



BSNL EMPLOYEES UNION

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Press Statement

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BSNLEU's response to the Union Cabinet's decisions
on the revival of BSNL and MTNL.

The Union Cabinet, in its meeting held yesterday the 23rd October, 2019, has approved a revival package for BSNL and MTNL and the same has been announced in a press conference, by Shri Ravi Shankar Prasad, Hon'ble Minister of Communications & IT. In his briefing to the press, the Hon'ble Minister of Communications & IT has stated that, BSNL and MTNL are the strategic assets of the nation and that they would not be closed down, or disinvested or handed over to any third party. The Hon'ble Minister of Communications & IT, has also highlighted that, it was BSNL which has served the nation and the people in times of natural calamities. The Hon'ble Minister of Communications & IT has also underscored the importance of BSNL, for its role in the construction and maintenance of the communication networks of the defence forces.

The Union Cabinet has taken decision for the administrative allotment of 4G spectrum to BSNL and MTNL, for which the government would be making necessary capital infusion into both these PSUs. It is important to recollect that, allotment of 4G spectrum to BSNL has been the most important demand of the unions and associations of BSNL, for the past few years. The Executives and Non-Executives of BSNL have gone on several struggles, including strikes and have faced victimisations, demanding level playing ground to BSNL. BSNLEU thanks Shri Ravi Shankar Prasad, Hon'ble Minister of Communications & IT, for effectively taking up this demand of the employees before the Cabinet and getting it approved. BSNLEU also heartily congratulates the entire employees at this moment, for this significant achievement. BSNLEU also expresses its gratitude to the general public, who have overwhelmingly supported the demand of allotment of 4G spectrum to BSNL.

Despite opposition from BSNLEU and many other unions and associations, the Cabinet has taken decision to implement VRS in BSNL. In this regard, BSNLEU wishes to point out that it is not a correct argument to say that BSNL has gone into loss because of its huge workforce. It is an undeniable fact that, the same BSNL earned a net profit of Rs.10,000 crore in 2004-05, when the Company was having one lakh employees more than what it is having today. Further, it is not a fair comparison to state that the private telecom companies spend only 5% of their earnings for payment of salaries, whereas, BSNL is spending 70% of its earnings for this. The private telecom companies outsource most of their jobs, the expenditure of which does not get reflected in their wage bills. Whereas, most of the jobs of BSNL are being done by its own workforce, including the contract workers.

Instead of retrenching a large number of employees through the VRS, it will be ideal that the money that is going to be spent for the implementation of VRS, is spent for the expansion and modernisation of BSNL's networks, which will surely ensure the company's turn-around. It is also learnt that, the government is also having the proposal of rolling back the retirement age of the employees from 60 to 58 years. All the major trade unions and associations are opposed to this measure and BSNLEU requests that the government should desist from taking such decision.

BSNLEU welcomes the decision of the government to give Sovereign Guarantee to the bonds to be issued by BSNL and MTNL, to the tune of Rs.15,000 crore, which would be utilised for repayment of loans and also for the expansion of their networks. The Union Cabinet has also approved the proposal of merging BSNL and MTNL, through which MTNL would become a subsidiary of BSNL. BSNLEU welcomes the decision of delisting MTNL for this purpose. At the same time, BSNLEU demands that MTNL should be made a debt-free company, before such merger.

The Union Cabinet has also given its approval for the monetisation of the lands of BSNL and MTNL, to the tune of Rs.38,000 crore, over the next 4 years. BSNLEU demands that, the proceeds of such monetisation should be ploughed back for the network modernisation / expansion of BSNL and MTNL. At the same time, BSNLEU also demands that it must be ensured that the lands of BSNL and MTNL are not sold at throw-away price in the proposed monetisation.


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