



## Wage Revision: IBA offers 6 % hike to bank staff ; UFBU says 'unacceptable'

Hyderabad, July 31 (UNI)

### UNITED NEWS OF INDIA

Indian Banks Association (IBA) held a meeting with United Forum of Bank Unions (UFBU) in Mumbai on Monday where it had offered 6 per cent wage hike to bank employees and officers as against its two per cent earlier and the Unions had said "it is not acceptable to them as the same is not satisfactory".

UFBU comprises of 9 National Unions in Banks such as AIBEA, AIBOC, NCBE, AIBOA, BEFI, INBEF, INBOC, NOBW and NOBO participated in the meeting.

Mr CH Venkatachalam, who had participated in the meeting as General Secretary on behalf of **All India Bank Employees Association (AIBEA)**, told UNI on Tuesday that the IBA had revised and increased their offer to 6 per cent. 'We welcomed their revised offer but informed them that this is not acceptable to us as the same is not satisfactory', he added.

He said the UFBU urged upon the IBA to increase their offer to adequate level through further discussions and added It has been decided that the next round of meeting of the Negotiating Committee would be held in the last week of August, 2018 to hold further discussions and to take the negotiation forward.

Mr Venkatachalam said the last wage settlement in Banks expired in October, 2017 and hence the revised Settlement is due from November 1, 2017. Even though the IBA has been advised by the Banks to complete the settlement before October, 2017, IBA has been delaying the matter, he added.

The wage revision will cover workmen employees in 37 Banks (20 public sector banks, 10 private banks and 7 foreign banks) and will also cover officers in 30 banks ( 20 public sector banks and 10 private banks). The settlement will cover about 5,00,000 workmen employees and about 4,00,000 bank officers.

The Top Union leader said, in the discussions held in May, 2018 IBA made an offer of 2 per cent increase which was rejected by the Unions and the bank employees observed two-days nation-wide strike on May 30 and 31 2018 to protest the same.

## **India Post Payments Bank to start operations soon with 650 branch**

PTI| Jul 29, 2018

**THE ECONOMIC TIMES**

NEW DELHI: India Post Payments Bank is expected to go live with 650 branches and around 17 crore accounts in August, following clearance from Reserve Bank of India to start operations.

"We are looking at launch date. From an operational, technology and market perspective, we are ready to go live," India Post Payments Bank (IPPB) MD and CEO Suresh Sethi told PTI.

He confirmed that RBI has given approval to IPPB after testing its entire system. The final approval for the launch of IPPB was pending before the RBI. According to sources in the communications ministry the launch of IPPB is expected in August.

When asked about the launch schedule, Sethi without specifying the timings said: "It is very much around the corner".

IPPB was the third entity to receive payments bank permit after Airtel and Paytm. Payments banks can accept deposits up to Rs 1 lakh per account from individuals and small businesses.

The new model of banking allows mobile firms, super market chains and others to cater to banking requirements of individuals and small businesses. It will be set up as a differentiated bank and will confine its activities to acceptance of demand deposits, remittance services, Internet banking and other specified services.

"We have already started testing within closed user group and it is very much running on national basis. As we speak we are already doing it at around 250 branches," Sethi said.

IPPB will go live with 650 branches in addition to 3,250 access points co-located at post offices and around 11,000 gramian dak sevaks (in rural area) and postmen (in urban area) that will provide doorstep banking services.

"With this, we will provide banking services across 1,700 counters and 11,000 doorstep service. IPPB has permission to link around 17 crore postal savings bank (PSB) account with its account. We have received approval for carrying out RTGS, NEFT, IMPS transaction that will enable IPPB customers to transfer and receive money from any bank account. It will facilitate almost full fledged banking," the bank's CEO said.

The payments bank will gradually link all 1.55 lakh post offices in the country to offer the service.

Customers can access their IPPB account through mobile app but it will have limited services.

"Once a customer completes KYC (know your customers) requirement, the app will start offering all the banking service," he added.

IPPB will also launch a mobile app to facilitate online banking service as well as payment for various utilities and services like phone bill, DTH, gas connection, electricity etc.

