Dear Comrade,

I am in receipt of your letter dated 18-09-2017 with regard to the Pension Revision of BSNL Pensioners, along with a draft copy to be submitted to the Minister Communications on the issue.

First of all I agree with your suggestion to have a common understanding on the proposal for pension revision of the BSNL retirees in the present context. In this connection, we would like to mention the following aspects:

1. After formation of BSNL, there were two opinions about wage revision of BSNL employees, whether it should be on the basis of CDA or IDA. All the unions unanimously agreed that it should be on IDA. Accordingly the wages of both executives and non-executives were revised on IDA scales, which was higher. At the minimum, instead of the Rs. 2,400 minimum in the CDA scale, BSNL employees got Rs. 4,000 and all the higher scales increased accordingly. Though the Government did not agree for pension revision on IDA scale at first, after much agitation, the same was conceded and pension revision implemented. BSNL pensioners got higher wage revision and pension revision, whether executive or non-executive.
2. The same procedure was implemented in the II Wage revision (II PRC). The pay was revised in the IDA scale and after much struggle and two strikes, the IDA pension revision was implemented, after a cabinet decision, which was much higher than the pay revision and pension revision of DOT employees and DOT pensioners. All the employees’ unions and pensioners unions accepted the same.
3. In the case of 78.2% IDA Pension fixation also the same thing happened. There was no difference of opinion.
4. Now with regard to the pay /wage revision with effect from 01-01-2017, problem has arisen as the III PRC has brought the affordability clause etc. If such conditions were not there, the pay /wage revision as earlier was the natural way and there would not have been any different opinion. It is in this situation that some proposals are being mooted regarding the demand for pension revision.
5. Everybody now agrees that 15% fitment recommended by the 3rd PRC and approved by the government is more beneficial than the fitment of 7th CPC. Then why should we demand for a lesser fitment and that even difficult to be conceded due to the IDA-CDA complications. The argument that it would settle the pension revision for the future also is not based on realities. Can anybody assure that there will be a 8th CPC in the wake of the present scenario?
6. We are of the opinion that we have not reached to a stage to be so desperate. Some positive developments are taking place in the form of approval of 15% fitment by the BSNL management committee. Then it may take some more time for getting the approval of BSNL Board. Meanwhile bilateral discussions could be held to finalise the pay scales of the non-executives also. We are confident that as in the past the united struggle of the employees could make compulsions on the government for final approval of pay revision with 15% fitment. So the need of the hour for the pensioners’ organisations is to support the struggle of the employees. Though we are pensioners, we cannot ignore the wage revision of the present employees. By hinting that wage revision for employees will not be there, we are taking a negative stand. Wage revision of the existing employees is as important as pension revision. It is to be noted that it is mainly because of the mighty struggles of the employees that the pensioners got the pension revision both times. It was only due to their agreement that Medical Allowance was restored to the pensioners, eventhough employees did not get it restored for them.
7. VII Pay Commission has recommended Pension revision on option I, and II. The government has rejected Option I, which was to ensure pension parity to an extent and has granted Option III, based on the recommendations of V CPC. As BSNL pensioners are covered under CCS Pension Rules, 1972 we are also entitled to get that benefit. But without wage revision this benefit cannot be extended to us. However, there is the precedence of pension revision being granted on the basis of the wages/pay/fitment made by the concerned PRCs and this cannot be rejected by the government.
8. In the present circumstances, the best course will be to demand the pension revision with 15% recommended by the III PRC. Wage revision/pay revision may take time on the affordability issue. The affordability clause is not applicable to the government who is paying 100% pension to the BSNL retirees as 60:40 condition is also gone. In this situation, our demand should be that the pension revision of BSNL retirees should be with 15% fitment as recommended by the III PRC. This will be in accordance with the last two pension revisions in 2001 and 2007 made as per the provisions of Rule 37 A. This will avoid the complications between the present pensioners and future pensioners.
9. In view of the above factors, All India BSNL DOT Pensioners Association cannot be a party to the demand in the memorandum. However we always welcome the joint efforts of the pensioners’ associations and is open for further discussions if it would help to reach a consensus on the demand.

Thanking you,

Yours fraternally,

K.G.Jayaraj

General Secretary.