

CENTRE OF INDIAN TRADE UNIONS

WORKING COMMITTEE MEETING

BANGALORE

24 - 26 AUGUST, 2001

DOCUMENTS

- * PRESIDENTIAL ADDRESS
- * REPORT OF THE GENERAL SECRETARY
- * NOTE FOR SPECIAL DISCUSSION ON
FUNCTIONING INDUSTRIAL FEDERATIONS
- * CONDOLENCE RESOLUTIONS
- * STATEMENT OF ACCOUNTS

CENTRE OF INDIAN TRADE UNIONS

Working Committee Meeting

Bangalore, 24-26 August, 2001

Programme

24.08.2001

- 10:00 am to 11:30 am : Flag hoisting
Homage at Martyrs Column
Inaugural Session
Presidential Address
- 12 noon to 1:30 pm : Introduction of
Secretary's Report &
Presentation of Accounts
- 3:30 pm to 6:00 pm
6:30 pm to 8:00 pm : Debate on General secretary's Report

25.08.2001

- 10:00 am to 11:30 am
12 noon to 1:30 pm : Debate on General secretary's Report
- 3:30 pm to 6:00 pm
6:30 pm to 8:00 pm : Special discussion on Industrial Federations

26.08.2001

- 10:30 am to 11:30 am
12 noon to 2:00 pm : Summing up
Adoption of Reports/ Accounts
Resolutions
Credentials Report
Concluding Address by the President
- 4:00 pm : Mass Rally

Tea Break
11:30 am to 12 noon
6:00 pm to 6:30 pm

Lunch Break
1:30 pm to 3:30 pm

PRESIDENTIAL ADDRESS

by

E.BALANANDAN

Dear Comrades,

At the outset let me thank our Karnataka State Committee of CITU for making excellent arrangements for holding our Working Committee in this beautiful city, with only a short notice.

In our 10th Conference at Hyderabad, we have taken stock of the developments in the country and abroad, and formulated the tasks to be undertaken by the CITU. I am glad to state that the general developments in the country and outside were broadly in consonance with the general directions envisaged in our 10th conference report - Increasing imperialist offensive, capitalism in global crisis, Indian economy faces slow growth, intensified implementation of economic reforms and saffronisation being pushed through vehemently. The attack against the working class throughout the country has been intensified against which the united resistance is on the increase. It is quite significant that all the central trade unions came together to fight back the World Bank dictated policies of the Central Government based on a five-point demand. Before going to the details of it, let me touch upon certain issues, which are of great significance.

The Government at the Centre headed by Mr. Vajpayee is again being rocked by the new US64 UTI scam, which has robbed two crores of our people, who have invested whatever small savings they had with the hope that it will be safe in this Government-owned company. Thousands and thousands of crores of this money has been diverted, through trickery and treachery of stock market manipulations to the big corporate houses and others under the tacit connivance of the highest authorities in the government. This led to serious crisis of the UTI US-64 scheme and forced it to suspend the repurchase operation. The UTI chief himself reportedly told pressmen, many of these share buying has been done as directed by the office of the Prime Minister and the Ministry of Finance. A sample: 3,45,000 shares each worth Rs. 2 of the Cyber Space Infosys (Uttar Pradesh) has been bought by US-64 for Rs. 930 per share and gave them Rupees 32.8 crores. The who is who of the companies, which sold their shares at exorbitant rates and amassed huge money from US-64 is available today in the public press. Many of them are BJP supporters and big corporate houses. The share value reduced by 40 per cent and the investors had to suffer huge loss. This is a planned treachery.

The Hindu with the caption 'Corporates control the government' reported the discussion in the Parliament on 3rd August 2001: 'The debate on the US-64 scam in the Lok Sabha today offered an instructive lesson in the country's political economy. Speaker after speaker, cutting across the party divide, alluded to the awesome powers that corporate houses had come to exercise over the Government. And, the corporate house most often cited was "Reliance".....Mr. Alvi noted that the corporate houses had acquired such a clout that they could decide which minister would get what portfolio and which officer would be secretary in which ministry. And then, he cut close to the bone when he addressed himself to the Finance Minister: "You became Finance Minister because "they" did not want someone else to become Finance Minister".

The report brings to you the true nature of the governance in the country that the ministers, their secretaries, their portfolios are decided by the corporate bosses. In such a situation, will anybody who heads the financial institution dare to disobey the order of corporate giants like Ambani and others, since they know that they are the actual rulers of the country? Therefore it is not surprising that the stability of IDBI, IFCI etc. is also in danger. This is the real face of Indian democracy.

A Shiv Sena MP, who made an allegation against the Prime Minister in the Rajya Sabha listing some phone numbers has been made to withdraw and apologise under the threat of the Prime Minister's resignation.

The claim of "clean" Government had earlier been exposed thoroughly by the Tahelka episode, which rocked the Parliament during the last session. Mr. George Fernandes, the then Defence Minister lost his ministership and Mr Bangara Laxman, the President of BJP had to quit his office, since both of them were caught red handed by a television camera. This case is now under enquiry, which can at best only be an eyewash. "Is India's defence safe under this corporate Raj - the twenty-four party rule?", is the main question that needs to be answered.

Comrades,

The NDA Government lost time in setting up a shop (a new Ministry) seeking the public sector companies speedily implement the World Bank dictums. The corporate overloads fix up the time frame and the total *modus operandi*, which the Disinvestment Minister loyally executes. This is going on at top speed. The target for this year is Rs 12,000 crore and the Planning Commission decided to transfer public sector wealth to Indian and foreign capitalists to earn Rs 80,000 crores for the next five years. What a nice planning for transferring public wealth to private hands? "What a nice government", which lives through the sales of ancestral public property?

This program of privatisation is going ahead with top speed. The power sector, telecom, BALCO, Air India, Indian Airlines, the defence Industries, including many others in the vital and strategic sectors, the LIC, GIC and Banks are not spared. The Railways also are listed now. Thus, the public wealth is transferred to Indian monopoly houses and Multi-National Corporations at throwaway prices. The adverse impact of this is India's total self-reliant development and the first victims are the working class.

THE DANGER OF SAFFRONISATION

The BJP Government is bent upon taking the country backward to medieval ages by changing the educational curriculum to suit the RSS prescriptions. The latest is the inclusion of astrology as a subject in the Indian Universities, which everybody knows, is outside the ambit of scientific perceptions. The anti-Muslim and anti-minority attacks continue unabated in different parts of the country, which is spreading the feeling of insecurity among them. Ignoring the legal and constitutional procedures, declarations are made by VHP chieftains that they will go ahead with "the construction of temple come what may". This generates serious anxiety among the Muslim minorities and goes against the unity and integrity of the country. This will adversely affect working class unity. Therefore, the fight against the communal agenda of BJP is of utmost importance. The trade union should play their leading role in the fight against it.

THE IMPERIALIST OFFENSIVE

Soon after Mr. George W Bush came to power in United States he made two pronouncements, which were of world concern. One - that they will not abide by the ABM treaty 1972 and will go ahead with the "national missile defence programme" and the second - their decision to renege on their commitment of endorsing and signing the Kyoto Protocol, which seeks to lay down international standards to control emissions of Green House Gases (GHGs) to minimise world warming.

NATIONAL MISSILE DEFENCE

It is claimed that to defend "US territory" from the attacks of "rogue states" and to protect their "vital interests" abroad NMD system is absolutely essential for which the estimated expenditure are \$ 800 billion. Though its feasibility is still in doubt, besides the increasing opposition world over including the NATO alliance, it seems that they are determined to push through this programme. In our tenth conference at Hyderabad, we have noted that the bogie of danger to the US security etc. is being used as an *alibi* to push through their military hegemony over the world.

Today, the USA has military bases in more than hundred countries of the world. Most of them bordering the Persian/Arabian Gulf, throughout Europe including Eastern Europe, Balkans, Korea and Japan. Anti-drug warriors ("mercenaries") are stationed in Central America, Colombia, Ecuador and Peru. The stationing of military forces around the world is to control their strategic materials like petrol and minerals, besides to protect the trade interests of US based big monopoly corporations. Intense efforts are being made now to strengthen their military bases further in Asia Pacific region including India with an eye on China. The BJP Government have already started moving towards this.

The Government of India earlier expressed reservation on the National Missile Defence programme; but has now shifted their position and welcomed it. The Government, of late, is taking steps for joint US-India military exercises. The "Pakistani threat" and the "Chinese belligerence" are held just as reasons for the change. The earlier opposition to the Diego Garcia base is also watered down. Mr. Jaswant Singh himself has hinted that the US will have military bases in India in a discussion in the Parliament. This dangerous gamble will weaken the country's freedom and will lead to US imperialist domination.

Sensing the danger of US attempt for world hegemony, using national missile defence programme, China and Russia strongly expressed their opposition to the proposed missile defence system and signed a long-term friendship treaty on mutual security, assistance and cooperation. This is a welcome development.

KYOTO PROTOCOL ON WORLD WARMING

The American refusal not to sign the Kyoto Protocol of 1997 has not dissuaded the countries of the world from coming to an understanding about the steps to be taken against this serious question of world warming. The representatives of 186 countries, of which 38 were industrialised ones, met under UN auspice at Bonn (Germany), came to an understanding and signed the Protocol. This is to come into force by 2002 and as soon as 55 countries duly sign and make it part of their National Law, including industrialised countries emitting 55 per cent of the polluting gas. This consensus has been reached in spite of the opposition from the United States shows its isolation. The minimum target had to be reduced to reach this agreement.

Twenty five per cent of the total Green House Gases emission in the world is from the United States

whose population is only four per cent of the world. The new energy policy of the US to use fossil fuels, without restriction, will further increase their share. Hence, for the effective control of world warming gases, the cooperation of United States is necessary. Therefore, it is the duty of the people world over including the United States to collectively pressurise and make the United States to fall in line.

The trade unions should not be neutral in this global action for reduction of carbon dioxide emission to dangerous levels. However, we should not forget the fact that the large quantum of it is the share of industrialized nations and the third world countries share is minimal.

ANTI CAPITALIST DEMONSTRATIONS

The powerful protest demonstrations against capitalist globalisation at Genoa, Italy before the G-8 summit has drawn world attention like that of Seattle. Mr. George W Bush, Tony Blair, Silvio Berlusconi and other heads of the seven most powerful imperialist countries along with Russia's Vladimir Putin participated in this meeting held on 19-22 July 2001. In spite of the barricades and obstructions erected by the Italian police declaring that it is a war against the state, several lakhs of people of different avocations from all over Europe joined this demonstration. The main contingent was Italian workers and the youth, including communists and many NGO groups. A 24 year old Carlo Giuliani was shot dead on the road with two bullet holes in his head. He was the first Italian to die in the fight against capitalist globalisation. It was also reported that a French woman has been killed while crossing the Italian borders for joining the demonstrations, besides many hundreds wounded with serious injuries. "Down with capitalism" was one of the main slogans of the demonstrators.

They demanded the cancellation of debts of the most debt ridden 41 countries of the world and criticised the United States for not approving the Kyoto accord on global warming at the behest of Big Oil magnets. However, for the first time, Bush, Blair & Co. were forced to open their G-8 club to representatives of several poor countries and listen to their demands for debt relief and development. Thus, these demonstrations are a pointer to the working class movement for closing their ranks and intensify the fight against the capitalist system.

The increasing crisis in the developed capitalist societies pauperising millions and millions of people, while the wealth is being concentrated in the hands of few capitalists, is invoking opposition and resentment against the capitalist system in a big way. This is the cause for such movements. "Down with capitalism and the capitalist globalisation" is spreading even in backward areas in Europe.

These demonstrations not only attracted wide sections of the people but their militancy is also on the increase. The workers and the youth are playing a leading role.

It is to be noted, these kind of demonstrations are spreading panic among those higher ups of the World Bank and its imperialist masters. The World Bank conference, scheduled to be held in Barcelona on June 25-27, has been forced to be cancelled because of the protest demonstrations planned against it. Thus, a new type of protest action is developing against capitalism. The developing capitalist crisis will further widen and strengthen various protest actions of the people, which may not be of a routine kind.

I do not wish to go into further details of the international events, like the continuing inhuman aggregation against Iraq and the US backed offensive against the Palestinian people etc. and the big strike battles taking place in many countries against the increasing attacks by the employers and many other important events due to time constraints.

THE GLOBAL CAPITALIST CRISIS

Let me now deal briefly about the serious crisis that is haunting the world capitalist economy. Until recently, they were boasting that they are out to bring about a "crisis free capitalism", which is the only sustainable system. The theory of cyclical crisis was outmoded and not valid, in this hi-tech era, it was claimed. However, to their bad luck, we are witnessing today that the word capitalist system is in crisis, which is shaking its very foundation.

The mighty economies of the world, those of the United States and Japan, which together accounts for 46% of the world's output, have plunged into recession, while the European countries are showing a sharp slowdown. Its impact is spreading all over the world. The stock markets everywhere were tumbling over the last one year. Nearly 10 trillion dollars have been wiped off of the Global share values. The NASDAQ too faced serious crash (information technology shares). The world economic growth is slowing down.

The US Economic growth averaged 5% last year with just 1% in the fourth quarter. In the first quarter of this year too, the growth was only 1% and the trend aggravated in the second quarter and came down close to zero (The Economist 23rd June). Industrial production is showing a down-turn; besides the equity prices fell sharply - particularly technology stocks. The NASDAQ having declined yearly by 60 % and Internet stocks about 70% from their peaks. The US productivity, which was 5% per annum, came down to 1% in the first quarter of this year. New orders for electronics fell at an annualised rate of almost 20% in the first quarter signaling that bigger cuts are in the pipeline" (The Economist May12, 2001). This brings the new economy to its "death knell". Many firms have become bankrupt and many others, especially in the technology sector, are facing the same risk.

Job losses have been on the increase during the last year. 18 Lakh workers were laid off and for the last five months more than 6 lakhs were put out of jobs, of which 2,68,000 were from the High Tech Sector. About 40,000 Indian high tech employees have been out of jobs in the Silicon Valley. Average lay off per month was 1,30,500, according to labour department. The unemployment rate is 4.5%, which is the highest in recent years. The high tech sector slowing down quickly spread to the other countries, which led to serious down-turn in capital spending, with its adverse impact on industrial development. The interest rates were cut 5 times this year; yet it did not have any favorable impact on the economy.

