ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION

LIC BUILDINGS SECRETARIAT ROAD HYDERABAD 500 063

(E-mail: aiieahyd@gmail.com)

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To

All the Zonal /Divisional /State /Regional Units

Dear Comrades,

Re: Solidarity Demonstrations and Submission of Memorandum to In-charges of Offices on 16th February 2024

The Samyukt Kisan Morcha and the Joint Platform of Central Trade Unions have given a call for massive countrywide mobilisations along with industrial/sectoral strike and Grameen (rural) Bharat Bandh on 16th February 2024 against the anti-worker, anti-people policies of the central government. The Secretariat meeting of the AIIEA held at Hyderabad on 21-22 January 2024 has given a call to organise solidarity demonstrations during lunch recess in support of this struggle of the workers and peasants. The Secretariat has also called upon insurance employees to submit memorandums (addressed to the Chairperson LIC/ Chairperson GIPSA) to the officers-in-charge of Divisions in LIC/ Regions in PSGI companies demanding immediate resolution of the long pending issues of the employees. (Draft of the Letters for LIC is being sent from Headquarters. Standing Committee will send the Draft for our general insurance units).

The 16th February 2024 struggle has projected some important demands of the workers, peasants and people of India at large. These demands include No privatisation of PSUs including insurance and banks, minimum wage of Rs.26,000/- per month for workers, abolition of contractualization of jobs, restoration of Old Pension Scheme (OPS) and scrapping of the NPS, repeal of the four labour codes, repeal of the draconian amendments made to the IPC/ CrPC etc. As can be seen, it is precisely these set of demands on which insurance employees under the banner of the AIIEA are in struggle since long. The 16th February mobilisation is therefore a unique opportunity for us to broaden our struggle by integrating our movement with that of the workers in the unorganised sector. This integration will definitely lend more muscle to our struggle and help us realise our demands.

Today insurance employees, both in LIC and PSGI companies, are in struggle on some important issues of the employees. The managements of LIC, PSGI companies and the government have maintained a stony silence on the issue of wage revision of the employees. The wage revision discussions have not even commenced in LIC/PSGI companies even after over eighteen months of the submission of the charter. Employees are naturally restive because negotiations have not started in insurance industry while these are heading towards finality in public sector banks. The delay in wage discussions is really baffling. LIC has been performing brilliantly even under tough market conditions. The LIC recently reported an increase of 49 per cent in its net profit reaching Rs.9,444 crore for the third quarter ending December 2023. LIC's total income also saw a substantial increase to Rs.2,12,447 crore in the latest quarter. The assets under management (AUM) of the LIC have reached an astronomically huge figure of Rs.49.66 lakh crore. The management and government should realise that this progress would not have been possible but for the dedication and commitment of the workforce. Employees have already gone on a one-hour walk out strike on this issue. The PSGI companies are also doing well in a very difficult macro-economic environment. There is absolutely no progress in PSGI companies also on the wage issue. The employees are already in struggle under the banner of the JFTU. We must intensify our struggle for wage revision in both LIC and PSGI companies without any let up.

AIIEA has been demanding, without prejudice to our demand of abolition of NPS and its replacement with the OPS, for enhancement of the management's contribution to the NPS from the present 10 per cent to 14 per cent. The benefit is already extended to central government employees and those of public sector banks. There is inordinate delay in the notification of the same for insurance employees. The matter cannot brook further delay. The issue of enhancement of family pension from 15 per cent to a uniform rate of 30 per cent is still not considered for family pensioners of PSGI companies. The refusal of the management of PSGI companies and the government to consider this very genuine demand is creating unrest among the employees and pensioners.

Recruitment has become an urgent necessity in the insurance industry. The process of recruitment, even though very limited in number, has started in PSGI companies. But the problem is acute in LIC. Looking at the age profile of LIC, it clear that the institution is aging and there is an urgent need for infusion of young blood. For the first time in decades, the total staff strength in LIC has come down to less than one lakh as on 31st March 2023. The problem is particularly acute in class IV cadres. The steady decline in number of employees is severely impacting customer servicing also. More than 2000 of the 8000 Assistant vacancies notified in 2020 still remain unfilled. Despite repeated assurances of LIC management to the demands of AIIEA for immediate recruitment, there is no movement on this score. We must understand that in a policy regime of growing contractualization and casualisation of jobs, permanent recruitment is the biggest casualty. Despite the tall claims of the government and the corporate media that India is the fastest growing economy among the large economies of the world, the fact remains that the country is facing a huge unemployment crisis. Growth is meaningless if it does not create jobs. Recruitment in LIC will not only augment customer servicing, it will also help ameliorate the sufferings of a large number of unemployed youths of the country.

There are renewed calls for further dilution of government equity from the LIC in view of the recent surge in LIC share prices. Projections are being made that the government can mop up more than Rs. One lakh Crore by further divesting its equity in the LIC which is in excess of the SEBI mandated 25%. Similarly, there are demands that the government must not go slow in its drive towards privatisation and honour its earlier commitment of privatising at least one PSGI company. In the recently placed interim budget for 2024-25, the government has increased its disinvestment target from Rs.30,000 crore in 2023-24 to Rs.50,000 crore in 2024-25. Giving an indication of its commitment to promoting private capital, the interim budget has opened up areas like defence research and development to private players and has earmarked a corpus of Rs.1 lakh crore to provide interest free loans to the private sector. There is absolutely no doubt that privatisation of public sector will gather further pace in the coming days. We must remain prepared for struggle in defence of public sector insurance industry by integrating our movement with other sections of the workers fighting on similar issues.

The experience of the recent past has demonstrated beyond any shade of doubt that united struggle always pays howsoever undemocratic and authoritarian the rulers might be. The united movement of the farmers forced the government to withdraw the farm laws; similarly, the government has not yet been in a position to implement the labour codes despite the fact that these have been notified since long only because of the sustained campaign and struggle of the working class. The recent flash strike of truck drivers against the ill-conceived move of the government to impose hefty penalties on hapless truck drivers in 'hit and run' accident cases was a classic example of what class-unity can do.
Let's cement the developing unity still further by holding solidarity demonstrations during lunch recess on 16th February 2024 in the interest of the employees, the economy and the people at large.

With Greetings,

Comradely Yours

Shreekant Mishra

General Secretary