

# Insurance Worker

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Paying Price  
for Arrogance  
and Insensitivity



भूल नहीं  
यह आँखों में  
डाली गई धूल



Parliamentary  
Democracy  
in Peril

1MAY 2021  
Hope lies in the  
struggles

Satisfaction of the  
workers' contemporary needs

Free vaccines  
for all

## MAY DAY 2021

from GLOBAL PANDEMIC  
to GLOBAL CLASS STRUGGLE

YET ANOTHER  
MAGNIFICENT  
ACHIEVEMENT  
THE PROMISE REDEEMED

at a time when the share  
of profits in the national GDP  
is soaring while the share  
of wages continues to decline

ON TO THE STRUGGLE TO SAVE LIC TO SERVE INDIA



**LIC Employees' Union, Rajkot Division**  
**LIC Employees' Union, Nadiad Division**  
**LIC Employees' Union, Bhavnagar Division**

**WE ARE VERY MUCH  
THANKFUL TO AIIEA  
FOR  
HISTORICAL WAGE REVISION-2021**



AIIEA Right Path  
AIIEA March On  
AIIEA Right Path

*"Yesterday I dared to struggle,  
Today I dare to win"*



*"The Struggle you are in Today  
is developing the Strength  
you need Tomorrow"*

## YET ANOTHER MAGNIFICENT ACHIEVEMENT

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M.Ramu, Kriya Prakashana

No.1, 1st Cross, CSI Compound,  
Bengaluru-560027  
Ph.: 080-48529910  
e-mail :  
insuranceworker1957@gmail.com  
iw\_2005@yahoo.com

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## BRILLIANT TACTICS LEAD TO A GREAT WAGE SETTLEMENT

The long wait of nearly 45 months is finally over and the fruits of wage settlement would flow to the LIC employees soon. In a hurriedly convened information sharing session on 15<sup>th</sup> April 2021, the Chairman of LIC informed the Unions that the proposals of LIC for wage revision that fell due on 1.8.2017 were finally approved by the Finance Ministry. The Chairman and the Managing Director said that the wage revision will meet the aspirations and expectations of the employees to a great extent. Late night the same day, the Government notified the wage revision. This brought the long struggle for wage revision to a successful end. The AIIEA had promised at the time of submission of Charter of Demands on 2.8.2017 that it is confident of securing a very good wage revision and this promise stands redeemed. The AIIEA has been successful in securing for the LIC employees, yet another magnificent wage revision.

The details relating to the benefits secured are published in other pages of this journal. In terms of the monetary benefits, this wage settlement unarguably is the best in history of LIC employees. This wage revision without any ambiguity has established the fact that wage in LIC is decided on the basis of the strength of the institution. The AIIEA had powerfully argued that wage in LIC must relate to its financial strength, paying capacity and the productivity of the employees. The recognition of this fact without any ambiguity is the biggest gain of the present wage revision and this principle will definitely hold good for the future too. The AIIEA has always held the view that wage revision should bring benefits not only during the service period but they must also continue to flow even after retirement. It was this conviction that made the AIIEA press for the maximum amount of the increased outlay to be loaded in the basic pay. Such a demand is not easy to achieve as this would result in a permanent liability for the institution. It was for this reason that AIIEA had to make great efforts for a decent loading in the basic pay in the last wage revision despite tremendous resistance from the government then. We succeeded in our endeavour then and continued our success in the present wage revision with the Pay Scales framed with a



loading of 15% after merging the entire dearness allowance as on 1.8.2017. This is an achievement of gigantic proportions. With this, the AIEA succeeded in ensuring maximum benefits to maximum number of employees during their active service as also after retirement. The AIEA could also ensure that the commitment of last wage revision to introduce a 5 day week is honoured.

The LIC employees are delighted with the benefits secured in the wage revision. The happiness is clearly seen in every office of LIC. But LIC employees must understand that the wage settlement did not come to them easy. Infact no wage increase has ever come easy. The success is achieved due to unrelenting struggles and most importantly the confidence and faith in these struggles. In a class divided society, the struggle for wage revision is the most difficult struggle. It is a fierce struggle between increasing profits for the capital and a fair compensation to employees for their work. The LIC employees through their own experiences have learnt that maximisation of profits is the sole motive for any business organisation. In the recent period, it is being acknowledged that the share of profits in the national GDP is soaring while the share of wages continues to decline. In that situation the present wage revision is a great achievement. Let us also be clear that apart from our struggle and brilliance of tactics, LIC being a Public Sector Institution and this institution defined as a State under Article 12 of the Constitution too was also a big contributing factor.

The glorious history of AIEA demonstrates that no benefit is secured through anybody's benevolence nor any benefit falls as manna from the heavens. Every single benefit has to be fought and secured. The history of AIEA bears testimony that LIC employees had to wage massive battles in support of their demands irrespective of whichever government is in power. AIEA was aware that the Charter of Demand for wage revision submitted on 1.8.2017 cannot be achieved easily. Therefore, it developed the necessary tactics for struggle. It took the lead in uniting the major unions under the Joint Front and developed a common understanding on the issues and tactics of struggle. The resultant unity gave a new confidence to the LIC employees and their movement. The AIEA was aware that welfare of the people and neo-liberalism cannot go together. Therefore, the present government which swears by neoliberal economic policies cannot be worker

friendly to concede our just demands. This is seen in the manner the labour laws are tweaked in favour of the employers; the way the farmers' struggle is handled; and a mad drive towards privatisation. In such a situation AIEA played the game strictly according to the script and succeeded in achieving what looked impossible for many.

The AIEA is absolutely clear that our success is greatly contributed by the strength of LIC. We have also held the view that the well being and prosperity of LIC employees is intrinsically linked to the growth and prosperity of our great institution. It is with this understanding and commitment, the LIC employees have worked to make their institution a truly world class organisation. The LIC is not just another business organisation, it is lifeline of the Indian economy; it is seen as an epitome of security by the people and for the AIEA, LIC is an ideological commitment. We are proud that even during the most difficult times our institution has performed so well. It has successfully stood against the forces unleashed through opening the insurance industry. It has defied all odds to stand tall not just as a market leader but also as a market maker. Therefore, it is the responsibility of all LIC employees to make their

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लगभग 45 महीने का लम्बा इन्तजार आखिरकार खत्म हो गया है और वेतन समझौते का फल जल्द ही एलआईसी कर्मचारियों को मिलेगा। 15 अप्रैल 2021 को जल्दबाजी में बुलाए गए सूचना साझाकरण सत्र में एलआईसी के अध्यक्ष ने यूनियनों को सूचित किया कि 01 अगस्त 2017 से देय वेतन पुनर्निर्धारण के लिए एलआईसी के प्रस्ताव को वित्त मंत्रालय द्वारा आखिरकार मंजूरी दे दी गई है। अध्यक्ष और प्रबन्ध निदेशक ने कहा कि वेतन संशोधन कर्मचारियों की आकांक्षाओं और अपेक्षाओं को काफी हद तक पूरा करेगा। उसी दिन देर रात, सरकार ने वेतन संशोधन को अधिसूचित किया। इसके साथ ही वेज रिवीजन का लम्बा संघर्ष सफलता के साथ समाप्त हुआ। एआईआईईए ने 02 अगस्त 2017 को चार्टर ऑफ डिमांड्स जमा करने के समय वादा किया था कि वह एक बहुत अच्छा वेतन संशोधन हासिल करने के लिए आश्वस्त है और वो वादा निभाया गया है। एआईआईईए एलआईसी के कर्मचारियों के लिए एक और शानदार वेतन संशोधन हासिल करने में सफल रहा है।

हासिल लाभों का व्यौरा इस पत्रिका के अन्य पृष्ठों में प्रकाशित किया जा रहा है। मौद्रिक लाभों के संदर्भ में, यह वेतन समझौता एलआईसी कर्मचारियों के इतिहास में सबसे अच्छा है। इस वेतन संशोधन ने बिना किसी संदेह के इस तथ्य को स्थापित कर दिया है कि एलआईसी में वेतन संस्थान की ताकत के आधार पर तय किया जाता है। एआईआईईए ने शक्तिशाली रूप से तर्क दिया था कि



best contributions to the progress of the industry in every sphere of its functioning. We must assure our policyholders that we remain committed to serve them even better. With the wage issue settled, our focus must shift to fight the government policy of disinvestment and we must build a strong public opinion against LIC IPO.

The wage issue is settled in LIC. But no progress is made on this issue in the General Insurance. Historically, the wage pattern in LIC and General Insurance has remained identical. This parity has to be maintained. For this, a sustained struggle is necessary. The AIIEA has succeeded in uniting all unions in the general insurance on the issue of wage revision and against the decision of the government to privatise a public sector general insurance company. The AIIEA will take necessary steps to develop a struggle jointly to force early negotiations and settlement in General Insurance. The General Insurance employees have no option other than struggle. Therefore, serious efforts must begin to build a powerful struggle to secure a good wage revision on par with LIC and to defeat the idea of privatisation.

It is natural for LIC employees to celebrate this great victory. But while celebrating this magnificent achievement, we must take into account the massive sufferings the people of our country are undergoing due to the economic and health crisis. It is unfortunate that today millions of our brothers and sisters have lost their livelihood and tens of thousands have become victims of the pandemic. The Government must own up the responsibility for this unprecedented crisis and sufferings. We are also aware that a number of LIC employees have lost their lives due to Covid 19 in the past one year and many LIC families have lost their near and dear during this period. Therefore, we must celebrate our great achievement keeping these issues in mind.

The AIIEA congratulates all LIC employees on achieving a spectacular wage revision. The AIIEA dedicates this great settlement to the ordinary employees and cadres of the organisation whose support and faith in the leadership enabled this brilliant achievement. The AIIEA is confident that the employees will work with renewed vigour to strengthen the organisation and contribute to the fight against privatisation and disinvestment.

## फिर एक और शानदार सफलता बेजोड़ रणनीति ने दिलाया अभूतपूर्व वेतन संशोधन

एलआईसी में वेतन संस्थान की अपनी वित्तीय ताकत, भुगतान क्षमता और कर्मचारियों की उत्पादकता से जुड़ा हुआ होना चाहिए। बिना किसी अस्पष्टता के इस तथ्य की मान्यता की स्थापना वर्तमान वेतन संशोधन का सबसे बड़ा लाभ है और यह सिद्धान्त निश्चित रूप से भविष्य के लिए भी अच्छा रहेगा। एआईआईईए ने हमेशा इस विचार को सर्वोपरि रखा है कि वेतन पुनरीक्षण से मिलने वाले लाभ न केवल सेवा अवधि के दौरान मिलें, बल्कि सेवानिवृत्ति के बाद भी इनका मिलना जारी रहे। यही वह दृढ़ विश्वास था जिसने बढ़ाए जा रहे परिव्यय की अधिकांश राशि को मूल वेतन में लोडिंग के रूप में बढ़ाने की दिशा में आगे बढ़ने के लिए एआईआईईए को मजबूत किया। इस तरह की मांग को हासिल करना आसान नहीं होता है क्योंकि यह संस्थान के लिए एक स्थायी दायित्व बन जाता है। इन्हीं सारी वजहों से पिछले वेतन संशोधन में भी तब एआईआईईए को सरकार के जबरदस्त प्रतिरोध के बावजूद मूल वेतन में एक अच्छी लोडिंग प्राप्त करने के लिए काफी प्रयास करने पड़े थे। हम तब भी अपने प्रयास में सफल रहे थे और वर्तमान वेतन संशोधन में भी अपनी सफलता को जारी रखा, जहां एक अगस्त 2017 तक के पूरे मंहगाई भत्ते को समाहित करने के बाद 15 प्रतिशत

लोडिंग के साथ नए वेतनमान तैयार किये गए। यह उपलब्धि असीमित विशालता वाली है। इसके साथ, एआईआईईए अधिकतम कर्मचारियों को अपनी सक्रिय सेवा के दौरान तथा सेवानिवृत्ति के बाद के भी अधिकतम लाभ सुनिश्चित कराने में सफल रहा। साथ ही एआईआईईए पिछले वेतन समझौते के पांच दिवसीय सप्ताह के लागू कराये जाने के वादे को सम्मान दिलाना भी सुनिश्चित कर सका।

एलआईसी कर्मचारी वेतन संशोधन में प्राप्त लाभों से आनंदित हैं। एलआईसी के हर कार्यालय में प्रसन्नता साफ देखी जा रही है। लेकिन एलआईसी कर्मचारियों को यह समझना होगा कि वेतन समझौता उनके लिए ऐसे ही आसानी से नहीं आ गया। वास्तव में कोई भी वेतन वृद्धि कभी भी आसानी से नहीं हुई है। निरन्तर संघर्ष और खासतौर से इन संघर्षों में आस्था और विश्वास के कारण ये सफलता हासिल हुई है। एक वर्ग विभाजित समाज में वेतन संशोधन के लिए संघर्ष सबसे कठिन संघर्ष होता है। यह पूंजी के लिए बढ़ते मुनाफे और कर्मचारियों को उनके काम के लिए उचित मुआवजे के बीच एक उग्र संघर्ष है। अपने स्वयं के अनुभवों के माध्यम से एलआईसी कर्मचारियों ने सीखा है कि मुनाफे का महत्तम मूल्यांकन किसी भी व्यावसायिक संगठन के लिए एकमात्र उद्देश्य है। हाल की

अवधि में यह स्वीकार किया जा रहा है कि सकल राष्ट्रीय घरेलू उत्पाद में मुनाफे का हिस्सा बढ़ रहा है, जबकि मजदूरों की हिस्सेदारी में गिरावट जारी है। ऐसी स्थिति में वर्तमान वेतन संशोधन एक बड़ी उपलब्धि है। हमें यह भी स्पष्ट करना चाहिए कि हमारे संघर्ष और रणनीतिक प्रतिभा के अलावा, एलआईसी का एक सार्वजनिक क्षेत्र की संस्था होना और इस संस्थान को संविधान के अनुच्छेद 12 के तहत एक स्वतन्त्र संस्था के रूप में परिभाषित किया जाना भी एक बड़ा सहायक अवयव था।

एआईआईईए का गौरवशाली इतिहास दर्शाता है कि कोई भी लाभ न तो किसी की कृपा से मिल जाता है और न ही कोई लाभ आसमान से ऐसे ही फल के रूप में झोली में आ गिरता है। हर एक लाभ के लिए लड़ना होता है और सुरक्षित रखना होता है। एआईआईईए का इतिहास इस बात की गवाही देता है कि एलआईसी के कर्मचारियों को अपनी मांगों के समर्थन में भारी लड़ाई लड़नी पड़ी, चाहे जो भी सरकार सत्ता में हो। एआईआईईए को पता था कि 01 अगस्त 2017 को प्रस्तुत वेतन संशोधन की मांग का चार्टर आसानी से प्राप्त नहीं किया जा सकता है। इसलिए, इसने संघर्ष के लिए आवश्यक रणनीति विकसित की। इसने ज्वाइंट फ्रंट के तहत प्रमुख यूनियनों को एकजुट करने का बीड़ा उठाया और संघर्ष के मुद्दों और रणनीति पर एक समान समझ विकसित की। इसके फलस्वरूप पैदा हुई एकता ने एलआईसी कर्मचारियों और उनके आन्दोलन को एक नया विश्वास दिया। एआईआईईए जानता था कि लोगों का कल्याण और नवउदारवाद एक साथ नहीं चल सकता। इसलिए, वर्तमान सरकार जो नवउदारवादी आर्थिक नीतियों की कसमें खाती है, वह हमारी न्यायोचित मांगों को स्वीकार करने के लिए श्रमिक हितैषी नहीं हो सकती। जैसे कि हम देख ही रहे हैं कि किस तरह से श्रम कानूनों को नियोक्ताओं के पक्ष में बनाया जा रहा है; जिस तरह से किसानों के संघर्ष को संभाला जाता है; और जिस तरह से निजीकरण की एक पागलपन भरी मुहिम चल रही है। ऐसी स्थिति में एआईआईईए सारे क्रियाकलाप को योजनाबद्ध तरीके से और उस योजना पर सख्ती से अमल करते हुए वह हासिल करने में सफल रहा जो कई लोगों के लिए असम्भव था।

एआईआईईए स्पष्ट तौर से जानती है कि हमारी सफलता में एलआईसी का मजबूत होना बहुत मदद करता है। हम इस विचार को भी हमेशा मानते हैं कि एलआईसी कर्मचारियों की भलाई और समृद्धि हमारे महान संस्थान के विकास और समृद्धि से आंतरिक रूप से जुड़ी हुई है। इसी समझ और प्रतिबद्धता के साथ एलआईसी कर्मचारियों ने अपने संस्थान को वास्तव में विश्व स्तर का संगठन बनाने के लिए काम किया है। एलआईसी केवल एक अन्य व्यापारिक संगठन नहीं है, यह भारतीय अर्थव्यवस्था की जीवन रेखा है; इसे लोगों द्वारा सुरक्षा के एक प्रतीक के रूप में देखा जाता है और एआईआईईए के लिए, एलआईसी एक वैचारिक प्रतिबद्धता है। हमें गर्व है कि सबसे कठिन समय में भी हमारी संस्था ने इतना अच्छा प्रदर्शन किया है। यह बीमा उद्योग के खोलने से पैदा हुई ताकतों के खिलाफ सफलतापूर्वक खड़ा हुआ है। यह सभी

