

# ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION

LIC BUILDING SECRETARIAT ROAD HYDERABAD 500063

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2<sup>nd</sup> April 2013

To all the Zonal/Divisional/State/Regional Units,  
Dear Comrades,

## SECRETARIAT OF AIIEA DECIDES TO CONTINUE THE STRUGGLE AGAINST INCREASE IN FDI IN INSURANCE SECTOR AGAINST DISINVESTMENT OF PS GENERAL INSURANCE COMPANIES AND DEMANDING MERGER OF THE FOUR PS GENERAL INSURANCE COMPANIES

The meeting of the Secretariat of AIIEA was held on 30<sup>th</sup> March 2013 at Hyderabad as scheduled. Com. Amanulla Khan, President, AIIEA presided over the meeting.

Secretariat of the AIIEA reviewed the campaign carried out during the recent past against the policies of liberalization of insurance sector. The meeting noted with satisfaction that more than 380 Members of Parliament were approached by our units and the arguments of AIIEA were placed before these People's Representatives. Seminars, Conventions, Torch Light Processions, Human Chain programmes and leaflet distribution were taken up extensively by our units as a part of our efforts to reach out to the public.

The two day strike action on the 20<sup>th</sup> and 21<sup>st</sup> February 2013 was a resounding success in the insurance sector. This was also utilized for campaigning on the government policies which are aimed at destabilizing the public sector insurance companies.

The continued struggle and campaign could so far halt the passage of the Insurance Laws (Amendment) Bill. But it is clear from the statements of the Finance Minister that the Government wants to push through the Insurance Laws (amendment) Bill and the PFRDA Bill in the Budget Session of the parliament which will resume on the 22<sup>nd</sup> of April 2013. Hence, Secretariat felt that there should be a swift campaign to be taken up during this period. Secretariat decided on the following programmes.

### **16.04.2013:**

Demonstrations before the Head Offices of United India Insurance Co. National Insurance Co., Oriental Insurance Co., New India Assurance Co. Memorandum to be submitted to the CMDs.

- 1) Demanding merger of four companies and
- 2) Opposing disinvestment of PS General Insurance Companies

LIC Units also have to associate with this programme.

### **22.04.2013 (the day on which Parliament resumes the budget session):**

Units may organize Candle Light / torch light processions/ human chain / any other programme opposing increase in FDI from 26% to 49% and disinvestment of PS General Insurance companies. A press release may be issued on these programmes.

### **During 10.04.2013 to 20.04.2013**

State level Conventions / Seminars inviting the political personalities of various parties on FDI in Insurance/Pension/ and Retail Sectors to be organised. Meeting the Members of Parliament should continue.

## **ONE DAY STRIKE IF THE BILL IS PASSED**

Secretariat reiterated the earlier decision of the AIIEA that in case the Bill is passed in the Parliament the insurance employees in both LIC/PS General Insurance companies shall go on a flash strike on the next day.

The Secretariat noted with satisfaction, the growth in premium income of the PS General Insurance Companies which is expected to be around 20%. Profit generation of these companies is also expected to be higher than the last year.

In LIC, the premium income growth on conventional policies is expected to be healthy. The income under the P&GS portfolio could have been more robust but for the fact that the permission for the new pension scheme did not come earlier.

While AIIEA is aware that wage revision discussions should start sooner than later, the issue relating to one more option for pension should be resolved before that. LIC management has already expressed its willingness to take up the issue with the government. It is also learnt that the GIPSA is going to finalise the Actuarial calculations relating to one more option. AIIEA shall continue to follow up with both the life and general sector managements for an early solution.

## **UP-GRADATION OF RPT EMPLOYEES AND RECRUITMENT:**

Secretariat took notice of the progress on the issue of RPTs and appreciated the managements' assurance that the up-gradation Scheme will be taken up for approval by the Board of LIC. The units in Life Sector should convey this information to the RPT employees and keep them in readiness for further process which may be taken up during May / June 2013.

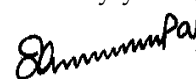
Secretariat noted that the campaign in the general insurance sector for recruitment yielded results and that the notification for Class III recruitment is expected in a month or two. Secretariat demanded LIC management that the process for the promised recruitment to the cadre of Assistants should also start and before that, the issue relating to around 300 assistants working in various divisions as temporary employees for more than 15 years should be resolved on the lines of the Supreme Court judgment on Class IV employees. Secretariat also demanded that recruitment to the balance vacancies in various divisions in Class IV also is to be taken up.

## **Check off in General Insurance Sector:**

In the PS General Insurance Companies, the check-off process took place in the month of December 2012. AIIEA could gain recognition in United India Insurance Company and we are confident that AIIEA would be recognized in National Insurance Company also where the results are held up due to a Court case. AIIEA consolidated its position in Oriental Insurance Co., and the New India Assurance Co. AIIEA congratulates all the units and members and employees in the general insurance sector for recognizing the primacy of the AIIEA in the trade union movement in general insurance sector.

The meeting of the Secretariat of AIIEA appealed to all the employees and officers and Agents in the Public Sector Insurance Companies to join the programmes in protecting the LIC and the PS General Insurance Companies.

Comradely yours,



General Secretary.