



NATIONAL CONFEDERATION OF BANK EMPLOYEES

(Registered Under Trade Union Act, 1926–Registration No.B-2334)

Registered Office & Head Quarters:

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CIRCULAR No. 36
TO ALL MEMBERS

Date: 24-05-2012

MAMMOTH DEMONSTRATIONS HELD ALL OVER THE COUNTRY
TO MARK 21ST MAY, 2012 AS ‘ALL INDIA BANK PROTEST DAY’

We reproduce hereunder the full text of UFBU Circular No.10 dated the 22nd May 2012, issued by United Forum of Bank Unions, the contents of which are self-explanatory.

(M. V. MURALI)
GENERAL SECRETARY

“Red Salute to our Comrades, for joining mammoth demonstrations all over the country conducted by the UFBU, to mark 21st May, 2012 as “**All India Protest Day**”. We are glad that, proposed Bill on Banking Law amendments’ gets postponed as Parliament session ended today.

2. The undersigned along with Com. C. H. Venkatachalam, General Secretary, AIBEA, Com. Ashwani Rana, General Secretary, NOBW and Com. T. N. Goel, Sr. Vice President, AIBOC, addressed a large gathering of members assembled before SBI, LHO, Delhi, undeterred by scorching heat. As planned earlier, a memorandum was submitted to Shri D. K. Mittal, Secretary, Deptt. Of Financial Services, enlisting the issues of the protest day and requesting his intervention to initiate appropriate measures to resolve the same.

3. A letter addressed to the Hon’ble Finance Minister, Government of India, was also handed over to the Secretary, with a request to bring the contents to the notice of the Hon’ble Finance Minister. We also requested him to resolve pending issues like, Compassionate Appointment Scheme, Staff Loans, 2nd Option on Pension to VRS Optees, Resignees, Compulsorily retired etc., for which he responded positively, and assured to call us for further discussions on all the issues during next month.

4. Comrades, we have to take the matter to its logical end, through persuasion and pressure. A time bound strategy to be evolved in our next meeting of UFBU to be held on 6th June, 2012 at Kolkata.

5. The time at our disposal is very short. We have to prepare ourselves for negotiations on 10th Bipartite and to resolve pending issues before commencement of the next bipartite. The Govt., may once again try to move the questionable bill in the Monsoon Session of the Parliament. We have to register our strong protest against ill-advised reforms agenda of the Government of India. We enclose copies of our letter addressed to the Finance Minister and Secretary, DFS for your information. We shall keep you informed of further developments.’

To,
 Sri Pranab Kumar Mukherjee,
 Hon'ble Finance Minister,
 Government of India,
 South Block, Parliament House,
NEW DELHI.

Respected Sir,

AN ATTEMPT TO DE-UNIONISE AND DE-NATIONALISE BANKING INDUSTRY

We most respectfully place before your honour, the following some of the facts, which of those may lead to denationalization of Banks and De-unionisation of Workforce in the Banking Industry.

(i) CLOSURE OF RURAL BRANCHES:

The aim of Bank nationalization during 1969, by late Prime Minister Smt. Indira Gandhi, was to take Banking to the doorsteps of the common man. The present directions from the Banking Dept., to the Banks to close or shift Bank branches from rural areas, as they are not generating profits, is a retrograde step. The rural branches are suffering from acute shortage of staff and it will not be possible for the Branch Managers to visit the so-called ultra small branches, run by the outsourced agencies. There is no need to relocate the branches. There is abundant scope to open more number of branches in unbanked areas to fulfill the social obligations, rather than to think of branch from profit angle and closure of it.

(ii) AMENDMENT TO BANKING LAW:

Enhancing cap on voting rights from 1% to 10% in Public Sector Banks and 10% to 26% in Private Sector Banks will encourage flow of foreign capital to Banks and control on the Banks by Corporate houses.

(iii) OUTSOURCING OF ROUTINE BANKING TRANSACTIONS:

Routine Banking transactions are being outsourced, to reduce staff cost; at the cost of security of depositors and image of the Banks. There is no need for middlemen/intermediaries in the Banking Industry. The Business facilitators and Business Correspondents are not accountable and exploiting the customers. The banking runs on faith and trust of the general public. It requires professionalism and loyalty.

(iv) KHANDELWAL COMMITTEE RECOMMENDATIONS:

Majority of Khandelwal Committee Recommendations are aimed at de-unionisation in Banking Industry. The recommendation that graduation as a minimum qualification for clerical job will deprive deserving underprivileged undergraduates to enter the Banking field. It is difficult to retain well qualified persons in the Banking Industry as they are attracted by higher pay package elsewhere. Unilateral impositions on promotion and placements of Officers, direct recruitment of 50% of Officers from the market, implementation of the recommendations on HR matters, overlooking the bilateral understandings, is a step forward to deunionise the work force.