बाधाओं को परास्त कर बाजार के अग्रणी के रूप में ही नहीं बल्कि एक बाजार निर्माता के रूप में भी डट कर खड़ा हुआ है। इसलिए, एलआईसी के सभी कर्मचारियों की जिम्मेदारी है कि वे अपने कामकाज के हर क्षेत्र में उद्योग की प्रगति के लिए अपना सर्वश्रेष्ठ योगदान दें। हमें अपने पॉलिसीधारकों को आश्चस्त करना चाहिए कि हम उन्हें और भी बेहतर सेवा देने के लिए प्रतिबद्ध हैं। वेतन मुद्दे के निपटारे के साथ ही अब हमारा ध्यान विनिवेश की सरकारी नीति से लड़ने की तरफ एकाग्र होना चाहिए और हमें एलआईसी आईपीओ के खिलाफ एक मजबूत जनमत तैयार करना चाहिए।

वेतन का मुद्दा एलआईसी में तय कर लिया गया है। लेकिन जनरल इन्ड्योरेंस में इस मुद्दे पर कोई प्रगति नहीं हुई है। ऐतिहासिक रूप से, एलआईसी और जनरल इन्ड्योरेंस में वेतन प्रणाली समान रही है। इस समता को बनाए रखना होगा। इसके लिए एक निरन्तर संघर्ष आवश्यक है। एआईआईईए ने वेतन संशोधन के मुद्दे पर और सार्वजनिक क्षेत्र की एक सामान्य बीमा कम्पनी के निजीकरण के सरकार के फैसले के खिलाफ सामान्य बीमा में सभी यूनियनों को एकजुट करने में कामयाबी हासिल की है। एआईआईईए साधारण बीमा में जल्दी बातचीत शुरू करने और समझौता करने के लिए संयुक्त रूप से संघर्ष विकसित करने के लिए आवश्यक कदम उठाएगा। साधारण बीमा कर्मचारियों के पास संघर्ष के अलावा कोई विकल्प नहीं है। इसलिए, एलआईसी के समान एक अच्छे वेतन संशोधन को हासिल करने और निजीकरण के विचार को हराने के लिए एक शक्तिशाली संघर्ष का निर्माण करने हेतु गम्भीर प्रयास शुरू करने चाहिए।

एलआईसी के कर्मचारियों के लिए इस महान जीत का जश्न मनाना स्वाभाविक है। लेकिन इस शानदार उपलब्धि का जश्न मनाते हुए, हमें इस बात का ध्यान देना चाहिए कि हमारे देश के लोग आर्थिक और स्वास्थ्य संकट के कारण बड़े पैमाने पर पीड़ित हैं। यह दुर्भाग्यपूर्ण है कि आज हमारे लाखों-लाख भाई-बहन अपनी आजीविका खो चुके हैं और हजारों-हजार लोग महामारी का शिकार हो चुके हैं। इस अभूतपूर्व संकट और कष्टों के लिए सरकार को अपनी जिम्मेदारी उठानी चाहिए। हम यह भी जानते हैं कि पिछले एक वर्ष में कोविड-19 के कारण कई एलआईसी कर्मचारियों ने अपनी जान गंवाई है और कई एलआईसी परिवारों ने इस अवधि के दौरान अपने प्रियजनों को खो दिया है। इसलिए, हमें इन बातों को ध्यान में रखते हुए अपनी महान उपलब्धि का जश्न मनाना चाहिए।

एआईआईईए सभी एलआईसी कर्मचारियों को एक शानदार वेतन संशोधन प्राप्त करने के लिए बधाई देता है। एआईआईईए ने इस महान समझौते को संगठन के उन साधारण कर्मचारियों और कैडर को समर्पित किया है जिनके समर्थन और नेतृत्व के प्रति विश्वास ने इस शानदार उपलब्धि को हासिल कराया। एआईआईईए को भरोसा है कि कर्मचारी संगठन को मजबूत करने के लिए नवसंचारित ऊर्जा के साथ काम करेंगे और निजीकरण और विनिवेश के खिलाफ लड़ाई में योगदान देंगे।

# A MAGNIFICENT WAGE REVISION ACHIEVED IN LIC

The wage revision reached its finality on 15<sup>th</sup> April 2021. The LIC called for an Information Sharing Session in the evening of 15<sup>th</sup> April where the details of the wage revision were informed. Late in the night on the same day, the government also issued notification.

The Salient Features of the Wage Revision are produced hereunder:

- Wage revision is effective from 1.8.2017.
- The increase given is 16% over the wage bill as on 1.8.2017
- The government and LIC have accepted that the wage issue in LIC should be decided on the basis of the strength of the institution and aspirations of employees.
- Pay Scales were drawn after merging the full DA as on 1.8.2017 – 411 slabs @41.1% –CPI 6352 (1960 series).
- After merger the entire DA as on 1.8.2017 in Basic, an additional loading of 15% is given to frame the new scales.
- The new DA rate after merger will be 0.08% per slab ( for every rise or fall of 4 points of CPI)
- A new concept of Special Allowance has been introduced. This Special Allowance is paid to all cadres - DA is also payable on this Special Allowance.
- The long pending demand of 5-DAY working week is agreed.
- All benefits granted are payable with retrospective effect, i.e., from 1.8.2017.
- For Allowances to all cadres, refer appended statement

## CADRE WISE DETAILS:

### CLASS-1: Pay Scales: Rs.

ZM(S) : 163755 – 4415(2) – 172585 – 4735(1) – 177320 – 5180(1) – 182500 – 5370(4) – 203980

ZM(O) : 146095 – 4415(8) – 181415

SDM/DZM : 130500 – 3780(3) – 141840 – 4255(6) – 167370

DM: 107820 – 3780(9) – 141840

ADM: 87985 – 2645(1) – 90630 – 2865(6) – 107820 – 3780(4) – 122940

AO: 72115 – 2645(7) – 90630 – 2865(6) – 107820

AAO: 53600 – 2645(14) – 90630 – 2865(4) – 102090.

Tech Examination Allowance to Class-1: This is newly introduced to Class-1 Officers.

### CLASS – 2: Pay Scales: Rs.

DEV OFF: 35650 – 2200(2) – 40050 – 2595(2) – 45240 – 2645(17) – 90205

### CLASS – 3: Pay Scales: Rs.

HGA: 35310 – 2370(3) – 42420 – 2645(15) – 82095

STENO: 29530 – 1690(4) – 36290 – 1960(2) – 40210 – 2390(3) – 47380 – 2480(2) – 52340 – 2645(8) – 73500

ASST: 23465 – 1375(1) – 24840 – 1500(2) – 27840 – 1690(5) – 36290 – 1960(2) – 40210 – 2390(3) – 47380 – 2480(2) – 52340 – 2645(5) – 65565

R C: 21740 – 775(4) – 24840 – 1220(3) – 28500 – 1375(2) – 31250 – 1390(6) – 39590 – 1500(6) – 48590

### CLASS-4: Pay Scales: Rs.

DRIVER: 21740 – 980(6) – 27620 – 1015(1) – 28365 – 1220(12) – 43275

PEON : 18930 – 775(5) – 22805 – 825(8) – 29405 – 980(1) – 30385 – 1015(2) – 32415 -1220(3) – 36075

SWEEPER : 17950 – 775(5) – 21825 – 825(8) – 28425 – 980(6) - 34305



# Various Allowances enhanced in the Wage Revision

S.No	Head of Account	Class-1	Class -2	Class-3	Class-4
1	AUDIT ALLOWANCE -1ST 5 YRS not yet declared	-	-	1525	-
	NXT 5 YRS	-	-	1740	-
	SUBSQNT YRS	-	-	1880	-
2	CASHIER ALLOWANCE	-	-	3530	-
3	BANDA/DUPLICATE/XEROX ALLOW to RC	-	215	-	-
4	MPO	-	-	405	-
5	HGA -PROG	-	-	1270	-
6	FUNCTIONAL ALLOW-PROG/ SYSTM ANALYST	1595	-	-	-
					Min for Cl.3 & 4
7	NORTH-EAST EDUCATION ALLOW	710	-	-	-
8	LIFTMEN/WATCHMEN/HEAD PEON	-	-	-	1620
9	FRANKING MACHINE (Peon)	-	-	-	170
10	HRA - 10% (Max)	7840	7840	7840	7840
	: 8% (Max)	6620	6620	6620	6620
	: 7% (Max)	6370	6370	6370	6370
11	CCA - 3% (Max)	1960	1660	1555	1555
	: 2.5% (Max)	1865	1535	1460	1460
	: 2% (Max)	1445	1345	1255	1255
12	Hill Allowance =				
	>1500mts -2.5% of Basic(Max)	1245	1000	1000	1000
	: > 1000 <1500 - 2% (Max)	1000	790	790	790
	: > 750 < 1000 Mts - 2% -( Max)	1000	790	790	790
13	SPECIAL ALLOWANCE : DA is payable (But no PF/HRA/PL ENCSHMNT/FIXATION) NEW ALLOWANCE INTRODUCED				
	:ZM(S)	13500	-	-	-
	:ZM(O)	12000	-	-	-
	:SDM	10500	-	-	-
	:DM	9000	-	-	-
	:ADM	7500	-	-	-
	:AO	6000	-	-	-
	:AAO	4500	-	-	-
	: DEV OFFICER	-	3200	-	-
	: HGA	-	-	3000	-
	: STENO	-	-	2500	-
	: ASST	-	-	2000	-
	: R C	-	-	1800	-
	: DRIVER	-	-	-	1800
	: PEON	-	-	1600	-
	: SWEEPER	1500	-	-	-
14	GRADUATION ALLOWANCE : RC	755	-	-	-
	GRADUATION ALLOWANCE : ASST	-	1625	-	-
	GRAD ALLOW (RECVD GRD INCRMNTS) 1STYR	-	-	830	-
	: AFTER COMPLETION OF 2 YRS	1625	-	-	-
15	PARADEEP PORT ALLOWANCE	265	-	265	265
16	TRANSPORT ALLOWANCE	1960	-	680	680
17	LICENTIAE	650	-	555	-
	ASSOCIATESHIP	2600	-	1505	-
	FELLOWSHIP	5200	-	2575	-
	MBA / CA/ICMA/CS -FINAL	N/A	-	2575	-
	CA/ICMA - INTERMEDIATE	N/A	-	1080	-
	CA/ICMA - GROUP A OR B	N/A	-	1845	-
	ACTUARIAL EXAMS - PER PAPER PASSED	-	-	555	-
18	SPECIAL AREA ALLOWANCE BASED ON THE SPECIAL AREA DETAILED RATES HAVE BEEN DECLARED				
19	WASHING ALLOWANCE	-	-	355	-
20	CASH MEDICAL BENEFIT (for Class-1 2 rates)				
	Upto Rs.99000 Basic	19600	12300	9800	9800
	& > Rs.99000	29400	-	-	-
21	PROJECT ALLOWANCE	565	-	405	-
22	F.P.A. (depends on cadre)	2865 To 5370	2645	1500 to 2645	980 to 1220
23	ACTUARILA EXAM ALLOWANCES				
	1ST 3 PAPERS - Per Paper passed /p.m.	700	-	700	-
	NEXT 3 PAPERS	1000	-	1000	-
	NEXT 3 PAPERS	1500	-	1500	-
	NEXT 3 PAPERS	2000	-	2000	-
	NEXT PAPER	3000	-	3000	-

# **YET ANOTHER SPECTACULAR WAGE REVISION SECURED IN LIC ADMINISTRATIVE INSTRUCTIONS ISSUED STRENGTHEN AIIEA FINANCIALLY AND IDEOLOGICALLY**

**T**he Wage Revision issue is finally settled in LIC. This wage revision came after a long wait of 45 months. The wage revision was finalized after a discussion with the LIC management through video conferencing on 15<sup>th</sup> April 2021. The Gazette Notification was also issued late in the same evening. LIC issued the Administrative Instructions for payment of revised salary and arrears of wages late in the evening yesterday. The benefits of the wage revision will flow to the employees very soon. We congratulate each and every employee of LIC and their family members for yet another spectacular wage revision in an extremely difficult political and economic situation.

The struggle for wage revision started with the formulation of the Charter of Demands. The AIIEA submitted the Charter of Demands to the LIC management on 2<sup>nd</sup> August 2017. The AIIEA demanded that wage revision in LIC should be based on the strength and paying capacity of the institution and it should be commensurate with the hopes and aspirations of the employees. The AIIEA also demanded that there should be substantial increase in all allowances payable to the employees and due attention be given to improvement of retirement benefits. The AIIEA took this opportunity to reiterate the demand that all that had been committed by the management during the last round of wage negotiations but had not yet materialised should be redeemed without further delay. Naturally, particular emphasis was given to the issue of 5 Day Week.

When a wage offer of 16% across the board was made on 21<sup>st</sup> December 2020, it was established beyond any shade of doubt that the wage revision in LIC was going to be settled independent of developments in analogous institutions. We made a brilliant advancement when the management agreed to frame the revised pay scales with a loading of 15% after the merger of the entire Dearness Allowance

as on 1<sup>st</sup> August 2017. It was also agreed that the new rate of DA shall be at the rate of 0.08% for every slab. This ensured that AIIEA's longstanding position of giving maximum benefits to the maximum people was secured. It also helped realise our position that the wage revision should give benefit to the employees not only during their service period but should also benefit them in terms of their retirement benefits. Over and above this, a Special Allowance to all classes of employees has been introduced for the first time. This Special Allowance shall be reckoned for the purpose of calculation of DA as well. The Administrative Instructions that were issued yesterday contain all the details of the hikes in various allowances payable to the employees. In view of all these monetary benefits, the wage revision has been a spectacular wage revision. In addition to all the monetary gains that were secured, an important residual issue of the last wage revision in terms of the Five Day Week was also clinched. The present wage revision can therefore be called one of the most spectacular wage revisions in the glorious history of the AIIEA.

The present wage revision has come at one of the most critical moments of our social, economic and political life. Increased wages are an anathema to any profit driven business enterprise in a capitalist society. A struggle for increased wages is the most arduous of all struggles. The havoc wrought by the pandemic was an additional factor this time. The economy and polity are in great turmoil. Physical meetings and travels to distant places have almost become a thing of the past. However, it is because of the sheer ingenuity of the tactical line of AIIEA and the unquestioning faith and allegiance of our members in the capabilities of the AIIEA that a seemingly difficult task was accomplished in the most brilliant manner. Reports have been pouring in from across the country that our employees are extremely

happy with the settlement. It is being hailed as Spectacular, Splendid, Marvelous, Magnificent, Never Before, Extraordinary and what not! The AIIEA would like to invoke William Shakespeare, who said in his immortal work Romeo and Juliet:

*"What's in a Name? that which we call a rose  
By any other name would smell as sweet"*

The Secretariat of the AIIEA that met through video conferencing on 16<sup>th</sup> April 2021 hailed this historic achievement and congratulated LIC employees throughout the country. The Secretariat felt that it had become absolutely important now to protect the gains that we have made through

this wage revision. Towards this end, the Secretariat was unanimous in its understanding that this historic gain can be protected only by protecting and strengthening LIC in the public sector and strengthening the organisation. The AIIEA needs to be strengthened both organisationally and financially. Considering the enormity of the social and economic crisis confronting all of us today, the secretariat of AIIEA decided to give a call for a modest **Levy of 2%** of the net arrears (Gross Arrears Less Income Tax). We are confident that our members all over the country will give an overwhelming response to the call and help strengthen the AIIEA.

## AIIEA writes to LIC Chairman

### ON PENSION AND OTHER RESIDUAL ISSUES ON 16 / 4 / 2021

"We are extremely thankful to you for the efforts put in for a satisfactory wage settlement. This wage settlement has met the aspirations of the employees to a great extent. We are also happy that the issue of wage was decided on the basis of the strength of our institution. We are sure that this wage settlement will motivate all sections of the employees to further contribute to the progress of the Institution and to meet the challenges of the competitive environment and regulatory mechanism.

The Notification for the wage revision has already been issued by the government. We hope that the Administrative Instructions too will be issued soon to enable the employees to enjoy the fruits of wage settlement early. While issuing the Administrative Instructions, we request you to address the following issues:

- 1.Enhancement of Cash Medical Benefit as suggested by us;
- 2.Enhancement of Fixed Personal Allowance; and
- 3.Conveyance Allowance to the Differently-Abled employees on the lines of what is existing for Government employees.

We had mentioned in the Joint Session of the Information Sharing held on 15.4.2021 that discussions should be held on the non-core issues

which form a part of our Charter of Demands. We expect early discussions on these issues so as to reach an agreement on the non-core demands we have placed in our Charter.

In the meantime, we request you to immediately take up with the Government the following issues for early resolution:

- 1.LIC Board recommendation to the Government on increase in Family Pension to 30% without ceiling, determining the last pay drawn or the last ten months average whichever is beneficial for Pension and other improvements suggested by LIC. This issue is pending with the government now for more than 1 ½ years and needs urgent favourable resolution.
- 2.Updation of Pension as is done in the Central Government consequent to the wage revision. The Government has accepted updation of Pension in principle and allowed the same in the Reserve Bank of India.
- 3.The enhancement of management's contribution to PF from 10% to 14% in respect of the employees covered under Defined Contribution Pension Scheme.

We are confident that the issues raised by us will have your serious attention."