JAPAN

The Industrial output in Japan has fallen dramatically mainly due to the drop in exports to United States and its economy is facing serious crisis. For the last five months, the GDP was contracting by 0.2% each month. In the first quarter of this year, the growth was down to 0.9 % from 1.2% last year and it is said for the second quarter it may come down to below zero. The weakening economy of the United States and the collapsing market for technology shares have hurt Japan badly, since Japan's export to America adds upto 3% of their GDP. The share value dive in Japan had its repercussions on the US economy too. The Bank of Japan pushed back its interest rates to zero level, which also could not reverse the sliding down of share market and recession in the economy. The Japanese Prime Minister's attempt to revive the economy by cleansing the banking sector that has mountains of bad debt will push many retail industries and many companies to bankruptcy resulting in millions of job losses. At present, the unemployment level is all time high. The mutually reinforcing economic recession in the US and Japan, the two mighty economies, has its global impact.

EUROPE

In the 12 countries of Europe, the GDP growth has come down to 1.3% from the estimated 2.1% last year and it is now showing a sharp slow down. Besides, the consumer price index has risen to 3.4%, which is creating serious trouble for the economy. The US and Japanese economic slow down has its repercussions on European economy, due to the adverse impact on their exports. Closures and large-scale reduction of employment in the hi-tech sector is creating anxiety.

SOUTH AND SOUTHEAST ASIA

The economic recession in Japan and United States has serious repercussions on the other Asian countries since 37% of their exports were to America and Japan, which is almost now broken down. Though those countries that were affected in 1997-98 crises had improved their economic growth they are again facing serious slow down due to export crunch. According to GDP estimates published on July 10th, the Singapore economy has shrunk by an annualised rate of 10.1% in the second quarter of this year. It was only 0.8% in the last year. The Singapore Ministry had to revise their economic growth estimates to 0.5 - 1.5% for the year from the earlier forecast of 3.5 - 5.5%. The Singapore's industrial production fell by 11% in this year upto May. In South Korea and Hong Kong, industrial production came down to 2 - 3% this year from 9 - 10% last year (2000). That is also the case of Taiwan and Thailand.

China stands out as an exception. Its growth is expected to be more than 8% this year, since their exports were only 23 % of their GDP and they were less dependent on hi-tech exports.

Without going to the details of other areas like Latin America, Africa etc. suffice to state that the effect of the global slowdown is affecting all, including India.

What I have stated briefly about the world economy brings to light the serious crisis in the developed countries, forcing them to restrict imports, while aggressively pushing exports especially to the third world countries. The Economist has summarised this as "globalisation itself into reverse and encourage countries once again to retreat behind protectionist barriers" (24 March 2001). In this process many contradictions may develop among them. However, here we find that the so-called claim of building a crisis free capitalist economy - high-tech economy - is proving to be false and establishing that capitalism is no answer for the quest of human progress.

THE NEW SITUATION

I wish to draw your attention to the new situation arising out of the Government attempts for the wholesale implementation of the new economic policy, of course under the World Bank pressure. The Finance Minister, while presenting his budget on 28th of February this year, has virtually declared a war on the working class and the people.

The decision is to open up defence production to private sector with 26 per cent foreign equity; permit 49 per cent foreign equity in banking sector; raise FDI cap to 100 per cent in airports; and the Telecom sector to 74 per cent from the existing 49 per cent, leaving the effective control of these vital and strategic sectors to the foreign companies. The declaration of immediate changes in the labour laws is to accommodate the demands of the employers for exclusive right of hire and fire. These and other measures suggested by the Finance Minister provoked serious resentment among all the central trade unions of the country.

You all know that after several rounds of discussions, the country's trade unions have agreed on a five-point charter of demands for joint action. The workers have enthusiastically attended the conventions and took part in the demonstrations forgetting the organisational and political differences through out the country to make the agreed agitational programme a success. The unity achieved among the central trade unions created big enthusiasm among the working class to fight back the new offensive.

I need not explain to you the importance of the five-point charter of demands, which covers not only the workers' trade union demands; it is all embracing - the demands of the peasantry, the agricultural workers, the unemployed youth and above all the rescuing of our economy from the pernicious control of World Bank, IMF and WTO i.e. to strengthen our economy and independence.

Therefore, it is quite obvious that the central task of the entire trade union movement of the country is to carry forward the struggle for forcing the Central Government to concede the five demands raised. It is regretted that some of the central trade union leaders are showing some vacillation for declaring the date for the proposed all India general strike, in spite of the fact the Government is vehemently pursuing their offensive. However, we have to pursue the line of unity for collective and effective action.

Comrades,

We must not fail to note that even the backward sections of the workers will be compelled to join the mainstream of developing battles since the attack is being felt by them intensely. The growing sickness of the small-scale sector forcing millions of workers out of employment, the increasing closures, lockouts and retrenchment will force all of them into action. The agricultural sector is facing serious crisis and therefore many sections have already been in action in various parts of the country. The total economic slow down will bring in new sections against the economic policies. The agricultural workers in distress and the youth in ferment, finding no way out for a living, cannot but join this mainstream action for the reversal of these policies.

Comrades,

It is the duty of our trade unions to intensify our campaign for unity from below in each factory and industry by properly explaining the gravity of the situation. While seriously trying for joint action the importance of independent actions should not be minimised.

Finally, before I close, I request you to remember the young man, Carlo Guilianì who was shot dead by the Italian police at Genoa, for demonstrating against capitalist globalisation. Remember the new slogan reverberating in the European continent: "DOWN WITH CAPITALISM".

Thank You

Report of the General Secretary

Dear Comrades,

Nearly 8 months have passed since our 10th conference was held in Hyderabad. During this period several important developments have taken place in India which have wide ranging impact on the trade union movement of our country. A review of these developments will enable us to formulate our immediate tasks in the forthcoming period.

1.2 In Hyderabad we have noted how BJP led alliance at the centre was trying to take the country in the lap of US imperialism. Whatever anti-imperialist content was there in India's foreign policy is being step by step washed out by the Vajpayee Government. Jaswant Singh, India's Foreign Minister, has been making systematic efforts to make our foreign policy pro-US imperialist. The talk of strategic alliance with US Government is now extended to military sphere and North-Eastern jungles will be allowed to be used by US imperialists for training purposes. India's opposition to US base in Diego Garcia is being withdrawn and even US military presence on Indian soil is being agreed to by the Indian Government. When all the European powers and even Japan opposed the Nuclear Missiles Defence plan Indian Government in a senile manner welcomed the plan on plea of impending threat from China. When China and Russia have reached an understanding to cooperate in opposing the NMD, India's role will only aggravate the situation in the region. Several US officials including defence officials are visiting India who are dictating terms to the Government of India and spokesmen of the Vajpayee Government are meekly submitting to these dictates. This is undermining India's sovereignty and independence. In the fond hope of getting US sanctions withdrawn, the Indian Government is going out of the way to please the US imperialist masters.

This is bringing down the image of India among the non-aligned countries. When the need for the developing countries to come together to fight the depredations of the IMF, World Bank and the WTO is extremely important, this surrender before US imperialism is only weakening the attempt to bring the developing countries together to protect their interests from the clutches of financial globalisation. It is but natural that Indian economy is adversely affected by the new stance of Vajpayee Government.

2. ELECTIONS IN FIVE STATES

2.1 The electoral battle in West Bengal, Kerala, Tamil Nadu, Pondicherry and Assam in May was among the most important developments after the CITU conference and our State Committees in these states were engrossed in the election work. It was a big challenge to the ruling NDA Government and its policies. The ruling alliance had to face defeat in all the states which had a powerful impact on the national scene as a whole.

2.2. In West Bengal, the Left Front Government received a powerful mandate of the people for the sixth time. This unprecedented victory exploded all poll predictions made by several newspapers and

opinion polls conducted by the so-called professionals. The Trinamul Congress, which, true to its opportunist policies, deserted NDA and joined the Congress Party following the Tehelka expose was trounced, shattering the dream of Mamata Banerjee to occupy the chair in the Writers Buildings. The BJP could not get a single seat despite hectic campaign by their national leaders including the Prime Minister himself.

2.3 In Assam, the AGP Government decided on the eve of the elections to join hands with the BJP with the hope of winning electoral battle. However, this opportunism was rejected by the people. But the advantage went to the Congress Party. Once again the Congress came to power in Assam. The Left forces could not perform well in the elections and could not win any seat. Failure to demarcate from the AGP Government when it was in power resulted in this debacle for the left.

2.4. In Tamil Nadu the ruling DMK led combine was trounced in the elections while the AIADMK and its allies got overwhelming majority in the elections. DMK was reduced to absolute minority and BJP could get only 4 seats. MDMK could not win a single seat. CPI(M) could win 6 while CPI win 5 seats in the elections.

2.5 In Pondicherry the Cong AIADMK got majority seats in the elections defeating DMK and its allies. BJP could not get a single seat in this state also.

2.6. The defeat of the ruling Left and Democratic Front and the victory of the UDF in Kerala was a serious setback to the left movement in the country. The BJP and RSS transferred their votes to Congress and BJP could not open an account in the state legislature. The severity of the economic crisis in the state hitting hard the traditional industries adversely affected revenue collections of the State. On the eve of elections the pension cheques etc bounced which created unfavourable reactions in the State. The change in the liquor policy on the eve of the elections annoyed the liquor lobby which could influence a section of workers. Ganging up all communal forces against the left and democratic front has also contributed to the defeat of the left front candidates. Learning lessons from these shortcomings if left front strengthens its activities the Congress led UDF can be given a big challenge by the Left Front in Kerala which still enjoys a powerful mass base.

3. INDO-PAK SUMMIT

3.1 The Agra summit on 15-16 July between Prime Minister of India and President of Pakistan created high hopes among the people of India and Pakistan and great euphoria was generated in the press.

3.2 Earlier Vajpayee Government declared ceasefire in J&K but did not take any follow up action to settle the Kashmir problem. The extension of ceasefire did not improve the situation. The invitation to Musharraf, military ruler of Pakistan for direct talks was therefore a positive step in the direction of settlement of disputes between India and Pakistan.

3.3. Though the summit failed to achieve expected results it was a commencement of dialogue between the two countries. The acceptance of invitation by the Prime Minister of India to visit Pakistan will be a continuation of the process of dialogue.

3.4 Agra summit could not come to any conclusion since Pakistan insisted to make Kashmir as a central issue to be decided by the wishes of the Kashmiri people while India was keen to link the question of Kashmir with stoppage of cross border terrorism.

3.5 The failure of Agra summit to publish any declaration has been utilised by fundamentalists in both the countries to rouse sentiments and add to the tension. The extremists in Pakistan have increased attacks in J&K while RSS is rousing chauvinist sentiments among the Hindus. L K Advani, Home Minister, openly rejected the demand for genuine autonomy for J&K.

3.6 The imperialist agencies are trying for the solution of the problem by trifurcation of J&K on religious lines which must be resolutely opposed by the democratic opinion.

3.7. In India urgent measures to settle the question of Kashmir should be made by granting genuine autonomy for J&K and creating a favourable atmosphere for the solution of the problem without any further delay.

4. MANIPUR IN FLAMES

4.1 The period witnessed a wave of anger among the people of Manipur when the Government of India declared ceasefire in Nagaland which extended to Manipur, Assam, Meghalaya and Arunachal. The NDA Government without consulting the concerned State Governments signed the ceasefire accord with NSCN (I-M). The people of Manipur violently reacted since they thought the accord was a precursor of breaking Manipur state and acceptance by the Central Government the demand for Greater Nagaland. The protest went to such an extent that the Manipur Assembly was set on fire and several MLAs were attacked. Twelve people lost their lives in police firing which only roused strong reaction from Manipuri people.

4.2. The NDA Government ultimately was forced to withdraw the extension of ceasefire beyond Nagaland after consulting Chief Minister. Padmanabhaiah, former Home Secretary who was instrumental in formalising the ceasefire had to be changed.

4.3. The Nagaland question should be settled through negotiation with NSCN (I-M) but not at the cost of people of adjoining states. Moreover, NSCN(I-M) should be told not to extend assistance to terrorism activities in nearby states including Tripura.

4.4 Foreign intelligence agencies are very much active in the North Eastern region of India. It is necessary to be vigilant against their activities aimed at disrupting the unity and integrity of the country.

5. SAFFRONISATION OF EDUCATION

5.1 Bypassing even the NDA programme the BJP is going ahead with saffronising the educational system which will have long term consequences in the country. Inclusion of Astrology as a subject in the Universities is only a case in point. RSS men are occupying key positions in all educational institutions. Vedic rituals are given prominence in educational methods. Textbooks and syllabus being changed to falsify history and giving a communal character to the entire educational frame work.

5.2 This amounts to be a serious attack on our secular character of education maintained in India since independence. It will further alienate minorities who will feel more insecure in India due to this undue alterations made by the BJP Government without taking into consideration the sensitiveness of the minority communities in India.

6. DEVASTATING FLOODS IN KERALA AND ORISSA

6.1 During the period under review, two major natural calamities occurred in Kerala and Orissa. In

Kerala due to torrential rain thousands of houses perished and over 100 people were drowned in the rush of water. Though the estimated loss of property was above Rs 150 crores the Central Government gave a paltry help of only Rs 26 crores! The discrimination shown by the Vajpayee government was mainly due to LDF Government was in power at that time.

6.2 Orissa becomes victims of flood havoc almost every year. About 15 districts were submerged under water rendering over 7 lakh people homeless. The Biju Janata Dal Government miserably failed to provide any relief to the people. The Prime Minister made an aerial survey of the flood affected region but not much help was forthcoming which only added miseries of the people of Orissa. Workers in several public sector undertakings contributed money to the chief minister's relief fund but it was not adequate to give necessary help to the flood victims in the state.

7. GROWING INSECURITY AMONG MINORITIES

7.1 The BJP and RSS are openly attacking the minorities and creating a feeling of insecurity among them. Desecrating and demolishing two mosques in Rajasthan are clearly handiwork of the BJP activists to create communal tension in the State. The recent attack on Christian missionaries in Gujarat and other States have also been engineered by the BJP elements. Even police were refusing to register FIR against the BJP hoodlums.

7.2 The VHP's announcement of the time table of construction of Ram temple at Ayodhya is highly provocative but BJP is keeping mum and encourage these policies. Such acts only encourage Muslim fundamentalists to create a scare among minorities.

7.3. BJP's open call to Indian Muslims and Christians to admit their Hindu past is only meant to provoke the minority communities. What is surprising is that the non-communal parties in NDA combine are conniving at these dastardly deeds of BJP only keep them in power and enjoy the fruits for their selfish ends. Their secular credentials are also in doubt due to their callous behaviour.

8. GROWING ATTACKS ON DALITS & WOMEN

8.1 Since Hyderabad conference the country has seen growing attacks on dalits and women. In UP alone where BJP is ruling over 400 dalit women were raped during the last year which accounts for half the number of rapes of dalit women in the entire country. The gruesome killing of boy and a girl for the mere crime that they belonged to different castes in presence of several persons in the village only highlights the shocking conditions in the country.

