
BSNL CONTRACT WORKERS: ISSUES AND MEASURES

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Abstract:

Bharat Sanchar Nigam Limited (BSNL) was founded in 2000 and is the largest fixed line operator in India. BSNL offers a wide range of telecom services. It offers many facilities to regular workers, but its contract workers are facing different problems like no work, low wages etc. BSNL has agreed to give minimum wages, EPF, ESI etc, to casual and contract workers, but even then such benefits are not given, and therefore, the workers demands continued. This research paper discusses various issues related to the regularization of job, wages and other facilities as per minimum wages act etc to BSNL workers. Research hypotheses tested in the research paper is that non-regularization of jobs of contract workers would affect the quality of services provided by BSNL.

Key words: BSNL Contract Workers , Issues And Measures , Bharat Sanchar Nigam Limited (BSNL)

1. INTRODUCTION:

Bharat Sanchar Nigam Limited (BSNL) is a public sector Telecom Company, was founded in 2000, and at present is the 7th largest telecom company in the world. It offers a wide range of telecom services such as Wireline, CDMA mobile, GSM mobile, Internet, Broadband, Carrier service, MPLS-VPN, VSAT, VoIP, IN Services, FTTH, etc.. Employees of BSNL are the most valuable asset and on 31st march, 2011 it had 2.81 lakhs employees.

Around 4,000 casual workers were working with DOT and had completed more than 15 to 20 years of uninterrupted service. In the DOT, they were being regularized systematically, even though delay took place in some cases. As per the agreement made between the DOT and contract workers unions, at the time of its conversion into BSNL, all the left-out casual labors that fulfil the required conditions were to be regularized. Accordingly, about 6,000 casual labors were regularized and remaining 4,000 workers are still waiting for it. The BSNL has issued an order no. BSNL/Admn.I/29-5/2007 (Pt.) dated 05.11.2008, regarding payment of minimum wages, EPF, ESI etc to contract workers, but even after that the field units are reluctant in its execution, therefore the problem is continued for a long time.

The plea of the management that they cannot regularize the temporary workers in view of the Supreme Court judgement in the case of State of Karnataka vs Uma Devi. But before the judgement came out, there are judgements of courts and circulars, on their basis government

departments like Income Tax; Customs etc have regularized their left-out casual workers. BSNL could have regularized the workers in the same way; however it seems that BSNL invited the problems by delaying the issue. At present, in Sangli district around 280 BSNL contract workers are engaged by contractors for construction and maintenance of telecom work, including cable laying, jointing O/H line works of cable laying, jointing works installation and maintenance of transmission systems, transmission tower erection, tower maintenance work, operation of engine alteration works, installation of maintenance of BTS equipment, maintenance of battery, and power plants and so on. This research paper investigates different issues related to the regularization of job of BSNL workers, their minimum wages and other facilities, and suggests measures.

2.OBJECTIVES OF STUDY:

The objectives of study are –

- 2.1. To discuss issues of BSNL workers that seek regulate their employment.
- 2.2. To check the wages and other benefits given by BSNL to the contract workers.
- 2.3. To study the financial position of BSNL and MTNL.
- 2.4. To study the other problems of BSNL contract workers.
- 2.5. To suggest appropriate measures to resolve the issues.

3. RESEARCH METHODOLOGY

This is “Descriptive Research” and carried with the main purpose of describing of the state of affairs as it exists at present. Observation and interview method are used for study. The interviews of 100 contract workers from Sangli district, who participated in ‘Morcha’ organized on Thursday 1st November, 2012 at Sangli BSNL office were conducted. The information collected through interviews, observations and from union leaders is included in the research paper.

4.HYPOTHESIS:

Management of Bharat Sanchar Nigam Limited (BSNL) Sangli and its contractors has not accepted the demands of BSNL contract workers, looking for regularization of their jobs, since many years. In view of this, the researcher has framed hypothesis that ‘non-regularization of jobs of contract workers is affecting the quality of services provided by BSNL’.