## STANDING COMMITTEE (GI) WRITES TO GIPSA CHAIRMAN ON 17/4/2021 - DEMAND IMMEDIATE COMMENCEMENT OF WAGE NEGOTIATIONS AND EARLY SETTLEMENT

“You are aware that in LIC, revised pay scales for employees and officers were finalised and notified on April 15, 2021. The employees and officers of LIC are legitimately elated as the wage revision meets their genuine aspirations.

Further, you are also aware that the wage revision of PSGI Companies fell due from August 01, 2017 and historically there has always been parity between wage revisions of LIC and PSGI Companies. This was also committed by the GIPSA

in the exploratory meeting on wage revision held on April 04, 2019. Obviously, the expectations of employees and officers of PSGI Companies have increased manifold with the wage issue having been finalised in LIC.

In the above backdrop, we request you to start the negotiations without further loss of time and expedite the process of finalisation of wage revision in PSGI Companies at par with LIC.”

## DISCUSSIONS WITH GIPSA CHAIRMAN

The wage revision in LIC has been concluded. However, no forward movement on this issue has taken place in General Insurance. In order to press for an early wage revision on par with LIC, the Joint Front of Trade Unions held a meeting on 20/4/2021 through virtual mode with Chairman, GIPSA and raised the following issues:

1) On wage revision we conveyed our displeasure for inordinate delay - Chairman replied that concrete information will be shared after

contacting the Joint Secretary tomorrow.

2) On the question of delay in completing the class III & IV promotional exercise - He informed that, he will talk to GM(P)s of the companies.

3) On recruitment in the Assistant cadre, he agreed that serious shortfall is there in all the offices and assured to take it up with DFS.

## Performance of the GI Industry for the year 2020-21

25 General Insurance Companies (Excluding 6 Stand-alone Health Insurance Companies & 2 Specialised Insurance Companies) operating in India have ended up with a growth of 3.36% for the year 2020-21. The total GDP generated by 25 GI Co's stood at Rs.1,69,841.60 cr as against Rs.1,64,324.90 cr.

The four Public Sector General Insurance Companies (National, New India, Oriental & United India) has shown a negative growth of 1.95%. Market Share of the four PSGI Co's is 42.29%. The four PSGI Co's have generated a premium income of Rs.71,828.46 Cr for the year 2020-21 as compared to Rs.73,259.90 Cr.

The industry's positive growth is because of growth in Fire (28.08%), Engineering (12.96%), Health (13.99%), Aviation (8.32%) & Liability 16.37%).

# **Demanding Movement of Panels for Recruitment to the cadre of Assistants**

**AIIEA HAS WRITTEN TO EDP ON 30/3/2021 REGARDING THE ABOVE**

“This has reference to the telephonic discussion that the undersigned had with you on 24.03.2021 on the captioned subject matter. We are happy that the list of successful candidates in respect of Vishakhapatnam and Kadapa Divisions under South Central Zone has been released. This should set the ball rolling for completion of the stalled recruitment process in these divisions.

We understand that around 5800 Assistants have joined LIC after successful completion of the first round of Recruitment process. Naturally, still there are more than 2000 Assistant vacancies in different divisions across the country. We would therefore request you to kindly take necessary steps for the movement of the existing panels in Assistant cadre on an expeditious basis. The movement of the panels would be a win-win proposition for LIC as well as the educated unemployed who are desperately waiting to join this great institution.

The delay in resumption of the Recruitment process has created considerable anxiety among the candidates. Not filling up of the vacancies has also created considerable burden on the offices impacting the policy servicing. This has also given an opportunity to some vested interests to indulge in a misguided campaign against the institution.

In the circumstances, we request you to take expeditious steps for movement of the Panels and advise the divisions to resume the pending Recruitment process.”

**AIIEA WRITES TO LIC CHAIRMAN ON 18 / 4 / 2021**

## **DEMANDING RESTORATION OF INCREMENTS POSTPONED FOR STRIKE PARTICIPATION**

“The employees of LIC participated in One Day strike on 26<sup>th</sup> November, 2020 opposing the government’s moves to issue IPO in LIC. On 18<sup>th</sup> March, 2021 also Officers and employees participated in One Day strike opposing IPO in LIC and demanding wage negotiations. As a result, the increments of some the employees and officers were postponed.

Now that the wage revision aspect has reached finality and we expect administrative instructions very soon, we request you to issue instructions restoring the increments postponed for participating in the said strikes along with wage administrative instructions. This would help our salary department to calculate the arrears smoothly. If the instructions of restoration of increment are delayed, it will cause difficulty for them to again reopen the cases and recalculate the wage arrears.

We, therefore, once again request you to release the instructions for restoration of increments postponed for participating in one day strike on the above referred dates along with wage revision administrative instructions.”

# MAY DAY 2021

## FROM GLOBAL PANDEMIC

## TO GLOBAL CLASS STRUGGLE

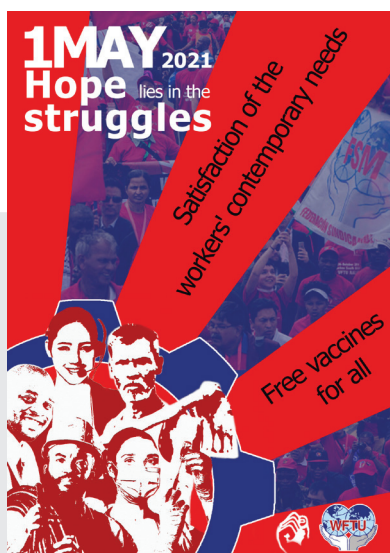
**SHREEKANT MISHRA**

**M**ay Day is a day of historic significance for the working class. This is a day of international solidarity. The Covid19 pandemic has cast dark shadows over the May Day this year. The gains made by the working class in terms of Eight hours of Work is being sought to be undermined. Nearly three million people have died and more than 130 million have been infected since last year. More than 10,000 people are dying everyday throughout the world. Mindless pursuit of profit motive at the cost of the lives of ordinary people is the root cause of the surge in the pandemic. The experience of the last year tells us that the fight against the pandemic is not merely a health issue. The working class has realised that a political struggle against the capitalist system is needed to fight the pandemic.

The pandemic has exposed the fault lines of the capitalist system. The IMF has forecast that the world economy has entered its worst slump since the Great Depression of the 1930s. The IMF says that the world economy will lose \$9 trillion in output over 2020

and 2021. The World Bank has also made similarly dire projections. Millions of workers have lost their jobs. Millions have been pushed into poverty. Inequalities have increased manifold. According to the International Labour Organisation (ILO) 255 million full time jobs were lost for the whole of last year. This is approximately four times greater than the number lost during the global financial crisis of 2009. The ILO says that these losses resulted in 8.3 per cent decline in global labour income equivalent to \$3.7 trillion. According to a Pew Research Centre (PRC) report, the pandemic shrunk the global middle class by 54 million and pushed 131 million more people into poverty. The report says that the number of global poor was predicted to be around 672 million in 2020, but it went up to 803 million.

The socialist countries however have a different experience. They have effectively contained the spread of the pandemic. Universal public healthcare and prompt government intervention helped them to a large extent. Despite the inhuman sanctions of US imperialism, a small country like Cuba not only effectively controlled the pandemic but it sent its team of doctors to more than 51 countries including countries like Italy in Europe and helped them deal with the crisis. At a time when the capitalist world



**May Day  
Poster of  
WFTU**

**The experience of the last year tells us that the fight against the pandemic is not merely a health issue. The working class has realised that a political struggle against the capitalist system is needed to fight the pandemic. The pandemic has exposed the fault lines of the capitalist system. The working class movement must draw inspiration from the glorious traditions of the May Day and march forward from the Global Pandemic to Global Class Struggle. Hope lies in our Struggles.**



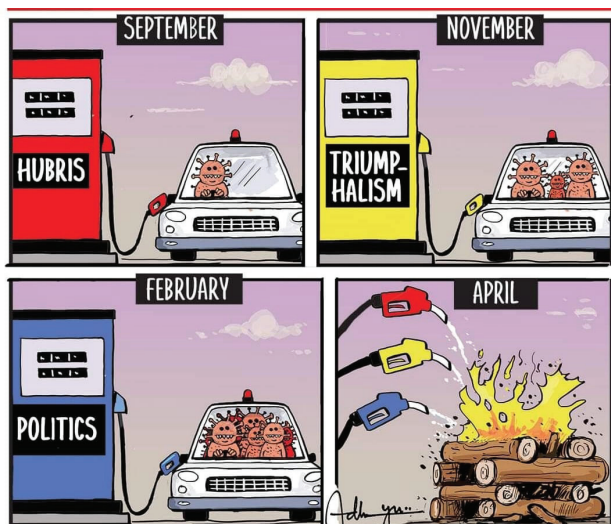
is confronted with a grave economic crisis, China has not only managed to bring the economy back on track but it has successfully achieved complete victory over poverty. China's GDP has grown by a record 18.3 per cent in the first quarter of 2021. Vietnam has also done a commendable job in containing the virus and bringing the economy back on track. This has been possible because the socialist countries have prioritised peoples' lives over profits of the corporates.

India is in dire straits now. There is a huge spike in covid cases. Hospital beds, ventilators and oxygen are in short supply. With shortages setting in, queues are lengthening everywhere; from hospitals to pharmacies to crematoria. The future looks scary. The government did not seem to have learn any lesson from the first wave of the pandemic. The public health infrastructure should have been strengthened and public sector units should have been roped in for production of vaccines on a large scale. But the government was in a triumphalist mood. Public sector undertakings have been decimated in the name of "Atmanirbhar Bharat" making a mockery of the concept of self reliance. Had scientific temper guided the government's Covid containment strategy, they should have known that viruses with RNA genomes mutate more often than bacteria. They would have realised the need for more vaccines. But unfortunately, the government preferred to be guided more by religious obscurantism than by science. Banging utensils from the balconies, switching off lights and burning candles for nine minutes at nine PM, showering flower petals on

hospitals from helicopters, patronage to pseudo-science like Gomuutra and Coronil and incantations like 'Go corona Go' and "No Corona No" became part of the state policy. The nation has had to pay a heavy price for this.

Indian economy and society are in great turmoil. The economy is yet to come out of the crisis inflicted by last year's lockdown. According to the CMIE, unemployment is still high at 7.1 per cent. The Index of Industrial Production (IIP) was 3.6 per cent less in February this year compared to the same period last year. RBI data tells us that bank credit growth, which was at an all-time low of 5.2 per cent last year, show no sign of improvement this year. The government itself had estimated that GDP for 2020-21 would be 8 per cent less than last year and private consumption spending would fall by nearly 9 per cent. With the new pandemic wave, situation is bound to deteriorate further. Unemployment has become unmanageable. Purchasing powers of the people have been severely hit. Inequalities have grown beyond imagination. According to a report of the Pew Research Centre, the pandemic has shrunk India's middle class population by 32 million and driven 75 million below the poverty line in 2020. The result of all this has been a severe contraction of the aggregate demand in the economy leading to a severe contraction of the economy itself.

The situation demanded an effective intervention from the government in favour of the working people. However, the government is doing exactly opposite of what is needed. Rather than coming to the rescue of the people in the time of crisis, the government has been doling out largesse to the corporate sector through huge tax concessions and other modalities. The life and living of the working people instead have been squeezed further. This is evident from the resource mobilisation strategy adopted by the government in the last Budget. Share of direct taxes (paid by the middle and high income segments of the population and the corporates) has fallen from 5.2 per cent of the GDP in 2019-20 to 4.7 per cent in 2020-21, while that of indirect taxes (whose incidence is particularly high for the poor) has increased from 4.7 per cent in 2019-20 to 5.1 per cent in 2020-21. The budget has thus shifted a disproportionately larger share of the tax burden from corporates and more affluent groups to the poor and disadvantaged section of the society who face brunt of the pandemic.



Cartoon courtesy: Sandeep Adhwaryu, Times of India

The government is using the present crisis to push forward its neoliberal agenda. There is a massive attack on the rights of the workers and labour laws are so changed to condemn the workers to slavery of capital. The government passed three labour codes when the entire opposition was absent in Parliament. It is also during this period that the government passed the three farm Bills disregarding the interests of the farmers. The government has also laid down the agenda for privatising all the public sector enterprises and opening the economy to full blast of both the domestic and foreign capital. Important sectors of the economy like financial sector, ports, mines, space, defence etc. are being opened fully for the exploitation of the private capital. The government which speaks of Atmanirbhar Bharat has become critically dependent on foreign capital. Growth has been made a hostage to foreign capital.

The Government has decided to list LIC for no valid economic reason. The necessary legislative changes were inserted in the Finance Bill itself with a view to avoiding parliamentary scrutiny. Now that the Finance Bill has been adopted in Parliament, the road block for disinvestment has been cleared for the government. The government has also announced its intentions to privatise one public sector general insurance company and two public sector banks. The government is fully utilising the crisis as an opportunity to carry forward its agenda of unbridled privatisation.

The pandemic is being used to undermine the processes of India's constitutional democracy. Indian parliament, Indian federalism, the Press and civil society organisations are all being undermined. Secularism, which is the cornerstone of India's unity and integrity, is being given a short shrift on a daily basis. India's large minority population is being stigmatised without any let up. Dissent which is the bedrock of any democracy is being criminalised. Even solidarity with some dissenting opinion is being

criminalised. Opinion different from that of the ruling dispensation is projected as anti-national. The basic formulation of Indian law that 'one is innocent till one is proved guilty' is turned upside down. 'You are guilty until you prove yourselves innocent' seems to have been the new guiding principle of Indian law enforcement agencies.

However, one redeeming feature amidst all this is that struggles today are developing in every sector. The restrictions placed to stop the spread of coronavirus and the lockdown conditions have not deterred the workers from waging struggles through innovative methods. Electricity Workers, Coal industry workers, Port and dock workers, steel workers, Defence employees, workers in Banks and Insurance, Asha and Anganwadi workers are all in struggle. The doctors are protesting. Lawyers are agitating. Students and particularly girl students have been in the forefront of struggle.

The historic struggle of the farmers in Delhi borders has given a new idiom of struggle against neoliberalism. The struggle is important not only from the point of view of its sweep and depth but more importantly because it has brought about a new unity between the workers and peasants- the real wealth creators of the nation. This unity has forced the ruling classes today to put the Farm Laws on hold; this unity has also forced the ruling classes to put the Labour Laws on hold as well. Struggle has started paying off.

Uncompromising class struggle to advance the class interests of the working class is the basic teaching of the May Day martyrs. The noble values of the freedom struggle have to be invoked to thwart the serious attack on the Constitution and the Republic. The working class movement must draw inspiration from the glorious traditions of the May Day and march forward from the Global Pandemic to Global Class Struggle. Hope lies in our Struggles.



100th day at  
Delhi border

# IMF's WORLD ECONOMIC OUTLOOK REPORT – APRIL, 2021

TVNS RAVINDRANATH

One year into the COVID-19 pandemic, the accumulating human toll continues to raise concerns, even as growing vaccine coverage lifts sentiment. High uncertainty surrounds the global economic outlook, primarily related to the path of the pandemic. The contraction of activity in 2020 was unprecedented in living memory in its speed and synchronized nature. But it could have been a lot worse. Although difficult to pin down precisely, IMF staff estimates suggest that the contraction could have been three times as large if not for extraordinary policy support. Much remains to be done to beat back the pandemic and avoid divergence in income per capita across economies and persistent increases in inequality within countries.

After an estimated contraction of –3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022. The contraction for 2020 is 1.1 percentage points smaller than projected in the October 2020 World Economic Outlook (WEO), reflecting the higher-than-expected growth outturns in the second half of the year for most regions after lockdowns were eased and as economies adapted to new ways of working. The projections for 2021 and 2022 are 0.8 percentage

point and 0.2 percentage point stronger than in the October 2020 WEO, reflecting additional fiscal support in a few large economies and the anticipated vaccine-powered recovery in the second half of the year. Global growth is expected to moderate to 3.3 percent over the medium term—reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labor force growth in advanced economies and some emerging market economies. Thanks to unprecedented policy response, the COVID-19 recession is likely to leave smaller scars than the 2008 global financial crisis. However, emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term losses.

Output losses have been particularly large for countries that rely on tourism and commodity exports and for those with limited policy space to respond. Many of these countries entered the crisis in a precarious fiscal situation and with less capacity to mount major health care policy responses or support livelihoods. The projected recovery follows a severe contraction that has had particularly adverse employment and earnings impacts on certain groups. Youth, women, workers

INTERNATIONAL MONETARY FUND

## WORLD ECONOMIC OUTLOOK



**Strong international cooperation is vital for ensuring that emerging market economies and low-income developing countries continue to narrow the gap between their living standards and those of high-income countries. On the health care front, this means ensuring adequate worldwide vaccine production and universal distribution at affordable prices—including through sufficient funding for the COVAX facility—so that all countries can quickly and decisively beat back the pandemic.**



with relatively lower educational attainment, and the informally employed have generally been hit hardest. Income inequality is likely to increase significantly because of the pandemic. Close to 95 million more people are estimated to have fallen below the threshold of extreme poverty in 2020 compared with pre-pandemic projections. Moreover, learning losses have been more severe in low-income and developing countries, which have found it harder to cope with school closures, and especially for girls and students from low-income households. Unequal setbacks to schooling could further amplify income inequality.

