

BSNL Employees Union

Central Head Quarters,
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One day strike on 27.07.2017.

Make it a total success.

Wage revision of the Public Sector employees has become due from 01.01.2017. The 3rd Pay Revision Committee (3rd PRC) formed by the government, has already submitted its recommendations. The government has formed a 'Committee of Secretaries', which has been directed to give its recommendations, with regards to the implementation of the recommendations of the 3rd PRC. So far as the eligibility of the Public Sector employees to wage revision, the 3rd PRC has laid down the following as the criterion:-

"Additional financial impact should not be more than 20% of the average PBT of the last 3 financial years preceding the year of implementation."

Since BSNL is running in loss from 2009-10, the employees of BSNL are not eligible for wage revision, as per the recommendations of the 3rd PRC. Hence, the unions and associations met at New Delhi on 15.03.2017, and have rightly demanded that BSNL should be exempted from the 'Affordability Clause' of the 3rd PRC. The unions and associations have written to the Secretary, DoT and Secretary, DPE, demanding that BSNL should be exempted from the Affordability Clause of the 3rd PRC. As per the call of the Unions and Associations, Call Attention Day was observed by the BSNL employees on 05.04.2017, by wearing badges and conducting lunch hour demonstrations. The BSNL Management has also taken a firm position that the employees should get wage revision w.e.f. 01.01.2017. It has also informed the government that the Company will mobilise resources internally, to meet the expenditure on account of wage revision.

The 'Committee of Secretaries' met at New Delhi on 12.05.2017, under the chairmanship of the Cabinet Secretary. The Committee discussed whether any major deviation from the recommendations of the 3rd PRC, is required in the case of any PSU. Eventhough, BSNL requires exemption from the Affordability Clause of the 3rd PRC, a demand to this effect was not placed in that meeting by the DoT. Hence, the meeting concluded that, no major deviation from the recommendations of the 3rd PRC, needs to be given to any PSU. This is a great set back to the employees of BSNL.

For more than 90% of the BSNL employees, this is the last wage revision of their service. They will not be there at the time of the next wage revision from 01.01.2027. If these employees do not get wage revision from 01.01.2017, then they will face severe loss in pension, and it will be a life long loss to them.

The unions and associations which met at New Delhi on 02.06.2017, reviewed the entire episode, and decided to give call to the employees to go on struggle, for the settlement of wage revision from 01.01.2017. Accordingly, day long dharna was observed throughout the country on 20.06.2017. Hunger strike will be observed on 13.07.2017 and one day strike will be organised on 27.07.2017.

Government's anti-BSNL policies reason for down-fall of BSNL.

BSNL has become a loss making company, not because of the employees, but because of the anti-BSNL policies of the government. The following are a few examples. When mobile service came to India, it was the private companies which were the first to get licences in 1995. BSNL was issued with the licence only after 7 long years, i.e., in 2002. It was a well thought out plan of the government to give this head-start

(initial benefit) to the private telecom companies. When the private companies defaulted payment of licence fee to the government, amounting to thousands of crores of rupees, again it was the government which came to their rescue. In 1999 the Vajpayee government abolished the “Fixed Licence Fee Regime” and switched over to the “Revenue Sharing Regime”. Thus, the thousands of crores of rupees, due to be paid as licence fee, by the private companies to the government, were written off by the Vajpayee government. This sort of kindness has never been shown to BSNL. From the beginning, private telecom companies were paying Access Deficit Charge (ADC) to BSNL. This was to compensate BSNL for its losses on account of providing landline service. But, the ADC was abolished in the year 2008, to the benefit of the private companies. All the above mentioned three examples prove the step-motherly attitude of the government towards BSNL.

Apart from favouring the private companies, the government has done irreparable damages to BSNL, by creating road-blocks in its network expansion. For nearly six years, the government did not allow BSNL to procure mobile equipments. One after another, the tenders floated by BSNL, to procure equipments, were cancelled by the government. The 45 million line tender, which was cancelled in 2007, and the 90 million line tender, cancelled in the year 2010, were good examples. During these six years, BSNL’s growth was crippled in the mobile segment, and this was the main reason for the down-fall of BSNL.

How BSNL was weakened by the government, can be well explained by the statement made by shri Ravi Shankar Prasad, former Minister of communications. In an interview given to the CNBC-TV18 on 28.02.2015, the former Minister of Communications, stated on record as, **“Both BSNL and MTNL were in profit by the year 2005-2006, thousands and thousands of crore. What happened in the subsequent years that they have come under such a critical state? Something which I can openly tell you today that every attempt was made that they are not allowed to expand.”** What more evidence is required to prove that it was the government which weakened BSNL and that the employees are in no way responsible for it.

