



# ALL INDIA BANK EMPLOYEES' ASSOCIATION

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**CIRCULAR NO. 28 /154/2019 /55**

**16-11-2019**

**TO ALL UNITS AND MEMBERS:**

Dear Comrades,

## **WAGE REVISION – TALKS HELD WITH IBA ON 15-11-2019**

**UFBU CIRCULAR :** Another round of negotiations was held today between IBA and UFBU in the IBA office in Mumbai. IBA team was led by Shri. Rajkiran Rai. G (MD-CEO, Union Bank of India), Chairman of the Negotiating Committee and from UFBU, representatives of all the nine constituent unions were present.

**PLI Scheme:** In continuation of the discussion held on 18-10-2019, IBA wanted to know the views of UFBU on introduction of PLI-Performance Linked Incentive scheme and our suggestions on the modalities of the scheme proposed by them. IBA clarified that the proposed scheme would be applicable to public sector banks and on an optional basis in the private banks. From UFBU, we conveyed our concurrence for the introduction of the scheme and the same may be incorporated in a separate agreement. We further informed that our views on the modalities would be submitted for further discussions.

**Mandate issue:** IBA reiterated their assurance that the mandate issue would be resolved amicably to cover all officers upto scale VII.

**Merger of Special Allowance with Basic Pay:** On our demand for merger of Special Allowance with Basic Pay, IBA informed that if the entire Special Allowance is merged with Basic Pay, the impact on retirements would be substantial and wanted us to consider the possibility of merging a portion of the allowance keeping the cost in mind. We reiterated our demand for merging entire Special Allowance with Basic Pay, however the details provided in the meeting by IBA needs to be verified. The issue needs to be discussed further.

**Updation of Pension:** On our demand for updation of pension, IBA informed that as per the Actuarial Report obtained by them, the additional cost of funding the Pension Fund is not affordable by Banks at present. We contested the cost burden and expressed the view that we would like to refer the issue to our Actuary. After discussions IBA agreed that UFBU may suggest the name of Actuary to whom IBA would entrust the job to get the valuation done again after which the issue can be addressed based on the outcome of the report.

**Family Pension:** Regarding our demand for improvement in Family Pension, IBA was quite positive and suggested that if not at uniform, 30% for all family pensioners without any ceiling, some proportionate enhanced ceiling could be thought of. We requested the IBA to resolve the issue.

**Ex-Gratia of Pre-1986 Retirees:** We also brought to the attention of the IBA that the revision in the Ex-Gratia amount being paid to pre-1986 retirees/spouses at Rs. 350 p.m. and Rs. 175 p.m. respectively + DA needs to be adequately improved upon, as the number of beneficiaries are negligible in numbers. IBA assured to do their best in this regard.

**Contribution at 14% under NPS:** We emphasized our demand that for the post-2010 employees covered by New Pension Scheme, the management's contribution should be enhanced to 14% of Pay + DA. After discussion, IBA was inclined to agree to this demand.

**5 Day Week Banking:** IBA repeated the constraints as explained in the last round of talks. From our side we have reiterated our demand and strongly urged upon the IBA to consider the demand favourably.

**Medical Insurance Scheme for Retirees:** We suggested to IBA to have an exclusive scheme applicable to retirees tailored to suit their requirements and keeping the affordability of premium in mind. IBA assured that the issue can be discussed further.

**Increase in wage hike %age :** We reiterated that IBA's earlier offer of 12% hike in payslip cost is unacceptable and needs to be improved upwards. IBA informed that once the issues of costing of various items as above are finalized, they would be able to take a decision in this regard because they need to keep the overall cost in mind.

**Discussions on other pending non-financial demands:** It was agreed that a Small Committee meeting on officers' issues would be held on 21<sup>st</sup> November and on workmen's issues on 28<sup>th</sup> November, 2019'

With greetings,

Yours Comradely,



**C.H. VENKATACHALAM  
GENERAL SECRETARY**

Note: It has been decided to hold a meeting of the UFBU at Mumbai on 28<sup>th</sup> November, 2019 evening.