



# TNBEF HERALD

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## EDITORIAL

The monsoon session of the Parliament ended two days ahead of schedule on 11th August, 2021. During the monsoon session, 32 bills have been passed, 19 in Rajya Sabha and 13 in Lok Sabha including the General Insurance (Nationalisation) amendment bill, 2021, seeking to reduce the government holding in the Public Sector Insurance companies below 51%. Even though there were demands for referring the bill to the Select Committee of Parliament, it was passed without any debate. Majority of the bills were passed without any fruitful discussions. Even though in the monsoon session of the Parliament there was no bill brought about by the government with regard to privatisation of public sector banks still the danger still looms large. With the initiatives being taken by the Government to disinvest in LIC, passage of bill paving way for privatisation of General Insurance

Companies and other retrograde decisions, the agenda of the Government continues to be in favour of privatisation of public sector banks.

The Honourable Minister for Finance, on 23rd August, 2021, launched the National Monetisation Pipeline (NMP) to monetise the assets and to generate an income of Rs.6 lakh crores to the Government in the next 4 years. By this exercise, the Government is planning to lease out road assets including 22% of National Highways worth Rs.1.60 lakh crores, 400 railway stations, 90 passenger trains and other railway assets worth Rs.1.52 lakh crores, 25 airports and other airport assets worth Rs.20782 crores, power transmission assets worth Rs.45000 crores, coal mining assets worth Rs.28747 crores, telecom assets worth Rs.35100 crores, shipping assets worth Rs.12828 crores, warehousing assets worth Rs.28900 crores, realty & hotel assets worth Rs.15000 crores and Stadiums including Jawaharlal Nehru Stadium worth Rs.11450 crores. The policy was announced immediately after the monsoon session of the Parliament

and hence, there was no discussion in the Parliament. With the way the Parliamentary democracy is brazenly undermined by the present NDA government, it is likely that there would no discussion in Parliament about the NMP. Privatisation and monetisation are nothing but two sides of the same coin.

The government is trying to justify its action by stating that they are only giving the assets on lease and the assets are not being sold. However, this will not bring about any relief to the economy or to the people of the nation. On the contrary, it will only reduce the employment opportunities, bring about monopolies in every sector, would increase the prices or cost to the consumers, expose the strategic sectors to the vagaries of the private corporate exploits and the social objectives would be thrown to the winds. The objective of the private corporate, who takes the assets on lease, would definitely be profit and therefore, what would happen to the social objectives that are being followed hitherto can be imagined by us. This moot question is not answered by the government. What would happen to the employees, what would happen to the reservation policy in case of recruitment and what would be fate of the assets at the end of the lease period, etc, are few of the questions that are lingering in the minds and which are either not answered or avoided by the government. Many economists have opined against such blind monetisation and privatisation of national assets including those from the strategic sectors. But, the present incumbent government at the Centre is justifying its actions and these decisions are detrimental to the economy of the country and the people at large. It is like selling the family silver for a song.

When the XI Bipartite Settlement was signed on 11th November, 2020, due to the efforts of AIBEA/UFBU, it was agreed that family pension shall be payable at a uniform rate of 30% of the Pay of the deceased employee without any ceiling and also that the management's contribution to

NPS/Contributory Pension Scheme shall be 14% of Pay and Dearness Allowance, subject to approval by the Government. We are happy that on 25th August, 2021, the Finance Minister announced in the meeting of IBA that the improvement in family pension and the increase in the management's contribution of NPS have been cleared by the Government. This is a significant achievement since about 90000 family pensioners would stand benefitted and lacs of youngsters would have the management's contribution to NPS fund increased to 14%. We congratulate the leadership of AIBEA and UFBU for this momentous accomplishment.

Comrades, the war clouds are looming large in the horizon. In spite of the fact that in the monsoon session of the Parliament, there was no bill that was brought in by the government on the privatisation of public sector banks does not mean that the government has done away and shelved its decision. On the contrary, there are reports that NITI Aayog has been processing some proposals for recommendation to the Ministry of Finance. Even though from every angle, privatisation of public sector banks is undesirable and retrograde, the government is bent upon pursuing the ill-advised financial sector reforms.

