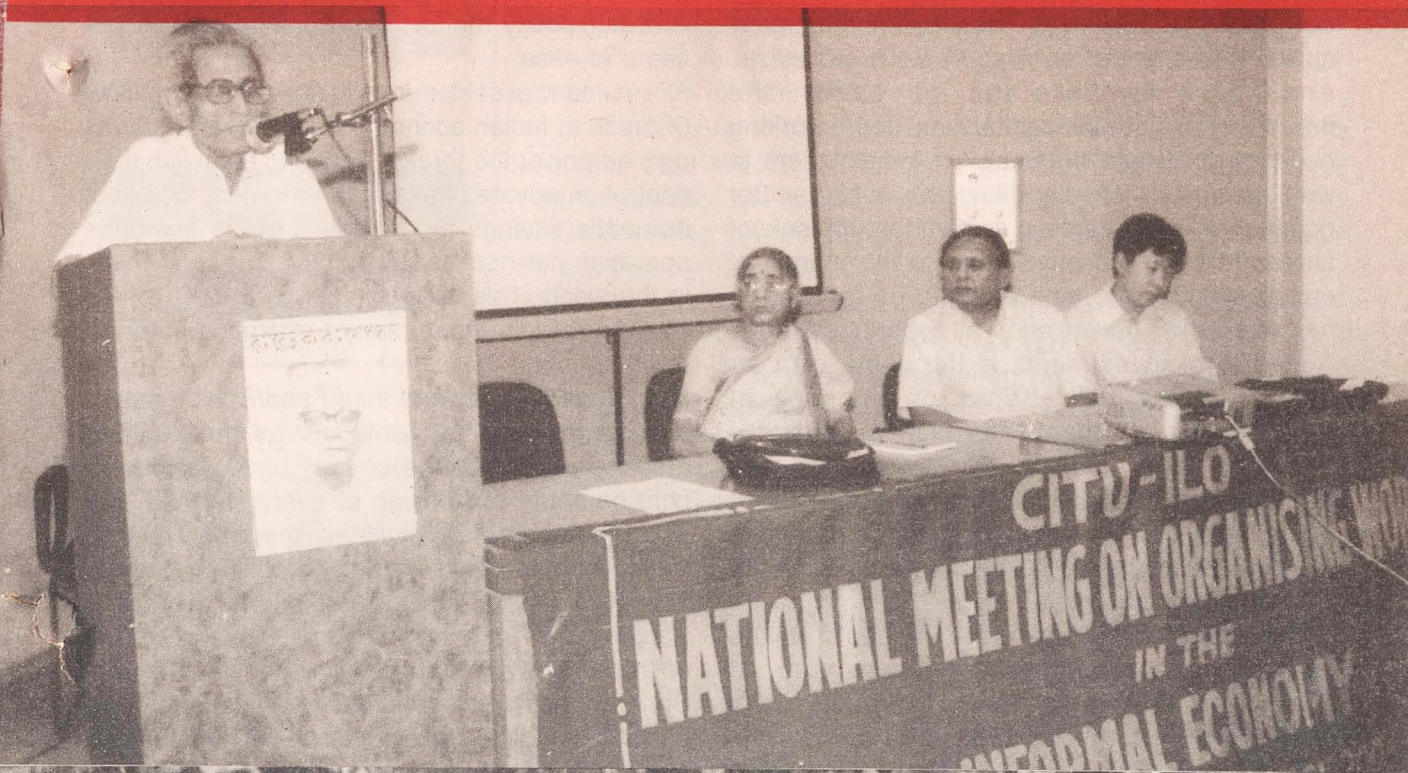
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THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU





Against Disinvestments, Merger and FDI offensives

SUCCESSFUL STRIKE BY BANK EMPLOYEES

In the era of neoliberal globalisation, the international finance capital has been eying on the financial sector of the country with a vulturous design of total take-over. The job is not that easy as the public sector banking network still exists. And hence to make the job easier, the international finance capital has been working overtime to mount pressure on Indian rulers to weaken and drastically dilute the public sector dominance in the banking system through sale of shares to bring the govt equity to the margin of privatisation for the time being to go for a quick and whole hog privatization at opportune time.

Added to disinvestments is the game plan for merger of the PSU banks on the plea of strengthening (?) them. The plea is untenable besides being dishonest. How come the weakening and diluting of PSU status of banks through disinvestments can go along with the idea of strengthening the PSU banks being posed by the same group in governance?

The madness for increasing the FDI cap in private banks is complementary to the conspiracy to deregulate the financial sector of the country making it more fragile to aggressive speculative ploy of the MNCs. On the one hand, PSU banks will be divested to the margin, and on the other, the MNCs with their controlling lever will be allowed to become a big player in Indian financial sector- precisely this is the game plan of Fund/Bank duo. And our policy makers are surrendering to the same at ease.

FDI in financial sector does in no way mean inflow of funds to Indian economy from abroad, this will only empower the foreign banks to establish their control on private banks at the moment to collect domestic savings by Indians for their business operation not necessarily in India but any where in the world. This will also fuel greater diversion of resources to stock market operations than in real economy.

But the ruling polity and their Fund/Bank masters are not going to get walkover as the banking employees all over the country have decided to fight back the evil design at every step. As and when the shares are divested, the employees of the concerned banks started responding through nationwide strike action. The employees of Dena Bank have already staged a total strike in protest of the sale of their share. The Punjab National Bank collective irrespective of affiliations have gone on complete strike action on 7th March 2005. The bank employees' movement has taken a standing decision to oppose every move of divestment through immediate strike action in the concerned bank taken up for disinvestments.

The United Forum of Bank Unions - the all in united forum of the entire banking workforce in the country has the Govt and decided for countrywide agitation followed by strike. Accordingly, city based centralised demonstrations by the bank employees were held on 10th March followed by demonstration in all state capitals on 16th March and demonstration before Parliament on 18th March 2005. On 22nd March 2005 the entire banking system in the country was brought to a grinding halt by the successful countrywide strike by the entire workforce, as a fitting rejoinder to the arrogance of those who brat about the roadmap of 'banking sector reforms'.

CITU extends its wholehearted support to bank employees struggle and calls upon the working class to express solidarity to the same.

ON OTHER PAGES

1. National Convention on Right to Work		P - 200
2. General Secretary's Speech in Parliament on Budget 2005-06		P - 204
3. Little to Cheer, Concerns a Plenty - Tapan Sen		P - 206
4. Patent Legislation		P - 209
5. Economy Reality Checks		P - 210
6. PFRDA Ordinance/Bill - W R Varada Rajan		P - 212
7. Reports & Events	From	P - 214
8. Price Index		P - 222
9. Globalisation & International Labour Standards - A R Sindhu		P - 223
10. CITU-ILO National meeting Informal Sector Workers		Back Page

THE WORKING CLASS

CITU MONTHLY

APRIL 2005

BUSINESS AS USUAL

by UNNY



There must be a patent medicine that revives memories of running a government.

Courtesy: The Indian Express

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EDITORIAL

RELENTLESS STRUGGLE, THE WAY AHEAD

The Budget 2005 - 06 has, as usual, been preceded by the Annual Economic Survey presented to the Parliament. A careful study of the Economic Survey together with the post-budget pronouncements by the Finance Minister lays bare what the budget seeks to hide. To note a few:

- A Disinvestment Fund is constituted which will come into operation from 1-4-2005. The day after presenting the Budget, the Finance Minister told the media that the government stake in all the PSUs, including the profit making ones, would be brought down to 51 per cent by disinvestments.
- FDI hike in Insurance was not mentioned in budget. The Finance Minister told 'Business Line' (March 2, 2005): "The proposal to hike FDI in Insurance has not been put off. We will have to introduce a Bill. Some other amendments are required in both the Insurance Act 1938 and IRDA Act 1999. All amendments will come together. It is not off the agenda."
- For the banking sector, it has been left to the RBI to draw the roadmap on banking sector reform talks about FDI in private banks (up to 74%). This will result in no inflow of FDI but enable foreign banking giants to plunder domestic savings at the cost of Indian banks.
- The Finance Minister never tires of repeating mega merger 'mantra' for the PSU banks, turning a deaf ear to the united voice of loud protests by employees and officers.
- In the budget itself FDI in mining, trade and pension sectors have been indicated, which again has serious implications for the economy and the people of the country.
- Economic Survey also talks of removing 'labour market rigidities', 'entry and exit barriers' etc. reviving the cry for labour law changes to the detriment of workers' interests.

Besides, the Finance Minister also ventured to introduce the Pension Fund Regulatory and Development Authority Bill in the Lok Sabha, to validate the ordinance that was promulgated earlier. The threat of privatisation of pension and diversion of the fund to stock market still looms large.

In the face of all these nefarious moves and deceptive designs, the country has witnessed a series of strikes in the financial sector - by the employees of commercial banks, Regional Rural Banks and NABARD, as also in the insurance sector.

The trade union movement must move ahead in a united manner dovetailing these sectoral struggles with the mainstream of popular resistance to reverse the anti-people economic policies. Relentless, sustained struggle the need of the hour.

NATIONAL CONVENTION ON 'RIGHT TO WORK':
SURGE AHEAD WITH COUNTRYWIDE UNITED ACTION!

"The demand for "Right to Work" as a fundamental right and reversal of the present employment regressing policy regime must be the central focus of all our anti-globalisation initiative" and "the initiative by the working class in this direction must involve people from all walks of life, mobilize active support of all the mass organisations of peasants, agricultural workers, students, youth, women and professionals etc to unleash a powerful peoples' action against the cancer of unemployment in the society"-stated M K Pandhe, President CITU while inaugurating the 'National Convention on Right to Work' held on 12-13 March 2005 at Kolkata. Referring to Com B T Ranadive's last piece of writing addressing the All India Convention on Right to Work held at Durgapur in 1990, Pandhe asserted that the trade union movement must not limit itself with the rights and problems of the employed alone, they have to redouble their initiative to unleash a powerful movement of the unemployed for 'Right to Work' and integrate all initiatives of struggle against the neoliberal policy regime in that direction.

The Convention was attended by 735 delegates from the CITU unions from all over the country both from organised and unorganised sector besides the leadership from the major independent unions of banks, insurance, state govt and central govt employees, defence establishments, telecom and other sectors. Delegation from the states reflected representation from the major districts, industries and federations. The leadership of the organisations of peasants, agricultural workers, students, youth and women also participated in the convention. A Presidium comprising M K Pandhe, President, CITU, Shyamal Chakraborty, President, West Bengal CITU, Arati Dasgupta, Vice President CITU, Dilip Das (BSNLEU), Manjul Kumar Das (All India State Govt. Employees Federation) and R N Phadne (All India Insurance Employees Association) conducted the proceedings of the convention.