8.2. Killings of dalits by upper caste Hindu chauvinists is a matter of daily occurrence. Many of the killings arise out of the question of possession of land. Failure of the administration against perpetrators of crime only encourages them to repeat such attacks. Experience has shown that by merely giving reservation to dalits the atrocities against them do not get reduced. NDA Government is shamelessly encouraging upper caste domination of society which is only adding to the intensity of such attacks on dalits and women in the country.

8.3 Despite Supreme Court's directive to the Union Ministry of Labour to define sexual harassment and frame rules to punish guilty, the Ministry of Labour has merely defined the sexual harassment in a very casual manner while punishment is not clearly prescribed for the crimes committed against women workers. Since most cases of sexual harassment are taking place when there are no witnesses, proving sexual harassment poses several difficulties for women. At times the women workers moral

character is raised by the perpetrators of crime which is only creating difficulties for the women employees. The authorities do not take serious action against such criminals.

9. INSTABILITY IN THE NDA CAMP

9.1 Tehelka scam has given a big jolt to the NDA combine which forced the President of the BJP, Bangaru Laxman and Union Defence Minister, George Fernandes to resign. Despite attempts by the BJP to characterise the expose as a conspiracy against the NDA Government the people in general could not believe in the BJP propaganda machinery. Though an Enquiry Commission was appointed it was clearly a white washing affair to cover up the misdeeds of the NDA Government. Some senior army officers were seen on the television camera accepting bribes in defence deals has exposed the dangerous play going on in the sensitive defence sector causing serious doubts about the defence capability of the NDA government itself.

9.2 The walking out of the Trinamul Congress and PMK out of NDA prior to the Assembly elections and their coming back to NDA after the elections only underlined the fragile character of the alliance. The unprincipled admission of Ajit Singh in NDA keeping in mind the question of winning of Jat votes in forthcoming UP elections was openly opposed by the Haryana Chief Minister O P Chautala.

9.3 Developments in Manipur where a drama of defection was engineered both by BJP and Samata party which ultimately led to collapse of Samata Ministry and BJP was set in to form Government. It was only when Samata Party openly threatened to quit the NDA then a compromise was arrived at not to form any government and impose President's rule in the State. The Manipur crisis has only brought to the forefront the growing instability of the NDA combine with coalition partners often threaten to walkout if their proposals are not accepted by the Central Government.

9.4 In every occasion of crisis the TDP government extract a price for continuing support to NDA. Doling out huge funds for Chandrababu Naidu's pet projects in every crisis occasion has become a routine affair. Akali Das has also been extracting price whenever there is a crisis in NDA. Mamata Banerjee's periodic threats of resignation and BJP accepting her demands at least in words had become a common affair in NDA. Though she is about to join the NDA against how long she would continue is a matter of doubt as expressed by BJP leaders themselves.

9.6 The recent outburst of Sanjay Nirupam, a Shiv Sena MP, against PMO for its involvement in UTI scam has forced the Prime Minister to give a threat of resignation as a Prime Minister. The Shiv Sena in Maharashtra has openly threatened of breaking the alliance with BJP in Maharashtra. Though Nirupam expressed apology he stuck to his charge against PMO. Bal Thakare, the Shiv Sena supremo even threatened to go out of NDA if BJP persists in his policy. He reiterated the charges against PMO who he said was de facto ruling the country.

9.7 In a meeting of the Parliamentary Party of BJP several MPs attacks the Finance Minister for his policies and the Prime Minister had to come out to defend him. Uma Bharati's statement that Ram Vilas Paswan would be India's future Prime Minister and the way she was criticised by BJP MPs indicate growing caste polarisation within BJP.

9.8 The continued attack by Swadeshi Jagaran Manch on BJP's pro-MNCs policies is also putting BJP in an embarrassing situation. The Bengal BJP has openly come out against Mamata Banerjee joining NDA. All these developments indicate how the instability of the NDA is growing and how the Government had to go out of the way to keep the 24 party NDA flock together on a day to day basis

10. THE ECONOMIC SITUATION

10.1 The General Secretary's Report placed in the 10th Conference of CITU pointed in clear terms, the terminal trend of decline set in, in every sector of the economy during last three years period. The developments since the 10th conference, made such disastrous trend even more prominent, exposing the false claim of the policy makers regarding the efficacy of the so-called reforms in promoting economic growth.

10.2 During the period under review, the Union budget for 2001-02 was placed which reflected more vigorous pursuit of the same economic policy by the Govt breeding ruinous trend of decline in the economy.

11. INDUSTRIAL SLOWDOWN

11.1 As per the figures published by the Central Statistical Organisation(CSO), the industrial growth rate sharply declined to mere 4.9% in 2000-2001 from 6.7% in the previous year. The manufacturing sector growth slipped down to 5.2% and the electricity generation to 4% in 2000-01, compared to 7.1% and 4% in 1999-2000 respectively.

11.2 And in the current fiscal year also, despite high doses of concessions granted to industry lobby in the Union Budget(2001-02), situation did not change in the least and the down-ward trend appeared to have settled over the industrial growth pattern. Since January 2001 itself, the index of industrial production showed a continuing decline in the growth rate almost every month from around 4% in January to 2.7% in April 2001 despite all noise by the Ministers forecasting a turn around.

11.3 In the manufacturing and the capital goods sector which represent the foundation of the entire industrial economy, the continuing decline in growth rate signals an ominous symptom. The theoreticians of liberalization in the Govt camp sought to whisk away this trend by citing the higher growth in service sector in the initial periods of liberalization. But the service sector economy in a vast country like India cannot compensate the decline in sector like manufacturing and the continuing decline in the real economic sector cannot ultimately sustain the growth of the supporting service sector as well. This crude reality also started surfacing distinctly in the recent economic trends in the economy exposing the fragility of the whole system itself. The Service sector growth rate after reaching a high of 10.5% in 1995-96 has thereafter hovered around 8 to 9% in the subsequent years and it posted a growth rate of 8.3% in 2000-01. And the euphoria generated over IT sector followed by the sudden slump also reiterates the same fact in the context of Indian economy. A recent study by the Economic Times(30-07-2001) has shown, barring a few top companies, most of the Indian IT companies have reported sharp fall in their total sales also during the first quarter of the current financial year(2001-02).

11.4 Even the ardent supporter of the fast track "Reform" the FICCI could not help expressing concern over the gravity of the situation. The Secretary General of FICCI, Dr Amit Mitra had to comment while speaking to Financial Express(9-07-2001) that the major areas of concern are agricultural slowdown during last two years, continuous slowdown of electricity production during last three years, sharp fall in service sector growth during the fiscal 2000-01, slump in industrial growth rate and an even deeper slump in construction sector growth to mere 0.7%. Both CII and FICCI had to admit the sharp fall in private sector investment and also the tendency of capital flight to overseas by their member concerns.

11.5 And the Business Standard, otherwise a strong advocate of the reform had to comment editorially, " All the three sectors have fallen short of their growth rates for the previous year. And, apart from the

possibility of the monsoon providing some stimulus to rural demand, there are hardly any prospect of improvement this year. As the tenth anniversary of liberalization and reform is observed, the performance of the economy raises some uncomfortable questions about the policies and implementation....” (03-07-2001).

12. DECLINE IN AGRICULTURAL PRODUCTION

12.1 The Agricultural sector also marked consistent downturn in growth rate. As the Economic Survey (2000-01) pointed out, the growth rate in the Agriculture and allied sector has gone down from 7.1% in 1998-99 to 0.9% in 2000-2001. The foodgrains production marked an absolute decline by 4.7% in 2000-01 compared to the previous year.

12.2 Interesting to note here is that, despite consistent decline in agricultural sector growth and absolute decline in foodgrains production much below the 1998 level, the Union Finance Minister posed the problem of the food economy in country as one of managing the surplus. And the obstinacy of the Finance Minister's remark regarding food surplus stands exposed in the background of numerous starvation suicides in the villages in Maharashtra, Andhra, Gujarat and many other places.

12.3 In fact the food-economy in the post liberalization period has demonstrated a peculiar feature of declining foodgrains production, along with declining off-take of foodgrains from public distribution system and steep hike in PDS prices by the Govt together with overflowing Govt godowns with huge stockpile. This phenomenon clearly reveals sharp decline in per capita actual availability of food grains for the people below or around the poverty line despite overflowing FCI godowns.

12.4 The apparent surplus in the food economy revealed by the stock pile in the FCI godowns in the background of above phenomenon reflects the real depth of poverty among the common folk which the official figures of poverty do not represent. At the same time sharp fall in agricultural income for the majority of the rural folk, particularly the agricultural workers owing to removal of quantitative restrictions on import and other factors has added to the gravity of the crisis and reflects the grave distortion in the agricultural economy promoted by the policy of liberalization.

13. EMPLOYMENT AND GROWTH SCENARIO

13.1 In the industry sector as well a grave distortion is becoming increasingly visible. Despite decline in industrial growth rate, the profit margin of the corporate sector are showing a steep rise. A Financial Express study of 1238 firms revealed that though their total sales improved in 2000-01 by 17% compared to last year, their profit before tax has increased by 18% and the net profit(after tax) went up by 21.8%. Even in the first quarter of the current fiscal, in the background of further deterioration and slowdown, 692 big companies could increase their net profit by 23% despite a measly growth in their sales by mere 4.5%(Economic Times,30-07-2001). The huge concessions granted to the industry lobby has allowed them to reap consistently higher return without any tangible improvement in production, creation of value, and generation in employment.

13.2 Rather, in the backdrop of prolonged industrial recession and squeezing market, the corporates are making hell bent effort to defend their “top-line”(profit margin) by desperate downsizing and retrenchment. As admitted by the Task Force on Employment Opportunities headed by Montek Singh Ahluwalia, member, Planning Commission and an avowed champion of liberalisation, the employment situation has gravely worsened. Despite decline in the growth rate of labour force from 2.29% per annum during 1988-1994 to mere 1.03% per annum during 1994-2000, employment growth rate

slumped more sharply from 2.43% to 0.98% during the same period. In the 1990s, the employment growth was never more than 0.8%. In the ultimate sense, the employment growth rate has already turned negative, if the downsizing, being vigorously practiced in the corporate sector is taken into account. As per an estimate, more than ten lakh jobs were lost in the organized sector alone in the last one year. Added to this is the announcement made by the Union Finance Minister regarding reduction of manpower in central govt deptts at the rate of 2% per annum, courtesy the recommendation of Geethakrishnan Committee (Expenditure Reform Commission).

13.3 In fact the bankruptcy of the entire model of Fund/Bank dictated reform got thoroughly exposed within a decade of its operation. The central point of the model of liberalization was complete withdrawal of the Govt from all economic activity and total opening up of the economy. Now the industry lobby is raising demand for more Govt investment in projects and other infrastructural activities. Despite most liberal concessions and tax holidays granted for private participation in infrastructure projects, in two successive budgets, the private corporate sector did practically nothing. In fact projects investment by private sector showed a negative growth in the last fiscal as well as in the first quarter of the present fiscal year, as observed by the Business Line(19-07-2001). And now they are shouting for more Govt investment in construction and other activities. To quote the FICCI Secretary General, " Many large infrastructure projects have not been able to take off due to poor financial position of the state Govts, which are constitutionally required to contribute in the central Govt assisted projects." (The Financial Express, 9-07-2001). He suggested the central Govt to come forward to fund those projects and generate a "multiplier effect" on the economy and expand the domestic market and purchasing power to address the problems of recession.

13.4 Both the FICCI and CII have put the blame also on the " high interest rate regime" for bank loans for declining investment level. But they conveniently suppressed the fact that despite all slowdown in the economy, major corporates have significantly improved their cash reserves showing huge investible surplus in their hand, as reported by Business Standard(30-07-2001). They include TATA steel, Reliance, Infosys, Grasim, Larsen & Toubro, Hindustan Lever, Wipro, Satyam Computer and many others. This phenomenon signifies, the industry lobby prefers not to put their own funds for investment in real economy, which generates production and employment. They prefer funds from Banks and FIs at cheaper rates to be put in production ventures, which at their convenience may be converted to NPA, which may ultimately be settled with another dose of concessions of interest waiver, as is generally happening under direct stewardship of the Union Finance Ministry.

13.5 Here lies the contradiction in the entire policy model. Govt has to forego the revenue earning sources through liberal tax concessions to corporate and MNC lobby, at the same time it has to contain inflation and also contain fiscal deficit. It has also to spend for infrastructure, electricity generation, roadways etc. It has to allow liberal interest waiver for the defaulting corporates out of the funds of the nationalized banks, at the same time blaming the banks for poor performance and high NPA.

13.6 Then where from will the money come for investment in infrastructure etc? The mass of the common people are the only source to be squeezed regularly. But that again will dampen the domestic market further, deepen the recession and affect the industrial capacity utilization. Side by side complete opening up of the economy, as has already been done, will take away a major share of the already squeezed market. Whichever direction, one may move within the framework of liberalized model, prescribed by the World Bank/IMF, it will end up in further deterioration of the situation towards terminal sickness of the entire economy.

14. GROSS ECONOMIC MISMANAGEMENT AND CORRUPTION

14.1 The intervening period since last conference also witnessed gross economic mismanagement and corruption at high level. The Tehelka episode exposed as to how the systemic corruption engulfed even the top level slots of the defence deptt and how the arms dealers and their agents have easy access to innermost circle of decision makers. Thereafter comes the UTI scandal, where the Union Finance Minister, under whose control the premier financial institution operates, claimed ignorance of the shady investments made by UTI to make the CMD a scapegoat. The net result is the huge loss suffered by two crores of small investors who relied on this premier financial institution. Several workers invested their retirement benefits and VRS payments in UTI who suffered big shock due to collapse of UTI finances. These workers are victims of UTI scam while several companies and bureaucrats and ruling party politicians have made crores of rupees of illgotten wealth at the cost of small investors. The UTI scandal preceded by recurring scandalous collapse in the stock market also exposed as to how in the era of liberalization and financial deregulation, the so-called market forces are made to operate for the manipulators-authority(both administrative and political) nexus causing huge loss only to the small investors among the common populace.

14.2 And the net result is that the common people and country's economy are at the receiving end, suffering decline and deterioration in all fronts and every aspects of their livelihood, while the few operators of the system in the governance, corporate lobby and the polity are having their hey-day.

