

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION

LIC BUILDING SECRETARIAT ROAD HYDERABAD

Cir. No.16/2008

24th December 2008

To all the Zonal/Divisional/State/Regional Units:

Dear Comrades,

Historic strike of 23rd December in defence of the people's savings

More than 1,60,000 employees and officers of LIC and the four public sector general insurance companies observed a massive strike action on 23rd December 2008 demanding the government to withdraw the retrograde Bills introduced in the Parliament on the insurance laws on 22nd December 2008.

Insurance Laws (Amendment) Bill 2008 introduced in Rajya Sabha aims to increase the strength of the foreign control in the Indian private insurance companies by increasing the FDI limit from 26% to 49%. The bill also provides for disinvestment of the four successful public sector general insurance companies which is against the national interest.

Another Bill introduced in the Lok Sabha, LIC (Amendment) Bill 2008, aims to increase the equity of LIC from Rs.5 crores to Rs.100 crores. This on the face of it appears to be a harmless amendment. But read in the context of the Malhotra Committee recommendations which recommended disinvestment of LIC and GIC to 50%, this Bill is surely the first step towards disinvestment of LIC in future. The LIC (Amendment bill) 2008 also seeks to empower the government to decide distribution of surplus to the extent of 90% or above (instead of the designated 95%) and also seeks to empower the government to decide on the sovereign guarantee from time to time. These Bills were stiffly opposed by the Left parties, TDP and the AIADMK. The Left parties pressed for voting even for introduction of the Bills in Lok Sabha and the Rajya Sabha. Unfortunately utilizing the disturbed situation in the Parliament and ignoring the massive public opinion, the government introduced these two Bills.

The insurance employees and officers responded to this challenge through a massive strike action on 23rd December 2008. The strike was unprecedented in its breadth and sweep. This was the strike to defend the national economy and savings of the people from private speculators. The nation appreciated the reasons for our opposition to these two bills and strike received massive support from the people. The public attention as seen in the media coverage to this was unprecedented. The support from other sections of working class was also overwhelming. All India State Government Employees' Federation, Confederation of Central Government Employees and Workers, Bank Employees Federation of India, CITU and other trade union and mass organizations came out in total support of the strike. CPI (M) politburo issued a statement on 22nd December 2008 supporting the joint strike action.

AIIEA congratulates all the Officers, Development Officers and the employees of LIC and the public sector insurance companies who displayed a historic unity to demand the government to withdraw the retrograde bills placed in the parliament to further liberalise the insurance sector. Though the call could be given only a day earlier, the response was overwhelming and more than 90% of the officers and employees in LIC and major section of the employees in general insurance sector participated in the strike with great enthusiasm. The challenge thrown was big and the response was equally strong.

The reports of the strike action once again show that in LIC the strike was total in almost all centers. The Class I Officers, Development Officers and unions of Class III and IV employees jointly organized the strike.

In General Insurance sector the joint call of the AIIEA and GIEAIA received massive response. No office could be opened in Orissa, Assam, Bengal and North Eastern states. Offices in many centres remained closed and nil or thin attendance reported in other centres. There were massive joint strike rallies in front of the National Head Office in Kolkata, United India Head Office in Chennai and United India Regional Office in Hyderabad, Oriental Regional Office at Patna and at other centres.

The strike performance in LIC was more than 90% in majority of the centres in the country. According to the details which reached us so far, the success of this strike action surpassed all earlier records.

In South Central Zone the Strike participation of the employees was 94% and the abstention was 98.48%. Nellore again topped the performance with 99.02% with 7 employees being on leave. The abstention in Nellore, Vizag and Rajahmundry was 100%. 15 divisions in South Central Zone reported strike action of more than 90%. At Mysore a massive strike rally was jointly held at KR Circle by trade unions and mass organization in the City. Later the rally submitted a memorandum to the Divisional Commissioner. The rally was addressed among others by Shri Devanur Mahadeva, Prominent Writer and a Dalit activist. In Hyderabad a massive centralized rally of all the officers and employees was held before the Divisional Office on the Secretariat Road. More than 800 officers and employees participated in the rally. The rally was addressed by leaders of Confederation of Central Government Employees and Workers, BEFI, All India Bank Employees' Association, CITU, AITUC, and LIC Agents Organization of India. Shri K. Venu Gopal, General Secretary, All India Insurance Employees' Association congratulated the employees and officers for the massive participation in the strike action and called upon them to continue the campaign and struggle in protection of the peoples' savings till the government withdraws its moves. In Bangalore nearly 500 employees participated in the massive rally in front of Divisional Office I. This rally was addressed by Com. Amanulla Khan, President, AIIEA.

In South Zone the strike performance of Class III and IV employees was 90.45% and total abstention was 95.45%. In Tamil Nadu, BEFI not only participated in the strike rallies, but BEFI Tamil Nadu released a poster in support of our strike. Widest media coverage was there including panel discussions on the TV channels. 8 Divisions under South Zone recorded more than 90% strike performance. **Ernakulam Division recorded the highest strike percentage of 99.2% in the country. No offices of LIC could be opened in Kerala.** Com. M. Kunhikrishnan Vice President, AIIEA participated in a panel discussion on Insurance Bill in KAIRALI-PEOPLE TV Channel. In Chennai, the rally at the LIC Building, Anna Salai, was massively participated. Com. N.M. Sundaram and leaders of other trade unions addressed the rally.

In Mumbai city, the branch offices reported either nil attendance or attendance of one or two. This includes the branch situated in the Yogakshema Building. In Amaravathi the media including 4 Marathi channels widely covered the strike action.

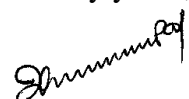
In Kolkata a huge rally was organized at Hindustan Building. Com. Chandrasekhar Bose termed it as a historic rally. In Hazaribagh the strike percentage among the employees was 97.3%. In Assam and the North Eastern States no offices could be opened and the strike was total.

In Delhi, a massive rally to Parliament was held starting from Jeevan Bharti. More than 2000 insurance employees participated in the rally to the parliament. Employees from Delhi, Karnal, Rohtak, and Meerut participated in the rally. The rally was addressed by Shri M. K. Pandhe, President, and Shri Md. Amin, General Secretary of CITU, Shri Tapan Sen, Shri Chandran Pillai and Shri Gurudas Dasgupta, Members of Parliament and Smt. Amarjeet Kaur, AITUC and other leaders of the trade union and political movement. On the day before the strike day, insurance employees of Chandigarh along with other trade unions led a torchlight procession to the residence of Shri Pawan Kumar Bansal, Minister of state for Finance and handed over a memorandum to the officials there requesting for withdrawal of the bills. There was a complete strike action in North Zone, North Central Zone, East Central Zone and Central Zone.

The strike action has attracted the attention of the people at large and it has paved the way for a debate among the intellectuals, leaders of mass organizations and political parties and other sections of the society. On 24th December 2008, the day after the strike, Shri Pawan Kumar Bansal, told reporters that the Insurance Laws Bill will go to the Standing Committee on finance for a detailed scrutiny. We should continue our campaign so that the echo of our struggle finds reflection in the discussions within the standing committee of the parliament too. The situation today is very favourable to our struggle. The global financial meltdown has exposed the horrors of unbridled liberalization. The sentiments of the people are against these disastrous economic policies. Our campaign against these bills must convert itself into a political campaign against the entire gamut of the economic and social policies of the government. We shall march ahead with this confidence.

With greetings,

Comradely yours,



General Secretary