BACKGROUND PAPER

Chittabrata Majumdar, General Secretary, CITU placed the background paper on the subject in the convention. Majumdar explained with detail evidence that "The neoliberal policies are still being touted as facilitator of employment generation. Regression of and intolerance towards labour rights and union baiting are being projected as congenial for creation of more employment. But decade-long pursuit of neoliberalism in our country has conclusively proved just the opposite. Employment generation turned negative, quality of employment degenerated. FDI, whatsoever has come, has killed more jobs than created. The jobless-growth phenomenon has already entered into the phase of job loss-growth. International experience is also the same." He also asserted that both the unemployed and job-seekers are potential workers and an integral part of the labour force; the working class movement must have to mobilise them in a big way in fighting against the menace of unemployment.

The background paper also stressed that unemployment situation reached an alarming height affecting the social fabric in a big way making a fertile ground for all kinds of extremism, fundamentalism and divisive forces to make their way. In such a situation, ignoring the task of fighting against unemployment generating policy regime will be perilous for the democratic system as a whole. The working class movement has to take on the responsibility to mobilize all concerned to carry forward the struggle for 'Right to Work' for all through phased programme of countrywide action towards reversal of the employment regressive policy regime. It has also pointed out that the 'National Rural Employment Guarantee Bill' tabled at Parliament is at wild variance with the commitment made by the UPA Govt in the National Common Minimum Programme

for employment guarantee for at least 100 days in a year to all. We must fight for drastic change in the Bill' Majumdar asserted.

34 delegates from all the states and sectors took part in the deliberation on the background paper and stressed upon the urgency to unleash countrywide campaign and agitation on "Right to Work" as fundamental rights and against the employment regressing policy regime which should culminate in 'March to Parliament' where from next course of action programme should be announced.

Besides the trade union delegates from various industries and the states, Md. Amin, Labour Minister, Govt of West Bengal, Benoy Konar (AIKS), Kallol Roy (SFI), Satyaki Roy (DYFI), Banani Bhattacharya (AIDWA) Sukomal Sen (AISGEF) and others also addressed the convention.

DECLARATION

Swadesh Dev Roye, Secretary, CITU placed the "Declaration" of the Convention outlining a phased programme of countrywide agitation and campaign to be undertaken jointly with all other mass organisations to unleash a powerful peoples' action against unemployment. The Convention also decided to observe "Anti-Unemployment Day" every year on 28th March 2005 through countrywide demonstration/ dharna/rally etc. The Declaration was adopted unanimously. The text of the Declaration is being published separately.

The Convention ended with a huge public meeting in the evening of 13th March 2005.

While addressing the mass rally, the veteran leader of the democratic movement and CITU vice President, Jyoti Basu .congratulated CITU for taking praiseworthy initiative of the convention on 'Right to Work' and called upon the trade union movement to take urgent initiative to unite all mass organisations in the struggle against menacing unemployment and press for "Right to Work" for enshrinement as fundamental right in the constitution. Subhas Chakraborty, Vice President of West Bengal State CITU, presided. M K Pandhe and Chittabrata Majumdar, President and General Secretary of CITU, Shyamal Chakraborty and Kali Ghosh, President and General Secretary of West Bengal State CITU and Amitava Nandy, MP addressed.

NATIONAL CONVENTION ON 'RIGHT TO WORK'

Kolkata - March 12-13, 2005

DECLARATION

The National Convention on "Right to Work" being held on 12-13 March 2005 at Kolkata expresses grave concern over the alarming rise in unemployment in the country affecting all sections of the society. Available official statistics grossly underestimate the depth of this problem. If all the facets of unemployment, including under-employment, partial employment, seasonal employment are taken into account, actual unemployment figure will zoom several times the official figure, much above 12 crore mark i.e. more than 25% of the economically active population

The Convention notes that the situation assumed serious proportion particularly in the aftermath of the neoliberal policy regime of jobless growth. In the process of so called liberalisation, the employment generating capability of the economy, both in agriculture and industry got severely eroded; quality of employment has also declined drastically not merely in terms of wages but also in terms of T.U. rights, social security, safety and working conditions. Fund-Bank prescribed neo-liberal economic policies pursued by the Governments are not only employment regressing but also killing existing jobs adding to the gravity of the situation.

Agricultural workers are not getting even 100 days work in a year while small and marginal farmers' income has also gone down sharply. Even non-agricultural employment in the rural economy has declined considerably. In the urban areas, small and medium scale industries which constitute major

part of urban employment generation are closing down in a big way owing to shrinking market, non-availability of credit and unfair competition with big corporate and MNCs - all due to hostile policy of the Government towards this sector. In large scale industries, both in public and private sector and also in Govt departments and municipal services etc, downsizing, contracterisation and outsourcing have become the order of the day which resulted in consistent sharp decline in overall employment and wage-bill, pushing upward profits of the corporate sector.

Contrary to campaign by the vested interests, studies and reports produced by ILO have clearly demonstrated that dispensing with stable employment and deploying contractorisation, casualisation and outsourcing has in effect aggravated unemployment. The hype of employment generation in service and IT sectors has no basis altogether. The claim by the pontiffs of neoliberalism that the service sector compensates for the loss of employment in organised industry and agriculture is nothing but a mirage.

The convention recognizes that unemployment has been continuously aggravating akin to cancerous growth engulfing every section of the masses - the employed and unemployed, the urban and the rural population, men and women, the working class, peasantry, students and youth. The unemployed tend to stand excluded from economically productive activities, which evokes among them a feeling of social exclusion, which in turn provides fertile ground for all kinds of criminalisation, fundamentalism and extremism.

The working class movement must not allow this most sensitive section of the masses to get alienated from the society and become tools in the hands of perpetrators of exploitation to weaken the progressive forces and their struggle against exploitation itself. The lasting solution of unemployment rests in changing the exploitative order altogether through social transformation. Hence in current crucial juncture it is the historic task of the working class to take serious initiative to unleash a long drawn nation wide united mass movement for achieving the aim of Right to Work with immediate focus on reversing the existing job killing policies generating unemployment. Such initiative shall further strengthen the organic link between the working class and general democratic movement.

The convention acknowledges that the trade union movement must campaign on alternative pro-employment policies and popularise the same for broadest possible mobilisation. While doing this, the myth that curtailment of trade union rights promotes investment and employment generation needs to be exploded. While advocating the perspective of socialism as lasting solution to unemployment problem the trade union movement can strive for alternative pro-employment policies in opposition to the Fund Bank dictated policies of jobless growth under globalisation. The convention feels that they can be achieved through sustained struggle.

The Convention resolves to forge unity with the other trade union centers and also to take initiative for consultation with and involvement of all other mass organisations of peasants, agricultural workers, students, youth, women and professionals. We must prepare ourselves, consolidate the movements and mass organizations close to us, which alone can create a basis for united countrywide movement to achieve the objective of Right to Work as a fundamental right.

The convention decides that steps should be taken in a phased manner by organising sectoral, regional, district level and state level mobilization and campaign to press for a directional shift in the economic policies of the Government that would generate more jobs in the country. A state level campaign should culminate in the national level mobilisation and people's action for recognition of "right to work" as a fundamental right.

The effort for mobilisation on the issue of "right to work" must continue simultaneously with other action programmes against the retrograde policies of the Government. With this objective in view, this Convention decides the following programme of actions:

- The Convention decides to observe "Anti-Unemployment Day" every year on 28th March through demonstration/ dharna/rallies etc and calls upon the working class to take initiative in that direction.

- The National Rural Employment Guarantee Bill tabled in Parliament which is at wide variance with the commitment made in the NCMP; initiative for joint mobilisation of all trade unions and mass organisations should commence from the district/industrial centre level followed by state-level conventions on concrete demand of drastic change in the Bill in line with the commitment given in the NCMP.
- Publication of campaign literatures in popular form on the real cause of unemployment and the need for fight against the basic policies.
- Three months long intensive campaign at the grass root level including house-to-house approach against unemployment problem; our campaign must involve all trade unions and mass organisations by formation of regional level joint platform with the mass organisations, regional, local conventions, rallies dharna/courting arrests and other forms of agitational programmes.
- As a part of joint campaign, programme of countrywide mass-signature collection for "Right to Work" may be considered in consultation with other mass organisations and trade unions.
- State-level conventions and mass mobilisations to prepare for central mobilization at the national capital.
- All India programme of Jathas culminating in massive mobilisation for 'March to Delhi'.
- Further action programmes to be announced from the rally at Delhi.

The Convention appeals to all trade unions and other mass organisations of peasants, agricultural workers, students, youth, women and professionals to make earnest preparation to make this programme a grand success. Further details of the programme can be chalked out jointly at all levels so that it results in a powerful mobilisation all over the country to achieve the Right to Work as a fundamental right.

Comrade Kanak Mukherjee

We record with deep grief at the passing away of Comrade Kanak Mukherjee, veteran freedom fighter and one of the stalwarts of the communist and women's movement in West Bengal, in the early hours on 9th March 2005.

Kanak Mukherjee joined the freedom struggle as a young student and was very active in mobilising the students, particularly the girl students into the movement. She was the first convenor of the girl student's sub committee of the Student's Federation. She was a poet and writer and contributed immensely to the Bengali literature.

She was one of the founders of the Mahila Atmaraksha Samity in undivided Bengal, Paschim Banga Ganatantrik Mahila Samity and also of the women's movement of the country. When AIDWA was formed, she became one of its principal office bearers.

She joined the communist movement in the early 30s and was in the forefront in various struggles launched by the Communist Party in West Bengal. When the communist party split, she joined the CPI (M) and became a member of its Central Committee.

Despite failing health and fast deteriorating eyesight, she remained undeterred till her last days in contributing to the cause of movement both organisationally and ideologically through giving guidance, writing for the journals and in various other ways. The spirit of determination displayed by her eventful life in the organisation will continue to be the guide and source of inspiration to all.

The departure of Kanak Mukherjee leaves a void in the democratic and women's in the country, which is difficult to fill. The CITU and 'The Working Class' pay respectful homage to her and dip the red banner in condolence.

(Chittabrata Majumdar, General Secretary, CITU, in his maiden speech in Rajya Sabha on 17-03-2005 flayed the flawed policies of the UPA government as reflected in the Union Budget, 2005 - 06. Here are excerpts from his speech. - Editor)

Budget 2005-06

CITU GENERAL SECRETARY FLAYS FLAWED POLICIES

"The Finance Minister has stated (in his budget speech), "The National Common Minimum Programme (NCMP), mandated the Government to: maintain a growth rate of seven to eight per cent a year; to promote investment; to generate employment; to accelerate fiscal consolidation; to ensure a higher fiscal devolution; to focus on agriculture; manufacturing and infrastructure; to provide universal access to education and healthcare; to assure 100 days of employment to one person in each family." We welcome this reiteration of the NCMP in the Budget.

