

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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To
All the Zonal /Divisional /State /Regional Units

Dear Comrades,

AIEA WORKING COMMITTEE MEETING AT RAIPUR

- **Finalises the Charter of Demands for LIC**
- **Decides to Place a Demand for 40% Wage Hike**
- **Decides to Intensify Agitation for Settlement of long delayed Wage Revision in PSGI Companies**
- **Decides to go for organisational action on the issue of Improvements in Family Pension**
- **Resolves to fight further dilution of government equity in LIC and fight the proposed Privatisation of Public Sector General Insurance Companies**

The Working Committee of the AIEA met at Raipur in the state of Chhattisgarh on 24-26 July 2022. Working Committee members from across India converged in the city of Raipur to finalise the Charter of Demands for LIC employees due from 1st August 2022, to take stock of developments relating to wage revision in PSGI companies and formulate appropriate course of action, devise strategy in defence of public sector insurance industry and to chalk out programmes of action for intensifying the struggle against the neo liberal economic policies that have wrought havoc on the lives and livelihoods of the people.

Wage Revision in PSGI Companies: The Working Committee of AIEA met in a rather unusual situation. While wage revision of both LIC and PSGI employees is due from 01.08.2022, the last wage revision of PSGI employees due from 01.08.2017 has not yet been settled. This has naturally created a lot of dissension and disquiet amongst the employees of PSGI companies. In view of this unprecedented situation, the Working Committee decided to finalise the Charter for the LIC employees only for the time being, with the understanding that new Charter for PSGI employees would be finalized once the wage revision due from 01.08.2017 takes place. The Working Committee of AIEA unanimously resolved to intensify the agitation in PSGI industry if the wage revision did not take place within a reasonably short period of time. While decrying the callous attitude of the GIPSA management and government, the meeting was of the firm opinion that even employees in the LIC would not shy away from joining the struggle in solidarity with PSGI employees if the wage revision was not conceded at the earliest.

Charter of Demands for LIC: The Charter Sub Committee of AIEA, with Com. H.I. Bhatt as the Convener, had prepared the Draft Charter of Demands for LIC employees at its meeting in Bhubaneswar on 29th April 2022. This Draft was subsequently approved by the AIEA Secretariat in its Bhubaneswar meeting on 30 April - 01 May 2022. This Draft had already been circulated amongst all the units of AIEA in the

life sector. The Zonal units of AIIEA in the life sector had sent the consolidated suggestions of all units for consideration of the Working Committee. There was a lively and enriching debate in the Working Committee on the basic formulations of the Draft Charter of Demands. Altogether 55 comrades participated in the debate after a brilliant initiation by **Com. B. Sanyal**, Vice President AIIEA. The senior leaders of the AIIEA, **Com. Amanulla Khan** and **Com. K. Venugopal**, intervened in the debate and guided the deliberations through their illuminating presentations.

The Working Committee of AIIEA was of the firm opinion that the demands were eminently justified in view of the commendable performance of LIC in a fiercely competitive scenario. The LIC had registered very good progress in terms of total premium income during the period 31 March 2017 to 31 March 2022. The management expense ratio of LIC was also one of the best in the insurance industry in India. While deciding to place a demand for 40% wage hike, the Working Committee also sounded a note of caution. Wage revision is never decided merely on the basis of financial strength of an institution or on the basis of the strength of arguments. It also depends on the government policy. The Working Committee was also unanimous in its understanding that wage is a class issue and it requires a serious class struggle to realise the Charter. The working committee therefore called upon the employees to remain prepared for a protracted struggle to realise the Charter notwithstanding the strength of our arguments and the stunning performance of our industry.

The Working Committee of AIIEA adopted the Charter of Demands with absolute unanimity. The Charter of Demands would now be submitted to the Chairman LIC on **11th August 2022**. The Working Committee has called upon all units in LIC to **observe Gate Meetings during lunch recess** on this historic day and explain the rationale of the demands to the employees.

Inordinate Delay in Notification of Board Recommended Improvements in Family Pension: The Working Committee was deeply disturbed over the inordinate delay on the part of the government in giving clearance to the LIC Board/ GIPSA recommended improvements in family pension to a uniform rate of 30 per cent. While decrying the delay on the part of the government, the meeting felt that the LIC/ GIPSA management should proactively pursue the issue rather than shirking their responsibilities as the employers. The meeting felt that there was no justifiable reason for the delay when the same had already been conceded to public sector bank employees and those in the Reserve Bank of India. The Working Committee also took note of the fact that the issue relating to increasing the management's contribution to the NPS (for those covered under Defined Contribution Pension Scheme- NPS) from the present 10% to 14% was also hanging fire despite several rounds of discussions.