United Forum of Bank Unions, therefore, in its meeting held in the last week of August, has decided to continue our campaign against the privatisation of public sector banks. The winter Session of Parliament is scheduled to be convened in November/December, 2021 and hence, it was decided that this 2-month period should be used for our campaign against privatisation of public sector banks and that it should reach its crescendo through meetings, physical or web-based, to reach our members to sensitise them about the grave danger that would be perpetrated through privatisation of public sector banks. We should ensure to collect the signatures of the customers and general public, wherever possible, and ensure to submit them to the Prime Minister/Speaker of the Lok Sabha in this two-month period. The primary objective of this campaign is to take the message to not only our membership but also to the people at large so that their support could be enlisted for our campaign and our fight against privatisation of public sector banks.

Through our campaign, we should also gear up our machinery so that if the Government announces any decision on privatisation of banks, even at short notice, we should plunge into action and strike work. Comrades, the coming period will be full of strikes and organisational actions. There will definitely be counter-actions from the government but we should be prepared for sacrifices to defend the public sector banks. For us in AIBEA, Public Sector Banks are our Articles of Faith as they are nation building institutions and they should remain so. So be prepared for prolonged struggles and be also prepared for sacrifices because no sacrifice is big enough to defend the

public sector banks. This should be our motto. This should be our goal. This should be our objective. We shall fight and defend the public sector banks and defeat the nefarious attempts of the government in trying to privatise the public sector banks. We should be on guard. Let us unite, struggle, fight and emerge victorious.

## **BANKING AND ECONOMY**

### **(A) Banking (As on August 13, 2021)**

(Rs. in Crores)

1.	Aggregate Deposits	15569906
	Growth (YoY in %)	10.6%
2.	Investments	4613647
	Growth (YoY in %)	6.9%
3.	Bank Credit	10888846
	Growth (YoY in %)	6.5%
4.	Food Credit	72012
5.	Non-Food Credit	10816834

### **Details of Bank Credit**

(Rs. in Crores)

1.	Loans, Cash Credit and Overdrafts	10684015
2.	Inland bills-purchased	31196
3.	Discounted	124155
4.	Foreign Bills – purchased	18882
5.	Discounted	30598

### **Foreign Exchange Reserves (As on August 27, 2021)**

S. No.	Items	Rs. in Crores	US \$ Million
<b>1.</b>	<b>Total Reserves</b>	<b>4669426</b>	<b>633558</b>
1.1	Foreign Currency Assets	4212584	571600
1.2	Gold	275932	37441
1.3	SDRs	143028	19407
1.4	Reserve position in the IMF	37883	5110

### **(B) Ratios and Rates**

	Ratios (As on August 13, 2021)	%
i.	Cash Reserve Ratio	4.00
ii.	Statutory Liquidity Ratio	18.00
iii.	Cash – Deposit Ratio	4.93
iv.	Credit – Deposit Ratio	69.94
v.	Increment Credit – Deposit Ratio	-13.29

vi.	Investment Deposit Ratio	29.63
vii.	Incremental Investment Deposit Ratio	33.11
	<b>Rates (As on August 27, 2021)</b>	<b>%</b>
i.	Policy Repo Rate	4.00
ii.	Reverse Repo Rate	3.35
iii.	Marginal Standing Facility (MSF) Rate	4.25
iv.	Bank Rate	4.25
v.	Base Rate	7.70/8.80
vi.	MCLR (overnight)	6.55/7.00
vii.	Term Deposit Rate > 1 year	4.90/5.50
viii.	Savings Deposit Rate	2.70/3.00

**TNBEF CC Meeting Decisions - Continue the campaign – Be prepared for strikes**

The extended Central Committee meeting of TNBEF was held virtually through zoom app on 20<sup>th</sup> August, 2021. Com C S Venugopal, President of TNBEF presided over the meeting. At the start of the meeting, a minute’s silence was observed to pay homage to the leaders, who passed away during the period and the people and bank employees, who have lost their lives due to the covid-19 pandemic.

Detailed reporting was made on the decisions and conclusions of the AIBEA General Council meeting. While the strike on 15<sup>th</sup> and 16<sup>th</sup> March, 2021 at the call of UFBU was a spontaneous protest against the decision announced in the Budget to privatise 2 public sector banks, it was reported that the Government was still pursuing the agenda and various efforts are being taken by them in this regard. However, the countrywide campaign programmes decided in the last UFBU meeting held at Kolkata, particularly the mass signature campaign, could not be implemented due to the second wave of the pandemic.

