

**BUILD UP UNITED STRUGGLE
FOR
SOCIO-ECONOMIC CHANGES
AND
DEFENCE OF DEMOCRACY**



**Comrade B.T. Ranadive's Presidential Speech
in the Working Committee Meeting
held at Kota, Rajasthan, 6-8 June, 1978**

A C I T U P U B L I C A T I O N

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Comrades,

Many changes have taken place since our General Council and Working Committee met in August last year. Then we were still in the process of celebrating our victory against the forces of dictatorship, the rout of the Congress. We hailed it as the victory of the people. At that time the forces of authoritarianism were on the defensive and virtually on the run.

But within the last ten months they have assumed a new offensive pose and are bold enough to justify the imposition of Emergency and all that it implied. This new found strength of these dangerous forces led by Indira Gandhi is based on its growing confidence secured by its recent striking electoral successes in a number of States and the defeat it has inflicted on the Janata Party in a number of bye-elections in the North where they had met the worst reverses in the Parliamentary and Assembly elections.

Danger Of Authoritarian Forces

The fact has to be recognised that the forces of dictatorship have not only not lost their mass base but perhaps have improved it during the last one year of Janata rule. The anti authoritarian forces have not succeeded in growingly isolating the challenge of Indira Gandhi, not succeeded in eroding its mass base revealed in the worst days of its reverses.

Today Indira Congress controls three important State Ministries—of Andhra, Karnatak and Maharashtra. In Andhra and Karnatak it has inflicted decisive defeats on the Janata and in Maharashtra it could steal into power because of the stupidity and the machinations of the reactionary section of the Janata leadership. However as in the Parliamentary election its vote in the Assembly elections is a big vote and it has swept the poll in Vidharbha.

These successes together with its strength in Rajya Sabha and Lok Sabha put the Indira Congress in a position to take

a challenging position and justify its dictatorial ambitions and rule. Its leader in the Lok Sabha unashamedly justified the Emergency with its wanton attacks on the democratic rights while moving a vote of censure against the Janata Government.

This open advocacy of authoritarianism and dictatorship constitutes the platform of Indira Gandhi embellished though it is with protests against the atrocities against Harijans, and minority community, the advocacy of the demands of weaker sections. And yet people in huge numbers have voted for her. The Azamgarh Parliamentary election in which she inflicted a crushing defeat on the Janata nominee is a case in point and shows unless there is a radical change in the situation, her progress will gather momentum every day.

Obvious Reasons

It is obvious that large sections of the suffering masses are blind to her political platform, unable to understand what she means when she justified Emergency and are carried away by her pretended concern for the underdog, for the Harijans and others. Large number of them had remained loyal to her even during the Parliamentary elections. Now they are active in defending her. For this calamitous change which again threatens India with dictatorial rule, the credit must go to the many shortcomings, failures, misdeeds and even infamies of the Janata Governments—at the Centre and the States. The monstrous atrocities against Harijans continue unabated, the landlords the staunch supporters of Janata Party who are responsible for their escaping all punishment. The Home Minister is not known to be an ardent supporter of equality for untouchables and many of his reliable followers are known to be notorious Harijan baiters. The gruesome happenings in Agra where the Harijans were hunted down by the police of Ram Naresh Yadav and the upper caste for the crime of taking Dr. Ambedkar's photo in a procession to mark the culminating disgrace of this policy.

Equally notorious has been the attitude of these Governments towards the working class and its struggles. I will deal with its proposed economic measures and legislation a little

later. Here I only wish to refer to the high handed and brutal manner in which it handles strike. Kanpur. Bailadila, Pantnagar, Bokaro cry out against the policy of shooting down of scores of workers just to intimidate and terrorise them. The U.P. Government alone has 42 firings to its credit. The Governments concerned have neither expressed regrets nor punished those who have been guilty of these murderous assaults, on the contrary they have lent full justification to the villanous demands of the bureaucracy and the police. Like the Congress the Janata Governments are relying exclusively on the bureaucracy, believing what they tell against the people and justifying what they do against the people. That is why the process of alienation of Janata Party is getting momentum every day.

Comrades, it is not necessary here to delineate how the Janata Governments and their policies are alienating the peasant masses, the students, the teachers etc. But let it be known that these vast sections are getting estranged and are desperate over the performance of the Janata Party Governments.

I only wish to refer here to the ban imposed on certain history text books by the present Government. It is nothing but a complete surrender to reactionary Hindu ideology and misuse and abuse of political power by the present Government. It is worthwhile to refer this is due to the Shah Commission and seek its verdict. It is a matter of disgrace that such measures of thought control should be introduced without protests from the Chandrasekhars, Dandvates and Fernandes who are wedded to a secular outlook. Comrades, it is not enough to interpret or analyse the situation. Our CITU must intervene to change it so that the danger of dictatorship is fought, so that the people frustrated by Janata policies do not flock to the authoritarian banner of the Indira Congress.

For Constitutional Reforms

The CITU and its unions have therefore to intervene on behalf of the workers and the people on all occasions and reveal to the people the birth of an alternative force fighting

authoritarianism and the economic policies of the Janata Government. Our unions demand dismantling of the 42nd Amendment Act, new changes in the Constitution to prevent emergence of dictatorship and we press the slow-moving Janata Government, which has still kept the MISA on the Statute Book, to effect these changes. It will be an act of betrayal if the Janata Party and the Government fail in this.

Unmask Indira

The Indira Congress is opposed to all this and we unmask its role. Our CITU is willing to join hands with all to secure these reforms on a broad platform for civil liberties and democratic changes in the Constitution doing away with the arbitrary powers of the President to declare Emergency. We are glad that the demand for a referendum on the question of basic changes in the Constitution has been accepted by the Janata Government which when enacted will be a potent weapon in the hands of the working class and the people to fight the emergency of dictatorship.