5. NATURE OF PROBLEM:

On one side, the apex court is saying that casual workers cannot claim regularization merely because they have been working for a considerable period of time, and on other side, the related laws are saying that even they they are contract workers the wages / salary is to be paid in accordance with the terms and conditions contained in the letter of appointment. Unfortunately, such letters of appointment are not given to many such contract workers. According to

BSNLCCWF, since many years the contract workers and their unions are fighting for following demands.

- 5.1 Regularization of left-out casual labors and contract workers.
- 5.2 Casual labor wage to be the same as the lowest wage in BSNL, instead of that of DOT.
- 5.3 Minimum wage as per government orders to be implemented to the contract workers, including higher wages for semi-skilled, skilled and highly skilled and as per A, B and C class cities. The wages should be paid through account / cheque in time, and even if contractor changes, the same workers should continue.
- 5.4 Implementation of social security measures like EPF, ESI, gratuity, and bonus.
- 5.5 HRA or quarters to be allotted to casual contract workers.
- 5.6 EPF account to be opened by the principal employer instead of by contractor.
- 5.7 Issue of identity cards by BSNL management.
- 5.8 BSNL management should take necessary steps to improve the services by procuring sufficient equipment to enable expansion and development.
- 5.9 Equal pay for equal work for contract workers.
- 5.10 Vacate victimization- reinstate all the retrenched workers.
- 5.11 Recognize BSNL casual and contract workers federation.

In reality, at the time of appointment, the BSNL management and the contractors had assured the workmen and their union that, all contract workers would be entitled to statutory benefits of leave, weekly off, holidays, overtime, bonus and wages at revised rates, like other employees. However, BSNL has failed to give these benefits to contract workers.

6. BSNL'S FINANCIAL POSITION:

It can be observed from the following table that BSNL had been continuously recording a significant reduction in its profits since 2004-05 (FY-05), where it had earned a total profit of Rs 18,183 crore. In subsequent years, the company earned profits of Rs 8,940 crore (FY-06), Rs 7,806 crore (FY-07), Rs 3,009 crore (FY-08), and Rs 575 crore (FY-09); and losses of Rs. 1823 crore (FY-10), Rs. 6384 crore (FY-11), and Rs. 8851 crore (FY-12). During the current year (2011-12) loss has been increased by Rs. 2467 crore i.e. 38.64% resulting into a reduced figure of accumulated profit of Rs. 12108 crores.

Financial performance of BSNL and MTNL (2004-05 to 2012-13)				
Year	BSNL		MTNL	
	Profit/loss	Accumulated profit / loss	Profit/loss	Accumulated profit / loss
2004-05	18183	17241	939	939
2005-06	8940	26181	580	1519
2006-07	7806	27938	682	2201

2007-08	3009	28590	587	2788
2008-09	575	29165	212	3000
2009-10	-1823	27343	-2611	389
2010-11	-6384	20959	-2802	-2413
2011-12	-8851	12108	-4110	-6523
Source: Compiled from different websites				

Rising losses of BSNL and MTNL are due to decline in revenue, increasing expenditure. BSNL has taken several steps to improve the profitability that include strengthening its stable revenue streams; focus on the company's customer care and quality of service; sharing non-electronic infrastructure like site and antenna sharing at cell sites; seeking reimbursement of deficit for commercially non-viable services; and reducing its work force by 1,00,000 through voluntary retirement scheme, etc.

7. OPERATIONAL ISSUES:

Operational issues are those factors that become active when we implement any new change, system or policy. These may include political, social, legal, technological, cultural, religious and other internal and external factors which are directly or indirectly associated with the implementation of new change or policy. Major operational issues observed during the survey are:

7.1. Regularization of jobs: Earlier, in the Department of Tele-communication (DOT), casual or contract workers were being regularized systematically. As per the agreement made between the DOT and Federations before the incorporation of BSNL, all the left-out casual labors those fulfill the required conditions were to be regularized. About 6,000 casual labors were regularized accordingly. But there are still about 4,000 yet to be regularized. There are about 280 casual workers who are eligible to be regularized, but action is pending for many years despite the government assurance and instructions in the matter.

