

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION

LIC BUILDING SECRETARIAT ROAD HYDERABAD

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To all the Zonal/Divisional/State/Regional Units

Dear Comrades,

ON TO THE 21ST CONFERENCE OF AIIEA

The 21st general conference of All India Insurance Employees' Association is going to be held at Kanpur from December 8th to 12th, 2007. The conference would clearly lay down the path for the struggles to come. From this conference the whole organization must come out steeled in its resolve to meet the tasks ahead with dedication and determination.

Smt. Subhashini Ali, President, All India Democratic Women's Association is the Chairperson for the Reception Committee of the Conference and would be available for continuous guidance to the Conference.

Shri P. Sainath, Ramon Magsaysay Award Winner for Journalism, has agreed to inaugurate the Conference on 8th December 2007. The inaugural session would start at 4.00 P.M. on the 8th December preceded by a procession.

Ever since November 1989, after the policy of neoliberal globalization was embraced by the ruling elite in the country, the AIIEA has embarked on a grim struggle to defeat all machinations to privatize public sector insurance. Indian insurance with its tremendous potential was the prized fruit which the global finance capital coveted. Ms. Carla Hills, the then US Trade Representative, even went to the extent of threatening to prise open the insurance sector for foreign penetration if it was not allowed peaceably. While the Government succumbed to the pressure, the AIIEA took the gauntlet and unleashed a campaign and struggle the like of which trade union and democratic movement seldom witnessed in India and abroad. The undaunted public mobilization accompanied by employees' struggle ensured protection of LIC and general insurance companies fully in the public sector. Nowhere in the world privatization move in a crucial sector, was thwarted as could be done by AIIEA in India.

The Government having been frustrated in its nefarious attempt, had tried other subterfuges like allowing opening of private competition through licensing of private companies, with foreign equity participation to the extent of 26 per cent. The ongoing attempt is to increase foreign equity to 49 per cent, which would give the private players greater room to spread their business net wider. The ultimate aim is of course, to capture the insurance industry in India, which holds the key for generating and providing stable and long term capital for development, particularly of infrastructure. The attempt in this regard too has so far been frustrated through combination of struggle of insurance employees and unwavering support of the political Left. The Government attempt was to smuggle in the plan for foreign equity increase to 49 per cent, in the garb

of a comprehensive insurance legislation in Parliament. AIIEA could thwart this too so far. There are now attempts to circumvent this situation by allowing the insurance services to be carried out under the control of a holding company which could have a greater foreign equity.

In the general insurance sector, the Government and management imposed certain unacceptable policies like the transfer and mobility policy. But AIIEA with its slogan of "continuous resistance to the TMP" could limit the effect of the TMP. In the meantime the demand of the AIIEA for merger of the four public sector general insurance companies into a single entity for consolidating the collective strength and meeting the oncoming challenges is being denied by the Government irrationally. Our campaign on this demand should continue.

Another important issue is securing a 40 per cent wage revision in the manner demanded. In the background of the overall Government policy, this indeed would be a great task which must be tackled with utmost dedication. There are other important issues too like recruitment of staff. The LIC management has come out with instructions for absorption of employees from the recruitment panels. Those who are on the recruitment panels and are currently working as temporary employees are being absorbed. The other issues relating to temporary employees and fresh recruitment process are to be addressed.

There are indeed many issues, but none more important than strengthening the organization in all respects. While on this task, the conference should give utmost priority to grooming of cadres, imparting to them necessary education enabling them to correctly understand the fast developing situation and come out with inputs to AIIEA centre for developing appropriate campaigns and struggles. Our efforts in mobilizing women employees for the organisational activity and for higher responsibilities should also be reviewed and proper conclusions should be drawn. This would be part of our effort at leadership development as well.

In the 19th Conference of AIIEA held at Raipur in 2003, a significant decision was taken to give attention more actively to larger democratic issues affecting the people. The decision was to organise "People for India" forums at various centres and take up the campaign on the issues of the people through these forums. The Conference has to review the progress made in this area and take proper decisions to carry on this task effectively.

Our activities in coordination with the unorganized sector workers and the peasants have provided certain valuable experiences. The potentiality for mobilizing people at large on common issues has already been realized. What is required from the Conference is a big push for ensuring the objectives more comprehensively and extensively.

On to the 21st conference of AIIEA!

With greetings,

Comradely yours,

General Secretary.