



ALL INDIA BANK EMPLOYEES' ASSOCIATION

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TO ALL UNITS AND MEMBERS

Dear Comrades,

- **From the pages of our glittering history**
- **The unforgettable 1st All India Strike by AIBEA 61 years ago on 23rd Sept. 1954**

Dear Comrades,

All of us are aware that the history of AIBEA is an inspirational and motivational saga of seven long decades. The history of AIBEA is inspiring because it is studded with incessant struggles and innumerable achievements. Our successes are unique because of our capacity to struggle and ability to strike. The calendar of AIBEA is replete with so many struggles and strike actions, the last one being the glorious strike action on 2nd September, 2015 along with the entire working people of our country.

After the AIBEA was born in 1946, there have been many struggles in various Banks and in many States. There were also prolonged strike actions – **36 days** strike in National Bank and **45 days** strike in Imperial Bank in 1946, **7 days** strike in Bharat Bank in 1947, **19 days** strike in Central Bank of India in 1948, **21 days** strike in Bharat Bank in 1949, **49 days** strike in PNB in 1951, etc. But all these strikes were confined to some States and in those respective Banks. It was only on the 23rd September, 1954, at the call of AIBEA, the first-ever All India Strike in the banking sector was observed throughout the country.

The backdrop: When the K.C. Sen Award was declared null and void by the Court in April, 1951 on technical grounds, there were again bouts of agitations by bank employees and the demands were referred to the Panchapakesa Sastry Tribunal in January, 1952. Sastry Award was given in April, 1953.

Sastry Award reduced the wages: To the utter shock of the bank employees, Sastry Award contained various negative decisions. The Award resulted in reduction in the salaries and the pay scales recommended by Sen Award were slashed down. For example, the pay scale of Rs. 96 to 290 recommended by Sen Award for a clerk in Area I in 'A' Class Bank was reduced to Rs. 65 to 280 by Sastry Award. Similarly, pay scales of Rs. 62 to 191 given for a clerk in Area III in 'C' Class Bank was reduced to Rs. 51 to 102. A new DA formula was introduced and a new Area known as Area IV was created where the emoluments were further reduced. On technical grounds, Bonus was denied. Thus, there were many provisions by which employees' salaries were reduced by Sastry Award. Naturally, employees were opposed to the recommendations of Sastry Award.

AIBEA went to LAT on appeal – Bankers threaten closure of Banks:

AIBEA appealed to the Labour Appellate Tribunal (LAT). The LAT Award was given on 28th April, 1954. To some extent, its recommendations were beneficial and to some extent, the wage cut was cancelled by LAT Award. Bank employees felt a sigh of relief on account of this. But a conspiracy was hatched. The Government extended the time limit for appeal against the Award. B.M Birla, the leading industrialist and President of FICCI and various other Chairmen of Banks approached the Nehru Government and threatened that if LAT Award is allowed to be implemented, they would increase the charges for the customers or close down banks/branches and reduce the employees.

Government sides with Bankers : The Government, at the behest of the bankers, filed an application to the LAT suggesting the employees in places with less than 30,000 population should be exempted from the Award. This angered the bank employees and at the call of AIBEA there were powerful and massive demonstrations. The venue of the LAT Commission was surrounded by bank employees and in the end, the LAT dismissed the application of the Government. But to the total disbelief of the bank employees, the then popular Nehru Government succumbed to the pressures of the industrial tycoons who were heading the Banks and issued administrative orders unilaterally modifying and altering the LAT Award, exactly on the lines of the Sastry Award and also introducing a new Area IV with population of 30,000 and less and employees in this area to get lower level of wages.

AIBEA's clarion call for All India Strike on 23rd Sept. 1954 : AIBEA very rightly reacted to this blatantly anti-labour and nakedly illegal decision of the Central Government. AIBEA held its Special Session in Calcutta (Kolkata) and gave the call for first ever All India Strike on 23rd September, 1954 demanding implementation of LAT Award without any change. This bold decision highly enthused the bank employees and preparations were in full swing. The Government sensed the fighting mood of the bank employee and appointed a Cabinet Sub-Committee consisting of Finance Minister (Chintaman Deshmukh), Industry Minister (T.T. Krishnamachary) and Labour Minister (V.V. Giri). AIBEA was invited to meet them and AIBEA explained the logic behind our demand and illegality of the Government's decision. But the Committee insisted that AIBEA should accept the Sastry Award and the wage reduction.

Great success of strike – Labour Minister had to resign : Thus, the strike became inevitable. AIBEA made hectic preparations for the implementation of the strike. But the Government thought that bank employees and AIBEA can be cowed down by their tough stand. Many predicted that the strike would be a flop and it would be the doomsday for AIBEA. But thanks to the militancy of bank employees, the strike was a thunderous success. Pages of the history tell us that bank employees in Calcutta kept their vigil the whole night and picketed all bank branches in the main banking area in Dalhousie Square (now BBD Bagh) so that even officers do not enter the Banks. Everywhere, the strike was a great success. The strike created a storm inside the Parliament. Communist Party leader Com Hiren Mukherjee warned the Government that they were pushing the bank employees to the wall. Dr.B.R Ambedkar spoke of the efforts of the Government to favour the capitalists and against bank employees. Labour Minister V.V. Giri resigned in protest against the Government's decision stating that even the Prime Minister had no right to interfere and alter the judgement of the LAT.

AIBEA Conference in Madras – Call for Indefinite Strike from 10th Dec. 1954 : In the background of the massive success of the first All India strike on 23-9-2014, AIBEA convened its 6th Conference at Madras (Chennai) on 16-10-1954. The delegates spoke of the shameful conduct of the Government in altering the decision of the Labour Appellate Tribunal and surrendering to the pressures of the capitalists-bankers. They also spoke of the agony of bank employees in waiting for more than 8 years to get their wage revision. Hence the Conference gave the call for Indefinite Strike from 10th December, 1954.

Government relents – Indefinite strike deferred : As the strike was nearing, the Government became nervous. Their intelligence report collected by the Government showed that the bank employees were visibly angry and were determined to go ahead with the indefinite strike. The Government relented and announced the appointment of Bank Award Commission with Justice Rajadhyaksha of Bombay High Court as Chairman to go into the entire issue and give its decision. On his sudden death, Justice Gajendra Ghadkar, Chief Justice of Bombay High Court was made the Chairman of this Commission. Many trade union leaders and MPs like Com S A Dange, Ashok Mehta and others to defer the strike and participate in the proceedings of the Commission. Many MPs also appealed to the Government not to stand on prestige and restore status quo. On 6th December, Prime Minister Jawaharlal Nehru assured the bank employees that Government would come down heavily on any Bank which failed to implement the Government's assurances safeguarding the existing emoluments for one year. He further assured that the findings of the Gajendra Ghadkar Commission would be given retrospective effect.

The Commission gave its findings in July 1955 and the same were accepted by the Government in toto and embodied in the Industrial Disputes (Banking Companies) Decision Act, 1955. The LAT Award was by and large restored.

With this success of the strike and our demand, AIBEA created a new history of militant struggle and confrontation with the Government and the bankers in championing the cause of bank employees. Six decades are over and this great fighting legacy continues.

On the eve of the 61st Anniversary of the 1st All India Strike by AIBEA, we recall this golden chronicle from the glittering pages of our history. Let us take the pledge that we shall continue this militant path and take AIBEA to greater heights.

With greetings,

Yours Comradely,



**C.H. VENKATACHALAM
GENERAL SECRETARY**