

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:342
ANSWERED ON:23.11.2006
WAGE NEGOTIATION WITH UNIONS
Acharia Shri Basudeb

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether Guidelines for seven round of wage negotiations for the employees of Central Public Sector Undertakings (PSUs) has been approved by the Cabinet which has asked management to start negotiation with unions;
- (b) if so, the details thereof;
- (c) whether different unions have already expressed their strong objection to the conditionalities mentioned in the guidelines;
- (d) if so, the details of issues raised by the unions and the reaction of the Government thereto;
- (e) whether Unions have registered their protest against guidelines in respect of wage negotiation for employees of sick PSUs; and
- (f) if so, the details and action taken/proposed to be taken in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) Yes, Sir.

(b) The Government has issued guideline on policy for the Seventh Round of Wage negotiations for unionized workers (which falls due on 1.1.2007) in Central Public Sector Enterprises (CPSEs) on 9.11.2006. The conditions of the same, inter alia, stipulate that the management of CPSEs would be free to negotiate the wage structure, no budgetary support for the wage increase shall be provided by the Government, wage settlement would be for a period of 10 years with 100% DA neutralization with effect from 1.1.2007, wage revision in sick CPSEs registered with Board for Industrial and Financial Reconstruction (BIFR) after approval of the revival plan by BIFR and that such negotiated wages would not come in conflict with the pay revision of officers and non-unionised supervisors of the respective CPSEs. These are broadly similar to the existing policy on sixth round of wage negotiations in CPSEs.

(c) to (f) The wage negotiations are carried out by the managements of respective CPSEs with the workers` unions and issues raised by the unions are discussed and settled by the respective managements and unions during these negotiations, within the framework of the guidelines laid down .