

BSNLEU/123 (Res.)

30.07.2008

To

**Shri Kuldeep Goyal,
CMD, BSNL,
Bharat Sanchar Bhawan
New Delhi – 110001**

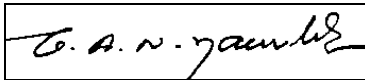
Sir,

Sub: - **Resolution on “Wage Revision” adopted in the Central Executive Committee meeting of BSNL Employees Union at New Delhi on 21 – 22 July, 2008**

I am forwarding herewith a copy of the resolution on **“Wage Revision”** adopted in the Central Executive Committee meeting of BSNL Employees Union held at New Delhi on 21 – 22 July, 2008 for favour of your information and necessary action.

Thanking you,

Yours faithfully,



**[V.A.N. Namboodiri]
General Secretary**

Encl: As above.

Resolution on Wage Revision

This meeting of the Central Executive Committee of BSNL Employees Union held at New Delhi on 21–22 July, 2008 congratulates the Public Sector employees including BSNL employees for compelling the Government to issue an order on 01.05.2008 enabling the managements of the PSUs to agree for 5 year periodicity for wage revision instead of 10 year periodicity and also for compelling the Government to issue orders for merger of DA equivalent to 50 of basic pay with effect from 01.01.2007. These are the achievements of the United Programmes of campaign, agitation and struggles observed by the Public Sector employees during the last two and half years as per the calls given by the CPSTU (Committee of Public Sector Trade Unions). This meeting notes with satisfaction that the BSNL Employees union is a proud partner in all these campaigns and struggles and also a prominent constituent of the CPSTU.

This meeting congratulates the entire non-executives and executives of BSNL for their united struggle under the banner of Joint Forum which compelled the unwilling management to issue orders for implementing the Government's order on DA merger. As the convenor of the Joint Forum, the BSNL Employees Union has played a pivotal role in this struggle.

This meeting notes that the forth coming challenge before the wage negotiation exercise is to compel the Government to direct the PSU managements to start wage negotiations and to see that a proper relativity is restored between the wage of non-executives and executives and also to achieve wage rise for contract / casual labour, along with regular employees.

This meeting strongly condemns the anti-worker recommendations submitted to the Government by the Second Pay Revision Committee (known as Rao Committee) on 30.05.2008 on the issue of wage revision for executives in PSUs. These recommendations will have their effect on the wage revision of non-executives also. The concepts behind these recommendations were copied from the documents of the World Bank. The motive behind these recommendations is to impose the private sector style and practice of discrimination and authoritarianism in determining the wages and to do away with all bilateral and democratic system and practice in PSUs in deciding wages.

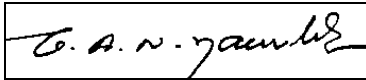
The Rao Committee has recommended to give up the concept of fixed annual increment and to replace it by a flexible increment of 2% to 4% of Pay, based on the profit of the company and performance of the individual. Therefore the increments are to be left to the mercy of the management. It has recommended to widely increase the disparity between the wages of lowest level employees and highest level executive in PSUs and slated that it is inevitable in an open economy and competitive market. This is nothing but devaluing the labour power of the non-executives. It has recommended to increase and decrease the salary as per the profit of the company. It has recommended to replace the system of Productivity Linked Incentive (bonus) with performance related pay which will be granted as per the performance of the company and the branch in the company and the individual. It has recommended disinvestment and CRS (Compulsory Retirement Scheme). The sum and substance of these recommendations of Rao Committee is to surrender the wage and job to the mercy of the management. The extended session of the CPSTU held at Bhopal on 19.07.2008 has called upon the

Public Sector employees to prepare for the inevitable struggle to defeat these anti-worker recommendations. This meeting endorses this call.

This meeting directs the CHQ of BSNL Employees Union to finalise the Wage Revision memorandum draft after discussion in the United Forum and also keeping in view all the above said aspects in view, and to submit it to the management with in a short time.

This meeting calls upon all the BSNL employees to participate in the Country Wide General Strike on 20.08.2008 as per the call given by the sponsoring committee of Trade Unions and as per the call given by the extended session of the CPSTU held at Bhopal on 19.07.2008, in order to defeat the anti-worker policies of the Government in the matter of wage revision and to prepare for further struggles in order to achieve a proper wage revision agreement.

(Unanimously passed)



[V.A.N. Namboodiri]
General Secretary