

Ill-conceived move for wage revision with zero percent fitment -

A sell out of the hapless employees

**S.Ratnasubramanian, Retd. DGM &
AGS, AIBSNLREA**

It is utterly shocking to see the BSNL letter dated 29-10-2021 circulating the discussion that the Management of BSNL had with the Unions and associations on 27-10-2021 wherein it had been mentioned that the Unions and associations had submitted that they were agreeable to wage revision with 0 % fitment to address stagnation.

We all know that the pay revision for executives is carried out by PRC once in 10 years. Whereas, the wage revision of non-executives is through a negotiated settlement between the management and the Unions. As far as the executives are concerned, the 3rd PRC already submitted its recommendations and this had also been approved by DPE. It is upto the individual PSUs to work out the affordability and move the issue to the concerned administrative ministry (DoT in case of BSNL/MTNL) to further process the case and implement the pay revision. **Though there is an affordability clause in the DPE Order, the concerned Ministries can relax the affordability clause.**

In the beginning these Unions and associations also asked for 15 % fitment benefit by relaxing the affordability for BSNL and it was also stated that the Hon. **MoC had asked the DoT to prepare a cabinet note for relaxation of the affordability clause. The information given during October 2018 was that DoT was as such preparing the said cabinet note.** But all of a sudden, the Unions and associations changed their track and added another demand for delinking of revision of pension from pay revision. The Govt. obviously understood that they are on the back foot. The Secretary DoT, who once stated to be ready to give them 5 % fitment, later backtracked and reportedly offered zero percent fitment. Then the great strike took place for three days and ended hopelessly by getting nothing. Instead, what followed was VRS and shunting out over 85,000 employees with a meagre payment which was far less than the VRS proposal mooted in 2011 but dropped due to stiff resistance from staff side. As the pandemic Corona followed, the Govt. could not even fulfill the promise of timely payment of VRS and it took over a year to settle the issues. Now with depleted strength after the VRS, the Unions/associations are so frail that they are now agreeing for zero percent fitment.

The Staff side of the national Council, which once vide their earlier letter dated 08-08-2018 to the Chairman Wage Revision Committee had demanded 15 % fitment benefit, are now agreeing for 0 % fitment for wage revision. **The AUAB in its meeting with Additional Secretary Telecom in January 2019, when offered 5 % fitment, had stated that 5 % is very low. But now the same staff side is pleading for 0 % fitment.**

But the fact remains that there is nothing called 0% fitment in DPE O.M. for Pay Revision of the Executives. As far as the executive pay scales are concerned, the **DPE in its order dated 3rd August 2017 has given fitment benefits of only 15%, 10% and 5%. and also ordered 'no fitment or any other benefit of pay revision will be implemented in CPSEs where the**

financial impact is more than 40 % of PBT of the last 3 financial years'. Then, how come the Unions/associations could agree for zero percent fitment? Of course, the 3rd PRC and DPE orders thereon are applicable only for executives.

Whereas, as far as the BSNL non-executives are concerned, the pay scales are not yet decided. These have to be negotiated only in the wage revision committee. But the wage revision committee is yet to meet, hold discussion and arrive at the pay scales for the non-executives. With the already stated stand of agreeing for zero percent fitment for wage revision, the Unions have already given up a demand for a reasonable pay revision and are found agreeable to anything. The wage revision committee, instead of engaging itself in fruitful discussions in its meetings to analyze the claims and counter-claims of management and staff side to arrive at a mutually agreeable pay revision to the non-executives, would only find the management to come prepared with their one-sided decisions and announce the same it in the wage revision committee and the staff side takes the same even without raising their point of views.

In their letter dated 08-08-2018 addressed to the Chairman Wage Revision Committee, the Staff Side of the National Council, in fact, had only exposed their hollowness in their wisdom how the pay scales are fixed for various scales. Para (b) (i) of the said letter carries the impression that there is utter confusion in them in their understanding between CDA pay scale of 7th CPC and IDA fitment benefit of 15 %. Para (b)(ii) of the said letter says that old pay scale of E1 which was 16400/- was multiplied by 2.44 to arrive at 40,000/-. Anyone having a little knowledge of CPCs or PRC would very well know that it is not the method of applying a multiplication factor to arrive at a new scale -especially in PRC wherein different PSUs have option to give different fitment benefit. In the case of 2nd PRC, it was 10 %, 20 %, 30 % and BSNL gave 30 % fitment benefit. In the case of 3rd PRC, it is 5 %, 10 %, 15 %. **The scales are worked out by taking into account the minimum of the scale, DA as on the date of implementation and a fitment benefit.** In the case of E 1 scale referred to the minimum of the pay scale offered was above 10 % but below 15 % of pay plus DA.

