

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
LIC BUILDING SECRETARIAT ROAD HYDERABAD

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

Dear Comrades,

Developments relating to Wage revision in LIC

The enthusiastic implementation of the agitational programme of no work outside the office hours and the serious preparations for the one day strike on 31st March resulted in the invitation for discussions from the LIC. The impact of the agitation was greatly felt on the working of the LIC. This was clearly visible in the discussions convened on March 19 and 20, 2010. This time around there was no joint session with all unions. Instead, the Chairman and Managing Director met the representatives of the unions separately.

The delegation of AIIEA comprising of Coms. Amanulla Khan, K.Venu Gopal and H.I.Bhatt met the Chairman at 2.45 p.m on 19th March. The delegation expressed its unhappiness over the inordinate delay in settling the wage demand. AIIEA once again stressed that the wage of the LIC employees should be based on the strength of the institution. A proper appreciation of the hard work, devotion and contribution of the employees in the most trying times could only be done by linking the wage to the premium income. AIIEA said that the wage issue has to be settled early as the employees today have become restive. The Chairman explained the efforts of LIC and was categorical that the LIC employees should get a good wage revision and that he was working on it. The Chairman also appreciated our demand for linking the wage revision to the premium income and said that this demand has been communicated to the government. However, he sought some time to finalise the process.

Thereafter, AIIEA delegation met the Managing Director and other officials at 5 pm. The Managing Director in his submission noted the impact of the agitational programme of the Joint Front on the LIC's business growth and other activities. AIIEA informed the officials that the programme of agitation was forced on the employees since the management had not taken any forward movement in settling the issue of wage revision. AIIEA pointed out that the employees are disappointed and restive over the attitude of the management. Therefore, it is now the responsibility of the LIC management to come out with a solution and meet the legitimate aspirations of the employees and officers who have made immense contribution to the growth of the Corporation all these years.

The Managing Director informed AIIEA that they are continuously in touch with the government and are confident of making progress on the issue. He further added that LIC would make all possible efforts to ensure a satisfactory wage revision to the employees and officers. He also committed that the entire wage issue would be settled only through the process of consultations with the unions and that there would not be any unilateralism on this issue. The Managing Director also requested that some more time be given to LIC for finalizing the process.

At the end of discussions with the unions, the Managing Director addressed letters to AIIEA and the Unions that all out efforts are being made to arrive at a satisfactory solution to the issue and that they needed some time. While appealing to the Unions to withdraw the strike and other programmes of action, he noted in his letter that LIC will continue to work in the direction of a satisfactory solution to the wage and other related issues. (Copy of this letter was already sent to the Zonal Units by mail).

The AIIEA assessed the situation in the light of the discussions with the Chairman and the Managing Director. AIIEA noted that there is a change in the attitude of the management from what was obtaining on 16th December 2009. On that day, LIC had made it clear that 17.5% was the final offer and the pay scales and other allowances had to be drawn within these parameters of the quantum thereof. AIIEA was also informed about the policy of the government on the wages in the financial sector. We had forcefully rejected these arguments and severely criticized the efforts to allow the external developments influence the course of wage settlement in LIC. The protest actions and the joint implementation of the One day strike on 21st January 2010 communicated to the authorities in no uncertain terms that the LIC employees are determined to secure their justified demands, however difficult the odds may be. The success of the strike was an eloquent statement of the sense of grievance and the determination to fight for justice. The subsequent agitational program including the withdrawal of extra cooperation and the preparation for one day strike on March 31, 2010 brought about a perceptible change. The LIC made it clear that they have not reached finality and they would make all out efforts for a wage settlement that would be satisfactory to the LIC employees and officers. During the current discussions there was also appreciation of our view that wage must have some relationship to the premium income. Perhaps for the first time, there is also a written commitment that LIC would make all out efforts towards a satisfactory settlement.

Similar discussions were held by LIC with the other unions. In this background, the Joint front of the unions which met on 20th March 2010 reviewed the developments. **The Joint Front noted the commitment made by the Chairman and Managing Director and decided to accede to the appeal made by them and suspend the agitational programme including the one day strike on 31st March 2010.** The joint front also decided to address a letter to the Chairman communicating this decision and at the same time demanding that the commitment should be honoured without much loss of time. The Joint Front addressed a letter to all the employees and officers which would be circulated separately.

Comrades, the unity and struggle have brought perceptible change in the attitude of the LIC management. We have positively responded to the appeal of the Chairman and Managing Director once again displaying without any ambiguity the commitment of the employees to the institution. It is now for the LIC to honour their commitment by making speedy efforts towards arriving at a settlement reflecting the massive prosperity of the institution and to the satisfaction of employees and officers. We congratulate all the employees and officers who have successfully implemented the calls of the Joint Front. We shall remain vigilant and in preparedness to secure what justifiably belongs to us.

With greetings,

Comradely yours,



General Secretary.