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THE WORKING CLASS

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**No No To Terrorism! No No To WAR!
Yes Yes To World Peace!**



(Reproduced hereunder are two matters from the "Business Line" financial daily, which focus on the much debated Public Sector Enterprises - Editor)

PUBLIC SECTOR STILL THE BIGGEST EMPLOYER: ILO

DESPITE years of downsizing and calls for privatization, the public sector remains the major formal employer worldwide, providing jobs for 435 million people in the year 2000, according to latest estimates by the International Labour Organisation.

A new ILO report made available at the UN here on the impact of decentralisation and privatisation on municipal services indicates limited interest in the private sector to fully provide certain services and a reluctance of local governments to completely hand over services to private providers.

"Thus, public-private partnership has become a common feature in municipal services," the agency notes. Even though competition seems to increase efficiency, it may alter labour relations and reduce the commitment of the workforce, according to the report.

Gains in cost efficiency and flexibility that result from privatisation and decentralisation may frequently be attributed to declining working conditions such as less time off and higher workload or work intensity. The ILO analysis insists that decentralisation may result in the local authorities having insufficient financial resources to ensure conditions of decent work. At the same time, devolution to local governments may introduce more flexibility and improve efficiency.

"There is a positive correlation between decent work, efficiency and the quality of services," said ILO expert Ms Gabrielle Ullrich. The ILO report is being discussed at a weeklong meeting which opened in Geneva early this week, bringing together 50 representatives of Governments, employer organisations and unions.

(Report from the United Nations by Prakash M. Swamy)

Facts belie rhetoric

PSEs OUTPERFORM PRIVATE COMPANIES

The Indian psyche harbours a bias that public sector enterprises can do no right and private sector companies no wrong. State enterprises - which together account for about 40 per cent of total investment in the industrial sector - are often regarded as a drag on the public exchequer and derided as organisations ill-equipped to face the challenges posed by liberalisation. However, such notions are far from the truth. A report recently released by the Standing Conference of Public Enterprises shows that the net profit of central PSEs rose by a whopping 550 per cent during the previous decade. Their turnover registered an annual growth of 14.1 per cent while annual operating profit growth was an impressive 14.6 per cent. Overall net profit - factoring in the loss-making enterprises - was Rs 14,555 crore in 1999-00 when compared to Rs 2,272 crore in 1990-91. And finally, PSEs did actually contribute to the exchequer - their dividend payment was in excess of Rs 5,455 crore in 1999-00.

Given the constraints PSEs face in their functioning - political interference, bureaucratic control and the resulting lack of autonomy - their performance becomes even more creditworthy. Additionally, it is to be remembered that they incur substantial costs, supplying as they do subsidised infrastructural inputs to both the private sector and the general public. So much, then, for the belief that PSEs can do no right. The notion that private sector companies almost always perform better than PSEs also fails to hold up to scrutiny. According to the Scope report, gross margin on capital employed remained high, between 19 and 21 per cent, while net profit to equity improved from 5.2 per cent in 1990-91 to 17.5 per cent in 1999-00. On the other hand, a sample of private sector companies indicated that gross return on total capital actually fell from 23.8 per cent in 1993-94 to 17.5 per cent in 1999-00; and net profit to net worth contracted from 13.6 per cent to 4.3 per cent, according to the Centre for Monitoring the Indian Economy. Not only can PSEs therefore match private sector companies, they can even do better over time. The chronically visceral critics of PSEs ought to now shed their tinted glasses.

THE WORKING CLASS

CITU MONTHLY

NOVEMBER 2001

HERE & NOW. Sudhir Tailang



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Courtesy: The Hindustan Times

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EDITORIAL

PAYING THE WAGES OF AMERICA'S WAR

The USA is at war. Whatever be the claim of the US President, George W. Bush, the war is in nobody's interest other than America's and a manifestation of imperialist arrogance. It is to be noted that none, other than the Britain, even from the NATO alliance have effectively joined America's war.

The ruling coterie in India is over obsessed with America's war. The Sangh Parivar outfits seek to present this as a war against Islamic fundamentalism and the terrorism sponsored by it. Under cover of this description they have begun to carry out their nefarious designs targeting the minorities in India for concerted attack. The senseless fundamentalist utterances of the Shahi Imam Bukhari have been complemented and utilised by these aggressive Hindu communalists to paint the whole of Muslim community in India as terrorist-fundamentalists.

The Bharatiya Yuva Morcha session in Agra was the chosen venue for the Prime Minister, Vajpayee and the No. 2 in his Cabinet, L.K.Advani, to indulge in inflammatory speeches to rouse the rabid communal hysteria. It found an immediate echo in the rank hooliganism indulged in by the BJP youth at the Tajmahal. With the ensuing elections in the largest State of the country, U.P., the Government of India had banned the Students Islamic Movement of India (SIMI). Why not include the Bajrang Dal also for the ban? The Vajpayee regime has expressed its fundamentalist bias in adamantly turning this down, saying that the two cannot be bracketed together. The Vishwa Hindu Parishad has arrogantly breached the Supreme Court order by entering the prohibited area in Ayodhya. The NDA Government takes it light just by terming it as a security lapse.

If the saffron Government or the saffron brigade attempts to reap political dividend on communal lines, India may end up in paying very dearly the wages for America's war.

We can never be either with the terrorists or the USA.

We cannot harbour communalism of either the majority or the minority. Nor can we be silent spectators to the one fundamentalism feeding the other.

We have to defend peace, defend harmony, defend the unity of the people.

SPONSORING COMMITTEE OF TRADE UNIONS CALL Oppose Retrograde Changes in Labour Laws

The all India Trade Union Convention held on 17th October, 2001 at New Delhi has resolved to prepare for nationwide strike on the day the anti-working class Bills to amend the Industrial Dispute Act, 1947 and Contractor Labour (Regulation and Abolition) Act, 1970 are brought in Parliament in the next session.

The convention was attended by delegates from all sections of working people, both from industries and services, representing the Central Trade Unions viz., AICCTU, AITUC, CITU, HMS, TUCC, UTUC, UTUC (LS) and all the major Federations of the Central & State Govt. Employees, Railways, Bank, Insurance, Defence and all other industries and service sector. The presidium of the convention comprised J.Chittaranjan, President, AITUC, E. Balanandan, President, CITU, A.D.

Nagpal, Secretary, HMS, Harish Tyagi, UTUC(LS) and S.K.Roy, AICCTU. The major speakers included M.K.Pandhe, General Secretary, CITU, H.Mahadevan, Dy.General Secretary, AITUC, R.A.Mital, Secretary, HMS, Swapan Mukherjee, General Secretary, AICCTU.

The convention expressed grave concern at the ongoing hectic exercise by the Govt. of India to unleash a regime of retrenchment, downsizing of the existing workforce and onslaught on labour rights in various ways as an integral part of its policy of liberalisation, privatisation and globalisation (LPG). (*See Declaration below*)

The Convention decided to meet the Prime Minister in a joint delegation of all trade unions to demand rejection of the Report of all these three Committees.

DECLARATION

This All India Trade Union Convention representing all sections of working people, both from industries and services, and organised jointly by the Central Trade Unions viz., AICCTU, AITUC, CITU, HMS, TUCC, UTUC, UTUC (LS) and all the major Employees Federations of the Central & State Govt. Employees, Railways, Bank, Insurance, Defence and all other industries and service sector, expresses grave concern at the ongoing hectic exercise by the Govt. of India to unleash a regime of retrenchment, downsizing of the existing workforce and onslaught on labour rights in various ways as an integral part of its policy of liberalisation, privatisation and globalisation (LPG).

The Reports of all the three Committees appointed by the Govt. viz., Geethakrishnan Committee (Expenditure Reforms Commission), Rakesh Mohan Committee (pertaining to Railways) and Montek Singh Ahluwalia Committee have already been made public, bearing ominous portents for the country's economy as well as for the working

class. Those Committees constituted by the Govt. with handpicked bureaucrats and academics have made their recommendations absolutely in line with the prescriptions of World Bank and IMF and the Employers' lobby.

The report of the Geethakrishnan Committee contains prescriptions for dismantling public services through closure of numerous Govt. departments, besides reckless downsizing of workforce through retrenchment and various other routes and curtailment of various rights and facilities. The Committee has gone to the extent of recommending ban on increase in wages, and even dearness Allowance, of the employees. The Committee has also recommended drastic cut in subsidies on food and fertilizer, which would affect the poor people at large. Along with that, the Department of Expenditure of Govt. of India has, suggested measures to compel the State Govts. to implement the Committee's recommendations through dubious pressure tactics.

The Rakesh Mohan Committee has recommended

virtual privatisation of Indian Railways in phases through allowing multiple operators on the countrywide infrastructure created by public money, operation of Railways purely on commercial basis along with the provisions for increase in passenger fares at an annual rate of 8 per cent, hiving off of all six major well equipped production units, zonal railway workshops, privatisation of medical/educational facilities, quarters/colony maintenance, catering etc., and drastic pruning of the workforce by 20% or more. The Ahluwalia Committee, while dealing on the issue of employment generation, has recommended dismantling of all regulatory mechanism in the economy (whatever still existed after a decade of liberalisation) and also prescribed drastic pro-employer changes in all labour laws as to make retrenchment hurdle-free and allow contractualisation of all work. The representatives of employers were also represented in this Committee. The Committee entrusted with the task of finding ways and means of employment generation has ultimately ended in recommending further degeneration in employment situation both in terms of quantity and quality. In fine, conditions of slavery is sought to be imposed on the working class.