High uncertainty surrounds the global outlook. Future developments will depend on the path of the health crisis, including whether the new COVID-19 strains prove susceptible to vaccines or they prolong the pandemic; the effectiveness of policy actions to limit persistent economic damage (scarring); the evolution of financial conditions and commodity prices; and the adjustment capacity of the economy. The ebb and flow of these drivers and their interaction with country-specific characteristics will determine the pace of the recovery and the extent of medium-term scarring across countries.

In many aspects, this crisis is unique. In certain countries, policy support and lack of spending opportunities have led to large increases in savings that could be unleashed very quickly should uncertainty dissipate. At the same time, it is unclear how much of these savings will be spent, given the deterioration of many firms' and households' balance sheets (particularly among those with a high propensity to consume out of income) and the

expiration of loan repayment moratoria. In sum, risks are assessed as balanced in the short term, but tilted to the upside later on. Considering the large uncertainty surrounding the outlook, policymakers should prioritize policies that would be prudent, regardless of the state of the world that prevails—for instance, strengthening social protection with wider eligibility for unemployment insurance to cover the self-employed and informally employed; ensuring adequate resources for health care, early childhood development programs, education, and vocational training; and investing in green infrastructure to hasten the transition to lower carbon dependence.

Moreover, they should be prepared to flexibly adjust policy support, for example, by shifting from lifelines to reallocation as the pandemic evolves, and linked to improvements in activity, while they safeguard social spending and avoid locking in inefficient spending outlays. It is important to anchor short-term support in credible medium-term frameworks. Where elevated debt levels limit scope for action, effort should also be directed at creating space through increased revenue collection (fewer breaks, better coverage of registries, and switching to well-designed value-added taxes), greater tax progressivity, and by reducing wasteful subsidies.

The factors shaping the appropriate stance of policy vary by country, especially progress toward normalization. Hence, countries will need to tailor their policy responses to the stage of the pandemic, strength of the recovery, and structural characteristics of the economy. Once vaccination becomes widespread and spare capacity in health care systems is generally restored to pre-COVID-19 levels, restrictions can begin to be lifted. While the pandemic continues, policies should first focus on escaping the crisis, prioritizing health care spending, providing well-targeted fiscal support, and maintaining accommodative monetary policy while monitoring financial stability risks. Then, as the recovery progresses, policymakers will need to limit long-term economic scarring with an eye toward boosting productive capacity (for example, public investment) and increasing incentives for an efficient allocation of productive resources. It is a delicate balance, especially given the prevailing uncertainty.

Therefore, when support is eventually scaled back, it should be done in ways that avoid sudden cliffs (for instance, gradually reducing the government's



Courtesy: Bretton Woods Observer

share of wages covered under furlough and short-time work programs while increasing hiring subsidies to enable reallocation as needed). All the while, long-term challenges—boosting productivity, improving policy frameworks, and addressing climate change—cannot be ignored. Differential recovery speeds across countries may give rise to divergent policy stances, particularly if advanced economies benefit sooner than others from wide vaccine coverage. Clear forward guidance and communication from advanced economy central banks is particularly crucial, and not just for calibrating the appropriate domestic monetary accommodation. It also vitally bears on external financial conditions in emerging markets and the impact that divergent policy stances have on capital flows.

Strong international cooperation is vital for achieving these objectives and ensuring that emerging market economies and low-income developing countries continue to narrow the gap between their living standards and those of high-income countries. On the health care front, this means ensuring adequate worldwide vaccine production and universal distribution at affordable prices—including through sufficient funding for the COVAX facility—so that all countries can quickly and decisively beat back the pandemic.

The international community also needs to work together to ensure that financially constrained economies have adequate access to international liquidity so that they can continue needed health care, other social, and infrastructure spending required for development and convergence to higher levels of income per capita. Countries should also work closely to redouble climate change mitigation efforts. Moreover, strong cooperation is needed to resolve economic issues underlying trade and technology tensions (as well as gaps in the rules-based multilateral trading system). Building on recent advances in international tax policy, efforts should continue to focus on limiting cross-border profit shifting, tax avoidance, and tax evasion.

(Contributor is  
Joint Secretary,  
ICEU, Hyderabad)

The entire humanity is paying a heavy price for arrogance, the insouciance of some world leaders including that of India as the pandemic is raging like never before. The second wave of pandemic appears to be more insidious, and gruesome than earlier one and the infection is spreading like a conflagration. It was the greatest global trauma since the Second World War and unprecedented in most of our lives.

The economic crisis triggered by the novel coronavirus had a cataclysmic impact on global living standards, pushing millions of people out of the middle class or into poverty, inflicting significant income losses borne mostly by the vulnerable section of society especially low-wage and informal workers, as well as youth and women. What is disconcerting is that India is estimated to have seen a greater decrease in the middle class and a much sharper rise in poverty.

This has been revealed by a nonpartisan American think tank Pew Research Centre analysis which was based on World Bank data. It finds that the middle class in India is estimated to have shrunk by 3.2 crores in 2020 as a consequence of the pandemic induced downturn, compared with the number it may have reached in absence of pandemic. Meanwhile, the number of people who are poor in India (with incomes of \$2 or less a day) is estimated to have increased by 7.5 crores because of the COVID-19 recession. The poverty rate in India likely rose to 9.7% in 2020, up sharply from the January 2020 forecast of 4.3%.

Before the resurgence of the second wave Covid pandemic, Toby Ord, one of the leading philosophers, Senior Research Fellow at Oxford University's Futures of Humanity Institute, had warned that humans face risks that give no second chances. The Covid-19 pandemic is a forewarning to us. It is an existential risk that confronts human beings. We face possible catastrophe which threatens the permanent destruction of humanity's potential such as human extinction or an unrecoverable collapse of civilisation.

The poet and philosopher, Spanish-born George Santayana had said, "Those who cannot remember the past are condemned to repeat it". The above is applicable to our ruling dispensation at the center who learned nothing from the first wave of corona infection and allowed the second wave of corona

# PAYING PRICE FOR ARROGANCE AND INSENSITIVITY

**DR. SANTOSH KUMAR MOHAPATRA**

infection to rule the roost and inflict heavy damage and making our lives more uncertain.

The assumption of smooth economic recovery is now in question due to the onset of the second wave of the pandemic as the production chain is going to be get disrupted again. Experts believe that the second wave will extract a significant economic cost. However, it is just history repeating itself as tragedy, then as a farce.

A year later, as of (April 17, 2021) the Indian healthcare system is bursting at the seams with Covid-19 patients, as new cases climb to more than 2 lakh per day surpassing even the United States and Brazil in terms of new daily infections. The current spike came after a brief stillness: daily new cases had fallen from 97,000 new cases per day in September 2020 to around 10,000 per day in January 2021.

However, from the end of February, daily new cases began to rise sharply again, these numbers pushed the total caseload to more than 1.47 crore and the death toll more than 1.77 lakh. When other countries saw second and third waves of infections, India shifted into triumphalist mode. Now the situation is out of control. With hospital beds,

ventilators, and oxygen already in short supply, the future looks scary and petrifying.

The second wave of pandemic holds a mirror to the Modi government. In early 2020, when the first wave of pandemic swamped India, the Indian government took recourse to some unscientific activities like Janata curfew, switching off lights, banging plate, blowing the conch, and poorly or shoddily planned stringent lockdown. Let us exonerate ruling dispensations as the pandemic was a new experience for them and at a time when some other global leaders like the US and Brazil presidents were downplaying the dangers of the virus.

But India had enough time to avert the second wave or to diminish its devastating consequences. But Indian government did not get prepared for any exigencies. The government went on celebrating it and discussed the prospect of V-shaped recovery when the economy was plagued by the peril of K-shaped recovery. The ministers, some bureaucrats gave statements in such a way that nothing wrong had happened to the Indian economy. The government tried to derive political mileage from each rupee spent out of tax payers' money. Past



Image courtesy: newslaundry

**Our ruling dispensation at the center who learned nothing from the first wave of corona infection and allowed the second wave of corona infection to rule the roost and inflict heavy damage and making our lives more uncertain. The assumption of smooth economic recovery is now in question due to the onset of the second wave of the pandemic as the production chain is going to be get disrupted again. Experts believe that the second wave will extract a significant economic cost. However, it is just history repeating itself as tragedy, then as a farce.**

failures and their causes, impacts were never discussed. In order to camouflage failures, the illusion of a \$5 trillion economy, self-reliant India was created. The government kept on boasting that it has done much better than other countries. The government resorted to pseudo nationalism, cheap populism and utilised the vulnerabilities of people during a pandemic to buttress its own surreptitious agenda of increasing political stronghold and fascism throughout the country by subverting media, decimating oppositions and taking anti-people, anti-labour and pro-corporate, pro-rich measures.

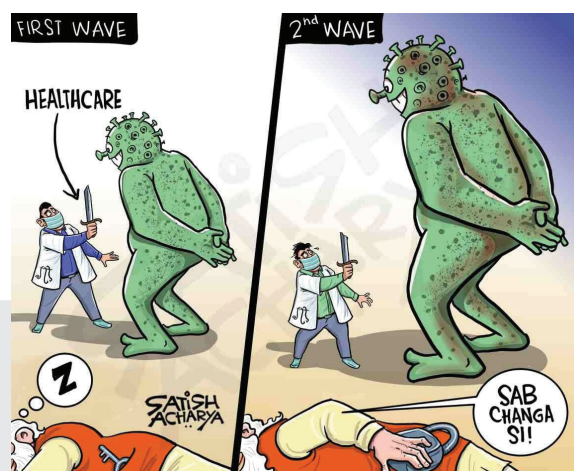
During pandemic when there was a need for more redistributive policies., income transfer to vulnerable people, wage subsidies, unemployment benefits, and other fiscal measures such as more investment in health care, education, and other basic public services, the government did just reverse. Instead of strengthening the public sector, the government resorted to aggressive disinvestment and privatisation of the public sector. The more privatisation means the more transfer of national assets to private individuals and the decimation of the voiceless.

Labour laws were changed to suit corporates to the detriments of workers. The interest rate were cut again and again to reduce the interest liability of corporate and government itself which worked to detriment of savers as their real return (nominal interest-inflation) turned out to be a huge negative. Instead of taxing the rich, corporates at a higher rate, the government went on increasing taxes on petroleum products that not only spurred the rise of prices and inflation but also eroded the purchasing power of people and dampened their standard of livings.

When the first wave of pandemic lost its intensity automatically and infection and fatalities rate declined due to herd immunity and better immune system spurred by unhygienic conditions, the ruling dispensation left no stone unturned to take credit for ending the pandemic. The union health minister declared that the country had entered “the endgame” of its own battle against the pandemic.

When vaccination was developed, it was publicised more for political mileage and exports of vaccines got priority to enhance individual image instead of increasing the speed of mass inoculation. That is why India is now the second worst affected country after America.

India today is in a serious economic and health crisis. It is important that the entire government machinery is keen on election campaign rather than addressing the sufferings of the people. The Prime Minister has become a whole time election campaigner. The Prime Minister must take charge of the situation and command his government to meet today's serious challenges. The lessons from the first wave of infections were never learnt. The acute need felt for a strong public health system was never seriously addressed. The huge shortage of oxygen cylinders, hospital beds, medical staff clearly point out that the precious time was lost. The procrastination on the issue of vaccine and unscientific claims by those in the government has resulted in both vaccine hesitancy and shortage. These are the issues that need to be addressed immediately. The vaccination facility must be made available to all Indians without imposing age restrictions. India being a vaccine manufacturing centre of the world cannot fail its people. The pandemic will extract heavy economic cost. This cost unfortunately has to be borne mostly by the poor and vulnerable sections of our population. The government should be squarely held responsible for the loss of life and livelihood due to its casual approach to the crisis. The government must acknowledge its failure and take immediately measures to meet the twin crisis of pandemic and economy.



Cartoon courtesy:  
Satish Acharya



# ‘भूल’ नहीं यह आंखों में डाली गई धूल

रामचंद्र शर्मा

देश के आत्मनिर्भर विकास की रीढ़ रहे सार्वजनिक उपक्रमों की बोली लगाने के आत्मघाती कृत्यों पर उतारू होने के साथ साथ चार महीने से ऊपर दिल्ली के बॉर्डर पर डटे किसानों के मुद्दे पर कोई समाधान न देने वाली घोर संवेदनहीन केंद्र सरकार को एकाएक ऐसा क्या हुआ कि एक रात में अल्पबचतों पर घटाई गई ब्याज दरों को वापस लेने पर मजबूर होना पड़ा। ज्ञातव्य है कि पहली अप्रैल से केंद्र सरकार ने वरिष्ठ नागरिकों और आम जनता द्वारा की जाती रही अल्प बचतों की विभिन्न योजनाओं पर काफी बड़ी मात्रा में ब्याज दरों में कटौती की थी। लोग बड़े नाखुश हुए। मध्यम वर्ग का एक बड़ा हिस्सा जिसने बड़ी आशा और अपेक्षाओं के साथ भारी बहुमत से मोदी सरकार को चुना था, अब वह भी मन ही मन मानने ही लगा है कि सार्वजनिक उपक्रमों का किया जा रहा अंधाधुंध निजीकरण, एलड की पूंजी बाजार में सूचीबद्धता, विदेशी निवेश की नियन्त्रणकारी भूमिका, श्रमिक अधिकारों पर चोटकर पूंजीपरस्ती में श्रम कानूनों में बदलाव, कारपोरेट हित में कृषि कानूनों को थोपने जैसे केंद्र सरकार के सामने आते रहे अनेक निर्णयों के साथ साथ अब अल्पबचतों की ब्याज दरों में कटौती का निर्णय भी गलत है।

जब खुद को चोट लगती है तभी सरकार सही दिशा में है या गलत दिशा में है, यह अहसास होता है वर्ना श्रमिक हो, किसान हो, बैंक, बीमा, स्टील, कोयला आदि अनेक क्षेत्रों के आंदोलनरत कर्मचारियों की हड़ताल हो या भिन्न भिन्न तरीकों से जारी संघर्ष या बेरोजगारी – बीमारी के साथ निरन्तर बढ़ती महंगाई और पेट्रोल, डीजल, गैस के बढ़ते दामों की बात हो, सरकार सुन कहां रही है।

अचानक ऐसा क्या हुआ कि रात्री को जारी ब्याज दरों के घटाने के आदेश सुबह-सुबह ‘चूक हो गई’ कहकर वापस ले लिये गये। दरअसल यह ‘चूक’ नहीं संयोग कहिये

कि उस दिन बंगाल और असम में दूसरे चरण का मतदान हो रहा था। ब्याज दरों में कटौती संबंधित आदेश तो पहले से तय थे। श्रम कानूनों में किये गये बदलावों को लागू करने की तिथि की तरह अल्पबचतों की ब्याज दरों में कटौती भी इसी दिन से तय थी। संयोग कहें या भाजपा की केंद्र सरकार के लिए दुर्योग, बंगाल और असम के विधानसभा चुनाव सर पर ही नहीं, उस दिन दूसरे चरण का मतदान भी था। बंगाल में 30 तो असम में भी 39 विधानसभा क्षेत्रों में मतदान था। सुबह-सुबह समाचारों में मतदान प्रभावित होने की खबरें और उस कड़ी प्रतिक्रिया चलनी शुरू हुई तो सरकार ने हाथों हाथ ‘हुई भूल’ पर धूल डालने के जतन में ब्याज दरों के घटाने के आदेश तुरंत प्रभाव से वापस ले लिए थे। नाराजगी का इतना दबाव बढ़ा कि सरकार को अपना गलत निर्णय सिर्फ बारह घंटे में ही वापिस लेना पड़ा। वित्तमंत्री निर्मला सीतारामन ने सुबह में ट्वीट करके ब्याज दर में कटौती के निर्णय को यह लिखते हुए वापिस लिया कि “श्रू ओवर साइट ऑर्डर इस्यू हो गया था।” यह भी गौरतलब है कि इसी के साथ नियोजनपरक बनायी गयी चार श्रम संहिताओं की पालना भी जो कि एक अप्रैल से ही शुरू होनी थी, भी स्थगित हुई है। इसके पीछे भी सरकारी मंशा में कोई बदलाव होना नहीं होकर नियमों का न बन पाना रहा है।

समझना होगा कि ब्याज दरों में कटौती के जिस आदेश को छप्पन इंची सरकार को वापिस लेना पड़ा, इसके पीछे वोट की चोट का तात्कालिक भय होना रहा है। सरकार ने ‘भूल’ के नाम पर जनता की आंखों में ‘धूल’ डाल सचाई को दबाने का चलताऊ काम ही नहीं किया है, बल्कि जनता की आंखों को चोट भी पहुंचाई है। चूक के नाम पर जो आदेश हाल फिलहाल वापस लिए गए हैं, वे थोड़े समय के बाद फिर से हमारे सिर पर आने ही हैं। जब तक हम सतर्क हैं, सरकार की गलत नीतियों के खिलाफ दम ठोककर विचार रखने को तैयार हैं, बोलने को तैयार हैं, लड़ने को तैयार हैं, तब तक सरकार को दबाव में लाकर

Subject: Revision of interest rates for Small Savings Schemes - reg.