Promote United Actions

Comrades, however, we have to simultaneously wield the weapon of united mass actions of working class and the employees to effect a change in the situation. Such united actions in defence of the economic interests and often against the measures of the Janata Government will rally all sections of workers, raise their strength and class solidarity and show to the people that there is a third force capable of defending their interests. This will prevent the trek of frustrated people to the camp of Indira Gandhi and checkmate the march of authoritarian forces. The high importance of our common actions must be therefore realised.

Comrades, our struggle for unity of the trade union movement and united actions has secured considerable success. Com. P. Ramamurti, our General Secretary is discussing these in his report.

Comrades, the desire for united actions and struggle is growing apace and our CITU which has patiently worked for it must feel satisfied over the development. The only care we have to take is to see that we do not delink the united

mass action for economic demands from the struggle against the growth of authoritarian forces. This is what some participants wish. If we fail to be vigilant we will be just preparing the way for an Indira take over.

Comrades, I must draw your attention to a serious development affecting vitally the trade union movement in our country. The multinational drug companies and Indian monopolists—among the drug manufactueres are shifting the entire burden of recent changes in the Government's drug policy on the medical and sales representatives. The leaders of the Federation of Medical Representatives Association of India are being attacked and victimised. Glaxo Laboratories, whose Chairman of the Board of Directors is Mr. Bhoothalingam terminated the services of 6 active workers during the Emergency. Now the company has dismissed J.S. Majumdar, the General Secretary of the Federation.....The services of Com. P.K. Ganguly President of the Bihar State unit of the Federation has also been terminated. Simultaneously the concerns are attempting to create disruption by attacking the leaders through their paid agents. What is Shri Bahuguna doing ? Is he unable to control the multinationals and India monopolists. Will the multinationals be allowed to oppress Indian workers under the Janata Government. Comrades, we all must denounce these developments and support the Federation of Medical Representatives Association of India.

Role Of Kerala Coalition

Comardes, our Working Committee must denounce the repression launched by the coalition ministry of Kerala against the electricity workers. The minister is arrogantly demanding withdrawal of strike as a condition of negotiations, though the workers had postponed the action several times in deference to him. The demands are simple and were virtually agreed to by all. But now the ministry is jailing hundreds of workers and charging them with the slanderous accusation of sabotage. The main obstacle to the settlement is the opposition of the AITUC union leadership which has lost its credentials with the workers. The AITUC leaders should cease to play the double game. They call for joint

actions elsewhere but suppress the workers through this ministry. The Right C.P. leaders must also ponder whether their advocacy for a left and democratic front will have any credibility if their ministry represses workers' strike in Kerala.

Comrades, we convey our warm greetings to the students of Pantnagar University, to the members of SFI in Pantnagar and Gwalior for the courageous and brotherly role they played during the days of repression at these two places. This solidarity and unity should be developed on all occasions when either section is engaged in fight. It is the special responsibility of our trade unions and the working class to help our fighting students in their struggles.

Sixth Five Year Plan

Comrades, the draft of the Sixth Five Year Plan is before the working class and our organisations. It deserves serious consideration on our part as it enunciates and embodies the policies which the Janata Government intends to follow over the next five years, policies which will determine the country's progress, and our wages and jobs. We cannot but say that the draft of the Sixth Five Year Plan is a disappointing document, and constitutes an anti-climax to the tall claims made by the Janata Party in its manifesto and also to its strong criticism of Congress policies. It is based on the same postulates of the earlier plans of Congress Party and represents unwillingness to touch the vested interests and introduce any institutional changes for the benefit of the common man.

The Congress planning at least started with the objective of growth rate of not less than 5%, but the Janata Party in the name of realities starts with a growth rate of only 4.7 per cent which means that the actual growth rate will be less than even 3 per cent. Is it necessary to start with lower growth rate? Is there one instance in the world where a growth rate of 4.7 per cent has given even a substantial relief to the people concerned much less changed the basic conditions of their life or made a dent in the struggle against poverty. The low growth rate became necessary because India can not have a higher growth rate without breaking the land monopoly of the land

grabbers and nationalisation of the monopoly concerns who hold the economy in their grip, but like the Congress Government this is precisely what the present Government do not want to do. They may curse the Congress as much as they like but they themselves are accursed to follow the policies laid by the predecessors. The main point in this document therefore is the refusal to attack the vested interests and thereby inflict a tortuously slow growth on the economic progress condemning the people to increased poverty.

Miserable Rate Of Growth

Spurious arguments are resorted to show that this miserable rate of growth is the deliberate plan to secure distributive justice. This invention of a hiatus between higher growth rate and distributive justice—is the work of those who want to serve the vested interests. In backward countries which do not end their pre-capitalist economic relations, industrial economic growth is extremely slow and increases misery of the people but the remedy is not to slow down growth but to secure a proper basis for distributive justice by ending the land monopoly and the monopoly in the means of production.

The planners try to impress by a tremendous show of figures. The total plan investment in public and private sector is to be 1,16,000 crores of rupees. Taking into consideration the likely rise in price level the real investment will not be as large as it appears to be. Secondly public sector investment is to be of the order of 69,000 crores of rupees which might be considered a somersault on the part of those who had hitherto opposed the public sector as totalitarian and demanded more freedom for private investment in the name of democracy. But economic realities can not be ignored. India's private sector needs a public sector in its service. This is not love for public ownership but the hard reality that without public investment the private tycoons can not be sustained. And secondly a very large part of this public sector investment is going to be in the rural areas which as our three decades' experience shows is going to benefit mainly the big landed. A substantial part of the finance in the public sector expenditure namely Rs. 13,000 crores have to come from additional taxation of the central and state governments. Notwithstanding

tall talk about reducing the taxation on the necessities of life, this additional source of finance will fall heavily on the common man. A beginning has already been made in the present budget which has enhanced the general rate of excise duty. In the plan itself commodity taxation and excise duties have been justified as necessary to restrict conspicuous consumption but their role in India has been to restrict the minimum necessary consumption of the common man and that heritage of the Congress rule will continue under the present plan also. In the matter of raising resources the planner scrupulously avoid mention of deficit financing and do not regard it as a source of additional finance. This will be claimed as a great achievement as a fulfilment of the promise given in the Janata Manifesto. But all this is eyewash. The government will be forced to reduce the size of the plan or resort to deficit financing of a high order; if it wants to avoid either of this alternatives it will have to resort to drastic institutional changes. This latter course is not possible for the Government. As a matter of fact the last two budgets of the Janata Party relied to deficit finance of not less than 1,000 crores per year and this trend will continue.

