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PRESS STATEMENT

AIEEA SUPPORTS THE TWO-DAY NATIONWIDE STRIKE OF BANK EMPLOYEES AND OFFICERS ON 16-17 DECEMBER 2021

Hyderabad: 13/12/2021- One million bank employees and officers under the banner of the United Forum of Bank Unions (UFBU) have given a call for two-day nationwide strike on 16-17 December 2021. The strike has been called opposing the proposed privatisation of public sector banks, the Banking Laws (Amendment) Bill 2021 and demanding strengthening of public sector banks. The All India Insurance Employees' Association (AIIEA) considers these demands as absolutely justified and supports this strike action of the bank employees and officers in the interest of the nation and its people.

The present government has embarked on a mindless pursuit of privatisation of public sector industries completely oblivious to the national interests. Privatisation of public sector banks has become an important element in the overall policy framework of the government. The Finance Minister made an announcement during the course of the presentation of the Union Budget this year that two Public Sector banks besides IDBI bank would be privatised as part of the centre's disinvestment plan. The government has listed the Banking Laws (Amendment) Bill for discussion and passage in the winter session of Parliament.

Public Sector Banks are the lifeline of Indian economy. Ever since nationalisation in 1969 and thereafter in 1980, banking has registered tremendous progress. Total deposits in India's Public sector banks have grown from a mere Rs.5000 crore in 1969 to Rs.157 lakh crore in 2021. The huge increase in number of bank branches, even in the remote and inaccessible areas of the country, is the singular contribution of India's public sector banks. Total number of bank branches have grown from a mere 8000 in 1969 to 1,18,000 in 2021. The priority sector of the economy like agriculture, rural development, small and medium scale industries, education, health, infrastructure etc. have immensely benefitted from public sector banks. Privatisation of public sector banks would not only be antithetical to the development of the nation but it would also amount to handing over precious and hard earned savings of the people to the private corporate sector.

A calculated campaign of calumny against public sector banks has been let loose by the apologists of privatisation in justification of these moves. The accusation that public sector banks are lossmaking is patently false. In the last financial year alone, public sector banks have made operating profit of Rs.1,97,374 crore. The total operating profits made by India's public sector banks during the period of the last twelve years is a huge Rs.16,55,215 crore.

The public sector banks are being forced to suffer huge haircuts because of the bad loans granted to the cronies of the ruling classes. The NPAs accumulated by the public sector banks are not due to the inefficiency of these banks but because of the benevolence of the government towards the wilful defaulters. It is unfortunate that plans are afoot to privatise the public sector banks and handover these banks precisely to those corporate interests that are primarily responsible for the NPAs of public sector banks. The bank employees' movement under the banner of the UFBU has rightly demanded adequate capitalisation of the banks, stringent laws to recover the bad loans from wilful defaulters and immediate halt to the destructive policy of privatisation of public sector banks.

The All India Insurance Employees' Association (AIIEA) supports the two-day strike of the bank employees and officers and calls upon insurance employees both in LIC and Public Sector General Insurance Companies throughout the country to hold solidarity demonstrations during lunch recess on the first day of the bank strike i.e. on 16th December 2021.


General Secretary

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