The Govt. of the day has already demonstrated its inclination to accept the retrograde recommendations. The Union Finance Minister has, in his budget speech, already declared the Govt.'s intention to amend the ID Act and Contract Labour Act to make 'hire & fire' easy by removing the so called restrictive provisions in the Act. Followed by this, the Prime Minister has, in his address to his Economic Advisory Council (and earlier at the Indian Labour Conference), declared that the amendments to labour laws, will be introduced, with or without the Labour Minister's concurrence. This is a challenging situation.

The process of implementation of these recommendations has already started in many Govt. departments and the concerned employees have been voicing their protest through various forms of agitation in different sectors. On behalf of the participating organisations, this Convention extends full support to these struggles and calls upon the constituent unions to act in solidarity with all the ongoing struggles in various sectors

against downsizing, retrenchment and attack on labour rights.

This All India Trade Union Convention notes with satisfaction that the entire Trade Union Movement in the country have already voiced their strong opposition to these anti-people exercises expressing their resolve to resist these onslaughts on the toiling people. The urgent need of the hour is to build up countrywide determined united struggle against these nefarious designs. This All India Convention decides to meet the Prime Minister in a joint delegation of all trade unions to demand rejection of the Report of all these three Committees. The Convention also calls upon the working class in general, and the affiliates of the participating organisations in particular, to jointly organise intensive grass-root level campaigns throughout the country by way of meetings, conventions, seminars etc. to build up greater awareness and unity and prepare for countrywide struggle against these anti-people, anti-national and anti-working class policies. This All India Convention also reiterates the call for the countrywide observance of 'Protest Day against Globalisation' on 9th November 2001, given jointly by all the Central Trade Unions in the country, endorsing the call for Global Protest Day against Globalisation given by all the International Trade Union Organisations viz., ICFTU, WFTU and WCL. The convention appeals to all trade unions to be prepared to go on strike on the day the anti-working class Bills viz. Industrial Dispute Act (Amendment) Bill, and Contract Labour (Regulation and Abolition) Amendment Bill are brought in the next session of Parliament.

This convention strongly protests the ordinance issued by the Government of India in the guise of fighting terrorism. The experience of the trade unions is that the defence of India Act (DIR), MISA and TADA were recklessly used against the working class and the trade union movement and to curb democratic rights of the people.

In a situation of war on the borders of India and on the background of worsening economic situation, the danger of attacks on the working class and on the democratic rights of the people is bound to increase. Therefore this convention demands the Government to withdraw the ordinance.

Blazing the path to defeat imperialist hegemony

Sukomal Sen

Remembering November Revolution, in today's tumultuous international and national situation, has acquired more relevance and necessity than ever before.

During his lifetime and before November Revolution, Lenin defined the stage of capitalism of his time as that of imperialism. The imperialist powers were bent upon distributing and redistributing the world among themselves for economic plunder and political domination. It was in that situation, when the Czarist Russia was a party to the First World War, the November Revolution was successfully accomplished by the working class of Russia and its vanguard political party - Bolshevik Party — under Lenin's guidance.

Since then, Socialist Soviet Union continued to illuminate the path of working class revolution all over the globe and the working class organisations and working class political parties intensively worked to attain that goal.

Thus, November Revolution was not the end of socialist revolution; on the contrary, within a few decades China, Vietnam, North Korea, Laos and Cuba came out of capitalist shackles and imperialist subjugation and joined the march towards socialism.

It was a period of great hope and inspiration for peace-loving and democratic minded people,

whose aspiration was to witness building of socialism in their own countries.

CATASTROPHIC CHANGES

But, the last decade of the 20th century witnessed unthinkable catastrophic changes in the international situation, marked by the collapse of Soviet Union and the Eastern Europe Socialist States, spelling a serious set back to socialism. This undreamt of developments demoralised man; but many also remain committed to their socialist ideals, despite debacle of socialism in the countries, where they were first established.

Quite naturally, the imperialist circles became over jubilant at the grave set back of the cause of socialism and over-zealously declared that the days of socialism are dead and from now on capitalism will remain as the only guiding philosophy for the mankind.

IMPERIALIST HEGEMONY

Already, by the 1980s, world capitalism started being rocked by a deep crisis. This time it was not a usual cyclical crisis of capitalism, but a deep-rooted crisis of the very structure of capitalism. World capitalism tried to get over the crisis by using the scientific and technological revolution and the cheap labour of the third world countries.

Imperialist globalisation started in full swing with extremely disastrous results for the toiling

people of the whole capitalist world, the third world countries in particular.

Imperialist globalisation is nothing but establishing economic, political and military hegemony of Euro-American imperialism, with the US imperialists at the head of it, in furtherance of their imperialist designs of subordinating people politically and plundering them economically with the aim of extracting highest rate of profit. It is an unparalleled situation in the entire global history, when the entire toiling population of the whole world is subjected to such brutal exploitation and reckless domination. Unemployment, poverty and the gap between the rich and the poor have recorded a formidable height. It is all over the world - not simply for India.

REVOLUTIONARY ROLE

Some feel highly demoralised and confused, when faced with such an unprecedented situation. But, it is contrary to realities.

It is not that with the beginning of imperialist hegemony, chances of overthrowing capitalism or to push forward the cause of socialism has diminished. In fact it is just the other way round.

Capitalism creates its own contradiction. It creates its own gravediggers. Grave-digging of capitalism is a fact confirmed by history — from Soviet

Revolution to Cuban Revolution. But, it may seem that capitalism is more powerful today, politically and militarily. Apparently it seems to be true. Really if one looks at the inner working of capitalism, one may see that the more repressive and exploitative the capitalism, the more intensified is the contradiction of capitalism also. This contradiction means, in real terms, antagonising more and more people against capitalism and in even pushing them towards more and more resistance to capitalist exploitation and imperialist domination. Objectively, capitalism by its intensified and more widened exploitation and domination is increasing numerically the number of people getting disgusted with capitalism; and that too in more and more widened parts of the globe. Thus, in both intensity and extent-wise, capitalism is faced with more and more resistance. This position is confirmed by the recent developments in the working class movements around the world, where not only the working class but other

sections of the people, who so long remained immune to anti-capitalist consciousness, are joining the battle with the working class in vehemently opposing capitalism with militant struggles.

IMPENDING SITUATION

The events of Seattle in November 1999, down to the latest militant resistance at Genoa in Italy in June 2001, confirm the truth that more and more sections of the people are actively joining the militant anti-capitalist battle. It is a refreshing, beckoning and inspiring development. Who could imagine in 1990-91, when Soviet Union collapsed, that within a short span of one decade only, such widespread and militant anti-capitalist struggle will breakout in various parts of the globe.

Even after the 11 September 2001 deadly terrorist attack in Washington and New York, and with the high sounding declaration of war by US imperialism with the aid of her accomplices, people - who fought so long against capitalism and against imperialist globalisation - have

now come down on the streets to oppose the imperialist-led war. Are these very ordinary developments? Not in the least.

LET US MOVE FORWARD

It is a trend. Therefore, the Indian working class movement should gather courage, heighten their consciousness, forge broadest possible unity and build up strongest class and mass struggles. It should oppose the diabolical exploitation and plunder by capitalism and hegemony of its decades from imperialism. It should also prepare its ranks to defeat capitalism and imperialism together with their Indian accomplices, Indian ruling class - the much reactionary and communal NDA Government - and set a new dynamism of relentless struggle in motion.

The path of moving forward is not uncharted. November Revolution of 1917 has blazed the path and today, in the most difficult situation, it is the revolutionary ideals and heroic feats of November Revolution, from which the working class of India should draw its lessons and inspiration.

EXTENDED MEETING OF COMMITTEE OF PUBLIC SECTOR TRADE UNIONS ON 17-18 NOVEMBER

VENUE

KARNATAKA STATE BILLIARDS ASSOCIATION

(Next to 'Guru Nanak' Bhawan)

No.5/1, Miller Tank Bund Area, P.O. Bangalore - 560 052.

Phones: 080-2251223 / 2269970

The meeting will start at 10-30 am on 17th November 2001.

Addresses for contact and correspondence:

Bharat Electronics Workers Unity Forum, Bharat Electronics Ltd, Jalahalli P.O. Bangalore-560013. Phone: 080-3095313. Or

Bharat Electronics Workers' Union (CITU), Bharat Electronics Ltd, Jalahalli P.O. Bangalore-560013. Phone: 080-3095716.

All concerned are requested to attend in time.

MOCKERY OF EXPENDITURE REFORMS

M K Pandhe

The Expenditure Reforms Commission appointed by the Ministry of Finance under the chairmanship of K P Geethakrishnan, former Finance Secretary, has come out with ten reports so far.

The Commission was asked to "suggest a road map for reducing the functions, activities and administrative structure of the Central Government," "review the framework of subsidies both explicit and implicit economic rationale of their continuance", "review the framework for determination of user charges of departments and commercial entities," "review the adequacy of staffing under Govt. Ministries and suggest rationalisation measures" and review the functioning and staffing pattern of autonomous bodies" and "suggest measures to reduce budgetary support".