More Foreign Aid

Further the plan provides for a gross inflow of foreign aid of more than 8,000 crores of rupees which really means that more than 10% of the public sector expenditure is to be financed by foreign aid. It only means that the dependence of the economy on foreign loans and aids will continue to deepen and there is no break with the Congress tradition on this vital question.

The planners rely on higher earnings from public sector undertakings as one of the important sources of finance. There is absolutely no doubt that most of the public sector undertakings are being run inefficiently and given proper management they can contribute a lot to raise additional resources. But is this possible under the present set up? Firstly the tradition is that the public sector must serve the interests of the private sector and therefore its pricing policy has been adjusted to swell the profits of the latter and not to ensure surplus for the former. Secondly the bureaucratic, anti working class management of the sector with its corruption will never

be able to produce the required surplus. This is possible only if the working class is given equal rights to supervise and conduct the affairs of the public sector undertakings. But about this there is no word in the document though off and on it talks about the involvement of the people in the fulfilment of the plans. The conclusion is inevitable that in the final analysis the major sources of additional resources will be high taxation of the people, high prices and deficit financing.

Where From Resources

One agrees with the Commission that increased resources have to be raised from those who have accumulated massive wealth in rural areas benefiting from the expenditure incurred by the State. The Commission observes in view of the massive investments proposed to be made in agricultural and rural works on various accounts earnest efforts must be made to recover a part of the increased rural income for our investment in the public sector. "In view of the evidence of inequal distribution of rural assets (especially land) the equitable way of doing this would be through properly structured taxes on agricultural income or progressive surcharges on account of revenue". We are totally opposed to taxing the ordinary peasant but we fully agree that the land monopolists must be made to pay for the benefits that they are receiving but will the Janata Government dare to do it? The Congress Government also talked a lot about it but dared not take the measure. This may therefore result in taxing everybody including the small peasant so that the burden of the bigger fellows is lessened. The vague reference to surcharge on land revenue raises this fear since the executive exemption limit for such surcharge is not stated.

Fantastic Claims

The draft makes fantastic claims about the likely achievements at the end of the 5th year. In the first place it claims to be a document primarily oriented towards meeting the unemployment problem but it refuses to accept any responsibility for creating a specific number of jobs. The commission proposes new investments and redistribute purchasing power to create a climate for employment leading to millions of jobs. This is making nonsense of planning. The Congress

Government at least talked about plans for definite number of jobs though it never realised its objective but the present planners talk only about the climate for employment. They however make the fantastic claim that between 1978-83 conditions will be created for providing jobs for 30 million people joining the labour force between 1978-83 as well as for the substantial number of the already unemployed thus clearing the backlog of unemployment. The figures with Planning Commission show that if the present trend continues there will be at least 22 million people unemployed in the country by the end of the Plan. This itself is an under estimate as the number of unemployed exceeds this figure even now. According to the Industries Minister there are 45 million unemployed at present. But since there will be no institutional changes and since we will continue to be in the midst of crisis of our economy the number of unemployed will exceed by far 22 million and very few of the new entrants of 30 million will be absorbed in employment. It is claimed that the total employment potential will be 49.3 million. Of this 22.8 will be in agricultural and allied sectors as a result of the planned growth and irrigation capacity (12 million hectares) and in animal husbandry and forestry. New labour absorption in mining and manufacturing may be about 9.4 million persons on account of high growth rate particularly in the small industry sector and the big power programmes, the construction component of the whole plan and the planned expansion of infrastructure and social services, particularly in the rural areas. About 17.1 million persons may be absorbed in other sectors including services. These are unwarranted claims.

Ruined Rural Sector

In the first place the small and village industries are in ruins and whatever help may be given to them it is difficult to imagine that they will go on providing employment for millions of people. Secondly the larger industrial units including those under the control of the Government are introducing modern sophisticated machinery and retrenching thousands of workers. Thirdly lack of export trade is leading to retrenchment in various sectors including mining as admitted by the Mining Minister in connection with Bailadila Mine. It is

equally fantastic to say that additional employment for 23 million people will be made in agriculture which already is overpopulated.

What is the basis of this optimism. The basis is the expenditure on the minimum needs programme of 4180 crores of rupees in place of only 800 crores over the years 1974-75. It is expected that this pumping of money into the rural areas will add to the purchasing power of millions of people thereby giving a fillip to the consumer goods, for goods of small industries and raise their employment potential rapidly. There are wrong assumptions. Firstly a substantial part of the money spent will be appropriated by the bureaucrats and the gentry in the rural areas. Only a trickle will reach the rural mass and it will be unable to set a chain reaction for increased demand throughout the economy. Such solutions are manufactured only in the chambers of the planners and they are doctored solutions to support the theory that institutional changes are not necessary.

