

# **ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION**

**(A.I.B.P.A.R.C.)**

**C/O BANK OF INDIA OFFICERS' ASSOCIATION**

**(EASTERN INDIA BRANCHES)**

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**( For circulation among members of the Governing Council, State Secretaries and Special Invitees )**

Dear Comrade,

When anguish and deprivation loom large, it is the general rule that a sense of hopelessness prevails. It is exactly what has happened to a few lacks of pensioners in the Banking Industry. We the leaders and forerunners of the movement of retirees will have to keep our head cool and find out ways and means to fulfill the aspiration of the people whom we represent and to keep the movement intact without any sense of waste. It is a time of test and we shall have to pass it with honour.

2. You will definitely agree that the largest challenge before the leadership is to reach the members who are residing in distant parts of the country. The message of the organisation must go to them. It is an admitted fact of life that a negligible percentage of pensioners have access to websites and far less number have participation in Face-Books. This negligible percentage of members cannot become the movers of opinions. There are large number of members who do not have any access to such individual opinion-building exercise through social opinion-sharing mechanism but their opinion and participation is very vital for us.

3. When a record-note was signed on 25<sup>th</sup> May, it is quite natural that IBA would not be reversing its views within a very short period. It is a time taking battle which is to be fought every inch by patience and time bound steps are to be taken to achieve the goal. As a first step, it was a necessity to tell to membership what we feel about the document . It has already been conveyed by different circulars. The second step was to record our

views with each constituent of UFBU. The same has been done without any loss of time. This is really heartening for us to note that AIBOC, a very important constituent of UFBU, has come out with an open letter addressed to IBA recording its views in a manner which is praiseworthy and demanded immediate restoration of dialogue on pensioners issues.

4. As for agitation, we have taken series of programmes prior to finalization of 10<sup>th</sup> Bipartite settlement. Such programmes included submission of memorandum and holding of protest demonstrations in important centres of the country. Although participation was large, fulfillment of aspiration was virtually nil. The call of the hour is a joint movement by all the Retirees Organizations in the country. Keeping this aim in view, we remained in constant touch with Com. P.P.S. Murthy, the Convener of the Joint Forum to explore the possibility of calling a meeting of the Retirees Organisations so that we can evolve Joint Action Programmes. Com. Murthy conveyed to us in writing that the General Secretary of one component is not in a position to meet before mid-July and Com. Murthy will have to go to Delhi to attend the final phase of a long drawn legal battle fought by our comrades in SBI and we have also our EC meeting at Chandigarh. Accommodating all the three pre-occupations, a sincere attempt will be made to arrange for a meeting in the month of July, 2015 to make a thorough review of the situation and to explore the possibility of joint struggle. After seeing the outcome of the aforesaid meeting, we shall have to take protracted line of action.

5. Till then, we should gear up the propaganda campaign once again. Meeting at subdivision district and state capitals may be organized by different affiliates where others can also be invited. The post bipartite situation should be explained to the audience in great detail and tell them that we are on the job and for the job. There is nothing to lament but to move with resolution. As propaganda materials should be fact based and uniform, we write hereunder the assessment of the organization about different aspects of the record note. This material may please be given widest publicity. The campaign material is being enumerated in detail in para no. 6 onwards.

#### **Campaign materials :**

6. The signing of X Bipartite settlement on 25<sup>th</sup> May, 2015 brought to conclusion the 30 month-long wage negotiation to an end but it brought no cheers to the retirees as none of the pension related issues of retirees was addressed. This sudden turn of events bringing an anti-climactic end to the expectations of retirees brought anguish to many and even anger to some. All along every one was led to believe that resolution was within sight in respect of major issues concerning retirees and serious efforts were afoot to find a meeting ground to overcome the vexed question of costing and not a communication from UFBU or from any of its constituents gave an inkling that Bipartite settlement would be signed without agreement on any of the pension related issues. Even when MOU was signed it was expressly stated that other issues in the Charter of Demands would be discussed for concluding the X Bipartite settlement within 90 days. Retirees' issues formed very much a part of the Charter of Demands and the mandate IBA got from individual banks did not expressly exclude these issues.

In fact, the circulars issued by unions after holding of meetings with IBA invariably indicated strong positive orientation towards taking up issues of retirees viz. 100% DA neutralization to pre 1/11/2002 retirees, updation of pension, extension of another option of pension to resignees, group mediclaim policies etc. From time to time, it was also made known in very many public fora that IBA was inclined to accept demands of increased

family pension and 100% DA neutralization in line with RBI and that IBA though sympathetic was raising the issue of cost in relation to our demands of “updatation” but at no point of time a contrary view of IBA negating any of these issues was indicated.