15. PUBLIC SECTOR UNDER LIQUIDATION

15.1 The Union Finance Minister while presenting the Union Budget for 2000 - 01 declared "Government have recently established a new Department for Disinvestments to establish a systematic policy approach to disinvestments and privatisation and to give fresh impetus to this programme, which will emphasize increasingly on strategic sales of identified PSUs." Thus the PSUs in oil & petroleum, power, coal, telecom, air transport, ports & docks, airports and of course the financial sector have become priority targets for privatisation. The PSUs already identified for privatisation are Indian Airlines, Air India, ITDC, IPCL, VSNL, CMC, BALCO (since already privatised), Hindustan Zinc and Maruti Udyog, Railways, the Defence Production. The budget has targeted to realise an amount of Rs.1,200.00 crore through privatisation of PSUs during the year.

15.2 According to the Ministry of Disinvestments (MoD) "the Government has modified its policy to emphasise on strategic sales." That means henceforth the majority share of the PSUs along with the management control shall be handed over to a single private buyer, as has been done in the case of BALCO

15.3 In this context it is very much pertinent to take note of the fact that the very concept of 'strategic disinvestment' has originated from A 'Research Report' of the World Bank which has prescribed, "If potential buyers cannot otherwise raise the funds, the enterprise can be sold in trenches (passing management control immediately to private, allowing them time to raise the funds to buy out rest of the share gradually)....with freedom to hire and fire, which is an important factor in successful management contracts."

15.4 The recommendations of the Disinvestment Commission (DC) have been formulated in the light of the above prescription of the World Bank. The 'strategic sale of share' as defined by the DC "implies sales of a substantial block of government holdings to a single party which will acquire substantial equity holding of upto 50%...."(report of the DC vol; -1 page 38). Elaborating the concept further the

DC noted: "At that time (strategic sale) there will also be an agreement with such strategic partner that at a later date, within a stipulated period Government will disinvest its balance holding" (ibid Vol.IV page 6).

15.5 The MoD has prepared a 'Manual' on privatisation of public sector with a signed foreword by Arun Shourie the Disinvestment Minister. The figures and formulations have been presented by twisting facts about the performance of PSUs in order to create bad impression about public sector among the people to keep the latter disinterested for any popular movement to defend public sector. The perception and compulsion has been clearly noted: "Moreover the removal of quantitative restrictions from imports, lowering of import tariffs and removal of restrictions of other kinds ... pursuant to our acceptance of the WTO regime and various economic reforms have made it imperative that the public sector is privatised at the earliest." (Chapter - 12, page 35).

15.6 We have been telling that the very concept of disinvestment/privatisation of public sector units and more so the blue chip ones, in itself is a bankrupt policy perception, treachery with the nation and great fraud on the people of the country. The Comptroller and Auditor General (CAG) had to make stringent observation that the loss to Government exchequer from the sale of PSU shares in 1992 was a hovering around Rs.3,441.7 crore. The Parliamentary Standing Committee on Industry estimated a loss of Rs.10,000 crore to the national exchequer in the disinvestments of PSU shares carried on till 1994-95. The sale of GAIL shares abroad at a rate, cheaper than that prevailing in the domestic market also exposed the corrupt practices at the highest level.

15.7 Over Rs.5,000.00 crore (51% share holding) worth BALCO plant at Korba, Chattisgarh has been handed over to M/s Sterlite, a SEBI blacklisted company, on a platter at Rs.551.5 crore by the central Government. The huge assets of the public sector company include 2720 acres of land, a 270 MW Captive Power Plant, the current market price of which is more than Rs.1,000.00 crore, the huge stock of finished products worth Rs.100.00 crore, the recent investment of Rs.200.00 crore for a new cold rolling plant, besides the bauxite mines with huge reserve at Manipur, Kawardah and Asansol. So far the Modern Foods is concerned, the CAG report noted that Hindustan Lever valued the company worth at Rs.165.47 crore whereas the government felt Modern Foods was worth only Rs.78.55 crore (The Times of India: 23.07.2001). What a classic case of corruption at high places!

15.8 The 'manual' has dealt with at length the issue of valuation of the PSUs for the purpose of privatisation. It identified four methods; (a) Discounted Cash Flow (DCF) (b) Balance Sheet (c) Transaction Multiple and (d) Asset Valuation.

15.9 Out of the four aforementioned valuation methods the Asset Valuation method is commercially sound for the seller company and DCF is unduly the most advantageous for the buyer company.

15.10 Asset valuation method essentially estimates the replacement cost of the assets offered for sale. While disinvesting the equity or offering strategic sale of the blue chip companies in the strategic sectors like oil & petroleum, telecommunication, air transport, fertilizers etc. it must be worked out as to what cost the country would incur in establishing such enterprise in the current market price. The 'manual' could not deny the reality that: "Asset Valuation normally reflects the amount which may need to be spent to create a similar infrastructure as that of a business to be valued or the value which may be realized by liquidation of a company through the sale"...

15.11 Advocating in favour of the DCF method the 'manual' notes; "DCF valuation should also capture the capital costs for renovation and modernization of plant and machinery. The age and condition of

assets like plant and machinery and their replacement value would be relevant for estimating expenditure on their replacement whenever necessary. This expenditure will reduce cash flow and DCF value. Shourie's ministry of Disinvestment is highly appreciative of this method and argues: "it takes care of cost of capital, cost of debt, cost of equity and market returns. It also takes into account the risk factor to which the enterprise is exposed. The discount rate is based on the risk perception of the business," and concludes: "The DCF methodology is the most appropriate methodology."

15.12 Befitting to the avowed anti-public sector and pro-private sector policy perspective of the NDA government, the Disinvestment Minister Shourie has obviously adopted the valuation method most beneficial to the grabbers of the country's national assets. It is very important to mention that the CAG has recorded its strong disapproval of the valuation method adopted by the Government. CAG had found intrinsic faults with two of the four valuation methods enshrined in the manual, Disinvestment: Policy & Procedures. Several discrepancies were found in the Government's much favoured "discounted cash flow" method. CAG has further written: "As per international valuation standards, depreciated replacement cost would have been the most appropriate method."

15.13 In this connection it would be most pertinent to note that "22 Central Public Enterprises (CPEs) quoted on the stock exchanges had a market capitalisation of over Rs.1,03,700 crore against their paid up capital of Rs.11,325 crore towards the end of June, 2000 - 9 times the paid-up capital. Just before presentation of the 2000-01 Budget, on 25 February, the market capitalisation of these PSEs was of the order of Rs.1,30,800 crore, 11.5 times of the paid-up capital." (SCOPE study) This is an example of the all round efficiency of the PSUs. On the other hand it also shows the colossal loss inflicted on the national exchequer by the BJP-led Government on account of gross under valuation of PSUs adopting the corrupt method of valuation. The dubious character of the market mechanism has also surfaced. The moment the NDA Government declared through the Budget their decision to go for massive privatisation of blue chip PSUs the market capitalisation came down immediately.

15.14 To conceal the truth and to hoodwink people of the country, the break up of equity and loans in the total investment in the entire public sector is not clearly spelt out. The total investment in CPSUs as on 31.3.2000 is Rs.2,52,554.00 crore which consists of a total paid up equity capital of Rs.82,434.00 crore and long-term loans of Rs.1,68,104.00 crore. Again out of the total equity amount the share of central Government is Rs.69,513.00 crore which works out to 82.43 per cent and of the total loans, the share of the central Government is only to the extent of 24.71 per cent.

15.15 Likewise, the return on the total investment, return on the equity and the payments on account of interest on loans, taxes and duties paid by the CPSUs are not properly spelt out. Thus a distorted picture is painted about profit earned and total contribution to Government exchequer made by the PSUs. "Net profit is taken after interest and taxes (that is as PAT), but the denominator is capital employed. This is a statistical jugglery. If one takes the numerator as PAT, the denominator has to be equity capital certainly, and not capital employed. And if the capital employed is the denominator, the surplus will be PAT plus interest." (CIER). In other words if investment is shown as the total capital employed then profit must be taken before payment of interest on loans, and if profit is calculated after payment of interest then capital base must be the equity capital only and not total investment.

15.16 The financial achievements of the PSUs if evaluated on the basis of the above parameters then a very objective picture shall emerge. During the year 1999-2000 the net profit earned by the PSUs was Rs.14,555 crore which is 17.66 per cent of equity share capital and 14 per cent of return on capital employed. Compared to the previous year the net profit has increased by 10.24 per cent. The total contribution of the PSUs to the exchequer on account of corporate tax, excise duty, customs duty and

other duties, dividend and interest on loan etc. for the year 1999-2000 was Rs.56,433 crore. In the same year the PSUs also generated internal resources to the tune of Rs.35,891 crore.

15.17 Given the extreme heightening of the attack on the PSUs, we have to go forward in the battle to defeat the onslaught of private capital within and outside the country to grab our national assets built over the years. The importance of defending the public sector industries must be understood in proper appreciation of the fact that it guarantees our economic sovereignty, self-reliant economic growth, and industrial development of the backward regions, the best source of employment generation and so on. Further, privatisation of the PSUs has become the source of rampant corruption. Therefore, the fight against privatisation and the fight against corruption have become synonymous.

16. THIRTY SEVENTH SESSION OF THE ILC

16.1. The 37th session of the Indian Labour Conference was held in New Delhi on 18th and 19th May 2001 to consider the following agenda: 1) Impact of globalisation on working class, industry and employment (2) Social Security System for the workers and 3) Tripartite consultation with social partners. The CITU was represented in the conference by M K Pandhe, Chittabrata Majumdar and T K Rengarajan as delegates while S K Bakshi, A Dakshi and Badal Saroj attended as observers.

16.2 A meeting of the central trade unions was held in the CITU office prior to the conference. It was decided in the meeting that after the speech of the Prime Minister on behalf of all trade unions one speaker should point out that all the trade unions do not agree with the Central Government's policies. Due to the intervention of the Union Labour Minister the idea could not be pursued. However, in the inaugural session, in the presence of the Prime Minister the spokesman of the workers' representatives criticised the economic and labour policies and it was pointed out that the Vajpayee Government's policies did not benefit the country, the working class and the people of India.

16.3 The Prime Minister called a meeting of trade unions one week before the ILC and all unitedly placed the opposition of the workers to the policies of the Government of India. They demanded regular consultation with trade unions on policy matters. The inaugural speech of the Prime Minister, however, was having a total confrontationist approach and he called upon the trade unions to accept the changes proposed in the labour laws. "I do not know any worker has lost job because of globalisation," he said. During the debate the trade unions unitedly opposed the policies of globalisation which generated sickness, unemployment and privatisation. There was no supporter to the speech of the Prime Minister among the workers' group while the employers' spokesman were all in praise for the Prime Minister's speech. They even went to the extent of stating that employment had gone up due to globalisation.

16.4 The ILC did not discuss the Action Taken Report on the decisions of the last conference since practically no worthwhile action was taken by the Union Labour Ministry on any of the issues considered in the 36th session of ILC.

16.5 When the Union Labour Minister tried to finalise the conclusions of the conference in a hurry the CITU representative stood up and told the Government that trade unions do not accept the conclusions as drafted by the Government. All the other trade unions supported the view point and the conference ended without finalising any conclusions.

16.6. The firm stand taken by the trade unions in the ILC reflected the deep resentment prevailing among the working class all over the country regarding the detrimental policies pursued by the

Government of India. The remarkable unity achieved by the trade unions in the ILC paved the way for a broad based unity of the working class at a national level.

17. ALL IN UNITY OF WORKING CLASS

17. 1. Immediately after the failure of the Indian Labour Conference all the central trade unions met on 20th May 2001 and agreed to launch country wide joint campaign on the following five issues:

- Against thoughtless privatisation of profit making and potentially viable public sector undertakings
- Against the move of the Central Government to change the labour laws against the interest of workers and in favour of employers
- For immediate enactment of comprehensive legislation for Agricultural workers
- Against removal of quantitative restrictions on imports much to the detriment of industry, agriculture and national interest as a whole.
- Against the policies leading to severe aggravation of joblessness and unemployment.

17.2. The trade unions also demanded preparation of a national plan of employment generation by the Government of India in consultation with trade unions.

17.3 Another meeting was held in BMS office to decide further course of action. In this meeting the following programme was chalked out.

- Hold state level and district level conventions in all the states till 10th July 2001 to popularise the 5 point charter of demands and the programme of action chalked out by the central trade unions.
- To organise massive demonstration before Parliament and at all district level on the second day of Parliament session (24th July 2001) to draw the attention of the Union Government on the common demands.
- To express solidarity with the strike of the Defence Employees against privatisation. Date to be decided by a meeting of the Defence Employees Federations (23-24 July 2001).
- To prepare for a nationwide strike on the 5 point charter of demands date of which to be announced later on.

17.4 The magnificent unity achieved by the central trade unions was a direct result of the accumulated discontent among the working class all over the country. The budget presented by Yashwant Sinha on 28th February 2001 was a direct attack against the working class. Reduction of PF rate of interest by 2.5 per cent, announcement about amendment to the Industrial Dispute Act and the Contract Labour (Regulation and Abolition) Act which would mean drastic reduction of regular jobs and increase in contractual jobs, 2% reduction in manpower of central government employees with a view to achieve reduction in manpower by 10% in 5 years, suspension of LTC for two years, revising Central Government employees pension scheme so that employees will have to pay partly for their pensionary benefits, disinvestment of public sector to raise Rs 12000 for meeting budgetary deficit, etc were some of the measures recommended which evoked strong resentment among the general workers. Spontaneous protest actions had taken place all over India. A statewide complete strike against the budget was organised in Kerala on 12th March. Anti budget demonstrations were organised all over India with good participation by workers of all affiliations.

17.5 The Sponsoring Committee of Trade Unions gave a call for 2 hour strike in all industrial establishments on 16th April which received good response. A mass demonstration was held in Ahmedabad on 29th March which was addressed by leaders of all trade union affiliations. Mayor of Ahmedabad also welcomed the demonstration. Former Chief Minister of Gujarat Chhabildas who addressed the rally gave a call for general strike all over Gujarat State on 16th April which was supported by all trade unions.

17.6 In Maharashtra the left trade unions decided to observe one day strike on 25th April instead of 16th April 2001. The call created such a favourable atmosphere that leaders of Kamgar Sena (a labour wing to Shiv Sena) supported the decision to go on strike. Later on the BMS and INTUC had also to join the strike action. Samata Party led HMKP had already supported the strike call. The strike in Maharashtra was total and even transport was hit by the action. Never before such a complete strike was organised by the working class in the state.

17.7. On 16th April 2001 when two hour strike call was given by Sponsoring Committee of trade unions. BMS independently organised a big rally at Ramlila Maidan. BMS founder president Dattopant Thengadi strongly denounced the policies of the Vajpayee Government and condemned the WTO agreement. He even went to the extent of calling Finance Minister "a criminal" and called upon the working class to resist these policies.