The commission without going into social aspects of functioning of various official agencies has made several sweeping recommendations which will virtually liquidate the very concept of a so-called welfare state of India. The Government of India has already started taking action on some of the recommendations without holding any consultation.

FOOD AND FERTILISER SUBSIDIES

The off-take of rice and wheat in public distribution system is getting reduced year by year due to reduction of coverage and increase in price. The quality is at times even unfit for human consumption. The off take came down from 23 million tons in 1988 to 16 million tons in 1999-2000.

In case of States where PDS covers more than below poverty line people the Committee suggested direct procurement by the State Government. The Committee suggested less procurement of foodgrains by restricting the buffer stock only to 10 million tons and the procurement subsidy to be phased out in a period of 3 years. The Committee recommend that procurement should be done through private traders which will hit the poor producer who will be unable to get a proper price for his product. Instead of providing

procurement subsidy the Committee recommended import of foodgrains in case of shortages.

As the Commission recommended, "...the total average stocks to be maintained for distribution and buffer stock should be no more than 17 million tones or compared to a likely level of 24 million tones in the current year."

This will pose a danger of hoarding of food grains by the unscrupulous traders to create artificial scarcity and raise the price of food grains in the open market for the consumers.

In case a fertiliser subsidy, the Commission recommended gradual elimination of subsidy. To begin with, supply of fertiliser at subsidised rate to be restricted to only Rs 120 kg per head (80 kg of urea, 30 kg phosphatic and 10 kg of potassic) and the rest will have to be purchased in the open market at a higher price. The Commission recommended: "The price of the balance of fertiliser that is to be brought in the open market should be raised gradually, over a period of time to a price level which is equal to import parity price."

This is a clear cut step in the direction of ultimately withdrawing of total fertiliser subsidy for the farmers in India. This is likely to increase the prices of agricultural products for the consumers. Thus, the withdrawal of the food and fertilizer subsidy will ultimately make the agricultural cost of production higher. It will enable MNCs to dump their products in India and drive away our domestic agricultural producers from the market. India's food security will be endangered.

MASSIVE JOB CUTS

The Commission has recommended massive job cuts in all Government departments. 10 per cent cut of the staff as on 1.1.2001 is to be carried out by the year 2004-05. It impose a total ban on creation of new posts for two years. Those employees who are declared as surplus should be offered VRS and those who do not opt for VRS would be transferred to surplus cell for redeployment. If after one year if the surplus cell could not redeploy them, then they would be

forcibly discharged from service.

This 10 per cent reduction of manpower is over and above the normal retirement of employees. While posts would not be filled in.

In the Information & Broadcasting Ministry, the Commission has suggested winding up of several divisions and privatisation of many institutes and corporations. Moreover, Doordarshan and All India Radio is to be corporatised as Prasar Bharati as a step towards privatization. Downsizing of other departments also has been recommended which would bring down the strength of the I&B Ministry from its present strength of 7779 to a mere 2176 thus shedding of total jobs of over 5000 in a single ministry alone!

WHOLESALE PRIVATISATION OF COAL

The Commission recommended "unrestricted entry" of private sector in exploration and production of coal by "expediting the amendment to the Coalmines Nationalisation Act 1973. It is advocating equal status to the private sector by giving it "level playing field". This will be a definite step in the direction of total privatization of coal mines in a phased manner. That is why the Commission advocated abolition of Coal India as holding company by making all subsidiaries of Coal India as independent companies. As a consequence, the Commission has recommended winding up of Joint Bipartite Committee for Coal Industry. This will mean separate wage agreement to be signed by each coal company by giving up the present status of National Coal Wage Agreement.

The Commission further recommended elimination of all 'surplus' manpower in coal companies which will lead to great job losses for the coal miners.

Coal Controllers's office as well as regional and liaison offices of Coal India and its subsidiaries are to be wound up.

The recommendations of the Commission will be a death knell for the Indian public sector coal industry.

CURRENCY PAPER IN PRIVATE HANDS

After the introduction of Insurance Regulatory Authority, the Geethakrishnan Commission does not feel the need for a separate insurance division which is recommended for merger in the banking division.

The Commission has welcomed the decision of winding up of BIFR and AAIFR. BIFR and AAIFR employees numbering 211 would of course be referred to the surplus cell.

The National Savings Organisation which employs 1191 persons is proposed to be reduced to a skeleton with just 20-25 persons. Most of the functions would be given up or left for the State Governments to handle.

The Commission further recommended 60 to 70 per cent cut in manpower in Govt. Mints from the existing strength of 25,000. Thus the axe of unemployment would fall on more than 15,000 employees. The Security Paper Mill at Hoshangabad is earmarked for privatisation. The two currency note press at Dewas and Nasik are recommended for corporatisation.

The Department of Economic Affairs has been favoured by the Commission by recommending some recruitment of some top heavy bureaucrats in the Capital Markets Division. "experts" on a contractual basis.

HITTING SMALL AND RURAL INDUSTRIES

The Geethakrishnan Commission has not even spared the tiny, small scale and rural industries. It wants to include service sector and medium industries also in the frame work thereby widening the scope of the Government activities. However, in the name of withdrawing discriminatory practices" the Commission wants to give up the concessions that are available to small scale industry.

If IT industry is also treated as small scale industry then the very basic concept of unorganized character of the small scale industry is ignored by the Commission. Moreover, the statement that "the Government policies should be such as to encourage them to grow into medium and large enterprises". This can be done only by killing large number of small scale and tiny industries.

According to the Commission the present concessions given to the small scale industries acts like disincentive to become medium industries. Hence medium industries should also be given concessions and reservation of products for the small scale sector should be withdrawn.

(We will cover the rest of the Geethakrishnan Commission recommendations in our next issue - Editor)

A CASE AGAINST SUBSIDY CHOPPING

K. V. A. Iyer

It has become fashionable among the elite in India to air views such as "there is no such thing as free lunch". They feel comfortable only when the free-market economy gets three cheers. But there are still those who were either accustomed to, or aware of, free lunches and the occasional luncheon even in the erstwhile princely regimes. Though there was discrimination in their reach and spread, it was expected that the democratic system would rectify such aberrations and that the state would reach out to all the needy in ways that were far more generous.

It is strange that while we march in the new millennium, the Supreme Court had to intervene to impress upon the Government to provide free foodgrains to at least those who have no money to buy them from the market, and to prevent loss and damage to the huge stocks of foodgrains rotting in government warehouses. Why should the Government be so touchy about subsidy expenditure to support the poor and the needy?

Recently, the Government spoke about food-for-work programmes to distribute the surplus food stocks. But should anyone be put to hard work — such as breaking stones, and so on — merely to earn a subsistence meal? Obviously, the need is for a policy on foodgrains distribution — free to those below the so-called

poverty line, and at a nominal price to those above.

Subsidies abound in most developed countries and are available to many groups — ranging from the poor to the rich. There are lobbyists, pressure groups and powerful organisations that stake their claims for subsidy. A major item of government expenditure goes to a variety of subsidy programmes targeted at identified groups that serve varying objectives, which include, support for the poor, nutrition for children, scholarship for education, financial support for the unemployed, social security and medical care for the elderly, application of advanced technology in industry, promotion of national shipping service, support for agriculture (including fisheries, poultry and dairy) and establishments participating in Defence production and ancillary services, development of housing, and protection of domestic industry.

According to World Development Indicators, 2001, subsidies in almost all the countries rose during 1990-98. But India was the only major democratic country to have cut subsidies drastically, from 43 per cent of the total government expenditure in 1990 to 38 per cent in 1998. In the US — the home of free market economy — subsidy as a percentage of government expenditure rose from 50 per cent to 60 per cent

during the period. In Switzerland, it rose from 61 per cent to 63 per cent; Norway, 69 to 70; the Netherlands, 70 to 72; and in Brazil, 39 to 64. The IMF and the World Bank desist from prescribing subsidy cuts for the developed countries, but arm-twist the less-developed borrower countries into reducing their fiscal deficits.

One of the easiest ways of reducing government expenditure is to cut subsidies targeted at the poor and by withdrawing from essential economic activities through privatisation. This was what the Government had chosen to do during 1990 to 1998.

It is not as if subsidies are not a major concern in the developed world. Subsidies that promote consumption are welcome (as they expand demand), but become a matter of concern when they interfere with free trade between countries. Such subsidies involve cash payments and financial incentives to producers — be they farmers or providers of industrial goods and services. Disputes of this nature are raised and settled at the World Trade Organisation, and the IMF and the World Bank have no role to play. The US even pressured the UN to reform itself and exacted performance before disbursing the monetary dues to it.

In most countries, subsidies involve huge amounts in real terms and are not artificial as in

India, where the poor consumers and marginal farmers are projected as recipients. Subsidy in public distribution involves bureaucratic overheads, warehousing, damage to stocks, seepage and losses owing to rodents, spillage, and so on. Thus, subsidies to farmers work out to be negative when computed in accordance with the internationally adopted criteria. In other words, the farmers receive much less than what they give in return by way of compulsory procurement and other obligations.

