

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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To,
All the Zonal/Divisional/State/Regional Units

The AIIEA Secretariat meets Online on 31st May 2021

The Secretariat of the AIIEA met online on 31st May 2021. The meeting took place in the background of the historic wage revision in LIC and a huge surge in the Covid19 pandemic during the second wave. The meeting commenced after paying our respectful homage to a large number of our leaders, cadres, employees, agents and field forces who succumbed to the viral infection in the recent period. The meeting noted with sadness that more than 300 employees belonging to all classes of employees became victims of the virus. The death toll is quite high among our agency force. There were large numbers of casualties among our pensioner comrades too. Many employees lost their loved ones during the past few months due to Covid-19. The Secretariat firmly believed that given timely availability of hospital facilities and medical attention, many of the lives could have been saved. The Secretariat expressed deep sympathies with all families of our employees who lost their loved ones.

The meeting expressed concern that India was reeling under the impact of the Covid pandemic. The meeting was particularly concerned that India had the dubious record of registering the maximum number of deaths and positive cases in the world in the second wave of the pandemic. The secretariat of AIIEA was dismayed to note that people were scampering for hospital beds, medical oxygen and essential medicines. It was felt that a great many of the precious lives could have been saved had there been better preparedness and timely ramping up of our health infrastructure. The complacency arising out of a premature declaration of victory against the pandemic and an uncanny obsession with winning elections by throwing all covid protocols to the wind were the primary causes for the surge in the pandemic, felt the Secretariat.

ECONOMIC CRISIS DEEPENS

The Secretariat noted with concern that Indian economy that was already showing declining trends even before the pandemic was further hit seriously by the ferocity of pandemic. The signs of pandemic induced economic distress were visible everywhere. Citing reports from Investment bank Barclays, the meeting noted that India was losing about \$8 billion or about Rs.60,000 crore every week in the month of May. Barclays has projected the total loss to be around \$117 billion (Rs.8.5 trillion) or 3.75 per cent of the GDP. The secretariat noted with alarm that unemployment levels had moved into double digits at 14.73 per cent according to reports of the Centre for Monitoring the Indian Economy (CMIE). The secretariat also

discussed the shocking revelations of the CMIE report according to which the second wave of the pandemic has left over 1 crore Indians jobless while around 97 per cent of the households' incomes have declined since the beginning of the pandemic. The secretariat was also critical of the fact that while a large majority of the workers faced joblessness, unemployment, penury and an uncertain future there was a huge increase in the profits of the corporates. The secretariat noted that the combined net profit of the listed companies was up 57.6 per cent to Rs.5.31 trillion in the year 2021, taking the share of corporate profits in India's GDP to a 10 year high.

The meeting noted that any turnaround in the fortunes of the working people and the poor can be brought about only through the revival of the economic activity. The revival of the economic activity, in turn, was critically dependent on success of vaccination program. Terming the vaccination policy of the government as arbitrary and irrational, the secretariat said it is the responsibility of central government to ensure a free and universal mass vaccination drive all over the country.

EMPLOYEES HAIL GLORIOUS WAGE REVISION

The Secretariat noted with satisfaction that a historic wage revision could be settled in LIC in spite of the otherwise depressing economic, political and social situation all around. The secretariat was informed that employees all over the country are euphoric over the achievement and they have been enthusiastically responding to the call of the organization for 2 per cent levy collection. The meeting decried the **inordinate delay in settlement of the wage revision issue in PSGI companies**. It was felt that the management-government combine was utilizing the pandemic situation as a ruse to delay and deny the legitimate demand of PSGI employees for a good wage revision in line with the one settled in LIC. The secretariat authorized the Standing committee to chalk out serious programs of action in consultation with the Joint Front partners so as to break the deadlock in wage talks.

The secretariat called upon the units to consolidate the organization financially as well as ideologically in order to successfully meet the challenges of the times. **Underlining the need to identify, nurture and develop young cadres for leadership positions in the future, the meeting placed particular emphasis on imparting trade union education to the young cadres. It was decided that Trade Union classes would be organized by AIIEA for Hindi and Non-Hindi speaking cadres separately in the month of June itself. Aside from this, the meeting also decided to resume the planned Trade Union classes for the Divisional/Zonal leadership in a phased manner.**

CHALLENGES CONFRONTING INDUSTRY DISCUSSED

There was a serious discussion on challenges confronting the insurance industry. FDI limit in the insurance industry has already been hiked to 74 per cent. This would certainly see the intensification of efforts by private companies to corner a larger share of domestic savings.

The meeting noted that the government was working at a break neck speed to finalise LIC's IPO within the next two-three months. The meeting felt that it was due to the relentless campaign by our members that the government was forced to declare that LIC would not be privatised and the sovereign guarantee on LIC policies will continue. The secretariat dwelt at length on some challenges particularly in the context of increasing digitalization in the matter of both marketing and servicing. There is also increasing tendencies towards centralization of work. Given the experience in the private insurance industry in the covid times, it was felt that there would be a tendency of placing greater reliance on modern and smart technologies. These modern technologies being inherently job displacing, the meeting felt that there was an urgent need to study these issues in some detail so that a balance could be struck between the interests of the institution and that of the employees. **Keeping this in mind, the Secretariat formed a two-member committee comprising of Com. H.I. Bhatt (Joint Secretary AIIEA) and Com. T. Senthil Kumar (General Secretary SZIEF) to study the ongoing changes in LIC and their impact on the workforce.** The committee has been requested to come up with a detailed report by 15th of June, which shall be placed in the next Secretariat of the AIIEA for further discussion and deliberation. All the zonal units have also been requested to give their feedbacks and observations to this committee so as to form a collective opinion on the issues at hand. **The meeting also reiterated its resolve to pursue issues relating to movement of panels for recruitment to the cadre of Assistants, issue of CGIT, improvement in family pension as recommended by LIC Board etc. with the LIC management.**

The Secretariat noted that while it may not be possible for our units to meet physically for some more time due to the pandemic, we should make optimum use of technology and try to reach out to as many of our members as possible. In these excruciatingly distressing times when death and misery have become commonplace, the units of the AIIEA should stand as one to show empathy, solidarity and camaraderie. We have done this in the past; so shall we in the future.

With Greetings,

Comradely Yours



General Secretary