Now, in the case of executives the pay scales are already approved by DPE and BSNL cannot offer any lower or intermediate pay scale. Thus, unless 15 % fitment benefit is given, there would be a bunching in number of stages in the pay scales. In a 0% or 5 % fitment benefit, there would be a bunching of 4 stages in E 1, and E 2, 3 stages in E 3 and E 4, 4 stages in E 5 and E 6. While the bunching increments are given in these scales as per DPE guidelines, there would be no difference between 0 % and 5 % fitment. **However, those in higher stages in every scale would be fixed far lower if zero percent is given as fitment which would be a serious loss to seniors in every scale.**

We are to clearly understand that the pay scales of non-executives are to be arrived in the wage revision committee. DPE does not have any say in the pay scales or the fitment benefit given to the non-executives. The only condition is that the highest of the non-executive scale i.e., NE 11 scale should be lower than the lowest of the executive scale i.e. E 1 scale. **There is no bar of different fitment benefit being given to the non-executives and executives.** When the periodicity of pay revision is once in 10 years for executives, there is no bar for the pay scales of non-executives getting revised at every five years. **We may recall that it is the BSNL Unions, for the reasons best known to them, which themselves rejected the offer of the**

Management for wage revision after every five years for the non-executives and instead wanted wage revision after every ten years. The pay scales, the fitment benefit, periodicity of pay revision of non-executives in PSU are only by the wage negotiations held in the wage revision committee of that particular PSU. Since the BSNL Unions/associations had already agreed for zero percent fitment, the DoT would be too happy to agree to a scale of pay plus 119.5 % DA as on 01-01-2017 and round it off to next 10 for the non-executives in the wage revision committee. That is the fitment formula would be very simple as 2.195 or say 2.2. There would be no bunching either in any scale in such a scenario. There would be no anomaly either as claimed in para (b) (ii) of the letter dated 08-8-2018 sent to wage revision committee by the Staff-Side.

In their letter dated 08-08-2018 to the Chairman Joint Wage Revision Committee, the Staff Side of the National Council had demanded 15 % fitment benefit and worked the pay scales for NE 1 to NE 11 with 15 % fitment. Old basic plus 119.5 % DA with 15 % fitment which works out to a formula of 2.52. Now that they are agreeable to zero percent fitment, let them work out the revised scales on the same lines for the scales NE 1 to NE 11. The revised formula with 0% fitment would be 2.195.

But what would be the pay received by the officials? If you give a zero percent fitment i.e. add basic pay plus DA of 119.5 % and just round it off to next ten and fix the pay in the new scale, then the benefit would be a maximum of Rs.9/- only (varying from 0 to 9). The IDA DA on the revised scale would be IDA DA applicable for those whose pay scales are revised w.e.f. 2017. Now if you add the revised basic and new IDA DA, the amount would be the same for any official. The IDA DA as on Oct 2021 for those whose pay scales are revised w.e.f. 01-01-2007 is 179.3 % The IDA DA as on Oct 2021 for those whose pay scales are revised w.e.f. 01-01-2017 is 27.2 %

Now anyone can themselves calculate as follows:

If your present pay is 10000/- the DA 179.3 %= 17930/- Total 27930/- Your present pay plus DA is 27930/-

With Zero percent fitment your present basic of 10000/- the DA of 119.5 % as on 01-01-2017 added 11950 totaling to 21950/-.

Now this would be your new revised pay. Now add 27.2 % DA for the same. The DA would be $21950 \times 27.2/100 = 5970$.

Pay plus DA would be $21950 + 5970 = 27920/-$

Presently you are drawing 27930/-, but with zero percent fitment you will get 27920.

A great achievement indeed!

But there are some other pitfalls. Since the GPF contribution is based on Basic pay, the official has to contribute higher (say 2.2 times of his present contribution). Though one may feel happy that they are saving higher, it would not be a happy one for all especially for those who are already struggling to get both ends meet.

One more thing is the pension contribution to DoT by BSNL which is all the more serious. The present pension contribution by BSNL to DoT is based on maximum of the scale. Though it has been modified as based on actual pay for those Central Govt. employees on deputation to PSUs, it has not been agreed to in case of BSNL. **Thus, at a time when the pay revision with zero percent fitment gives nothing to the official, it would increase the pension contribution by BSNL to DoT leading to further drainage of resources of the BSNL to ruin it further.**

Probably, the Union leaders are hoping to get a higher allowance like HRA, if the scales are revised. But it is only a Utopian thinking. As per DPE guidelines it is not necessary that the HRA would be raised as and when pay scales are revised. People might not have forgotten that when we got 68.8 % fixation with 30 % fitment benefit w.e.f 01-01-2007, the HRA was hiked much later on 4.9.2009. Even when the 78.2 % fitment was given w.e.f 10-06-2013, after six and half years, there was no corresponding increase in HRA which was again further delayed and granted only from 1.10.2016.