The European Union (EU) pays about \$15 billion as subsidy every year to energy producers; mostly of fossil fuels and nuclear energy. According to a study by the General Accounting Office (GAO), 33 sugar farmers in the US received more than \$1 million each in government

subsidies, with one Florida family receiving \$65 million in one year alone. The US, under the Dairy Export Enhancement Programme (DEEP), and the EU, under the Common Agricultural Policy (CAP), pay huge subsidies to dairy farmers. As a result, the all-US prices of subsidised dairy products are not only below the historical low of US domestic (wholesale) prices but often, the world prices as well. The EU, on the other hand, uses dairy subsidies to support an enormous dairy industry that regularly produces far in excess of local demand. In the US, under the Maritime Security Program (MSP), there is an active core of privately-owned, US-flagged and US-crewed dry-cargo vessels to meet national security requirements of 47 commercial vessels. The 10-year programme (through fiscal year

2005) provides for the payment to participants of up to \$100 million annually (\$2.1 million per ship) for operations in US' foreign trade. There are many other subsidy programmes to promote US shipping and port operations.

Globally, subsidy is not merely free lunches, soup kitchens or night shelters for the poor. It forms a part of the domestic economy and is designed to promote general well-being, help domestic producers of goods and services capture the world market and meet defence requirements to ensure national security.

Notwithstanding what the IMF or the World Bank prescribe to the Third World, Indian statesmen and bureaucrats should have no compunction in expanding subsidies keeping in view national interests.

(Courtesy: The Business Line)

CITU CALL: CAMPAIGN FOR AN ALL INDIA STRIKE

An extended meeting of the all India Secretariat of the CITU was held at the BT Ranadive Bhawan in New Delhi on 16th October 2001. The meeting was participated, besides the all India Office bearers, General Secretaries of State CITU Committees, industrial federations and fraternal organisations. The meeting reviewed the developments since the last meeting of the CITU Working Committee held in Bangalore in August 2001.

The meeting emphasised the need for educating the workers of all affiliations on the ferocious nature of growing attacks on the working class and called upon industrial federations and unions to redouble our efforts to campaign for an all India strike action as soon as possible.

While preparing for 9th November Global T.U. Day of Action, all unions should highlight the dangerous consequences of globalisation and again press for the nationwide strike action so that we can prepare ground from below. It is only by a sustained campaign all over India that we can go ahead to unitedly finalise the date of strike.

The CITU, while condemning the acts of terrorism, denounced the war actions by the U.S. imperialists, which are killing hundreds of innocent lives. The danger of rise of religious fundamentalism is also to be fought by the working class, which alone can preserve the unity and integrity of the country. T.U. movement should also condemn the servile policy of Vajpayee Government towards U.S. imperialism that is using the present situation to strengthen its grip over the world.

MOVE TO REDUCE INTEREST, WITHDRAW TAX BENEFITS

W R Varada Rajan

The Finance Minister in his budget speech (2001-02) had noted that since 1998, the difference between the interest rates on contractual savings and the consumer price inflation has risen to 6 to 8 per cent, as against the 3 per cent difference between 1980 and 1998. Based on this (mis) reading of the situation, he reduced the interest rate from 11 to 9.5 per cent and proposed to appoint an Expert panel.

The 10 member Expert panel, headed by Dr Y V Reddy, Dy: Governor, Reserve Bank of India, was appointed in April 2001 to review the existing system of administered interest rates on small savings schemes including public provident funds (PPF) and contractual savings schemes. The Committee has now presented its report to the Finance Minister. The report is yet another attack on the small savers, senior citizens and the subscribers to various Provident and Pensions Funds.

LOWERING THE INTEREST

Despite tall claims to the contrary, the decade long reforms agenda is stuck in the mud. The September 11 terrorist attacks on World Trade Centre and the America's war in retaliation have added further grim dimensions to the country's economic downturn.

In this situation, the employers' lobbies stepped up the pressure on the Government pleading for further reduction of interest

rates.

Yashwant Sinha, Finance Minister, had already earned the wrath of small investors by lowering the administered rates of interest on small savings and Provident Funds from 12% to 11% during 2000-01 and further down to 9.5% in the budget for 2001-02. He admitted that the present rates were, perhaps, the "lowest ever". Yet he declared that the Government was in favour of low interest rate regime.

The expert panel was required to devise an automatic system of adjusting the interest rate on savings to the rate of inflation. If the interest rate is automatically adjusted, then the Government does not have to receive the flak every time the interest rate is reduced. This was the avowed objective of the Government in setting in motion this exercise. Now, the Reddy Committee has come out with its recommendations. It has prescribed 'benchmarking' of interest rates, dovetailing the interest rates on small savings instruments with the yield on Government securities, of comparable maturity, traded in the secondary market.

The report terms the contractual savings as "high cost borrowings" and the Government floated open market securities (bonds) as "low cost borrowings". Rightly so. The Government succeeds in mopping up funds with low

yield securities only because of the captive demand therefor, because of the existence of Statutory Liquidity Ratio (SLR) imposed on the banks. After noting this, the panel report prescribes a benchmarking of the interest rates on small savings to the market related rates of the "low cost borrowings" viz. the Government securities.

The intent is clear - to reduce the cost to the Government, by flattening out the interest rates on small savings. But, where is the logic to support such recourse?

The Committee has expressed concern that it is desirable that the small savers get "a positive real rate of return on their savings at a future date." Such a positive real rate of interest should have two components - one to compensate for the inflation as measured by the increases in the consumer price index; and the other as reward for making available the money to be used in the interest of the economy. The Committee considered the question of taking the inflation rate as a benchmark to determine the interest-rate; but abandoned the idea because of "the difficulties in measuring expected inflation". The Committee report itself records the fact that in the USA, and the UK, Governments offer "inflation linked bonds, which provide a hedge against inflation." In this background, it

was not difficult for the Committee to find a mechanism providing for a Consumer Price Index linked interest rate for small savings. But, the Committee report has deliberately opted for linking the interest rates with the Government securities traded in the capital market.

TAX BURDENS ON SAVERS

The report has also envisaged a new tax regime for contractual savings, which will result in revenue gain for the Government of India at the expense of the small savers/investors.

The Committee has devoted considerable attention on the issue of tax incentives on small savings. The Committee assumes that "small savers are, by and large not tax payers", and argues that the tax incentives discriminate between tax paying and non-tax paying savers. The Committee also makes a bald statement that 'there is no strong evidence to support that tax incentives facilitate increased financial savings at macro-level.' On this assumption, the Committee report has recommended a whole range of withdrawals of tax concessions; it has also imposed tax on certain components, which at present do not attract tax.

The Committee had totally done away with tax deductions under Section 80L and tax exemptions under Section 10 of the Income Tax Act, for all savers. It has retained the provision of tax rebate under Section 88 of the IT Act, which provides 20% rebate on investments up to a

maximum of Rs 60000, that too only in respect of long term savings (those exceeding 6 years of maturity period). The long term financial saving, which comprises the Public Provident Fund (PPF), is now exempted on all three stages of savings, viz, contribution, accumulation (interest earned), and withdrawals. The Committee has proposed that tax exemption be limited only to contribution and accumulation and withdrawals be taxed at the rate of 10% on maturity and on premature withdrawals on account of death. And in other cases of premature withdrawals, a 20% tax is to be imposed.

Though the Committee has made this recommendation in respect of the PPF, it has also suggested that the same should be extended to the GPF and the EPF. These recommendations are in tune with the pension fund reforms envisaged by the Government of India, which are aimed at curtailing even the existing social security benefits.

POST OFFICE SAVINGS

In yet another departure from the existing practice, the Committee had recommended to 'rationalise small savings schemes to cater only to the needs of genuine small savers like individuals including the Hindu Undivided Families (HUF). The Committee has not even retained the possible exception suggested by the R V Gupta Committee on Small Savings (1998) to permit "investment of surplus funds of farmers/labour cooperatives as well as self-help groups."

A large majority of small savers

in rural and semi urban areas in India depend on Post Office and deposit their money in Post Office Savings Accounts, Time Deposits and Recurring Deposits. Even to these economically weaker sections of the small savers, the Committee has meted out rank injustice. While the 3.5% interest rate on PO savings Bank (POSB) Accounts will be continued as it is, the Interest rates on other Post Office (Time & Recurring) Deposits have also been benchmarked to market related rates of Government securities. The Committee recommends continuation of 3.5% interest on POSB accounts only as long as inflation rate rules above 3.5%. Even here, the Reddy Committee has not cared to pay heed to the R V Gupta Committee on Small Savings (1998), which had recommended benchmarking of the rate of interests of Post Office Deposits to the corresponding rates of commercial bank deposits, with a positive margin of 0.5%.

The Reddy Committee report has ominous portents to the small savers. It will also hurt the interests of the economy as mobilisation of small savings will also get affected. The Reddy Committee report itself admits that as a result of the changes proposed, "in the transition period there may be a likelihood of a fall in mobilisation of small saving scheme".

The Reddy panel report is yet another device towards heaping burdens on the poor and the workers and conferring 'incentives' on the rich.

