

ALL INDIA BANK OFFICERS' CONFEDERATION

(Registered under the Trade Unions Act 1926, Registration No.3427/Delhi)

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To All Affiliates (Please Circulate)

International Workers' Day : Challenges Ahead

A hundred and thirty four years ago on this historic day, workers across the cities in the United States started a general strike and marched with the slogan: "Eight-hour day with no cut in pay". The militancy of this working class revolt, ruthless state repression and execution of the Haymarket martyrs of Chicago created history and led to its observance as the **International Workers' Day** from 1890. Since then 1st May has been celebrated across the world in solidarity and inspiration for the global struggle against exploitation of labour by capital and for the freedom and dignity of the working class.

Comrades, May Day of 2020 comes at a time when the entire world is faced with a global pandemic caused by a Coronavirus, cutting across the boundaries of nationalities, races and religions. Originating in the Chinese city of Wuhan in November 2019, the pathogen has spread through human contact to over 200 countries of the world, already infecting over 33 lakh people and causing 2.28 lakh deaths. Besides China, the countries most severely affected by the pandemic are the United States, Italy, Spain, France, UK, Germany, Belgium and Netherlands in Europe, Iran and Turkey in Asia and Brazil in Latin America. India has also been seriously affected with nearly 34,000 confirmed cases of contamination and over 1,000 deaths till date, as per official count.

In the absence of any vaccine and medicine for the COVID-19 discovered yet, the WHO has recommended social distancing as vital to contain the pandemic and governments across the world have enforced extended lockdowns. These lockdowns have in turn led to shutdown of most economic activities, which is inevitably leading to the most severe global economic crisis witnessed since the Great Depression of the 1930s. IMF has already projected a 3% contraction or negative growth of the world economy in 2020. This crisis poses an enormous challenge for the working people everywhere, both for the organised and the unorganised segments of the working class.

The trade union movement needs to gear up in order to meet the immediate challenges thrown up by this unprecedented and multi-dimensional crisis by cooperating with all global and national efforts to contain and combat the spread of the deadly virus; stand in solidarity with the frontline workers providing medical and essential services which include the bank employees and officers; provide immediate relief to the poor and vulnerable working class families and zealously defend the hard won labour rights against any governmental attempts to trample upon them. The working class movement also needs to get prepared for intense struggles to transform the decadent neoliberal order, austerity regimes, financial liberalisation and privatisation programmes which can only deepen this crisis, causing unbearable miseries for the working class. This should be one of the foremost resolutions on this **International Workers' Day**.

In India, where 90% of the 49 crore strong workforce is engaged in the unorganised or informal sector, overwhelmingly comprising of the self-employed and casual / contractual workers, the lockdown has brought untold sufferings, with collapsing livelihoods and erosion of savings. The lack of apparent planning and preparation by the Governments has stranded the migrant workers in various cities to fend for themselves. This section of human resources of the country has virtually been converted into precariat class – suffering from a condition of existence without any predictability and security. The relief package proclaimed by the Finance Ministry with cash transfers of Rs. 1500 to 2000 to bank accounts of female JDY account holders, farmers, old-age pensioners etc. is a welcome move but grossly inadequate. We feel that the Union and State Governments should undertake home-delivery of cash alongwith adequate food rations to all poor households residing in villages and urban slums. Expanding the social safety-net is a must during this acute national crisis and the size of the package must be many times more than the mere 0.8% of GDP announced by the Hon'ble Finance Minister.

The 'financial army' of the nation has displayed admirable grit and gumption in extending uninterrupted banking and ATM services for customers during the lockdown, bearing great personal risks. However, we feel that the Union Government has not reciprocated by showing sensitivity to the concerns expressed by AIBOC, the world's largest organisation of supervisory cadre, against the ill-conceived mega-merger of the PSBs and had proceeded with its operationalisation at this time of extreme distress. Despite this undemocratic and opportunistic move initiated by the Finance Ministry and bank managements, AIBOC has accorded priority to the provisioning of uninterrupted banking services during the period of nationwide lockdown, in national interest and we have responded to the call of Hon'ble Prime Minister to pitch in with all our might to contribute to PM CARES Fund. AIBOC remains vigilant on all the ongoing moves and will continue to oppose attempts to heap additional burdens on the bank employees, reduce employee strength and close down bank branches under the garb of the rationalization following bank mergers.

