the management will offer the same benefits as offered to the GHS/VSS recipients, except on disciplinary grounds.

The new buyer will not reduce the salary of any employee, the existing house rent of all the employees will be increased by 10% and limit of encashment of earned leave will be increased from 180 days to 240 days. Employees opting for the GHS/VSS will be allowed medical facility for a period of two years.

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