DOCUMENT:

EMPLOYMENT & UNEMPLOYMENT SCENARIO IN INDIA

In India, due to the agrarian sector with seasonal operations time disposition and availability for work have been the criteria for measuring employment. The accepted method of measuring employment is the usual status. Reliable estimates of employment/unemployment are generated through National Sample Surveys conducted once in five years by National Sample Survey Organisation (NSSO). The concept recognises time utilisation only. Quality of work or income does not get reflected in the approach.

As per the results of the National Sample Survey conducted in 1999-2000, total work force as on 1.1.2000, as per Usual Status approach (considering both principal and subsidiary activities) was of the order of 401 million. About 7% of the total work force is employed in the formal or organised sector (all public sector establishments and all non-agricultural establishments in private sector with 10 or more workers) while remaining 93% work in the informal or unorganised sector. The size of the Organised Sector employment is estimated through the Employment Market Information Programme of DGE&T, Ministry of Labour. The capacity of the organised sector to absorb additional accretion to the labour force, taking into account the current accent on modernization and automation, is limited. In other words, an overwhelming proportion of the increase in the labour force will have to be adjusted in the unorganised sector. About 373 million workers are placed today in unorganised/informal sector in India; agriculture workers account for the majority of this work force.

Total labour force as on 1.1.2000	410 million
Total employed labour force as on 1.1.2000	401 million
Growth of labour force during 1994-2000	1.10% p.a
Growth of employment (1994-2000)	1.05% p.a.
Fully unemployed as on 1.1.2000	9 million

* About 41 million job's seekers (all of them not necessarily unemployed) are registered with the 958 Employment Exchanges located throughout

the country.

* 72% of the job seekers registered with the Employment Exchanges are less than 30 years of age.

* Educated (X standard and above) job-seekers constitute about 69% of the total job-seekers registered with the employment exchanges.

EMPLOYMENT GENERATION IN INDIA

* 7% of the total employed were in the organised sector i.e., unorganised sector dominated in the employment scenario.

* Additional employment generation in the organized sector is not significant i.e., scope for additional wage employment in the organised sector continued to be less.

* Significant employment generation took place in tertiary sector particularly in services industries.

* Substantial employment growth was observed in the small and unorganised sector, i.e, in small and tiny enterprises.

* Self-employment and casual continued to play a pivotal role in rehabilitation of unemployed.

EMPLOYMENT & UNEMPLOYMENT TRENDS

* The rate of growth of employment declined sharply from 2.37% per year in the period 1987-88 to 1993-94 to only 1.05% per year in the period 1993-94 to 1999-2000.

* There was sharp deceleration in the growth of labour force from 2.24% in the period 1987-88 to 1993-94 to only 1.10% in the period 1993-94 to 1999-2000.

* Growth rate of employment is less than the growth rate of the labour force indicating an increase in the unemployment rate.

* The open unemployment which is of the order of 9 million was not significant compared to the size of the population in the country

* Though open unemployment was only 2.21% (9 million), the percentage of the population below the poverty line was as high as 26.1%. The fact of being employed is obviously no guarantee of escaping the poverty, which in our situation refers to a very basic level of subsistence.

* Percentage of population below the poverty line which was of the order of 36% in 193-94 has come down to 26.1% indicating that during the period 1994-2000 improvement in the income level of the employed had taken place.

* Organised sector employment is not growing and its share is only 7% of the total employment.

* There was decline in self-employment whereas regular salaried and casual employment showed an increasing trend during 1993-94 to 1999-2000.

* There was substantial increase in the average

daily wage earnings in the rural areas.

(Source: Director General, Employment & Training)

Note: It has been reported that Dr. S P Gupta, as a member of the Planning Commission has objected to the findings of the National Sample Survey Organisation that the poverty ratio in India had declined to 26.1 per cent in 1999-2000. Gupta is heading a 10 member "Special Group on Targeting 10 million Employment Opportunities per year over the 10th Plan Period", appointed by the Planning Commission.

NEW YORK TUs ON SEPTEMBER 11 INCIDENT

A cross section of trade unionists of New York City had issued the following joint statement on the September 11 incident.

"September 11 has brought indescribable suffering to New York City's working people. We have lost friends, family members and coworkers of all colors, nationalities and religions - a thousand of them union members. An estimated one hundred thousand New Yorkers will lose their jobs. We condemn this crime against humanity and mourn those who perished. We are proud of the rescuers and the outpouring of labour support for victims' families. We want justice for the dead and safety for the living. And we believe that George Bush's war is not the answer. No one should suffer what we experienced on September 11. Yet war will inevitably harm countless innocent civilians, strengthen American alliances with brutal dictatorships and deepen global poverty - just as the United States and its allies have already inflicted widespread suffering on innocent people in such places as Iraq, Sudan, Israel and the Occupied Territories, the former Yugoslavia and Latin America. War will also take a heavy toll on us. For Americans in uniform - the overwhelming number of whom are workers and people of color - it will be another Vietnam. It will generate further terror in this country against Arabs, Muslims, South Asians, people of color and immigrants, and erode our civil liberties. It will redirect billions to the military and corporate executives, while draining such essential domestic programs as education, health care and the social security trust. War will play into the hands of religious fanatics - from Osama Bin Laden to Jerry Falwell - and provoke further terrorism in major urban centers like New York.

Therefore, the New York City metro-area trade unionists believe a just and effective response to September 11 demands:

* **NO WAR.** It is wrong to punish any nation or people for the crimes of individuals - peace requires global social and economic justice.

* **JUSTICE, NOT VENGEANCE.** An independent international tribunal to impartially investigate, apprehend and try those responsible for the September 11 attack.

* **OPPOSITION TO RACISM-DEFENSE OF CIVIL LIBERTIES.** Stop terror, racial profiling and legal restrictions against people of color and immigrants, and defend democratic rights.

* **AID FOR THE NEEDY, NOT THE GREEDY.** Government aid for the victims' families and displaced workers - not the wealthy. Rebuild New York City with union labour, union pay, and with special concern for worker's health and safety."

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FISHERIES' WORKERS PLAN CONFERENCE

The meeting of the organising committee of the All India Fishermen and Fisheries' Workers' Federation was held at Puri on the 10th October 2001. Mahaboob Zahidi, MP, presided. Members from Andhra Pradesh, Kerala, Orissa, Tripura and West Bengal, attended the meeting. MK Pandhe, General Secretary, CITU, and K Varadha Rajan, General Secretary, All India Kisan Sabha, also participated in the meeting.

The meeting condemned the terrorist attacks on the WTO and the Jammu and Kashmir Assembly. A resolution condemning the war on Afghanistan by US, killing innocent people of the country was also adopted by the meeting.

Kiranmay Nanda, Fisheries' Minister of West Bengal, who hosted the meeting, welcomed the participants. Pitabasan Das, convenor, introduced the report of activities since the last convention at Nadia and the programme of action.

The meeting mainly discussed the draft constitution of the Federation and the future programme of activities. Binoy Konar and Hemalata spoke on the registration

of the affiliated unions. After a detailed discussion, in which Varadha Rajan and Pandhe made important contributions, it was agreed that while it would be useful to register the unions, it could not be made a precondition for affiliation. It was decided to register the Federation and encourage the unions to get registered so that various benefits from the Government could be availed. Hemalata was given the responsibility of redrafting the constitution taking into account the suggestions made in the meeting. The meeting also decided to have a flag for the Federation, which would be red in colour with a blue fish in the centre and the initials of the federation in white on one side. The organising committee decided to send a delegation to meet the Minister and place the charter of demands of the fishermen and fisheries' workers, during the next session of the Parliament. The memorandum will also be given to the leaders of all the political parties, all the trade unions, and the kisan organisations and their help sought in the struggle for the realisation of the demands of the fishermen and fisheries' workers.

A signature campaign will be undertaken on the basis of the memorandum. It was also decided to submit a petition to the Petitions Committee of the Parliament and place the same in the Parliament. A big demonstration of fishermen and fisheries' workers will be held before the Parliament, during its next budget session.

A Private member's bill would be prepared for a comprehensive legislation for the fishermen and fisheries' workers and introduced in the Parliament. State conventions would be held wherever possible to focus the demands of the fishermen and fisheries' workers.

The Kerala unit offered to host the first conference of the Federation and the Committee accepted the same. It was decided to conduct State level Conferences before the All India Conference.

The Committee adopted a resolution supporting the observation of 9th November as anti globalisation day throughout the world and decided to participate in the call by holding block level demonstrations with the demand to ban foreign vessels in the Indian Waters.

Chhattisgarh: WORKSHOP ON ORGANISATION

CITU Workshop on Organisation was held on 6th and 7th October 2001, at Bhilai Steel Township. 35 comrades

covering up to the district level leadership of CITU in Chhattisgarh took part in the workshop. Tapan Sen and Ardhendu Dakshi, both

Secretaries of CITU, also attended the workshop.

The workshop was presided by S Sudevan, President of the State

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CITU. While explaining the purpose of the workshop, Tapan Sen, Secretary CITU, dealt on the urgent tasks on organisation adopted by the 10th conference of CITU and steps to be taken for its implementation. M K Nandy, General Secretary of the State CITU, placed a self critical report on the state of organisation and functioning at various levels of the CITU in the state and also

outlined the steps to be taken for the improvement of the functioning at all levels. A Dakshi, Secretary CITU, addressed the session, explaining the modalities of the workshop.

