

## KEYNOTE ADDRESS

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Comrade President, Hon. Minister Shri Ananthkumar, General Secretary, Central office-bearers and other distinguished guests and delegates.

On behalf of Trade Union International (P & R) I extend my warm greetings to all the delegates and observers who are assembled here from various parts of this great country on the eve of 2nd Triennial Conference of All India BSNL Pensioners Welfare Association.

**TUI Formation Conference :** I participated along with General Secretary Com G.Natarajan in the formation conference of TUI (P&R) held in Barcelona (Spain) in February 2014 as a representative of AIBSNLPWA and I was elected as Secretary (organization for Asia). At this juncture, I express my sincere thanks to AIBSNLPWA for the gesture. It provided an opportunity to understand the problems of senior citizens, social security for them in various countries. We also presented a valuable document (along with translated version in French & Spanish), narrating the Indian situation, on behalf of AIBSNLPWA which was appreciated by one & all.

**WFTU :** All of you may be aware that TUI (P&R) is an affiliate of World Federation of Trade Unions (WFTU). WFTU was formed on 3rd October 1945 in Paris and 70th anniversary was celebrated this year. It is the symbol of unity of the international workers' movement. Though it is a working class based organization, it is open to all irrespective of their political belief or affiliation. It represents 120 million members from across 126 countries. It fights against 'imperialism' and all sorts of injustice. 10 Trade Union Internationals including TUI (P&R) functions under it.

**Attack on senior citizens' Rights :** As a result of 2008 financial crisis, pensions across Europe are affected. In 2009, Poland reduced the number of people eligible for early retirement from 1.53 million to 8,60,000 and pension was reduced from 51% to 26%. Older people in southern Europe were hit hard, particularly Greece and Portugal. Spain froze its pension, while Italy legislated to encourage private pensions. Other negative impacts included widespread cuts to health and home care, subsidized transport. In 2012 Portugal reduced the subsidy to senior citizens for public transport; within six months 41,000 older people in one area called greater Lisbon had stopped buying the monthly travel passes. To face these onslaughts a global organization for pensioners became necessary and hence TUI (P&R) was formed.

**Ageing Population :** Globally 901 million senior citizens are there in 2015 which constitutes 12.3% of total population. It is projected that the figure may go to 1,402 million (16.5 of population) in 2030 and 2,092 million (21.5% of population) in 2050 (source - UNDESA population Division). Global population ageing is the great success story of human development, resulting as it does from falling birth rates and longer lives.

**Concern For Senior Citizens :** Senior citizens make an important contribution to the fabric of society. The first significant attempt at the international front was in the form of the World Assembly on Ageing in 1982 at Vienna by UN. The Assembly said "the need is to make the old age meaningful, contented and happy". World Health Organisation (WHO) stated in 1999 that countries would become old if governments, international organisations and civil society don't adopt "Active Ageing" policies and programmes that enhance the health, participation and security of older citizens. The word 'Active' refers to continuing participation in social, economic, cultural, spiritual and civic affairs.

The Committee on Economic, Social and Cultural Rights has recognized that old age is one of the contingencies to be covered by social security and has held that article 9 of the International Covenant on Economic, Social and Cultural Rights "implicitly recognizes the right to old-age benefits. The Committee has also clarified that social security encompasses both contributory insurance-type schemes and non-contributory tax-funded schemes.

**NEED FOR Social Security :** To secure incomes, it is vital to advance the right to social security in old age, by ensuring universal pension coverage. To keep people in the best possible health and increase healthy life expectancy, everyone needs access to good quality healthcare that is appropriate and affordable across their lifetime. Older people need to feel part of society, be able to get about on public transport, feel safe and live an independent and autonomous life.

Gravities

Providing basic social protection to older people is about recognizing the right to a dignified old age as well as the need for financial independence. As countries age, they need to invest in supporting the contributions, experiences and expertise of their growing number of older citizens.

**Specific policies required :** At retirement age 86.5% women and 99.2% men are getting pension in Western Europe. Corresponding figures for Central & Eastern Europe are 93.8% and 97.2% and in Latin America it is 52.4% & 62.3% respectively. In low & middle-income countries only 25% of above 65 population receive pension (Source - ILO 2014).

Economic growth alone will not improve old people's wellbeing and specific policies need to be put in place to address the implications of ageing. Mexico introduced tax-financed social pensions to ensure everyone can look forward to a minimum standard of income security in old age. Because of the rapid expansion of social pension schemes in the past decade by Mexico 90% of people above the age of 65 are now covered. Japan, a hyper-ageing country, with 33% of population over 60 years of age adopted a comprehensive welfare policy in 1961, introduced universal healthcare, a universal social pension, and a plan for income redistribution. This investment has paid-off with a healthier labour force and increased longevity. As a result, Japan is not just the oldest, but also one of the healthiest and wealthiest countries in the world.