The unions and associations, under the banner of the Forum, fought against the cancellations of BSNL’s tenders. They continuously struggled for equipment supply to BSNL. As a result, BSNL started procuring equipments from 2013 onwards. Utilising the expansion of networks, the unions and associations called on the employees to actively participate in the financial revival of the Company. The Customer Delight Year, mainly aimed at improving the work culture of the employees, helped in a big way to improve the productivity of the employees. The unions and associations observed many more programme to actively involve the employees in the marketing activities, as well as in the improvement of quality of services. The “Service With A Smile” programme, launched in January, 2016, motivated the employees in a big way to improve the quality of services and also to rapidly expand BSNL’s customer base. It is also significant to mention that, the unions and associations called on the employees to work one hour extra every day, from 10th February to 31st March, 2017, to boost the revenue collection of the Company.

As a result of the active participation of the employees in the revival process of BSNL, together with the efforts taken by the Management to rapidly expand BSNL’s networks, the financial position of the Company has significantly improved. For example, BSNL’s loss stood at Rs.8,234 crore in 2014–15, whereas it has come down to Rs.3,880 crore in 2015 – 16. BSNL has made operational profits of Rs.672 crore and Rs.3,854 crore respectively, during last two years. But, the balance sheet is still negative due to the huge amount of around Rs.8,000 crore accounted as depreciation. Year by year, revenue also increases. BSNL also advanced from 6th position to the 4th position, in terms of market share. Everyone agrees that BSNL is steadily moving in the revival path. At this juncture, non-implementation of wage revision, will demoralise the employees and will seriously affect the productivity and revival of BSNL. Now, BSNL is on the revival mode and the employees are to be motivated at this point of time. Considering all the above factors, we demand that BSNL should be exempted from the Affordability Clause of the 3rd PRC, and that the employees should be given wage revision w.e.f. 01.01.2017, with the maximum fitment.

Pension Revision to BSNL retirees.

The pension revision of BSNL pensioners (DoT recruitees) has also become due. They are covered by Govt. pension. However there is no mention about the pension revision of the BSNL pensioners, either in 7th CPC or in 3rd PRC. The 7th CPC did not cover it on the plea that BSNL employees are having IDA pay scales. But 3rd PRC also did not touch this aspect. It is pertinent to mention that, at the time of last wage revision, i.e., w.e.f. 01.01.2007, the orders for wage revision of the BSNL Executives were issued on 27.02.2009 and the orders for wage revision of the Non-Executives were issued on 07.05.2010. However, order for revision of pension of the BSNL retirees was issued much belatedly, i.e., only on 15.03.2011. Such a delay should not take place this time. Hence, we demand immediate pension revision to BSNL retirees.

Injustice in Pension Contribution.

As per the recommendations of the 6th Central Pay Commission, pension contribution is being collected for the entire Central Government Employees, based on their basic pay (Pay in the Pay Band plus Grade Pay). This is implemented w.e.f. 01.01.2006 as per DOP&T Order No. 2/34/2008-Estt. (Pay II) dated 19.11.2009. Whereas, in the case of the DoT employees who are absorbed in BSNL, still pension contribution is being collected based on the maximum of their pay scale. As a result of this, BSNL is paying around Rs.400 crore in excess to the government every year. On retirement, both the Central Government employees, as well as the DoT employees absorbed in BSNL, are eligible for the same government pension and pension is 50% of the last pay drawn. As such, the pension contribution, to be paid in respect of both these sections of employees, should also be the same.

A serious offshoot of this wrong method of calculation of pension contribution is the problem of stagnation, being faced by almost 65% of BSNL employees in the categories of Regular Mazdoor, Group 'D', etc. This is because, in the last Wage Revision, the Management had kept the maximum of the pay scales of the employees as low as possible, with a view to lessen the burden of pension contribution to be paid to the government. As a result of this, an abnormally large number of employees have reached the maximum of their pay scales and are suffering from the problem of stagnation. Similarly Executives are also facing stagnation. To address the issue of stagnation, 3rd PRC has recommended pay scales with large span, almost the double of the 2nd PRC pay scales. This will result in huge payment of pension contribution, almost three times, if BSNL is again forced to pay the pension contribution on maximum of the pay scale. The only way to solve this problem is that, pension contribution of BSNL employees should also be calculated based on the actual basic pay, and not based on the maximum of the pay scale.