The workshop was held in five different sessions dealing on five basic issues viz., 1) democratic functioning, 2) priorities and planning, 3) membership campaign, maintenance of records and

functioning of the centre/office at all levels, 4) education and training and 5) ideological issues. Almost all the comrades present in the workshop took active part in the deliberations in all the five sessions and made valuable suggestions.

In the concluding session, concrete programmes and targets have been adopted in all the aspects of organisation in order to strengthen and expand CITU in the State.

PSU UNIONS: A I COORDINATION COMMITTEE MEETING

The meeting of the All India Coordination Committee of Public Sector Unions, held on 1st and 2nd October 2001 at Shramik Bhawan, Kolkata, called upon the public sector workers in the country to build up united countrywide resistance struggle against the anti-national and anti-PSU policies of the Vajpayee Govt. 192 delegates, from various public sector units all over the country in Coal, Steel, BHEL, NTPC, Powergrid, Indian Oil, ONGC, BPCL, HSCL, Pharmaceuticals, Engineering etc. sectors, attended the two-day meeting. Ardhendu Dakshi, Secretary CITU presided. M K Pandhe, General Secretary, CITU, inaugurated the meeting and spoke in detail on the disastrous policies of the Vajpayee Govt. which is hell bent on wiping out the PSUs from the industrial map of the country. The Vajpayee Govt. has been acting in the interest of the multinational

companies and Indian monopoly houses and against the interest of the country. The workers of the entire public sector must unite to fight back such retrograde anti-national policies, Pandhe asserted. Jibon Roy, Secretary, CITU and Convenor of the Coordination Committee, placed the report, which stressed the urgent need for mobilising the support of the common people in the struggle of the PSU workers in defence of public sector. The public sector trade unions along with their efforts to unite the entire public sector workers, irrespective of affiliations, in the struggle against closure, privatisation and abrogation of trade union rights, must also carry on intensive campaign among the common people to expose the naïve anti-national design of the Vajpayee Govt. to surrender the economic sovereignty of the country to the imperialist powers, the report mentioned. 45 delegates, from almost all the

sectors and States, actively participated in the deliberations and urged for taking countrywide united movement programmes against the reckless drive for privatisation and closure of public sector units by the Vajpayee Govt. The speakers also suggested that CPSTU (Committee for public Sector Trade Unions), the united platform of public sector workers movement, must take the initiative to draw the programme of united countrywide action. Among the speakers were Debanjan Chakraborty, General Secretary, CWFI, PK Das, General Secretary, SWFI, S Narasimha Reddy (Hyderabad), B Sudarshan (HAL), Bijay Pratap Singh (BEL), Tushar Dutta (ONGC), Panchanan Sangan (Oil, Assam), Elam Chand (BHEL, Hardwar), Y Satyanarayana (HZL, AP), P Subramaniam (BEL, Bangalore), G Arjunan (HTL), R Venkataraman (Salem Steel), A.B. Zuari (IDPL), Debesh Das

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(NJMC), H Thapar (PPCL), Hiranmoy Chakraborty (CIWTC), Sandip Patel (JNPT, Mumbai), and Madan Pal Tiagi (CEL, Sahibabad). Chittabrata Majumdar, General Secretary West Bengal State CITU and Swadesh

Debroye, Secretary, CITU and Dipankar Mukherjee, MP also addressed the meeting.

Tapan Sen, Secretary CITU, placed the draft Declaration before the meeting calling for observance of protest day on 19th October in

all the PSUs in the country against closure, privatisation and abrogation of labour rights through demonstration, dharna etc. *(The text of the Declaration is published separately in this issue).*

ORISSA CITU ON THE MOVE

Seven central trade unions - SCITU, AITUC, HMS, INTUC, BMS, AICCTU and UTUC (LS), Electricity Federations, Sramik Karmachari Ekta Manch and other mass organisations jointly held a State level convention on 8th September, 2001 at Bhubaneswar and decided to organise a massive rally on the day of action against globalisation on 9th November 2001.

On 8th September, All Orissa Road Transport Workers Federation Convention was held at Barmuda, State capital Bus stand at Bhubaneswar. Subhash Chakraborty, Minister, Transport & Sports, Govt of West Bengal, inaugurated the convention. Binbadhar Kumar, Minister, Labour & Employment, Govt. of Orissa attended the function as Chief Guest. Janardhan Pati, presided and Radharaman Sadangi, General Secretary, placed the report. Bishnu Mohanty, General Secretary, Orissa State CITU, N K Mohanty, Vice President and other 7 comrades participated in the discussion. Delegates from 39 unions

participated in the convention. The convention resolved to organise transport workers for a State-wide movement to achieve 16 point charter of demands.

On the 27th September 2001, a meeting of the State Minimum Wages Advisory Board was held at Bhubaneswar. Bishnu Mohanty, placed a note before the meeting on the following demands.

1) The minimum wages, which is Rs.42.50 now, should be enhanced to Rs.100.00. 2) All the workers should get pay on the day of weekly off day, which is at present inclusive of weekly off day wages. 3) VDA should be paid as per AICPI. 4) Coverage of other 30 categories of Industrial Establishment in schedule of employment. Now only 82 categories are covered. All the TU members supported the demand.

A State level unorganised workers' convention was held on 7th October, 2001 at Rourkela, hosted by Rourkela Shop and Commercial establishment workers union and Sundargarh District Committee of CITU. P.K. Ganguly, Secretary, CITU, inaugurated the convention. L.D.

Nayak presided. Bishnu Mohanty placed the report on unorganised labour and the urgent need for organising them. 12 comrades participated in the discussion. 270 comrades from Beedi, Crusher & carry Brick-kiln, Forest, fishermen and others workers attended the conference. A 20 member state co-ordination committee was formed with Biman Maity, as convener.

On October 8th & 9th State level conference of fishermen and workers was held at Satpada, Puri on behalf of Orissa Mashinajibi Workers Union, Sagar Macchajibi Workers Union, Dhamar Port Fishermen and Workers Union and Paradeep Fishermen and Workers Union. Shivajee Patnaik presided and Kiranmoya Nanda, Minister, Fisheries, Govt of West Bengal, inaugurated the conference. 17 comrades participated in the discussion and the conference resolved to organise the fishermen and workers all over the State.

The State level workshop and TU class was held from 11th to 14th October, 2001 at Bhubaneswar. M.K. Pandhe, General secretary, CITU inaugurated, and spoke on

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"Impact of Globalisation on the Trade Union Movement". Kanai Banerjee, Secretary took class on 'CITU Constitution', "Communalism, castiesm and social oppression"; Ardhendu Dakshi, Secretary, on "Organisational task and self assessment" and "working women"; Chittabrata Majumdar, Secretary, on organisation; Kali

Ghose, Secretary on "Labour Laws amendments and its impact on the TU movement; Shivajee Patnaik "On Organisation"; Lambodar Nayak on "Unorganised Workers" and Bishnu Mohanty on "unemployment and role of TUs. 98 comrades including 9 working women attended the classes. The State Committee has decided

to arrange district level workshop and TU classes in future.

The Orissa CITU State Committee meeting was held in presence of Chittabrata Majumdar, and Kali Ghosh, all India Secretaries of CITU. The meeting reviewed the activities of the CITU in the State and planned implementation of the tasks ahead.

(Report from Bishnu Mohanty)

ORISSA FMRAI: AFFILIATION TO CITU

The Orissa Sales Representatives' Union conducted a secret ballot on affiliation to CITU, as per the decision of their last conference.

The ballot was organised in all 8 units and 4 base committees, with 1672 members as on 30.9.2001, 789 valid votes were polled out of the said member of votes polled

732, i.e. 93% of the members expressed their opinion in favour of affiliation to CITU. 7% of the members voted against the affiliation.

(Report from Apurba Kumar Ghosh)

TRANSPORT WORKERS PLAN COUNTRYWIDE ACTIONS

The Working Committee of the All India Road Transport Workers Federation met in Delhi on 13th and 14th of October 2001 and discussed in detail the important issues in Road Transport Sector, especially in the background of privatisation and globalistaion. The discussions revealed that barring a few left democratic Governments, all State Governments are throwing the road transport sector and its services into anarchy for the interest of the vehicle manufacturing and monopoly private operators in goods and passenger sectors. The privatisation of roads and BOT

scheme had created new attacks on the small operators of vehicles and the road users as well. Due to slow down and recession in the national economy, passenger and cargo movements also face a slow down, which have brought down the revenue earnings. At this rate too, the Govts are vehement on imposing very high rates of toll in using the roads bridges and corridors built on BOT basis.

Several examples of united resistance including workers, operators and consumers were reported from States. Many State Govts have increased the fares in passenger sector and have usurped the lion's share of it by way of

increasing vehicle tax, which have further worsened the revenue income of STUs and operations. All, in turn, have shifted the burden on the workers by either cutting their wages, or sending them out of job or downsizing the workforce. This has increased the working hours.

The Working Committee expressed serious concern on the increasing terrorist attacks, of which the road transport workers with their vehicles are the first hit. Kidnapping and killing of the road transport workers has become the order of the day in eastern states and in J&K. The Govts are not providing security in such areas.

