



Banking News

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NEWS BULLETIN from ALL INDIA BANK EMPLOYEES' ASSOCIATION

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STOP THE ATTACKS TO STOP THE STRIKES - AIBEA

Bank employees, officers participate in strike opposing Govt's anti-worker labour reforms

UNI, CHENNAI 29 2016

All India Bank Employees Association (AIBEA) today said Bank employees and officers across the country including in Reserve Bank of India (RBI) observed a day's strike in support of the 12-point charter of demands of the National Trade Convention and to oppose the 'anti-people economic policies' and 'anti-worker labour reforms' of the Central government.

The strike call was given by AIBEA, AIBOA, BEFI, INBEF, INBOC, AIRBEA and AIRBWU. The strike was a 'total success', AIBEA General Secretary CH. Venkatachalam told UNI here.

The Bank employees also opposing the retrograde banking reforms like privatisation of banks, consolidation and merger of banks, allowing big corporates to start their own private banks, allowing Licence to corporate houses to start Small Private Banks in the rural areas and deliberate inaction to recover huge bad loans in banks.

Mr.Venkatachalam said Banking services were mostly paralysed across the country. "It is the government's failure to resolve the issues which forced us to observe strike, he said, and regretted for the inconvenience caused to the banking public. He said we appeal to the customers to understand that the demands of employees are not for wage revision but to safeguard public sector banking and people's savings.

The Charter of demands of National Trade Union included urgent measures for containing price rise through universalisation of public distribution system and banning speculative trade in commodity market, containing unemployment through concrete measures for employment generation.

The other main demands are universal social security cover for all workers, Minimum wages of not less than Rs 18,000 per month with provisions of indexation, assured enhanced pension not less than Rs 3,000 per month

for the entire working population, Removal of all ceilings on payment and eligibility of bonus, provident fund, increase the quantum of gratuity and opposing Labour Law Amendments and FDI in Railways, Insurance and Defence.

Mr Venkatachalam said the total deposits in the banks today are more than Rs 116 lakh crore. We cannot afford to place these savings at the doors of private players by privatising the banks.

He said the government wants to consolidate and merge 27 public sector banks to make them into some 5 or 6 big banks for the sake of global competition.

The AIBEA General Secretary said the main problems in the banks is the huge bad loans of more than RS 13 lakh crore, majority of which are due from corporates, industrial and business enterprises and added tough measures should be taken by the government to recover the bad loans.

Stating that willful defaulters should be dealt with more sternly, Mr Venkatachalam said Finance Minister Arun Jaitley said there are 8,167 willful defaulters, who owe banks a cumulative amount of Rs 76,685 crore.

"If these loans are recovered, banks can reduce service charges to customers, increase interest rate on deposits and extend loan to poor people at lesser rate of interest", he said.

India workers' strike hits transport services, bankseft

Workers from various trade unions shout slogans during an anti-government protest rally, organised as part of a nationwide strike, in Mumbai, September 2, 2016. REUTERS/Danish Siddiqui

Transport services were disrupted across India on Friday and state-run banks and insurance companies were shut as more than a million workers went on a strike, saying Prime Minister Narendra Modi was pursuing anti-labour policies.

Trade unions backed by communist parties and the main opposition Congress said a government decision to raise minimum wages for unskilled workers did not go far enough and there was no social security or pensions for millions who were outside the organised sector.

The workers are also opposed to the Modi government's decision to open up the railways and defence sectors to greater foreign direct investment, which they say is a way to undermine state firms.

Workers in various places waved red flags and picketed outside government offices, blocked trains and roads with burning tyres and shouted slogans against the government.

In New Delhi, nurses went on strike at government hospitals and courted arrest in support of higher wages, disrupting services.

"We have been putting forward our demands for the last five years. But over the last year no minister has even met the trade unions," said Tapan Sen, general secretary of the Centre of Indian Trade Unions, one of 10 groups boasting a combined membership of 180 million workers that called the strike.

Since the Modi government took office in 2014, it has taken a series of incremental steps to make labour laws less onerous for businesses and attract foreign investment.

But fear of a union-led backlash has made the Indian leader leave the responsibility for unshackling the labour market with states. He let his party's governments in Rajasthan and Madhya Pradesh states take the lead in this area.