Keeping in view the need to sustain and continue the campaign, AIBEA organised month-long webinars and the programme helped both to elicit valuable support from various personalities and organisations, but also helped to make our members aware of the current development and the negative implications of the Government’s policies on privatisation of public sector.

The meeting noted that in the recent monsoon session of the Parliament, while Bill related to privatisation of banks did not come up, at the same time, the Government has pushed their agenda regarding privatisation of general insurance sector and disinvestment of LIC, etc. besides legitimizing the measure to ban strikes in the defence production sector.

In this background and scenario, the meeting was reminded that as per the call of AIBEA General Council, all our units have to continue the efforts to intensify the

campaign to get more public support and also keep all our members prepared for the actions, in the event of Government taking any decision on privatisation of Banks.

It was emphasised that as decided in the General Council meeting, our campaign must reach all sections viz. our Associations, unions and cadres, borrowers and beneficiaries, customers, depositors, employees, friends and relatives and general public at large.

It was decided that series of leaflets would be released by TNBEF in Tamil and units should circulate and distribute the same widely. It was also decided to hold 5 webinars in Tamil to reach more and more people of our State.

After the discussions, the meeting adopted a Resolution endorsing and welcoming the Resolutions adopted in the AIBEA General Council meeting to intensify the campaign and to get ready for strike actions.

The meeting also endorsed the resolution of AIBEA GC meeting relating to Cooperative Banks and RRBs. The meeting decided that efforts would also be made to pursue the issues and demands of Jewel Appraisers, Deposit Collectors and Business Correspondents/ outsourced employees. The meeting also decided to form Federation’s Social Media team to carry on our campaigns through social media platforms.

Com. Venugopal thanked all the participants for their co-operation in conducting the meeting in a successful manner.

**TNBEF launches Com. Sampath Educational Channel**

TNBEF has launched an exclusive platform in social media and created an educational Youtube channel in the name of “Com. Sampath – TNBEF Educational Channel”, which will be undertaking online coaching classes to the school going children of our members in various subjects. This Youtube Channel has been inaugurated in a function held on 15<sup>th</sup> August, 2021. To begin with, classes are being organised for 10<sup>th</sup> Standard (State Board – English medium) students for Mathematics subject. These classes will be open to the children of our members all over Tamilnadu and Puducherry. Children of employees from Cooperative Banks, RRBs, Deposit Collectors, Jewel Appraisers, Business Correspondents, Outsourced and Contract employees as well as temporary/casual workers can also be registered for undergoing the above coaching classes.

**Government clears improvement in Family Pension and Management’s Contribution under NPS as agreed in our Wage Revision Agreement**

In the 11<sup>th</sup> Bipartite Settlement dated 11.11.2020, it was agreed therein as under:

- a) For Employees, who have joined the Banks on or after 1-4-2010 and who are governed by the New Defined Benefit Contributory Pension Scheme, while the employee / officer will continue to contribute 10% of Pay plus DA, the Bank would make contribution at 14% of Pay & DA subject to approval of the Government.

b) It was also agreed, subject to Government approval, that Family Pension shall be payable at uniform rate of 30% of Pay of the deceased employee (without any ceiling).

IBA had duly sent their recommendations to the Government on the above issues for their approval. On 25<sup>th</sup> August, 2021, in a meeting in Mumbai, Honourable Finance Minister informed that the Government has cleared the above two proposals. The formal communication from the Government was also received by the IBA/Banks. The IBA will take steps to advise all the Banks to implement the above improvements at the earliest.

**Improvement in Family Pension**

The background in which AIBEA and AIBOA achieved Pension for bank employees in 1993 against all odds and obstacles is quite well known. Today everyone is convinced that pension is a superior retirement benefit vindicating the visionary approach of AIBEA and AIBOA. Similarly, it was a herculean task to secure one more option for the PF optees including those who had retired in the past to join pension scheme and the same was clinched in 2010 under the banner of UFBU along with the 9<sup>th</sup> Bipartite Settlement. More than 3 lakh employees, officers and retirees were benefitted by this Settlement on providing another option.

Thereafter, from 2010, the issue of improvement in pension scheme like updation of pension and improvement in family pension has been taken up. Since the pension scheme is DA linked and DA on pension has been going up unabatedly, the cost of pension has also been going up. Added to this, there has been the amendments to accounting norms under Accounting Standards-AS 15, under which adequate funding has to be ensured. In view of this, there have been a lot of constraints in achieving these demands. However, AIBEA/UFBU have been pursuing the demands and continuously following up the same. On 22-7-2020, when the understandings on 11<sup>th</sup> Bipartite Settlement was arrived at and the Minutes of Understanding was signed, IBA agreed in principle to improve family pension at uniform rate of 30% for all family pensioners without any ceiling.