"There will be 100 plus billers for which IPPB customers will be able to pay from their account. Since IPPB account can hold up to Rs 1 lakh deposit so once PSB account will be linked to them, customers will be able to transfer money from PSB to IPPB and vice-versa. Money beyond Rs 1 lakh can be kept in PSB," Sethi said.

All the billers that accept payment through Bharat Bill Payments system will be available for IPPB customers from Day 1 of the launch, he added.

IPPB was incorporated on August 17, 2016 under Companies Act, 2013 as a public limited company with 100 per cent Government of India equity under Department of Posts.

## **Human Bankers Are Losing to Robots as Nordea Sets a New Standard**

By Niklas Magnusson | July 30, 2018

Something interesting happened in Swedish finance last quarter. The only big bank that managed to cut costs also happens to be behind one of the industry's boldest plans to replace humans with automation.

Nordea Bank AB, whose Chief Executive Officer Casper von Koskull says his industry might only have half its current human workforce a decade from now, is cutting 6,000 of those jobs. Von Koskull says the adjustment is the only way to stay competitive in the future, with automation and robots taking over from people in everything from asset management to answering calls from retail clients.

While many in the finance industry have struggled to digest that message, the latest set of bank results in Sweden suggests that executives in one of the planet's most technologically advanced corners are drawing inspiration from Nordea.

At SEB AB, CEO Johan Torgeby now says that “whatever can be automated will be automated.”

Nordea, which is the only global systemically important bank in the Nordic region, saw total costs drop 11 percent in the second quarter from a year earlier as staff numbers fell 8 percent to about 29,300. By comparison, Barclays Plc, which has roughly the same market value as Nordea, had almost 80,000 employees at the end of 2017, according to the latest figures. (To be sure, Barclays’s assets are more than twice as big as Nordea’s.)

### **Less Staff**

Nordea employee numbers have dropped to the lowest level in five years. Nordea Reaps Reward of Strategy Upheaval after a Punishing Year.

SEB, Svenska Handelsbanken AB and Swedbank AB all acknowledge that adding technology is key. But they have different ideas about the extent to which humans need to be replaced by robots and they’ve been far more restrained with job cuts than Nordea. Some banks have even gone on a hiring spree to add technology specialists and computer scientists.

### **Profit Boost**

Nordea had the biggest profit growth among Swedish banks in second quarter.

Nordea’s lower costs helped it deliver a 31 percent annual increase in operating profit last quarter, the best performance of Sweden’s four main banks. And after waiting roughly a year for Nordea’s digital plan to pay off, investors were rewarded when the bank’s earnings report triggered the best share-price performance since early February.

Other Swedish banks are now trying to automate more and to do so faster. SEB’s Torgeby says there’s no question that new technology is “impacting customer behaviors and disrupting banks’ existing business models.”

And a bank that had previously stood out for its reluctance to replace branches with automation appears also to be adjusting its approach. Handelsbanken CEO Anders Bouvin now says going more digital will make the bank's operations more efficient, and he wants management to push through "strategic initiatives for business development and efficiency improvement."

Handelsbanken plans to unveil more details after the third quarter. Swedish media have reported that the bank's automation plans may put about 2,000 employees out of work, though Bouvin has so far said he doesn't want to fire people.

At Swedbank, CEO Birgitte Bonnesen has been looking for ways to automate more services since she took the helm in 2016. The bank, which for almost two years has had a separate digital unit, has also focused on automating mortgage applications.

### **Cutting Alone**

Nordea is the only major Swedish bank that has instigated any big jobcuts.

But to date, the only Swedish bank to have seen its headcount go down in any significant way is Nordea. There were about 2,500 fewer people working there at the end of the second quarter than there were a year earlier. Meanwhile, staff numbers at the other three banks were largely unchanged.

Von Koskull says it's not just finance that has to go through this adjustment.

"We all need to understand that our industry, and many other industries and society, is going through a tremendous change," he said in an interview earlier this month. And that's something that "we need to be prepared for."

