

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

**RING IN THE NEW YEAR 2023**  
**MARCH ON TO THE 26<sup>TH</sup> GENERAL CONFERENCE OF AIIEA**  
**AT KOLKATA FROM 08-11 JANUARY 2023**

We wish all the insurance employees, their family members and the Indian working class a very happy and purposeful New Year 2023. We hope that the New Year 2023 would bring peace, progress and happiness for the working class across the globe. The year 2023 would be of particular significance to insurance employees. In barely a week's time, we are going to meet in the 26<sup>th</sup> General Conference of AIIEA in the 'city of joy'- Kolkata- from the 8<sup>th</sup> to 11<sup>th</sup> of this month. There is a lot of enthusiasm and excitement among insurance employees across the country over the ensuing conference of the AIIEA. This is but natural because Kolkata holds a pride of place in the glorious history of our organisation. Headquartered at Kolkata for a considerably long period of time, the organisation grew, developed and matured under the able guidance of a galaxy of legendary leaders from Kolkata especially during its formative years. Moreover, the contribution of the state of West Bengal and Kolkata in particular to the process of the making of the Indian nation has been spectacular.

The period gone by, especially the past twelve months, has been tumultuous. Expectations of the world economy to rebound to normalcy after a long spell of the pandemic were dashed by the Russia-Ukraine war. There was a huge surge in energy prices. Crude oil spurted to over \$140 per barrel from earlier levels of around 80 to 90 dollars. Ukraine is the world's biggest exporter of sunflower oil. Russia and Ukraine together account for 30 per cent of global wheat exports. Global supply chains were severely disrupted. The conflict thus brought hardship to a large swathe of the world. The world economy today is mired in a grave crisis. Poverty, inequality and unemployment have acquired huge proportions. Inflation has become a global concern today. British consultancy firm "Centre for Economics and Business Research" says that the world is headed for a recession in the year 2023 because of increase in interest rates in response to higher inflation. All this has given rise to a huge backlash of the workers especially in the developed capitalist world. While fascist forces have successfully manoeuvred to capitalise on the dissension of the working people in some parts of the world, workers' struggle is also playing a leading role in bringing about a change in the correlation of class forces in large number of countries.

As we step into the New Year and prepare for the Conference, we find that rising inflation, growing unemployment, industrial stagnation and ever widening inequalities in income and

wealth have become the dominant features of the Indian economy. As per the household survey of the Centre for Monitoring Indian Economy (CMIE), the all-India unemployment rate on December 29, 2022 was 8.4 per cent. Urban unemployment rate, according to this report, was 10 per cent. Retail inflation for most of the year was over 7 per cent. The stagnation in industrial production can be gauged from the fact that the Index of Industrial Production (IIP) in October 2022 was 4 per cent less than what it was a year ago. Given the slowdown in manufacturing and other core economic sectors, growth projections for the economy have also been downgraded. It is unfortunate that while a large number of countries across the globe are advocating greater state intervention to overcome the crisis, India continues to blindly adhere to the process of neo-liberalism.

The government is pursuing a policy of privatisation of public sector undertakings with a vengeance. Facts are being turned upside down with an intention to defame the very idea of public sector. Contrary to the negative projections by the government, the Public Enterprises Survey 2020-21 says that the 255 operating CPSEs in India have generated a net profit of Rs.1.89 lakh crore in 2020-21 against Rs.1.38 lakh crore in the previous year, registering a growth rate of 37.53 per cent. Moreover, these CPSEs have paid a dividend of Rs.74,000 crore to the government of India in 2020-21 against Rs.72,000 crore the previous year. While the Prime Minister keeps preaching on the virtues of “Atmanirbhar Bharat” (Self Reliant India), his government has codified a strategy to dismantle India’s public sector. There is in fact no sector that is untouched by the privatisation drive of the government. Coal, power, telecom, defence, railways, roads, airports, ordnance factories, banks, insurance, civil aviation, space research, atomic research, warehouses, stadia are all now up for grabs by the private sector. The recently announced National Asset Monetisation Pipeline envisaging mobilisation of Rs. 6 lakh crore over a four year period ending 2025 is a step in that direction only.

