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AIACE/CENTRAL/2021 / 061

Dated 17.5.2021

To

The Secretary
Department of Public Enterprises,
160, Udyog Bhavan,
New Delhi-110011.
Email: secy-dpe@nic.in

Sub: <u>Direction to observe the DPE guideline during wage negotiation for coal workers of Coal India</u>

Ltd and Singareni Collieries Company Ltd along with some of Pvt sector coal companies

Dear Sir,

It is brought to your kind notice that, recently vide F No. -55011/3/2015-PRIW-I/Vol-IV dt. 6th May 2021, Ministry of Coal has given clearances for constitution of XI-th Joint Bipartite Consultative Committee on Coal Industry (JBCCI-XI) for finalization of wage revision of non-executives employees working in coal industries. (Copy enclosed in Annexure-I).

It is also brought to your kind notice that in some of eligible CPSEs which had fulfilled the profitability criteria for pay revision of Executives, the same has been done w.e.f. 1/1/2017. Still, there are some CPSEs, where pay revisions done in 1997 & 2007 are still continuing.

In some of CPSEs, the pay revision of Executives and wage revision of non-executives are on the same horizon i.e. 10 years. But in Coal India and Singareni Collieries Company, the pay revision for Executives has been done for 10 years wef 1/1/2017 as per recommendation of third pay revision Committee for CPSEs which will last on 31/12/2026. But for non-executives, wage revision for 5 years is done by negotiations by a Joint Bipartite Committee consisting of members from management and workers' side. The last wage revision for workers was done w.e.f. 1/7/2016 which will end on 30/6/21. This difference in wage/pay revision period for executives and non-executives has created a very big anomaly and is a cause of conflict between executives and workers.

The 3rd pay revision scale for Executives and Xth wage board wage scale are given below as a comparison.

NCW-X PAY BAND OR WORKERS

A.DAILY RATED WORKERS	Revised Pay w.e.f 01/07/2016
Category	
I	Rs 1011.27
II	Rs 1034.04
III	Rs 1065.55
IV	Rs 1087.17
V	Rs 1132.33
VI	Rs 1181.83
B.EXCAVATION	
Grade	
Spl.	Rs. 1393.24
А	Rs. 1325.69
В	Rs. 1248 .78
С	Rs. 1195.75
D	Rs. 1154.04
E	Rs. 1078.74
C. MONTHLY RATED	
Grade	
A1	Rs 47802 .52
A	Rs 37063.41
В	Rs 34391.65
С	Rs 31852.56
D	Rs 29460.30
E	Rs 28242 .84
F	Rs 27930 .19
G	Rs 27541.77
Н	Rs 26959.07
D. CLERICAL GRADE	
Grade	
Spl.	Rs 34391.65
1	Rs 31852.56
II	Rs 29460.30
III	Rs 28242 .84

3rd PRC PAY REVISION FOR EXECUTIVES

Grade	Revised Pay Band (01.01.2017)
E-1	40,000 – 1,40,000
E-2	50,000 – 1,60,000
E-3	60,000 – 1,80,000
E-4	70,000 – 2,00,000
E-5	80,000 – 2,20,000
E-6	90,000 – 2,40,000
E-7	1,00,000 – 2,60,000
E-8	1,20,000 – 2,80,000
E-9	1,50,000 – 3,00,000

From the above, it is clear that wage of non-executive employees at the highest level is more than the pay of E1 grade Executive in spite of the fact that next revision for Executives will be done w.e.f. 1/1/2027 and that of non-executives w.e.f. 1/7/2021. If the wage revision is on the same line as per past practice, it is apprehended that the wage of highest grade workers may surpass the basic salary of E4 level Executives.

In the light of above facts, the management of the Coal Companies concerned has to double ensure that if negotiated scales of wages for non-executives exceed the existing scales of pay of executives/officers and non-unionised supervisors of respective companies, the executives are also judiciously compensated against this anomaly. To overcome such difficulty, earlier DPE had also advised that, "To avoid conflict of pay scales of executives/non-unionised supervisors with that of workmen, CPSEs may consider adoption of graded DA neutralisation and/or graded fitment during the wage negotiations." DPE may further like to authorize the coal companies for introducing pay protection of executives by way of allowing a PP (Personal Pay) component to executives.