Nepal's income security is boosted by 56% pension coverage. In Nepal, the senior citizens Act of 2006 was amended in 2013 and it has adopted treatment guidelines for delivering healthcare to older people. Another neighboring country Srilanka's long-term investments in education and health have had a lifetime benefits for many of today's older population. Even in Bangladesh the status of senior citizens are better than India.

Brazil ranks highest among BRICS countries in terms of income security. This is due to near universal pension system which has relatively high levels of adequacy by international standards. The system includes two forms of non-contributory pension for rural and urban areas, as well as minimum pensions within the contributory system, all of which are tied to the minimum wage. This has made a major contribution to reductions in inequality over the last two decades. The poverty rate among older persons in Brazil would be 48% in the absence of its public pension system, compared with the present rate of 4%. China has the largest population of older people in the world with 209 million people (15% population is more than 60). It introduced "Rural Social Pension Scheme" in 2009. Because of that scheme, 89 million senior citizens received pension payment for the first time. In 2013 China amended a national law to protect the rights of older people, mandating local governments to provide social security, medical and long-term care to their senior citizens. Pension coverage has gone up to 75% and health insurance coverage to nearly 90%. In spite of having economic and political weight, relatively high Gross National Income (GNI) per capita, Russia & India rank lower in the Index. Russia has wide pension coverage but no national plan on ageing. Now it is being developed. South Africa has social pensions and it is about 23% of the average salary.

**Indian situation :** According to socio economic caste census data released in July 2015, out of 243.95 million households nearly 75% live in rural India. 56.25% of rural households do not have any agriculture land. 9.68% rural households have a member who is getting regular monthly salary and only 1.61% have their own small business. 51.14% depend on manual casual labour income. Only 3% rural households has a member who is a graduate. 74.5% rural households have less than Rs.5000/- income per month and only 8.3% has an income of more than Rs.10000/- per month.

In India 116.6 million are senior citizens and only 28.9% of senior citizens receive pension. Out of this, 2/3rd are getting a very small amount as old-age social pension who are below poverty line. Art. 41 of Indian Constitution talks about "well-being of senior citizens". National Policy on older persons (NPOP) was evolved in 1999. Maintenance and Welfare of Parents & senior citizens Act, 2007 was enacted in December 2007. It is not enough to have proper policy but its proper implementation should be ensured. Indian Govt. spends only 0.032% of GDP for senior citizens.

**Universal Social Pension Possible :** A question may arise whether it is affordable for low and middle income countries to pay guaranteed basic income for older people? Research in 50 countries found that the cost of a

universal pension for all over 65 at 20% of average income would range from 0.4% to 1.8% of GDP. Social pensions help to tackle inequality and support growth. Bolivia, despite being one of the poorest countries, has had a progressive policy environment for older people with a National Plan on Ageing, free healthcare for older people and a non-contributory universal pension. In Bolivia, the universal Dignity Pension for everyone from the age of 60 has led to dramatic increases in school enrolment and falls in child labour in households. Sweden, as a developing economy, 100 years ago, introduced universal pension scheme. Norway introduced it in 1937 before achieving the current status of high-income country. Even Mauritius introduced a universal pension in 1958.

**Status of old people in various countries :** With the available datas, Global Agewatch Index provides ranks every year from the year 2013 for 96 countries (where nearly 90% of senior citizens live) out of 194 countries. The ranks are awarded taking into account four domains viz. Income Security, Health Status, Capability & Environment. According to Global Agewatch Index 2015, Switzerland, Norway, Sweden, Germany, Canada, Netherlands, Iceland, Japan, USA & UK are in the top ten.

On the basis of these ranks, among the BRICS group, China is at 52nd place, Brazil - 56th, Russia - 65th, India - 71st and South Africa 78th (among 96 ranks). In 2014, India was in 69th place among 96 but it declined to 71st place in 2015.

**Healthcare :** Healthcare is most important for senior citizens. Out of total Government's spending on health it is 18.7% in Germany, 17.4% in Norway, 12.9% in China, Nepal 7.9% and India 3.6% (Source - WHO). The survey of Health, Ageing and Retirement in Europe found that the poorest spent the highest share of their income on health care and that out-of-pocket expenses were heaviest for the oldest, the less healthy, and women.

**Organisation is essential :** Organisations of older persons are essential. It can help harness the political influence of older persons and ensure that they are able to contribute meaningfully to decision-making processes at all levels of Government. There are a number of highly influential organizations of older persons around the world. American Association of Retired Persons (AARP) in USA has a membership of about 40 million. Sweden's half of older residents belong to the National Pensioners' Organisation. Helpage international is a global network of NGOs giving voice to older persons and influencing policy at various levels. International Federation on Ageing is another such organization. The International Federation of Associations for Elderly people consists of 150 associations or federations representing 300 million older persons from 60 countries. European Federation of Older persons strives to improve the quality of life for older persons at the societal, social and political levels. Some countries also have political parties of older persons. Grays in Germany, the Party of Pensioners of Ukraine and the Russian Pensioners' Party which sometime back merged with another party to become one of the most important political parties in the Russian Federation.