In exercise of the powers conferred by Rule 9(1) of the Government Savings Promotion General Rules, 2018, the rates of interest on various Small Savings Schemes for the first quarter of financial year 2021-22 starting from 1<sup>st</sup> April, 2021 and ending on 30<sup>th</sup> June, 2021 have been revised as indicated below:

Instruments	Rates of interest from 01.01.2021 to 31.03.2021	Rates of interest from 01.04.2021 to 30.06.2021	Compounding frequency*
Savings Deposit	4.0	3.5	Annually
1 Year Time Deposit	5.5	4.4	Quarterly
2 Year Time Deposit	5.5	5.0	Quarterly
3 Year Time Deposit	5.5	5.1	Quarterly
5 Year Time Deposit	6.7	5.8	Quarterly
5 Year Recurring Deposit	5.8	5.3	Quarterly
Senior Citizen Savings Schemes	7.4	6.5	Quarterly and paid
Monthly Income Account	6.6	5.7	Monthly and paid
National Savings Certificate	6.8	5.9	Annually
Public Provident Fund Scheme	7.1	6.4	Annually
Kisan Vikas Patra	6.9 (will mature in 124 months)	6.2 (will mature in 138 months)	Annually
Sukanya Samriddhi Account Scheme	7.6	6.9	Annually

\*No change.

2. This has the approval of competent authority.

*(Signature)*  
Deputy Director (NS)  
Tele - 01123093170

Copy to :

The cut in interest rates on small savings notified by ‘oversight’ was ‘withdrawn’ overnight by the 56 inches Govt, only owing to the the temporary fear of losing votes. That the Govt. has hoodwinked the people, and the cuts will be back soon is quite obvious, unless the people are ready to raise their voices against wrong policies.

कुछ मुनासिब राहत पाई जा सकती है वरना भुगतना हम सभी को है ही।

कवि केदार नाथ अग्रवाल की इन पंक्तियों में यही भाव छिपे हैं, जिन्हें हर आमजन को समझना ही होगा –

ऐ इंसानों,  
आँधी के झूले पर झूलो।  
आग बबूला बनकर फूलो  
कुरबानी करने को झूमो  
लाल सबेरे का मुँह चूमो  
ऐ इंसानो ओस न चाटो  
अपने हाथों पर्वत काटो  
पथ की नदियाँ खींच निकालो  
जीवन पीकर प्यास बुझा लो  
रोटी तुमको राम न देगा  
वेद तुम्हारा काम न देगा  
जो रोटी का युद्ध करेगा  
वह रोटी को आप वरेगा।

आज देश में लोकतंत्र कहने भर को रह गया है। सच कहने और लिखने वाले को शूल चूभोने और उसकी आजीविका को निगलने के बहुत सारे कानूनी इंतजाम आज के सत्ताधारियों ने कर लिए हैं। न्याय की उम्मीद दूर दूर तक कहीं नजर नहीं आती। समाचार पत्रों में आलेखों के जरिये अपने दृष्टिकोण को सामने रखनेवाले सुनाम विश्लेषक प्रताप भानु मेहता के अशोक विश्व विधालय से इस्तीफा देने के सामने आये घटनाक्रम से बखूबी इसे समझा जा सकता है। इस घटनाक्रम को वरिष्ठ पत्रकार श्रवण गर्ग ने बहुत पैसे विश्लेषण के साथ अपने एक आलेख में बता दिया है कि “धृतराष्ट्र” की मुद्रा में हैं मीडिया के “संजय” इस समया सच कहने और हक के लिए लड़ने वाले दोनों ही आज आफत में हैं परंतु यदि आज हक की लड़ाई नहीं लड़ी गई तो कल कोई लड़ने की स्थिति में होगा ही नहीं।



Cartoon courtesy: Manjul/ facebook

The Budget session of the Parliament had ended two weeks ahead of its schedule. This has been the trend in the last few sessions. The Budget session of 2020 was curtailed ahead of the lockdown due to the Corona virus pandemic. The 18 day monsoon session ended after 10 days. The winter session was cancelled. As a result, in the fiscal year 2020-21 the Lok Sabha sat for 34 days and the Rajya Sabha, 33, the lowest ever. The casualty was the proper legislative scrutiny of proposed legislations as well as government functioning and finances.

### Notorious designs to utilise the situations

It is to be remembered here that immediately after the Modi 2 government came to power in the year 2019, 17 political parties have written to the Chairman of Rajya Sabha complaining about the way the Centre is conducting business in the Upper House. Rajya Sabha members from 17 opposition political parties accused BJP government of flouting healthy traditions of enacting legislations. They have expressed concern over four main points - 1) lack of scrutiny of bills by Parliamentary Committees, 2) members not being given enough time to study draft legislations and move amendments, 3) long session breaking all precedents and 4) no short duration discussions on issues of national importance. “While we understand our responsibility and the need to enact legislation, any attempt by the government to undermine the privilege of members, the rules and established conventions will diminish the role of the Council of States (Rajya Sabha) as envisaged by our founding fathers” the letter said. The MPs pointed out that 16 bills were passed without any Parliamentary scrutiny. In the 14th Lok Sabha, 60% of the Bills were sent for scrutiny to Parliamentary Committees. In the 15th Lok Sabha, 71% of the bills were sent for scrutiny. In the 16th Lok Sabha, only 26% of bills were sent and it is just 11% in the current session.

Every other opportunity is utilised by this government to withdraw or suspend the time tested and conventional Parliamentary procedures. COVID 19 pandemic situation was also utilised by this regime to impose new restrictions on the functioning of Parliament. During the Parliament session restrictions and new parameters were imposed, cutting short either in part or in full, three important components of parliamentary practice - Question hour, Zero hour and Private Member’s bill. Asking questions in Parliament is a constitutional right of a

# PARLIAMENTARY DEMOCRACY IN PERIL

**S.SIVASUBRAMANIAN**

member of the House. This right is inherent in Article 75. Every question hour is the manifestation of a direct kind of democracy in operation, in the sense that representatives of the people directly question the government on matters of governance, and the government is duty bound to answer the questions in the House. Rules of the House do not sanction scrapping the Question Hour during the entire session. Question hour can be suspended for a day or two to meet any exigency. But then the questions already listed for that day are treated as unstarred questions, which means written answers are given and placed on the Table of the House. However dispensing with questions altogether for the whole session is a different proposition. Parliamentary scrutiny helps the government departments pay serious attention to problems which have remained unattended. Questions in Parliament are not a distraction. They help the government understand the problems better and find better solutions.

During the monsoon session of Parliament 2020, the Rajya Sabha Chair refused to hold a vote on the farm bills despite being asked to do so. The farm bills were passed during the extended time without arriving at a consensus in the House. When the house has to extend its sitting beyond the scheduled time, the sense of the House is to be taken by the Chairperson. This is the time honoured practice. Another point is that division of vote was

not allowed though the opposition members had demanded it. The bills were passed by a voice vote in the din. Article 100 of the Constitution says that all questions in a sitting of the House shall be determined by a majority of votes of the members present and voting. This article clearly says that the majority will be determined by means of voting. The Constitution does not mention 'voice vote'. When a member demands a vote, the Chair has to allow it. The majority cannot be determined by a voice vote. Under no circumstances can the Chair ignore the demand for a vote (division) and go ahead and declare the motion passed through a voice vote. P.D.T.Achary, former Secretary General of the Lok Sabha says "Parliament can function smoothly only if crudity of bitter adversarial politics is discarded and the stakeholders elevate themselves to a higher level. Parliament's systems are designed to enable the opposition to have its say and the government to have its way. If the former is not possible, Parliament as a democratic institution cannot survive for long."

## ***13 Bills - No Parliamentary Scrutiny***

In the recently concluded Budget session of the Parliament {2021-22} also the absence of the careful scrutiny of the bills was visibly present. During the session, 13 Bills were introduced, and not even a single Bill was referred to a Parliamentary Committee for examination. The Government of National Capital Territory of Delhi (Amendment) Bill 2021 which is

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**legislations. The MPs pointed out that 16 bills were passed without any Parliamentary scrutiny. In the 14th Lok Sabha, 60% of the Bills were sent for scrutiny to Parliamentary Committees. In the 15th Lok Sabha, 71% of the bills were sent for scrutiny. In the 16th Lok Sabha, only 26% of bills were sent and it is just 11% in the current session. During the recent Budget session, 13 Bills were introduced, and not even a single Bill was referred to a Parliamentary Committee for examination.**



the Bill to change the governance mechanism of Delhi - shifting governance from the legislature and the Chief Minister to the Lieutenant Governor - was introduced on March 15 in the Lok Sabha, passed by that house on March 22 and by the Rajya Sabha on March 24. Another Bill, the Mines and Minerals Act, 1957 to remove end-use restrictions on mines and ease conditions for captive mines - this Bill was introduced on March 15 and passed by both the Houses within a week. A Bill, The National Bank for Financing Infrastructure and Development (NaBFID) Bill 2021 - to create a new government infrastructure finance institution and permit private ones in this sector was passed within three days of introduction. The Insurance Amendment Bill 2021, the Bill to increase the limit of Foreign Direct Investment in Insurance Companies from 49% to 74% also took just a week between introduction and passing by both the houses. In all 13 Bills were introduced and eight of them were passed within the session. This is not a sign of efficiency but a sign of abdication of the duty to scrutinise the Bills which provision the Parliamentary system has given us.

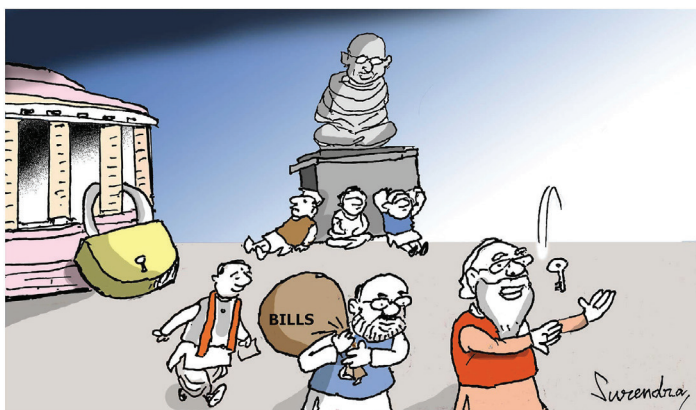
The last few years have seen the dubious practice of marking Bills as 'Money Bills' and getting them past the Rajya Sabha. The Finance Bills over the last few years have contained several unconnected items such as restructuring the tribunals, introduction of electoral bonds and amendments to the foreign contribution act. This year, the Finance Bill made major amendments to the Life Insurance Corporation Act 1956. As this is a Money Bill, the Rajya Sabha cannot make any amendments, and has only recommendatory powers. It is to be remembered here that some of the earlier Acts, including the Aadhar Act and Finance Act have been referred to

a Constitution Bench of the Supreme Court. During this session, the Union Budget was presented, discussed and passed. The Constitution requires the Lok Sabha to approve the Expenditure Budget (in the form of demand for grants) of each department and Ministry. The Lok Sabha had listed the budget of just five Ministries for detailed discussion and discussed only three of these; 76% of the total Budget was approved without any discussion.

### **An Imperative Need**

Parliament has a central role in our democracy as the representative body that checks the work of the government. It is also expected to examine all legislative proposals in detail, understand their nuances and implications of the provisions and decide on the appropriate way forward. In order to fulfill its constitutional mandate, it is imperative that Parliament functions effectively. This requires providing sufficient time for MPs to examine issues and to ensure that all Bills and budgets are examined by Committees and public feedback is taken. The Hindu (dated 2.2.2021) says: "The Parliament of India, a fine blend of the legislature and the executive, with the government holding office till the time it commands confidence in the popular House, is the place to deliberate upon the policies and legislations proposed by the government. .. the road ahead can be demystified by amending the rules of procedure of both the Houses of Parliament under Article 118 of the Indian Constitution, making it mandatory to refer bills to the Parliamentary Committees and prescribing appropriate action against unruly members."

In a multi Party democracy in India, the Regional parties also have a role to play. If it is played properly, the checks and balances available in the Parliamentary system could be utilised to the advantage of the people who are electing their representatives. But it is unfortunate that the regional parties have supported the moves of the government at the Centre to manipulate the Parliamentary procedures and ensured the passing of anti-people, anti-democratic, neo-liberal bills. During this period the regional parties could be placated with special financial packages for their States or other assurances by the ruling dispensation. The party at the Centre could muster support for its bills through these placatory moves. Some of the examples where the regional parties have supported the



Cartoon courtesy: Surendran, The Hindu

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# FAILING BRAKES

ANUP SINHA

(Courtesy: Telegraph, April 14, 2021)

The elections in West Bengal are being considered by many to be a decisive fight to stem the swelling tide of right-wing populism in India embodied in the ideology of the Bharatiya Janata Party. Mamata Banerjee is fighting a hard battle for survival. Not that Banerjee's Trinamul Congress is a paragon of liberal democracy, but her political position has been stridently opposed to the majoritarianism of the BJP. This majoritarianism is marked by the stifling of dissent and a systematic attack on the independence of the essential institutions of democracy such as the media, the judiciary, law enforcement agencies, the bureaucracy and autonomous universities.

Populism is not new in India. Left and right-wing varieties have raised their heads from time to time. For instance, Indian politics during Indira Gandhi's time had been discernibly left-wing populist in nature, characterized by a suspicion of big business and foreign investments. Vote-bank considerations allowed the formation of coalitions of the disadvantaged and marginalized people who were promised certain economic resources from the State. There were concerns about economic inequality and environmental degradation. Religion was left alone by the State to form an important component of the nation's cultural plurality and diversity. Nationalism was tempered with an

acceptance of cultural openness and plurality.

The elite, in this brand of left-wing populism, comprised a wide-ranging set of opinion-makers. They were intellectuals of different hues, but most of them with left-of-centre leanings. During the earlier Nehruvian era, the State relied on the intellectual elite to construct the economic template for facilitating nation-building. With Indira Gandhi, there was a shift from the Nehruvian consensus to a more left-wing populism that culminated in the disastrous Emergency that severely threatened and strained the fabric of democracy and freedom. The first three decades after Independence, despite the left-of-centre policies pursued by the State, did not achieve expected results in economic growth and poverty reduction.

Much later, with the advent of neo-liberal globalization, there was an opening up of the economy to world markets and capital. The decade of the 1990s did not change the deep structural problems. While poverty and unemployment remained, economic inequality grew to massive proportions. New economic opportunities were scarce and limited to the narrow middle class. Liberal democracy, despite witnessing electoral changes in government, remained weak. The quality of people in politics deteriorated. There was a gradual erosion

**While democracy implies some process of collective self-determination, liberalism requires the guarantee of individual liberties and rights. Any guarantee of these freedoms requires, a Constitution, but more so, a set of well-functioning, independent institutions that protect these freedoms from powerful political intrusions. Right-wing populism warrants that elections remain in place while chipping away at the independence of the essential liberal institutions of democracy. Hence, liberal democracy soon becomes an illiberal democracy, but elections continue to be part of the political process. Gradually, the illiberal democracy transforms into an illiberal dictatorship.**



of independent institutions, accompanied by a rise in corruption and weak governance.

The decade of the 1990s, however, saw the growing strength of India's business class who, by that time, had become more confident and realized the benefits of cooperating with international capital. International capital, on the other hand, saw the potential of opening up a large new market in the subcontinent. The State, in the new global order, found its control over national policies like tax rates, capital flows, money supply and public investments becoming weaker and uncertain in terms of their impact. This crisis of sovereignty, the emergence of a more powerful business class with strong ties to global capital and the continuation of economic uncertainties and deprivations paved the way for a serious challenge to the older elite. A realization also dawned on the poor and middle classes that left-wing populism was unable to deliver on the promises made. The concept of liberal democracy gradually began to be contested and an alternative political narrative inevitably emerged.

Global capitalism needs room to grow through new markets, strategic investments, expansion of debt and productivity-enhancing new technologies. There are limits to penetrating international markets and raising debt. New technologies have become the mainstay of expansion. However, the expectation is that with the advent of new technologies like artificial intelligence and robotics, employment opportunities will shrink phenomenally. The project of a worldwide consolidation of capitalism has been stalled and confronted with hurdles which no international institution can solve, simply because there is no global government. The crisis of incomplete globalization has thrown up winners and losers in large numbers, with a pervasive anxiety about economic stability in the near future. India has to confront its own set of problems. However, in this context, imperfect liberal democracy as well as left-wing populism began to be perceived by many as useless and impotent.

The alternative narrative to replace liberal democracy centred on national culture and not the national economy. It was spun around a homogenous cultural identity, debunking diversity as a hurdle to development. Simple solutions were attractively packaged for all, characterizing a golden age from a perfect past. This narrative required two features to sustain it and gather momentum. First, the leader

had to appear as strong and decisive, one who knew what the solutions were and could articulate them with clarity. Second, the leader had to be able to identify a clear and unambiguous set of enemies of the nation. They were the immigrants from the past, a religious minority, socially deprived categories like Dalits and *adivasis*. The public gaze, from the poorest up to the white-collar workers, had to be distracted from dwelling on complex economic issues.

Liberal democracy, even in its weakest and most distorted form, exhibits varying amounts of certain essential traits. While democracy implies some process of collective self-determination, liberalism requires the guarantee of individual liberties and rights. Any guarantee of these freedoms requires, in turn, a bill of rights or a Constitution, but more so, a set of well-functioning, independent institutions that protect these freedoms from powerful political intrusions. Right-wing populism warrants that elections remain in place while chipping away at the independence of the essential liberal institutions of democracy. Hence, liberal democracy soon becomes an illiberal democracy, but elections continue to be part of the political process. Then, at a later stage, the electoral process is assaulted through misinformation, lies and the brute force of the State to demean it. Gradually, the illiberal democracy transforms into an illiberal dictatorship.