Later, on 11-11-2020, when the final Settlement was worked out and signed, a special clause was added in this regard, subject to Government approval of the same.

Based on this Settlement, IBA duly recommended to the Government for their approval and the approval has now been conveyed by the Government to the IBA vide their communication F.No.1/1/2019-IR dated 25-8-2021.

Due to the constant follow-up and continuous pursuance of the issue by the AIBEA and UFBU, this important improvement in Family Pension has been secured.

Existing provision on Family Pension	Now revised as
30%, 20% and 15% of Pay of the deceased employee and with ceiling	<b>30% of Pay in all cases and without any ceiling</b>

The above improvement will be effective from 1-4-2021. Accordingly, Family Pension of all the existing family pensioners will be revised as above with effect from 1-4-2021 and the existing family pensioners would be paid the arrears of the difference amount from April, 2021. This improvement would benefit about 90,000 family pensioners as on date and this revised family pension is payable in all future cases also.

**Improvement in contribution by management for Contributory Pension Scheme for post-2010 employees (those covered by NPS) from 10% to 14%**

In view of Government’s changed policy decision to shift from Defined Benefit Pension Scheme (DB) to Defined Contributory Pension Scheme (DC) and implementation of NPS from 2004 for Government employees, there had been attempts to introduce the same in the Banks also and NPS was introduced in the Banks from April, 2010.

In the scheme introduced for the Government employees, besides contribution of 10% of Basic pay and DA by employees, Government would also contribute equal amount of 10%. Recently, the Government amended the scheme for the Government employees and increased their contribution to 14%. Hence this was taken by Workmen Unions in the Charter of Demands for the 11<sup>th</sup> Bipartite Settlement.

During the negotiations, IBA was initially reluctant to accept this demand, since this would add to the cost of establishment expenses and total wage bill. After a lot of persuasion and arguments, IBA Negotiating Committee agreed to the same but explained that it requires approval of the Government. Accordingly, in the final Settlement signed on 11-11-2020, the following provision was made.

Clause 18 (a): In partial modification of Clause 15 (d) of Bipartite Settlement dated 27<sup>th</sup> April, 2010, in the case of all employees who have joined the Bank on and from 1st April, 2010 and who are governed and covered by the New pension Scheme/ Defined Contributory Pension Scheme, while the employee will continue to contribute 10% of Pay plus Dearness Allowance, the bank (including SBI) will make a contribution of 14% of Pay and Dearness Allowance from the date of settlement subject to approval of Government.

In terms of the above, the IBA had duly recommended the matter to the Government for their approval. We are happy that after due process, the Government has given its approval vide its communication 25<sup>th</sup> August, 2021, to IBA.

Thus, for all employees who have joined the Banks on and from 1-4-2010 and are governed by the Defined Contributory Pension Schemes (NPS), while their contribution will remain at 10%, management’s contribution will be increased to 14% with effect from 11-11-2020.

**Decisions of the UFBU meeting held at Mumbai**

A meeting of UFBU was held at Mumbai on 25<sup>th</sup> August, 2021. The discussions, deliberations and the decisions of the UFBU meeting are given below:

Campaign and Struggle against privatisation of public sector banks: UFBU noted that while details of campaign programmes were decided and chalked out in the last meeting held at Kolkata in March, 2021, the same could not be by and large implemented in view of the pandemic situation on account of the second wave of covid-19 infections. However, looking at the measures taken by the Government in recent months like forcible passing of the General Insurance privatisation Bill, Ordinance in Defence production sector to ban strikes, targeting the sale of various public sector units like BPCL, CCI, Shipping Corporation, power sector, BEML, IDBI Bank, etc, besides the proposal to disinvest in LIC, recent announcement of monetisation of national assets, etc., it was felt that efforts should be taken to continue the campaign programmes in the coming months to the best extent possible. Guidelines outlining the Campaign programmes will be issued separately by UFBU.

The meeting further reiterated the earlier decision that in the event of Government taking or announcing any measures to privatise the Banks, the same should be protested through strike actions, for which all the constituent unions and members should be kept in preparedness.