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Nor do they give compensation to the victims' families. The country had witnessed the growth of STUs in 1950s and 60s, 70s. The RTC Act 1950 had been used to promote STUs. But now, most of the state Govts are dismantling STUs, are privatising the infrastructure of the STUs. In spite of the protection of the 1950 Act, the monopoly routes are thrown open to private operations. Parallel operation of private vehicles has now the general trend. The workers in all sectors of transport are under physical attack of goondas and police under some pretext or other. They have to put up with pick pocketing, torturing. The Working Committee condemned the terrorist attack and the war unleashed by the US and its allies on innocent people. The transport industry and workers are going to be seriously affected by these developments. The presidential address by Md. Amin

noted the anti national and subservient external policy of Govt. of India in this regard. This was reflected in General Secretary's report and in the deliberations.

The Working Committee noted the developing trade union unity and decided to make efforts to revive the national coordination of federations. The Working Committee adopted resolutions to support the striking workers of APSRTC against privatisation and against delayed payment of wages and for observance of November 9 as the global day of action against globalisation.

The other decisions taken in the Working Committee are:

1. A march to Parliament will be conducted in the next budget session on the demands of transport sector.
2. Before December 15th 2001, zonal committee meetings will be held
3. Sector Committee meetings

to be held before 15th December, to chalk out demands

4. In consultation with the State Committees of the Federation the venue and date of national conference of the federation will be fixed

5. A day against terrorism and war may be observed after consultation with other federations.

The Working Committee was presided over by Md. Amin, Working President. Shyamal Chakraborty, Subhash Chakraborty, (Minsiter of Transport, W.Bengal), Narayan Biswas (Minsiter of State for Transport, W.Bengal), also participated in the meetings.

K K Divakaran, General Secretary, presented a written report, which was actively discussed by comrades from all States. The accounts presented by treasurer K Chandrasekharan Pillai were passed unanimously.

(Report from K K Divakaran)

TRIPURA STATE COMMITTEE REPORT

Tripura witnessed a militant and massive rally of Working Class on 10th September on the demands of implementation of CPF, pension and other welfare Scheme for unorganised sector workers as well as against anti-people, anti-working class and other destructive policies of the NDA Government at the Centre. Workers from all the Sub Divisions of the State participated in this rally in a massive scale.

About 50% of our total membership, that is about 20 thousand workers were present on 10th September rally, held at State ground, Agartala, at the call of Tripura State CITU.

The Chief Minister, Manik Sarkar, and Manik Dey, General Secretary, CITU State Committee, addressed the rally. The rally was presided over by the president, CITU Com. Baidyanath Majumdar.

From the rally itself a memorandum

bearing 17 points charter of demands was placed before the Chief Minister, and in his address, the Chief Minister explained that the Left Front Government is always looking after to protect the interests of the working class as a whole and State Government will take up the issue of welfare scheme for unorganised sector workers in consultation with CITU State leadership shortly.

To make the rally successful, a

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month long campaign programme, like convention, union wise GB meeting, postering, distribution of leaflets etc. was carried out, all over the State.

In his speech Manik Sarkar explained the State political and economic situation, arising out of insurgency of extremists and the programme and immediate action taken by the Left Front Government for the economic development of the most backward tribal and non-tribal people. The Left Front Government is also trying utmost to maintain the ethnic

unity and to solve the extremism with the help of administration and democratic people of the State. Whereas, the NDA Government in the Centre is not rendering necessary help and cooperation, required by the State Government from time to time. He also called upon the working class to react strongly against the politically motivated outlook and attitude of the Central Government.

Manik Dey emphasized the importance of organisation and appealed to build up broad based and strong unity amongst working

class all over the State as well as in the country. He also added that the CITU activists must take-up the issue of organising the unorganised sector workers under the banner of CITU.

In his presidential address, Baidyanath Majumder called upon the working class to be united against evil, anti-people, anti-working class and destructive policies of the Central Government, as the present NDA Government policies are the main cause of the suffering of the working class and poor people of our country.

CITU - ILO CHILD LABOUR PROGRAMME

Rajasthan State Workshop

The Rajasthan State workshop under the CITU- ILO Child Labour programme was held on 18th September 2001 in the meeting hall of the JK Tyres Workers' Union, Kankroli, a small town near Bhilwara, and the marble-exporting centre of India. It worked out a detailed plan for the implementation of the programme in the State.

R K Swami, the State project coordinator, and member of the National Committee made the necessary preparations for the workshop, coordinating with the Rajasthan State Committee of CITU and the JK Tyres Workers' Union. The Rajasthan State committee of the CITU selected the Marble quarries in Udaipur and the Beedi industry in Kota, for the

implementation of the project. It was decided to start one non-formal education centre in Sukher, 5 Km. from the city of Udaipur and the other in the town of Kota.

K. Hemalata, National Project Coordinator, and Kanai Bannerjee and S Devroye, Secretaries, CITU, also participated in the workshop. Ten comrades from Rajasthan attended.

Swami presented a note on the conditions of child labour in Rajasthan, and the perspective of CITU towards the child labour issue. The note also outlined the details of the activities to be undertaken in the State. Marble quarries lined the entire road from Udaipur to Kankroli and large number of children worked in the industry. Minimum Wages were not implemented, even though they

were exporting marble and earning huge profits. The owners of the Marble industry do not tolerate trade unions and immediately terminated the services of any worker suspected to be engaged in forming union. In the beedi industry children, particularly girl children in large number were helping their mothers in rolling beedis.

The workshop planned activities for identifying the eligible child labour working in the Sukher area and the Ghanta Ghar (Clock Tower) centre in Kota, where a large number of Muslim beedi workers were concentrated, arrange accommodation for running the school and to be start the NFECs before November 1st.

Assam State Workshop

The beautiful town of Namrup in

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Northern Assam hosted the State workshop of the CITU- ILO Child Labour programme, which was held on 28th September 2001, in the meeting hall of the Fertiliser Workers' Union, Namrup. It discussed and finalised the details of the activities required for the successful implementation of the programme in the State.

Ashit Dutta, the State project coordinator as well as the Secretary of the Coordination Committee of the Plantation Workers' Unions in the State, presented a small written report of the programme. Plantation industry was selected for the implementation of the programme in the State. The CITU State Committee tentatively selected tea estates in the districts of Dibrugarh and Sonitpur for running the non-formal education centres.

K. Hemalata, National Project Coordinator, and S Devroye, Secretary, CITU, and 11 participants from Assam attended the workshop.

The workshop identified Disam Tea Estate in the district of Dibrugarh and the Sakomatho Tea Estate in the district of Sonitpur to

start the non-formal education centres.

The workshop decided to conduct a survey to identify and enrol child labour into the non-formal education centres at Disam on the 2nd of November and the one at Sakomatho on the 3rd of November.

Tripura State Workshop

Tripura State Workshop under the CITU-ILO Child Labour programme was held in the State capital of Agartala.

Samar Chakraborty and Pijush Nag, both Secretaries of the Tripura State Committee of CITU, K Hemalata, National Project Coordinator, besides 14 participants from Tripura attended. Tapan Chakraborty presented a note, which focussed on the conditions of child labour in the State. In Tripura, besides beedi and plantations, large number of children were working in hotels and restaurants, in mechanic shops, as rag pickers and hawkers/ vendors. The union of the motor workers in Chunabari was running a non-formal education centre for child labour in the motor repairing workshops, since the last couple

of years. 22 children aged 10-12 were enrolled in the centre, out of which, around 15-20 attend the centre regularly.

Faizur Rahaman, the State Labour Minister, who also participated in the workshop, welcomed the decision to start non-formal education centres and assured all support on behalf of his department. Dulal Deb, an activist working in the Beedi workers' union in Agartala, and Sanjay Banik from Udaipur Sub division were selected as teachers for the non-formal education centres.

The workshop decided to start the centres at West Joynagar in Agartala and at Tepania in the Udaipur Sub division. It was decided that while the child labour working in beedi and plantation industries would be enrolled in the centres, those in hotel and restaurants and in motor repairing shops would also be enrolled if necessary. The workshop felt that it would not be possible to make preparations to start the centres before the end of the month because of the Puja festival. It was decided to start the centres on 7th November.

ATTACK ON TU RIGHTS IN RESERVE BANK

United Forum of Bank Unions (UFBU), in its meeting held at Kolkata today, reviewed the position arising out of the show-cause notice dated 7th September, 2001 issued by Reserve Bank of India on All India Reserve Bank

Employees' Association (AIRBEA), threatening withdrawal of recognition alleging violation of "code of discipline" and for observing strikes, mass deputations, dharna etc. The UFBU considered this move

of RBI management was unprecedented and a direct attack on the trade union activities in the banking industry. The lead taken by the RBI management might be a precursor to similar steps of other bank managements in their pursuit

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of Govt.s declared policy to curb and cripple trade unions and their rights in the name of "reform". The economic policies initiated in 1991 were ill conceived and anti-employee in nature and quite expectedly the trade union movement had raised loud protests against the same. The employees of RBI, who led many glorious struggles could not keep themselves away from this general

trade union movement and more particularly, from the movement in the banking industry. Moreover, RBI management had turned a deaf ear to the genuine problems and issues raised by AIRBEA and pursued with earnestness for amicable solutions. In the aforesaid background, AIRBEA and its members had to alternative but to participate in strikes and other measures of protests. The

management of RBI had initiated steps aimed at wishing away trade unions in RBI and elsewhere.