17.7 The 65 days of Balco workers struggle against privatisation has unified the workers' in solidarity action. The workers fought heroically against the deal with Sterlite company and denounced the policy of disinvestment. Though after the long drawn action the strike had to be withdrawn it focussed the attention of the whole country on the dangerous consequences of privatisation. The struggle received solidarity funds from various sources 90% of which came from the CITU unions. The five central trade unions gave a call to all the public sector unions to down their tools on 17th April 2001. The call was also endorsed by the CPSTU. The call was so late that the Balco strike was withdrawn before the date of the nationwide strike call. The central TUs should have acted earlier to strengthen the Balco struggle.

17.8 The Modern Food which was making profit in public sector was referred to BIFR within one year after handing over the company to Hindustan Lever. This also exposed the myth of efficiency of the private sector as advertised by the Government of India.

17.9 All these developments have created a favourable atmosphere in unity of the working class. The sickness and closure of industries was affecting the workers of all affiliations while loss of jobs through VRS and retrenchment was hitting every one without exemption. The withdrawal of the quantitative restrictions and reduction in custom duty have brought serious sickness in industry and agriculture cutting across all affiliation barriers.

17.10 A tremendous urge for unity and united action was developed among the rank and file workers of all the central trade unions as well as independent and regional unions which created favourable atmosphere for a broader unity of the working class.

17.11. The sustained campaign launched by the Sponsoring Committee of TUs as well as National Platform of Mass Organisation has contributed greatly in creating favourable atmosphere for such a widespread unity of the working class of all affiliation. The TUs of NDA combine could not remain out of this remarkable unity build at the national level.

18. SUCCESSFUL STATE CONVENTIONS

18.1 As per decisions of the Central Trade Unions successful conventions were organised in most of the States. Some states are still planning to hold such conventions. It must be noted that all the conventions were well attended and reflected the need for united action all over India. Speakers after speakers were condemning the economic policies of the Government in the same language and emphasised the need to defeat the machinations of the IMF, World Bank and the WTO. The enthusiasm shown by the participants during the deliberations was a clear cut reflection of the discontent prevailing among the lower level of workers.

18.2 In all the conventions resolutions were adopted unanimously and they stressed the need for long drawn struggle including nationwide strike action. The local press gave good publicity to the conventions and the copies of resolutions adopted in the conventions was widely circulated among the workers. These conventions played an important role in removing prevalent frustration among the workers and created confidence in their minds that they can resist the policies of globalisation. These conventions built unity of the working class on the five point raised unitedly by the central trade unions. In some states even district level conventions were organised.

19. 24th JULY DEMONSTRATION

19.1 The demonstrations jointly organised by all the trade unions reflected the fighting mood of the workers. The demonstration before Parliament was massive and leaders of all trade unions condemned the policies of the Government. The workers shouted slogan favouring launching of further struggles against these policies which are harming the interests of the country. From Patel Chowk to Jantar Mantar the road was fully packed by workers of the central trade unions. The multi-coloured mingling of the flags generated new confidence in the minds of workers. The workers very well received the call for the nation-wide strike against the policies of the government. Particular enthusiasm was shown by the workers in condemning the WTO, World Bank and the IMF. The issues of privatisation of public sector undertakings as well as of sick-industries prominently focussed in the rally. The reports from various states indicate that united rallies were organised in state capitals and district levels. In Maharashtra the trade unions did not organise demonstrations due to some misunderstanding. However they have decided to go on for two hours strike on 12th September in protest against the anti-working class bills planned by the Government of Maharashtra.

20. STRIKE OF STATE & CENTRAL GOVT. EMPLOYEES

20.1 The growing discontent among the central and the state government employees was reflected in their opposition to privatisation and corporatisation, downsizing, contractualisation and casualisation of jobs, amendments to the labour laws and the anti-national economic policies of the Government of India. A well attended contention held in New Delhi on 27th May 2001 gave a call for one day strike on 25th July 2001. CITU participated in the convention and supported the decision of strike. Despite our efforts we could not get the support of all the central TUs for this strike action. The strike however, covered 80 lakh state government employees, 15 lakh central government employees and 10 lakh teachers who were also agitated on the issues involved.

20.2 Though the response to strike was not uniform all over the country it was total in Maharashtra, West Bengal and Tripura. In Kerala, Tamil Nadu, Bihar, Jharkhand, Haryana, Chhattisgarh, Pondicherry, UP and Uttaranchal the success varied from 60 to 80 per cent while in other States it was partial.

20.3 In all the states the CITU unions fully cooperated with the strike. The strike would have been more effective if other trade unions would have supported the call. One important aspect of the strike that it received support from British TUC and several organisations in USA, Europe, Africa and Bangladesh.

20.4 The unity of the State and central government employees achieved in this strike should be preserved since in our all India action programmes this strata constitutes an important element in making the nationwide call successful.

21. THE WITHDRAWAL OF DEFENCE STRIKE

21.1 The Government announced cent per cent privatisation of defence units and even 26 per cent of the investment would be allowed for the foreign capital. This roused resentment among the defence workers all over the country. The three defence federations therefore, gave a call for a 2 day strike all over India on 23rd-24th July 2001 synchronising with the opening of the Parliament session.

21.2. The government called the three federations for talks and oral assurance was given that it would not privatise the defence units. The federations decided to defer the strike on the basis of the vague assurance.

21.3 The question of privatisation of defence units is very much there and the pressure on the government must be kept up. If any measures are taken to privatise defence production in India the TU movement in this sector must be prepared to go on strike to oppose the policies of privatisation.

22. PREPARE FOR A NATIONWIDE STRIKE ACTION

22.1 Though the Central trade unions have unitedly called upon the working class to prepare for a countrywide strike action as early as in May 2001 no date of strike could not be announced. The constituents of the Sponsoring Committee are prepared for a strike action but the leadership of INTUC and BMS have not yet given clearance to fix up the date for the all India strike. BMS leadership has indicated that they are ready for statewide strike action on all India industry-wise strike action but for a nationwide general strike. According to them some more preparation is necessary.

22.2 In several state level conventions the resolutions indicated support to the countrywide strike action. Yet it has not yet been possible to fix up such a date. INTUC and BMS leadership have shown their readiness for any other form of action short of strike and we are trying to fix a joint programme of action acceptable to them. We hope to involve them in such programme of action.

22.3 However, there is need for a nationwide strike action to press the government of India to change the detrimental policies they are pursuing. We have also to preserve the all-in unity that has been achieved in the trade union movement. We have played some important role in building this unity. It is also the desire of the working class to strengthen this unity.

22.4 At the same time we have to overcome the hesitation of some trade union leadership for going for a nationwide strike action. The call has already been given and only date has to be announced.

22.5 We have therefore, to give proper emphasis to make massive propaganda at lower levels all over India so that a favourable situation is created to give a united call for a nation wide strike. Therefore while working unitedly for other forms of action we have to stress through our propaganda machinery for a campaign for a successful all India strike.

22.6 If we can make such a successful campaign among all sections of working class we are in a position to march towards a united call for a nation wide strike call which is already delayed inordinately.

22.7 I would request the Working Committee members to discuss the issue in depth and suggest ways of means of strengthening the unity of working class that we have achieved and at the same time prepare a background for a nationwide strike action.

23. SAARC REGIONAL TRADE UNIONS' CONFERENCE

23.1 As you are all aware, during the WFTU conference held at New Delhi last year it was agreed to hold a meeting of TUs in Saarc countries at Kolkata. In Hyderabad CITU conference this was reiterated by all the delegates from Saarc countries. A Reception Committee was formed in Kolkata with Chittabrata Majumdar to make necessary preparations for the meeting.

23.2. On the plea of some erroneous reports published in the press, the WFTU arbitrarily decided to hold the meeting at New Delhi. Perhaps the real intention was to deprive CITU of credit to hold the conference. The CITU protested against this and declined to join the new Reception Committee. However, we decided to join the conference and 12 delegates participated in it.

23.3 The second SAARC Regional Trade Union's Conference was held on 11-12 August 2001, New Delhi. It was participated by around 150 delegates from Bangladesh, Pakistan, Nepal, Sri Lanka, and India. The Conference was preceded by a seminar on the conditions of Informal Sector workers in the Countries in South Asia.

23.4 The Director, ILO, inaugurated the seminar. Vinod Vaish, Secretary, Labour, Government of India was the Chief Guest. The seminar adopted a common charter of demands for the informal sector workers in the region. It included demands for enactment of comprehensive laws and strict implementation of the existing laws, ratification of the ILO Conventions on right to organise and collective bargaining, fixing fair and reasonable minimum wages, ensure right to employment and social security and end of the dictates of the IMF, World Bank and WTO.

23.5 It was decided that Nov. 15 would be observed as the Demands' Day in all the SAARC countries through postering, distribution of leaflets, gate meetings, mass meetings, demonstrations etc. A wide campaign would be conducted to popularise these demands in the month of January, next year.

23.6 The Conference was inaugurated by the former Prime Minister IKGujral. Shri SP Shukla, former Secretary, Finance, delivered a lecture on the dangerous impact of WTO on the self reliance and independence of the developing countries.

23.7. The Declaration adopted by the Conference demanded that the Governments of the Region reject outright the WB-IMF-WTO- based economic policies and to work out an alternate economic and social policy based on growth with equity, social justice, employment generation, guaranteed food security, right to work and self reliant economic growth. The Conference decided to submit memoranda to the next SAARC Countries' meeting proposed to be held in Nepal in December 2001, organise a big demonstration at the venue as well as in the other SAARC countries, on that occasion, to observe a protest week during the first week of December 2001 against the neo liberal globalisation and to popularise the demands and declaration of the Conference. It also resolved to organise joint protest demonstrations in the South Asian Countries at the time of the next WTO meeting at Doha.

23.8 Sunil Sengupta, General Secretary of UTUC was elected as the convenor of the new 19-member coordination committee elected in the conference.

24. FORWARD TO SIGTUR CONFERENCE

24.1 The CITU is cooperating with fraternal organisations in other countries to launch joint movements on common issues facing the working class. In a conference held in 1999 at Johannesburg, it was decided to give a nomenclature "Southern Initiative Against Globalisation and for TU Rights. In this forum trade unions of all international affiliations are coming together to oppose globalisation. Trade unions from Australia, South Africa, India, South Korea, Vietnam, Philippines, Malaysia, Thailand, Indonesia, Mauritius, Brazil, etc, participated in the last conference.

24.2 A Preparatory Committee for the next conference was held at Perth in the last week of July this year that was attended by Chittabrata Majumdar, Secretary, CITU and H Mahadevan Deputy General Secretary, AITUC. The meeting reviewed the preparations for the Conference which will be held at Seoul (South Korea) from 5th to 9th November 2001. The Conference will be hosted by KCTU, which has played a leading role in the struggle against globalisation in South Korea. There will be a massive demonstration against globalisation in Seoul after the Conference.

24.3 This conference will be one of the important gathering of the trade unions in the struggle against globalisation and for trade union rights. We are making efforts to involve trade unions in Saarc countries to join this conference so that in our neighbouring countries also the struggle will be further strengthened. If this forum can be further broadened it will be an important organisation in the fight against globalisation.

24.4 The CITU has decided to send a 20 member delegation led by the General Secretary to participate in the conference. We are also participating in the meeting of the Preparatory Committee meeting to be held at Seoul on 4th November 2001 which would give a final shape to the preparatory work of the conference.

24.5 It is hoped that the Seoul conference will be an important step in the world wide struggle against globalisation and we should give necessary importance in its preparations.

25. ON ORGANISATION

25.1 Strengthening of the CITU organisation at all levels its expansion in new areas and new industries, not only continue to be a priority task for us but in the wake of growing popular opposition to the policy of liberalisation privatisation and globalisation this task assumes greater importance with every passing day. Although, speaking generally, the membership of CITU has recorded some increase over the past years and the CITU organisation has achieved some improvement in its functioning, there is absolutely no place for self-satisfaction, there are still many gray areas which demand serious and urgent attention and such gray areas are to be found at all levels of our organisation. Many of the tasks laid down in our Bhubaneshwar document for overcoming our various weakness still remains to be implemented. Without a strong organisation with solid foundations among the workers even the joint movement all over India against the policies of globalisation is not likely to be achieved. Our inadequate emphasis on our organisations tasks is adversely affecting our organisational growth as well as strengthening of the united movement of the working class.

25.2 It is in this background that the three day workshop was organised with the specific object of ascertaining the reasons for our failure to implement the tasks and to work out effective steps for their

implementation. Both the input and the conclusions of the workshop were presented to the General Council in its session at Kozhikode and were approved by it. A task document incorporating the conclusions formed the basis of a separate round of discussion on organisation in the 10th conference in Hyderabad.

25.3. The document set an example of ideal self critical approach on the part of the CITU centre. The document minced no word while listing the failures of the CITU centre while laying down the immediate steps for the correction. The document further laid down immediate tasks for the state committees and also the tasks in respect of some specific spheres of our activity. The example of self critical approach set by the centre however did not achieve much success in evoking similar spirit of self criticism at lower levels, which is evident from the discussion during the last conference of CITU.

25.4 Admittedly, the tasks laid down in the Bhubaneswar document cannot be implemented in their entirety at one stroke. This fact was duly recognised in the note on implementation of the Bhubaneswar document which was presented to and discussed in the meeting of the Working Committee in Shimla. Implementation was considered as an on-going process. Based on this understanding the workshop worked out a limited number of tasks to begin with. It was finally decided that workshops on the line of the one held centrally would be organised to consider the situation prevailing in different states and work out appropriate means for implementing the minimum immediate task for respective states. It has been decided to organise State level workshop to review the shortcoming at the State level and finalise steps to overcome the weaknesses.

25.5 As for the centre, it has, in pursuance of the document, held a detailed discussion "on the centre's responsibility in regard to implementation of the Bhubaneswar document in the CITU organisation as a whole" and has taken some concrete steps. Distribution of job among the comrades at the centre has been reviewed and some changes have been made. As for daily meetings, it has been decided that until some problems in holding the meeting daily could be sorted out, meetings should be held as frequently as possible. Meetings are now being held more frequently improving collectivity. There is still need to improve the check up of the work done regularly by the centre.

25.6. One meeting of the leaders of Hindi belt states have been recently held. "Exercise on identification of "priority" area for expansion in consultation with concerned states" will constitute a part of discussion in the workshops in respective states.