On the contrary this huge expenditure in rural areas which, if properly guided will certainly benefit the most down-trodden section in India, is going to be a windfall for the landed gentry. It is meant for them and to no one else. India's experience of the last three decades shows that the benefits from irrigation, drains, bunds etc. are grabbed by the upper strata leaving the peasant in the lurch. The Planning Commission quotes the Reserve Bank report that 10% of the rural population own only 0.1 % of rural assets and the top 10% own more than half of total assets including land. Unless this reality is changed all claims to distributive justice will prove false. Unless this reality changes all the benefits accruing from pumping money in the rural areas from building irrigation works and dams, will be going to the land monopolists, to this 10% and the the have-nots will be denied bare facilities. The Janata Party in its Election Manifesto had stated that landlordism should be abolished. The Planning Commission does not say a word about it because it can not go now against the declared policy of the Government. The Planning Commission in consonance with official policy now relies on the discredited land reforms of the Congress and only talks about distribution

of surplus land already declared. It says that the estimated surplus land on 31st July 1977 was only 5.37 million acres. If this surplus is accepted the land monopoly will not be distributed. Between 31st July 1977 and May 1978 nearly an year has passed and the Janata Government has distributed only 1.29 million acres. The lack of courage to apply a drastic remedy to the present land concentration will only help the land monopolists, increase rural poverty and unemployment. It is astonishing that the document when it claims to increase jobs by millions does not at all refer to the income or wage of those who are to be employed. Apparently a job means a job at whatever wage whether it is starvation wage or otherwise. Provision for decent wage is not to be the accompaniment of a job. By this reasoning lakhs of bonded labourers in India are not unemployed but employed and the Commission should be satisfied with their condition.

Labour Policy

In this document of nearly 300 pages there are hardly two pages devoted to the working class and its role. It is a most astonishing performance for a Commission which calls for the involvement of the people in fulfilling the plan. Of course there is no mention for increase in wages for the workers, no mention either of bonus or adequate D.A. Absolutely no mention of a need based wage, the common demands of the working class have not therefore been incorporated in the Plan. There is hardly any reference to working class participation in management. This is deliberate because official policy—in the name of rendering justice to the peasant attacks the working class as a privileged class. This is exactly following the 20 point programme of Indira Gandhi which did not have even one basic commitment to the working class.

The draft says that incomes policy should cover wages, profits and the income of self employed. This by-passes the first essential of incomes policy that the wages of the workers must correspond to his minimum needs and that only on the basis of minimum earnings of the common man can we have a proper incomes policy and that incomes must be directed towards removing the disparities in incomes between the exploited and the exploiting classes. The reference to Bhootha-

lingam Committee itself shows what is in the minds of the Planning Commission.

While prattling about rural orientation the Planning Commission makes very scanty reference to the low wages of the agricultural labourers, the denial of legal minimum wage and the necessity to raise the wage much higher.

Its industrial policy is again a hotch potch of opportunism and false claims. The Planning Commission does not seem to be aware that we are passing through a recession and something basic will have to be done to pull the economy out of it. The under utilisation of capacity in many industries is due to this economic crisis and the lack of purchasing power of the people. Besides no nation could make a rapid strides with industrial advance of only 5% to 7% per year. Because of the poverty we are becoming more and more dependent on the charity of foreign agents and foreign monopolists and imperialists are making use of it to subjugate our economy.

Its export policy is more or less in conformity with the demands which MacNamara made on the then Congress Commerce Minister in 1976. Like the Congress Government the Planning Commission also presents their acceptance as Indian policy. We ourselves feel that on many occasions exports subsidies are nothing but looting of public treasury. But what is being done now is to submit to the pressure of certain foreign agencies. We are throwing our country open to foreign goods in the name of utilising our foreign exchange resources. Self reliance seems to be a casualty under the Janata Party. This Plan is no plan for removing the curse of unemployment, for making a dent in the rural poverty of India or establishing small industries, or for industrial expansion. A plan based on the maintenance of land monopolists the grip of Indian monopolists over industry and the growing dependence on foreign loans and more overtures to multinationals is going to multiply the misery and unemployment of the people notwithstanding the byocritical claims made on its behalf.

Comrades, the entire trade union movement has unanimously condemned the retrograde recommendations of Bhoothalingam Committee. They prove that the boycott of the Committee by the united trade union movement was justified.

The terms of reference and the composition of the committee guaranteed partisan conclusions to ensure an attack on the living standards on the workers and employees and justifying denial of their immediate and urgent demands. Comrades, we on several occasions formulated the principles on which a national wage and incomes policy should be based. In August last the CITU General Council passed a resolution on this question adumbrating the basic principles. In September the All India Convention of Trade Unions held in Delhi again reiterated the principles on behalf of the trade union movement.

Wage And Income Policy

The working class and the entire democratic movement demands wage and incomes policy on the basis of a time-bound programme for need-based wage, (2) full neutralisation of rise in the cost of living, and (3) equal pay for equal work. It demands minimum wages as the compulsory legal minimum to start with and calls for policy of rapidly raising living standards above this minimum. In the cities therefore it demands, apart from direct wage increase, such additives as bonus etc. which at present partially fill up the gap between the present wage and need-based wage; that is why it insists on bonus for all categories of workers and employees. These partially help to erode the present income disparities between classes.

It further demands that the agricultural and other rural workers should be included under the programme. The peasant should be further ensured a decent income by ensuring fair price for his produce, cheap inputs, and credit. The increased wage for agricultural worker and other rural workers will partly redistribute the surplus between them and their employers; the guaranteed price for the peasant will enhance his income at the expense of moneylenders and traders and once again lead to redistribution in favour of the havenots.

It should be openly stated that the aim of a proper wages and incomes policy should be to reduce disparity between the income of the exploited classes. The best way to achieve it is

to end the land monopoly of the landlords and nationalise all monopoly concern.

Janata Promises

The Janata Party in its election manifesto came very near to acceptance of these principles. Its manifesto stated : "The Janata Party believes that economic policies must subserve the interests of workers in the agricultural and industrial sections. The Party will introduce legislations to ensure minimum wages for all categories of workers. Such minimum wages would be sufficient for the maintenance of the worker and his family." Its national wage and price policy is based on the following: "A fair wage must be the minimum wage. A wage and price policy must ensure that *income disparities are reduced*. Steps will be taken to see that the minimum incomes rise rapidly so that the difference between the minimum and maximum income after tax is reduced to 1 : 20. It will strive progressively to further reduce this difference to 1 : 10 within a decade by a policy of income redistribution that raise floor levels and discourage bloated incomes."

