

All India Bank of Baroda Officers' Association

(Central Office)

Registered Under Indian Trade Unions Act, 1926 & Recognised by Bank

(Affiliated to INTUC-INBOC)



CIRCULAR TO MEMBERS NO.14 OF 2018

14th May,2018

Dear Members,

Re: On-going Wage Revision Talks in Banking Sectorx`

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With regard to the above we wish to inform you that UFBU has sent a letter to Shri Rajiv Kumar, Secretary, Department of Financial Services, Ministry of Finance, Govt. of India, New Delhi seeking his immediate intervention for an adequate increase and early settlement of the pending Wage Revision for Bank Employees. We reproduce hereunder the text of a letter addressed to Shri Rajiv Kumar, Secretary, Department of Financial Services, Ministry of Finance, Govt. of India, New Delhi, for your information:-

“We refer to our delegation’s meeting with you on 21-3-2018 wherein we had handed over the copy of our Memorandum to our Hon. Finance Minister regarding the ongoing negotiations between United Forum of Bank Unions and Indian Banks’ Association on our Charter of Demands for wage revision. You are aware that in view of the impending expiry of 10th Bipartite wage settlement /officer wage revision as at the end of October, 2017, the Government had been sending their directive to Banks as early as from 12-1-2016 advising the Banks and Indian Banks Association to commence the wage negotiations and conclude the same not later than November,2017 when the revised settlement will become due. There have been several reminders from the Government to the IBA in this regard. With the same intention to expedite the wage revision settlement, we had submitted our charter of demands to the IBA as early as May, 2017 Novembedr,2017 with a request to negotiate and resolve the demands before November,2017. IBA also assured they would endeavour to complete the discussion and conclude the settlement before November,2017. Even though the discussions by IBA with the UFBU commenced in May,2017 and even though 15 rounds of negotiations have been held by IBA with the Unions so far, IBA, one pretext or the other, had been avoiding to make any offer in regard to increase in wages. Discussions have been held only on other service conditions but IBA did not make any offer on wage revision. From November,2017, IBA did not call for any meeting to discuss our demands. In this frustrating background, we met the Hon. Finance Minister on 21-03-2018 and thereafter our delegation met you also. You had assured that IBA would be advised to re-commence the negotiations in order to conclude the same early.

We are thankful for your intervention that on account of your advice, the IBA recommenced the discussions with UFBU and today another round of talks was held after a period of 6 months. While we were expecting a reasonable offer from the IBA to make a basis for further negotiations, to our surprise and utter disappointment, IBA made an offer of 2% hike in the Wage Bill as on 31-3-2017. You are aware that in the last settlement from 2012 to 2017, it was agreed at 15% hike in wage bill. Since then

the banks' business have grown, workload on employees and officers have increased beyond tolerable limit, and hence it was expected that wage revision will be better than last time.

To substantiate their offer, IBA stated that the financial positions of our Banks are not conducive to offer better wage revision and that the Banks profits have been eroded in the recent years. It is well-known that all the Banks have been earning more Operating Profits year after year. Rs.in Crores 2013-142014-152015-162016-17Gross Operating Profit1,27,6531,37,7601,36,2751,58,982Provisions for bad loans, etc.90,6331,00,9011,53,9671,70,370Net profit/Loss after provisions37,019367,54018,417loss11,388 Loss
The net profits are getting reduced only due to huge provisions for bad loans and not due to any reasons attributable to the employees and officers of the Banks. Hence denying reasonable wage revision for the bank, employees and officers on this count is unfair.

At this hour, we feel that the wage revision demands of bank employees should be settled expeditiously so that the entire workforce in the Banks can concentrate their time and energy in addressing the multiple challenges facing our Banks and to restore the confidence of the people on our Banks. But the approach of the IBA in attempting to victimize the bank employees and officers with meager wage revision despite best contributions being extended by them in the present trying situation will only result in serious industrial unrest in the Banks and dislocation of banking services. Hence we seek your immediate intervention in the matter to advice the IBA to adequately increase their offer and come forward to resolve our demands without precipitation at the earliest.”

With greetings,

Yours sincerely

(PREM MAKKER)
GENERAL SECRETARY

PLEASE CIRCULATE AMONGST OFFICER-COLLEAGUES