In the whole process, the worst affected are the pensioners, who are our own senior comrades.

Since pension revision is based on pay revision and would have to be done with effect from the same date and with the same fitment formula as given to the serving employees, the past pensioners would get nothing by the pay revision if a zero percent fitment is given.

There is no bunching effect in pension, no seniority issue either. The only thing is that the revised pension would not be less than 50 % of the minimum of the revised scale in which they retired. But after 2006, the pension is 50 % of last pay drawn and there is no pro rata pension. Even those who retired prior to 2006 and got pro rata pension which was less than 50 % of the minimum of the scale in which they retired, their pension was hiked to the minimum of 50 % w.e.f 2006 due to a judgement of Court and implemented by DOP&PW. As such, there would be no past pensioner who is now drawing less than 50 % of the minimum of the scale in which he retired. **What a past pensioner would get would be a revised PPO showing a higher gross pension and lesser DA totaling to the same amount or may even be a few rupees less than what he is drawing now.** The only exception is that the past Executive Pensioners who are drawing the minimum pension now, i.e. those who retired on the early stages of the scale, would get less than 50 % of the minimum of the revised scale. In that case, the past pensioner would get 50 % of the minimum of the revised scale in which he retired.

Pity the pensioners!

oooOOOooo

Executives ----- Pay Structure from 2nd PRC to 3rd PRC														(Fitment benefit Recommended 5 %, 10 , 15 %)															
	2nd PRC		2nd PRC		2nd PRC		2nd PRC		2nd PRC		2nd PRC		2nd PRC		2nd PRC														
Scale Min			Scale Min																										
E1 Min		16400	E2 Min		20600	E 3 Scale Min		24900	E 4 Scale Min		29100	E 5 Scale Min		32900															
DA % as on Jan 17	119.5	19598	DA % as on Jan 17	119.5	24617	DA % as on Jan 17	119.5	29756	DA % as on Jan 17	119.5	34775	DA % as on Jan07	119.5	39316															
Pay + DA		35998	Pay + DA		45217	Pay + DA		54656	Pay + DA		63875	Pay + DA		72216															
Add fitment	5%	1800	Add fitment	5%	2261	Add fitment	5%	2733	Add fitment	5%	3194	Add fitment	5%	3611															
Total		37798	Total		47478	Total		57389	Total		67069	Total		75827															
E 1 Min		16400	E 2 Min		20600	E 3 Min		24900	E 4 Scale Min		29100	E 5 Scale Min		32900															
DA % as on Jan 17	119.5	19598	DA % as on Jan 17	119.5	24617	DA % as on Jan 17	119.5	29756	DA % as on Jan 17	119.5	34775	DA % as on Jan07	119.5	39316															
Pay + DA		35998	Pay + DA		45217	Pay + DA		54656	Pay + DA		63875	Pay + DA		72216															
Add fitment	10%	3600	Add fitment	10%	4522	Add fitment	10%	5466	Add fitment	10%	6388	Add fitment	10%	7222															
Total		39598	Total		49739	Total		60122	Total		70263	Total		79438															
E 1 Min		16400	E 2 Min		20600	E 2 Min		24900	E 4 Scale Min		29100	E 5 Scale Min		32900															
DA % as on Jan 17	119.5	19598	DA % as on Jan 17	119.5	24617	DA % as on Jan 17	119.5	29756	DA % as on Jan 17	119.5	34775	DA % as on Jan07	119.5	39316															
Pay + DA		35998	Pay + DA		45217	Pay + DA		54656	Pay + DA		63875	Pay + DA		72216															
Add fitment	15%	5400	Add fitment	15%	6783	Add fitment	15%	8198	Add fitment	15%	9581	Add fitment	15%	10832															
Total		41398	Total		52000	Total		62854	Total		73456	Total		83048															
E 1 scale Min recommended in 3rd PRC 40000 which is just above 10 % but below 15 % fitment						E 2 scale Min recommended in 3rd PRC 50000 which is just above 10 % but below 15 % fitment						E 3 scale Min recommended in 3rd PRC 60000 which lied between 5 % to 10 % fitment						E 4 scale Min recommended in 3rd PRC 70000 which lied between 5 % to 10 % fitment						E 5 scale Min recommended in PRC 80000 which lied between 10 % to 15 % fitment					