"For the Ministry of Agriculture, in the year 2004-05, allocation was raised from Rs 4192 crore to Rs 5998 crore. For Rural Development, it has been raised from Rs 15998 crore to Rs 24480 crore. In the health sector also allocation has been increased and the HRD sector received a higher allocation from Rs 10,625 crore to Rs 19,119 crore. These are welcome steps. But I would like to say that even though the outlays have been increased, the increased outlays are too meager in comparison to the problems being faced by the people, particularly in the rural areas. Further, in the background of the severity of the problems of flood and soil-erosion in the Gangetic plane affecting the people, the allocation made for irrigation and flood control is too meager, only Rs 524 crore.

"Again, the steps taken by the Government and decisions in the budget are not in favour of employment generation. Though it has been stated that some Rs 11000 crore have been allocated for 'Food for Work' programme in 250 districts. It is but a small amount in relation to the joblessness in the rural areas.

"Dereservation of 105 more items from the small scale sector is also creating problem for the small scale sector and many small scale units will fall sick and will be closed and many workers will lose employment.

"On the question of tax revenue, customs duty has been reduced from Rs 56250 crore to Rs 53182 crore whereas excise duty has been enhanced from Rs 1,00,720 croe to Rs 1,21,533 crore. That means, the goods, which are coming from outside will be cheaper. But the Indian producer will have to pay much more because of the enhancement of excise duty. Naturally, in the name of competition, our industries will face more problem, many will fall sick and will face closure. This is not the solution to the problem of unemployment.

"The problem of sickness is quite serious in both public as well as private sector. Out of 5000 cases registered in BIFR, 4800 are from the private sector, 85 from the central public sector undertakings and 118 are from the State PSUs. What will be the fate of these industries ? The Budget says nothing about this and a large number of workers are employed in these industries. About 25 lakh are direct employees and even more than that number are the indirect employees involved in these industries. Strangely, nothing has been said about this problem.

"There is no mention of disinvestments of public sector in the Budget. But many ministers are talking about disinvestments of PSUs outside. If Govt moves otherwise, disinvestment of PSU shares goes on, we have to oppose that.

"From all these, it is clearly understood, the actual allocations and steps mentioned in the Budget are not in accordance with the intentions expressed.

"On the question of resource mobilization, I like to point out that in our country, the tax-GDP ratio is too low and there is scope for raising of the same to improve our resource position. Shri Pranab Mukherjee, while speaking on FRBM Act in this house on 29th July 2003, pointed out 'Even up 1989-90 the tax-GDP ratio was 11.6 per cent and today it has come down by two percentage

point from 11.6 per cent to 9.6 per cent. In stead of moving up it has come down'. This has happened during the NDA regime. During 2004-05, the Budget estimate of tax-GDP ratio was 10.7 per cent but in the revised estimate it came down to 9.84 per cent. The Budget estimate of 2005-06, it has been proposed to be at 10.5 per cent, whereas the Left Parties in their memorandum to Finance Minister have suggested that the tax-GDP ratio should be raised to 11.5 per cent, i.e., at 1989-90 level, which is a practical proposition.

"Then the question comes, how and from whom the taxes and resources would be accumulated. In these connection the Left parties have certain position. But even that apart, the Parliamentary Standing Committee on Finance, in its 14th Report observed that " The focus of the Government, however, has been on widening the tax base by way of increasing the number of assesses, which in fact may not result in quantum jump in the tax revenue. The Committee recommended that the Government, while making efforts to widen the tax base, should put specific focus on the high-end tax payers so as to increase the tax revenue substantially". This is an unanimous Report by the members of all the sides/parties.

"But, the Budget has not followed this unanimous recommendation. The Finance Minister has tried to enhance the revenues from the weaker sections of the people. The weaker sections, the salaried people have been targeted for widening tax base and enhancing revenue collections. The effort for widening the tax net is not directed towards high-end taxpayers. Had the unanimous recommendation of the Standing Committee been implemented to focus the effort on the high-end taxpayers, the resource problem would not have been there at all.

"So far as the "high end tax payers" are concerned, the Non Performing Assets (NPA) with the banks (un-recovered loans from these sections) has crossed one lakh crore of rupees. The Budget did not mention anything as to how this huge amount will be recovered. The second point is the unpaid tax arrears from these 'high end' sections. The unpaid arrears of income tax, corporate tax, excise duty and customs duty have been increasing continuously over the years from Rs 47000 crore in 1997-98 to about Rs. 1 lakh crore in 2003-04. What steps are being conceived by the Government to recover all these arrears?

"In case of our electricity bills, telephone bills etc, even there being any dispute, we have to pay the bills first and then we can raise dispute. The trade union movement proposed, at least on two occasions, to the Finance Minister that let the assessed amount of tax be collected from them first before allowing the raising of dispute on the assessment. If the dispute is genuine, refund may be made afterwards. This measure, if accepted, would have improved the tax collection substantially. This has not been heeded to.

"On the other hand, the corporate tax collection during 2004-05 had to be revised to Rs 83000 crore from the budgetary estimate of Rs 88436 crore meaning thereby that the high-end upper section got the benefit of Rs 5436 crore more than what had been already provided in the last budget (2004-05).

"Small savings are being discouraged by the Budget. This will affect the common people.

"The previous speaker, (Jairam Ramesh) mentioned about the employment generation and also the labour intensive industries like Jute, tea, textiles etc. Textiles cover modern mills, power looms and also handlooms. I have not found any scheme in the Budget to take care of the handloom sector, which is highly labour intensive. There is no proposal to protect the labour intensive tea and jute industries from crisis. If employment generation remains the priority, something tangible has to be done for these labour intensive sectors. Otherwise, even the existing employment in these sectors cannot be saved.

"Last point - the North Bengal should also be included in the purview of special developmental incentives for North Eastern Region. I have earlier mentioned about flood control, soil-erosion and irrigation. These are serious problems of West Bengal leading to submergence of vast area of human habitation and agricultural land also. Amount sanctioned for these areas in the Budget is too meager to combat the problems and have to be increased manifold, in line with the commitments made in NCMP".

"I hope, issued raised in my submission will be considered and necessary changes will be made in the Budget".

BUDGET 2005-06:

LITTLE TO CHEER, CONCERNS APLENTY

Tapan Sen

While giving its initial reaction to Budget 2005-06 on the day it was introduced, the CITU observed, "it is high on its emphasis on 'assault on poverty and unemployment' but seems to be inadequately low on allocation of resources in real term, needed to take on the immense challenges on these scores." A close reading of budget proposals makes the picture clearer, making one wonder if the above expression was an understatement. The budget presented by P Chidambaram promised, as a part of its Bharat Nirman package, to bring one crore hectares of land under irrigation, connect all villages by road, construct 60 lakh additional houses for the poor, provide drinking water to 74, 000 habitations, electrify 1,25,000 new villages, provide connection to 2.3 crore households, provide telephone connectivity to 66, 000 villages and provide jobs to more than one crore people in a span of four years.

MORE RHETORIC!

These ambitious announcements in the first part of his budget speech appear to be reflecting a 'change' or 'shift' in orientation towards more pro-people demand management strategy. But the allocations and expenditure statements in the budget, which do actually matter, are in no way commensurate with these announcements, thus making them more of rhetoric than a concrete plan for action. The total expenditure of the Govt in the first year of the 'Bharat Nirman' or as a part of the 'New Deal for the Rural Economy' as reflected in the budget is up by only around 1.7 per cent (Rs 8, 533 crore) - from Rs 50, 5791 crore to Rs 51, 4344 crore. In real terms, this actually means a decline by around 3 per cent if five per cent inflation is taken into account. And this expenditure pattern, if considered in the face of estimated increase in tax revenues, does not reflect the same concern for 'Bharat Nirman' as posed by the announcement of intentions in the budget speech.

It is interesting to note that a substantial part of the funding liability of the 'Rural Infrastructure Development Programme' called 'Bharat Nirman' sounded with such high decibel in the Central budget ultimately falls on the State Govts. In case of roads, irrigation etc major part of the allocation is debt-based through 'Rural Infrastructure Development Fund (RIDF-Rs 8000 crore) and AIBP (Rs 4800 crore). The expenditure on both the projects will constitute loan to the states. Given the extreme hard pressed situation of the finances of the state Govts, there is every possibility that in most of the areas execution of these projects may fall a victim of a "passing the ball" game between the states and the centre. In all rationality, the expenditure of 'Bharat Nirman' Projects announced by the Union budget should have been wholly centre-financed.

The 'food for work' programme is slated to cover 250 districts and allocation made for 2005-06 is Rs 5, 400 crore and 50 lakh tones of food grain, altogether Rs 11, 000 crore in money terms. It is being projected by the media as 275% increase in allocation. But, this is a myth. The money value of the food grain component of the allocation has been grossly overestimated to be Rs 5, 500 crore for 50 lakh tones, i.e., Rs 11 per kg, while it should be no more than Rs 5.50 per kg. If this deliberate overestimation to hoodwink the people is corrected in the budget, the real allocation for the Food for Work programme comes down to Rs 8, 150 crore (and not Rs 11,000 crore). The allocation is grossly inadequate in terms of the depth of distress prevailing among the rural populace. On the other hand the allocation made in 'Sampoorna Gramin Rojgar Yojana' (SGRY) and 'Swarn Jayanti Gram Swarojgar Yojana' (SJGSY) faced a cut from Rs 5, 100 crore and Rs 1, 000 crore to Rs 3, 600 crore and Rs 862 crore respectively.

EMPLOYMENT GENERATION

BUDGET 2005-06 AND TAX ON PEOPLE

Income Tax

Income tax exemption ceiling has been lifted to Rs 1 lakh with the minimum taxable slab being revised from Rs.1.01 lakhs to Rs. 1.50 lakhs at 10 per cent, Rs. 1.51 lakhs to Rs. 2.50 lakhs at 20 per cent and for those above Rs. 2.50 lakhs at 30 per cent. And it is being claimed that it will benefit the salaried class in a big way. But reality does not match the claim. The provision for standard deduction up to Rs30000 has been discontinued which will reduce substantially the benefit of rise in exemption ceiling if not wholly neutralize for the employees with the taxable salary range up to Rs 2.5 to 3 lakh per annum who constitute the major section of the unionized category in the organized sector. Further, only those who can save substiantially can avail the benefit of relief provided in the Budget in the face of discontinuance of the provision of 'standard deduction' Hence, the picture for the mass of the low-end tax payer is not that brighter as being claimed.

