

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
LIC BUILDING SECRETARIAT ROAD HYDERABAD 500 063
(E-mail: aiieahyd@gmail.com)

Cir. No. 46/2020

31st December, 2020.

To
All the Zonal/Divisional/State/Regional Units

Dear Comrades,

Welcome New Year 2021

The year 2020 will pass into the annals of history by midnight, today. We have seen an unprecedented crisis of health followed by a devastating economic crisis putting millions of people into poverty and distress. Mankind underwent many disasters and challenges but the crisis created by Covid is a gigantic one. It is heartening to note that the comrades of AIEA across the length and breadth of the country bravely went into the streets and helped hundreds of people who were in need of support and help. Across the world the number of Covid cases had increased to more than 40 million. The new variant of Covid in UK is causing worry in the midst of hope created by the development of vaccines.

IMF World Economic Outlook Report of October 2020 estimates that there will be a -4.7% growth in the world economy. China is the only country to have positive growth outlook with a growth of 3.2%. The IMF report says that the economic recession created by the Covid-19 is much bigger than the recession of 1929. But stock markets have performed well and out of every four dollar billionaires, three have increased their profits. The pandemic has reversed the progress made since the 1990s in reducing global poverty and this will further increase inequality. Right wing politics is gaining strength across the world. The campaign in the presidential election of USA was very divisive and a divided America ultimately elected Joe Biden as its new president.

The economic situation in India is worsening. RBI has estimated that there will be a negative growth of 9.5% for the year 2020-21 while IMF estimated that the growth will be -10.3%. CMIE estimates that around 80 lakh jobs have to be created every year to get back to pre-Covid employment and labour participation rates. Around 15 crore people have lost jobs after the eruption of pandemic. India is able to increase its rank in ease of doing business but India is at 94th position in Global Hunger Index out of 107 countries. During the pandemic there is 14% increase in wealth of the rich in India.

The Government has used the crisis created by pandemic to increase its attacks on working class and farmers. Four labour codes have been passed by the Parliament replacing 29 labour laws. These changes to labour laws will curtail the workers right to strike and will weaken the collective bargaining rights of the workers. Establishing and organizing a union will become difficult and even the definition of the worker will be changed which will adversely affect the rights of the workers. Fixed term employment will take away the concept of permanency of jobs and hire and fire will be the new norm. The Public Sector is being dismantled and disinvestment of PSUs is being done aggressively. The Parliament also passed three farm laws which will adversely impact the farmers of the country. The farm laws do not give any guarantee for MSP and for procurement of agricultural products. Land pooling and contract farming will benefit domestic and foreign agri-business companies and this will endanger the traditional farming impacting food security in the country.

The ruling combination is pursuing its divisive agenda of polarizing people in the name nationalism and religion. Abrogation of Article 370 and 35A, amendments to the RTA Act and Unlawful Activities Prevention Act (UAPA), Citizenship (Amendment) Act and sedition charges are being used to quell dissent and opposition to the policies of the Govt. The V-Dem Institute of Sweden in its 2020

Democracy report states that India is on the verge of losing its status as a democracy due to the curtailment of democratic rights and civil liberties under NDA Government.

Amidst pandemic and economic crisis, LIC moved forward with enhanced business figures and improved all round performance. The market share of LIC in first year premium income is 69.39% and 69.78% in policies as on 30.11.2020. Despite severe constrains of lockdown LIC has settled 82 lakh claims and paid an amount of Rs 48,000 crores towards claim settlements as on 30.09.2020. The total income of the Corporation as at 31.03.2020 was 6, 15,000 crores and the total amount in the Life Fund is more than 31 lakh crores. LIC today is a global financial giant with presence in varied fields like banking, mutual funds, credit cards and housing etc.

In the budget speech in February 2020, the Government expressed its intention for the disinvestment of LIC. The Government is moving swiftly in this direction and two transactional advisers are appointed to help the Government for the speedy process of disinvestment. The Government may move a bill for amendments to certain sections of LIC Act or may even issue an ordinance on this. AIIEA launched a massive campaign against the disinvestment of LIC explaining the hollowness of the arguments of the Government for disinvestment. AIIEA cadres across the country met Parliament members and eminent people and requested them to oppose the move of the Government. Massive support has come to the campaign of AIIEA and this has to be consolidated and strengthened in the year 2021 to defeat the designs of the Government to disinvest LIC.

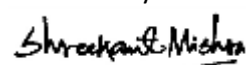
The wage revision for insurance employees is pending since 1st August 2017. Three rounds of negotiations have taken place and in the last negotiations held on 21.12.2020, LIC has made an offer of 16% wage increase. AIIEA has asked the Management to come up with improved offers. AIIEA will pursue the issue of wage revision and will try to get a good wage settlement as quickly as possible. AIIEA will strive for resolving all other pending issue in the New Year 2021.

Working class resistances to the discriminatory and divisive policies are also increasing across the globe. We have resistance movements and strikes in France, Greece, Thailand, Bolivia, Chile, Lebanon, Palestine, Indonesia and Belarus. In India also massive protests were held across the country against Citizenship amendment Act. Around 25 crore workers went on one day massive strike on 26.11.2020 opposing privatization of PSUs and demanding scrapping of New Pension system, withdrawal of labour codes and farm laws, cash transfers to the poor and improvements to employment guarantee scheme. The farmers' agitation demanding repealing of farm laws has been going on for over a month and is getting massive support from all sections of people in spite of the Government efforts to break the unity of the farmers and terming the farmers as anti-national and terrorists.

Let us welcome the dawn of the New Year 2021 with optimism and confidence that the New Year will be a forward march in our struggle to build an equitable society with democratic and secular values. AIIEA wishes all the comrades a happy and eventful new year and let us welcome the New Year 2021 in the words of Tennyson *"Ring out the faithless coldness of times, ring out the grief that saps the mind, Ring out the false and ring in the true, Ring in the love of truth and right; Ring in the common love of good."*

With Revolutionary Greetings and Best Wishes for 2021

Comradely Yours



General Secretary