It is submitted that provident fund/ gratuity and other benefits are dependent on the basic salary of the employees. Moreover, we want to put a startling fact that in Coal India, the hierarchy is almost broken where many workers are getting more wages than Executives, which is causing a major resentment in rank and files. Many senior workers are getting paid more than some executives because the company revises the salaries of workmen twice during the single salary revision period of Executives.

While we have no reservations against the wage revision of non-executives, to avoid recurrence of frequent anomaly in pay, DPE may like to examine the issue whether validity period of wage settlement can be made identically similar for 5/10 years for both categories of manpower, viz. Workmen and Executives below Board level.

We at AIACE hope that, our above suggestions will be duly considered by DPE and it will issue appropriate direction to Coal Ministry, Coal India and Singareni Collieries Company to ensure that negotiated wages for non-executives do not exceed the basic salary of Executives.

Regards,

P. K. Singh Rathor

Principal General Secretary, AIACE

CC

- 1. Coal Secretary, Ministry of Coal, Govt of India, New Delhi.
- 2. Chairman, CIL, Kolkata.
- 3. CMD, Singreni collieries Company Ltd, Kothagudem.
- 4. DT/DP/DF/DM,CIL,Kolkata.
- 5. All CMDs- ECL/BCCL/CCL/CMPDIL/NCL/SECL/WCL/MCL.

Notification for constitution of JBCCI-XI

F No 55011/3/2015-PRIW-I/Vol.IV
Government of India
Ministry of Coal
L&ID Division

5th Floor, Lok Nayak Bhawan, New Delhi-110003 Date: 6th May, 2021

To

Chairman-cum-Managing Director
Coal India Ltd Coal Bhawan, Premise No. 4 MAR,
Plot No. AF III. Action Area 1A, New Town, Rajarhat,
Kolkata – 700156

Sub: Constitution of Joint Bipartite Consultative Committee on Coal Industry (JBCCI)-XI for National Coal Wage Agreement (NCWA)-XI – reg.

Sir

I am directed to refer to your letter No CIL/CH/1956 dated 01.04.2021 addressed to Secretary (Coal). Ministry of Coal on the above mentioned subject

- 2. The proposal of CIL for constitution of JBCCI-XI for finalisation of next wage agreement for Non-Executive Employees of Coal Industry has been examined in the Ministry and it has been decided that CIL may initiate proceedings in the light of guidelines issued by Department of Public Enterprises (DPE) vide its OM No. W-02/0015/2016-DPE (WC)-GL-XXIV/17 dated 24 11 2017 and CIL should also take action in the matter as per applicable extant Labour Laws. As far as representation of INTUC is concerned. CIL may decide as to which faction of INTUC should be represented in JBCCI-XI taking into consideration orders issued by the Hon'ble Court (s). If any A copy of JBCCI-XI as constituted by CIL may be sent to the Ministry for record.
- 3 It may please be noted that JBCCI-XI be constituted by CIL with the participation of representatives of Management of CIL/Subsidiaries, SCCL, Private Coal Companies and CTUs operating in Coal Industry ensuring parity

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of representation of Management and CTUs for protection of wages, social security, fringe benefits etc. of the workers in coal industry. Once the wage negotiations are arrived at, a copy of the wage settlement be furnished to the Ministry for confirmation before implementing them in the light of 2 (x) of extant guidelines of DPE under reference.

- 4 CIL Management must strive to do its best from the beginning to the satisfaction of all the stakeholders so as to ward off any untoward repercussions leading to unnecessary litigation detrimental to Coal Industry. Further all the stakeholders are requested to participate in the proceedings of the Conmittee with much enthusiasm and cooperate with one another in harmony.
- This issues with the approval of competent authority.

Yours faithfully.

(Ram Shiromani Saroj)

Deputy Secretary to the Government of India Tel: 011-23380026

E-mail: rs.saroj@gov.in

Copy to:

- Chairman-cum-Managing Director, Singareni Collieries Company Ltd., Kothagudem Collieries. Bhadradri Kothagudem Distt., Telangana State _ 507101 for information and necessary action.
- Secretary, Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises (In reference to guidelines (Point 3.) vide OM No. W-02/0015/2016-DPE (WC)-GL-XXIV/17 dated 24.11.2017. It is requested to furnish suggestions/ comments, if any, in the instant matter.