25.7 Steps have also been taken for revival of functioning of the Education Sub Committee which had failed to function for quite some time. It was noted that a draft syllabus and lecture notes on three subjects were circulated during the Chennai session of the General Council seeking suggestions for improvement from comrades have failed to elicit any suggestion from comrades. The sub committee itself will therefore give final shape to them and draft a few more notes before the next General Council meeting. However, it was also noted that several pamphlets were in the meantime issued on various aspects of the prevailing national and international situation which may very well be used as material for classes.

25.8. As for the State committees, some of them have already held their workshop on implementation of the document. Some others have fixed dates for their workshop. The State committees which are going to organise workshops should take special care for proper preparation for the programme in order to ensure that the workshops may be really productive. In this regard they may take the help of the centre if necessary. After the completion of the process we may hope that there will be substantial improvement in the organisational position of CITU.

25.9 In this meeting we are having a special discussion on the functioning of the industry wise federations. There is urgent need to improve the functioning of the federations so that they can discharge responsibilities of industry wise coordination of our activities more effectively.

26. WORK AMONG WORKING WOMEN

26.1. There was a meeting of the coordination committee immediately after the Hyderabad Congress to chalk out programme of action. However no reports have been received except Andhra and Kerala State.

26.2. Vimala Ranadive Memorial lecture was delivered by a well known economist Jayati Ghosh on 'Impact of Globalisation on the Working Women in the Informal Sector' in the CITU auditorium.

26.3. A meeting of the Coordination Committee was held on 12-13 July in New Delhi. It considered the question working among home based workers and EPZ workers. The circulation of the Voice of the Working Women is about 4000 and it has been decided to increase it to 5000 by January 2002. There has been minor improvement in attendance of the Coordination Committee meeting.

27. WORK AMONG THE UNORGANISED WORKERS

27.1 It is indeed extremely regrettable that the decisions taken by us to strengthen our activities among the unorganised workers have not been implemented in all the States. Tamil Nadu, Assam, Haryana and Andhra committees have taken some steps in enrolling more membership of the unorganised workers. However many State Committees have not even formed state level committees to increase our activities among this neglected strata.

27.2 When the attacks on the informal sector of economy are most severe and many units are threatened with closure we have to pay more attention to the work among this strata of the working class.

27.3 The comrades during their speech should report how they propose to improve their work among this sector since there is big scope to improve CITU's membership in this sector in the forthcoming period.

28. CITU-ILO CHILD LABOUR PROJECT

28.1 The ILO has approved the proposal for the second Child Labour Project submitted by the CITU. The National Round Table meeting, the first activity of the project was held on 20-21 July 2001 at Delhi. The Director of ILO, Mary Johnson, inaugurated the Round Table. The project will be implemented in the next two years in ten States- Andhra Pradesh, Assam, Haryana, Himachal Pradesh, Madhya Pradesh, Maharashtra, Tamilnadu, Tripura, Rajasthan, and West Bengal, in seven industries - Beedi, Brick Kiln, Construction, Handloom, Matches and fireworks, Stone quarries, and Tea Plantations.

28.2 The main activity of the project consists of running non formal education centres for the child labour working in these industries, for two years. 2 centres should be started in each State; 25 working children should be enrolled in each of these centres. The problems of the parents of the working children, who are mostly unorganised sector workers, should be addressed by creating awareness in them and promoting their organisation. Efforts should be made to enrol maximum possible number of the child labour into regular schools. The details of the activities in the next two years should be planned in the State workshops, which should be held before 20 September; the non formal education

centres should be started before 1st November 2001.

28.3 All the State Committees should take up the work of the project in right earnest so that the assistance provided by the ILO can be suitably used in tackling the problem which is very much linked with the question of poverty in the country.

28.4 The Tamil Nadu State Committee of CITU undertaken a unique project of collecting documentary sources of labour history in Tamil Nadu. This project has been sponsored by the V V Giri National Labour Institute, NOIDA, as part of the 'Archives of Indian labour History'. The efforts of our TN State Committee will focus on the contribution of the state to evolution of trade union movement in our country.

29. GUJARAT EARTH QUAKE RELIEF

29.1. The devastating earthquake in Gujarat in January this year was one of the biggest national calamity which had caused immeasurable loss of property and lives. The large scale tragedy warranted massive help from the people since the State Government failed to provide any noteworthy relief. The corrupt contractor lobby have been minting money using the State funds allotted for earthquake relief. Our trade unions in many places of the country had already taken urgent measures of mass collection for relief of the earthquake victims. We had given a call to our State Committees to take all out initiative to reach to the widest section of workers and common people for the assistance of the distressed people of Gujarat. I take this opportunity to express in particular our appreciation and gratitude for a donation of around Rs.5,00,000/- (US\$1100) received from Zenroren, a trade union from Japan towards the relief fund. The other contributions we have received so far are as follows:-

29.2 STATEWISE COLLECTION OF FUND

CITU Central Fund	:	52,861.00
Com. J. Ballabh	:	3,000.00
Rajasthan	:	1,00,000.00
Assam	:	10,000.00
Tripura	:	70,000.00
Maharashtra	:	7,60,413.40
West Bengal	:	1,00,000.00
Goa	:	47,960.00
Jharkhand	:	2,600.00
Bihar	:	5,438.50
Delhi	:	71,835.00
Karnataka	:	75,117.00
Tamilnadu	:	3,42,323.72
A.P.	:	51,977.50
Zenroren(Japan)	:	4,85,850.00
		21,79,376.12

29.3. Although the contribution appears to be partial as many of the State Committees have not made any contribution yet, it is informed that Kerala and West Bengal have made contributions to the local funds jointly collected.

29.4 I would like to inform you that CITU has decided to construct a school in a village in Maliya Taluka in Rajkot District (120 km from Rajkot). It is a village consisting of salt workers and other daily rated poor workers. The legal formalities in this regard are being finalised.

30. ON MEMBERSHIP

30.1 You will recall that the Hyderabad conference had decided that Annual Returns and affiliation fees for the year 2000 should be submitted by all CITU affiliated unions within 31st July 2001. The All India Secretariat meeting of CITU held in February 2001 had directed all the State Committees to ensure that the unions in their State submit their Return to Registrar of TU's in time and simultaneously send a copy alongwith Affiliation fees for the Centre by July 2001. However, the progress has been extremely below the mark which can be seen from Annexure I.

30.2 Moreover, the issue of increase in membership was an important task to be taken up on priority basis. A proper monitoring and regular information to the States in this regard is only possible if the State Committees ensure that all unions submit their returns in time. We have received returns from only 970 unions covering a membership of 6,89,004 only. I must appreciate the Assam State Committee which is the only State Committee to have submitted Annual Returns and affiliation fees for the year 2000 almost fully. Their consistent effort in this direction is worth emulating. I hope the other State Committees will seriously act in fulfilling their task without any further delay.

30.3. We have taken the quota of raising the CITU membership to 40 lakhs. This works out to be roughly 25 per cent of our existing membership. All State Committee leaders while they speak on the report should explain their plans of raising the level of membership in their state.

31. BTR MEMORIAL FUND

31.1 It is now almost eight months since we are functioning from our own building BTR Bhawan. While it is a matter of pride that we could get built a imposing and a spacing office from the contributions received from not only our own members but also from members of our fraternal organizations, well-wishers and sympathizers. However, we have failed to fulfill our commitment. We had set ourselves a task of establishing a well equipped library, a Research Centre and a permanent TU school. We have to make arrangements to combat the problem of power failure which is a regular feature of this locality. All this requires resources. It is for this reason that a minimum quota of contribution was fixed for our State Committees depending on their membership strength. I am happy to say that Andhra Pradesh is the only State Committee which has fulfilled its quota. It is regrettable that during this intervening period after the CITU Conference out of around 11.5 lakhs received only 1.5 lakhs worth contribution has been made by States other than AP. I want to make an earnest appeal to our State Committees to ensure that the commitments made are fulfilled by 19th December 2001, the next birthday of Com. BTR so that we can fulfil all other commitments. A statement of total commitments and the amount received by us are given below and comrades should report how they propose to fulfil their quota by the time proposed in the report.

31.2 Statewise Break up of Receipts (upto 10.8.2001) (Annexure - II)

32. OUR IMMEDIATE TASKS

32.1 With fast changing developments in the country our multifarious responsibilities are changing with every passing day. The CITU at all levels will have to be equipped with preparedness to undertake

these responsibilities so that we can discharge our responsibilities effectively. The all round attacks on the working class are bound to increase with more ferociousness the resistance of the working class is bound to be more severe and we have before us challenging tasks to be capable to lead the working class and other mass organisations in the ongoing class battles.

32.2. Our organisational shortcomings are still haunting us and they reduce our capability to meet the challenging situation effectively. All of us individually and collectively must strive together to overcome these weaknesses without any delay so as to increase our effectiveness in dealing with the situation. Our own ranks are expecting more alertness from us and we must do justice to their expectations.

32.3. In order to launch a powerful educational campaign among our active cadres and mass of workers so that they understand the nature of the crisis and participate in all action programme more effectively. We have to make special efforts to involve unorganised workers and women in these programmes so that their increasing involvement in the mass movements is ensured.

32.4. We have to make special efforts to develop our links with other mass organisations so that our struggles acquire the character of popular movements to defeat the capitalist landlord class policies at the behest of IMF, World Bank and the WTO.

32.5 We must strengthen our independent activity of politicalising the working class and drawing them more and more in political actions. Working class must be made to understand the capitalist landlord class offensive cannot be defeated without a longdrawn political struggles. Otherwise the capitalist government will always make an attempt to blunt the edge of our struggles by offering paltry economic benefits.

32.6 All State Committees who have not organised state level workshop on organisations should do so at an early date so that we can overcome our defects in a time bound manner. In these workshops we must give due emphasis on increasing our membership and collection of fund so as to provide necessary support to the movements.

32.7. TO SUM UP OUR TASKS

32.7.1 Organising intensive campaign among the workers of all affiliations calling upon them to prepare for a nationwide strike

32.7.2. Holding educational classes for cadres on present situation and through them organise campaign to educate the mass of workers.

32.7.3. Preparations of propaganda booklets/folders in different languages on various topical subject and organising their sale throughout the country.

32.7.4. Holding of State level workshops on organisation where they have not been held to strengthen membership base, organisation and collection of funds.

32.7.5. Special emphasis to be given on involving unorganised workers and working women in our activities.

32.7.6. Activising joint movements of all types so that intensity of struggle against globalisation. Special emphasis should be given to industrywise movements.

32.7.7. Develop more fraternal ties with other mass organisation so that our struggles can be converted into real popular mass struggles against the anti-people economic policies of the government.

32.7.8. Strengthen our struggle against communal and casteist forces who are trying to destroy the unity of our class and the masses in the country.

32.8. Let us make strenuous efforts to implement these tasks. If we can successfully carry forward them we can strengthen our struggle manifold and convert our defensive battles into offensive one and defeat the IMF-World Bank machinations to subjugate our country and its people.

With greetings,

M K PANDHE
General Secretary

STATEMENT SHOWING STATEWISE MEMBERSHIP
AS PER ANNUAL RETURNS RECEIVED TILL 15/8/2001

State	Unions Submitting Returns			Position of membership according to annual returns					
	1998	1999	2000	19 98		19 99		2000	
				TOTAL	FEMALE	TOTAL	FEMALE	TOTAL	FEMALE
A & N	5	6	1	1246	0	1681	0	191	0
A.P.	461	669	107	123574	31417	184355	34995	31480	2315
ASSAM	74	83	78	37309	11080	45450	13642	53272	21842
BIHAR	34	31	9	45686	4464	75094	5028	12084	2020
DELHI	49	70	59	40775	2295	48669	2611	28333	1257
GOA	7	7	1	2141	13	1319	30	300	3
GUJRAT	18	20	3	12535	1057	13704	1454	1887	50
H.P.	19	29	0	6419	2534	8799	3572	0	0
HARYANA	19	18	7	33030	12099	34951	7161	2890	10
J & K	1	1	1	469	12	581	19	533	12
KARNATAKA	93	116	28	72637	33724	85072	32269	18661	2443
KERALA	865	868	32	849759	255564	970822	255374	65566	9923
M.P.	54	67	1	14411	4635	19614	5118	219	0
MAHARASHTRA	51	61	15	47003	5156	60890	5996	27112	697
ORISSA	33	49	8	19812	2785	21335	2697	1286	133
PUNJAB	68	82	19	58430	344	78463	1008	40530	6554
RAJASTHAN	69	70	3	29442	323	33523	529	846	6
T.N.	386	409	160	233083	26247	266703	31386	138998	20494
TRIPURA	29	31	20	44639	2875	59688	1969	49278	12743
U.P.	75	74	31	18442	158	18553	195	7780	180
W.B.	942	927	432	1142228	68687	1205197	142435	294910	53367
UTTARANCHAL	28	32	0	7173	324	8677	401	0	0
CHHATISHGARH	17	13	7	21676	760	20952	483	10131	255
GRAND TOTAL	3397	3733	1022	2861919	466553	3264092	548372	786287	134304

YEAR	NO. OF	TOTAL	FEMALE
	UNIONS	MEMBER	MEMBER
1983	1854	1890993	
1984	2005	1575655	
1985	1717	1716457	132536
1986	2412	1844273	209348
1987	2350	1680884	206482
1988	2618	1919280	264507
1989	3114	2425000	247388
1990	2934	2095550	245060
1991	2783	2088218	291228
1992	3343	2381012	321620
1993	3156	2371405	306344
1994	3198	2470131	261980
1995	3512	2784050	358188
1996	3645	2805127	435285
1997	3754	2910858	505749

Names of State Committees	Amount Received(Rs)	Committed Amount (Rs)
West Bengal	58,52,615.00	1,00,00,000.00
A.P.	15,22,808.50	15,00,000.00
Assam	74,180.00	5,00,000.00
Bihar	77,522.00	8,00,000.00
Delhi	1,14,430.00	2,00,000.00
Kerala	31,42,500.00	50,00,000.00
M.P.	68,342.00	2,00,000.00
Orissa	26,813.50	5,00,000.00
Punjab	4,47,152.00	10,00,000.00
Rajasthan	3,00,615.00	5,00,000.00
Tamilnadu	5,62,580.00	30,00,000.00
Tripura	30,280.00	5,00,000.00
Karnataka	2,60,016.00	7,00,000.00
H.P.	13,756.00	2,00,000.00
Haryana	46,950.00	2,00,000.00
Maharashtra	2,61,182.00	10,00,000.00
U.P.	1,71,750.00	5,00,000.00
Goa	50,000.00	1,50,000.00
Gujarat	14,000.00	1,00,000.00
Andaman & Nicobar	5,000.00	
Individuals/Union/Fed.	5,55,966.00	
Bank Unions/Federations	5,24,114.00	
Insurance (AIIEA)	3,51,000.00	
AISGEF	6,31,670.00	
	1,51,05,242.00	2,65,50,000.00

Special Discussion

On Functioning of Industry-wise Federations

The CITU document on 'The Organisation and our Task', popularly known as the 'Bhubaneswar Document', has dealt in an exclusive chapter the question of functioning of our industrywise federations and coordination committees - both affiliated and friendly to CITU at the central and state levels. The document had recognised the necessity to undertake a detailed review of the functioning of our industry-wise federations. The importance of the task was underlined thus: "There is need for better check up of the activities of these federations. We should pay more attention to this aspect of our work and allot responsibilities to state leaders to look after industry-wise activities. The industry level activities in the state will further strengthen the all India federations."