This is quite clear. No reference to higher wage island, or unjustified wages and wage differentials, but a clearcut line that the floor incomes should be raised and the bloated incomes of the capitalists and landlords should be reduced.

The Janata Party's statement on Economic Policy had to note the departure of its Government in relation to the Bhoothalingam Committee from the accepted line and commented : "We note that the terms of references do not expressly cover the question of minimum wage for agricultural workers and income disparities and limitations on personal consumption."

A Miserable Minimum

The big landlord-capitalist outlook of the committee prominently protrudes itself in the very first recommendation, regarding national minimum wage. "Taking all relevant considerations into account, the national minimum wage to be aimed at should be Rs. 150 per month at current prices." This grand goal is to be achieved "at any rate within a period of seven years." To begin with the poor wretch who hires

himself out must be satisfied with Rs. 4 per day or Rs. 100 per month. This may be considered to be the national wage and incomes policy as proposed by the committee.

Is comment necessary ? Can a wage of Rs. 100 per month be considered a wage at all ? And a committee which suggests a period of seven years to reach Rs. 150 per month, can it be described anything else than a mercenary instrument of the vested interests ? Virtually the same wage is suggested for landless labourers, i.e. a wage of Rs. 100 per month. This is far below the legislated minimum in almost all States. But the Committee has no qualms. It saves its conscience by saying that the States can legislate for higher minimum. But every one knows that the weight of bureaucracy and official policies is exercised in favour of the lowest minimum and the committee's recommendation if accepted will have the effect of drastic reduction of wages of agricultural workers, without any rise for anybody. It is an assurance to the landlord lobby of Charan Singh and Company, to the massacre organisers at Pantnagar, that they can reject all demands for wage increases in the name of equality and removal of disparities.

A wage of Rs. 100 per month is far below the poverty line. It is no wage. It is just enslavement. It is the wage at which bonded labourer in India are hired or purchased by their enslavers. The Bhoothalingam Committee solemnly suggests this wage. According to it, besides further progress must be slow; it should take seven years to reach a minimum wage of Rs. 150.

The Janata appointed committee is obviously more reactionary than the Chakravarti committee appointed by the Indira Congress Government. That committee at least proposed minimum wage of Rs. 200 per month for 1974 and this according to it was a poverty line wage.

Rural Mass Cheated

For a vast mass of rural population therefore there is to be no change in the earning or job security under this new wage and incomes policy. There is to be no relaxation from the monstrous income disparities in the rural areas—the disparity in the incomes of the agricultural worker who is unemployed

for a better part of the year and—the landlords the capitalist farmers and the traders.

The mass of peasants are disposed of in an equally callous fashion. The committee is satisfied with whatever the Planning Commission says in this connection : “The draft sixth plan has suggested various measures for the eradication of poverty and unemployment in the rural sector which includes redistribution of land surplus, implementation of tenancy reforms organising the poor masses and creation of additional jobs... etc.”

The redistribution of land gratis to the landless, the break up of the land monopoly of landlords, occupies a very important place in any serious effort to redistribute national income, remedy economic disparities and implement an equitable wages and incomes policy.

Is the committee serious about it ? Absolutely not since it endorses the Planning Commission which repudiates all action on this vital question.

Incentive For Profit-Robbery

The mercenary character of the committee is to be seen from its attitude towards the huge incomes of the business community. Any one genuinely interested in reducing disparities would suggest that the effective way to deal with the bloated incomes is to put under social control and ownership the means of production, which produce these incomes. But the Bhoothalingam Committee wants to devise ways which will not remove the incentive to accumulate these marauding incomes. A national wage and incomes policy according to the committee must supply proper incentive to those who rob others of their fruits of labour. “The advantage of such a scheme is that it would not erode the incentive for work and enterprise (read for profit-robbery) to the same degree as personal taxation.”

The Bhoothalingam Committee remembers the necessity of an incentive only when it deals with the profits of the big capitalists. But it does not think that the mass of ill-paid workers require any incentive in the shape of bonus. They are born to work for others any way. The only incentive that can

be offered to them is the policemen's baton and threat of dismissals.

No Control Over Tycoons

What are the suggestions of the committee regarding the incomes of the possessing classes—the big capitalists, traders and landlords? It says, “that the only method of trying to enforce a ceiling on incomes is by 100 per cent personal income tax on the excess over ceiling.” But the Committee says this does not work. It says, agricultural incomes continue to be totally exempt from all taxation. It does not however suggest that they should be drastically taxed. It therefore suggests two remedies. One—the entire excess income should be deposited with the government. The government will have the use of funds but they will remain the property of the individual who will have the right to withdraw the amount for investment in his own business. He will also have the freedom to withdraw any amount for other purposes. The second suggestion is to have the excess income earners channelise the excess income into approved forms of saving which may be presented by the government from time to time.

What do these suggestions amount to? The tycoons must be allowed to have their own incomes and run their own business as before under a pretence of government control. At best it means channelisation and choice of investment to be decided in the common interests of the capitalist class and not in the individual interest of a person. They will continue to earn interest and profit from these deposits with the government and will be free to invest them, in their own business. It is only a pretence to control the incomes of these classes. This farcical control is to be accompanied by real restriction over workers' and employees' wages. This lip homage to control of big incomes is intended to conceal the partisan character of the committee. If certain capitalists treat these provisions seriously as an attack on them, it should be understood as a division of labour intended to boost the “impartial” character of the committee.

The central part of the committee's recommendation is of course restriction of the wages of the workers and the

employees. The committee resorts to every spurious device and class chicanery to justify it in the name of removing wage disparities.

Penchant For Equality

The committee indulges in nauseating hypocrisy when it talks about disparities in wages and forgets the monstrous inequality of class incomes. It shows no compunction in suggesting a Rs. 4 per day as national minimum while showing solicitude for the millionnaires whose incomes it does not want to touch lest they might lose incentive for their robbing proclivities. But it develops a penchant for equality when it looks at the wages of the former.

