EAST CENTRAL ZONE INSURANCE EMPLOYEES' ASSOCIATION
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To, All Members

RESIST THE CRUEL ATTACK ON THE WORKING CLASS

The BJP led, Narendra Modi headed NDA government at the centre completes two years in office this month. The BJP under the leadership of Sri Modi had registered an impressive win in the 2014 Lok Sabha elections. The emphatic win of the BJP was no doubt a result of the utterly frustrating regime of the UPA II. People had voted the Congress out with a fervent hope for change. But that was not to be. The two years of BJP rule has proved to be worse for the working class of India. The economy is still stagnant. Jobs and investment remain elusive, in spite of the huge concessions to big business and foreign capital. Manufacturing and exports are yet to take off. The NDA government's approach to and handling of even natural calamities like drought is hopelessly insensitive. But the most striking feature of this government is its crass anti-working class mindset.

The cruelest attack on the working class has come in the form of attack on the interest rates of small savings. The working people, the salaried sections included, today are facing the twin challenges of low assured returns and high inflation- thanks to neo liberal economic policies. Rather than helping the people out, the government has launched a virulent attack on the small savings. Small savings are actually meant for the small saver- people who do not have access to more sophisticated forms of financial instruments. Attack on the interest rate of small savings is therefore attack on the small saver, common man, the ordinary worker or the aam aadmi. Inflation is known as taxation without legislation. Reducing the interest rate on small savings at a time of high inflation is therefore totally unfair.

Finance Minister Arun Jaitley's proposal in the latest union budget to tax withdrawals from Employees' Provident Fund (EPF) schemes that are in excess of 40% of the accumulated funds was one such anti people measure. There was widespread protest everywhere and the proposal was withdrawn. Sometime back, the Ministry of Labour issued a notification restricting the full withdrawal of a worker's EPF who was unemployed for two months or longer. This notification met with violent protests by the workers, especially women workers of garments manufacturing units in Bengaluru. The notification was subsequently withdrawn following the violent protests. As if to test the patience of the workers and the salaried people, the Finance Minister Sri Arun Jaitley overruled the decision of the central board of trustees of the EPF organization to approve an annual interest rate of 8.8% on EPF deposits for the year 2015-16. He wanted a lower interest rate of 8.7%. As per rules, the finance ministry has to approve the rate agreed upon by the board of trustees. The reluctance of the Finance Minister, even when the central board of trustees had categorically said that it was viable to pay 8.8%, is something inexplicable. This development again met with serious protests and the Finance Minister had to buckle under pressure. The interest rates were again fixed at 8.8%. It seemed as if the government was grating on the nerves of the workers! The methodology was simple – force some anti-people measure down the throat of the workers; if they do not protest, that becomes the new law; if they dare to protest, try to weaken their unity and ultimately if it is no longer possible to resist the protests of the workers, withdraw that decision in the name of 'kind intervention of the Prime Minister'. It is not for nothing that this government has earned the dubious reputation of being the 'Rollback Sarkar'.

These developments make the class character of the government crystal clear. One can know for sure as to whose side the government is really on! One can know for certain whose interest is uppermost in the mind of the government. This has to be seen in the wider context of attack on small savings which is an essential part of the reforms being pursued now. Public Provident Fund (PPF), Kisan Vikas Patra (KVP), National Savings Certificates (NSC), Post Office savings etc. have all been attacked. The interest rates have been cut in all these schemes apparently to reduce the lending costs of banks. If the government was really committed to reducing the lending costs of banks, it could have done so by helping the banks in reducing their non-performing assets (NPAs). The Parliament was informed a couple of days back that the corporate houses owe Rs. 5 lakh crore to the public sector banks. Out of this, Rs. 1.4 lakh crore is owed by five corporate houses only; and most noteworthy of all, only one industrial house – the Adani group – owes a staggering Rs. 72000 crore to public sector banks which is as much as the entire amount of outstanding farm loan in India!

We must resist this loot and plunder of the workers which is going on in the name of development. But insurance employees cannot do it alone. We must make common cause with other sections of the workers. We have to develop the broadest possible unity. Fortunately for us, that unity has already started developing. A large number of trade unions belonging to different ideological persuasions have come under one platform. The National Convention of Workers held in New Delhi on 30 March 2016 has given a clarion call for **ONE DAY STRIKE on 2 September 2016**. What better opportunity to cement the widest possible unity than this strike action? Let's prepare in a big way to mobilise our rank and file for the oncoming struggle to resist the attack on the working class. The future shall be ours.

With Revolutionary Greetings,

Comradely Yours

Shreekant Mishra

General Secretary