		Non Executives -----				Pay Structure from First Wage Revision to 2nd Wage Revision				in 2007		(Fitment benefit given same 30 % as given for executives)					
						For Fixing of revised Pay only 68.8 % Recommended by 2 nd PRC and DPE. And same was taken by BSNL while fixing pay scale. Govt. later modified it to 78.2 %)											
Scale Min		Year 2000				Year 2000				Year 2000				Year 2000			
NE 1 Min			4000			NE 5 Min		4550			NE 8 Min		6550		NE 11 Min		8570
DA % as on Jan07	68.8		2752			DA % as on Jan07	68.8	3130			DA % as on Jan07	68.8	4506		DA % as on Jan07	68.8	5896
Pay + DA			6752			Pay + DA		7680			Pay + DA		11056		Pay + DA		14466
Add fitment	10%		675			Add fitment	10%	768			Add fitment	10%	1106		Add fitment	10%	1447
Total			7427			Total		8448			Total		12162		Total		15913
NE 1 Min			4000			NE 5 Min		4550			NE 8 Min		6550		NE 11 Min		8570
DA % as on Jan07	68.8		2752			DA % as on Jan07	68.8	3130			DA % as on Jan07	68.8	4506		DA % as on Jan07	68.8	5896
Pay + DA			6752			Pay + DA		7680			Pay + DA		11056		Pay + DA		14466
Add fitment	20%		1350			Add fitment	20%	1536			Add fitment	20%	2211		Add fitment	20%	2893
Total			8102			Total		9216			Total		13267		Total		17359
NE 1 Min			4000			NE 5 Min		4550			NE 8 Min		6550		NE 11 Min		8570
DA % as on Jan07	68.8		2752			DA % as on Jan07	68.8	3130			DA % as on Jan07	68.8	4506		DA % as on Jan07	68.8	5896
Pay + DA			6752			Pay + DA		7680			Pay + DA		11056		Pay + DA		14466
Add fitment	30%		2026			Add fitment	30%	2304			Add fitment	30%	3317		Add fitment	30%	4340
Total			8778			Total		9984			Total		14373		Total		18806
NE1 Scale Min in 2007 pay scale is 7760 which lied between 10 % to 20 % fitment						NE5 Scale Min in 2007 pay scale is 8700 which lied between 10 % to 20 % fitment						NE 8 Scale Min in 2007 pay scale is 12520 which lied between 10 % to 20 % fitment		NE 11 Scale Min in 2007 pay scale is 16370 which lied between 10 % to 20 % fitment			
NE 1 Min			4000			NE 5 Min		4550			NE 8 Min		6550		NE 11 Min		8570
DA % as on Jan07	78.2		3128			DA % as on Jan07	78.2	3558			DA % as on Jan07	78.2	5122		DA % as on Jan07	78.2	6702
Pay + DA			7128			Pay + DA		8108			Pay + DA		11672		Pay + DA		15272
Add fitment	10%		713			Add fitment	10%	811			Add fitment	10%	1167		Add fitment	10%	1527
Total			7841			Total		8919			Total		12839		Total		16799
NE 1 Min			4000			NE 5 Min		4550			NE 8 Min		6550		NE 11 Min		8570
DA % as on Jan07	78.2		3128			DA % as on Jan07	78.2	3558			DA % as on Jan07	78.2	5122		DA % as on Jan07	78.2	6702
Pay + DA			7128			Pay + DA		8108			Pay + DA		11672		Pay + DA		15272
Add fitment	20%		1426			Add fitment	20%	1622			Add fitment	20%	2334		Add fitment	20%	3054
Total			8554			Total		9730			Total		14006		Total		18326
NE 1 Min			4000			NE 5 Min		4550			NE 8 Min		6550		NE 11 Min		8570
DA % as on Jan07	78.2		3128			DA % as on Jan07	78.2	3558			DA % as on Jan07	78.2	5122		DA % as on Jan07	78.2	6702
Pay + DA			7128			Pay + DA		8108			Pay + DA		11672		Pay + DA		15272
Add fitment	30%		2138			Add fitment	30%	2432			Add fitment	30%	3502		Add fitment	30%	4582
Total			9266			Total		10540			Total		15174		Total		19854
NE1 Scale Min in 2007 pay scale is 7760 Which was less than 10 % fitment with 78.2 %						NE5 Scale Min in 2007 pay scale is 8700 Which was less than 10 % fitment with 78.2 %						NE 8 Scale Min in 2007 pay scale is 12520 Which was less than 10 % fitment with 78.2 %		NE 11 Scale Min in 2007 pay scale is 16370 Which was less than 10 % fitment with 78.2 %			