**Vote-Bank :** Among the global voting population, 17% were senior citizens in 2005. It would be 33% by 2050. The high rate of voter turnout among older persons is an indicator of their abiding interest in public affairs and their desire to influence the political process. For instance, in Kazakhstan older persons constitute an active electorate, with 72% of those over age 65 having voted in 2005 elections, compared with just over 50% of those in the age group of 35-40. Policies supporting older persons have garnered increased attention in some parts of the world because older people there, on the whole, more politically and socially active than members of other age groups. The political participation of older persons has greatly influenced decision-making processes relating to pension schemes and the provision of social security. In 27 EU countries as a group, 21% of the population is senior citizens and in 2001, the expenditure on social protection was 27.3% of GDP.

**Ultimate Goal :** TUI (P&R) formation conference adopted several resolutions including the one demanding full social security with a decent retirement income for the senior citizens above the age of 60, public healthcare, proper and decent housing, culture, leisure, access to public high quality transport system at subsidized cost, healthy environment and special care for disabled. To achieve these objectives, unity of senior citizens is the need of the hour. AIBSNLPWA is the strongest, well-organised, democratically functioning organizations among the pensioners. But there are several thousands of BSNL pensioners who are not organized. The task is to organize them

first. The task also includes unity of pensioners' organizations and organizing the pensioners who are getting social pension in India. There are about 20 million pensioners in the organized sector and nearly another 40 million are getting a paltry amount as social pension. If all of them are organized and united under one umbrella, it would have a tremendous impact and the powers that be cannot ignore the demand of senior citizens. That is the ultimate goal.

**AIBSNLPWA ahead :** The organization should be vibrant, accommodate all shades of opinions, ensure democratic functioning, flexible approach for unity, clear vision for the future, fight to protect the existing rights and try to advance, if possible, fight against any kind of injustice, if required through legal battles also. AIBSNLPWA functions with the above objectives. It has achieved many demands in the last 6 years including pension revision for pre-2007 retirees which was considered as impossible by many. It is taking consistent, correct steps to achieve the benefit of 78.2% merger to all BSNL pensioners. It is legally fighting against the injustice meted out to those who retired between October 2000 and June 2001. It is thinking ahead and taking correct steps for future pension revision also.

**Support from Hon. Minister for Chemicals & Fertilizers :** When the file on 78.2% merger benefit to pensioners was stagnating at DOT, we approached Shri Ananthkumar, Hon. Minister for Chemicals & Fertilizer in March 2015. He effectively intervened and the process started. Within few minutes he could grasp the issue of 60-40 and told the concerned officer that it is an issue between DoT & BSNL and because of that why the pensioners should suffer? When we met him again in August 2015, he tried to speak to Secretary, DoE but could not get in touch. We seek his help to get the cabinet approval without further delay.

On the question of future pension revision also we sought his intervention. He wrote to Shri Ravi Shankar Prasad, Hon. Minister for Communications & IT and the reply sent by him was also forwarded to us. We would like to impress upon the Hon. Minister Shri Ananthkumar that "We are BSNL retirees but Government Pensioners" because our pension is being paid by GOI from the consolidated fund under CCS Pension Rules 1972. It is similar to Central Government Pensioners. The minimum & maximum pension in BSNL & Central Government is the same even though Pay in BSNL is different from Central Govt. Almost all the recommendations of 6th CPC were made applicable to BSNL IDA pensioners also vide the clarifications issued by DOP & PW on 27/4/2009. Our only request to the GOI through Hon. Minister Shri Ananthkumar is that the 'fitment formula' recommended by 7th CPC and accepted by the Govt. be made applicable to BSNL IDA pensioners also.

We seek the intervention of Hon. Minister Shri Ananthkumar on another important issue affecting nearly 4230 pensioners throughout the country. All of them retired between October 2000 & June 2001 from BSNL. They are getting less pension than those retired after July 2001 in the same cadre and in the same scale of pay. It is because of a wrong order issued by DOT. The average pay is worked out taking into account CDA & IDA pay together. This issue remains unsettled for more than 13 years. The solution suggested by us was on the basis of the same formula which was given to Central Govt. pensioners. Our suggestion was accepted by DOT but not by DOP & PW.

TUI (P&R) extends its whole-hearted support to AIBSNLPWA and requests all the delegates & observers to strengthen that organization and take steps to unite the pensioners' organizations.

Long-live unity of pensioners. Long-live unity of senior citizens. Long-live International Solidarity.

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