7.2. No retrenchment of workers: Unions are required to coordinate labor management relations. Therefore, leaders and workers in the Union should not be retrenched. Recently, BSNL has been reinstated to duty, some retrenched workers who have been out of work for union activities.

7.3. Denial of work: 280 workers, who are working for 10 to 15 years with the contractors and BSNL, are not provided work. The refusal to give work during the period of industrial dispute is a violation of law and unjustified.

7.4. Minimum wages: Workers of BSNL are demanding benefit of minimum wages as per minimum wages act, for a long time. BSNL management has also issued orders to pay minimum

wage, but they are not obeyed at the field level. At field level, the contract workers are paid wages Rs.3200 to Rs.3500 per month, which are too low, in view of the high prices of basic commodities, and it is also a violation of the law. Circular No: F.No. 2(4)12013-DPE (WC) GL-VII/13 dated 21 February, 2013 issued by Department of Public Enterprises, Government of India says, It must be ensured that the wages to the workmen in CPSEs are regulated as per the provisions of Minimum Wages Act and the agreement concluded between the Management and the Trade Union, and in no case should the workers be paid wages less than the wages prescribed under the Minimum Wages Act. It may also be ensured that there is no incident of exploitation of casual/contract workers in any manner.

7.5. Ensuring PF and ESI benefits: Even if a government issued orders for giving benefits of Provident fund (PF) and Employees State Insurance (ESI) to contract workers of BSNL, the orders are not been executed at the field level.

7.6. Statutory benefits: The workers of BSNL are demanding the benefits of statutory labor provisions such as leave, weekly-off, holidays, overtime, bonus and wages at revised rates.

7.7. Victimization of workers: Some Casual or contract workers of BSNL are exploited and victimized for union and other activities, by contractors and corrupt officers.

7.8. Gross Negligence: Though the issues of contract workers were brought to the notice of BSNL authorities from time to time, they were not taken seriously.

8. FINDINGS:

The policy of appointing contract workers on the posts that are permanent in nature has become a curse for the working class in India. Any manual worker, at the time of joining any job or work, is not in a position to dictate terms and conditions of appointment. Employers generally assure that temporary workers would be regularised, on increase of the workload, in near future. The poor workers believe in such assurances and anticipate regularization of their job. This continues for a long time, say for 10 to 15 years. After such a long period of service they realise that they are not qualified to receive any regular work, anywhere, due to age (bar) restriction. Therefore, they insist their present employer to consider this problem and regularize them. Demand for regularization of job is valid because no employer or government or court can continue any worker as temporary for a lifetime, regardless of some irregularities in terms of appointment, who honestly works for a long time, believing in promise given by the employer.

9. RECOMMENDATIONS:

Following suggestions are offered for timely settlement of the issue of *contract* workers at *BSNL*:

8.1. Joint meetings of the BSNL contract workers and BSNL authorities should be organised at least once in three months to discuss the issues.

8.2. BSNL contract workers should be educated about the new technology and absorbed as regular employees for providing quality services to customers.

8.3. The Circular no. BSNL/Admn.I/29-5/2007 (Pt.) dated 05.11.2008, regarding payment of minimum wages and EPF, ESI etc issued by BSNL should be implemented without any delay, irrespective of complaints and controversial or contradicting decisions thereon as it is unending battle.

8.4 The government or court should direct the BSNL to absorb the old contract workers on priority basis, whenever there are new posts, instead of filling them by appointing new workers through direct recruitment drive.

10. HYPOTHESIS TESTING:

On the basis of an analysis of information collected through interview, and financial position of the BSNL and MTNL of last 10 years, the researcher accepts the hypothesis that non-regularization of jobs of BSNL contract workers would affect the quality of services.

11. CONCLUSION:

The workers demand from the employer to absorb them, whenever there are new posts, instead of filling them by appointing freshers from outside, through direct recruitment drive, is valid. If the court gives such directions, it will change the fate of the workers. Once they are regularized they will get wages and benefits like regular workers, that will improve their standard of living, improve industrial relations and also the aggregate demand in the economy.

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