SENIOR CITIZENS

In the falling interest rate regime under neo-liberalism, they are facing the worst situation as their lifetime savings, mostly parked in small savings instruments are receiving a consistently diminishing return every year. Added to this is the income tax regime proposed in the budget, which turns out to be a raw deal for the retired and senior citizens.

To-day a senior citizenS enjoys an annual tax free income of Rs.1.98 lakhs, comprising an annual pension/annuity of Rs.1.53 lakhs (the level of income on which the SC will be entitled to the tax rebate of Rs. 15,000 allowed to him under S. 88B), Standard Deduction of Rs.30,000 on such income under S.16, and tax exempted bank/Post Office interest of Rs.12,000 and Rs. 3,000 from government securities, in terms of S.80 L. As against this the tax exempted income for the SC in Budget 2005 is only Rs.1.50 lakhs, a reduction of Rs.48,000! (Since both Standard Deduction and the interest income exemption under S.80L are being withdrawn).

Another example shows that, a senior citizen with an annual income of Rs. 2 lakhs, including pension will have to pay Rs. 8,600 more tax under the new budget. He can reduce his tax liability only through further savings, which is an impractical proposition for a retired person. Similarly, women will lose tax benefit of Rs. 2,500 in the 30 per cent bracket. Is it not a cruel joke on the old and the weak?

And for all -both the low-end salaried class and the senior citizens in the tax-net, the innovative proposal for a move towards the Exempt-Exempt Tax system (EET) in the Chidambaram's budget is going to be bigger salvo. The idea is to bring the savings in the form of time-deposits on which tax rebates are granted at the time of savings to tax-net on maturity (both principal and interest). Thus in the not too distant future, withdrawals from PPF, accumulated receipts from PF, SA funds, maturity proceeds of life Insurance policies, matured NSCs are likely to be taxed. In other words, the FM is toying with the idea of a deferred taxation system, under which a specified saving/contribution exempted from tax to day will be taxed tomorrow. Thus the Senior Citizen (or any citizen for that matter) who invests, say Rs.30,000 in NSCs and gets a deduction from his taxable income on this account will find himself paying tax at, 20 or 30 per cent on the total sum (principal plus interest) when these NSCs mature after 6 years! This is not only inequitable but illegal too.

THE CONTRAST

The Budget has given much more tax benefits to handful of businessmen, professionals and the higher-income group while only demonstrating deceptive pretension for the millions of low-end wage earners and senior citizens. The income tax proposals will bring real benefit for those in the annual income range above Rs four-five lakh. The reduction of the Corporate tax by five per cent is another example of acting for the rich and only talking for the poor in the budgetary exercise. There are many other examples. Innovative indeed.

After correction of the deliberate over-projection as mentioned above, the real allocation for the "food for work" programme in 250 districts is a pittance compared to the real depth of joblessness in the rural economy. Moreover, this increased allocation for Food for work programme in 250 select districts with simultaneous reduction in allocation for SGRY and SJGSY means scaling down the ongoing employment programmes in other rural districts not covered by the Food for Work programme. This is a disturbing retreat in rural employment programme from 'universality' to targeting. The increase in employment in targeted districts may be offset by loss of employment in other areas. Hence the claim made in the Budget on increase in rural development outlay and allocation for employment generation turns out to be illusionary.

The budget does not exhibit any worthwhile concern on urban unemployment as well. Rather some of the steps taken in the budget will adversely affect the employment generating sectors of the economy in a big way. De-reservation of 105 more item from the small scale sector's list will lead to more closures in this sector further adding to urban unemployment. The additional allocation for credit through banks for the self-employed groups is a mere Rs 2.5 lakhs - a cruel joke indeed! Budget did not reflect any concern over the pitiable condition of the workers in the lakhs of sick and closed units, both in private and public sector, affecting 25 lakh direct employment and more indirect employment. True to its neoliberal character, the Budget remained totally indifferent towards the labour intensive traditional sector industries like Jute, tea, handloom etc, which are in deep crisis. The concern expressed in Budget about textile sector centres mainly on the modern automatised mills, whereas the handloom sector providing for much bigger employment still neglected.

Added to this is the sharp reduction in customs duty on a number items including many in the capital goods sector while excise duties on the domestic produce of the same category remained unchanged. What else can be called a colonial pattern of taxation! This will contribute to marginalisation of domestic industries in the concerned areas leading to further loss of employment.

RESOURCE GENERATION

"Wherefrom will the resources come?" is the counter posed by the ministers, when more public investment for pro-people employment generation programmes are demanded. But, this is not raised while giving liberal concessions to big business. The budget has reduced the corporate tax by 5% and customs duty by at least Rs 3000 crore; it freed a good chunk of service-sector business from the purview of the service tax; these would benefit the big business and corporate sector., who have already usurped around two lakh crores of rupees in the form of NPA and unpaid tax arrears. Appeasing the economic-offenders and legitimising their offence is the style of neoliberal economic regime and this Budget is no exception in confirming the trend.

WORKING CLASS IGNORED

The long standing demand for comprehensive legislation including social security benefit for unorganised sector workers and required fund allocation did not get any attention of the budgetary exercise. The concession in income tax claimed to be given to salaried class stands almost neutralised or becomes a meagre one consequent upon withdrawal of 'standard deduction' benefit and continuance of taxation on perquisites, fringe and welfare benefits. The real impact of the 'Fringe Benefit Tax' of 30% as to how much will fall on employers and how much can be shifted on the workers is yet to be properly assessed, but on the whole the workers will stand to lose. There is no mention in the budget as to how the commitment of the Prime Minister on 9.5% interest on EPF till 2004-05 will be funded and the Budget is absolutely negative about increasing the interest rate on the 'special deposit scheme' wherein 80% of the EPF fund has been parked. This will mean that the EPF money of the workers is going to face further interest cut. On the other hand the GPF for the govt employees is getting much lower interest at 8%.

On the whole, there are changes and shifts no doubt, but they are mere sound bites, with no concrete action.

PATENT LEGISLATION, SOME RELIEF BUT BATTLE IS ON

The third amendment to the Patent Act, brought in by the NDA regime in December 2003, was reproduced as an ordinance by the present UPA regime. The relative bill was introduced in the budget session of the Parliament. Against this move, a countrywide protest was on. The Left Parties placed a comprehensive set of amendments. After sustained pressure, the government was forced to table a number of amendments to the bill, which addressed some of the key concerns in the following major areas:

1) Restrictions on Patentability: The amendments clarify an "inventive step" as an invention that "involves technical advances as compared to the existing knowledge or having economic significance or both"; define "new invention" as "any invention or technology which has not been anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of patent application with complete specification, i.e. the subject matter has not fallen in public domain or that it does not form part of the state of art"; provide a definition for "pharmaceutical substance" as being "a new entity involving one or more inventive steps". These could guard against "evergreening" of patents, that is perpetuation of patents monopoly beyond the stipulated 20 years by repeated patent grants based on small changes. The amendments also clarify that "the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy" is not patentable. It is further explained that: "Salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isopmers, complexes, combinations and other derivatives of known substances shall be considered to be the same substance, unless they differ significantly in properties with regard to efficacy". In addition the word "mere" has been deleted from qualifying "new use" under what is not patentable to strengthen the provision on denying patents.

2) No Software Patenting: The option for software patenting has been denied.

3) Restoration of Pre-grant Opposition to Patents: All the original grounds for opposing grant of a patent has been restored, besides providing for filing of opposition up to six months and hearing.

4) Facilitate import of drugs by the developing countries from India: These countries can import from India if "by notification or otherwise allowed importation of the patented pharmaceutical product from India".

5)Continued Manufacture of Drugs with applications in mailbox - No spiraling price rise: The new amendments have now clarified that such Indian companies who are already producing these drugs can continue to produce them after payment of a royalty even if the drug is placed under a patent. Specifically, it is now provided: "...the patent holder shall only be entitled to receive reasonable royalty from such enterprises which have made significant investment and were producing and marketing the concerned product prior to 1.1.2005 and which continue to manufacture the product covered by the patent on the date of grant of the patent, and no infringement proceedings shall be instituted against such enterprises."

6) Time period for considering Compulsory license application: To counter the monopoly of patents, the amendments specify that the "reasonable" time period before issuance of a compulsory license when such a license is denied by the patent holder "shall not ordinarily exceed six months."

7) Export by Indian Companies of Patented Drugs: The amendments also provide that when patented drugs are produced under compulsory license in India by Indian companies, "the license is granted with a predominant purpose of supply in the domestic market and that the licensee may also export the patented product, if need be in accordance with Section 84(7) (a) (iii)" (i.e. where an export market exists).

On two other amendments - one for excluding micro-organisms from the scope of patentability and another on specific definition of new entities - the government responded with an assurance that an expert committee will be set-up to go into this matter and make recommendations.

The incorporation of these amendments is an advance in the struggle for safeguarding of national interests on the issue. But, the battle is still on.

ECONOMY: REALITY CHECKS

WHITHER SUSTAINED GROWTH

Gross capital formation had been declining for three years. After touching a peak of 26.53% of GDP in 1995-96, it had fallen to 22.83% of GDP in 2002-03. Worse, it was consistently mellow the savings rate, signaling the economy's inability to use its savings to build capital assets. The portents are ominous - a vicious circle of low investment leading to low GDP growth and in turn, to still lower savings and investment.

Disaggregated data was even more discouraging. While gross capital formation by both, the public sector and private corporate sector has fallen, the decline was particularly sharp in the case of latter (private corporate sector). Indeed, investment by private corporate sector had fallen from a peak of 9.58% of GDP in 1995-96 to 4.70% in 2002-03. A virtual halving of private capital formation in just eight years...

Fast forward to February 2005, gross capital formation, according to latest figures released by CSO, is up to 26.3%.....Against this background, the challenge is to ensure that the growth is sustained over a long period....Key to removal of poverty is to have sustained high growth, not to have periods of high growths followed by low, as has been the case in India in the past two decades.

(Maithili Bhusnurmath, The Financial Express, 23-02-2005)

JOBLOSS GROWTH...(1)

In the 1980s, the growth of our product rose to 5.3 per cent from 3.5 per cent, but it was accompanied by a disastrous decline in the growth rate of employment from 2.8 per cent to 1.5 per cent. This trend worsened in the 1990s - the celebrated decade of economic reforms, notwithstanding the assurance to Parliament by the then Finance Minister that "reforms were aimed at encouraging a pattern of industrial production which is labour intensive."

A May 2002 report of the Planning Commission says the employment generating capacity of the economy, especially the organised sector, vis-à-vis the GDP growth is "declining fast over time (1983 to 2000)", though during the same period GDP growth accelerated from 5.2 to 6.7 per cent per annum. The report says in the late 1990s the organised sector reached a state of "almost a near jobless growth." The Planning Commission report does not elucidate why the organised sector is not delivering jobs though it has been liberated from all major shackles - licensing and controls over imports and foreign investment - since the 1990s. Was jobless growth an intended objective of strengthening the organised sector?