## **7th pay commission: For pay benefits sake, these employees take things in own hands**

***7th pay commission: Without a doubt, the most important aspect under the spotlight for central government employees is the uncertainty surrounding their salaries, which has been continuing for years now and there does not seem to a shred of light being shed by authorities in recent months about whether the 7th CPC pay issue is on the table***

By [ZeeBiz WebTeam](#)

Jul 30, 2018



7th pay commission: Without a doubt, the most important aspect under the spotlight for central government employees is the uncertainty surrounding their salaries, which has been continuing for years now and there does not seem to a shred of light being shed by authorities in recent months about whether the 7th pay commission pay issue is on the table. Yes, there have been other big benefits that have been either cleared or are being mulled in recent weeks, but the most important one is about salary hikes and this issue is surrounded by a cloud of doubt.

Issues of wage hikes is also something that the banking sector too is having to grapple with. However, unlike the central government employees, the bank employees have gone beyond just threats and have actually resorted to strikes in recent times to press the issue of wage hikes. Now, they are all set to resort to another strike unless their demands are met!

However, central government employees and their demands for 7th pay commission linked salary hikes is, for now, totally divorced from any calls for strikes and protests. The difference is that the banking staff is unwilling to stay put and have taken things into their own hands. On Monday, the top banking lobby Indian Banks Association (IBA) as well as the bank employees unions will meet to negotiate pay hikes for some 37

banks. These are not just public sector banks, but also span private and even foreign banks. Bank unions are represented by United Forum of Bank Unions and they will decide on their behalf what steps to take to ensure their demands for wage hikes are accepted by authorities.

Bank employees salary revision is pending from November 2017. In the last meeting between these entities on May 5, 2018, bank employees were offered a meagre 2% salary hike by the IBA. Since this was unacceptable to the unions, they started a two-day strike from May 30. Employees want, not 2%, but a 25 per cent salary hike! However, UFBU convener for Maharashtra, Devidas Tuljapurkar said, "We are open for negotiations." Thereby indicating a lower figure would be acceptable too. Tuljapurkar added, "So far, the wage revisions have always been in double-digits, which we are okay with, but 2% is not acceptable to us."

Banks, on their part, are pointing to the massive NPA crisis they are going through for offering such a nominal hike. The unions said the employees are not responsible for that and in fact they have been working extremely hard to implement various government schemes. This is quite in contrast with 7th pay commission based demands of central government employees. After initially threatening to go on strike, they have preferred to stay silent on the issue of raising the fitment factor to 3.68 times and for minimum salaries to rise to 3.68 times. As far as the banking sector is concerned, the battle lines have been drawn and troops are hunkered down in the trenches. It remains to be seen whether another strike is in the offing.

## **Mark Mobius cautions RBI, says increasing rates now would be 'big mistake'**

***Most economists in a Bloomberg News survey expect the RBI to raise the report rate by 25 basis points on Aug 1***

[Anirban Nag | Bloomberg](#) | July 30, 2018

**Business Standard**

The Reserve Bank of India (RBI) will make a "big mistake" if it raises interest rates this week, according to veteran emerging markets investor Mark Mobius.

His view goes against the crowd. Most economists in a Bloomberg News survey expect the Reserve Bank of India to raise the report rate by 25 basis points on August 1, a second hike in eight weeks. The six-member monetary policy committee headed by Governor Urjit Patel began its discussions on Monday.

Headline inflation is at the highest level in five months and above the 4 per cent midpoint of the central bank's target band, while core inflation -- which strips out food and fuel -- has climbed above 6 per cent.

But Mobius said that various Indian states are facing problems and a cut in borrowing costs is what's needed to boost investments.

"I think they should lower interest rates in India, not raise them because you have many states with different economic situations all over the country," Mobius, partner and co-founder of Mobius Capital Partners, said in an interview with Bloomberg TV in Hong Kong. "You got real differences in India. It would be a big mistake for them to raise."

## **Hackers deposit Re 1 in Trai chief's account**

TNN | Jul 30, 2018  
**THE TIMES OF INDIA**

BENGALURU: Ethical hackers on Sunday claimed to have the bank account details of Telecom Regulatory Authority of India (Trai) chairman R S Sharma and posted the same on Twitter. Users also posted screenshots of sending Re 1 to Sharma via the Aadhaar-Enabled Payment Service using apps like BHIM and Paytm, and through IMPS. They also posted the transaction IDs.

