

For circulation among members of the Governing Council OF AIBPARC

Dear Comrades,

**Sub : Latest position of Wage Revision Talks & AIBOC's spirited opposition
to the recent assertions of Union Finance Minister.**

The outcome of the bilateral talks between IBA and UFBU held on 3rd March, 2014 is appended hereunder :

IBA wanted UFBU to specify its expectations and its counter offer to the existing offer of IBA. On the contrary, UFBU wanted to know IBA's response to various issues like introduction of 5 days Banking, defined working hour for officers, improvement in pension scheme (periodical updation, uniform DA to all, revision of family pension formula, switch over from NPS to defined benefit pension scheme), 100% reimbursement of entire hospitalization express etc.

IBA informed that they would consult officials of the Ministry of Finance on 5th instant and agreed to call UFBU in next 7/10 days. In the given situation, the Notification of Lok Sabha Elections came. It is very difficult to predict the course of events right now. We are waiting for further developments and affiliates will be informed in due course.

2. Union Finance Minister Shri P. Chidambaram on the occasion of 78th Foundation Day of IOB observed that "all profits cannot be used to pay higher wages". It is really heartening to note that AIBOC made a spirited and documented

protest against such assertions by Circular No. 2014/19 dated 13.02.2014. Some of the highlights of the said circular are appended hereunder:

1. The workforce of the Nationalised banks also responded fittingly by spreading its presence from 8000 to more than 80000 branches since Nationalisation, in every nook and corner of the country, dedicated and devoted their lives in executing government's initiatives and policies, unmindful of personal comforts, participated whole heartedly in the nation building by way of uplifting the downtrodden above poverty line.
2. Years back, world witnessed the failure of banking institutions all over and west was worst hit which brought the top banks to dust. Economic recession was the word substituted for the mismanagement. But Indian banking sector was shining as usual and Indian banks were making huge profits even in that adverse scenario.

3.

PSU BANKS PROFITABILITY (IN CRORES)

	<u>2011</u>	<u>2012</u>	<u>2013</u>
GROSS PROFIT	99,981	116,335	121,943
PROVISIONS	55,080	66,821	71,360
NET PROFIT	44,901	49,514	50,583

4. PSU Banks in India posted a profit of whopping 121917 crores during the year 2012-13 and if 15% of the profits is provided, a reasonable wage hike can be given to the bank staff for next five years. After setting apart this negligible percentage from out of the profit earned to the hard working bank employees, the balance can be diverted towards providing bad debts and other purposes prescribed by the Hon'ble Finance Minister.

5. Along with the serving employees, bank retirees and pensioners should come forward in a big way to bring to the notice of Bank clientele the above facts so that a favourable public opinion can be created.

With best wishes,