(L C Jain, The Hindu, 24-02-2005)

JOBLOSS GROWTH...(2)

TATA Motors produced 129400 vehicles in 1994 with 35000 workers. In 2004 it produces 311500 vehicles with just 21400 workers. In the mid-nineties, Bajaj produced on million scooters with a workforce of 24000. Today it produces 2.4 million vehicles with a labour force of 10500...The current phase of recovery in the corporate sector is based on drastically reduced workforce and wage-bill.

Going by estimates for a sample of about 1500 manufacturing firms, the ratio of wages and salaries to sales dropped from 5.3% in 1998-89 to 4.4% in 2003-04....Thus improvement of 'competitive advantage' of India's manufacturing sector in this period went directly against the country's 'comparative advantage', its low cost of labour....

(The Economic Times, 12-11-2004)

ECONOMY: REALITY CHECKS

WHITHER SAME REFORM!

.... It is without any justification to only look at growth-stimulation as the panacea for removing unemployment but advocates the same old neo-liberal measures as the means of growth-stimulation. If after a decade and a half of "reforms", during which wealth and income inequalities in the economy have increased significantly as the Government has sought to improve the "investment climate," the investment-GDP ratio is no higher than in 1990-91, then clearly one cannot blandly advocate "more of the same". To say that the investment ratio has not increased because of poor "investment climate" is a tautology; to say that the "investment climate" would improve through more "neo-liberal reforms" is a non sequitur. Perhaps if the idea of a demand-constraint was taken more seriously, one would find a clue to why the investment ratio has stagnated. At any rate it is morally duplicitous to say that if transfers to the rich have not achieved the desired objective then more transfers are necessary, while if transfers to the poor are feared not to achieve the desired objective (the "Bihar alibi"), then such transfers should be avoided.

(Prabhat Patnaik, The Hindu, 5-01-2005)

ELECTRICITY PRIVATISATION... IN THE CONSUMERS' EYE...

If your grocer sold you goods at double the price at which he bought it from wholeseller and then claimed he was a losing business, you wouldn't take his claim seriously, would you? Yet, this is exactly what Delhi's private power distribution companies seem to be doing.

BSES Rajdhani (BRPL), which handles south and west Delhi, buys power at Rs 1.97 per unit, while it sells at an average tariff of Rs 3.89. BSES Yamuna (BYPL), which operates in central and east Delhi, buys at Rs 1.56 and sells at Rs 3.87, while North Delhi Power Ltd buys at Rs 2.12 and sells at Rs 4.15 per unit.

On the face of it, the cushion of between Rs 1.92 and Rs 2.31 per unit that each company has, would seem more than enough to cover wage cost and other expenses and leave a hefty profit margin. Yet they are projecting revenue gap of Rs 245 crore (for NDPL), Rs 585 crore and Rs 264 crore for BRPL and BYPL respectively-meaning that they are running in loss. It means you have to shell out more on account of higher tariffs....

(Times of India, 18-03-2005)

COUNTRYWIDE STRIKE IN REGIONAL RURAL BANKS ON 22ND MARCH

70000 employees of 196 Regional Rural Banks(RRB) in 14, 500 branches all over the country have observed complete strike on 22nd March 2005 demanding 1)formation of National Rural Bank with amalgamation of all RRBs along with state level rural banks under them without any dilution of Govt shares and 2) parity of superannuation benefits for Gramin Bank employees with the employees of PSU banks as per direction of Supreme Court. The Govt is moving towards amalgamation of RRBs sponsored by the Bank concerned in the same state with the ultimate aim of reducing the number of branches/units and also to leave the rural credit market to the private banks.

In Mumbai, there has been brutal lathi charge by Police on the striking employees. Many employees got injured. Around 250 including the General Secretary of the NABARD Union, Mr Bhonsle wee arrested. In Thiruvanatapuram also police arrested the striking employees.

As the next course of action, the All India Regional Rural Bank Employees Association has decided to hold "Massive Dharna before Parliament" on 19th April 2005.

PFRDA ORDINANCE/BILL:

RALLY TO STOP PRIVATISATION & LOOT OF PENSION

W. R. Varada Rajan

On December 30, 2004, the Government of India issued an ordinance paving the way for setting up of the Pension Fund Regulatory and Development Authority. It has now introduced a Bill to replace the Ordinance in Lok Sabha on March 21, 2005, amidst a protest walk out by the left parties.

TOEING NDA LINE...

This move by the present UPA government signifies that it has decided to go ahead with the establishing of a pension fund authority, in pursuit of the NDA government move to switch over to a defined contribution scheme for the employees recruited since January 2004. This departure from the earlier defined benefit scheme had met with opposition from not only the organisations of the central and state government employees but also the Central Trade Unions, right from the time of NDA dispensation.

The NDA regime had planned to tinker with whatever little social security pension protection is available in the country to at least the organised sector workers. It had religiously followed the prescriptions of the World Bank.

The NDA regime decided to discontinue the defined benefit pension scheme applicable to the government employees and constituted a High Level Group on New Pensions System (headed by Shri Bhattacharya) to recommend a new 'contribution defined' pension scheme. The report of this group recommended a new pension scheme with contributions from the employees and the government for the new recruits in government service. The NDA regime introduced a new scheme effective from 1st January 2004, together with setting up of an interim pension fund authority.

Even the Bhattacharya Committee, it is to be noted, did not recommend only a 'defined contribution' scheme, which is the case with the New Pension System. It recommended a hybrid DB/DC or mixed scheme. It recommended a mandatory first tier with contributions from the employee and matching contribution from the government at 10 per cent of pay and DA. It also prescribed a voluntary second tier with a minimum contribution of 2 per cent but without any upper limit. Here again, the government was required to match the contribution by the individual employee up to a 5 per cent limit. The report also provided: "The first tier Pension will be a defined benefit at 50 per cent of the average emoluments over the last 36 months of the working career of the employee. The minimum number of years of qualifying service for eligibility to pension would be 20 years and pension will be paid on superannuation at the age of 60 years. Full pension shall be payable for a qualifying service of 33 years for a person superannuating at the age of 60 years."

'NEW' SCHEME

However, the NDA government, while notifying the New Pension System on December 22, 2003 and effective from January 1, 2004, did not conform to the recommendations of the Bhattacharya Committee even. The notification proposed:

- Defined contribution based mandatory tier I scheme where the new entrant to the central government will make a monthly contribution of 10 per cent of the salary and dearness allowance (DA), which will be matched by the central government.
- An optional tier II withdrawable account in the absence of the facility of General Provident Fund (GPF). Government to make no contribution to this account. (No details of how and where the contributions to this account will be invested have been spelt out.)
- The new system to have a central record keeping and accounting infrastructure and several fund managers to offer three options. Under option 'A', investment will be predominantly in fixed income instruments and some investment in equity. Under option 'B', there will be greater investment in equity. Option 'C' implies equal

investment in fixed income and equity instruments.

■ At the time of exit, it is mandatory for the employees to invest 40 per cent of 'pension wealth' to purchase an annuity to provide for lifetime pension for the employee and his dependant parents and spouse. Remaining 60 per cent of 'pension wealth' to be paid in lump sum at the time of exit.

■ The Pension Fund Regulatory and Development Authority will regulate and develop the pension fund market.

UPA ONSLAUGHT

This was incorporated by the UPA Government in the Economic Survey of 2003 - 04 and formed part of the Budget speech of the Finance Minister last year.

The Pension Fund Regulatory And Development Authority (PFRDA) Ordinance/Bill, which the UPA regime seeks to actively pursue now, faithfully adheres to the above parameters.

It defines the "New Pension System" as 'the contributory pension system referred to in Section 20 whereby contributions from a subscriber are collected in an individual pension account using points of presence and a central record keeping agency and accumulated by pension funds for pay offs as specified by regulations'.

Section 20, inter-alia, provides: 'there shall not be any implicit or explicit assurance of benefits except market based guarantee mechanism to be purchased by the subscriber' and 'a subscriber shall not exit from the New Pension System except as specified by the Central Government by notification'. The latter implies that even upon exit form government service, the subscriber will not be allowed to exit from the New Pension System before attaining the age of 60 years.

Again, the statement of objects and reasons appended to the Bill states, "The NPS is mandatory for new recruits to the Central Government services (except to the armed forces in the first stage)".

REPLETE WITH DANGERS

The move towards setting up of a Pension Fund regulatory Authority has ominous portents. It is intended to flag off pension sector reforms, which has three main thrust areas viz. I) Switching over to the "Defined Contributions" concept from that of "Defined Benefits" concept; ii) Shifting to personal and social insurance schemes from social assistance schemes and iii) Diverting the social security funds from the debt (Government and other securities) market to equity (share) market. These recipes are also brandied as moves aimed at "identifying the appropriate mix of public sector-private sector participation in social security."

This is also accompanied by two other retrograde moves. One - a change in the tax treatment for contributions to the pension scheme, shifting from the EEE formula, where the moneys were exempt from taxation at all three stages of contribution, accruals and withdrawal (of terminal benefits), to the EET formula where the terminal benefits will be taxed at the applicable rates in the year of receipt. Two - opening up the pension sector for Foreign Direct Investments (FDI), which means a green signal for foreign corporates to garner the huge pension funds for their speculative hunt for profits.

The present pension scheme was introduced in the past as a substitute to the then existing Contributory Provident Fund Scheme, to which the central government had been making a matching contribution. It was replaced by the General Provident Fund with only the contribution by the employees and in lieu of its matching contribution, the central government brought in place the present pension scheme. The government, over the past years, merrily used up the funds, which were due on the erstwhile contributory provident fund scheme and failed to make any provision for an appropriate funding arrangement in place for meeting the pension liability towards its employees.

RALLY AND RESIST

It is therefore imperative for the entire trade union movement to stoutly oppose the Pension Fund Regulatory And Development Authority (PFRDA) Ordinance/Bill in totality and resist its legislation. The walk out from Lok Sabha by the left parties, signaling their opposition to the PFRDA at the introductory stage of the relevant bill, has set the stage for a countrywide resistance struggle by all sections of workers.

DEMONSTRATIONS AGAINST THE PATENTS ORDINANCE

Delhi: More than ten thousand workers, employees and people from various mass organizations of peasants, agricultural workers, students, youth, women, science-forums and professionals joined the massive demonstration against the retrograde Patents Ordinance held at Patel Chawk, Parliament Street, New Delhi on 26th February 2005. The demonstration strongly denounced the action of the UPA Govt to promulgate the Third Amendment Ordinance of the Indian Patents Act to make a hurried shift over to product-patent regime. Besides the leadership of the central trade unions and mass organisations, number of members of Parliament, viz., Mehboob Zahedi (Lok Sabha), Jibon Roy and Dipankar Mukhejee (Rajya Sabha) joined the demonstration.