These recommendations have a direct relationship with the Janata Party's understanding of the phenomena of high prices and inflation. The Janata Government and the Finance Minister regard the workers' and employees' pay packet as the main cause of inflation and are determined to reduce it in the name of controlling inflation and prices.

Distorted Outlook

It would have been foolhardy for the committee to suggest an outright wage-freeze taking the organised strength of the trade unions into consideration. The Committee therefore does not suggest "wage freeze" but openly calls for restraint. Wage increase should be planned "and such planning would involve a certain measure of restraint." This is euphemism for freeze and cuts as will be seen later.

The Committee puts the entire question in a distorted manner. The main question in relation to wage policy, especially in the context of wage and incomes policy is not the question of differentials, but question of adequate wage for all sections considering the labour they put in. All sections of workers are suffering from miserable living conditions and the skilled workers are far from getting adequate return for their labour. Today when high prices, housing shortage, lack of education facilities, mounting medical bills, rising expenses of education dog all sections of workers, a wage policy in the context of a wage and incomes policy, must address itself to raising

all wage levels, on the basis of a time-bound programme for need-based wage in all industries—the rise in lower wages being proportionately higher. Besides it should be noted that the wage differentials in India are not excessively wide. On the contrary they are too narrow. There has been a tendency to narrow down the gap by denying the higher categories their due.

Another factor to be noted is that the differences in many cases are due to the fact that in some parts the workers have succeeded in securing their legitimate demands through struggle. In others, they were either not organised or not successful in their fight.

Open Discrimination

The Committee suggests that the spread between the highest and lowest wages in a unit should normally be 4-5 times the lowest wage. This is not based on any principle. There is no suggestion that the lowest wage should be need-based wage so that a spread of 4 to 5 times may meet the needs of legitimate differentials. Its unprincipled character is further seen from the fact that the committee accepts a much higher spread over when it comes to the salaries of officials in the public and the private sector. It says that the ratio between the post-tax salary increase of the lowest and the highest in these sectors is now round 1 : 9. It wants a still larger spread over when it says the question whether there should not be some upward revision of these salaries in those ranges, in order to continue to attract persons of the requisite calibre to these posts needs examination."

In the private sector while the salary differentials go up to 1 : 16 the committee justified higher differentials than in the public sector saying that the risks are greater and the managerial talent is scarce, though it concedes that the present gap should be slightly narrowed down.

Avoiding Decision

This logic is applied to every urgent demand of the employees and workers. The State Government employees have been demanding parity with the Central employees in

matters of salary and allowances. On what basis are the differences permitted? There is no valid basis. But the committee is not in a hurry to remove these differentials. It says standardisation is not possible. But some harmonisation is necessary. It makes the generous proposal that minimum wage determined by the Third Pay Commission may be commended to the States for adoption within *about five years*.

When some standardisation is immediately necessary and possible by an upward revision of wages, the committee avoids decision and refers it to another committee. This is how it deals with the suggestion for standard pay for similar public sector and departmental undertakings. It is known that wages and emoluments in the latter are far below those obtaining in the public sector and under standardisation, they will have to be increased.

Employees Attacked

In the name of not repeating the so-called disparities the committee blandly suggests that the growth of wages in high-wage islands should be lower than in industry though the rate there is already under restraint. It suggests lower wage levels for new recruits, the present salary being treated as personal pay. This is a fine way of remedying disparities. Lower the pay of the NGO, LIC and Bank employees and call it a national wage and incomes policy.

Call For Wage Restraint

For the industry in private sector the committee lays down many insidious provisions—one of these being that the differentials between the highest and the lowest wage should not exceed 4-5 times. Two other provisions (1) similar payment for broadly similar categories of workers (2) units having relatively low wages should be enabled to come up faster than those already in receipt of wages far above the majority of enterprises, constitute a call for freezing the wages of the units which can afford higher wages and which the workers have earned through their labour and organisation. No where in the world such conditions are laid down. In all civilised countries the employers are bound to pay the minimum laid down by law or decided by mutual bargaining. The rest is a

matter of each concern, of collective bargaining, of what profits the particular concern is making. Here a prosperous concern is being given a blank cheque to deny wage increases because in some other concerns the workers are getting less.

The trade union movement will certainly be prepared to accept uniformity of conditions, if an agreed minimum uniform wage is accepted by all concerns and uniform conditions are prevalent everywhere. But it is not prepared to be cheated by prosperous concerns in the name of overcoming wage differentials among the workers.

Insidious Principal

The Committee further introduces the insidious principle that all further wage revisions should be linked with productivity. "Wage revisions in future should be essentially linked to increases in productivity." The trade union movement has opposed this principle because the present share of wages does not reflect the productivity of the workers; on its basis the employers are making enormous profits and to tie down all future increases to further increases in productivity is to call for extension of sweated labour. The present norms of productivity are not agreed norms. They are imposed on the workers. Too much is extracted from them and too little is given to them. To make all wage increases dependent on increased productivity is to perpetuate the present system of overwork and less pay.

Policing The Wages

Then there is an open suggestion to police wages in a thorough-going authoritarian manner and impose dictatorial decisions of the government on the trade union movement virtually illegalising all strike actions. The bureau of incomes and prices is to determine each year the guidelines for industry within which collective bargaining will operate. It will decide how much it is convenient for its capitalist masters to spare and lay it down as the arbitrary limit within which collective bargaining must be carried on. If there is no agreement the wage dispute should be referred to an independent appellate body whose award should be legally binding.

This is virtual illegalisation of the trade union movement. In the first place, an arbitrary limit will be set for collective

bargaining. Then arbitration will be imposed and no strike will be allowed. This is the new wage policy—new wages and incomes policy of H.M. Patel's creation. Why not be more straight-forward and issue an ordinance saying henceforth wage settlements will not be a matter between the workers and the employers but a matter for the dictatorial decision by the government ?