Improvement in Family Pension and Contribution of NPS: UFBU expressed its happiness to note that the Government has given its approval to the proposal of the IBA as agreed in our recent 11<sup>th</sup> Bipartite Settlement/Officers' 8th Joint Note for increase in management's contribution under NPS from 10% to 14% as well as for improvement in Family Pension at uniform rate of 30% without any ceiling. The meeting conveyed its thanks to the Finance Minister for her final clearance of these proposals, which has now paved the way for implementation of the improvements as provided in the Settlement/Joint Note.

Updation of Pension/Pension related issues: The meeting noted that after the initial round of discussions held on 22<sup>nd</sup> July, 2021, by the IBA on the demand for updation of pension and pension related issues, no further talks have been fixed up to pursue the issues. Hence, it was decided to take up the matter with IBA for holding further discussions on Updation of Pension and other related issues. It was also decided to demand a separate meeting with IBA on residual issues.

### **3-days' Strike in CSB Bank on 29<sup>th</sup>, 30<sup>th</sup> September and 1st October, 2021**

XI Bipartite wage revision has been extended to all the bank employees and officers in public sector banks and other private sector banks, who have given mandate to IBA. However, it is quite unfortunate that the CSB Bank management is refusing to implement the wage revision for their employees and officers. All efforts and attempts made by the unions under United Forum of CSB Bank unions have failed because of the adamant and obstinate attitude of the management. In this background, United Forum of CSB Bank Unions (AIBEA-AIBOC-BEFI-INBEF) has announced a month-long agitation culminating in 3-days' continuous

strike action on 29<sup>th</sup> and 30<sup>th</sup> September and 1<sup>st</sup> October, 2021. UFBU has extended full support and solidarity to the agitation and strike actions of the United Forum of CSB Bank Unions. TNBEF has called upon all the unions and members to extend their support and participate in the programmes organised at various centres in the State. Solidarity demonstrations were held at various centres in the State of Tamilnadu on 7<sup>th</sup> and 8<sup>th</sup> September, 2021. On 8<sup>th</sup> September, 2021, in the demonstration held before CSB Bank, Anna Salai, Com. C.H. Venkatachalam, General Secretary, AIBEA, participated and addressed the comrades.

### **A brief Note on Excerpts and Recommendations from the 25<sup>th</sup> Report of the Standing Committee on Labour**

The 25<sup>th</sup> report of the Standing Committee on Labour was placed before the Parliament in August, 2021. The report dealt with "Impact of Covid-19 on Rising Unemployment and Loss of Jobs/Livelihoods in Organised and Unorganised Sectors". It was informed in the Introduction to the Report, that the Standing Committee obtained written memoranda from 12 Trade Unions viz., BMS, INTUC, AITUC, HMS, CITU, AITUTC, TUCC, SEWA, AICCTU, LPE, UTUC, NFITU and four Industry Associations, FICCI, ASSOCHAM, CII and Chamber of Indian Micro, Small and Medium Enterprises (CIMSME). The Standing Committee also took oral evidence from the above trade unions and industry associations on 7<sup>th</sup> and 8<sup>th</sup> July, 2021.

The excerpts and recommendations from the 25<sup>th</sup> Report of the Standing Committee on Labour are given below:

The worldwide spread of the novel Coronavirus disease (Covid-19) has turned out to be the biggest crisis that the mankind has ever faced. The Covid-19 health pandemic has threatened an 'economic bloodbath' where practically all economic activities around the world have been witnessing a closure. In fact, this health catastrophe has turned into a global economic crises putting at risk the health, jobs and livelihood of millions of people around the world.

The International Labour Organisation (ILO) in its report 'ILO Monitor 2<sup>nd</sup> Edition: Covid-19 and the World of Work' describes Covid-19 as 'worst global crises since World War II'. The Head of the International Monetary Fund (IMF), Kristalina Georgieva said the world faced the worst economic crisis since the Great Depression of 1930s.

According to the ILO, nearly 25 million jobs could be lost worldwide due to the pandemic, which would mean income losses for workers between US dollar 860 billion and 3.4 trillion.

Most of the World's poorest and most vulnerable people live and work in the informal economy and more than half the workforce in developing countries is employed in it. The Covid-19 pandemic has devastated the Indian Labour Market, denting the employment scenario and threatening the survival of millions of workers and their families.