Superannuation benefits to the Directly Recruited employees.

BSNL is having more than 30,000 Directly Recruited employees. They are not eligible for government pension. And it is a tragedy that BSNL has not put in place a pension scheme for them till date. The 2nd PRC recommended that the PSUs should contribute 30% of the pay of these Directly Recruited employees, as superannuation benefits. Pension contribution is also a part of this superannuation benefit. But the BSNL Management has so far not implemented this. Almost two years ago, an understanding was reached between the Management and the unions and associations, according to which the Management would contribute 6% of pay as pension contribution. However, subsequently, the Management back tracked from this understanding, without consulting BSNLEU and SNEA, and decided that it could contribute only 3% as pension contribution. This is unacceptable. The Management should immediately settle this issue as per the recommendations of the 2nd PRC.

Attack on trade union rights.

The BSNL Management has declared a war on the unions and associations. Instruction after instruction are being issued to the circles, for curtailing the legitimate rights of the unions and associations. Even peaceful agitations are being crushed. All these actions are nothing but whimsical and prejudiced. When

the unions of the Non-Executives and associations of the Executives have conducted many movements jointly in the past, for the revival of the Company, it is surprising that order was issued by the Management, vide letter no.BSNL/5-1/SR/2016 dated 08.03.2017, banning joint action programme by the unions and associations of the Non-Executives and Executives.

Subsequently, citing an order of the Patiala House District Court, the Corporate Office has issued a letter, banning even peaceful agitations. The order of the Patiala House District Court pertains only to a particular agitation. It is not an order that bans all trade union agitations in BSNL. Again, another order has been issued, which says dharna will also be treated as strike. Vide this letter, the Corporate Office has instructed all the CGMs to impose "No Work No Pay" on the employees who participate in dharna, hunger strike, etc. These instructions of the Corporate Office are nothing but denial of the fundamental rights of the workers, enshrined in the Constitution of India. We cannot allow the trade union rights to be crushed. We demand the BSNL Management to withdraw all these repressive orders.

Do or Die

Dear comrades, we are in a "Do or Die" situation. We have to make the one day strike on 27.07.2017 a total success. Some friends say that we need not go on strike at this juncture, since the Hon'ble Minister of State for Communications, as well as the DoT, are very positive in the matter of our wage revision. In this regard, we only like to say that the mistake committed by the Central Government Unions, should not be repeated by us. The 7th CPC gave the worst recommendations in the matter of fitment formula and allowances. HRA was cut down from 30%, 20%, 10% to 24%,16% and 8% respectively. 53 allowances being received by the Central Government employees were withdrawn. Central Government Unions gave call to go on strike. However, senior NDA ministers, viz., shri Rajnath Singh, Home Minister, shri Arun Jaitley, Finance Minister and shri Suresh Prabhu, Railway Minister, held meeting with the leaders and assured to settle the issues. Keeping faith on the assurance given by the senior most ministers, the union leaders withdrew the strike. However, the assurances given by the senior most ministers of the NDA government were not honoured. Now, the entire 48 lakh central governments remain betrayed by the government.

BSNL unions and associations should not repeat the mistake committed by the leaders of the Central Government employees. We have to remember how the assurances given to the Central Government employees, by the senior most ministers of the NDA government, were not implemented. In the matter of the recommendations of the 3rd PRC, the Central Cabinet has so far not taken it's final decision. This is the time for the entire BSNL employees to make the government to hear their voice. This is the time for the entire BSNL employees to create compulsion on the government to accept giving wage revision to BSNL employees.

Conclusion

The NDA government is launching serious attacks on the Public Sector of our country. The Central Cabinet has already decided to privatise Air India. The government is working out a plan to break the Indian Railways in to pieces and to hand it over to different corporates. Total defence production is being handed over to the Indian and foreign corporates. The public sector companies in the banking and insurances sectors are also under severe attacks from the government. In accordance with this policy, the government is already trying to finish off BSNL, through merger with MTNL and by forming a Subsidiary Tower Company. We have to understand that, the recommendations of the 3rd PRC are nothing, but a well thought-out plan of the NDA government, to deny wage revision to the employees of the loss making PSUs. Thus, wage revision for BSNL employees cannot be achieved without serious and sustained struggles. We call upon the entire BSNL employees to massively respond to the call given by the unions and associations, for a one day strike on 27.07.2017, and to make it a total success.

**WORKERS UNITY ZINDABAD!!
INQUILAB ZINDABAD!!**