The Workshop on Organisation centrally conducted by the CITU centre at New Delhi on 13-15 March 2000 discussed this subject in depth on the basis of written background paper and the outcome of the exercise was adopted as conclusion of the workshop at the plenary session.

THE GENESIS

The industry-wise federations have been playing effective role in widening the level of consciousness of trade union movement in different industrial sectors from the narrow confine of factory-level to the industry-level activities. The national level apex industrial fora provide excellent opportunity for the federated trade unions to share various information pertaining to operational process, technology and management practices of the different units of the industry concerned in the backdrop of the entire economy. At the same time it also provided better scope for wider exchange of experience of conducting the trade union movement and the achievements thereon amongst the trade unions functioning at the different branches of the industry.

The most striking achievement of the industry-wise federations have been the realisation of joint platforms of the trade unions and development of united movement of industrial workers which in turn further contributed in forging the countrywide united movement of the working class. A classical example is the CPSTU. Perhaps no other joint platform of industrial workers continued its active existence for such a long period as that of the CPSTU.

We have eleven industry-wise federations viz.,: (1) Steel Workers Federation of India (2) All India Plantation Workers' Federation, (3) Water Transport Workers' Federation of India, (4) All India Coal Workers' Federation (5) Construction Workers' Federation of India (6) All India Road Transport Workers' Federation (7) Electricity Employees' Federation of India, (8) Sugar Workers' Federation of India (9) All India Jute Workers' Federation (10) All India Federation of Anganwadi Workers & Helpers and (11) All India Beedi Workers' Federation.

FUNCTIONING OF THE FEDERATIONS

Out of the eleven industry-wise federations, the Sugar Workers Federation of India and All India Jute Workers Federation are practically defunct, although the enterprise level unions in both the industries are quite active. As for others, regular meetings are not being held in the All India Plantation Workers Federation and All India Road Transport Workers Federation. Mostly the meetings of these two

federations were generally tagged with either the General Council or Working Committee or some other meetings or conferences of CITU and thus held for very short duration and not in an organised manner. Of course, the recent report submitted by All India Road Transport Workers' Federation, mentioned that such practice of holding committee meetings along with other all India meeting of CITU has since been stopped. Generally the Committee meetings of the federations are held only twice in a year on the average and attendance is around 60-65%. The meetings are mostly held without written report and adequate preparation and generally deal with imminent problems and programmes.

It is the experience that many office bearers of the federations including some in headquarters, owing to their other assignments in other unions, locality etc, could not concentrate on functioning of federation concerned. The work of touring the different locations of the industry goes by default. And unless that is properly planned and ensured, it would not be possible to gear up the federation to the desired level, which is of supreme importance for an all India federation to function effectively. It is an urgent necessity that capable comrades from within the industry should be developed and deputed exclusively for the work of the federation. Such comrades should be free from other local responsibilities. The experience of successful functioning of the federations has clearly proved that dedicated leadership with mature understanding of the perspective of the federations, knowledge of the industry and ensured mobility throughout the industry (frequent visits to the branches/units/plants of the industry located at different regions, states of the country) is the guarantee for strengthening and over all growth of the industrial federations.

The headquarters of almost all the federations are either located at the strongest organisational base or at the place where the General Secretary of the federation is posted/located. There is thinking that the location of the headquarters at New Delhi can be more effective in co-coordinating the activities of the federation. However, for industry like Port & Dock the location can be at Mumbai - the hub of activities of the industry.

The whole idea of industry-wise all India federations was envisaged to develop a unified common understanding on the approach and outlook and also developing a countrywide organisation of the workers of the particular industry, on the basis of which a stronger countrywide movement can be launched and level of consciousness can be raised and problem of uneven development within the industry can be effectively addressed. It must be noted that in the initial stage of formation, many of our federations indeed played important role in expanding/setting up organisation in weaker areas. But continuity of that effort could not be maintained. The effective functioning of the centre of the federations can make immense contribution in this regard and also can pool the resource/skill/experience from different segments of the industry to the desired direction.

In many industries, CITU unions have earned the negotiating status through prolonged struggles. Such struggles had also given birth to some of our industry-wise federations. It was expected that our negotiating status in those industries would help us further in expanding and strengthening our organisational base in those industries. In many cases, the expectation has not been fulfilled. Rather the most disturbing feature is being noticed in some industries that representation of the comrades in the apex negotiating forum of the industry, instead of increasing the pace of activities, has contributed to decline in mass activities. Instead of organising movements, activities got oriented only towards attending negotiations, resulting in loss of contacts with the grass-root organisation and limitation within the boundary of economic issues only, leading to erosion in support base. All the federations must view such trends seriously and must make objective review of our role in the negotiating committees vis-à-vis mass organisational activities. We must keep in mind that without building up strong united

movement, we cannot play effective role in the negotiating committees to protect the interest of the workers and also of the industry. Sheer negotiation orientation in trade unions would lead us to worst victims of economism and erosion of support base.

MEMBERSHIP

Compared to the total strength of workmen in the different respective industries where our federations are functioning, our membership strength on an average is around 10% of the total workforce. The profile and composition of membership and its spread over various states also show extreme unevenness even in respect of the active and regularly functioning federations. Our weakness in this regard has been continuing since long and in almost all the federations, the issue of expanding the membership base, both in the stronger and weaker areas, has not yet surfaced as a serious agenda for discussion and action plan. In fact in most of the cases, the task of enrollment of new members and even the renewal of the old membership has been left to spontaneity. And such an approach also got reflected in the absence of any planned effort to expand in new areas leading to stagnation.

Having played a pivotal role in protecting the interest of the indigenous industries from the hostile policy onslaught of the Government and in pioneering the united fight for the cause of the workers, CITU has considerably increased its popularity amongst the mass of the workers in different industries. The united struggle at the industry level cannot be even conceived of without active initiative and participation of CITU. And in all those industries, class collaborationist and opportunist activities of the leadership of other central trade unions has been resulting in fast erosion of their support base. Unfortunately we are failing to draw them into the fold of CITU in sufficient number in the absence of round the year planned, conscious and collective effort to augment the membership strength. The weakness of the federations in respect of the profile and composition of their membership and uneven spread in extending the activities throughout the units/branches of the industry/enterprise concerned located in the regions and states of the country has been continuing. It warrants urgent attention of our federations.

PIONEERING UNITED STRUGGLES

Our experience of united struggle during the post liberalisation period shows that the industry level united struggle can play an important role in shaping the direction and intensity of the movement and further broadening the united platform. In many industries our consistent campaign could rally even many unions not associated with Sponsoring Committee and also the unions affiliated to INTUC and BMS. Again pressure of united struggles at the industry level particularly in the major industries also helped in bringing the vacillating leadership of other Central Trade Unions in the right path and right stance. In Coal industry we could organize successful all India strike on our own strength despite opposition of other federations. However, the success could not be effectively utilised to widen our membership base. This is a general weakness in the functioning of our federations that while our popularity amongst the industrial workers is increasing, the same is not reflected in expanding our organizational net work including membership strength.

Our federations have played important role in the building up united struggle at different important industry levels particularly in Coal and Port & Dock and also to some extent in Electricity and Steel industry. Road transport federation is also moving in that direction. Our Anganwadi federation also could become the central point of countrywide united movement of the Anganwadi workers. In the Plantation sector, state level united actions took place in some states. In the present days, such exercise of building up industry level united movement has to be speeded up further which would really help to

broaden the platform of unity. In case of other federations also similar effort should be made with all seriousness.

It has been observed by the comrades that effective initiative by our federations to bring together the federations of different affiliations functioning in a given industry for launching joint movement against the retrograde policies of the government particularly pertaining to the industry concerned receives encouraging response. The question is deputing capable comrades to follow up the decisions. Such role of our industry wise federations must be augmented.

TRADE UNION EDUCATION

Another basic shortcoming in the functioning of the federations is the lack of initiative in educating our cadres and workers in raising organising skill and raising level of consciousness. In most of the cases, the task of regular trade union education has been totally neglected by almost all the federations, although at state/unit level there were some educational activities. Two federations have reported to have held trade union classes extremely occasionally, that too among a very small section of the leading cadres, without any planning to carry the education programme down to the level of unit level leadership. The importance of trade union education has attained utmost importance in the face of the orchestrated propaganda of finance capital to de-ideologise the working class. Rank opportunism is brewing in the trade union movement through the increasingly menacing development of the so called independent trade unions and the anti-trade union activities of the and NGOs mostly with dubious credentials.

Besides broad general issues of trade union education, industry-specific issues and problems and their linkage with general policies must be incorporated in the education curriculum. The federation leadership can properly develop the education materials for such industry-specific issues and problems. Trade union education must be made an integral part of our regular activities and the federations must make serious planning in that direction including preparation of education materials for industry-specific requirements.

FEDERATIONS AND THE STATE COMMITTEES

There is an urgent need to improve coordination between industry wise federations and the concerned state committees. The state committees have important role to play in supervising the function of the concerned federated union in the state. Some state committees have complained that the concerned federations do not maintain effective liaison with them. The result is that they are unable to supervise and monitor implementation of decisions of the federation by the concerned federated union in their state. On the other hand despite repeated circulars from CITU centre with copies to state committees and the federation, some units of some major industry-wise federations could not be made to submit even the affiliation fees and annual return to CITU Centre in time. Similar complaints also have been made in the federation reports regarding tardy response of some units in paying federation dues in time.

The question of close co-ordination and co-operation amongst the federations and the CITU state committees is of paramount importance in organising and consolidating the branches of the federations in the different units/plants of industries located in the states. Many of the organisational weaknesses relating to the branches/units of the industrial federations has got their roots in the absence of effective and smooth co-ordination as mentioned above. The basic role of the central leadership of the federations in the functioning of the industry-wise federations is definitely a priority importance. Nevertheless, the

co-ordinating role of the state bodies of the CITU is inseparable. The federation headquarters should send copies of the circulars/communications issued to the concerned state committees also where federation units are stationed. The state committees also should take more interest in proper functioning of the concerned affiliated union and its liaison with both state and federation headquarters. Through greater co-operation and co-ordination, it is obvious that, both the federation in a particular state and also the concerned State Committee will be benefited in terms of membership and strength so far developing a movement is concerned. This aspect has to be noted very seriously by us.

INDUSTRY LEVEL CO-ORDINATION

Some of the industries not covered by industry-wise federations have the All India Co-ordination Committees of the CITU unions. Oil & Petroleum Workers' Co-ordination Committee is one such apex forum, which was constituted in an all India convention of our unions in oil and petroleum sector in Calcutta on 23rd April 1989. Our activities in this sector have expanded considerably. We have succeeded in realising representation in every national level bipartite forum in the public sector oil industry. Effort is on to organize a regular federation in this sector. The Co-ordination Committee of HSCL workers are also one of the oldest committee, which is functioning since long. This committee is facing serious problem due to large scale retrenchment and non-payment wages to the workers regularly. In central power sector two Co-ordination Committees amongst the trade unions of National Thermal Power Corporation (NTPC) and Power Grid Corporation of India (PGCIL) are functioning. These two committees are to be effectively integrated with the EEFI. Then there is the Co-ordination Committee of our BHEL unions. Efforts are on to coordinate the activities of our unions in the chemical industries. Steps should be taken to form Co-ordination and Confederation of the trade unions/federations functioning in the different segments of the common sector/industry like the four modes of transport e.g., Rail, Road, Water and Air, the energy sector as a whole e.g., Coal, Oil & Natural Gas, Thermal, Hydro, Nuclear power & Non-conventional power and BHEL.

FUNDS

The fund position of the federations, with few exceptions, is very poor. Such situation acts as a big barrier in the way of functioning of the federations. The territorial jurisdiction of these federations covers the length and breadth of the country. Apart from conducting the movement effectively, regular visits to the different units by the apex leadership, attending the apex level meetings by the representatives of the federal unions, maintaining constant up and down communication has got high financial implications. Therefore sound fund position is one of the very important pre-conditions for the organizational growth of industry-wise federations. It is also to be noted that federations having a better record of functioning have greater ability to collect funds, which, in turn, helps them to further streamline their activities, and reach the constituents more frequently.

In fine, we must understand the imperative that functioning of the federations should be upgraded in all the four areas namely, (a) better functioning of the federation body, (b) greater mobility of the leadership, (c) picking up issues to launch industry-wise movement and (d) build-up proper machinery for regular fund collection and submission of accounts.

There can be no second opinion that there is a huge scope for increasing the membership and enlarging the support base of our industry-wise federations through re-vitalising our activities. The Working Committee will have to discuss this question seriously so that we can take effective steps to strengthen the functioning of our federations on priority basis. Further, we have also to take initiative to form industrywise federations in those industries where possibilities are there and such step is awaited.

Condolence Resolutions

COM. SHAILEN DAS GUPTA

This Working Committee meeting of CITU held at Bangalore from 24 to 26 August 2001, expresses its deep sorrow at the passing away of Com. Shailen Das Gupta, veteran communist leader and Chairman of the Left Front Committee in West Bengal.

Born in a poor family, in spite of his family needs, Com. Das Gupta left his job and became a party whole timer at a very young age and contributed immensely in building up the party in West Bengal. He was exemplary in his unfailing devotion and commitment to work equipping himself constantly with Marxist ideology. In his death the left movement has lost a dedicated leader and an outstanding organizer. He was a member of the Polit Bureau and Secretary, West Bengal State Committee of CPI (M).

This meeting pays its respectful homage to this outstanding leader and sends its heartfelt condolences to his bereaved family members.

COM. M HANUMANTHA RAO

This Working Committee Meeting of CITU held in Bangalore from 24-26 August, 2001 records with profound regret the death of Com. M. Hanumantha Rao, freedom fighter and veteran leader of the working class and democratic movement.