India is currently going through this process of change. A good indicator of this is not only how institutions of the judiciary, enforcement agencies, elections, the media and academia have all been weakened and compromised, but also the fact that on almost every index of social well-being, economic performance, political freedoms and environmental safety, India's rank in the world community has slid considerably in the recent past. Little wonder that the nation has been described as only "partly free" or, according to another study, an "elected autocracy". A democratically elected government has promised to work to make India free of political opposition. It is in this process that the acquiring of elected representatives of the people, both before and after elections, is now the accepted norm, and individual freedoms are assaulted on a daily basis — what we wear and eat, who we might marry, where we might live and, above all, who we have to fear and obey. The BJP government's economic policies

Please see Page 40

# **INDIA ON THE BRINK OF UNPRECEDENTED UNEMPLOYMENT CRISIS: CMIE REPORT**

**GYAN PATHAK**

(COURTESY: THE LEAFLET APRIL 20, 2021)

**T**HE real extent of the economic damage from last year is now in the open. The biggest loss of employment in 2020-21 was suffered by salaried employees as opposed to the popular belief that they were the safest in terms of security of employment and earning during the COVID-19 lockdown and subsequent restrictions of last year. The situation is most likely to further deteriorate in the absence of any comprehensive job retention programme, and the latest round of restrictions on people and businesses being imposed by authorities across the country in response to the second deadly nationwide coronavirus wave.

*The latest Centre for Monitoring Indian Economy (CMIE) report reveals that salaried jobs across India registered a sharp decline in 2020-21 to the tune of 9.8 million. India had a total of 85.9 million salaried jobs in 2019-20 which, by the end of March 2021, reduced to 76.2 million.*

This clearly indicates that all the initiatives of the Union Government for the creation and retention of secure jobs failed, most likely due to the ad hoc and hurried nature of these initiatives. It is fervently hoped that the government clearly learns from its failure and prepares a better strategy for the road ahead.

The present surge of COVID-19 represents a grave threat to the livelihood of thousands of workers. Due to the assortment of lockdowns and curfews already in place in several parts of the country to deal with the surge of infection, it is estimated that 57% of India's total population was forced to remain indoors over the weekend.

## **Salaried job loss heavy in both urban, rural India**

The present restrictions are majorly prevalent in urban India, where most of the salaried jobs are. According to employment data from 2019-20, urban India accounted for 58 % of all salaried jobs in the country. The job loss in urban India during 2020-21 was, however, only 38 % of the total job loss of 9.8 million, as per the CMIE report. This means that urban India will witness further salaried job loss over the course of the year.

Salaried jobs in rural India, accounting for only 42 % of all such jobs in India, bore the brunt of 62% of the total such jobs lost in 2020-21. In absolute terms, this equates to six million jobs lost. Further losses in rural salaried jobs may be less than that in urban India, but a threat is still looming large. In the second wave, smaller cities have been reported to have been far worse-hit than in 2020; this will almost

**The present surge of COVID-19 represents a grave threat to the livelihood of thousands of workers. Due to the assortment of lockdowns and curfews already in place in several parts of the country to deal with the surge of infection, it is estimated that 57% of India's total population was forced to remain indoors over the weekend. The CMIE report estimates that the present wave could add up to well over 120 million in job losses, which amounts to 30% of the total population employed across all sectors.**



certainly disturb the overall employment scenario in the rural areas adjoining these cities.

What happened to the employees who have lost jobs in the first COVID-19 wave? According to the CMIE report, most of them are likely to have migrated to farming. They would have joined the nearly three million business people in rural India who were rendered unemployed, as per the report, and could also have migrated to farming.

*This is validated in the job data, which show an increase of nine million jobs in the agriculture sector. Such a large shift of the newly unemployed from their old jobs to farming clearly indicates a heavy load on agriculture, which will be difficult to sustain without a substantial increase in agricultural productivity.*

The report clarifies that this shift must not be seen as one from urban to rural areas, but from non-farm jobs in rural India to farming jobs. The increase in jobs in the agriculture sector in March 2021 supports this fact.

### **The ramifications of large-scale migration of workers**

Migration from urban areas to rural areas due to loss of jobs in cities has also increased the burden on the agriculture sector and rural India. Reports from the first fortnight of April 2021 indicate that a large number of people are migrating from urban to rural areas. This trend is further evidence of the job loss in urban areas among both the salaried and the non-salaried.

The majority of the migration in this second wave is happening from the urban areas of Maharashtra, Gujarat, and Delhi. Since most of the migrants are from Uttar Pradesh, Bihar and other eastern states, there could be a sharp rise in the number of unemployed people in those states when they would return, as well as adversely impact the economy of the states that the migrant workers are deserting.

Sectors like retail, catering, manufacturing, home service, etc. are already facing the heat. Transport and logistics are also being adversely affected. The disruption of production and supply has also begun and is likely to worsen in the coming days.

As previously discussed, the CMIE report shows that most of the loss of salaried jobs was registered in rural India. However, urban India still bore the loss 3.7 million salaried jobs from last year. New restrictions in urban areas are going to further reduce salaried employment in April and beyond.

### **Scale of the unemployment crisis facing India**

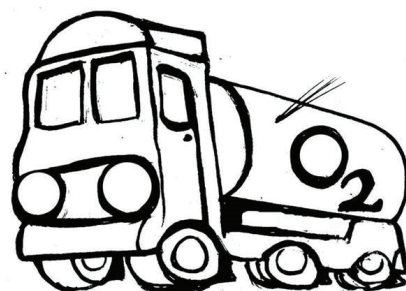
Lakhs of people who had lost their jobs in the first wave are yet to find employment, and they cannot hope to get it in the near future with the number of jobs diminishing fast. Finding any kind of new job in this scenario has become difficult, let alone decent jobs.

The wrecking of employment by the second COVID wave has made our economic recovery even more difficult. As per the CMIE report, labour participation in March 2021 was 40.2% as against 42.7% in 2019-20. Employment rate is also down to 37.6% as against 39.4% last year. The unemployment rate is at the still high figure of 6.5 percent though, curiously, lower than 7.6% of 2019-20.

*The CMIE report estimates that the present wave could add up to well over 120 million in job losses, which amounts to 30% of the total population employed across all sectors. Data from the first two weeks of April 2021 shows that the unemployment rate has risen to over 8%, with a 40% fall in the labour participation rate.*

As of March 2021, the total employment figure in India was 398 million, which was 5.4 million lesser than the 403.5 million in 2019-20. This data, even though grave in itself, hides the much bigger casualty: that of people losing jobs and moving to other, often less productive and lucrative, jobs. About 8% of all employees migrated to agriculture, the productivity of which grew by only by 2-3%. It increased the employment count hiding the real loss.

It is imperative that the Union government analyse this data carefully, and address the crisis of unemployment urgently. **(IPA Service)**



Make sure workers who can plug the leak aren't back in the village.



Cartoon courtesy: E P Unny, Indian Express



## 63<sup>rd</sup> General Council Meeting of ICEU, Chennai - I

Despite the fast spreading of the Corona Virus pandemic, the 63<sup>rd</sup> Annual General Council meeting of the ICEU, Chennai Division -I, was conducted in a most successful manner on 26<sup>th</sup> December, 2020 with the participation of a large number of delegates including women comrades. Normally, the annual conferences will be conducted for two days but this year the open session was dispensed with and the meeting was held for half a day only. Since 26<sup>th</sup> December was the third memorial day of the doyen of the LIC employees and the AIIEA, Com.N.M.Sundaram, his portrait was garlanded by the union's honorary member and senior leader Com .K.David while the participants stood up and paid respects to his memory.

The meeting was presided over by Com.G.Jayaraman, President of the union, while the welcome address was delivered by Com.D.Ramesh, Joint Secretary. The Report was placed by Com.S.Rameshkumar, General Secretary, and eight comrades including two women participated in the discussions, Com.K.Swaminathan, Vice-President, SZIEF and Com.S.Sivasubramanian, Treasurer of SZIEF, greeted the conference. Com.K.David spoke



briefly on the roles played by Com.NMS in the anti-automation struggle and the movement against the Malhotra Committee's recommendation to split the LIC. The report was adopted unanimously. The Statement of Accounts for the year 2019-20 submitted by Com.K.Sridhar, Treasurer and a set of resolutions moved by Com.K.Vijayalakshmi, Joint Secretary, were also adopted unanimously.

The meeting elected Comrades G.Jayaraman, S.Rameshkumar and K.Sridhar as President, General Secretary and Treasurer respectively for the ensuing term. Comrades S.Rajappa, R.Boopathi, K.David and L.Palaniappan were elected as honorary members.

The meeting came to a close with vote of thanks by Com.K.Vijayalakshmi, Joint Secretary.

## 64<sup>th</sup> Conference of Kolkata DLIEA

The 64<sup>th</sup> Annual General Conference of the Kolkata Division Life Insurance Employees' Association (Kolkata- I) was held on 13<sup>th</sup> March, 2021. The Conference was conducted in one day with the physical participation of fifty percent of the elected delegates only as decided earlier by the Working Committee of the Association because of the restrictions imposed on large gatherings due to covid 19.

At the beginning of the 64<sup>th</sup> Conference, Com Ramkrishna Datta, President, KDLIEA on behalf of all the delegates paid floral tribute to the martyrs' column amidst thunderous slogans. This time the Conference was restricted to only Delegates Sessions where, at the very outset, the General Secretary

placed the report of the Working Committee for discussion. The Treasurer placed the Audited Accounts of the Association for the years 2019 and 2020.

The annual report gave coverage on the recent international and national developments and dealt in issues the industry is facing right now. Local issues were mentioned in the report with adequate importance. Report also highlighted the various activities conducted by the Organisation during the period under review. Altogether 21 delegates, 6 female comrades included participated in the serious debate on the report. Comrade Jayanta Mukherjee, General Secretary, EZIEA addressed the delegate sessions and elaborated issues raised by



the delegates. He assured that AIEA is confident in clinching a good wage revision very soon. He also pointed out the need for grim struggles against IPO in LIC. At the same time he put a cautionary note

by highlighting the present overall situation of the country as well as West Bengal.

In the Conference, many topical issues were discussed by the delegates. The Modi Government

## 26<sup>th</sup> General Conference of Shahdol DIEU

The 26th General Conference of Shahdol Division Insurance Employees Union was held on 13th to 14th March 2021 at "Com. Vinay Verma Nagar" and "com. Rambhagat Gupta Manch", at Shahdol (MP). The two days conference was inaugurated by Com. N. Chakraborty, President CZIEA.

The flag of SDIEU was hoisted by Com. Rajendra Pd. Gupta, President SDIEU. Later floral tributes were paid at the martyrs' column to the leaders and the warriors who sacrificed their lives for greater good of humanity. After the Presidential address, Welcome address was given by Com. Banke Bihari Dadariya, President Reception Committee. The session was addressed by chief guest Com. Dharmaraj Mahapatra, General Secretary, CZIEA elaborating the political, social and economical situation of the country. He mesmerized the audience with his deliberation describing the anti labour, anti people as well as dual policies of the government and the need of unified actions of working class as a whole. Our every action should be focussed against IPO in

LIC and FDI increase from 49% to 74% in insurance sector as well as wage revision in coming days. Com. V.S.Baghel Jt. Secy. CZIEA, com. B.K Thakur, Treasurer CZIEA, SUSHREE Manjeet Kaur .Div. Secy., LIC Class 1 officers Federation and Com. Ajay Vijra, Gen. Secy. NFIFWI, Com. A.K.Patel, CITU, Sri Dinkar Tiwari, Div. Secy. LIAFI, com. M.Bhattacharya of AIIPA also addressed the open session. Com. Sushil Napit conducted the open session very successfully.

The delegates session started with General Secretary placing the report on behalf of the executive committee. The discussion on the report of General Secretary, on behalf of Working Committee, was initiated by Com. S.P.Sahu Jt. secretary SDIEU. A total of 19 delegates from various branches including Com. Sushil Napit, Jt. Secy. Com. Swarnendu Das, Com. Satish Sinha and Com. Sangeeta Mallick all Vice President, participated in the lively discussion. The delegate session was also addressed by Com. N. Chakraborty, Com. Dharmaraj Mahapatra, Com. V.S.Baghel and Com. B.K. Thakur elaborating the

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came in for fierce criticism not only for announcement of unplanned lockdown but also over its inhumane dealings with the migrant workers. They criticized the NDA government for passing different anti people, anti worker and anti farmer laws undemocratically utilizing the crisis situation owing to covid 19. Delegates also expressed hope that the people of West Bengal, in coming assembly election, will reject both BJP and TMC for the interest of economic self-reliance of the country, to foil the attempt to divide the people on the basis of religion, caste or creed etc. and make our state free from corruption and syndicate-raj.

The discussions on the report of the Working Committee were nicely summed up by Comrade Amitesh Sarkar, General Secretary, KDLIEA, following which was adopted unanimously by the Conference. Earlier, the house, en masse, adopted the Statement of Accounts for the years 2019 and 2020. The Conference unanimously adopted a number of

resolutions both related to the industry and national importance.

The Conference elected Comrades Chandra Sekhar Bose, Saibal Chaudhuri, Anup Chakraborty, Ramkrishna Datta and Amitendra Chatterjee the Honorary members of KDLIEA. A 63-member Working Committee, 13-member Secretariat included for the current year was also elected unanimously. Comrades Ramkrishna Datta, Amitesh Sarkar and Pradip Banerjee were re-elected President, General Secretary and Treasurer respectively.

The Curtain dropped on the 64<sup>th</sup> Conference after Comrade Ramkrishna Datta, on behalf of the Presidium, asked the delegates to take the message of the Conference in proper spirit to the employees at large and prepare them for bitter struggle ahead.

The 64<sup>th</sup> General Conference ended successfully with spirit of unity and struggle. It will be another milestone in the history of KDLIEA.



industrial situation, our struggles and the importance of organization which joins all of us like flowers in a garland. While addressing the conference the General Secretary CZIEA reiterated importance of Organisation, task given by AIIEA, CZIEA like campaign against IPO in LIC and FDI increase 49% to 74% in insurance sector and wage revision, Protection of PSUs and Insurance Industry as a whole. He also emphasized on the weakness of organization and motivated all to remove weakness and strengthen the organization, finally Gen. Secy. SDIEU summing up the debate, At the end of the discussion the

report of General Secretary, on behalf of Working Committee, and the audited statement for the year 2019 and 2020 as well as 16 resolution were passed unanimously. The each and every members of units for their remarkable performance were also honoured by the memento. 26th Conference donated a sum of Rs.2100/- to "Andolan Ki Khabar" and 2100/- for "Insurance Worker."

The 26th conference unanimously elected Com. Vijay Kumar Upadhyay, Com. Swarnendu Das and Com. Shyamlal Rajak as President, General Secretary and Treasurer respectively for the ensuing term.

# 20<sup>th</sup> Women Convention of IEU Udupi



The 20<sup>th</sup> Women Convention of IEU, UDUPI DIVISION was held at Udupi on 27.02.2021.

The Conference had a formal start with Com. K.Vishwanatha, President unfurling Union flag amid enthusiastic slogans.

Com. S.K.Geetha, Vice President, SCZIEF inaugurated the Convention. In her address, Com. S.K.Geetha lauded the magical experiment of AIEA in moulding women comrades to the cadres of leadership and said that the struggles led by AIEA alone could retain the industry in public sector over 20 years

About the industry, she said the challenge ahead of us is to stop IPO of LIC and hike in FDI in Insurance. From the proposal of disinvestments earlier, the Government's now talk on outright privatization of Banking and Insurance Companies.

Talking on disasters of Corona Pandemic, she said that the Pandemic has ruined the economies of many Nation's including U.S.A which is worst hit where the total medical system is owned by private sector without any welfare measures by State for victims. She said the position of India is still miserable. Lakhs of workers migrating from place to place on foot in search of work is a sorrowful event in history. The Government on the other hand turns a blind eye to the agony of workers saying that no statistics are with them as to what extent the pandemic affected the lives of migrating workers. Economic recession aggravated further on the advent of corona. Lots of job losses and joblessness occurred. The impact has caused loss of jobs for women and increase in domestic violence on them.

On this year's budget, she said the budget proposals are tend to worsen the living conditions of

suffering masses. The ruling class is proved as a big marketing company selling Public Sector companies. The 'negative growth' in GDP coupled with hike in Petroleum products cause price rise of all essential commodities, shortage of food where there is no food security .

She said our Federal system, democratic and trade union rights are in serious threat. There are attempts by ruling class to gag the workers, protesting government's moves and cripple their movement by force. She

said a democratic Nation to work needs opposite voices and the government bears the responsibility to hear the opposition. She expressed anguish over the future of women movement in a situation, where the basic democratic rights are challenged and on this background, she called on members to strengthen the movement further.

Com.K. Viswanath, presided over the function. On dias, Com.Padmarekha C Acharya [Convenor] Com.Prabhakar.B.Kundar (Gen.Secretary /IEU), Com.Radhika L Kamath (Regional Secretary), Com. Kavitha.S (Joint Secretary) were present.

Over 125 comrades from 17 base units of Division participated in the convention. Convenor, Com. Padmarekha.C.Acharya presented report of the Sub Committee for debate by members and was unanimously adopted. 12 resolutions in line with AIEA were passed unanimously. Com.Nirmala and Com.R.Seethalaxmi were elected as Convenor and Co-Convenor respectively.

