

One Rank One Pension (OROP)

One Rank One Pension or OROP is a topic that is often heard in the news with respect to the welfare of the Indian armed forces. It is important for the polity, governance, security and social issues segments of the [UPSC syllabus](#). In this article, you can read all about the One Rank One Pension scheme of the government, its origins and details.

What is One Rank One Pension Scheme?

One Rank One Pension (OROP) implies the payment of the same pension to armed forces personnel for the same rank and the same length of service, irrespective of the date of retirement.

- To explain this system, let us take an example. An officer who has been in service for 15 years (from 1985 to 2000), and retired in 2000 would get the same pension as an officer who retired in 2010 and was in service from 1995 to 2010 (15 years).
- Before this system, the prevailing system for calculating the personnel's pension was based on the last salary drawn.
 - Here, the length of the service did not matter and what was taken into consideration was the last salary received by the personnel.
 - The problem here was that a lieutenant general who retired in 1995 would be receiving a pension that is almost 10% lower than a colonel who retired after 2006, even if they had the same length of service.
 - To take another example, a jawan who retired in 1995 would get almost 80% less pension than his counterpart who retired after 2006.
- The demand for OROP by ex-servicemen was to get rid of this disparity in pensions.
- Even though this demand of the armed forces retired personnel has been in the picture for many decades, the topic has gained traction among the mainstream owing to the political parties taking it up in their election manifestos.

Arguments in favour of OROP

Some of the arguments in favour of OROP are discussed below.

- With every pay commission, the difference between the pensions of present and past pensioners has grown wide. Veterans argue this is an issue of justice, equity, honour and national security.
- A lower pay status as compared to their civilian counterparts leads to the military personnel having lower morale. This will also affect the serving officers and soldiers.
- Armed forces personnel typically have shorter careers since about 80% of the soldiers compulsorily retire between the ages of 35 and 37. And, about 12% of soldiers retire between 40 and 54 years. This means they retire at far younger ages when compared to the usual 60 years in case of civilians. Therefore, adequate support is required for military personnel to sustain a dignified life.
- OROP has to be seen in the light of making the armed forces an attractive choice of career for young people. This scheme will go a long way in preventing young people from being lured into private enterprises and other civilian government jobs.
- Another argument in favour of this scheme talks about the moral obligation of the state and society in giving back to the armed forces who sacrificed their youth for the sake of the country.

Arguments against OROP

Some of the important arguments against the One Rank One Pension scheme are discussed below.

- The implementation of this scheme will entail a huge financial burden on the exchequer. The annual financial burden is expected to be between 8000 to 10000 crore. And, this amount will increase with every revision of the salaries.
- Some argue that the comparison with civilians is not correct as the armed forces receive many other allowances that are not given to civilians. They get dedicated army schools, colleges, hospitals, subsidised food and beverages, quotas for children in universities and schools, etc. the equivalents of which are not accorded to civilians anywhere.
- Similar demands can also be made by the other paramilitary forces like the CAPF, Assam Rifles, SSB, etc. The police forces have also started making similar demands as even their conditions of service are often tough.
- The implementation of this scheme can also be an administrative challenge due to the lack of records going back decades.

One Rank One Pension Issue Origins

Since independence, the model of deciding pensions for the armed forces had been the 'one rank one pension' model for 26 years.

- In 1973, the Indira Gandhi-led government terminated the OROP model.
- Also, the Third Pay Commission reduced the pensions of soldiers while increasing the pensions of civilians.
- In 1986, the Rajiv Gandhi-led government implemented the Rank Pay Scheme in the wake of the Fourth Pay Commission. This brought the basic pays of seven officer ranks in the army (and their equivalents in the navy and the air force) down by fixed amounts designated as rank pay.
- This caused reduced pensions for many personnel of the armed forces in 1986 and later years. Also, this caused an asymmetry in the pay scales of armed forces officers and their equivalent officers in the Indian Police Force (IPS).
- Considering the demand of the veterans, the government appointed the Koshiyari Committee.
 - The Committee was a 10-member all-party parliamentary panel.
 - It was chaired by Bhagat Singh Koshiyari.
 - It submitted its report in 2011.
 - The Committee accepted the veterans' demand of OROP and stated that equal pension should be paid for an equal length of service of the same rank, irrespective of the retirement date. Also, any future increase in the pension rate should be automatically passed on to the past pensioners.
- Finally, in 2014, the government passed the order of implementation of the OROP scheme.

OROP Current Status

As per the order of the government, the pension of the past pensioners would be re-fixed on the basis of pension of retirees of the calendar year 2013 and the benefit will be effective with effect from January 2014.

- The pension would be re-fixed on the basis of the average of the minimum and the maximum pension of personnel retired in 2013 (in the same rank with the same length of service). The pension of those personnel who are drawing above the average will be intact.
- There would be a review of the pensions every five years.
- Personnel who opt for voluntary premature retirement will not be eligible for the OROP scheme.
- The government has appointed a one-member judicial commission to look into any anomalies that may arise out of the implementation of the OROP.

Even though it has been five years since the scheme started, ex-servicemen still have a few grievances which have to be satisfied by the government.

- Instead of pension being fixed as an average of the maximum and the minimum pension, they want the maximum pension to be considered.
- Veterans want the judicial commission to be a multi-member commission which would include veterans as well as members of the armed forces.
- Ex-servicemen also want the OROP to be extended to those who take premature retirement as well, citing the recommendations of the Ajai Vikram Singh Committee (that had recommended reduction in the age profile of officers).
- Instead of a review every five years, ex-servicemen demand an annual review of the rate of pensions.

OROP Way Forward

The OROP is a highly emotive issue for many veterans. A careful evaluation of the system and the demands is warranted to maintain the trust between the armed forces of the country and the government in charge. The government, while taking any decision, must consider the morale of the defence personnel, and also the fiscal health of the country.
