

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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To

All the Employees,

Dear Comrades,

AIIEA SECRETARIAT CALLS FOR AGITATION

The Secretariat of AIIEA was called on 5-6 March 2018 at Patna to review the developments both within and outside the industry to frame our responses on the issues of the insurance employees. The Secretariat discussed in great detail the prevailing political and economic environment in the country and decided that the hostile situation should not overawe us but rather make us more determined to struggle and secure our just demands.

MERGER OF THREE PSGI COMPANIES

The announcement of the Finance Minister on merger of three public sector general insurance companies during the course of Budget 2018-19 presentations was welcomed by the Secretariat. The AIIEA for the past several years has been campaigning for the consolidation of the public sector general insurance companies. Four PSGI companies competing for the same business makes no economic sense. With the liberalisation of insurance sector, it became necessary to merge the four companies and create a monolithic corporation on the lines of LIC to meet both the challenges of a competitive market as well as to effectively advance the social obligation. The AIIEA is clear in its understanding that a merged entity will help economies of scale, offer better leverage of human resources and further expansion to help the national economy. Therefore, the Secretariat came to the conclusion that while welcoming the merger of three companies, the campaign has to be carried forward for inclusion of New India Assurance Company too in the process of merger. The Secretariat noted the difference between the Government and the AIIEA on the issue of merger. While the AIIEA wants a strong merged entity to serve the national interests, the intent of the government behind the merger is to create a strong company which naturally will add to the value and then sell it in the stock markets. The Secretariat expressed strong opposition to the intent of the government and decided to continue its fight against disinvestment.

WAGE REVISION

The wage revision has become due from 1.8.2017. The AIIEA submitted the Charter of Demands to both LIC and GIPSA on 2nd August 2017. Both the Chairmen of LIC and GIPSA appreciated the rationale of framing our demands and assured all efforts for an early settlement. But despite the passage of six months, the negotiation on this important issue is yet to open. In the meantime both LIC and the PSGI companies continue to scale greater heights in terms of premium mobilisation, servicing standards and dominance in the market.

The massive frauds in the banking industry that came to light are without any doubt the result of neo-liberalism which has entrenched crony capitalism in India. Instead of holding itself responsible, the government is trying to paint a picture that the frauds are a result of connivance of officers and employees at the lower level with the industrial and business houses. In the process, the wage revision for the bank employees has been pushed to the background. The Secretariat warned LIC and GIPSA that developments in the banks should not be allowed to influence wage revision in insurance industry. The Secretariat also was convinced that a strong protest must be lodged over the delay in calling for negotiations and we have to press for early settlement on the basis of the paying capacity of the institutions.

FINAL PENSION OPTION

The Secretariat noted with concern and alarm the negative response of the government on well reasoned demand for a final option to join the 1995 Pension Scheme. Though LIC and GIPSA have recommended the government to allow a final option, the government continues to be adamant. We understand that the government has also rejected such a demand in RBI despite the unanimous recommendation of a Parliamentary Committee. The Secretariat decided that this important demand has to be pursued through a serious agitation involving all sections of the employees. The Secretariat was clear that projection of this demand as an issue of only a small section of employees and activities outside the trade union movement on this important issue can only harm the demand. The issue has to be understood in the background of hostility of the government to a defined pension scheme. The AIIEA is absolutely clear that **the issue of Pension Option is not an economic but a political issue** and this political policy can be fought only with larger united struggles.

FIVE DAY WEEK

It is a matter of great concern that the agreement on Five Day Week is yet to be implemented. The delay in implementation of this understanding on the plea that the Government is yet to give its approval makes a mockery of collective bargaining and the autonomy of LIC Board. The LIC is morally committed to implement Five Day Week and no excuse is acceptable.

RECRUITMENT

The last recruitment in the base cadre took place in LIC nearly a decade back. Since then LIC's business has grown exponentially and there is an acute need of recruitment to meet the growing requirement of policy servicing. Leave alone increasing the staff strength to adequately staff the offices, not even retirement vacancies are being filled. The LIC cannot permanently keep recruitment in abeyance on the pretext of legal issues. Recruitment has become the urgent necessity to sustain the institution.

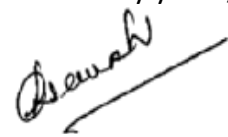
The Secretariat also discussed various other issues relating to the employees. The Secretariat came to the conclusion that the attitude of the LIC management towards the employees issues is not helpful as is evident in its interpretation of government circular on ex-servicemen or on income tax rebate on housing loan. The Secretariat also noted that the promised relook on Sports Policy is yet to take place despite the formation of the new Sports Promotion Council. The GIPSA dithering on issues like extending the improvements in Medclaim offered in LIC and on other issues is also of concern.

The AIIEA and the employees waited patiently for the LIC and GIPSA to meet the legitimate demands in the background of impressive performance registered by the institutions. The Secretariat, therefore felt that AIIEA is left with no option but to take recourse to the agitation on these issues. **The Secretariat has called for a One Hour Walk Out strike in the last week of March 2018 preceded by weekly demonstrations.** The exact dates would be announced shortly as some unions have shown interest in developing the struggle jointly.

We request the employees to implement the call of AIIEA and lodge a strong protest over the anti-worker attitude of the government and the institutions.

With greetings,

Comradely yours,



General Secretary.