(v) STAFF SHORTAGE:

Due to acute shortage of staff, both clerical and officers, late sitting in branches and attending the work without extra compensation on Sundays and holidays, has become compulsory. There is a need to define the working hours of all categories of staff and officers with lunch hours. It is high time to introduce 5-day Banking, as alternate channels like ATM, Internet/Mobile Banking etc., will take care of the customer service.

(vi) NON-RESOLUTION OF RESIDUAL ISSUES:

Certain issues which are part of 9th Bipartite have remained unresolved for want of clearance from the Government. The IBA is expressing its helplessness in the matter of bilaterally agreed issues like:

- a) Compassionate appointment/ex-gratia scheme.
- b) Improvements to Staff loans at concessional rate of interest.
- c) Denial of 2nd Option on Pension to VRS, Resignees and Compulsory Retirees etc.

2. Therefore, the UFBU at its meeting held on 10.05.2012, at Bangalore, has decided to take up the matter with your goodself, for appropriate direction to the IBA for resolution of these issues, before commencement of 10th Bipartite negotiations, to avoid industrial unrest.

3. We shall be highly obliged if yourself will please arrange to issue necessary instructions to IBA for restoration of industrial peace in the Banking Industry.

To
Shri D. K. Mittal,
Secretary
Department of Financial Services,
Ministry of Finance, Government of India
New Delhi.

Dear Sir,

At the outset, we thank you for giving us this opportunity to meet you and to submit this representation to you. On behalf of the United Forum of Bank Unions, the umbrella organisation representing all the 9 Bank unions and 10 lacs of employees and officers working in the entire banking industry, we submit herein in this memorandum, some of our serious concerns and important issues and problems that are engaging our attention.

1. Banking Sector Reforms: You are aware that, in any developing economy, the banking sector has a very pivotal and significant role to play in ensuring development and progress. Especially in India, banking has played a pivotal role and is expected to further play a very catalytic and leading role in socio-economic transformation. Given the multiple economic challenges that our country is facing, our banking sector should be enabled to play that defined and well-regulated role. For this purpose, having regard to the experience of the banking sector in the various developed and western countries in the recent years, we should be more insulated and protected as our Banks are dealing with huge savings of the people of our country.

But we find that the Government is contemplating to liberalise the banking regulations already available by proposing the Banking Laws (Amendment) Bill both in relation to public sector banks as well as private sector Banks. These amendments are not in the interest of our banking industry and hence we strongly opine that the Government should not proceed with these amendments.

2. Government's instructions in closing down Rural Branches: Recently Government has given instructions that loss making branches should be closed down and re-located; if necessary down-sizing the staff or converting the branch as an Ultra Small Branch should be undertaken. These are totally uncalled for steps and aimed to weaken the role of public sector Banks in rural banking. We wish to record our strong protest against the proposed scheme and seek review of the Government's instructions.

3. Outsourcing and Business Correspondents: We find increasing attempts and efforts to outsource the regular banking jobs even though the same are not permitted as per existing service conditions and settlements. Outsourcing is bound to jeopardise the jobs and job security of the bank employees and officers besides resulting in exploitation of our unemployed youth. Further, outsourcing is also wrought with risks which are detrimental to banking operations and interests of banking public. Hence Govt. and IBA should re-examine their guidelines and stop the efforts to outsource the banking jobs.

4. Need for adequate Recruitments: Banks have started to recruit staff but the same are not commensurate with the increasing workload and requirements. Hence Banks should be advised to provide sufficient employees and officers through enlarged recruitments. Further, BSRBs should be revived as the agency for recruitment of staff in the nationalised Banks since the present IBPS is suffering from deficiencies and lacunae.

5. Unilateral guidelines from the Government: In the recent period, a lot of unilateral communications and guidelines have been issued by the Government to the Banks relating to HR issues in the Banks such as promotion and transfer policy which are part of bilateral agreements and understandings. This should be reviewed and changes in service conditions should be done only by discussions with the traded unions.

6. Pending issues: We have raised quite a few issues with the IBA and Government like compassionate appointment scheme, uniform staff housing loan scheme, improvement in pension scheme like updation, uniform DA, family pension, exclusion of a section of employees/officers from pension option scheme, etc. regulated working hours, 5 day banking, So far these issues remain pending adding to the frustration of the banking staff.

7. Unilateral implementation of recommendations of Khandelwal Committee report by bank managements: Bank managements have started to implement some of the recommendations of the Khandelwal Committee Report without any discussions with the Unions at any level, either with Government or IBA. We strongly feel against this and any issue affecting the HR policies in the Banks should be discussed with the trade unions.

8. All these issues are agitating the minds of the bank employees and hence we wish to draw the attention of the Government for needful intervention and necessary remedial actions.