The Rally called upon the toiling and patriotic people to unite and struggle against this retrograde Ordinance and build up pressure of the Govt to scrap the Ordinance and formulate appropriate Patent regime in the interests of country's economy and the people in India instead of patronisisng the multinational companies to the detriment of national interest. Those who addressed the rally were Tapan Sen, Secretary CITU, Sudhir Kumar, President, Delhi State CITU, S N Sharma, Secretary, Delhi State AITUC, Swapan Mukherjee, General Secretary AICCTU, R K Sharma(UTUC-LS), Devarajan (TUCC), N K Shukla(AIKS), R S Bajpai (FMRAI), Srikant (AISA), P N Dwivedi (Agragami Kisan Sabha), Sucharita (Mazdoor Ekta Committee), Kallol Ray (SFI), K Balagopal (DYFI). Also, Dr Vandana Shiba of Nabadanya and S P Shukla(ex-member, Planning Commission) and Dinesh Abrol (Delhi Science Forum) who are expert on the issue addressed the rally.

From the demonstration a memorandum demanding scrapping of the Ordinance and formulation of appropriate Patents regime in the interests of the people was submitted to the Hon'ble Speaker of Lok Sabha and Chairman, Rajya Sabha.

Lucknow: Thousands of workers demonstrated before the State Assembly at Lucknow demanding scrapping of Third Amendment Ordinance of Indian Patents Act. Workers from the industrial areas of Kanpur, Varanasi, Bijnor, Bareli, Agra, Ferozabad, Sonebhadra Allahabad and other places came to lucknow to join the demonstration.

Guwahati: On 26th, the trade unions and employees Federations jointly brought out huge procession of workers and employees in the city which converged into a rally. Deben Bhattacharya, General Secretary of Assam State CITU and Uddhab Kakoti of BEFI addressed the rally among others

Chhattisgarh: A massive convention was held at the initiative of CITU and othr employes organisations in the state on 27th February 2005. The convention was conducted by a presidium comprising A K Lal, President Chhattisgarh State CITU, Navin Gupta (MPMSRU) and Jitendra Prasad (Chhattisgarh Lipik Bargiya Karmachari Sangh. Amitabha Guha, Joint Secretary, FMRAI was the main speaker in the Convention who explained in detail the disastrous import of the Patents Ordinance and stressed upon the urgency of countrywide united struggle against the same. The convention was also addressed by M K Nandy, General Secretary, Chhattisgarh State CITU, B Sanyal, Assistant Secretary, AIIEA, s n Bnnaerjee of Balco Employees Union, U S Purame of Hindustan Steel Employees Union, Bhilai, S K Shukla of Joint Council of Trade Unions, and Rakesh Sharma of Lipik Bargiya Karmachari Sangh. The convention decided to hold demonstration before all district headquarters in the state against the Patents Ordinance on 7th March 2005 and carry on statewide campaign on the issue through holding district based joint conventions.

Gujarat: At Bhavanagar a joint convention of trade unions and mass organisations was held on 11th February 2005. The

convention was presided by Shivaprasad Lukai, President Bnavanagar Dist CITU and was addressed by Naliniben Jadeja (CITU), Ashok Sompura (DYFI)Naresh Gohil (SFI), Pathobhai (AITUC) among others.

At Rajkot a well attended seminar was organised against the Patents Ordinance which has drawn participation of various trade unions and mass organisations. The seminar was addressed by Subodh Mehta (CITU), Dilipbhai Thacker (Majur Mahajan)Dayanidhi Gajera (UPLETA Kisan Sabha), Ilaben Dave (Janavadi Mahila Samity) among others. The seminar decided to organise massive satyagraha demanding scrapping of the Ordinance). Accordingly, on 26th February 2005, court arrest demonstrations were held at different part of the state where several thousands from trade unions, kisan sabha, and other mass organisations of students, youth and women took part. At Upleta Kisan Sabha led the demonstration of around 500 people to break the prohibitive barrier and 62 were arrested. At Bhavanagar, around thousand demonstrators from trade unions of industries, railways, banks , insurance cutting across affiliations along with students youth and women staged militant demonstration and blockaded the Bhagat Singh Chawk for hours. At Ahmedabad, CITU and AITUC jointly organised demonstration at Laldarvaja Maidan. Baroda also witnessed massive demonstration jointly organised by CITU and AITUC. At Rajkot, The trade unions affiliated to CITU, AITUC and NCP held demonstration. At Junagarh, peasants and workers from fisheries, forestries, motor-transport jointly organised dharna. Report of demonstration was also received from Surat. The CITU leaders, Subodh Mehta, Arun Mehta, Naginbhai Patel, Satish Parmar, Ramachandran, Batuk Makwana, AIDWA leader Naliniben Jadeja, DYFI leader Ashok Sompura, Naresh Gohil from SFI etc led the demonstration and courted arrest.

U.P. JUTE MILL WORKERS DHARNA AGAINST CLOSURE

The workers of J K Jute Mill have been in struggle against the unlawful closure of J K Jute Mill since 21st June 2003. Despite repeated persuasion by the trade unions, the Labour Deptt of Uttar Pradesh has not declared the closure illegal.

The workers of the Jute Mill under the leadership of J K Jute Mill Mazdoor Panchayat (CITU) have been continuously agitating against the illegal closure. A massive demonstration before the office of the Additional Labour Commissioner at Kanpur was held on 29th January 2005. From the demonstration a memorandum was submitted to Additional Labour Commissioner demanding State Govt. intervention for opening the Jute Mill. A 24-hour dharna was also organized before the residence of the General Mnager on 7th February 2005. It was announced from the dharna that if the Mill is not opened within next 15 days, continuous relay hunger strike would be held before the GM's residence followed by road-blockade and other action programmes. Daulat Ram, General Secretary, UP State CITU, M D Jaif, General Secretary of the Union and other leaders addressed the demonstration and dharna.

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REPORTS & EVENTS

POSTAL EMPLOYEES SERVE NOTICE FOR STRIKE

The National Federation of Postal Employees and Federation of National Postal Oraganisations have jointly decided to go in for indefinite strike from 15th March 2005. The strike notice has already been served as every attempts to have a negotiated settlement on the pressing demandsfailed. The Grameen Dak Sewaks who are the lowest paid workers in the Central Govt sector constituting half of the postal employees in the country were denied the benefit of DA merger by the Govt. ED employees have also been deprived of their rights and benefits.

On the basis of assurance given by the Govt. for negotiation on the demands the strike has been deferred. CITU calls upon all its affiliated unions to stand in solidarity with the striking postal employees.

West Bengal: BEEDI WORKERS STRIKE

The Beedi workers in the districts of Murshidabad, Malda and Uttar Dinajpur have gone on complete strike to press for their ten point demands viz., remuneration of Rs 50/ per thousand of beedi, dearness allowance of 3 paise per point of price index above 1300 points, need based minimum wages, equal remuneration for men and women workers, identity cards for home-based workers, regular supply of raw materials for at least 1000 beedis per day, guaranteed work for 26 days in a month and withdrwal of tax concession to mini-cigarettes etc.

The preparatory campaign for the strike by the CITU union was so widespread that the impact of campaign spread across the border of the state and the beedi workers of Pakurganj and Sahebganj at Jharkhand also joined the strike action in a big way.

The striking beedi workers at Malda held massive rally at Baroj auditorium in the town. The rally was addressed by Jiban Maitra, President of the Malda District Beddi Shramik Union. After the rally the workers brought out a huge procession in the town and submitted memorandum to District Magistrate through demonstration. In Murshidabad and North Dinajpur similar programmes were organized.

PUNJAB:

DEMONSTRATION AGAINST ELECTRICITY PRIVATISATION

A fifty thousand strong demonstration was held at Sector 17, Chandigarh on 15th March 2005 in protest against the move for privatisation of Punjab State Electricity Board. CITU State Committee and the Joint Action Committee of PSEB Employees took initiative to organize the demonstration.

The massive demonstration was joined by the PSEB employees and also by other CITU unions, Punjab Kisan Sabha and the mass organisations of students, youth and women in a big way. It was a massive peoples' action against privatization of electricity. The mobilization was so huge that the entire ground was packed and thousands of people had to remain on the surrounding roads.

Demonstration started at 11-30 am and continued till 5 pm. The rally was addressed by Raghunath Singh, General Secretary, Punjab State Committee of CITU, Dev

Raj and Gurdial Singh Bhangal, both Joint Conveners, Joint Action Committee of PSEB Employees, Lamber Singh Taggar, General Secretary, Punjab Kisan Sabha, Vijay Mishra, Working President, Punjab CITU, besides other leaders of the PSEB employees and mass organisations. The speakers condemned the State Govt's move to privatize PSEB and called upon the people to build united struggle to resist the disastrous move of privatisation.

ORISSA: CONSTRUCTION WORKERS' CONFERENCE

The conference of the Construction Workers' Federation of Orissa State was held on 19-20 February 2005 at Bhubaneswar. The conference commenced with a massive rally participated by several thousands workers at Kasturbanari Mahal. Construction workers from all over the state assembled at the Railway station and marched in procession towards the place of rally. Laxman Seth, MP, Asis Mukherjee, Lambodar Nayak, Bishnu Mahanty Biman Maity and others addressed the rally.

Debanjan Chakraborty, General Secretary, Construction Workers' Federation of India inaugurated the conference, attended by 130 delegates from construction sector unions from all over the state. Lambodar Nayak, President of Orissa State CITU presided. 25 delegates participated in the discussions on the report, which reflected the conditions of the construction workers in the state and burning issues before them The deliberation also took serious note of the State Govt. inaction in implementing the Construction Workers' Act and related rules stressed upon the urgency of building statewide united movement on the issue.

The Conference elected a 59 member executive Committee with Sivaji Patnaik as advisor, Lambodar Nayak as President, Bishnu Mahanty as Working President, Naba Kumar Mohanty as General Secretary and Satyananda Behara as Treasurer. The Conference decided to observe statewide protest demonstration on urgent demands of the construction workers on 30th May 2005 through rallies/ demonstration before the district headquarters.

W.B: HEALTH-INSURANCE SCHEME

FOR THE AGRICULTURAL & UNORGANISED SECTOR

The Left Front Government of West Bengal has announced health-insurance schemes for the agricultural workers and the unorganized sector workers in the state, in its Budget for 2005-06. This has been in addition to the ongoing Provident Fund scheme for the Unorganised Sector workers.