The decision of the government to divest 3.5 per cent of its holding in the LIC despite resistance of a large section of the society is but a part of that policy framework. The business model of LIC has also started changing in the post IPO scenario. There are efforts to tap cheaper distribution channels, outsource jobs and use higher technology to reduce the operational costs. There is a very serious challenge to the existence of the public sector general insurance industry. The government has decided to privatise the public sector general insurance companies. There is a lot of disquiet in PSGI companies over the recommendations of management consultants E&Y and the unilateral manner in which PSGI companies have been implementing the KPI measures. Now the sector regulator IRDAI is being used to push through regulations completely inimical to the interests of public sector insurance industry, particularly the LIC. Government intervention in the day to day affairs of the LIC and the PSGI companies has been making a mockery of functional autonomy of these so called independent board managed institutions. The 26<sup>th</sup> General Conference of AIIEA has to deliberate on these issues and develop proper tactics to meet the challenge of the government offensive on the public sector insurance industry.

The Charter of Demand has already been submitted to the LIC and GIPSA managements. Given the class character of the government and its approach to the economic issues of the working

class, the wage revision struggle this time is bound to be a protracted and long drawn affair. The insistence of the GIPSA management and government to change the periodicity of wage revision in general insurance to one year and link wage hike to the performance of even the individual employee has to be resisted through a struggle. We must therefore brace for a bitter struggle on the wage question.

The family pension in Central Government, RBI and public sector banks is revised to 30% of the Pay while it remains at 15% in LIC and PSGI companies. It was almost three years ago that the LIC Board sent its recommendations to the government for issuance of notification enhancing the family pension to a uniform rate of 30%. The GIPSA management has also sent similar recommendations to the government. The issue still remains pending with the Finance Ministry. The continued inaction in accepting the recommendations of LIC and GIPSA has resulted into great miseries of the pensioners as significant numbers of pensioners have died in the interregnum. The Conference has to examine this issue with all seriousness and come out with proper formulations of struggle to realise this important demand. The issues of recruitment and recognition of AIEA will of course merit a lot of attention in the Conference.

At the dawn of the New Year, especially when we are meeting in the General Conference of the AIEA to brainstorm on the issues and challenges facing the people, we must take a serious note of the relentless drive of the Hindutva forces to reshape Indian state and polity. We must explain to the people that whereas Hinduism is a religion, Hindutva is an ideology for political mobilization. In a situation of growing communal polarization, we cannot afford to lose sight of the fact that the individual as a political unit finds herself and her rights dwarfed by a growing authoritarian state and faltering institutions. While tall claims are being made about the Constitution being the 'only holy book' and India being the 'Mother of all Democracies'; the reality is entirely different. Two most revolutionary elements of the Constitution, fundamental rights and directive principles, are conveniently set aside from time to time in favour of setting up a State that is more a menace to the citizens than their benefactor. Apart from the attack on the democratic ethos of our republic and the continuing de-secularization of the state, the year that is past also saw renewed attacks on federalism and the higher judiciary. Realizing that trade union rights can never be safe in a situation where democratic rights are under vicious attack, our New Year resolutions and discussions in the Conference must ponder over this important issue.

New Year also brings with it new hope. One can see a big ray of hope in the rising upsurge of workers against neoliberal economic policies in India and abroad. Rail workers in Britain have staged several strikes last year. Along with railway workers, postal workers, nurses, ambulance workers and others are either on strike or planning big industrial actions. This has unnerved the ruling classes to such an extent that the Chairman of the ruling Conservative Party has talked of bringing in the army to run essential services. In Germany, public transport workers, port workers, aviation security workers, construction workers and railway workers are either on strike or planning to go for strike actions. The same is true of a large number of other European countries. The two-day general strike called by central trade unions in India on 28-29 March 2022 was a huge success. Till now, it has not been possible for the government to implement

the new labour codes because of the uncompromising struggle of the working class. After forcing the government on the backfoot on the issue of the farm bills, the farmers' movement is still in struggle for a legal guarantee for minimum support price. The mazdoor kisan Sangharsh Rally being planned on 5<sup>th</sup> April 2023 will certainly go a long way in cementing the unity between workers and farmers. The struggle developing on the issue of electricity privatisation and against the disastrous new education policy are important pointers to the possibilities in the days to come.

The 26<sup>th</sup> General Conference of the AIIEA at Kolkata from 8-11 January 2023 will definitely examine all the issues in detail and come out with proper tactics to not only ensure a better life for insurance employees but also to ensure a life of justice, equality and dignity for the working people as a whole.

We once again wish the entire working class a very happy and eventful New Year 2023.

Onto the 26<sup>th</sup> General Conference of the AIIEA.....

With Revolutionary Greetings,

Comradely Yours



General Secretary