This is a fallout of the chairman's move to post his Aadhaar number, 7621 7768 2740, on Saturday and challenging Aadhaar critics to do him harm if they could. TOI could not independently confirm any of Sharma's data.

On Sunday, ethical hackers - including Elliot Alderson, Pushpendra Singh, Kanishk Sajjani, Anivar Arvind, and Karan Saini - pointed out that nearly 14 items had been leaked so far. This includes Sharma's mobile numbers, residential address, date of birth, PAN number, voter ID number, telecom operator, phone model, and Air India frequent flyer ID.

They also claimed to have his bank account number and IFSC code for five other accounts - in PNB, Bank of India, SBI (joint account), Kotak Mahindra and ICICI Bank. Anivar Aravind and a few others sent Re 1 to his Bank of India account via AEPS. Twitter users cautioned the chairman that the ability to send money to him without his consent could expose him to blackmail, money laundering and other dangers.

Hackers also posted his demat account details, his payment history for a three-year subscription to a right-wing website with his SBI debit card, usage of Aadhaar card for sale of organic goods by Leela Dhar Organics of Hari Sewak Sharma on July 2, 2018.

Ethical hackers are those who hack into computer networks to test or evaluate their security, rather than with malicious or criminal intent. Aadhaar issuing body UIDAI on Sunday reiterated that Aadhaar was safe and secure.

UIDAI said that hackers had obtained this information on R S Sharma by Googling him as he was a long-standing public servant. This was shortly after Pushpendra Singh, who is also a blockchain developer, posted screenshots of obtaining Sharma's Punjab National Bank account number, IFSC code, MICR code and other details from the UIDAI database. TOI could not independently confirm any of Sharma's data.

Ethical hackers also claimed to have his bank account number and IFSC code for five other bank accounts. Anivar Aravind and a few others sent Re 1 to his Bank of India account via AEPS. Hackers also posted his Yahoo email address, demat account details, his payment history for a three-year subscription to a right-wing website with his SBI debit card, usage of Aadhaar card for sale of organic goods by Leela Dhar Organics of Hari Sewak Sharma on July 2, 2018.

French security expert Elliot Alderson advised Sharma to change his Gmail password as it had been hacked. To which Sharma tweeted: "No. Why should I change? It is working fine! Even if you hack, it is not because of Aadhaar!"

Telecom Regulatory Authority of India (TRAI) chairman R S Sharma's Twitter challenge has now escalated into a Twitter war between those who are for Aadhaar and those against it. On Sunday, following Sharma's footsteps, several Aadhaar supporters posted their Aadhaar numbers online and dared hackers to harm them.

The TRAI chairman retweeted the tweets from his followers such as Amarendra Joshi (also followed by Narendra Modi's official handle) who put out their Aadhaar numbers. Other users like VG, Amit Kumar and a dozen others posted their Aadhaar details and mobile numbers. Sharma retweeted one Bharath Vasi's tweet: "A tight slap to all the hyper active privacy paranoids!! The self-proclaimed hackers, who are showing his mobile, PAN numbers & address data, can't they hack such info without knowing his Aadhaar? Surly they can obtain! Then why blame #Aadhaar?"

Several anti-Aadhaar tweets pointed out that those exposing the data are ethical hackers and cannot use it to harm Sharma.

## **Solving the mystery of missing employment data in the Indian economy**

***The prime minister is partly right in the sense that the most authoritative data on employment-unemployment from the periodic NSSO were not available after 2011-12***

Jul 30 2018 | [Himanshu](#)



In an interview given to Swarajya magazine earlier this month, Prime Minister Narendra Modi lamented the lack of data on jobs in the country.

This was in response to a question on why the economy is not creating jobs. The prime minister is partly right in the sense that the most authoritative data on employment-unemployment from the periodic National Sample Survey Office (NSSO) were not available after 2011-12. But this does not mean that there is no data on jobs in the economy.

There are numerous sources, which provide estimates of employment for the whole economy, as well as some for only particular sectors or particular types of employment. Much of the debate on jobs has been based on these data sets ranging from the quarterly surveys of the labour bureau to the privately conducted surveys by the Centre for Monitoring Indian Economy (CMIE).

