

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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20th April, 2021

To,
All the Zonal/Divisional/State/Regional Units

Dear Comrades,

YET ANOTHER SPECTACULAR WAGE REVISION SECURED IN LIC
ADMINISTRATIVE INSTRUCTIONS ISSUED

The Wage Revision issue is finally settled in LIC. This wage revision came after a long wait of 43 months. The wage revision was finalized after a discussion with the LIC management through video conferencing on 15th April 2021. The Gazette Notification was also issued late in the same evening. LIC issued the Administrative Instructions for payment of revised salary and arrears of wages late in the evening yesterday. The benefits of the wage revision will flow to the employees very soon. We congratulate each and every employee of LIC and their family members for yet another spectacular wage revision in an extremely difficult political and economic situation.

The struggle for wage revision started with the formulation of the Charter of Demands. The AIIEA submitted the Charter of Demands to the LIC management on 2nd August 2017. The AIIEA demanded that wage revision in LIC should be based on the strength and paying capacity of the institution and it should be commensurate with the hopes and aspirations of the employees. The AIIEA also demanded that there should be substantial increase in all allowances payable to the employees and due attention be given to improvement of retirement benefits. The AIIEA took this opportunity to reiterate the demand that all that had been committed by the management during the last round of wage negotiations but had not yet materialised should be redeemed without further delay. Naturally, particular emphasis was given to the issue of 5 Day Week.

When a wage offer of 16% across the board was made on 21st December 2020, it was established beyond any shade of doubt that the wage revision in LIC was going to be settled independent of developments in analogous institutions. We made a brilliant advancement when the management agreed to frame the revised pay scales with a loading of 15% after the merger of the entire Dearness Allowance as on 1st August 2017. It was also agreed that the new rate of DA shall be at the rate of 0.08% for every slab. This ensured that AIIEA's longstanding position of giving maximum benefits to the maximum people was secured. It also helped realise our position that the wage revision should give benefit to the employees not only during their service period but should also benefit them in terms of their retirement benefits. Over and above this, a Special Allowance to all

classes of employees has been introduced for the first time. This Special Allowance shall be reckoned for the purpose of calculation of DA as well. The Administrative Instructions that were issued yesterday contain all the details of the hikes in various allowances payable to the employees. In view of all these monetary benefits, the wage revision has been a spectacular wage revision. In addition to all the monetary gains that were secured, an important residual issue of the last wage revision in terms of the Five Day Week was also clinched. The present wage revision can therefore be called one of the most spectacular wage revisions in the glorious history of the AIEA.

The present wage revision has come at one of the most critical moments of our social, economic and political life. Increased wages are an anathema to any profit driven business enterprise in a capitalist society. A struggle for increased wages is the most arduous of all struggles. The havoc wrought by the pandemic was an additional factor this time. The economy and polity are in great turmoil. Physical meetings and travels to distant places have almost become a thing of the past. However, it is because of the sheer ingenuity of the tactical line of AIEA and the unquestioning faith and allegiance of our members in the capabilities of the AIEA that a seemingly difficult task was accomplished in the most brilliant manner. Reports have been pouring in from across the country that our employees are extremely happy with the settlement. It is being hailed as Spectacular, Splendid, Marvelous, Magnificent, Never Before, Extraordinary and what not! The AIEA would like to invoke William Shakespeare, who said in his immortal work Romeo and Juliet:

*“What’s in a Name? that which we call a rose
By any other name would smell as sweet”*

The Secretariat of the AIEA that met through video conferencing on 16th April 2021 hailed this historic achievement and congratulated LIC employees throughout the country. The Secretariat felt that it had become absolutely important now to protect the gains that we have made through this wage revision. Towards this end, the Secretariat was unanimous in its understanding that this historic gain can be protected only by protecting and strengthening LIC in the public sector and strengthening the organisation. The AIEA needs to be strengthened both organisationally and financially. Considering the enormity of the social and economic crisis confronting all of us today, the secretariat of AIEA decided to give a call for a modest **Levy of 2%** of the net arrears (Gross Arrears Less Income Tax). We are confident that our members all over the country will give an overwhelming response to the call and help strengthen the AIEA.

With Greetings,

Comradely Yours



General Secretary