

**ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION**  
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To

All the Zonal /Divisional /State /Regional Units

Dear Comrades,

**Re: May Day 2024**

AIIEA extends Revolutionary greetings to all the Insurance employees, their family members and entire working class on the happy occasion of the International Workers' Day, May Day on the 1<sup>st</sup> of May 2024. It was on this day in 1886, 138 years ago that the workers in Chicago went on struggle, striking work, demanding 8 hours working day. Since then, May Day has symbolised the indomitable determination of working class to fight against capitalist exploitation. It is a day of International Solidarity which reflects on the achievements of the working class movement and to renew the commitment to fight for the rights of workers around the world.

May Day 2024 takes place amid the inhuman genocide in Gaza, the threat of a regional war in the Middle East, the ongoing US-NATO war against Russia in Ukraine and the growing moves towards direct conflict with China. The prolonged Ukraine war and the Israeli genocidal attack on Palestinians continue to adversely impact the global economy beyond bounds. The IMF World Economic Outlook Report, released in April 2024 forecasts the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. According to '*World Employment and Social Outlook Trends 2024 report*' of the International Labour Organization (ILO), released January 10, 2024, the global unemployment rate is expected to rise from 5.1 per cent in 2023 to 5.2 per cent in 2024 and an additional two million workers will seek employment. The ILO projected a decline in labour force participation rates and slowdown in employment growth. During periods of slow productivity growth, real disposable income and real wages are often vulnerable to sudden price shocks. 'In 2023, the numbers of workers living in extreme poverty – earning less than US\$2.15 per day per person in purchasing power parity (PPP) terms – grew by about one million globally,' the report said.

Indian economy continues to go down the garden path. The country is presently one of the most unequal societies in the world with 1% of the population controlling 40% of the country's wealth and the lower 50% of the population having only 3% of the wealth. The country's economy is witnessing a stagnating employment growth rate, weakening employment elasticity, slow structural transformation, and brewing structural problems in the labour market such as low female labour force participation and a rise in the unemployment rate with education levels. The International Monetary Fund (IMF) raised its growth projection for India's GDP

in the current fiscal year 2024-25 to 6.8%, and forecast a 6.5% expansion next year. Inflation was projected to be 4.6% this year and 4.2% next year. 83% of its population still dependent on free ration through public distribution system and over 25% of the population below the poverty level. India's place is 141st out of 190 countries, in the global rankings of per capita incomes.

According to the CMIE India's workforce has remained virtually stagnant at a little over 400 million over the last 5 years, which means that employment has not increased at all. The unemployment rate has gone up still further to around 8.39%, in December 2023. The stock of unemployed in October 2023 is 42 million, at 10% of the workforce. A regular flow of at least 80 lakh young people who are looking for work are added to this stock each year, as the share of the working-age population rises at an accelerating pace. In 2023, the overall Labour Force Participation Rate in India was 39.5%, the lowest since 2017. India's IT sector loses shine as jobs dry up, IT giants freeze hiring, leaving graduates in the lurch. India's youth account for almost 83% of the unemployed workforce and the share of youngsters with secondary or higher education in the total unemployed youth has almost doubled from 35.2% in 2000 to 65.7% in 2022, as per the India Employment Report 2024, released by the International Labour Organisation (ILO). Thus, we are confronted with 'lost decade' of jobs, with barely 15-17 years left for the demographic dividend to end: a once in a lifetime opportunity in the life of any nation.

Today, the Indian democracy itself is under threat. The very foundation of our nation, the basic structure of the constitution is sought to be dismantled. Attacks on the Fundamental rights and freedom are on the rise. Independence of the democratic institutions is compromised. Democratic voice of dissent is being suppressed, ruthlessly. Attacks on the dalits, minorities and women are increasing. The country, today, has the dubious distinction of being labeled as an "electoral autocracy" and a "partially free" country, by the international agencies and media. The pro-corporate government is going berserk in dismantling and selling away, the public sector. All the public assets are being handed over to the corporate and private capital, on a platter. Public sector LIC is being targeted and sought to be privatized. The government has already declared that Insurance Laws Amendments, facilitating further reforms, will be brought forward within 100 days of assuming office, if voted to power once again. The threats of privatisation are also looming large over public sector general insurance companies.

It is against this background that the largest democracy of the world is undergoing the electoral process. It is a sad augury that a concerted effort is being made to camouflage the real issues concerning the people and focus on sharpening the communal polarization for electoral gains. The results of this election will be a defining moment in the history of the country. Therefore, it is imperative for all the right thinking people to stand-up and defeat these divisive forces and defend the democracy, the constitution and the public sector with all our might. The working class, as the vanguard of the society, should be in the forefront and lead the struggle.

With Revolutionary May Day Greetings,

Comradely Yours



**p. General Secretary**