Comrades, Padmarekha .C.Acharya, Poornima S Naik, Rathna Balakrishna, Hemalatha.PY, Pramoda Yogish, Kavitha.S, Vidyalatha, Neeraja G Holla, D.M.Malathi, Shambhavi T, Saraswathi A.S., Shaila S Nayak, Usha , Vidya S Kamath, Savitha , Manjula Bharatish and Rajeshwari .S were elected as members.

Members of Presidium Com.Pramoda Yogish, Com.Vidyalatha and Com.Hemalatha.PY conducted the proceedings. Com.Poornima S Naik welcomed and Com.Padmarekha.C.Acharya presented vote of thanks.

Com.Rathna Balakrishna compered the Programme.



# Women's Day at Kolkata Suburban Division

**I**NSURANCE EMPLOYEES" Association, Kolkata Suburban Division organised International Women's Day , on 8<sup>th</sup> March 2021 at ABPTA Hall , Saltlake. The program began with the member of the women sub committee greeting the women comrades with a red rose.

Com. Khana Chakraborty, Joint Secretary of Kolkata Suburban Division welcomed the gathering . A report of the Women's Sub Committee narrating the activities undertaken by the Women Sub Committee was presented to the house by Com.Barnali Bhaduri, Joint Convenor, Women Sub Committee.

The program was enriched by the presence of three Guest Speakers – Com.Barnali Mukherjee, Social Worker, Com. Paromita Ghosh Chowdhury , dedicated worker in Youth Front and Com. Moupriya Raha, who is working in student Front. They shared the problems faced by them in their working fields

which are very relevant to our movement.They highlighted the need of protection of democratic rights of women and immediate enactment of Women's Bill. They spoke on how the Economic reforms of the past 25 years have ruined the economy and pointed out how communalism is destroying the secular fabric of the society, today.

Com. Ujjal Pal General Secretary of KSDIEA, greeted the program .He also said in his speech that "Gender justice and equality can be achieved only by the joint and determined effort by both the Genders together in a progressive mode.

Women's Sub Committee handed over a token of financial aid of Rs.5000/- each to 16 Girl students who are meritorious but economically backward.

Cultural program were performed by the Women Sub Committee from different Base units of KSDIEA.

Summing up was done by the Joint Convenor ,Com. Puspita Bhattacharya who emphasized

the need of strengthening the organization so that the enormous challenges being faced by the employees can be met successfully. The meeting came to a close with the vote of thanks by the president of Women's Sub Committee ,Com. Saikata Das.

A large number of women comrades of various base units of Ksdiea attended the meeting.



## Support to Differently-Abled at Hyderabad

**T**he women Sub-Committee of ICEU, Hyderabad Division organized a program during lunch-hour on 20.03.2021, in the premises of the Canteen in commemoration of the International Women's Day and to render help to the needy. On this occasion, the members of The Federation for the Blind, Telangana State were donated with White Canes (Hand Sticks) and Handbags; Frontline Covid Warriors and Sanitary workers were donated with Pressure Cookers by the leadership of AIIEA, SCZIEF and ICEU.

Com. Shreekant Mishra, General Secretary, AIIEA is the Chief Guest for the programme. Com. Clement Das, General Secretary, SCZIEF; Com. P Sujatha, Convener, SCZIEF WWCC, Telangana State and Sri Tapan Kumar Pattanaik, Senior Divisional Manager, LIC of India, Hyderabad Division have attended as Special Invitees. Com. N Adhish Reddy, President; Com. G Thirupathaiah, General Secretary and all other office-bearers of ICEU have also participated. Com. M Vijaya Lakshmi, Vice-President, ICEU,



Hyderabad Division has presided over the Meeting. Com. V Mythili, Convener, Women Su-Committee welcomed the dignitaries and all the participants. Over 75 women comrades from all the units have participated in the event.

Com. Shreekanth Mishra noted that women are being subjected to discrimination in all sectors

of the society. He informed that AIIEA is always in the forefront of encouraging the women employees and giving them their due place in the organization.

Sri Tapan Kumar Pattanaik appreciated the role of women employees in the progress of the Life Insurance Corporation and congratulated the women employees on the occasion.

Com. Clement Das congratulated the sub-committee for taking-up such noble activity. He appreciated the heroic efforts of the frontline covid warriors and the sanitary

workers in the face of adverse situation.

Com. P Sujatha thanked all those who have contributed generously for the cause and congratulated all the women employees for the success of the programme.

Com. BS Saraswathi, Co-Convener, Women Sub-Committee proposed the vote of thanks.

## HRGIEA Celebrates Ambedkar Jayanthi

HRGIEA organized social activity and donated the needy items to the 50 orphan inmate boys of Sneh Ghar Boys home, Adaiyah Nagar, Ghasmandi, Secunderabad on the occasion of 130<sup>th</sup> birth anniversary of Dr BR Ambedkar.

Com.KVVS.N.Raju, Vice President, AIIEA garlanded the portrait of Dr BR Ambedkar and spoke on the values and greatness of Dr BR Ambedkar. Com

A.Narayana Rao, President, HRGIEA presided over the meeting and Com.Y.Subba Rao, General Secretary, HRGIEA and other office bearers also participated and distributed the Rice, Dal, Oil, soaps etc. to the orphan boys.

The amount donated by Com.J.Harish Kumar Yadav who recently promoted to Admn. Officer in New India has been utilized on the occasion.





# “Dr. Ambedkar & Economic Justice”

## -Webinar at Bangalore

“The Indian Constitution is a very rare and great social document that is inclusive and assures the countrymen of a fair and just society providing equal opportunity for all. We should clearly understand certain aspects of the Constitution and make sure that the vision and spirit of the Constitution is adopted at a time when issues like inequality, social justice, poverty alleviation, unemployment and oppression are considered as non-issues” said Sri T.R.Chandrashekhar, noted economist and former member of the Planning Commission, Karnataka.

Speaking in the webinar on “Dr. B.R.Ambedkar and the Financial and Social Justice” on the occasion of 130<sup>th</sup> Birthday of Dr. B.R. Ambedkar, organized by Insurance Corporation Employees’ Union, Bangalore DO 1 & 2 on 14<sup>th</sup> April, 2021, Chandrashekhar explained that the vision of Dr. Ambedkar while framing the Indian Constitution was to build a strong nation and a better place to live for its citizen after Independence. The constitution has provided reservation to the weaker sections of the society to help them to live a dignified and decent life. But with reservations being extended to various communities due to political considerations, the very objective of the Constitution is undermined. Even the judiciary has failed to implement the aspirations of the Constitution as many of its rulings clearly indicate.

He opined that Social Justice and Economic justice should go hand in hand and given more importance than Political Justice. Social Justice cannot be achieved without economic justice. Governments should ensure that income and wealth should not get concentrated with few individuals. It is the duty of the government to provide livelihood to all its countrymen, which itself is a fundamental right. But the present government is fast tracking privatization of public sector undertakings, education and health sectors, changing the labour laws to suit the corporate and framing farm laws which are threatening to snatch even agricultural lands from farmers and monetizing valuable national assets throwing the ideals of our Constitution to the winds, he told. These measures would deprive people of the right to equality, right to food, education, health, right for livelihood and are clearly against the vision

of our Constitution. He appreciated the All India Insurance Employees’ Association for being in the fore front in the battle against these anti-worker, anti-farmer and anti-people onslaughts for decades.

Comrade Amanulla Khan in his address said that Dr. Ambedkar’s vision was to make the world and India a better place to live. It is wrong to reduce Dr Ambedkar only as a leader representing a particular community. He was without any doubt a great national icon and holds an important place in the struggles of all the disadvantaged and weaker sections of the people. Dr. Ambedkar led the movement to annihilate the caste system which was the major obstacle in attaining a just and equal society. But we are now in a situation where the caste identity is becoming more important and this suits the ruling classes, because where there is a division in the society it is easier to implement their agenda. He said that the day has come to wage a struggle which annihilates caste system from our society. It has become imperative now to bring together the class and caste struggle. The struggle against caste cannot succeed without a class struggle and similarly the class struggle without addressing the issue of caste cannot succeed. He also criticized the people who are trying to appropriate Dr. Ambedkar now when they bitterly opposed him when alive and his idea of annihilation of caste. The real tribute to Dr. Ambedkar is to defend our Constitution and strive for a fair, equal and just society.

He said that the Economic Justice is one of the major objective of Indian Constitution which is clearly defined in its preamble itself. But post neo-liberalism, the gap between the rich and the poor is growing exponentially. While the number of billionaires is increasing, on the other side crores of people are losing their jobs. The fact that there was a 35% rise in income of these billionaires during the pandemic situation shows the real picture of inequality in society we are living in. The role of Public Sector Units in the economic development of the country is enormous. But by weakening and dismantling these PSUs government is going against the ideals of our Constitution. These policies are in clear violation of the Directive Principles of State

Policy and come in conflict with Article, 38, 39 and 43 of the Constitution. The working class should carry out a large movement in order to build a casteless and classless society.

Com. K.Gopal, General Secretary, DO II welcomed the speakers and the participants and Com. S.K. Geetha, General Secretary, DO I proposed vote of thanks. The webinar was a huge success with the participation of comrades from many other divisions.

## Ambedkar Jayanti Celebrated at Hyderabad

The 130th Birth Anniversary of Bharat Ratna Dr. BR Ambedkar was celebrated in a befitting manner on 14.04.2021, by ICEU, Hyderabad Division. A good number of employees, including women enthusiastically participated in the program organised on this occasion at Hyderabad Divisional office, to pay tributes to the great leader. Com. Sreekant Mishra, General Secretary, AIIEA garlanded the portrait of Dr. BR Ambedkar.

Speaking on the occasion, **Com. Sreekant Mishra** informed that Baba Saheb is being very wrongly portrayed as a man who championed the cause of only one section of the society. This is totally untrue, he said. He described Dr. BR Ambedkar as an economic radical who stood for the cause of the workers, farmers, for the emancipation of women and the downtrodden. Baba Saheb aspired for the establishment of a classless society where social justice prevails unhindered. Dr. BR Ambedkar advocated for a strong public sector which only can guarantee job opportunities, ensure the implementation of job reservations and help nation building. Dr. BR Ambedkar was a strong supporter of Life Insurance Nationalisation. It is highly condemnable that the present ruling dispensation at the center, is not only



privatizing and selling-off the public sector to the private capital at a rapid pace but also is not making it mandatory to implement the reservation policy. Com. Shreekant Mishra called upon the employees to build larger unity and carry forward the struggle to beat-back these offensives by the government and uphold the ideals of Dr. BR Ambedkar,

## STREET CORNER MEETINGS ORGANISED BY KSDIEA

A Street Corner Meeting was organized by IEA Salt Lake Branch Base, Kolkata Suburban Division on 23.03.2021 against the ill effects of IPO in LIC, FDI hike to 74 percent in Insurance Sector and Privatization of Banks. Leaders from Fraternal Trade Unions BEFI, BSNL, State Coordination Committee, NFIFWI, KSD, AIIPA KSD and Headquarter Base. Leaders & Members of nearby base units attended the meeting. Leaflets containing the features were handed over to the visitors and the passersby.

Com. Sujoy Chakraborty, Base Secretary, IEA Salt Lake Base took the lead in organising this program. Com. Debasish Banerjee, Salt Lake Base and Vice President of IEAKSD presided over the meeting. Com. Amitava Ganguly, GS, NFIFWI KSD said that IPO in LIC, Increase in FDI are detrimental to the interest of the Corporation, Policy holders as well as the nation. Com. Timir Chakraborty, AIIPA KSD has alleged that the Govt. is facilitating the Corporates to loot the public wealth created over the last 70



years. Com.Nupur Roy BEFI said that the merger of Banks are done by the Govt. to sell them easily to the Corporates. The Govt.decided to privatize four banks. Com.Rana Mitra, NABARD stated that Govt. decided to collect an amount of two thousand seventy five lakh crores in the current financial year 2020-21 by monetisation of assets across Railways,

Ports,, Airports, Gas pipelines, govt-owned Sports Stadiums etc. Comrade of BSNL briefed that sabotage of BSNL was started long before by not allowing 4G to BSNL and allowing the private parties to use the BSNL mobile phone towers and later deciding to sell the Infrastructure to the Corporates.

## **LIC collects Rs. 1.84 lakh crores New Premium Pays Rs.1.34 lakh crores as Claims to Policyholders**

(We reproduce below the Press Release dated 20th April 2021 of LIC.)

LIC continues its impressive New Business performance despite a highly challenging Business environment due to Corona pandemic for the entire previous year.

In the just concluded financial year 2020-21, LIC has achieved its highest ever First Year Premium of Rs. 56,406 crores under Individual Assurance Business with a 10.11% growth last year. LIC has also procured an impressive 2.10 crore policies, out of which 46.72 lakhs were procured in the month of March alone, with a growth of 298.82% over last year for the corresponding month.

The Market Share garnered by LIC comes to 81.04% in number of Policies for the month of March 2021 and 74.58% for the year. For First Year Premium, the Market share is 64.74% for March and 66.18% for the whole year.

LIC's Pension and Group Schemes Vertical also created a new record by clocking its highest ever New Business Premium Income of Rs. 1,27,768 Crores over a huge base of Rs. 1,26,749 Crores in the previous year. Number of new Schemes is also a new record of 31,795.

With the addition of 3,45,469 agents, the Corporation now has a strong sales force of 13,53,808 agents. This year LIC has created 16,564 MDRT qualifiers, the highest ever. Also, the Corporation has created 26,997 Centurion agents.

LIC's B&AC channel has procured 2,46,910 policies & 1862.73 crores premium in 2020-21, with a growth of 0.58% & 23.46% respectively.

LIC has come back strongly into the ULIP arena with its two new products SIIP and Nivesh Plus, completing more than 90,000 policies and garnering more than Rs. 800 crores premium in the process. The product NAV, portfolio and swithching options

are now available now online.

On the Claims front , inspite of severe constraints due to Covid Pandemic, LIC settled 2.19 Crore Maturity claims , Money Back Claims and Annuities , amounting to Rs.1,16,265.15 Crores. During the FY 2020-21, the Corporation settled 9.59 lakh Death claims amounting to Rs.18,137.34 crores. Annuity payments due in March 2021 have also been settled on due dates.

LIC has adopted various digital initiatives in its continuous endeavour to improve the customer experience . Payment of renewal premium, repayment of loan and loan interest can be done online through internet banking , credit or debit cards, UPI, Paytm, PhonePe, Google Pay, Mobikwik etc. All payment channels are free of charge for customers. Premium payment can also be done through NACH, direct debit etc. LIC has also provided online options for applying for loan, address change, NEFT mandate registration, updating details of PAN etc. In addition to physical policy bonds, without any extra cost, e-policies are also being sent to customers who have provided their e-mail id. Through a mobile application LICdocQ app, LIC has introduced anywhere revival facility, which allows revival from satellite offices also. We are constantly adopting new technological tools to improve customer experience through self service otions.

LIC attributes its performance to the dedicated efforts of its entire team of employees, agents and channel partners who worked with tremendous zeal during extremely challenging circumstances , and expresses its gratitude to its customers for their continued unconditional trust.

Reinsurers are set to foot most of the bill for the grounding of the ship that halted traffic in the Suez Canal. The payouts are expected to run into hundreds of millions of dollars. International supply chains were thrown into disarray when the 400 meter Ever Given ran aground in the canal on March 23, with specialist rescue teams taking almost a week to free the vessel. Around 400 vessels were affected by the canal's closure.



kept low so that people without any health cover could subscribe to such policies. Most companies have loss ratios of 200-300 per cent on these products because these were not priced with such a huge event in mind lament many insurers. The insurers have received more than a million Covid-related claims as of April 10, 2021. According to the

Companies are turning to captive insurance to self-insure their risks as rate hardening and COVID-19 related disruption affect the commercial insurance market. New business models for captives are opening up options for mid-sized companies. A captive can make complex risks more insurable, especially in periods of high uncertainty. Use of captives is spreading from advanced markets to Asia and Latin America. In advanced markets, mid-sized companies are increasingly using new captive business models that provide flexibility and efficiency.

The IRDA has slapped a penalty of Rs.25 lakh on non-life insurer SBI General Insurance Company Ltd and a penalty of Rs3 lakh on Chennai-based Royal Sundaram General Insurance Company Ltd for violation of Motor Insurance Service Provider (MISP) guidelines.

The Insurance Regulatory and Development Authority of India through a circular dated March 19, 2021, has urged insurers not to repudiate health insurance claims based on 'presumptions and conjecture'. It has also stated that any communication regarding claim repudiation must be sent by the insurer, and the message should cite the specific policy condition under which the claim is being denied.

Looking to the prevailing situation the IRDA has allowed general and health insurance companies to offer and renew Covid specific policies including Corona Kavach and Corona Rakshak till end of September 2021. Earlier, insurance companies were allowed to offer these policies till March 31, 2021. The covid specific policies has seen a huge uptake in the market due to the raging virus and was one of the main reasons why the health insurance segment saw a huge surge in sales. But insurers are having a hard time dealing with claims. The number of claims are very high from such policies. The premium was

data compiled by General Insurance Council, the reported claims total 1.014 million, amounting to more than Rs 14,800 crore. Of this, 865,968 claims worth Rs 7,956 crore have been settled.