New DA Formula

With unashamed effrontery the committee suggests a dearness formula which must impose indirect cut in real wages on the majority of the working class. The demand of the trade union movement is for full neutralisation for all sections so that the existing real wages is at least mentioned and not continuously eroded by the ravages of inflation, and high prices. The Congress authorities did everything to baulk the workers and employees of this demand since the whole purpose of inflationary policy was to effect an indirect wage cut.

Full neutralisation must necessarily be an integral part of a wage and income policy whose aim is to reduce income disparities and distributive justice. In its absence the real wage must go down, share of wages in income produced and profits of the employers must increase.

The Committee therefore not only repudiates the principle of full neutralisation for all sections but suggests a formula which will lead to widespread indirect wage cuts.

The Committee rejects the wage-linked slab system which had the merit of linking DA with wage and lends support to the per point system which delinks DA from wages. It further lends support to the arbitrary calculation of Rs. 1.30 per point rise in DA for all wages. The Rs. 1.30 per point formula is a fraud on the workers intended to deny adequate compensation and inflict a wage-cut. For Rs. 1.30 per point at 200 CL will only give full compensation to workers drawing a wage of only Rs. 260 per month. For all the rest it will mean a wage cut—an erosion of real wage. It is an instrument of making the workers bear the burdens of official policy of inflation.

What can you expect from this mercenary hand picked committee about bonus for all ? The Committee is determined

to give bonus a bad name, and find every excuse to run it down, to deny it to those demanding it and to lessen its quantity as much as possible.

The Committee refuses to mention that the Supreme Court of the country had declared bonus to be deferred wage. It further refuses to mention that the ruling party's election manifesto accepted it as a deferred wage and did not relate it to profit. Relating bonus only to profit it says it is suitable only for industries producing for market in reasonably competitive conditions. All this spurious reasoning is advanced to reach the following conclusion. "Thus it is unsuitable in government services and similar activities, including the Railways, Postal & Telegraphs, public utilities, financial and other institutions."

Another urgent demand of lakhs of workers is denied now as part of the wage and incomes policy. The question of questions is what will Sarvashri Madhu Dandavate and George Fernandes do now ? When they were not in the government, they supported the demand for bonus to railway and other workers. Now will they humiliatingly bow down before the ICS crowd ? Shri Dandavate has assured the railway workers after the publication of the report that their interests were safe in his hands. We welcome the assurance.

Not satisfied with this the committee calls for stopping extension of bonus to new areas. And finally it uses untruthful and unscrupulous argument against bonus. It perpetuates and accentuates "disparities in the earnings of workers who do the same work. It tends to create tensions between workers themselves (This must be calculated as the discovery of the 20th Century and ICS Bhoothalingam must be acclaimed for his inventive capacity).

Another CDS

And finally, the Committee calls for a new compulsory deposit scheme when it suggests that talks should be opened to replace bonus by long term benefits like retirement pensions, etc. The need of the hour is more cash to bolster the deficit budgets of the workers, to meet the rising expenditure on every item. The need is all the greater because of Govern-

ment's refusal to give full compensation against the rising cost of living. And yet the Committee callously calls for some kind of compulsory deposit scheme.

The trade union movement and the employees' organisations understood the Committee as a class weapon and boycotted it. The apprehensions of the trade union movement turned out to be correct. It is now more than ever necessary for trade unions and employees' organisations to come together and start a nationwide campaign against the committee's recommendations. The government has to be warned that labour will resist with all its might if government implements its recommendations. The 28th of June must be observed as a day of protest and all central organisations and federations should meet in the near future to chalk out a common plan of action.

United action of the working class and employees will not only defend their economic interests but also help in preventing the trek of wide sections towards Congress (I). If the trade unions and left forces do not defeat the reactionary designs of the Janata Government and its committees, the initiative will pass on to Indira Gandhi who blatantly stands for emergency and dictatorship.

Industrial Relations Bill

Comrades, In consonance with the changing positions of the Janata Party government in relation to labour, its attitude on the industrial relations bill has undergone a reactionary change. Nothing remains of the united trade union opinion expressed at the first conference called by the Labour Minister. Gradually the opinions of the trade unions have been thrown on the scrapheap and there is surrender before the demands of the labour-baiters—the employers and the bureaucrats.

Alarming reports had already appeared in the press regarding the reactionary provisions contemplated under the bill. Now a note of the Labour Ministry under the pompous heading, Approach to the proposed Industrial Relations Law. Basic principles confirm the worst expectations. And if even a partial attempt is made to implement these obnoxious principles, the bill will rightly earn the title of a black anti-labour

Bill and those in the ministry who support it will earn undying infamy in labour circles and the trade union movement.

It seems, to bye-pass the Supreme Court's definition of industry, two laws are to be enacted one dealing with industrial workers and other with workers not so defined.

The whole idea is to deny proper protection to the second category, though the Supreme Court held that they were entitled to have it.

Reactionary Approach

The new approach, like the traditional bureaucratic outlook, putting strikes and lockouts on the same footing and exposes its class bias. The famished workers fighting for their minimum demands for existence and the capitalists coercing through a lockout are put on the same footing. This is the labour ministry's sense of justice and equality. Surely the wellmeaning Shri Varma should give a fresh look to those who draft such openly class biased proposals.

Paralysing Strikes

The entire purpose of the legislation is to paralyse working class organisation and actions, so that the employers can rest in peace. This idea is expressed as follows : "The attempt of the proposed legislation will be to lay emphasis on the necessity to exhaust all means of settlement like negotiations, conciliations, etc. before either party decides to resort to direct action." Every anti-working class and anti-strike legislation has started with this principle and accepted formally the workers' right to strike. This note does the same but in typical Congress tradition lays down several provisions to make the right to strike illegal and inoperative.

Under the Industrial Relations Bill a distinction will be made between essential industries and others, which means that strikes in the former will be virtually banned or the right to strike will be made inoperative by laying down heavy conditions.