We also played our role to complement the efforts of the UFBU. You all made a success of all our organizational action programs of holding rallies/demonstrations in different parts of the country. We represented our case to IBA/Secretary DOFS, GOI/Finance Minister etc. With a view to keeping in focus our issues as the Bipartite talks were drawing to a close, we launched a massive action program of public demonstrations at various centres across the country and submission of representation by State Units of AIBPARC to all CMDs/MDs/CEOs of Nationalized Banks and Private Sector Banks. We were also lobbying with politicians, parliamentarians, Ministers and bureaucracy. Our General Secretary & President went full steam and put to full use all their contacts.

When it became clear that the issues of retirees would find no place in the Bipartite Settlement barring a marginal relief in Medical Aid, we wanted to make sure that retirees’ issues did not go away from negotiation table. We did not want to react on impulse. We did not want to indulge in antics and rhetoric but wanted to ensure IBA is bound to keep the issues alive for discussion. We were successful in persuading AIBOC to get the issues of retirees recorded for resolution by further negotiation.

There is widespread criticism about the Record Note and it is perceived by some that it has doomed the hopes of retirees forever leaving no room for settlement of these issues. IBA’s contention that there is *no contractual relationship* between Banks and Retirees and hence the retirees have no vested right to raise any demands after retirement is perceived as the most damning part of its response. This response has created a tide of protest and understandable outrage among the retirees. Having taken such a position IBA went on to record, however, its sympathy but cost coming in the way of implementing uniform family pension, pension updatation, pension upgradation uniformly by merger at 4440 index points and *sub-judice* coming in the way of implementing 100% DA neutralization. IBA has not closed the doors though entry for the present is prevented on the pretext of costing. Unions have rightly responded to come with their costing to gain entry and we will endeavour to make the best out of this situation. With this perception over the Record Note, AIBPARC considers it an opportunity to commence the next phase that shall be the final phase resolving all our issues satisfactorily.

We differ with IBA’s perception over the nature of relationship between retirees and banks on these issues. **But this is not a new stated position of IBA. In fact, it is the known and stated position of IBA in all the cases pending before various high courts and Supreme Court. In all these cases, IBA has been maintaining that there is no contractual obligation to accept any of the above demands.** When this is the stated position of IBA before courts, it is naïve to expect IBA to have a different position at the negotiating table. IBA has reiterated its position because AIBOC, the only negotiating union asserted these are rights of retirees and in fact submitted to IBA in writing that Pension Updatation is mandatory as per Reg.35(1) of Pension Regulations. On the contrary one major constituent of UFBU is on the same page with the IBA as we all know that this constituent in its letter to the Finance Minister admitted to the detriment of retirees that there was no provision for pension updatation in Pension Regulations and has been maintaining that matters being *subjudice* are impediments to their resolution. *Be that so, the UFBU as a collective body was able to commit IBA to have the issues on the negotiating table albeit as welfare measures and subject to agreement on cost estimations.* **So the door is not shut but the door is wide open – If we are able to convince these issues are our entitlements and rights then IBA by implication agrees to their implementation irrespective of cost, else IBA is open to consider them as welfare measures on humanitarian grounds subject to unions satisfying**

**it about cost implication. We have done our costing and it shows the cost of all the issues do not require anything more than what is being now contributed to the pension corpus. PENSION CORPUS HAS TO BE EXHAUSTED AT THE END WHEN THE LAST PENSIONER UNDER THIS DEFINED BENEFIT PENSION SCHEME BREATHES HIS LAST. THEREFORE, THERE IS NOT GOING TO BE EXTRA COST ON ACCOUNT OF THESE ISSUES BECAUSE THE PENSION CORPUS APART FROM THE YIELD OUGHT TO BE MADE AVAILABLE TO MEET THE COST IN THE LONG RUN.**

**Action plan**

In view of what has been told in para Nos. 1-5, we shall declare our organizational action plan which will be long and time consuming by the end of July, 2015. Members are requested to hold patience for a few days only. This is required to finalise our stand in the meeting of the Governing Council first and then to explore the possibility of evolving out joint action programmes if otherwise consensus can be arrived at. In case, however, no consensus can be reached at, we shall be going in our own way. Members may keep rest assured that no stone will be left unturned to achieve the goals.

With best wishes,

**( S. R. SEN GUPTA )**

**GENERAL SECRETARY**