

# INCOMETAX EMPLOYEES FEDERATION

Andhra Pradesh and Telangana Circle, Hyderabad

Comrades,

12.8.2015

ITEF(CHQ) served a strike notice to the Chair Person, CBDT on 11.8.2015 in accordance with the all India strike call given by the Confederation of Central Government Employees and Workers (CCGEW). The Confederation served a strike notice to Cabinet Secretary at New Delhi. Accordingly, ITEF AP & Telangana Circle served strike notice on the Pr. CCIT at Hyderabad.

The Confederation has embarked on this strike program against the unjust and anti-employee policies of the Government. As per terms of reference, the Pay Commission has to submit its report by August 2015. However, it is informed that the Pay Commission has sought to extend the deadline. In spite of repeated deliberations, till now, there is no DA merger, no interim relief, no retrospective date of effect to Pay Commission from 1.1.2014, as demanded by staff side JCM. This is gross injustice to the central Government employees. The govt has also failed to address our demands for removal of ceiling on bonus, removal of 5 % ceiling on compassionate appointment, regularisation of casual labourers, scrapping PFRDA bill and restoring assured pension system etc. It is needless to emphasize that the central Government employees are the worst sufferers of govt's apathy and indifference towards our genuine demands and aspirations. There are many apprehensions about the key outcomes from the Pay Commission, like fitment formula, minimum wage, pay structure, length of service and retirement age etc. The concerns of the central Government employees in this regard are unresolved.

Comrades, the minimum wage concept is an important determinant in formulating our pay structure. 'Need based minimum wage' concept was formulated by Dr. Aykroyd. It was approved by the 15<sup>th</sup> ILC. According to this formula, the lowest minimum monthly requirement for a family, is worked out. For 7<sup>th</sup> CPC purposes, the average price of following commodities is considered : Rice / Wheat, dal, raw vegetables, green vegetables, other vegetables, fruits, milk, sugar / jiggery, edicible oil, fish, meat, egg, detergents, clothes. The prices are averaged for different cities : Delhi, Mumbai, Kolkata, Chennai, Bangalore, Bhubaneswar, Trivandrum and Hyderabad, as on 1.5.2014. This worked out to Rs. 11344 per month. 7.5% is added towards housing, 20 % towards other household expenses and 25 % towards education, medical, social obligations etc. Thus, minimum pay for an unskilled worker (equal to erstwhile Gr. D cadre) worked out to Rs. 20,861/-. This must be the minimum wage for unskilled worker on the basis of need base minimum wage concept approved by 15<sup>th</sup> ILC.

In Central Government employment, presently there is no unskilled labour. The lowest level of employment is multi skilled worker / employee (MTS). The minimum educational qualification prescribed is either ITI or matriculation (10<sup>th</sup> standard). The percentage difference of wages between skilled worker and unskilled worker on an average had been more than 25 % all throughout. Therefore, the staffside JCM added 25 % to the minimum pay of the lowest employee in Government service, which comes to Rs. 26,075/- or Rs. 26,000/- when rounded off. This minimum wage is scientifically worked out, as per Dr. Aykroyd formula, and as per 15<sup>th</sup> ILC norms. The ITEF CHQ, Confederation and Staff side JCM demanded for the above minimum wage. This minimum wage working is very important because 'fitment benefit' represents the gap between pre-revised minimum wage and the revised minimum wage. The fitment benefit will ultimately represent our new scales / paybands. After detailed calculation, the staffside JCM demanded for a multiplication factor of 3.7 as fitment formula, uniformly across all the cadres and pay scales.

The staff side JCM also demanded for 2 increments in feeder cadre on benefit of promotion, reintroduction of special pay, extending children education allowance to graduation / post graduation courses (presently available upto 12<sup>th</sup> standard), doubling of this allowance and increasing the same by 50 % whenever DA reaches 50%, doubling of HRA rates in view of sky rocketing of real estate and rental rates, education advance to employees whose children take up higher studies, overtime allowance to SCDs as per actual pay and DA, increase in conveyance allowance, increase the house building advance to 50 times of salary, entitlement to HBA on 5 years of service (from 10 years at present), allow purchase of second hand houses and extension of existing house for HBA purpose. The staff side JCM also suggested for increasing CL from 8 to 12 days, EL ceiling from 300 to 450 days, maternity leave to 240 days, paternity leave to 30 days, encashment of HPL at the time of retirement, converting child care leave to family care leave - so that restriction on number of spells in a year are removed, allowing her to avail this leave for her own biological disorders etc.