Apart from these, there are also several good proxies, which can be used to arrive at some idea of the employment scenario in the country, national accounts and wage data being two important sources. The other source that has been used extensively as a proxy for employment generation is the data on social security enrolment from Employees' Provident Fund Organisation (EPFO).

The absence of authoritative and credible data has led to a situation of claims and counter-claims on employment creation under this government, depending on the choice of data. So far, the most authoritative data, similar in most respects to the NSSO surveys, are the labour bureau annual surveys. The last two surveys report that employment in the economy reduced by 16 million between March 2014 and July 2015. All other sources of data are sectoral and, at best, cover less than 10% to a maximum of 25% of the workforce. Attempts at using these to arrive at national estimates are unrealistic and unreliable. But even with these, the rate of employment creation is not only lower than the rate of employment creation during the United Progressive Alliance (UPA), but also nowhere close to the promised 20 million jobs per year. Even the CMIE data, which is the only private sector data source on employment, suggests a decline in rate of employment creation since demonetization and certainly much lower than what is required.

Among the indirect data sources, perhaps the most conclusive evidence is from the wage data, which shows a decline in real wages since May 2014 when the government took over. Clearly, the evidence on jobs may be less than robust compared to NSSO surveys, but it does show that there is no evidence of job creation having accelerated under this government. And certainly, nowhere close to what is required for the economy and what was promised by the prime minister during his election campaign in 2014.

It is, therefore, disingenuous for the prime minister to lament the lack of jobs data. Since this was one of the promises that fetched him the brute majority, there was enough time for the government to have a survey on employment and unemployment, if it was serious to show its efforts on employment creation. But not only did the government discontinue the annual series of employment and unemployment by the NSSO, it also delayed the scheduled employment-unemployment surveys to the last year of the government.

NSSO conducted six surveys on employment-unemployment between 2004 to 2011-12. These were in 2004, 2004-05, 2005-06, 2007-08, 2009-10 and 2011-12. After 2014, the government asked NSSO to include surveys on sanitation, Jan Dhan Yojana and other government schemes, but no attempt was made to restart the employment surveys until it was pressured to start the periodic labour force survey and the employment surveys of NSSO. But even for this survey, it is unlikely that the results will be out before the general elections of 2019.

Even though the NSSO surveys were discontinued after 2011-12, the annual surveys of labour bureau provided information on the employment trend after 2011-12. But even the annual surveys of labour bureau, which are comparable national surveys on employment-unemployment started in 2009-10, were discontinued after 2015-16 when these showed employment decline by 16 million in the first year of this government. No justification was provided by the government on why these were discontinued.

Clearly, the absence of jobs data is not just a coincidence. The government of the day made all efforts to ensure that there was no credible data on jobs by discontinuing the existing data sources. While the absence of credible data has hampered a meaningful analysis of the state of the economy, as far as jobs creation is concerned, it has not deterred the prime minister and other senior ministers from claiming robust job creation based on dubious and limited data.

It has also helped them to deflect the attention from serious issues of employment quality and quantity to frivolous claims of pakoda-making and paan shops as alternative employment opportunities. While the government may win the debate on job creation using fictitious data and may also benefit politically, the biggest casualty will be the truth of what happened to jobs in the economy. The only beneficiary of the missing jobs data has been the government.

<b>EVERDAY IS AIBEA DAY</b>		<b>AIBEA THIS DAY – 1 AUGUST</b>
<b>1953</b>	<b>5<sup>th</sup> Conference of AIBEA, Lucknow. Com. Bina Roy and Com. Prabhatkar elected as President and General Secretary.</b>	
<b>1968</b>	<b>One hour strike against 36 AD (Social Control Bill) throughout the country.</b>	
<b>1978</b>	<b>3<sup>rd</sup> Bipartite Agreement concluded.</b>	
<b>1987</b>	<b>National convention against privatization (Financial sector) organized by United Forum of Bank Unions and Insurance Unions.</b>	
<b>2006</b>	<b>UFBU leaders meet Union Finance Minister</b>	

## **ALL INDIA BANK EMPLOYEES' ASSOCIATION**



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