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Title: Problem being faced by LIC and its field workers.

SHRI M.P. VEERENDRA KUMAR (CALICUT): Thank you, Mr. Chairman, Sir. I would like to place some pertinent issues before the House in the light of today's Parliament march organized by the Field Workers of LIC.

The development cadre amounting to 21,000 has a legitimate complaint that the proposal of Growth Oriented Incentive Bonus Scheme (GOIBS 2004) was unilaterally implemented. The scheme resulted in a drop in incentives by 50 per cent to 90 per cent, and denial of marketing expenses. The market share of LIC has plummeted from 88 per cent in 2004 to 64 per cent in December 2007 impairing the performance of this institution. They are further disappointed that the promise made to them by the Finance Minister on the floor of this House -- that is, the incentive scheme essential for motivation, especially, in a competitive scenario would be subject to review after 2005 fiscal -- has not been honoured. Moreover, the MoU, which was an agreement between the NFIFWI and LIC of India regarding the work norms of the officers is being proposed for alteration unilaterally.

To compound these, the current focus on selling stock market-oriented ULIP policies -- which lacks social security since the whole risk is borne by the policy holders -- has resulted in shrinking of funds for infrastructure development. These have grave implications for the future of a time-honoured institution like the LIC. .