The new bill seeks to ban all strikes of those not defined as workmen-this may include hospital staff, teachers, professors, educational institutions, employees of charitable institutions. It is stated in relation to this second law "But if

negotiations and conciliations fail, either Party or the appropriate Govt. will have the right to refer the dispute to arbitration or adjudication. In view of this provision any strike in such establishments will be treated as illegal since it jeopardises services that are essential to the community.

The category of essential services or industry will not be scrapped, but a list of such industries will be prepared and workers in these establishments must lose all right to strike and submit themselves to the compulsory arbitration of Govt. notorious for labour-killing in industrial disputes.

For the ordinary worker and his union direct action is to be made more and more difficult. Firstly, a dispute must go through a prescribed period of 60 days of bipartite negotiations. In case of failure another 60 days will have to be spent in conciliation proceedings. If conciliation fails the conciliator will try to persuade the parties to accept arbitration or adjudication. The period of this persuasion is not given. If he fails, he will report failure of negotiations to the Govt. On the submission of the report, Govt. will declare whether the dispute is such that it should be referred to arbitration, or adjudication. There is no time limit for such declaration. This means that if the Govt. so wishes it will impose compulsory arbitration ban strike.

If the Govt. does not refer the dispute to arbitration and the union wants to go on strike, it will be obligatory on the part of the union to give notice. The union besides must hold a ballot of all the workers and the strike will be legal only if 60 per cent of the workers vote for it. The Registrar of the trade union will have the general power to supervise the strike ballot and settle disputes regarding a strike ballot.

This is the most low-down chicanery to deprive the workers of the right of direct action. Every hurdle is created without formally banning the right to strike. And there is absolutely no guarantee that negotiations and conciliation will be fair and based on any minimum economic criteria accepted by the workers. The provisions amount to giving arbitrary right to the Govt. to prevent a strike by appointing an arbitrary arbitrator and adjudicator.

The induction of the registrar for supervising the strike

ballot is a highly mischievous provision to rig the results in favour of the employers. Labour officials are often bought by the management and in this case they will be bought to falsify the ballot result. Besides managements' hand-picked men can easily create a ballot dispute seeking registrar's intervention.

Pliant Unions Favoured

In the name of controlling multiplicity of unions difficulties are being created in the way of registering new unions. This is only to help the monopoly of some of the pliant unions favoured by the management. It is totally unnecessary to prescribe that a union should have 10 per cent membership before it can secure registration. The question of multiplicity of unions is an internal question of the trade union movement and Govt. should have nothing to do with it.

The provision limiting the number of outsiders in a union is an authoritarian intervention in the internal administration of the Union. The bourgeois-landlord Govt. has absolutely no right to dictate to the trade unions how to select its office bearers. Besides it is thoroughly arbitrary to legislate that no person can hold office in more than four unions. Such provisions are not laid down even for directors of companies, notwithstanding the tall talk against the big business houses. Militant and honest leaders are called upon to lead several unions and there should be no interference in the right of trade unions to choose their own leaders.

Besides the provision banning more than two outsiders from holding office is a vicious provision to tame the unions. Under it workers victimised for trade union work are declared outsiders. A victimised Rly. worker cannot organise a railway union. A victimised textile worker cannot organise textile or other workers. It means only those who are able to save their jobs without opposing the management while working for the union can remain office-bearers. It is a device to culture submissive trade union leadership.

Shameful Performance

It is thoroughly shameful for the Labour Minister that his department should prepare a note which attacks the right

of workers to choose their leaders and imposes a submissive leadership on them. Why blame Indira Gandhi if you wish to emulate her in anti-Labour policies ?

The most hypocritical part of the law is that it virtually rejects the solemn commitment of deciding recognition of unions by secret ballot. The Labour department demands a ballot of all workers for a strike ; but it does not stand for a compulsory ballot for deciding the negotiating agents. It leaves it to the sweet will of the Govt. "The negotiating agent could be selected either by verification through check officer or secret ballot." The Govt. will decide according to its convenience and the convenience of its favoured organisation. In short, recognition will be dependent on official patronage. This is Janata brand democracy.

This is hypocrisy unlimited.

If it is decided to hold secret ballot it is provided that an organisation getting the support of 65 per cent of employees will be accepted as the sole bargaining agent. Where an organisation gets 50 per cent but less than 65 per cent it will be declared as chief negotiating agent and others getting more than 20 per cent will have a place on the negotiating table.

In other cases the workers will elect a negotiating committee, etc.

The acceptance of provision for minority representation on the negotiating Committee is good. But there is no provision that all agreements should be referred to the mass of workers for confirmation.

The new approach declares gherao to be an unfair practice, and where the management and workers have accepted an agreed norm, go slow will be an unfair practice.

The Labour department's approach document is the culmination of the growing anti-labour policies of the Janata Central and State Governments. It is a pity that the various mass organisations led by Janata Party members have not succeeded in preventing this development. But we warmly welcome their bold association with us and others to fight these manifestations of a reactionary policy.

WFTU And Viet Nam Congress

Comrades, before I sit I must congratulate our General Secretary on the valuable work he has done at the Conference of the WFTU in Prague and at the Conference of Trade Unions of Viet Nam. His reports and speeches fully represent our views and our deep sense of solidarity with the working class of the world.

On behalf of you I thank both the WFTU leaders and the leaders of Viet Nam Trade Unions for the warm welcome to our General Secretary. His visit has cemented our ties with the working class of all countries. It is our earnest desire to develop these ties and forge fraternal bonds of proletarian unity with all workers.

Greetings To Viet Nam

On behalf of all of you I offer my warm revolutionary greetings to the working class and people of Viet Nam. These fighting people who defeated the vaunted armed might of the USA at great sacrifices have to now defend themselves against former friends and allies. They are victims of pressures and allegations. But we are sure they will overcome the present difficulties and forge ahead with the task of building a prosperous socialist Viet Nam. Socialist Viet Nam will survive all trials and we express our solidarity with it. □