AIBOC strongly urges upon Hon'ble Prime Minister and Hon'ble Union Finance Minister to provide a large and substantive fiscal stimulus not less than 5% of GDP, i.e. Rs. 10 lakh crore approximately, which is urgently required in order to prevent a severe contraction of the Indian economy and provide adequate relief to the informal and migrant workers, farmers, Self-Help Groups and MSMEs, who are the worst sufferers. AIBOC warns the Union Government against adopting neoliberal austerity measures like spending or pay cuts and retrenchment, which will further damage the economy and destroy the morale of the entire workforce who are at the frontline of the battle against the COVID-19 pandemic.

AIBOC recommends that the fiscal stimulus be undertaken through transparent deficit financing by the Centre. Funds should be raised by floating special government bonds duly supported by Reserve Bank of India. RBI can also undertake direct monetary financing of a part of the fiscal deficit, as an emergency response to the crisis. Governments and central banks across the world are adopting such measures. This will require changes to the FRBM legislation and the monetary policy framework of the RBI, which relies too much on inflation targeting and fiscal discipline at the cost of economic activity and employment generation. Fear of the speculative financiers and rating agencies should be set aside in the interests of the large majority of the distressed citizens.

AIBOC also calls upon the Union Finance Ministry and the RBI to take lessons from the mistakes committed by the government after the 2009 recession and refrain from pushing the Public Sector Banks to lend to the big corporates and NBFCs in a reckless manner. That was the genesis of the NPA accumulation by the PSBs, whose legacy remains unresolved till today, even after a decade. While short-term moratoriums on interest or debt repayments may be necessary as relief measures, aggressive debt restructuring and loan write-offs would put a disproportionate burden on the PSBs, whose balance sheets are already ridden with legacy NPAs.

With interest rates being lowered across the board in keeping with the needs of the national economy and credit growth prospects remaining gloomy during the economic downturn, the earning of banks would automatically come under pressure. Amidst this backdrop, any attempt to shift the burden of private sector losses and insolvencies on to the PSBs will be inimical to their financial health. AIBOC will fight tooth and nail against any attempt to weaken the PSBs during this crucial phase. The PSBs cannot be made conduits of large corporate bailouts, nor should the wilful defaulters be kid-gloved in the backdrop of the crisis. At a time when equity and other asset markets are displaying instability, strengthening and expanding the PSBs will restore the confidence of the public and go a long way in saving the Indian economy, like it did after the global financial crisis and the recession in 2008-09.

Despite being one of the founder members of International Labor Organisation (ILO), India, the largest democracy of the world, is yet to ratify some of the basic tenets of the trade union rights viz. ILO Conventions No. 87 (Freedom of Association and Protection of the Right to Organise) and No. 98 (Right to Organise and Collective Bargaining Convention). The Government is also contemplating consolidation of existing 44 labour and related laws into 4 Codes i.e. Wages, Social Security, Industrial Relations and Occupational Safety, Health & Working Conditions, which are somewhat skewed in favour of employers and provide ample scopes to them for closing business establishments easily besides encouraging hire and fire policies.

As far as the celebration of the May Day is concerned, the present circumstances do not permit us to organize, holding rallies, symposia, workshops, meetings, congregations etc. to observe May Day befittingly, as we were doing so far. Notwithstanding the same, we call upon all our Affiliates, State and District Units to take up all possible social causes, and to demonstrate that we care for the society and well being of the entire working class and their families.

As long as the struggle of the working class against the ruling class continues, as long as all demands are not met, May Day will continue to be the just expression of these demands every year. The Confederation will once again vouch to be one of the principal torch bearers of the movement for protecting the rights earned by the leaders of the yester years after protracted struggle and furthering the causes of the fraternity.

STAY SAFE, STAY HEALTHY, STAY UNITED.

LONG LIVE WORKING CLASS SOLIDARITY!

With revolutionary greetings,



(Soumya Datta)
General Secretary