As per Life Insurance Council, all 24 life insurers have spent crores on Covid-19 death claims, which are over and above the normal death claims they receive every year. As of March 25, life insurers have paid Rs 1,986 crore towards 25,500 Covid death claims.

Adding a tasty ingredient for the slimy tongues with greedy stomach, IIM Indore in its study says that the increase in FDI limit from 49 per cent to 74 per cent will shorten the break-even period for the insurance industry in India by three years, from current eight years to five years. The study further says that the move will provide the Indian insurance sector much needed impetus to develop physical & digital infrastructure, recruit and train skilled manpower, design innovative products, add new channels and develop new business models to reach the low-income segment of the population **as if all these cannot be undertaken even with FDI limit at 49 per cent.** The study states that the increase in the FDI limit will give the private insurance companies a level playing field as at present the operating and commission expenses of the private insurers is thrice more than the public sector insurance companies, **proving that the increase is meant to help only the private insurers so that they can fill their own coffers at the cost of the common man's hard earned savings.**

The Finance Ministry proposes that the insurance companies with foreign ownership of more than 49 per cent will have to maintain a solvency margin of 180 per cent if they declare dividend payment in a financial year. If they cannot meet the 180 per cent solvency margin and repatriates profit in the form of dividend to their shareholders then they will have to set aside 50 per cent of their net profit in general reserve.

## **BELGIAN PRIVATE SECTOR GENERAL STRIKE AGAINST 0.4% PAY RISE CAP:**

On 29<sup>th</sup> March, Private sector workers across Belgium took part in a one day- General strike action against a law preventing average wage increases from exceeding 0.4%. The strike affected Public transport in multiple cities and 10 technology companies. The strike was called by the CSC and FGTB unions, with a combined membership of 3 million.

## **AMAZON WORKERS IN GERMANY STRIKE FOR PAY**

Thousands of workers at Amazon in Germany took four days strike starting from 29<sup>th</sup> March to demand the Company adhere to Regional Collective agreements made with retail and mail order sectors.

## **MINERS AT COAL MINE IN BOSNIA AND HERZEGOVINA BEGIN INDEFINITE STRIKE OVER UNPAID WAGES AND POOR CONDITIONS:**

Thousands of miners began an indefinite strike on 26<sup>th</sup> March at KREKA COAL MINE near the city of Tuzla, Bosnia and Herzegovina. The workers declared that they will remain out until their demand for regular payment of wages and a modernised humane production process are met.

## **INDEFINITE STRIKE CALLED BY SPANISH WORKERS AT SEG TRETO AUTO PLANT:**

On 30<sup>th</sup> March, hundreds of Spanish workers at the SEG TRETO Auto Plant began an indefinite strike against restructuring, affecting workers and a 19% pay cut. The workers council at the plant called the strike after negotiations with management broke down. The management suggesting that job cuts be order of the day.

## **DELIVERY RIDERS STRIKE FOR NATIONAL CONTRACT IN 31 ITALIAN CITIES:**

Delivery riders in 31 cities across Italy took another day strike action on 26<sup>th</sup> March. The riders rejected the proposal by the ASSO Delivery Group.

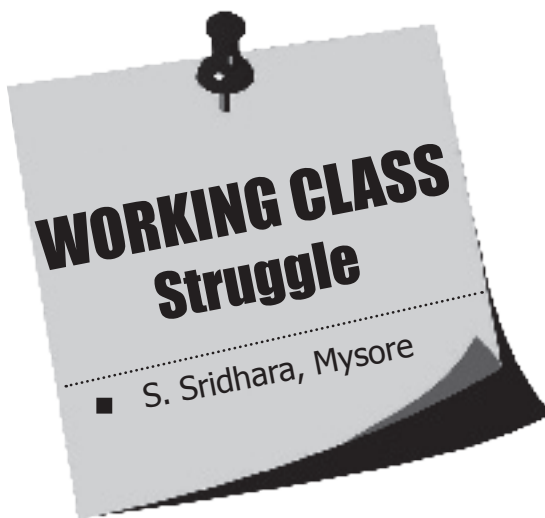
## **STRIKE BY TRAIN CONDUCTORS AT SCOTRAIL, SCOTLAND:**

Several hundred train conductors working for Scottish Transport Company, Scotrail held several strike action on 28<sup>th</sup> March, April 4, 11 & 18<sup>th</sup>. They are also work to rule. The Rail, Maritime and Transport (RMT) Union members are protesting, being paid a lower rate than train drivers.

## **WALKOUT BY LONDON UNITED BUS DRIVERS:**

Bus Drivers working for French owned RATP subsidiary, LONDON UNITED, began a 48 hours strike on 31<sup>st</sup> March & 1<sup>st</sup> April with further action planned for April 7<sup>th</sup> & 14<sup>th</sup>. The Company operates services in South and West London. The Unite Union Workers are opposing attacks on pay and conditions. Drivers face losing up to 2500 Pound and they have to work for longer hours. Drivers at two other London RATP Subsidiaries had been involved in strike action over pay and working conditions.

## **WORKERS AT CATERING COMPANY IN PORTUGAL STRIKE AGAINST COLLECTIVE DISMISSALS:**



Workers at the catering company Everest in Lisbon, Portugal took one day strike action on 2<sup>nd</sup> April. After the Company announced collective dismissals of affecting hundreds of employees.

## **MOROCCAN TEACHERS HOLD 3 DAY STRIKE:**

Teachers in Morocco began a three days strike on 25<sup>th</sup> March, they were protesting the temporary fixed term contracts of teachers employed since 2016. These

contracts offered less security and lower pensions and restrict where teachers can apply for New teaching posts. Previously teachers were appointed as public servants, teachers fear the dilution of their conditions in a prelude to ending public education. Peaceful protests by thousands of teachers in the Capital, RABAT were violently attacked by police. Teachers have held regular protests in RABAT and other major Moroccan Cities.

## **DEMONSTRATION BY TURKISH AUTO WORKERS:**

Turkish Auto Workers at the South Korean owned Hyundai Factory in Izmit held demonstration on 25<sup>th</sup> & 26<sup>th</sup> March, over an inadequate pay raise for 2021. They refuse to board shuttle buses to take them home and instead gathered outside the factory.

## **NEGERIAN DOCTORS STRIKE OVER SALARY ARREARS:**

Resident doctors in Nigeria began an indefinite strike action on April 1<sup>st</sup> over mounting salary arrears and unpaid COVID-19 inducement allowance. Other demands include a review of the Hazard allowance to 50% of the basic salary and the payment of Death in service Insurance to all the workers and fall victim to Covid-19. ABIA State University Teaching hospital owe some 20 months salary arrears. IMO State University Teaching Hospitals 5 months and University of Maidugure Teaching Hospital 3 months.

## **SHIPPERS PLEAD FOR FEDERAL INTERVENTION IN ESCALATING MONTREAL PORT DISPUTE:**

In calling for the Federal Government intervention in an escalating dispute between Montreal Port Employers and Longshore Workers Canadian Workers and Farmers warned of rising Economic damage.

## **COMMUNITY WORKERS AT PAPUA NEW GUINEA THREATEN STRIKE:**

More than 5000 community health workers across Papua New Guinea threatens strike if the Government continues to ignore their awards review submission. CHWS in the country's health facilities from aid post to hospitals mainly in rural areas. They are frontline workers in the escalating Covid pandemic.

## **NEWZEALAND CARE WORKERS CONTINUE PICKETING:**

Home care support workers employed by Lifewise, picketed the organisations Auckland's headquarters on 2<sup>nd</sup> April over its continual refusal to offer liveable wage and better conditions. Workers have been striking and picketing since 2020 for increased sick and bereavement leave and fair hours of work in the collective agreement.

\*According to Fitch Solutions, India remains badly placed to tackle the current wave of Covid-19 infections sweeping the nation. This situation has highlighted the need to increase investment in healthcare. With daily cases of covid-19 crossing the grim milestone of 2 lakhs, several hospitals across the country are stretched beyond their capacities in handling the

rising burden of the highly infectious disease states like Maharashtra, Delhi, Tamilnadu, Punjab and Karnataka are already falling health infrastructure and equipment, ranging from Oxygen to Ventilators. With 8.5 hospital beds for 10000 population and 8 physicians per 10000, the healthcare sector is not equipped for such a crisis. Moreover, the acute shortage of healthcare delivery systems in the public sector do not match up with the growing needs of the population. More than 80 % of the population still does not have any significant health insurance coverage and 68% has limited or no access to essential medicines. The low lever public spending on health is both a cause and an exacerbating factor amounting for the poor quality, limited reach and insufficient public provisioning of healthcare.

\*Last one year has been one of hardship, unemployment, poverty, mass deaths, social isolation, mourning and suffering on an enormous scale for Europe's working population. However, according to Forbes latest annual report, Europe's billionaires are collectively \$ 1 trillion richer than they were a year ago. Their collective wealth spread out between just 628 people, is now \$ 3 trillion. This means their wealth increased by roughly 50 % during the last one year. The number of dollar billionaires has increased by approximately 20 %, from 511 people a year ago. Even excluding the new entrants, the wealth of Europe's super rich increased almost by \$ 800 billion. The richest individual in Europe and third richest in the world, Bernard Arnault's wealth increased approximately \$ 208 million each day, or \$ 2400 per second. The number of billionaires has either remained constant or increased in every European country. Germany leads the list 136, up by 29 since last year, Italy



with 51, UK with 56 and Spain with 30 billionaires are dominating the list.

\*The IMF has warned that lower income countries face a debt sustainability crisis as interest rates on bonds start to rise. According to IMF Chief, tightening financial conditions resulting from stronger economic growth in the organisation could

cause a rapid rise in interest rates ..... and significant capital outflow from emerging and developing economies. Such a development "would post major challenges especially to middle income countries with large financing needs and elevated debt levels". IMF has upgraded its forecast for global growth from the level of 5.5 % it has predicted in January to 6.0 % as a result of the stimulus measures in the US and fiscal actions by other governments. IF also predicted that the cumulative loss in per capital income for advanced economies will be 11 % by next year. For the emerging and developing economies, excluding China, the loss will be much worse coming in at 20 %. This loss of income means millions of people will face destitution, homelessness and hunger. IMF has predicted 4.4 % growth for 2022.

\*China's economy expanded by 18.3 % in the first quarter of this year compared to the first three months of 2020. It was the largest increased in GDP, since quarterly data began to be collected in the early 1990s, outstripping the previous record rise of 15.3 % in the first quarter of 1993. Wall Street Journal poll of economists had predicted a rise of 19.2 %. The economy contracted by 6.3 % last year due to lockdown. The increase did reflect the effectiveness of the measures introduced in China to counter the pandemic and the continued expansion of the world's second largest economy. Though GDP as grown solidly, there are concerned that chinese economic recovery may be slowing. The jobless rate for workers aged between 16 and 24 at the end of March was 13.6 %, up 0.3 points percentage from a year earlier and much higher than the overall urban unemployment rate of 5.3 %.



**Record Profits:** LIC has earned over Rs.35,000 crore through profit booking in the equity market in FY21 as compared to Rs.18,000 crore in FY20. LIC invested heavily during downtrend and made exponential profits in the reverse swing through equity market. The record earnings of LIC from the equity market will be shared with the policy holders as yearly bonus.

**Anywhere service:** LIC has allowed its 113 divisional offices, 2048 branches, 1526 satellite offices and 74 customer zones to receive maturity claims documents from policyholders whose maturity payments are due, irrespective of the servicing branch of the policy. The actual claim payment will be processed by the servicing branch only and the documents will be digitally transferred through LIC's All India Network.

**LIC Cautions:** Fraudsters are calling LIC Policy Holders and convincing them to surrender their existing policies and opt for more lucrative policies – those which will offer higher returns. LIC in its warnings to the customers has said that it does not encourage policy holders to discontinue or surrender their policies. The customers should also not part with their policy number and other confidential details to anybody.

**Growth:** LIC has recorded double-digit growth in FY21 despite new business premium lagging the previous fiscal until February this year. LIC's chairman M R Kumar revealed that business growth for the year FY21 was 10%.

**GI growth:** The 34-member Indian general insurance industry closed last fiscal with 5.2% growth with a premium of Rs.1,98,734.68 crore up from Rs.1,88,916.61 crore logged in FY20. The health insurance portfolio will continue to do well. The motor insurance business should do well if the economy doesn't deteriorate further.

**Covid claims:** General Insurance Council has informed that a total of 9,96,804 people made claims for COVID, as of March 31 and 8,55,250 claims have been settled. In terms of value, claims worth Rs.14,680 crore have been made, out of which, claims worth Rs.7,900 crore or 54% had been settled.

**ICICI mis-selling:** The Central Government informed the Parliament that the IRDAI has reported receipt of 316 complaints from 250 policyholders in the last seven years alleging mis-selling of insurance products by some salespersons of ICICI Bank and ICICI Prudential Life Insurance Company. The insurance company has refunded an amount of



Rs.2,93,62,385 in 254 cases while declining refund in 23 cases.

**Penalty:** IRDAI has imposed a penalty of Rs.1 crore on Muthoot Risk Insurance and Broking Services Pvt Ltd, Rs.25 Lakhs on SBI General Insurance company and Rs.3 Lakhs on Royal Sundaram General Insurance Company for various violations.

**Scrappage policy:** Third-party claims continue to bleed the pool, carrying an incurred claims ratio in excess of 140% and the major contributor to these losses are older vehicles. Statutorily taking older vehicles off the road will reduce claims and thus reduce the stress on premiums. It can be expected that, this move will stabilize third-party premium rates and in the long run, even result in a downward adjustment of premiums.

**Term premium hike:** Premiums for term insurance plans are likely to increase between the range of 10% to 15% soon. While some insurers have already increased the premiums in recent months, some others are expected to follow suit.

**Health premium hike:** While insurance companies have not hiked the premiums on health plans as yet, there are high chances that it may happen soon. Industry players see a hike in 10-15% range in health insurance premiums by next quarter.

**Health cover increase:** People who bought health insurance covers with minimum sum insured – mostly between Rs.5 lakh – 10 lakh are now enhancing their covers by porting into health policies with higher sum insured. The available trends show that most people are porting their existing plans to Rs.1 crore sum insured health insurance plans.

**New market:** The steady rise in the number of startups has opened a new market opportunity for general insurers to tap in the Covid-era. With around 55,000 startups, India is touted to be the third largest startup hub globally after the US and China.

**Covid policy extension:** Witnessing the second wave of the covid 19 pandemic, IRDAI has now extended the validity for sale and renewal of short term covid specific health insurance policies till 30 September 2021.

**Digital signature:** IRDAI has allowed life insurance and health insurance companies to obtain the consent of the buyers of insurance policies through electronic means i.e., without requiring a wet signature on the proposal form till 30th September 2021.



## **PARLIAMENTARY DEMOCRACY IN PERIL**

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anti-people, anti-democratic bills are: The Citizenship Amendment Act was supported by BJD, YSR Congress Party, JD(U), Shiromani Akali Dal(Badal), Shiv Sena, Lok Janshakti Party and Agatha Sangma of Meghalaya's National Peoples' Party. Shiv Sena, Shiromani Akali Dal, AGP(all NDA partners) and AAP, Telugu Desam and BSP have supported the move of the NDA government in abrogating Article 370 of the Constitution. It is to be remembered here that the AAP is now facing a threat to the autonomy and undermining the powers of Delhi by the introduction and passing of the Government of National Capital

Territory of Delhi (Amendment) Bill, 2021. This is not only about discussing the role of the regional parties, but also about the fundamentals of federalism which is being threatened by attempts of bypassing and manipulating the Parliamentary procedures.

Thomas Jefferson, former US President, who was also a lawyer, once said: "when injustice becomes law, resistance becomes duty". A larger solidarity against the moves to undermine the Parliamentary democracy is an imperative need of the day.

(Writer is the Treasurer of SZIEF)

## **FAILING BRAKES**

Contd from page 24

are also markedly right-wing as revealed by its closeness to big business and its disdain for the well-being of farmers, workers and minorities, evident in new laws recently enacted without any debate in Parliament. The results of the elections in Bengal will reveal whether we accelerate

on this road to a one-party State, or we slow down a bit on this journey towards an Opposition-free democracy where dissent is dangerous, and even humour can land one in prison.

***The author is former professor of Economics, IIM Calcutta***



### **CONSUMER PRICE INDEX**

Month	Base 2016	Base 2001	Base 1960
Sept 2020	118.1	340.13	7763.73
October	119.5	344.16	7855.76
November	119.9	345.31	7882.06
December	118.8	342.14	7809.74
Jan.2021	118.2	340.42	7770.30
February	119.0	342.72	7822.89

Base1960=Base2001x22.8259;

Base 2001=Base 2016x 2.88

## **RESPONSES**



The April 2021, IW consists of two thought provoking articles on privatisation by Prof. KS Chalam and Prof. CP Chandrasekhar. Prof. Chalam described how the public sector was built as the most important economic development strategy to redress the menace of inherited inequities and diversities and now being subjected to destruction. Prof. Chandrasekhar exposed the irrationality of inducting foreign investment into and privatising insurance quoting the experience of US. Com Amanulla reminded us of the significance of the glorious 14 day Indefinite Strike for implementation of the Supreme Court judgement. It reminded us of our probation days. Hats off to the IW for bringing such historical and educative articles.

BB Ganesh,  
Visakhapatnam.

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