According to the ILO report more than 40 crore informal workers in India may get pushed into deeper poverty due to

the pandemic and sectors such as hospitality and accommodation, retail and wholesale business services, construction and industry have suffered drastic consequences with a decrease in production and loss of hours and employment figures.

In developing countries like India, large share of the population typically depends upon the informal economy. In other words, the economic growth and development in general and livelihood and wages in particular of the vast majority of workers in India crucially depend on the economic viability of the informal sectors.

According to Periodic Labour Force Survey (PLFS), over 90 percent of workers in India are informal workers which in absolute numbers translates into 419 million (41.9 crores) out of a total of 465 million workers.

Out of these 419 million informal workers, 95 percent are engaged in rural areas and 5 percent in urban areas.

In magnitude, the informal workers in rural areas (298 million) comprise almost 2.5 times higher than urban areas (121 million). This is primarily because a large number of informal workers are engaged in farm or agricultural activities (62 percent) as compared to only 8 percent in urban areas.

About 93 million informal workers in urban areas are involved primarily in five sectors namely manufacturing, trade, hotel and restaurant; construction; transport; storage and communications; and finance, business and real estate.

Out of these total 93 million informal workers in these sectors, 50 percent are self employed, 20 percent are casual workers on daily wages and 30 percent are salaried or contract employees.

Thus, the informal workers both in rural and urban areas who have been hit the most due to Covid-19 pandemic comprise the migrants, agriculture workers, casual/contract labours, construction workers, domestic workers, plumbers, painters, carpenters, street vendors, gig/platform workers etc.

Workers in the organised sector have also borne the brunt of job and livelihood losses due to the Covid-19 pandemic. As per Centre for Monitoring of Indian Economy (CMIE) data, nearly half of formal salaried workers moved into informal employment in 2020.

The burden of the income stock was regressive and resulted in a sharp rise in inequality. Due to job losses and wage reductions, during 2020, poverty shot up with the number of individuals who lie below the proposed national minimum wage increasing by 230 million.

Both employment and income bounced back after relaxation of the lockdown in June, 2020. But thereafter recovery stagnated. As per CMIE data, in December 2020, nearly 20 percent of workers who lost work during the lockdown were again or still unemployed. As of December,

2020, real per capita household incomes were, on average, 12 percent below their pre-pandemic level.

According to the Ministry, the data source of employment/ unemployment indicators in India at present is the Periodic Labour Force Survey (PLFS) conducted by the Ministry of Statistics & Programme Implementation since 2017-18. The PLFS reports for the years 2017-18 and 2018-19 are available in public domain.

Some of the Indicators provided by PLFS of Labour Market like Labour Force Participation Rate (LFPR), Worker Population Ratio (WPR), and Unemployment Rate (UR) may be used to assess the impact of COVID-19 on labour markets.

The result of PLFS 2019-20 is awaited. Actual impact of Covid-19 pandemic on unemployment/livelihood can be assessed after the results of PLFS (2020-21) data will be available.

Although no survey data are available as yet on the impact of the second wave which has undisputedly been more severe than the first, anecdotal evidence as well as the situation experienced during the first wave suggest that there would have been significant income losses particularly in the informal sector, pushing the vulnerables deeper into crisis.

Some of the Observations/Recommendations:

#### *RATE OF UNEMPLOYMENT AND JOB LOSSES*

According to Periodic Labour Force Survey (PLFS), over 90 percent of workers in India are informal workers which in absolute terms translates into 419 million out of a total of 465 million workers. The informal workers both in rural and urban areas who have been hit the most due to Covid-19 Pandemic comprise the migrants, agriculture workers, casual/contract labours, building and construction workers, domestic workers, gig/platform workers and self-employed workers like plumbers, carpenters, painters, street vendors etc.

The Committee notes that because of the character of seasonality of employment and lack of formal employee-employer relationship in the Unorganised Sectors, workers belonging to such sectors have been the worst sufferers during the Covid-19 induced lockdowns/ shutdowns.

In other words, the poor and vulnerable workers in the unorganised sectors have been in distress for their informality specifically due to low levels of income and savings, lack of employment security and access to government social protection.

The consequential effects on loss of jobs, rising unemployment, indebtedness, nutrition, health and education of unorganised workers and their family members have the potential to cast a long shadow and irreparable damage. Needless to say, formalising the Unorganised Sector, increasing the productivity, strengthening and

upgrading the existing livelihoods and creating new opportunities should remain the major thrust areas to mitigate the impact of Covid-19 pandemic on unemployment and joblessness.