According to the announcement made in the Budget of the State Govt., the Left-Front Govt. will bear the entire expense of premium for the health insurance of Rs.165/ - per worker per year. Total budget allocation on this account in Rs.12 Crore for the agricultural workers and Rs.8 Crore for the unorganised sector workers, for 2005-06.

It may be noted that in 1998-99, provident Fund Scheme with the joint contribution by the workers and the Govt. was introduced for the agricultural workers in which already 10 lakh agricultural workers were registered in the Scheme.

In 2001, Provident Fund Scheme was introduced for the unorganised sector workers in which already 6 lakh workers got enrolled. In the Budget Speech 2005-06 of the Left Front Govt. of West Bengal, it was stated that to expand further the

Social security benefit for the unorganised sector and agricultural workers, the health insurance scheme is being introduced.

The trade unions in the state have to take organizational initiative to popularise cover and enroll more and more workers in the agricultural and unorganised sector in these social security schemes launched by the Left Front Govt.

T.N: DEMONSTRATIONS AGAINST ECONOMIC POLICIES

Demonstrations and meetings were held on 11th March, as part of the National campaign against the economic policies of Govt. of India. CITU, AITUC, HMS, AICCTU, UTUC-LS had given the call and various Federations of middle class employees also participated in these demonstrations.

In Chennai, a demonstration was held in front of the Part Town Post office in which employees and workers from various sectors participated. Among those who addressed the demonstrations were S.S.Thiagarajan(AITUC), P.N.Unni (CITU) and A.S.Kumar (AICCTU).

In Kancheepuram, the demonstration was addressed by A.K.Padmanabhan, A.Vasudevan and others. Demonstrations were organised in Chengalpattu and Madurantagam also in the district.

In Madurai, hundreds of workers participated in the demonstration, which was addressed by K.Palanivelu(CITU), Nandasingh (AITUC) and others. Madurai rural district committee of CITU, organised a demonstration at Thirumangalam.

In Coimbatore, the demonstrators, were addressed by U.K.Velliangiri(CITU) Arumugam,(AITUC) and leaders of other organisations including HMS.

In Vellore district demonstrations were organised by CITU and fraternal organisations in Vellore, Gudiyatham and Thirupathur. Demonstrations were held in various other centres in the state.

LEATHER WORKERS' STRUGGLE

United actions including statewide strikes in Leather industry has resulted in a settlement covering all the units in the state. Though it has been the practice and there were 13 statewide wage agreements earlier, the employers Association was not prepared for a settlement covering all the units. The existing settlement had expired by 15th October 2003 and the employers were insisting on area wise settlements. After a series of campaigns, a Joint Action Committee of all unions was formed with K.R.Ganesan (CITU) as convenor. The JAC retaliated with a state wide strike Call from 28th February to resist the employers' ploy to go for local level settlement with paltry rise in wages. Strike was complete in Ambur, Didingul while in other centres it was partial. As the strike continued, employers agreed for a statewide settlement and strike was withdrawn after 4 days. Ultimately a tripartite settlement was signed on 10th March which provided for wage increase of Rs.8.50- per day from 16.10.2004, annual increment of Rs. 26 per month., two pairs of uniforms and washing allowance of Rs. 26 p.m. The agreement is valid for 4 years from 16.10. 2004. Nearly one lakh of workers of Leather & leather goods industry will be benefited by this settlement.

HAND LOOM WORKERS' STRUGGLE

Tamilnadu Handloom workers Federation has given a call for statewide demonstrations on 2nd April demanding coverage of Insurance schemes to all sections of handloom weavers, implementation of pension scheme, granting of bank loans to weavers, implementation of minimum wages and its renewal, elections to co-op Societies etc.This decision was taken in the meeting of the state executive of the Federation on 10th and 11th March at Kancheepuram.

CO-OP EMPLOYEES PLAN STRUGGLE

Employees of Co-operative societies under the banner of Co-

op. employees Federation (CITU) has decided to go on struggle against denial of employment to large sections of employees of various co-op societies. Next phase of struggles will begin with a massive dharna in Chennai, on 17th March.

(Report from A.K.Padmanabhan)

7TH CONFERENCE OF AIRTWF

The 7th Conference of All India Road Transport Workers' Federation was held on 8-9 March 2005 at Siliguri, West Bengal. 672 delegates, representing 4,70,000 workers from all over the country attended the conference.

In the run up to the conference an International Seminar on "Impact of Globalisation on Transport Policy in the 3rd World Countries" was held on 6th March at the conference venue. The Seminar was inaugurated by Subhash Chakraborty, Transport Minister, Govt of West Bengal and M K Pandhe, President CITU delivered Chairman's address. After introductory remarks by K K Divakaran, General All India Road Transport Workers' Federation, Shyamal Chakraborty, Working President of the Federation initiated discussion in the Seminar by presenting the theme paper. In the Seminar presentations were also made by the leaders of Bangladesh TUK, Jatyo Shramik Federation, Bangaladesh, GEFONT (Nepal), Vietnamese Trade Union, Trade Union of Transport and Fisheries from North Korea. Bikash Ghosh, Mayor, Siliguri Municipal Corporation welcomed the delegates.

The Federation Conference was inaugarated by Chittabrata Majumdar, General Secretary, CITU. Md Amin, Presided over the Conference. Subhash Chakraborty welcomed the foreign delegates in the conference. The session was also addressed by M K Pandhe, President CITU, Kali Ghosh, General Secretary, West Bengal State CITU,

The General Secretary's Report was placed by K K Divakaran. 33 delegates from 16 states participated in the discussion. Shayamal Chakraborty palced the proposal for programme of Jeep Jatha throughout the country to popularise the demands of the Road Transport workers and statewise, sectorwise programmes of mobilisations. Subhash Mukherjee placed the credential report.

The Conference elected the team of 28 office bearers, 115 working committee member, 193 General Council members with Md Amin as President, Shyamal Chakraborty as Working President, K K Divakaran as General Secretary.

A.P: ANGANWADI EMPLOYEES DEMONSTRATE

Before the A. P. elections, Rajasekhara Reddy, present Chief Minister, promised to pay an additional remuneration equivalent to the amount paid by the government of India. But, the Chief Minister later announced only a paltry increase of Rs. 100. The enraged anganwadi employees held massive demonstrations on 13.12.2004. The Chief Minister tried to pacify them. This year, the government issued a GO increasing the amount by Rs. 200/- for workers and Rs. 100/- for helpers. At the same time, it also increased the working hours. The A. P. Anganwadi Workers' and Helpers' Union held a massive demonstration and rally in Hyderabad on 14.3.2005 demanding fulfilment of the promise by the CM. Around 25000 anganwadi workers and helpers in the state participated in the procession. Roja, General Secretary of the A.P.Union, Veeraiah, General Secretary, CITU, A.P. and Hemalata, General Secretary of the All India Federation of Anganwadi Workers and Helpers, and other leaders also addressed the gathering.

NEPAL:

TRADE UNIONS DEMAND RESTORATION OF DEMOCRACY

On March 21, for the first time after the king's coup, six national trade union organisations (including NTUC an ICFTU affiliate and sister organisation of Nepali Congress) organised a joint meeting in Kathmandu.

The meeting discussed on the possible nationwide movement against the royal autocratic step and for the restoration of democratic and trade union rights in Nepal. The meeting also discussed on the mass action campaign on 1st May, International Labour Rights Day.

At the end of the meeting, a joint statement was released condemning the royal step and demanding the immediate and unconditional release of trade union leaders and other arrested persons whose number is more than thousand. The text of the statement issued by the Nepal Trade Union Congress (NTUC) Federation of Nepalese Progressive Trade Union (FENEPT) All Nepal Trade Union Congress (ANTUC) Nepal Trade Union Federation (NTUF) Nepal Trade Union Centre and All Nepal Labour Movement is as under:

"The February 1st king's step is not only the step to drag the nation toward the autocratic system but also to wipeout the democratic achievement of 1990 national mass movement. In the pretext of nationwide emergency, mass repression is started and arrest of thousands of political workers including trade union leaders, journalists, human rights, women, youth and student leaders.

"We the following six national trade unions strongly condemn the imposition of autocratic monarchy system through royal coup. We strongly demand the immediate and unconditional release of Mr. Puskar Aryal - senior vice president of Nepal Trade Union Congress (NTUC), Ramji Kuwar and Bhakta Bahadur Karki - regional vice presidents of NTUC, Chandrewor Bampanthi - central committee member of Nepal Trade Union Federation (NTUF) and. Birendra Rai - regional leader of All Nepal Trade Union Congress (ANTUC) and all other arrested persons.

"We call upon all national trade unions in Nepal to launch joint struggle against autocratic system and for restoration of democratic and trade union rights".

Successful Two Days Strike in General Insurance on 23rd and 24th March 2005
LIC officers and employees prepare for one-day strike on 31st March 2005

The employees and officers of the public sector general insurance companies massively participated in the two days strike on March 23 & 24, 2005. The successful observance of the strike has sent strong signals to the authorities concerned that the employees and officers would not rest until their demands of a just wage revision and restoration of promotion process are met.

As a run up to the strike the weekly demonstrations were enthusiastically participated by the employees in all the centres.

The success of the two days strike on March 23 & 24 could be measured in the context of threats made by the managements of the companies for punitive action and attempts of the management to break the strike by calling the police. They also made some of the groups to issue calls to their supporters to break the strike by spreading rumours and characterising that the strike was politically motivated. But the disruptors had no qualms to use any method to disrupt the democratic expression of anger and anguish. It is heartening to note that in spite of threats and attempted disruption of the strike, most of the offices including Head Office of one of the companies

remained closed both these days. It speaks volumes about employees' indignation to the indifferent attitude of the authorities on their just and genuine demands.

The strike had its echo in Parliament when the Left MPs brought to the attention of the Government on the on-going strike in general insurance and demanded early settlement of the wage demands.

The unions would be meeting shortly to chalk out further course of action to compel the authorities to break the deadlock in wage talks and promotions. We call upon all the employees and officers to remain in readiness for further course of action if the indifference of the authorities continues.

In LIFE INSURANCE CORPORATION OF INDIA, the talks on wage revision were deadlocked after the LIC management came out with wage offers on 22nd March 2005 which were below par and not acceptable to the employees. In the LIC industry, the management is prepared to go for a higher wage rise than 13.3% offered, but the government is not allowing them to do so in the name of confining the wage rise to the levels offered in banking industry. In fact the unique feature of LIC is that the cost of wages as against the total premium income is little over 4%. Even after a wage revision of 16% or even 18%, the cost would come down again below the 4% level in view of the huge growth in premium income, which is estimated to touch Rs.72, 000 crores by 31st March 2005. This is the background in which LIC made known its readiness for a wage hike higher than 13.3%.

