

## **Press Note**

The Union Cabinet in its meeting held on 25.10.2011 approved the proposal of the Ministry of Labour & Employment to accept the recommendations of the Wage Boards headed by Justice Majithia for revision of wages and allowances of employees in newspaper establishments and news agencies subject to certain corrections.

2. The Notification to implement the recommendations of the Wage Boards will be issued in consultation with the Ministry of Law & Justice by making an Order under sub-section (1) of section 12 for publication in the Gazette of India as required under sub-section (3) of section 12 of the Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955.

3. The highlights of the recommendations are as follows:-

### **Methodology for Computation of Revised Wages and Allowances:**

- For purposes of wage fixation newspaper establishments have been classified into eight classes and news agencies into four classes based on gross revenue. Jobs have been classified into six groups and accordingly six scales have been suggested in each class of establishment.
- The revised pay scale is based on the old basic pay plus Dearness Allowance (D.A.) admissible upto June, 2010 plus 30 per cent of basic pay as interim relief.
- The revised rate of dearness allowance is to be computed on the basis of the average all-India Consumer Price Index Number for Industrial Worker (2001=100) for the preceding twelve months

compiled by Labour Bureau and will become operative with effect from 01-07-2010.

**Main Recommendations of Majithia Wage Boards:**

- The revised pay comprises of variable pay at the rate of 35 percent for employees working in the first four classes of newspaper establishments (first two classes of news agencies) and 20 percent for the bottom four classes of newspaper establishments (bottom two classes for news agencies).
- The variable pay should be added to the revised basic pay for calculation of all allowances.
- The rate of neutralization of DA should be 100 percent of basic pay for calculation of all allowances.
- The House rent allowance should be at the rate of 30%, 20% and 10% and accordingly areas/cities should be classified into three categories i.e. X, Y and Z for this purpose.
- The transport allowance should be 20% , 10% and 5% in the respective areas defined as X, Y and Z.
- Night shift allowance should range between Rs.100 and Rs.50 for different classes or establishments.
- The Awards as well as operational DA will be effective from 1<sup>st</sup> July, 2010.
- Except as otherwise provided in the Awards to the contrary, house rent allowance, transport allowance, hardship allowance or any other allowance prescribed in the Awards shall be effective from the date of Notification of the Awards.

4. The details of the recommendations as contained in Chapters XIX & XX of the Report of the Wage Boards are at [Annexure I \(a\)](#) and [Annexure I \(b\)](#) respectively. The corrections to the recommendations as approved by the Union Cabinet are at [Annexure II](#).

**5. The implementation of the Wage Boards will be subject to final outcome of the Writ Petition (C) No.246 of 2011 in the matter of ABP Pvt. Ltd. & Anr. versus Union of India and Ors. presently before the Hon'ble Supreme Court of India.**