

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 3172

TO BE ANSWERED ON 15th MARCH, 2021 (MONDAY) / PHALGUNA 24, 1942(SAKA)

Bank Employees Wage Settlement

3172. SHRI T. R. BAALU:

Will the Minister of FINANCE be pleased to state:

- (a) whether the long pending demand of the bank employees/retired bank employees for revision of pension periodically along with wage settlement is under consideration of the Government;
- (b) if so, the details thereof along with the time by which a decision is likely to be taken in the matter; and
- (c) whether the banks and the Government are not accepting the demand and if so, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) to (c): Pension to pensioners of nationalised banks is financed by the respective bank out of its commercially generated revenue. Such pension was introduced as a funded scheme on the basis of consensus arrived at between bank employee unions/associations and the Indian Banks' Association, which negotiated on behalf of participating banks. The Boards of the respective nationalised bank accordingly made Employees' Pension Regulations in exercise of their powers under Section-19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980. The Indian Banks' Association has recommended recently that family pension be improved to 30% for all employees, without any cap, and the same is under consideration of the Government.

As regards wages in banks, the same are settled on the basis of settlements arrived at every five years between bank employee unions and the Indian Banks' Association, which negotiates on behalf of participating banks. Following the recent bipartite settlement, Government has conveyed its no objection to the Indian Banks' Association advising banks to pay an *ad-hoc* amount of arrears, revised salary and allowances to serving employees, and revised pension and arrears to pension optees who have retired on or after 1.11.2017.
