



गोपाल दास

निदेशक (एच.आर.डी.)
बी.एस.एन.एल. बोर्ड

Gopal Das

Director (HRD)
B.S.N.L. Board

DO No. BSNL/38-1/SR/2009

Dated, the 22nd April, 2009.

Dear Mr. Namboodiri,

Please refer your letter no. BSNLEU/400(WR) dated 9.4.2009 regarding wage revision of non-executive employees in BSNL indicating some of your demands for arriving at new pay scales and grant of interim relief to the non-executives.

2. You would appreciate that formulation of new pay scales as well as the amount of interim relief has to be decided on some rationale which is in the interest of both, employees and the organization. Admittedly, the Government has agreed in principle to reduce the periodicity of wage revision to a minimum of five years, but that too carries stipulations with it. You have rightly mentioned in your letter that certain meetings of the Wage Revision Committee have taken place, but no mentionable progress has been made, which appears attributable to difference of opinion between the official side members and staff side members on certain basic issues.

3. In order to arrive at mutually agreed revised pay scales, which I am sure the non-executive employees are eagerly waiting for, I would like you to keep in mind the following issues -

- ❖ Wage revision of non-executive employees is to be done in accordance with DPE OM dated 09.11.2006, which does not envisage ratio of minimum pay of non-executives to the maximum pay of executives as a criterion for finalizing wage revision.
- ❖ The aforesaid DPE OM provides that new negotiated wages would not come in conflict with pay revision of officers and non-unionised supervisors of respective CPSE.
- ❖ As per recommendations of the joint committee on promotion policy of non-executives, which comprises recognized union too, the highest pay scale of non-executive will be Rs. 9850-14600/- (pre-revised), which is equivalent to the lowest operative executive pay scale in BSNL, i.e. E1A. The revised E1A scale derived in accordance with pay revision formula for executives comes out to be Rs.18850-40500/- for which orders are likely to be issued shortly. BSNL wage revision committee has already offered this as the highest non-executive pay scale in BSNL to the recognised union.
- ❖ In order to maintain parity between pay fixation methodology of executives and non-executives, the wage revision committee has already offered 30% fitment benefit on existing pay + DA as on 01.01.2007 to all non-executives pay scale as applicable to executives with same periodicity of 10 years as recommended by 2nd Pay Revision Committee.

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- ❖ As explained in the Wage Revision meeting , though BSNL Management would prefer a ten yearly wage revision periodicity at par with executives, yet the management is ready to consider 5 year wage revision periodicity in accordance with DPE OM No. 2(7)/06-DPE (WC) – GL VI dated 1st May, 2008. The said letter provides that the concerned Administrative Ministries/ Departments may take a decision on a case by case basis for the periodicity of wage settlement below 10 years but not less than 5 years, with the approval of their Minister. Since 5 yearly wage revision, if agreed to, also involves issues like revision of pension and retirement benefits and introduction of new series of IDA pay scales after five years, wage revision can be finalized only on receipt of approval of the administrative Ministry/Department for 5 yearly revision. However, as explained in Wage Revision Committee meeting, further details of five yearly wage revision can be explored without DOT approval of 5 years periodicity. However, the Committee has also made it clear that if the non-executive wage revision is with a periodicity less than that of executives, the fitment formula also has to be proportionately/suitably lowered.
- ❖ The increase in basic pay of non-executive in various pay scales with a 30% fitment benefits and 10 yearly wage revision periodicity varies from Rs 1500/- to Rs 4500/-. Considering the demand of 5 yearly wage revision where a lower fitment benefit can be agreed, the increase varies between Rs. 400/- to Rs. 1200/- per month and therefore, the arrears for 27 months come out to be in the range of Rs. 10,800/- to Rs. 32,400/-. Wage Revision Committee has already offered an amount equal to three months' basic pay, which comes out to be very close to the increase/arrear amount calculated above. It may also be appreciated that executives in the lowest pay scale of Rs.9850-14600/- (E 1A) have been paid pay revision arrears in the range of Rs.40,000-45,000/- and therefore the offer of the management for three months salary as adjustable advance is a very reasonable offer. Considering the fact that it is only an interim advance, employees are expected to get more as and when the wage revision is finalized.
- ❖ No other PSU except Coal India has finalized wage revision so far for its non-executive employees. It is worthwhile to note that in Coal India, the periodicity of wage revision had always been 4/5 years. Thus, they are very differently placed as compared to BSNL. As such, wage revision of non-executives in BSNL has not been delayed as on date.
- ❖ During our interaction with non-executive employees at various stations, they have expressed their satisfaction in accepting pay revision as has been done in the case of executive employees.
- ❖ As far as comparison of pay scale of BSNL with the other PSUs is concerned, it may be appreciated that BSNL has its own issues like competition, resources, profit and earning per employee etc. which are totally different from other PSUs. Further, while some of the PSUs may be actually paying better wages, majority of the other PSUs are no better than BSNL and in fact many of them may not even afford to implement revised wages. Payment of Government pension itself is a major distinguishing factor, which is available in no other PSU. As such, the offer of pay revision at par with executives i.e.

30% fitment with 10 year periodicity is the best feasible option which BSNL can afford.

4. Keeping in mind the above factors, I request you to consider 30% fitment benefit on existing pay + DA as on 1.1.2007 with the same periodicity, as in the case of executives, which is the most reasonable offer. Depending upon your consent, an agreement can be promptly signed, meeting the long over-due aspirations of the non-executive employees. In case, you insist on five years' periodicity, the fitment is obviously justified at reduced rate so as to make provision for revision of pension and retirement benefits, introduction of new IDA pay scales after five years etc.

5. I am sure that you would concede to the proposal made by BSNL management in the overall interest of eagerly waiting non-executive employees to fulfill their aspirations.

With regards,

Yours sincerely,



(Gopal Das)

**Mr. V.A.N. Namboodiri,
General Secretary,
BSNL Employees Union,
New Delhi.**