He joined the freedom movement in his student days and actively participated in the anti-imperialist struggle and movements for social reforms. One of the pioneers of the communist movement in Andhra Pradesh Com. Hanumantha Rao was a member of the Polit Bureau of CPI(M) and Secretary, Andhra Pradesh State Committee of CPI (M). He was also a member of Rajya Sabha for one term. He underwent several years of imprisonment and underground life during his over six decade of unswerving dedication and commitment towards the communist movement in this country. His simple lifestyle endeared him to many.

This meeting pays respectful homage to the departed leader.

COM. NIREN GHOSH

The Working Committee Meeting of CITU held in Bangalore from 24-26 August 2001 deeply mourns the death of a veteran freedom fighter and stalwart of the communist and working class movement in India, Com. Niren Ghosh. He died in Calcutta on 1st July 2001 at the age of 87.

Com. Niren Ghosh joined the communist movement at a very tender age and as a whole timer started organizing the jute workers around Calcutta. He dedicated himself to building up the working class movement in the country with unflinching determination. He was one of the founder leaders of CITU and was its central office bearer till his death. A leader reared in finest communist tradition. Com. Niren Ghosh played a frontline role in upholding the revolutionary line of class struggle as against reformist class collaborationist approach. He contributed immensely in shaping the CITU line of 'unity & struggle' in the trade union movement. He was an ardent advocate of more active initiative by the trade union movement in championing the cause of the peasantry and agricultural workers and more pro-active worker-peasant alliance in action.

As a Parliamentarian also he played an important role in defence of the rights and struggles of the working class, peasantry and the common people.

The CITU and the trade union movement has lost a great leader. This meetings pays its respectful homage and dips its banner in memory of the departed leader.

ON CONDOLENCE

This meeting of the Working Committee of the CITU held at Bangalore on 24-26 August 2001 pays its respectful homage to all the leaders cadres and activists of the working class and democratic movement who died during the intervening period since our conference held in December 2000 at Hyderabad.

This meeting records with profound regret the demise of Com. Indrajit Gupta, Veteran leader of the left and democratic movement and former General Secretary of AITUC. Com. Gupta was involved in Communist and trade union movement in India for six decades. The meeting also mourns the death of Sri G Ramanujam, a veteran trade union leader and a former President of INTUC and Veereshwar Tiagi, Secretary, HMS. The working committee pays its respectful homage to the departed leaders.

The meeting expressed profound sorrow at the sad demise of Com. Shailendra Shaily, a young communist leader and Vice President of MP CITU and records its heartfelt condolences to his wife, daughter and other members of his family.

This meeting deeply mourns the death of Dr. Arun Kumar Ghosh, a renowned economist and a crusader against neo-liberal economic policies, Com. Laxmi Sen, veteran CPI(M) leader of West Bengal, Com. S. Samantaroy, a CPI(M) leader of Orissa, Com. ICP. Namboodiripad, a freedom fighter and a leading organizer of communist movement in Kerala, Com Bhabani Mookerjee a veteran Marxist leader and former Minister of left front Govt., Com. Sahilendra Nath Ghosh - a trade union leader of West Bengal and Com. Ziauddin Ahmed - a leader of the Bank Employees movement. This meeting pays its respectful homage to all the departed leaders.

The meeting condemns the dastardly killing of Com. Shailen Das, Mayor of Dum Dum and pays homage to the memory of departed comrade.

The meeting conveys its heartfelt condolences to all the members of families who lost their near and dear ones in the devastating earthquake in Gujarat.

ON HOMAGE TO MARTYRS

This meeting respectfully remembers the courageous sacrifices of those leaders cadres and activists of the trade unions, peasant, agricultural labour, youth, student and women's movement who left a permanent impression on the democratic movement as a whole and continue to be a constant source of inspiration to the working class by laying down their life in their struggle against exploitation and for the cause of the people and integrity of the country.

This meeting also pays homage to the martyrs of the democratic movement in Tripura who have been killed by the terrorist outfit, the Working Committee also condemns the killings of our comrades in the democratic movements in West Bengal during recent months by BJP-Trinamool hooligans and sends heartfelt condolence to their bereaved family. The meeting severely condemns the killing of many innocent people by the J&K militants and expresses deep sympathy with the bereaved family members.

CENTRE OF INDIAN TRADE UNIONS
13-A, ROUSE AVENUE, NEW DELHI-110002

Receipts & Payments Account for the year ending 31st.December, 2000

RECEIPTS		PAYMENTS	
OPENING CASH AND CHEQUES IN HAND	Rs. 41,403.41	FIXED ASSETS	Rs. 545,826.00
CASH AT BANK	Rs. 858,901.05	B.T.R. TRUST	Rs. 554,171.00
CITU MAZDOOR INCOME	Rs. 181,164.00	LOANS & ADV.	Rs. 61,575.00
VWW INCOME	Rs. 135,003.00	9TH MARCH RALLY	Rs. 493,597.00
WORKING CLASS INCOME	Rs. 241,310.00	NPMO	Rs. 200.00
ILO WORKSHOP	Rs. 576,410.00	T.U.WORKSHOP (WOMEN)	Rs. 233,800.00
AFFILIATION	Rs. 2,511,569.50	CITU MAZDOOR EXP.	Rs. 193,580.00
BANK INTEREST	Rs. 29,606.00	VWW EXP.	Rs. 120,481.00
BTR BOOKS	Rs. 1,825.00	WORKING CLASS EXP.	Rs. 213,195.00
DONATION	Rs. 99,417.00	AUDIT EXP.	Rs. 14,572.00
DROUGHT RELIEF FUND	Rs. 44,661.00	BANK CHARGES	Rs. 5,812.00
MISC.RECEIPTS	Rs. 1,430.00	CITU MEETING EXP.	Rs. 56,042.50
NPMO	Rs. 22,467.00	CITU WORKSHOP	Rs. 38,524.00
ORISSA RELIEF FUND	Rs. 7,200.00	CONVEYANCE EXP.	Rs. 52,292.00
PUBLICATION SALE	Rs. 48,950.00	ELEC. & WATER BILL	Rs. 54,169.00
T.U. WORKSHOP (WOMEN)	Rs. 233,800.00	G.C.MEETING EXP.	Rs. 27,947.50
TRANSPORT SEMINAR	Rs. 30,000.00	ILO WORKSHOP	Rs. 576,410.00
BTR TRUST	Rs.364,527.00	MEDICAL EXP.	Rs. 20,951.20
LOAN RECOVER	Rs. 31,460.00	MISC. EXP.	Rs. 20,898.00
9 TH MARCH RALLY	Rs. 126,740.00	NP.PERIO & BOOKS	Rs. 22,342.40
W.B. STATE COMMITTEE	Rs. 97.50	OTHER EXP.	Rs. 14,177.00
U.P.STATE COMMITTEE	Rs. 397.00	PHONE BILL	Rs. 138,547.00
		P & T EXP.	Rs. 44,242.50
		RENT & TAX	Rs. 30,043.00
		SERVICE & MAIN. EXP.	Rs. 41,710.00
		STAT & PRINT EXP.	Rs. 84,090.00
		TEA & TIFFIN EXP.	Rs. 19,583.50
		TRAVELLING EXP.	Rs. 33,722.00
		VECHILE MAIN. EXP.	Rs. 70,236.00
		WAGES	Rs. 515,200.00
		W.F.T.U. CONF. EXP.	Rs. 70,280.00
		PUBLICATION EXP.	Rs. 59,450.00
		BAD DEBT	Rs. 500.00
		RELIEF & SUBSIDY	Rs. 25,000.00
		XTH CONFERENCE	Rs. 32,862.00
		CLOSING CASH AND ADVANCES	Rs. 70,250.81
		CLOSING CASH AT BANK	Rs. 1,032,059.05
	Rs. 5,588,338.46		Rs. 5,588,338.46

CENTRE OF INDIAN TRADE UNIONS

13-A, ROUSE AVENUE, NEW DELHI-110002

Income & Expenditure Account for the year ending 31st.December, 2000

EXPENDITURE		INCOME	
CITU MAZDOOR EXP.	Rs. 193,580.00	CITU MAZDOOR INCOME	Rs. 181,164.00
VWW EXP.	Rs. 120,481.00	VWW INCOME	Rs. 135,003.00
WORKING CLASS EXP.	Rs. 213,195.00	WORKING CLASS INCOME	Rs. 241,310.00
AUDIT EXP.	Rs. 14,572.00	AFFILIATION A/C	Rs. 2,511,569.50
BAD DEBT A/C	Rs. 500.00	BANK INTEREST A/C	Rs. 29,606.00
BANK CHARGES	Rs. 5,812.00	BTR BOOKS A/C	Rs. 1,825.00
CITU MEETING EXP.	Rs. 56,042.50	DONATION A/C	Rs. 99,417.00
CITU WORKSHOP A/C	Rs. 38,524.00	MISC. RECEIPTS A/C	Rs. 1,430.00
CONVEYANCE EXP.	Rs. 52,292.00	NPMO A/C	Rs. 5,150.00
ELEC. & WATER BILL	Rs. 54,169.00	PUBLICATION A/C	Rs. 48,950.00
GENERAL COUNCIL MEETING A/C	Rs. 27,947.50	INTEREST ON FDR A/C	Rs. 481,204.00
MEDICAL EXP.	Rs. 20,951.20		
MISC. EXP.	Rs. 20,898.00		
NP.PERIO & BOOKS	Rs. 22,342.40		
OTHER EXP.	Rs. 14,177.00		
PHONE BILL	Rs. 138,547.00		
P & T EXP.	Rs. 44,242.50		
PUBLICATION EXP.	Rs. 59,450.00		
RELIEF & SUBSIDY	Rs. 25,000.00		
RENT & TAX	Rs. 30,043.00		
SERVICE & MAIN. EXP.	Rs. 41,710.00		
STAT & PRINT EXP.	Rs. 84,090.00		
TEA & TIFFIN EXP.	Rs. 19,583.50		
TRAVELLING EXP.	Rs. 33,722.00		
VECHILE MAIN. EXP.	Rs. 70,236.00		
WAGES	Rs. 515,200.00		
XTH CONFERENCE	Rs. 32,862.00		
WFTU CONF. EXP.	Rs. 70,280.00		
9 TH MARCH RALLY A/C	Rs. 349,740.00		
EXCESS OF INCOME OVER EXPENDITURE TRANSFERRED TO GENERAL FUND	Rs. 1,366,438.90		
	Rs. 3,736,628.50		Rs. 3,736,628.50

CENTRE OF INDIAN TRADE UNIONS
13-A, ROUSE AVENUE, NEW DELHI-110002
Balance Sheet As on 31st.December, 2000

Liabilities			Assets		
<u>GENERAL FUND ACCOUNT</u>			<u>FIXED ASSETS</u>		
As per last Balance	Rs.5,900,063.41		Opening Balance	Rs.1,387,215.95	
Add: Surplus during the year	Rs.1,366,438.90	Rs.7,266,502.31	Addition this year	Rs.545,826.00	Rs.1,933,041.95
<u>CURRENT LIABILITIES</u>			<u>INVESTMENTS</u>		
Drought Relief Fund	Rs.44,661.00		Opening Balance	Rs.3,116,534.00	
Orissa Relief Fund	Rs.8,200.00		Addition this year	Rs.481,204.00	Rs.3,597,738.00
Transport Seminar a/c	Rs.30,000.00				
U.P. State Committee	Rs.397.00				
W.B. State Committee	Rs.97.50	Rs.83,355.50			
			<u>CURRENT ASSETS</u>		
			B.T.R.TRUST	Rs.632,644.00	
			Loans & Advances	Rs.84,124.00	
			Cash in Hand	Rs.70,250.81	
			Cash at Bank	Rs.1,032,059.05	Rs.1,819,077.86
Rs.7,349,857.81			Rs.7,349,857.81		

CENTRE OF INDIAN TRADE UNIONS

13-A, ROUSE AVENUE, NEW DELHI-110002

Receipts & Payments Account from 1st January to 31st July 2001

RECEIPTS		PAYMENTS	
OPENING CASH AND CHEQUES IN HAND	Rs. 70,250.81	BTR TRUST A/C	Rs. 153,100.00
CASH AT BANK	Rs. 1,032,059.05	LOANS & ADV.	Rs. 25,000.00
GUJRAT EARTH QUAKE RELIEF FUND	Rs. 2,126,515.12	CITU MAZDOOR EXP.	Rs. 91,417.50
LOAN RECOVER	Rs. 32,550.00	VWW EXP.	Rs. 67,580.50
CITU MAZDOOR INCOME	Rs. 74,432.00	WORKING CLASS EXP.	Rs. 100,287.50
VWW INCOME	Rs. 52,165.50	AUDIT EXP.	Rs. 1,940.00
WORKING CLASS INCOME	Rs. 80,094.00	BANK CHARGES	Rs. 2,860.00
9TH MARCH RALLY A/C	Rs. 10,000.00	BUILDING MAIN. A/C	Rs. 5,071.00
AFFILIATION A/C	Rs. 428,481.50	CITU MEETING EXP.	Rs. 6,348.00
BANK INTEREST A/C	Rs. 18,025.00	CONVEYANCE EXP.	Rs. 42,166.00
BTR BOOKS A/C	Rs. 700.00	ELEC. & WATER BILL	Rs. 39,065.00
DONATION A/C	Rs. 93,906.00	MEDICAL EXP.	Rs. 12,454.25
MISC. RECEIPTS A/C	Rs. 4,340.19	MISC. EXP.	Rs. 8,860.00
NPMO A/C	Rs. 8,640.00	NP.PERIO & BOOKS	Rs. 13,114.00
PUBLICATION A/C	Rs. 18,203.00	OTHER EXP.	Rs. 5,895.00
ILO WORKSHOP A/C	Rs.88,500.00	PHONE BILL	Rs. 70,529.00
		P & T EXP.	Rs. 17,655.00
		PUBLICATION EXP.	Rs. 27,430.50
		RELIEF & SUBSIDY	Rs. 10,000.00
		RENT & TAX	Rs. 24,955.00
		SERVICE & MAIN. EXP.	Rs. 32,275.00
		STAT & PRINT EXP.	Rs. 48,238.00
		TEA & TIFFIN EXP.	Rs. 19,185.50
		TRAVELLING EXP.	Rs. 9,113.00
		VECHILE MAIN. EXP.	Rs. 55,330.00
		WAGES	Rs. 298,450.00
		XTH CONFERENCE	Rs. 56,512.00
		CLOSING CASH AND ADVANCES	Rs. 98,928.75
		CLOSING CASH AT BANK	Rs. 2,795,101.67
	Rs. 4,138,862.17		Rs. 4,138,862.17