

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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To

All the Zonal/Divisional/State/Regional Units

Dear Comrades,

**AIEA SECRETARIAT MEETS AT HYDERABAD
DECIDES TO CELEBRATE DIAMOND JUBILEE OF LIC
AND OPPOSE TRANSFER AND MOBILITY POLICY**

The Secretariat of AIEA met at Hyderabad on 22nd June 2016 to review the current political and economic developments and their impact on the insurance industry and the issues of the employees. The Secretariat noted that the world capitalism continues to be crisis ridden with the United Kingdom and Japan slipping into recession. There is also fear that the United States is going to slip into recession. The crisis has devastated the life and living of the working class across the globe with the ruling elites continuing to attack the jobs, wages, pensions and social security measures of the workers. The workers are heroically resisting these attacks. The Secretariat discussed the impact of this crisis on the Indian economy and noted that the Indian Government has learnt no lessons from the global crisis and continues to pursue the discredited neo-liberal policies. Despite the claims of the fastest growing economy in the world, there is no evidence to suggest that the living conditions of the people have improved. The economy has failed to create jobs and India is confronted with huge problems of unemployment. The Government is vigorously pursuing the policy of opening the economy for foreign capital and privatizing the public sector. The latest decision to allow full freedom to foreign capital in vital areas like Defence and civil aviation is bound to have adverse impact on the country in the long run.

DIAMOND JUBILEE OF LIC

The Secretariat took pride in the fact that LIC is the conceptualization of AIEA when it raised the demand for nationalization of insurance business in 1951 and launched a struggle to achieve the same. In the last 60 years, LIC has become the finest financial institution of the country. Today with a total assets of over 20 lakh crore, assets under management of 18.72 lakh crore and a policyholder base exceeding 30 crore, LIC has played a great role in the nation building exercise. It is the most popular brand in the country and through its contribution to the nation building ensuring total security to the policyholders; LIC is both admired and trusted by the nation. This is the reason that even after 16 years of opening up of the insurance sector to private players LIC has continued to dominate the life insurance market. But it also faces huge challenges with the decision of the government to hike FDI limit to 49 percent and the process of mergers and acquisitions that is set in motion. The continued faith placed by government in neo-liberalism also makes the attack on LIC imminent. In this background, the Secretariat decided to celebrate the Diamond Jubilee of LIC in a befitting manner. **It was decided by the Secretariat to vigorously campaign for the**

defence of LIC by organizing various programs in the first half of September. The Secretariat also decided to organize a two day national seminar at New Delhi before the end of this year involving leading economists, social activists, intellectuals and prominent citizens of the country. The Secretariat called upon the LIC employees to pledge to rededicate to take this institution built by their sweat and toil to still greater heights.

CAMPAIGN AGAINST PRIVATISATION OF PSGI COMPANIES

The Secretariat endorsed the decision of the Standing Committee to campaign against move of the government to list the PSGI companies on the stock exchanges. The campaign is designed to educate the employees and seek public support to the struggle. It is also decided to observe a day's strike by employees of general insurance companies on the day the shares of any company is opened for initial public offer.

TRANSFER AND MOBILITY POLICY

The Secretariat noted that LIC management is taking unilateral steps to implement a transfer and mobility policy despite widespread opposition. The stand of the AIIEA and the reasons of its opposition to TMP are made clear through four letters addressed to LIC on this issue. It is regrettable that LIC is using Chief Vigilance Commissioner's guidelines as a pretext to implement this policy. It is acknowledged even by the Parliament that LIC is one of the few institutions in this country that is free from corruption. Therefore invoking the vigilance angle to bring a TMP is insulting the honesty and integrity of the employees whose devotion has made LIC a giant financial institution. **The Secretariat noted that AIIEA has been successful in pushing the TMP for over ten years since LIC and government tried to bring it in the year 2004. The AIIEA had also organized strike actions on this issue. The resistance has to continue.** The Secretariat warned LIC that any arbitrary and unilateral implementation of TMP will be injurious to the peace and harmony of the industry. The Secretariat noted that there is acute shortage of staff in all offices of the corporation and LIC would do well to find ways and means to go for a massive recruitment rather than expending their energies on the TMP. **A Fax message was sent to the Chairman from the meeting urging upon him not to be unilateral on this issue. The Secretariat also adopted a resolution and warned LIC that if they proceed to implement the TMP, AIIEA will resolutely oppose it including through direct industrial actions. The resolution is sent to the Chairman. It was decided to hold demonstrations in front of all offices of LIC during lunch recess on 28th June, 2016 and handover the resolution to the Zonal Managers and heads of the divisions.**

OTHER ISSUES:

The AIIEA had expressed apprehensions on profiling of employees and security of data in the name of biometrics. But with the government undemocratically passing the Aadhar Bill, these concerns have been ignored. The LIC has decided to introduce biometrics and is introducing this on experimental basis in few centres. The AIIEA has not raised any objection to this experimentation but has expressed reservations on the log out provision. The Secretariat has asked LIC to review the log out provision.

The Secretariat decided to continue to pursue the demand for another pension option. With both LIC and PSGI companies recording good results in the financial year 2015-16, the Secretariat demands the managements to vigorously push this demand at the Government level. The AIIEA will continue its efforts in this direction.

The Secretariat noted the delay in the government issuing notifications on five day week, accumulation of PL to 270 days and a number of others issues. It demanded LIC to follow up with the government in order to ensure early implementation. The Secretariat urged LIC to immediately implement its commitment on upgradation of the remaining RPT employees.

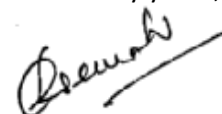
The Secretariat also noted with concern the changes that have been unilaterally brought about in the Sports Policy of the Corporation. The changes in functioning of the LIC Sports and Recreation Clubs are a direct infringement of the democratic rights of the General Body and violation of the bye-laws of these Clubs. The Secretariat demanded a review of this policy and urged LIC to hold discussions with AIIEA on this issue.

AIIEA Conference: The 24th conference of AIIEA will be held at ERNAKULAM (KOCHI) FROM 21ST to 25th January, 2017. The secretariat was informed that the comrades at Kochi are making all efforts to make this conference a grand success. The meeting appeals to the employees across the country to contribute financially for the success of the conference.

The Secretariat concluded with confidence that despite the great challenges posed by the political and economic environment and LIC's policy on issues of the employees, the organization is capable of meeting them successfully through struggles.

With greetings,

Comradely yours,



General Secretary.