

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2161
ANSWERED ON:09.03.2006
WAGE REVISION
Naik Shri Shripad Yasso

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the demands for wage revision of the employees of Indian Airlines and Air India are pending with the Government;
- (b) if so, the reasons for pendency; and
- (c) the action being taken by the Government for settlement of wage revision?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a), (b) and (c): Wage revisions upto 31.12.1996 in respect of all categories of employees in Indian Airlines had been completed in 2001. Further, Productivity Linked Incentive (PLI) had been introduced in 1994, revised in 1996 and further revised in respect of all categories of employees from the year 2001. There has been substantial increase in emoluments consequent to payment under the PLI Schemes based on improvement in pre-determined productivity parameters. The PLI settlement in respect of non-technical categories of employees was last signed on 23.03.2004.

Indian Airlines had taken a decision in December, 1999 that considering the financial position of the company and increasing competitive pressures, there was no justification for increase in wages at that stage. The position still remains the same. As such, no time-frame can be set for further revision of wages. However, there has been a substantial increase in emoluments consequent to payment under the PLI schemes which are in a way surrogate wage revisions.

As regards Air India, the Management had signed Memorandum of Understanding with the Air India Employees` Guild, Air India Employees` Union, in respect of ground categories of workmen- technical and non-technical, numbering about 8000 employees, revising their wages effective 1st January 1997 for a period of 10 years.

The Wage Revision in respect of the other categories of employees is in process.