Comrades, the above mentioned are only some of the recommendations of staff side JCM. They have been submitted to the Member Secretary, 7<sup>th</sup> CPC on 30.6.2014 by JCM staff side. As you can see, each and every one of our demands are extremely genuine and justified, in the face of continuously rising prices of commodities, cost of housing, education, medical and other compulsory expenditures. There is no match between price rise and rise in our salaries. Compared to price rise, our salary rise is only cosmetic. When we consider inflation on compounding basis, rise in salaries on a flat basis

gives us only notional increase, but not real increase. If we adjust for inflation, there is actually a decline in our real incomes. This dangerous aspect could be given resistance only if all our employees understand the dangers and raise our united voice.

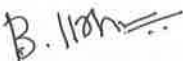
Though the staff side JCM is pursuing with the Pay Commission on its demands regularly, we need to recognise that no achievement has been possible in the history of employee benefits without struggle. Whatever benefits that we have now, they are as a result of intense struggle and raising of united voice by the Confederation and the constituent units in 186 central Government departments like ITEF, Postal Department etc. The need for struggle and demonstration of our united strength is more important in the present scenario where there are many apprehensions regarding the outcome of Pay Commission report and even the widely discussed aspect of tinkering with retirement age. Unless we show our strength, unless we demonstrate our resolve, unless the Government feels that it would face stiff resistance to the anti-employee policies, the corporates will be hell bent on the Government to reduce pay, allowances and other benefits to the Government employees. Their interest is that, if Government employees salaries are increased, the corporates will face pressure to increase their workers salaries. Plus, the corporates also want to corner Government funds. In Budget 2015, the corporate tax rate was reduced from 30 % to 25 %. This is loss of income to Government. Indirectly, this is shift of income from Government to corporates. The Government is ready to increase income of corporates, but not keen to increase income of its own employees.

The working class in the factories and industries are also severely agitated because of many oppressive laws being introduced. For example, according to Small Factories Bill which was introduced in the Parliament, all factories which are employing less than 40 workers are exempt from complying with 14 labour laws. This means that the benefits of ESI, PF, Bonus, maternity benefit, maximum working hours, child labour prohibition, compensation for on-duty accidents, - all these genuine requirements will not be statutorily available to factories which employ less than 40 workers. Minimum wages is prescribed but penalty for non-payment of minimum wages is removed. Factory owners can close down their factories by simply notifying to the authorities, even electronically. The workers will lose their livelihood, without any protection. Because of this bill, around 70 % of the workers in India will be thrown out of the protective umbrella of labour laws. These labour laws have been framed over the past two centuries, after protracted worker movements and struggles, and the Government is seeking to steal the minimum protection for workers with one stroke. The minimum protection for the workers is robbed away for the benefits of corporates.

Such anti worker policies are now being actively resisted by trade unions. All sections of working class, whether casual labour or white collared or blue collared workers, everyone is now recognising the dangers of the anti-worker and anti-employee mindset. 11 central trade unions representing the entire working class of India have come forward to register their united protest in a loud voice, by conducting a massive general strike on September 2<sup>nd</sup> 2015. The Confederation of Central Government Employees and Workers (CCGEW) has also joined hands with the national workers trade unions in the common struggle against the anti-employee policies.

Comrades, unless we demonstrate our united strength, there will be a temptation to push forward many anti-employee measures. The Central Government Employees and Workers have time and again fought against oppressive policies and injustice. This time, the labour unions of all the working class are also with us. For the first time, even INTUC and BMS have joined hands to fight on a common front. So lets all join together, raise our voice unitedly, show our strength and make the 2<sup>nd</sup> September all-India strike a roaring success.

Comradely yours,

  
(Usha Bonepalli)

General Secretary  
ITEF, Andhra Pradesh and Telangana Circle, Hyderabad  
&  
Chair Person  
Womens Committee,  
Confederation of Central Government Employees and Workers, New Delhi.

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**INQUILAB ZINDABAD**

**EMPLOYEES UNITY ZINDABAD**

**SOLIDARITY FOREVER**

**WORKERS AND EMPLOYEES ARE ENTITLED TO A FAIR SHARE OF  
ALL THAT THEY CREATE**

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