

# THE FEDERATION OF BANK OF INDIA OFFICERS' ASSOCIATIONS

(REGD.No.7364)

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Circular No. 2012/17

Dated:12/07 /2012

Dear Comrades,

## **STRIKE NOTICE SERVED ON INDIAN BANKS' ASSOCIATION** **GEAR UP THE ORGANIZATIONAL MACHINERY MAKE 2 DAYS' STRIKE** **ON 25<sup>TH</sup> AND 26<sup>TH</sup> A GRAND SHOW OF STRENGTH AND SOLIDARITY**

Comrades, the strike notice has since been served by UFBU to IBA expressing our decision to go on 2days strike on 25<sup>th</sup> and 26<sup>th</sup> July 2012, in pursuance of the issues that are confronting the banking industry in the recent past. Our members are aware that the decision to go on 2 days' was reiterated in the last meeting of the United Forum of Bank Unions held at Chennai on 6<sup>th</sup> July 2012 and accordingly the notice has since been issued to the Indian Banks' Association on 8<sup>th</sup> July 2012. Comrades, the issues need to be elaborately campaigned in all our agitation programme designed and advised to you in our Circular No. 14 as under:

17-7-2012	<b>Dharna</b> in all State Capitals and other important centres
17-7-2012	<b>Mass Demonstrations</b> at all centres
24-7-2012	<b>Mass Demonstrations</b> , rallies, processions at all centres
25 <sup>th</sup> and 26 <sup>th</sup> July, 2012	<b>2 Days ALL INDIA STRIKE</b>

The Government unmindful of our strong protest and communication has been going ahead with its design for handing over the banking industry to the multinationals and foreign banks through legislative amendments. The assurances which were given to us by the Government on the earlier occasion that they would consider all our views have been belied with the series of initiatives that are being taken by the Government as well as the Indian Banks' Association. Hence, we have to mobilize entire rank and file across the country and implement our agitation programme as well as the strike action on 25<sup>th</sup> and 26<sup>th</sup> July 2012 with all force at our command.

All our constituents would take necessary steps to organize centralized activities throughout the country and ensure large participation of the general members in our demonstrations, rallies, processions etc. The local chapters of the United Forum of Bank

Unions should take all necessary steps to organize the meetings for the purpose of working out details of each and every programme.

The strike notice provides full particulars about the issues and explanation for each and every issues raised by us. The leadership all over the country should utilize the contents of the note enclosed to the strike notice and convey our feelings to the public in general and also use the same details for briefing the media persons about the objectives of the 2 days strike called by the United Forum of Bank Unions.

The need of the hour is unity. We are committed to protect the interest of the common man through our struggle against the initiative of the Government to privatize the banking industry and also ensure that the industry remains under the ownership of the Government. Hence, we appeal to all our members to kindly rally round the United Forum of Bank Unions and make our programme a grand success.

Copy of the statement of the case enclosed with the strike notice served on IBA is appended below:

## **Statement of the Case**

### **ALL INDIA BANK STRIKE ON 25<sup>TH</sup> & 26<sup>TH</sup> JULY, 2012**

United Forum of Bank Unions (UFBU) comprising of nearly 10 lacs of bank employees and officers belonging to the 9 Bank Unions (AIBEA-AIBOC-NCBE-AIBOA-BEFI-INBEF-INBOC-NOBW-NOBO) have given the call for 2 days All India Strike on 25<sup>th</sup> & 26<sup>th</sup> July, 2012 on the following issues ;

#### **a. BANKING REFORMS :-**

Banks in India today have nearly Rs.60 Lacs crores as Deposits representing the hard-earned savings of the people of our country. Hence banking institutions have to be properly regulated. It is because of these defined regulations and predominantly being under public sector, that our Banking system was saved from the global crisis. Because of de-regulation and liberal banking policies, many Banks in many countries including in USA and Europe have collapsed. Indian banks were saved because of our strong regulations and being in public sector.

