

# PRESS RELEASE

The wage revision for bank employees is due from 01.11.2012. The Indian Banks' Association (IBA) is currently on wage revision negotiations with United Forum of Bank Unions (UFBU), representing five workmen unions and four officers' associations. Despite the lapse of nearly two years since submission of common charter of demands separately for workmen and officers by UFBU to IBA on 30.10.2012, the settlement is still inconclusive.

The Unions submitted its charter of demands, which works out to 35% increase in total wage cost and IBA started its initial offer with a meager 5% Increase in pay slip components. IBA was adamant from the beginning in not increasing its offer resulting in bank employees observing a day's strike on 18.12.2013 and Two day's strike on 10<sup>th</sup> and 11<sup>th</sup> February 2014 at the call of UFBU.

Subsequently, in view of the General Elections and assumption of charge by the new Government, the agitation programmes of UFBU were kept under suspension, waiting for the new Government to settle down. In the process, the UFBU representatives went on delegation to Hon'ble Finance Minister and submitted a Memorandum urging for his kind intervention for expeditious settlement.

After several rounds of negotiations, the IBA enhanced its offer up to 11% increase in pay slip components. The stalemate in talks appeared when IBA insisted on UFBU to spell out its demand, which UFBU responded with a demand of 25% increase in pay slip components.

After prolonged wait of nearly five months, since IBA showed no inclination to revise upwards its offer of 11% increase in pay slip components, quoting non-affordability of banks as the reason, the Unions are forced to resort to agitation and strike actions. The contention of IBA that banks suffered huge losses and do not have paying capacity is not correct as the Public Sector Banks have continuously been registering huge profits. For example, despite appropriating around Rs. 90,000 Crores towards Provisioning and Contingencies, the PSBs have made a net profit of Rs. 37,000 Crores during the financial year 2013-14.

During the conciliation, to facilitate flexibility from both sides, UFBU reduced its demand to 23% increase in pay slip components. But, IBA is still rigid in its offer of 11% alone and insisted on UFBU to further scale down drastically in its demand without any improvement in its offer. The above act clearly indicates that even though there is possibility of improving its offer, IBA is not showing any flexibility quoting the unacceptable reason that the UFBU should reduce its demands drastically.

On the other side, the Government too has not made any initiatives to resolve the issue relating to wage revision of bank workmen and officers. It is an undisputable fact that employees and officers in the banking sector are doing their best to serve the customers and implement various schemes of the Government despite innumerable hardships and difficulties, while still being paid less than their peers and other comparable Public Sector/ Government employees. Yet, the genuine demand for adequate wage revision is being delayed and denied.

The call for One Day token Strike on 12<sup>th</sup> November, 2014, a forced one on the UFBU was untended to invite the attention of the IBA-Government combine and bring to their notice the anguish of the Bank employees without causing much inconvenience to the customers and public. There is no positive movement on the side of the Government of IBA despite the grand success of the Strike.

It has become absolutely inevitable on our part to proceed with further agitational programmes, as decided earlier, however best we made our efforts to avoid through negotiations across the table. But, we are confident that our esteemed customers would understand the situation and be sympathetic to our cause.

Hence, in pursuance of the call of UFBU, the Zonal Strike for one day will be observed by all the bank workmen and officers in the Southern / Northern / Eastern / Western Zone on 02.12.2014 / 03.12.2014 / 04.12.2014 / 05.12.2014 respectively, demanding immediate settlement on wage revision.

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