But unfortunately the government is behaving irresponsibly and irrationally. The employees, Development Officers and Officers have thus decided and started preparing for ONE DAY strike on 31.3.2005 to realise a just wage revision in tune with the enormous growth of the industry over the last five years.

STRIKE WAVE PRALYSED GREECE AND ITALY

The strike against privatization and neoliberalism paralysed normal life in Greece on 17th and 18th March 2005. Not only the industrial establishments in private and public sector, but also the Govt offices, schools and colleges and other commercial establishments remained completely closed.

The strike was called by General Confederation of Greek Labourers. The Chief of the organization, Christose Polyogopulous said that the neoliberal policies being pursued by the conservative Government have led to increasing unemployment and widening impoverishment of people. Unemployment crossed 10 per cent of the workforce, pensioners are facing acute distress. 30 per cent people are below the poverty line. In such a situation the trade unions resorted to countrywide General strike demanding reversal of the neoliberal policies.

On the other side the strike called by the public sector workers' unions in Italy against privatization move by the Govt on 18th March got converted into countrywide General Strike. Factories , offices, schools and colleges, all public transports were closed. Several thousands of striking workers jammed the heart of the capital city by staging procession and demonstration. Luicy Anjeletti, General Secretary of UIL said in an interview that the strike of 18th March has virtually put the Italian Govt on notice against their anti-people neoliberal policies.

CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS ON BASE 1982=100

State	Sr. No.	Centre	Month Dec.' 04	Jan.' 05	State	Sr. No.	Centre	Month Dec.' 04	Jan.' 05
Andhra	1	Gudur	500	511	Maharastra	38	Mumbai	612	619
Pradesh	2	Guntur	513	512		39	Nagpur	535	547
	3	Hyderabad	517	518		40	Nasik	571	583
	4	Visakhapatnam	509	523		41	Pune	577	583
	5	Warangal	538	538		42	Solapur	534	541
Assam	6	D.D.Tinsukia	437	435	Orissa	43	Barbil	459	456
	7	Guwahati	516	521		44	Rourkela	457	457
	8	Labac-Silchar	412	408	Punjab	45	Amritsar	461	482
	9	Mariani-Jorhat	448	446		46	Ludhiana	480	488
	10	Rangapara-Tezpur	434	433	Rajasthan	47	Ajmer	516	530
Bihar	11	Monghyr	482	490		48	Jaipur	475	484
Chhattisgarh	12	Bhillai	464	461	Tamil Nadu	49	Chennai	559	565
Gujarat	13	Ahmedabad	511	516		50	Coimbatore	505	504
	14	Bhavnagar	526	529		51	Coonoor	507	505
	15	Rajkot	472	476		52	Madurai	508	500
	16	Surat	491	486		53	Salem	486	478
	17	Vadodra	486	488		54	Tiruchirapally	555	563
Haryana	18	Faridabad	535	542	Uttar	55	Agra	482	498
	19	Yamunanagar	494	507	Pradesh	56	Ghaziabad	529	551
J & K	20	Srinagar	613	617		57	Kanpur	490	495
Jharkhand	21	Jamshedpur	482	486		58	Saharanpur	474	492
	22	Jharia	425	420		59	Varanasi	535	553
	23	Kodarma	448	453	West	60	Asansol	493	490
	24	Noamundi	474	476	Bengal	61	Darjeeling	437	434
	25	Ranchi-Hatia	479	481		62	Durgapur	581	581
Karnataka	26	Bangalore	515	518		63	Haldia	603	609
	27	Belgaum	571	577		64	Howrah	592	598
	28	Hubli-Dharwar	528	536		65	Jalpaiguri	439	435
	29	Mercara	499	498		66	Kolkata	562	564
Kerala	30	Alwaye	527	531		67	Raniganj	455	456
	31	Mundakayam	510	509	Chandigarh	68	Chandigarh	572	599
	32	Quilon	550	552	Delhi	69	Delhi	605	632
	33	Thiruvananthapuram	595	613	Pondicherry	70	Pondicherry	591	576
Madhya	34	Balaghat	460	459					
Pradesh	35	Bhopal	537	546					
	36	Indore	519	524					
	37	Jabalpur	512	528			ALL-INDIA	521	526

Additional Series of Labour Bureau

State		Centre	December 2004	January 2005
Andhra Pradesh	1	Kethgudem	524	534
Himachal Pradesh	2	Himachal Pradesh	491	497
Rajasthan	3	Bhilwara	513	522
Madhya Pradesh	4	Chhindwara	462	461
Tripura	5	Tripura	467	455
Goa	6	Goa	620	630

GLOBALISATION & INTERNATIONAL LABOUR STANDARDS

A R Sindhu

Imperialist globalisation has made the lives of the working people miserable, by sharply intensifying their exploitation. Globalisation brings positive results only for the TNCs, whose profits increase day by day whereas they employ only 3% of the workforce, globally. 200 of the world's largest TNCs employ nearly 1% of the workforce and have a turnover of 28.3% of the world's GNP. The structural adjustment policies and trade liberalisation have ruined the economies of the developing countries, and are creating large scale unemployment even in developed countries.

"Permanent workers are being retrenched and contract workers being appointed; whenever there is a move from the workers to get unionised, they are thrown out of job. The government is protecting the employer's interests not the workers'" These words, reflecting one aspect of globalisation process in India are very common now a days in any part of the country. Exactly the same words were repeated by trade unionists from Asia and Pacific countries reflecting the same situation there. Large scale violations of fundamental rights including the freedom of association, attacks on the trade unions, non implementation of labour laws, change in labour laws in favour of capitalists, curtailment of all social security measurers - these conditions, faced by the labour in the developing countries, was reflected in the experience shared by the participants from 14 countries, on a one month training programme organised by the ILO on International Labour Standards and ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up.

The ACTRAV- ILO department on Workers activities organised this programme to train trade union activists in Asia and the Pacific to enable them to effectively utilise the ILO conventions.

Preference was given for women and young people in the selection of participants. There were two representatives from both India, (N Bhuvaneswari from INTUC and AR Sindhu from CITU), and China. 15 participants from 13 countries participated. Out of the 15, ten were women. The participants were from the Jatiyo Shramik League Bangladesh; All China Federation of Trade Unions, Hong Kong Confederation of Trade Unions, China; CIPTU, Indonesia; Workers House, Iran; Federation of Korean Trade Unions, Korea; Malaysian Trade Union Congress, Malaysia; NTUC Nepal; Trade Union Congress of Philippines, Philippines; All Pakistan Federation of Labour, Pakistan; Samoa Trade Union Congress, Samoa; National Trade Union Congress, Singapore and Women Workers Unity Group, Thailand. The Training programme was conducted from 14 February to 11 March 2005 at the International Training Centre of ILO at Turin, Italy.

Our training programme consisted of sessions on different aspects of Globalisation, Change in National Labour legislation, International Labour standards and ILO Conventions on Fundamental or Core issues (Freedom of Association, Forced Labour, Child Labour, Discrimination) and the ILO supervisory mechanisms and its applications by trade Unions. These sessions included presentations by ILO experts, followed by group activities on identification of national priorities and remedies. Representatives from Global Union Federations Clement Dey Rolot from Education International and Wolfgang Weinz from IUF explained the importance of global movements, particularly in the era of globalisation, and their experience in the fields of Framework agreements.

There were computer sessions in which the use of IT in collecting information and developing global networking were taught. The functioning of the ILO website for communication development, Solicomm- Solidarity Communications- was explained and the

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CITU - ILO National Meeting on

ORGANISING THE WORKERS IN THE INFORMAL ECONOMY

The CITU has organised a 'National Meeting on Organising the Workers in the Informal Economy' at the BT Ranadive Bhawan auditorium in New Delhi, on 23- 24 March 2005. The meeting was supported by the ILO.

Around 30 CITU leaders from 11 states, industrial federations of CITU in the unorganised sector, and CITU Centre, participated in the meeting. Many of them were members of the Unorganised Sector Coordination Committee of the CITU. Mr. Pong Sul AHN, Senior specialist on Workers' Education at the Sub Region Office of ILO and CSK Singh, Senior Fellow in the VV Giri National Labour Institute participated.

W R Varada Rajan, Secretary, CITU welcomed the delegates and the guests. Chittabrata Majumdar, General Secretary of CITU inaugurated the meeting and emphasised the importance of organising the workers in the informal sector. He explained the need to develop different strategies to organise the unorganised sector workers, keeping in mind their immediate necessities and their fragile working conditions.

Pong Sul AHN made a presentation on behalf of ILO and explained the experiences of organising the unorganised sector workers in different countries, by adopting methods like formation of Self Help Groups, Cooperatives, study circles etc. CSK Singh made a presentation of the findings of his study.

PK Ganguly, Convenor of the Unorganised Sector Coordination Committee told that organising the workers in the unorganised sector was indeed difficult. But CITU has taken up the far more difficult task of changing the society and ending all exploitation. To achieve this objective, it was necessary to unite the entire working class and organise the workers in the vast unorganised sector.

Shyamal Chakraborty, Vice President of CITU intervened to give the experiences of West Bengal in organising the unorganised sector workers. He told that organising Self Help Groups, Cooperatives etc should be considered in the initial stages. It was necessary to keep both the short term and long term interests of the workers while taking up struggles and agitations.

Hemalata, Secretary, CITU presented the discussion paper of CITU. She reminded the decisions of CITU on the issue of organising the unorganised sector workers. The paper pointed out the importance of forming trade/ industry wise unions and developing struggles on the specific demands of the workers as well as organising state wide campaigns and mobilisations on the common demands of the unorganised sector workers like implementation of minimum wages, social security etc. The importance of cadre allotment and cadre development was also emphasised. In view of the limited resources available with the state committees, it was necessary to prioritise the areas/ industries in which to concentrate initially.

The participants reported the varied experiences in organising the unorganised sector workers in their respective states. It was obvious that in spite of the enormous difficulties and obstacles encountered in the form of police repression, attacks by the goons of the employers, non registration of the unions by the labour department, closures, termination of services etc, the work of CITU among the unorganised sector has increased. Many states have decided their priorities as organising the anganwadi employees, beedi workers, construction workers, brick kiln workers, etc. In some states the membership of unorganised sector workers constituted 60- 80% of the total membership.

The meeting broke into groups to discuss the future plan of action and suggested holding similar meetings/ workshops be held in all the states, organising state level conventions of contract workers, and holding state level mobilisation of unorganised sector workers, in which organised sector workers should also be involved.

Tapan Sen, Secretary, CITU in his concluding speech, emphasised the need to decide priorities and use the available human and financial resources in a judicious way to get better results.

RA Mital, Secretary, HMS shared the experiences of HMS in organising the unorganised sector workers.

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