Hundreds of workers staged a demonstration in the southern city of Chennai, home to global auto firms in support of the strike while in Srikakulam, in the neighbouring state of Andhra Pradesh, strikers clashed with police trying to stop them marching on government buildings.

(Reporting by Jatindra Dash in BHUBANESHWAR, Aby Jose Koiparambil in BENGALURU,; Writing by Sanjeev Miglani; Editing by Robert Birsell)

Banking operations hit, but bandh fails to affect public life in Chennai

However, SBI and Chennai-based Indian Overseas Bank branches were operational in many places, since those banks' union had pulled out

BS Reporter | Chennai September 2, 2016

Banking services in the country were paralysed on Friday as a strike call by various bank employees' associations received encouraging response, the **All India Bank Employees Association (AIBEA)** claimed Friday. The Bharat bandh called by central trade unions has lukewarm response in Chennai and several parts of Tamil Nadu.

"The response to the strike call has been encouraging. Banking services were mostly paralysed. Basic banking services were affected across the country," said C H Venkatachalam, general secretary, AIBEA in a statement today.

However, State Bank of India offices and Chennai-based Indian Overseas Bank branches were operational in many places, since those banks' union had pulled out of the call to strike work, he said.

"All over India, around five lakh bank employees has went for strike today. Around 26 lakh cheques worth Rs 19,000 crore has not been transacted today across the country," he added.

Almost seven bank employees' and officers' unions had called for the strike in support of a 12 point charter of demands of the National Trade Union Convention (NTUC) and to oppose what they claim are anti-people economic policies and anti-worker labour reforms of the central government.

Besides, the unions said that they are opposing "retrograde" banking reforms like privatisation of banks, consolidation and merger of banks, allowing big corporates to start their own private banks, giving licences to corporate houses to start small private banks in rural areas, and deliberate inaction to recover huge bad loans in banks, among others.

Meanwhile, the Bharat bandh called for by the leftist central trade unions had lukewarm response in Chennai and many parts of Tamil Nadu.

Public transport was, by and large, unaffected in Chennai, while in some cities buses and three wheelers did not ply. In Chennai, most schools, shops, private offices and public services were operational. However, protest rallies were taken out in various parts of the state.

According to reports, inter-state buses from Tamil Nadu to Kerala were stopped at the border, as the protest in the left-ruled Kerala has disrupted normal life in that state.

Strike hits banking, postal services

THE  HINDU 3RD September, 2016



Train services were affected for nearly half an hour as trade union members blocked the track at the Guindy railway station on Friday.

Normal life remained largely unaffected; public transport, commercial services functioned as usual

Banking services in the city were paralysed on Friday as nearly 85 per cent of banking staff stayed away from work to take part in the nation-wide strike against the Centre.

However, essential services such as buses, trains and other transport services remained unaffected. Schools, colleges and commercial establishments and State government offices functioned as usual.

3,500 court arrest

A statement from the Labour Progressive Front, affiliated to the Dravida Munnetra Kazhagam, said more than 30 lakh people took part in the Bharat Bandh and about 1 lakh people were arrested. In Chennai, nearly 3,500 people, including 349 women, were arrested, police sources said.

“Nearly 85 per cent of the workforce in banks went on strike. Banking transactions were hit as there was no facility for depositing and withdrawing cash. About 8 lakh cheques worth Rs.6, 200 crore were not cleared from Chennai grid,” said C.H.Venkatachalam, general secretary of the **All India Bank Employees Association**.

Bank employees said the government should withdraw proposals to privatise banks and merger of smaller banks with the larger ones. Associations would meet again on September 8 to decide on the further course of action.

Employees of State Co-operative and private banks joined the strike called by trade unions across the country. Over 60,000 members of different trade unions were taken into custody, police sources said. They were released later in the evening.

At Guindy railway station, over 100 trade union members blocked the track and prevented the movement of two EMUs. Train services were affected between 10.40 a.m. and 11.05 a.m., railway sources said. However, no major untoward incident was reported in Chennai.

Post offices in the city were deserted as over 90 per cent of the employees took part in the strike. More than 8,000 employees of Life Insurance Corporation of India also participated in the strike in Tamil Nadu, Kerala and Puducherry.