But unfortunately the Government still wants to go ahead with banking reforms aimed at de-regulation and liberalization. Banking Laws (Amendment) Bill, 2011 is before the Parliament and is likely to be taken up in the ensuing monsoon session. The Bill seeks to remove all restrictions on voting rights of Foreign Capital investors in Banks, increase in voting rights of private investors in the equity capital of Public Sector Banks, making Bank merger easier, powers to supercede the Boards of Banks, etc. All these are unwarranted measures. Government also wants to issue licences to corporate and business houses to start their own Banks.

On the other hand, Public Sector banking is being weakened. Bad loans of corporate companies are increasing but velvet treatment is given to them instead of stringent actions. Their loans are being re-structured and concessions are being given. In the rural area, attempts are afoot to close down bank branches and hand over rural banking to private agencies and Business Correspondents. Banks will lose control over rural banking.

Thus banking reform measures are retrograde but Government is still pursuing the same and hence our protest. We demand people's money for people's welfare, national savings for national development and not for private corporate loot.

**b. OUTSOURCING OF PERMANENT JOBS :-**

Banking industry is one of the potential employment generating agencies in our country. But in the last 20 years, recruitments were virtually banned and after our struggle, some recruitments are taking place recently. But this is totally inadequate. Bank's business has increased manifold. More and more services have been undertaken but matching recruitments are not taking place. In the next few years, large scale retirements will take place and hence further recruitment will be needed. But Banks are trying to outsource the regular and permanent jobs to contract employees. This will reduce the scope for permanent jobs and affect the job security. This will also result in exploitation of unemployed youth who are paid paltry amount as wages on employment as contract workers and devoid of any job guarantee and minimum working conditions.

Hence we are opposing outsourcing of permanent jobs and demanding adequate recruitments and revival of BSRBs for recruitments of bank staff.

**c. KHANDELWAL COMMITTEE REPORT :-**

Government appointed the Khandelwal Committee to suggest changes in Human Resources Policies in the Banks. This committee has mainly recommended the following:

1. From 1950s, we have common wages and service conditions. Now, this committee has recommended Bank specific wage structure based on profitability, productivity etc.
2. All these years we have uniform wage and service conditions. Now, the committee wants introduction of fixed and variable pay concept. A portion of wage will be fixed and balance will vary according to performance. This is impracticable in the banking sector and will result in division of employees and promote sycophancy.
3. The committee has also recommended that settlements with unions on transfer of employees to be reviewed and to give free hand to the managements to transfer employees from place to place.
4. The Committee has suggested 50% of officer vacancies should be filled directly from the market instead of promoting clerks. This will seriously affect the career of employees.
5. The report says that minimum qualification for appointing a clerk should be graduation. All these years, matriculates are eligible to join the Banks. Now, lacs and lacs of such unemployed youth will be deprived the opportunity.
6. Similarly, so far, the qualification to join the banks as peon / class IV employee is 8<sup>th</sup> Standard failed. The committee says that it should be matriculation. This is also absurd.
7. The Report says that Banks should not make any appointments in the urban areas but workload in the banks warrants the same.
8. The committee has suggested outsourcing of all the regular bank jobs which is unfair labour practice.

All these measures are anti-employee and anti-trade union and are targeted to attack collective bargaining. Further, overlooking the settlements, Government is giving unilateral guidelines on various service conditions. We are opposed to the same.

**d. NON – RESOLUTION OF PENDING ISSUES :-**

There are number of issues like compassionate appointment, revised housing loan scheme to bank employees, improvements in pension scheme, proper implementation of settlement, denial of pension option to persons opted under VRS and those resigned their jobs for want of VRS, defined and regulated working hours, 5 day banking etc which are pending for resolution for a long time.

**Comrades, we call upon you to kindly implement the Agitation Programme in the letter and spirit. Please also ensure the Strike is a grand success and all our Members upto Scale IV participate in the Strike.**

With revolutionary greetings,

Yours Comradely,



**(HARVINDER SINGH)  
GENERAL SECRETARY**