

## HOW MANAGEMENT CAN REFUSE NEW HRA?

One of the demands to be immediately settled is the implementation of the new HRA rates for the non-executives. The VI Central Pay Commission recommended that the earlier criteria of 30% (A 1 city), 15% (A, B1, B2), 7.5% (C class) and 5%(unclassified cities) be changed and new criteria of 30%, 20% and 10% be introduced. This was implemented in the case of Central Government employees and DOT officers who are on deputation to BSNL. The II Pay Revision Committee (Rao Committee) recommended 30% (cities with population of 50 lakhs and above), 20% ( 5 to 50 lakhs) and 10% (below 5 lakhs) to executives in PSUs which have been implemented for executives in BSNL with effect from 26<sup>th</sup> November 2008. But the HRA has not been revised for the non-executives in BSNL so far.

### Background

The orders issued vide BSNL/26/SR/2002 dated 07-08-2002 based on the wage agreement signed between the BSNL Unions and BSNL management on 26<sup>th</sup> April 2002, at the time of conversion of CDA scale to IDA for absorbed DOT employees, the annexure para 1 stipulates as follows:

#### ***“House Rent Allowance (HRA)***

*BSNL Employees will be paid HRA on the basis of revised pay w.e.f. 01-10-2000 at the rates and the terms applicable to the Central Government employees based on the classification of the cities as notified by the Government of India. HRA rates are given therein as under:*

| <b><u>Classification of cities/Towns</u></b> | <b><u>Rates of HRA</u></b> |
|--|----------------------------|
| i. A-1                                       | 30% of basic pay           |
| ii. A, B-1, B-2                              | 15% of basic pay           |
| iii. C                                       | 7.5% of basic pay          |
| iv. Unclassified                             | 5% of basic pay “          |

The Ministry of Finance, Govt. Of India vide Resolution No. 1/1/2008-IC dated 29<sup>th</sup> August 2008 issued the orders regarding HRA on the basis of the VI CPC recommendations as follows:

| <b><u>Population Criteria</u></b> | <b><u>Revised Classification of Cities/Town</u></b> | <b><u>Rates of HRA</u></b> |
|-----------------------------------|---|----------------------------|
| 50 lakhs and above                | X (earlier classified as A 1)                       | 30%                        |
| 50 – 5 lakhs                      | Y (earlier classified as A, B-1 & B-2)              | 20%                        |
| Below 5 lakhs                     | Z (earlier classified as C and unclassified)        | 10%                        |

As per DOT No.61-01/2009-SU dated 27<sup>th</sup> February 2009, the HRA for executives in BSNL is ordered as follows:

| <u>Cities with population</u> | <u>Rates of HRA</u> |
|-------------------------------|---------------------|
| 50 lakh and above             | 30% of basic pay    |
| 5 to 50 lakh                  | 20% of basic pay    |
| Less than 5 lakh              | 10% of basic pay    |

The DOT officers on deputation to BSNL has been paid HRA as per the Ministry of Finance letter cited earlier w.e.f 1<sup>st</sup> September 2008 and the executives absorbed in BSNL have been granted HRA on the basis of the DOT order cited above with effect from 27<sup>th</sup> February 2009.

Despite the demand of the staff side and recognised union in the National Council and out side for the last so many months, the management has not granted HRA to the non-executives despite the assurances that HRA will be revised on the basis of the Central Government Orders.

It is to be noted that in the meeting of the Wage Negotiation Committee as well as in the National Council meeting it was stated by the official side that HRA is not part of wage negotiation and is decided as per the Govt. of India decisions.

Now that the Govt. of India has decided the criteria of HRA, there should not be any delay for grant of HRA in the revised criteria. The management has no excuse for not implementing the same. But still decision is not taken and orders issued causing heavy loss to the non-executives.

The United Forum/ BSNL Employees Union has given call for Strike on 19<sup>th</sup> and 20<sup>th</sup> May 2009 against this injustice of BSNL management to non-executive employees. Participate in the strike fully and ensure justice to the non-executive employees.

“Workers are not Beggars. They are the salt of the Earth, they are the only people who produce wealth .....” “Consider, Brothers, what this world would be, were the workers to stop work.”

“Organise, Agitate and win your demands”

***Babu Tarapada Mukherjee, Lahore, 1921.***