Members of the National Federation of Postal Employees and Federation of National Postal Organisation staged a demonstration at Park Town. P. Mohan, president, All India Postal Employees Union, Group-C, Tamil Nadu said “Delivery operations were hit in post offices as about 2,500 employees

participated in the strike. We also demand that the proposal to outsource booking service of mails be dropped.”

Brazil bank employees declare open-ended strike starting on Tuesday

FINANCIALS | Thu Sep 1, 2016 REUTERS

Brazilian bank unions throughout the country voted on Thursday to launch an open-ended strike beginning on Tuesday, according to the National Confederation of Financial Workers.

The union for the Sao Paulo region said it had delivered demands including salary increases and preservation of jobs in the industry early last month and failed to reach an accord after five rounds of talks with a bank industry group.

The unions called for a 14.78 percent salary increase, while banks proposed a 6.5 percent raise and a bonus of 3,000 reais(\$925).

Representatives for banking industry group Febraban could not be reached immediately for comment.

(\$1 = 3.25 Brazilian reais) (Reporting by Aluisio Alves)

Prohibitory period fixed for central bank staff

BIBEK SUBEDI, Kathmandu NEPAL



Sep 2, 2016- The second amendment to the Nepal Rastra Bank Act forbids employees of Nepal Rastra Bank (NRB) from joining banks and financial institutions (BFIs) for up to three years after quitting their jobs.

The restriction came into force after the Legislature-Parliament endorsed the amendment on Thursday. The proposal was tabled at the House by Finance Minister Krishna Bahadur Mahara for endorsement on the same day.

According to the amended act, deputy governors and executive directors of the central bank can join BFIs only after three years of retirement while directors and other officials can do so after two years. However, anyone wishing to join a BFI after retiring from the central bank has to get its approval and clearance. The amendment, according to NRB, is aimed at avoiding probable conflict of interest when former central bank employees join BFIs immediately after retirement. "The prohibitory provisions were inserted in the bill due to concerns that central bank officials could work in the interest of the BFIs which they plan to join after retirement," said Chintamani Siwakoti, deputy governor of NRB. "So it is necessary to fix a certain prohibitory period for them to avoid conflict of interest."

"In the past, we have seen many central bank officials joining private banks immediately after quitting which invited conflict of interest in some cases, and it didn't look good," Siwakoti added. The banking industry welcomed the move saying that the provision was necessary from the corporate governance point of view. "Relations between the regulator and the regulated entities are always 'opposing', so joining private banks immediately after retirement definitely invites conflict of interest," said the CEO of a commercial bank. "A 'cooling off' period is necessary, and the amendment to the act has been rightly done."

Initially, the prohibitory period for deputy governors and executive directors had been set at seven years, and for directors and other officials at five years. The parliamentary Finance Committee later reduced the prohibitory periods to three and two years respectively. A large number of former NRB governors, deputy governors, executive directors and other officials have been employed with different BFIs. Among governors, the first governor of the central bank Himalaya

Shumsher JB Rana established Himalayan Bank, while other former governors Satyaendra Pyara Shrestha joined Nabil Bank as chairman. Former deputy governor Prafulla Kumar Kafle served as chairman of Century Bank, while former deputy governor Krishna Bahadur Manandhar served as chairman of Nabil Bank.

Similarly, former executive director Rajan Singh Bhandari is now the chief executive of Citizens Bank International while Ratna Raj Bajracharya is the chief executive of Sunrise Bank. Similarly, former NRB employees Prithvi Bahadur Pandey, Ganesh Kumar Shrestha and Surendra Man Pradhan, among others, also served as CEOs of different commercial banks until recently.

AIBEA – 2nd SEPTEMBER

1946	Strike notice served by Unions in 30 Banks at Bombay leading to appointment of H N Devatia Tribunal.
1982	General Council concludes at Hyderabad.
2015	ALL INDIA GENERAL STRIKE
2016	ALL INDIA GENERAL STRIKE

AIBEA – 3rd SEPTEMBER

1995	Joint Memorandum on Relativity Issues to Deputy CLC at Bombay. AIBEA and 3 Unions and letter to Finance Minister.
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