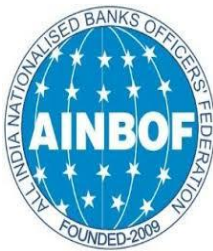


ALL INDIA NATIONALISED BANKS OFFICERS' FEDERATION

(Registered under Trade Unions Act 1926)

(Regn No: 25127/West Bengal)



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DATE.15.02.2018

Com.D.T.Franco
General Secretary
All India Bank Officers' Confederation
c/o State Bank of India Officers' Association
4th Floor, 86, Rajaji Salai
CHENNAI 600 001.

Dear Comrade,

Sub : Code on Wages Bill 2017

During the recently held Working Committee Meeting of AINBOF at Chennai, the subject bill and its provisions were discussed in detail. Further, Com.Sanjay Manjrekar, Working President of AINBOF has also submitted a detailed presentation to Parliamentary Standing Committee of Labour on the subject matter which is also enclosed for your perusal. On an objective assessment of the subject bill, the members of the committee felt that the provisions are beneficial to the Bankers and it may help in ensuring better wage revision during the coming years. Our observations and comparison with our Charter of demands are as below:

1. As per the Charter of Demands submitted by us for 11th Bi-Partite Settlement, the main demand is that wage revision should take into account risk, responsibility, accountability and transferability of Officers and the revised basic pay should be at par with Central Government Officers on the **same principles adopted in the 7th Cental Pay Commission.**
2. The Code on Wages Bill 2017 also delves mostly on similar principles which are enumerated below;
 - (a) The bill provides for all essential elements relating to wages, equal remuneration, its payment and bonus;
 - (b) The provisions relating to wages would be applicable to all employments covering both organised as well as un-organised sectors;

(c) The power to fix minimum wages continues to be vested in the Central Government as well the State Government in their respective spheres;

(d) It enables the appropriate Government to determine the factors by which the minimum wages shall be fixed for different category of employees. The factors shall be determined taking into account the skills required, the arduousness of the work assigned, geographical location of the workplace and other aspects which the appropriate Government considers necessary similar to the **risk, responsibility, accountability and transferability which we have sought in Charter of Demands.**

(e) It provides for national minimum wage for different geographical areas so as to ensure that no State Government fixes the minimum wage below the national minimum wage, notified for that area by the Central Government;

(f) It empowers the appropriate Government to determine the ceiling of wage limit for the purpose of eligibility of bonus and calculation of bonus, by notification, which will make it easier to revise ceilings;

(g) it enables the appropriate Government to constitute Advisory Boards at Central and State levels to advice the Central Government and the State Governments, respectively, on matters relating to wages, women employment, etc.;

Thus it can be inferred that

(a) Government will form an Advisory board which includes the representatives of the employees too to fix the minimum wages to be given to the EMPLOYEES and WORKERS of the appropriate Government which includes the clerks and those working in Supervisory, Managerial and Administrative cadre of PUBLIC SECTOR BANKS and THE INSURANCE COMPANIES.

(b) Such minimum wage is payable to a person employed in respect of his employment or of work done in such employment, but not related to the profit or paying capacity of the Institutions.

(c) Such minimum wage does not include any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon, means that the contribution towards pension should not be termed as a load or burden while deciding the wage revision.

As stated earlier, the following suggestions on the Code on Wages Bill 2017 have been made to the Parliamentary Standing Committee on Labour. The suggestions include

- i. establishing the right of trade unions,
- ii. covering employees upto Top management within the scope of the bill,
- iii. inclusion of disputes between “Employees” and “Employer” within the ambit of the bill,
- iv. fixing of National Minimum Wage (NMW) with area allowance at different rates over and above NMW to compensate the hardship at different areas

- v. Formula to be adopted for fixing the minimum wage as recommended by the 15th ILC in 1957 norms for fixation of minimum wage based on which only 7th Pay Commission recommended Rs. 18,000/- as minimum wage.
- vi. Taking into account the financial and other risks involved and transferability while fixing NMW
- vii. Fixing of Annual Increment
- viii. Allowing staggering hours of duties so that total hours work is restricted to the prescribed limit or payment of appropriate amount of compensation at a rate not less the rate of overtime allowance.
- ix. Removal of Section 20 of the Bill
- x. Provision of Bonus to all employees irrespective of the wage earned and the position held by them
- xi. Inclusion of employees' representatives from all sectors and representative of employees of particular sector should be nominated by the trade unions of that particular sector and not by the Government.
- xii. Provision of "work from home" for women employees.
- xiii. Stringent penal provisions for violation of the provisions of the Act by the employers

Comrade,

The Bill holds several advantages in its present form itself and by including the above suggestions the bill would be beneficial to the employees in Public Sector.

It is given to understand that the Government of India is looking at the option of removing the concept of "Pay Commission" and apply the subject bill to Government Employees too.

The major advantages are,

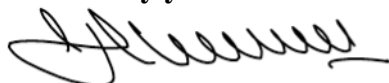
1. In case the bill under consideration is passed, there would be no need for discussing the load factor or linking the pension contribution by the banks with the wages or harping on the profit and paying capacity of the Banks, as the wage is proposed to be decided on totally different parameters. The very Bipartite wage negotiation would be rendered meaningless too.
2. The concept of minimum wages is part of our Charter of demand and the provisions of the bill are matching with the Basic premises of the COD on 11th Bipartite settlement.
3. As the minimum wages is indicated as the national minimum wages, there can't be any disparity with the Government employees and our responsibilities may be restricted with the matching of cadres only. Since the Government has already equated the JMG scale 1 to Grade A Officer in Central Government while fixing the creamy layer, we are in a better bargaining position.

4. It is our experience after the 7th CPC that the minimum wages concept has sizeably improved the Basic pay and thus may result in improvement in pension and also may pave way for achieving the Pension updation.
5. When the wage revision will be in lines with the principles of CPC if the bill is adopted, we may also achieve the other demand of getting running scale of pay and a halt to stagnation in basic pay, which is otherwise linked with promotion to next cadre, which is not in the hands of any officer. This is one of the biggest heartburn of the youth of the Banking sector today that though they entered in to the Banking sector through common channel IBPS, there is no uniformity in getting their further elevations as the banks are adopting different Bank specific policies which are adversely impacting the Pay and other allowances of the youth.
6. We may also achieve our long term demand of EQUAL WORK AND EQUAL PAY.
7. The non financial demands like Five days a week, Regulated working hours and the Accountability policy can be delinked from the wage negotiation talks and can be taken up anytime if we deem fit without waiting for the wage revision due.
8. This may also ensure timely wage settlement instead of prolonging on Negotiations.

Hence, we need to deliberate and discuss on the above bill threadbare and we may have to demand that our wage revision may be fixed in line with the Code on Wages Bill. Accordingly, we request that a Committee may be formed immediately to discuss on the various provisions of the Bill and suggest suitable recommendations / alternatives so that the same can be taken up with appropriate authorities.

We request you to be needful at the earliest.

Comradely yours



**G V MANIMARAN
GENERAL SECRETARY**