The Committee also desire that social security measures need to be strengthened and made attractive. Further, the Government should explore ways and means to put money in the bank accounts of the informal workers during adverse conditions like Covid-19.

Workers in the Organised Sector have also borne the brunt of job and livelihood losses due to the Covid-19 Pandemic. The Committee are of the studied opinion that the Covid-19 crisis in India has come in the backdrop of pre-existing high and rising unemployment.

Therefore, a comprehensive plan and roadmap is required to address the deteriorating condition of employment much aggravated by the pandemic, and widening disparities in the job market in the Organised Sector.

The Committee also feel that in the short/immediate term, it is imperative to expand the social assistance and public welfare programmes, both in the urban and rural areas, to provide relief and protection to the most vulnerable and disadvantaged strata of the society.

Offering another round of income support to the poor to compensate for loss of jobs/ employment incurred due to the two lockdowns imposed would go a long way in mitigating their woes.

#### *MGNREGA*

The Committee note that the Government has earmarked Rs. 40,000 crore under MGNREGA to generate employment of nearly 300 crore person days towards addressing the need for more work including returning migrant workers. Further, MGNREGA wage has been increased from Rs. 182 a day to Rs. 202 a day to benefit nearly 13.62 crore families. It is heartening to note that out of the total employment generated (in person days), women's share is 52.1 percent in the FY 2021-22 as on 2nd July, 2021.

While taking note of the measures taken under MGNREGA to boost rural employment and considering the increase in the number of individual members in families because of return of Migrants to their native places due to the lockdowns/shutdowns imposed, the Committee desire that the intended benefits under the Scheme be made individual specific instead of family centric to depict a clear picture of the actual number of individual beneficiaries. The Committee also desire that with a view to mitigating the immediate sufferings of the rural populace, especially the migrant labours, the Government should consider increasing the work allocation under the Scheme to at least 200 days per year so as to effectively cater to the growing job demands.

The Committee further recommend that the Government should contemplate enhancement in the budgetary

allocations under MGNREGA and assured funds for the social and economic security of these workers in view of their precarious conditions during the Pandemic. It is equally imperative to ensure immediate payment to the workers against the work done by them so that workers have income in hand during unforeseen circumstances. Further, health insurance be made mandatory for all the MGNREGA workers by suitably amending the payment schedule.

#### *URBAN POOR*

The Committee's attention has been drawn to the fact that unlike employment generation programmes in rural areas, the plight of urban poor has not got much attention of the Government. The Ministry have clarified that the Government have taken various steps for generating productive employment opportunities both for urban and rural poor.

Such steps inter-alia include encouraging private sector economy, fast tracking various projects involving substantial investment and increasing public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP), Pandit Deen Dayal Upadhyaya Grameen Kaushal Yojana (DDU-GKY), Pradhan Mantri Rojgar Protsahan Yojana (PMRPY), Pradhan Mantri Mudra Yojana (PMMY), flagship programmes such as Digital India, Swachh Bharat Mission, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation etc. Further, the Ministry of Housing and Urban Affairs are administering a centrally sponsored scheme called 'Deen Dayal Antyodaya Yojana - National Urban Livelihood Mission (DAY-NULM)' through the respective States/UTs.

In view of the imperatives involved in reducing poverty and vulnerability of the urban poor households by enabling them to access gainful self-employment and skilled wage employment opportunities, the Committee call upon the Government to pay focussed and urgent attention to build strong grass root level institutions for the urban poor, provide shelters equipped with all essential services to the urban homeless and facilitate access to suitable business spaces, institutional credit, cash grant at difficult times and above all social security so as to ensure improvement in their livelihoods on a substantial basis.

The Committee feel that building schools, hospitals, water works, connecting internal roads alongwith reforestation, soil reclamation etc. are some projects/ programmes which could generate substantial employment in the urban areas. Moreover, there is an imperative need for putting in place an Employment Guarantee Programme for the urban workforce in line with MGNREGA.