The Working Committee felt that there was a **need for an Organisational action** including the option of going on One/Two-Hour Strikes on this and other pressing issues like Recruitment in Class III & IV if no decision was taken on an expeditious basis. The meeting authorized the Secretariat of the AIIEA to draw up appropriate programmes of struggle on this issue depending upon the evolving situation. **In the meanwhile, the Working Committee called upon the units in both LIC and PSGI companies to express solidarity with the Lunch Hour Demonstration Programme of the All India Insurance Pensioners Association (AIIPA) on 4th August 2022 on the issue of Family Pension.**

LIC IPO, Threat of Privatisation of PSGI Companies and Closure/Merger of Offices: The Working Committee was critical of the fact that the government went ahead with the IPO of LIC despite serious resistance from a large section of well-meaning people of the country. The meeting deplored the obduracy of the government in divesting 3.5 per cent of its equity in spite of the turmoil in global equity markets, huge inflation at the global scale and the Ukraine war. The meeting congratulated the employees for their uncompromising struggle against privatisation of LIC for over three decades and affirmed that it was because of this campaign that disinvestment could be restricted to 3.5 per cent. The meeting however cautioned the employees against any complacency on this score since the ultimate objective of the government is to privatise the LIC and all public sector institutions. Expressing concern over the probable negative impact of the declining value of LIC stocks on the policy holders, the Working Committee called upon the employees to give confidence to the policy holders. The meeting was unequivocal in its understanding that the intrinsic value of LIC is many times more than what is being reflected in terms of its share price. The meeting called upon the employees to remain vigilant and prepare for struggle against any further dilution of government equity in LIC.

The meeting expressed serious concern over the post IPO business model of LIC. Recognising that LIC was slowly but surely veering round towards more non participating policies to cater to the profit requirements of investors, the meeting decried the move to privilege shareholders over policy holders. The meeting took note of the creeping digitalization taking place in LIC with a view to cutting costs and warned the LIC management that any unilateral action on this score would be stoutly resisted.

The Working Committee sought to draw the attention of the employees to the fact that necessary legislation has already been passed in Parliament to privatise the public sector general insurance companies. According to reports in the media, United India Insurance is the first company to be sold. The Working Committee called upon the employees to fight the policy of privatisation of PSGI companies by integrating our struggle with that of other sections of PSU employees fighting similar battles.

The Working Committee also discussed the question of merger/closure of offices of PSGI companies and warned that any unilateral action on the issue on the part of the GIPSA management would be met with stiff resistance.

26th General Conference of AIIEA at Kolkata from 8-11 January 2023: The Working Committee took note of the fact that serious preparations are underway to organise the ensuing 26th General Conference of AIIEA at Kolkata from 8th to 11th of January 2023. It was reported that our Kolkata units in life and general sector, under the able guidance of the EZIEA and EZGIEA, are leaving no stone unturned to make the Conference a historic success. Already a broad-based Reception Committee has been formed under the Chairmanship of eminent Economist **Prof. Dr. Ratan Khasnobis**. The Working Committee analysed the logistical problems associated with organizing an all India Conference in minutest detail. Considering the huge escalation in costs, the meeting decided to give a call for mobilising Rs.500/- from Class III employees and Rs.400/- from Class IV employees (from other than Eastern Zone of LIC and EZGIEA) for successful conduct of the Conference.

Flood Relief in Assam: The Working Committee of AIEEA appreciated the tremendous response of our units to AIEEA's call for donations towards relief to the flood affected people of Assam. The meeting also took note of the strenuous efforts being taken by our comrades of Assam, particularly those of the Cachar Valley, in reaching out to the flood affected people in spite of their own adversities. The Working Committee of AIEEA donated a sum of Rs.25 lacs to EZIEA/ EZGIEA towards the flood relief efforts in Assam, over and above the Rs.5 lacs sent by AIEEA in advance.

Celebration of 75th Year of Indian Independence: The Working Committee of AIEEA expressed serious concern over the unprecedented religious polarization that is taking place in the country. The meeting felt that this will have disastrous consequences for the unity of the nation. In this context, the Working Committee appreciated the decision of AIEEA Secretariat to celebrate the 75th year of India's independence in a befitting manner. The Working Committee reiterated AIEEA's call to all units to organise cultural and educative programmes on 15th August 2022 by involving the family members. The Working Committee also appreciated the efforts of AIEEA to organise a National Seminar at Hyderabad on 6-7 August 2022 with some of the eminent intellectuals of the country who would present their views on issues concerning the nation.

5th All India Working Women's Convention at Kozhikode on 17th September 2022: The Working Committee of AIEEA called upon the Divisional/ State/ Zonal/ Regional Units in the Life and General Sector all over the country to prepare in a big way for the successful conduct of the ensuing 5th All India Working Women's Convention at Kozhikode on 17th September 2022.

A Job Very Well Done by RDIEU, Raipur: The Working Committee placed on record its deep sense of appreciation and gratitude to RDIEU, Raipur and the CZIEA for organising the meeting in a befitting manner. The working committee meeting was followed by a massive employees' meeting in LIC Raipur DO premises. **Com. Alexander Tirkey**, President RDIEU presided over the meeting and **Com. Surendra Sharma**, General Secretary RDIEU conducted the proceedings. The meeting was addressed by **Com. B. Sanyal**, Vice President AIEEA; **Com. H.I. Bhatt**, Convener, Charter Sub Committee; **Com. Shreekant Mishra**, General Secretary AIEEA and **Com. Dharmaraj Mohapatra**, General Secretary CZIEA. **Sri A.K. Thakur**, Sr. Divisional Manager of LIC, Raipur Division greeted the assembly.

The AIEEA calls upon its units all over the country to implement the decisions of the Working Committee in letter and spirit.

With Greetings,

Comradely Yours


General Secretary