

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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1st December, 2018

To

All the Zonal/Divisional/Regional/State Units,

Dear Comrades,

Letter to Chairman, LIC on Wage Revision and Final Option for Pension

We reproduce hereunder our letter addressed to the Chairman, LIC on the above cited demands of the employees.

With greetings,

Comradely yours,



General Secretary.

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1st December, 2018

The Chairman,
LIC,
Central Office,
Mumbai

Dear Sir,

Growing unrest in the Institution

The inordinate delay in commencing negotiations on wage revision and finding a favourable solution to the demand for a final pension option has created a situation of serious industrial unrest. We appreciate your assurance of taking up these issues vigorously with the government. But we are disappointed that despite a passage of fairly long time, the solutions to the demands remain elusive. In such a situation, it is natural for the employees to feel disappointed and restless. Such a situation, you will agree with us, would be detrimental to the functioning of the institution.

The Wage Revision fell due on August 1, 2017. We submitted our Charter of Demands to you on 2nd August, 2017. We explained that the Charter is the sum total of the legitimate hopes and aspirations of the employees. Since the wage revision of 2012, the Corporation recorded significant growth in every sphere of its functioning. This period also saw huge increase in the productivity of the employees.

In such a background there were expectations of early amicable settlement of the demands raised. But unfortunately even after 16 months of the wage revision having fallen due, even the preliminary discussions are yet to begin. We see no reasons as to why negotiations should not commence immediately and a settlement reached early so that our collective energies are concentrated on meeting the competitive and challenging economic environment.

We may point out that in the banking industry negotiations are taking place on the wage revision. Discussions were held even on 30th November 2018 making it clear that the Election Code of Conduct does not apply to these wage discussions. In these negotiations, there is insistence from the IBA and Government that wages must be decided on the basis of the paying capacity of the banks. We have taken a consistent stand that the wages in LIC should be based on the paying capacity of our institution un-influenced by external developments. In this background, there is an urgency to settle the issue of wages in LIC early.

The demand for a final pension option which is pending for a very long time is agitating the employees. Though the LIC has agreed that this demand is just and economically feasible, the issue is not getting satisfactorily resolved. We may point out that in a meeting recently, the Finance Minister is reported to have said that the benefits to the insurance employees have no cost to the government. If this is the stand of the government, we see no hurdle in settling this issue without any further delay.

It is interesting to note that RBI Governor has sent concrete proposals to the Finance Ministry on 22/9/2018 for amending the RBI Pension Regulations 1990 to address the issue of Pension updation and another pension option. We understand that the Meeting of Central Board of Directors of RBI scheduled on 14/12/2018 is expected to further discuss these issues.

In the circumstances, we request you to take immediate steps to initiate dialogue on wage revision and take concrete steps to meet the demand for a final pension option. We also request you to take early decision on the promised increase in the family pension and determination of pension on the basis of last pay drawn.

Thanking you,

Yours faithfully,
Sd/-
General Secretary.