#### *MIGRANT WORKERS*

The Committee note that the total number of migrant workers who returned to their home States during the first wave of Covid-19 lockdown was 1,14,30,968 as per the data received from the States/UTs by the Ministry. During the second wave lockdown, 5,15,363 migrant workers returned

to their home States. During the first wave, the maximum number of migrants who returned to their home States belong to Uttar Pradesh (32,49,638) followed by Bihar (15,00,612); West Bengal (13,84,693); Rajasthan (13,08,130); Odisha (8,53,777); Madhya Pradesh (7,53,581); Jharkhand (5,30,047); Chhattisgarh (5,26,900); Punjab (5,15,642); and all other States/UTs including Jammu & Kashmir and Ladakh.

The Committee find that in compliance to the Supreme Court Order dated 9<sup>th</sup> June 2020, the Secretary, Ministry of Labour & Employment wrote a letter on 19th June, 2020 to the Chief Secretaries/Administrators of all the States/UTs to collect and maintain details of all migrant labours who returned to their native places alongwith their skill, nature of employment, earlier place of employment village-wise, block-wise and district-wise to facilitate the administration to extend benefit of different schemes applicable to them.

According to the Ministry, regular review and coordination meetings are being held with the States/UTs with a view to ensuring food security, health safety and transport facilities to the migrant workers. When the entire nation was witnessing a heart-rending sight of lakhs of migrant workers walking back to their native places helplessly without anything to fall back on, the Committee find it surprising that the Ministry waited for as long as two months i.e. until June 2020 to write to the State Governments and that too after goaded by the Supreme Court, to collect the much needed detailed data of the migrant workers. Needless to say, it speaks volumes of the inaction/delayed action on the part of the Ministry at that specific point of never experienced crisis, notwithstanding a number of appreciable and pro-active measures undertaken by the Central Government as well as the State Governments subsequently to provide food, shelter, transport and health facilities to the migrant labours.

The Committee, therefore, exhort the Ministry to take suo-moto cognizance of such unprecedented crisis without waiting for the judiciary to intervene and leverage their monitoring and coordination mechanism with the State/UT Governments to effectively implement the advisories/guidelines issued at the Central level so as to ensure statutory compliance by all the stakeholders for providing the much needed help to the migrant workers and empower them to deal with the pandemic.

The Committee desire that the Public Distribution Systems (PDSs) of the destination State Governments should be able to accommodate the migrants also. Mechanisms should be developed to extend this protection with portability of their ration cards and also enable the local Governments to endorse it. Further, there should be better and stronger coordination between both the

Governments of origin and destination States to ensure the safety and employment rights like minimum wages, portability of social security etc. of the migrant workers. Every care should be taken to recognize and respect the dignity and fundamental rights of the migrant labours, especially women workers.

#### WOMEN WORKERS

In view of the reported large scale unemployment and loss of jobs/livelihoods among the women workers in both organised and unorganised sectors during the pandemic, the Committee desire that the Government should pay special attention and adopt a structured approach towards the rehabilitation of the women work force enabling them to earn sustainable livelihoods.

Measures in that direction should inter-alia include strengthening women entrepreneurs with affirmative action to increase public and private procurement from them; capacity building of women to onboard and manage new technologies; capital support to collective enterprises run by women; investing in infrastructure that supports the childcare and domestic work needs of women workers in diverse employment situations; establishing effective labour market policies addressing wages, employer-worker relations, insurance and workers' ability to negotiate; expanding the social security system to include women informal workers guaranteeing them access to health insurance, pensions and old age homes etc.

#### EPFO PAYROLL

The Committee note that despite Covid-19 Pandemic cumulative net EPF payroll addition for the year 2021 was 77.08 lakh net additions to the subscriber base which is almost at par with 2020 net payroll (78.58 lakh).

The Committee observe that there is addition in net payroll in each month of the Financial Year 2020-21, except for the months of April and May 2020 as most of the economic activities during these two months of 2020 were at halt due to complete lockdown measures put in place.

However, the Committee's attention has been drawn to a study conducted by the Azim Premji University according to which nearly half of the formal salaried workers moved into informal work either as self-employed (30 percent), casual wage (10 percent), informal salaried jobs (9 percent) between late 2019 and late 2020.

Therefore, the Committee desire that the above data and studies conducted by other reputed and credible agencies be taken into consideration by the Ministry and reconciled with the data collected/maintained by EPFO so as to depict an authentic and real picture of the rate of unemployment/loss of jobs in the wake of Covid-19 pandemic for initiating requisite corrective measures as and when warranted.

The views expressed in this Journal are not necessarily the views of the TNBEF.

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