



PLANNING AND ECONOMIC AFFAIRS (BPE) DEPARTMENT

**G.O. (Ms.) No. 18/93/Plg., Thiruvananthapuram
dated, 14th October. 1993.**

Abstract.- Public Sector Undertakings- Guidelines for wage revision and payment of D.A.-Orders issued.

- Read.-
1. Circular No. 27043/BPE/86/Plg., dated 2nd February 1987.
 2. Circular No. 26518/BPE/87/Plg., dated 11th December 1987.

ORDER

In the Circular read above, orders have been issued making it obligatory on the part of all Public Sector Undertakings to obtain guidelines from the Public Enterprises Board to start negotiation for revision of salaries/wages/D.A. and other perquisites. Detailed procedure to be followed for obtaining such guidelines has also been prescribed. Apart from these instructions there were no clear cut policy statements on pay revision in Public Sector Undertakings. Even those instructions are sometimes ignored and Government approached for ratification after the Management and the Unions conclude the settlement.

2. It is also seen that at present there is no uniformity in payment of D.A. to employees in Public Sector Undertakings. In some Undertakings pay scales and D.A. as paid to the State Government employees are made applicable and in some others Industrial Variable D.A. , there is no uniformity either in the rates or in the C.L.I. to which the D.A. is linked.

3. All these aspects have been engaging the attention of Government for sometime and with a view to remove such variations and inequalities, the following orders are issued:

(i) The Public Sector Undertakings and the Administrative Departments in the Secretariat should ensure that the instructions regarding obtaining of Public Enterprises Board guidelines before starting negotiation with the employees for any change in wage structure in Public Sector Undertakings are strictly followed. Instances of any violation should be brought to the notice of the Chief Minister for appropriate orders.

(ii) In future, Variable D.A. alone shall be given, in all Public Sector Undertakings, The variable D.A. will be linked to the 1970 base C.L.I. as applicable to the District in which the Units is situated. The value of neutralization (rate) per point of C.L.I. will be uniform for the State as a whole and shall be as determined once in five years by a Subcommittee of the Council of Ministers.

(iii) The rates so determined should be applied to all categories of employees, who are being given Industrial D.A., on the expiry of the Validity period for the existing long term agreement. The employees who are at present getting D.A. as in Government service should also be brought under the scheme of Industrial Variable D.A. at the time when their next pay revision is due.

(iv) Hereafter, no wage revision will be allowed in loss making Public Sector Undertakings. In such cases, enhanced, D.A. based on the increase in C.L.I. determined as stipulated in para (ii) above, would alone be applicable.

(v) The above orders will not be applicable to those undertakings/employees, now covered by I.R.C. settlements or other industry-wide wage settlements.

(vi) In undertakings where long-term agreements exist, the above orders will be made applicable only after the term of the present L.T.A. expires.

(vii) Exceptional cases, which require any deviation shall be taken by with the Council of Ministers for specific orders.

(By Order of the Governor)

K.M. CHANDRASEKHAR,
Secretary