The UFBU urged the union Labour Minister to review the position and to withdraw the show-cause notice on AIRBEA immediately. The UFBU also made it clear that in case RBI authorities precipitated the matter, the UFBU will lend its full support, including strikes, to the AIRBEA.

THE AP STATE RTC STRIKE

1,25,000 RTC employees are on indefinite strike from 15th October under the leadership of Joint Action Council (JAC), opposing the anti State transport sector policies of TDP Govt., for better service conditions and demanding wage revision due from April 1st of this year.

The Govt. and the corporation are rejecting wage revision citing corporation's losses. RTC is suffering losses not due to its inefficiency, but due to pocketing of its income by the Government. Private operators are being given many concessions, while the RTC is being imposed with heavy burdens. While the RTC is charged 15% on earnings, the effective rate for private operators comes to only 9%. Tax on APSRTC is the highest among all the States. 234 crore rupees worth of concessions, which are given to different sections as a Govt. policy, are not being reimbursed to the corporation. Even as per Govt.

statement, RTC is foregoing another channel of income to a tune of 400 crore rupees per year, due to allowing of private buses on RTC routes, misutilising the permits.

Due to the above policies, the RTC is foregoing income of about Rs. 832 crore every year. It could get a profit of Rs. 618 crore, if these policies are reversed. But the Govt. is not prepared for this, as it had an agreement with the World Bank to privatise RTC.

Hence the Govt. is refusing to revise wages and is bent upon sabotaging the strike. It unleashed unheard of repression on the workers. In all about 1600 workers were arrested by 18th evening, 445 of them were booked under ESMA and sent to Jail. The police also arrested 260 CITU workers, for staging solidarity actions.

The Govt. is running private buses to sabotage the strike. Retired workers and those who were

removed from jobs on moral grounds were called for duties. Conductors and drivers are being newly recruited for strike period. Since beginning, the CITU stood in the forefront in supporting the strike and has took up several solidarity programmes like statements, holding demonstrations, distribution of solidarity pamphlets and importantly repudiating the wrong Govt. propaganda. On 18th all central trade unions held dharnas before district collector offices.

Left parties and Congress, in a meeting held on 18th, extended solidarity with the striking workers. A delegation of the opposition political parties comprising Congress (I), CPI (M), CPI, MCPI and MIM met the Chief Minister on 19th. They said the stir was avoidable but was continuing because of the rigid stand of Govt. As we go to Press, the talks between the Govt. and the JAC held on 19th broke down and the

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strike was continuing.

Unprecedented unity of the RTC

workers has brought to the fore,
the need to oppose anti people

policies of the TDP govt.,
irrespective of the strike result.

TU EDUCATION FOR WORKING WOMEN

A State level trade union class was held for working women activists on the 9th October at Bhubaneswar. The State Committee of CITU took initiative to organise the class and provided financial assistance for the same. 15 activists from Anganwadi, Paradeep Port and other State Government departments from 4

districts attended the class. Hemalata, Secretary, All India Coordination of Working Women explained the role and functioning of the working women's coordination committees at various levels and the importance of forming the subcommittees of working women within the unions. Bishnu Mohanty, General

Secretary, Orissa State CITU, explained the various legal provisions applicable to working women and their implementation. In the discussions that followed it was decided to strengthen the Anganwadi union in the State and organise a State level conference of anganwadi at Kendrapara.

ANGANWADI NEWS

Madhya Pradesh

The second Jabalpur district conference of the Anganwadi Workers and Helpers Union (Madhya Pradesh) was held on 14th September 2001 at Jabalpur. The presidium comprised Kusum Dubey, Alka Dubey and Sarala James. Anjana Korriya inaugurated the conference. The State Anganwadi union President, Manyata Saroj was the main speaker. Delegates from eight projects in the district attended the conference. Vidya Khangar, General secretary presented the report. 10 delegates participated in the discussions. The conference resolved to strengthen the union and intensify the struggles. The conference decided to hold a district level rally on 15th October 2001 at Jabalpur and submit a charter of demands

including filling up of vacancies of Anganwadi workers and helpers, timely payment of honararium, TA, fuel charges etc. A 21-member district committee was elected with Kusum Dubey as President, Alka Dubey as Working President, Vidya Khangar as General Secretary and Annapurna Sen as treasurer.

Haryana

A State level activists' meeting of the Haryana State Anganwadi workers and helpers union was held on 4th October 2001 at Jasbir Smarak, Rohtak. 32 activists from 7 districts, along with district CITU leaders, participated in the meeting. K. Hemalata, General Secretary, AIFAWH, explained how the policies of Globalisation pursued by the NDA Government are affecting the ICDS scheme. She reiterated the importance of

strengthening the union in order to resist the conspiracy to dismantle the ICDS. Satvir Singh, General Secretary, Haryana CITU, A.R. Sindhu, Secretary AIFAWH and Jagmati Mallik, President, Haryana State Anganwadi union also spoke.

The meeting discussed in detail the problems and prospects of the union in different districts and decided to hold project level general bodies. It was decided to complete the membership by November 2001 and to collect signatures on the memorandum to the HRD Minister by October 2001. Project general bodies were held in the districts of Jind, Panipat, Rohtak, Gurgaon, Hissar and Fatehabad in which Jagmati, Sindhu, Pushpa and district CITU leaders participated.

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MEETING OF ALL INDIA BEEDI WORKERS FEDERATION

The Working Committee of the All India Beedi Workers Federation met at Calcutta on 8th October. The meeting took stock of the State-wide preparations for the joint March to Parliament programme on 27 November. All the trade unions had decided for a total mobilisation of around 30,000 Beedi workers in the programme,

out of which CITU alone had set a target of around 15 to 20 thousand workers from different States. It was noted that Bengal, Maharashtra, Madhya Pradesh/Chhatisgarh can mobilise around 5000 each and other States would mobilize as best as possible to fulfil the target. Conventions are being held in different states with other

forms of preparations. Fund for camping expense was being collected. The meeting decided to complete the conventions by the first week of November, so that proper assessment could be reported on the 2nd November joint meeting of all the trade unions to be held at Delhi.

CITU PROTESTS "Vietnam Human Rights Act"

M.K. Pandhe, General Secretary, CITU, has, in a letter to the US Secretary of State, lodged a strong protest against the "Vietnam Human Rights Act", adopted by the US House of Representatives. The letter reads:

"On September 6, 2001 the US House of Representatives adopted the so-called "Vietnam Human Rights Act" in gross violation of the UN Charter and the fundamental principles of international law. The contents of the act are based on absolute fabrication and distortion of ground reality in Vietnam and run counter to the basic interests of the peoples of Vietnam and the United States.

The US House of Representatives has ignored the undeniable fact that during the past several decades the rights of the Vietnamese people have been further promoted and perfected and the right to work and the right to enjoy the fruits of labour have been defended by the Constitution of the Socialist Republic of Vietnam, which is perhaps one of the first countries in the world to ratify the International Convention of the Rights of the Child. The rights and the status of Vietnamese women have also been progressively enhanced in the family and the society at large during this period. The Act is, indeed, an attempt by the US imperialists to browbeat

Vietnam into submission, which they were unable to achieve through the most barbarous and bloodiest war they had carried out against Vietnam, a war that was denounced by progressive and peace loving people all over the world.

In view of the above, the Centre of Indian Trade Unions (CITU) together with its 3 million members strongly condemns and resolutely rejects the "Vietnamese Human Rights Act" adopted by the US House of Representatives and demands that the Act, which stands nowhere near the real situation in Vietnam, be withdrawn with immediate effect."

'Voice' Becoming Monthly

The CITU has decided to make "The Voice of the Working Woman", bi-monthly journal of the AICCWW (CITU), a monthly.

The new rates of subscription will be Single copy Rs.5/- and Annual Subscription Rs. 40/- per copy. Send your MOs/DDs favoring the 'Centre of Indian Trade Unions' payable at New Delhi to "The Manager, The Voice of the working Woman, 13 A, Rouse Avenue, New Delhi 110002 from January 2002.

USA: VOICES AGAINST THE WAR

In spite of the lies, false news which aim at preparing people to accept war, anti-war coalitions are being set up in the United States themselves...

The International Liaison Committee of Workers and Peoples publishes for you all the pieces of information sent by labour activists in the USA telling about the many declarations and initiatives for Peace multiplying among the youth and labour movement in the United States.

The Executive Bureau of United Electrical, Radio and Machine Workers of America (UE), declared: "Like all Americans, the members of the United Electrical, Radio and Machine Workers of America (UE), are devastated by the mind-numbing loss of life caused by the terrorist attacks of September 11, 2001... As we mourn and as we rage, we also declare our resistance to efforts to use this tragedy to curtail our civil liberties or to engage in military adventures that can lead only to more carnage and senseless loss of life. Our greatest memorial to our fallen brothers and sisters will be a world of peace, to learn and understanding, underscored by the solidarity of working people".

In California, the San Francisco Labour Council of AFL-CIO stated:

"... Many of those killed were union members and other workers killed on the job. Our hearts go out to our sisters and brothers and their loved ones. We particularly honour the rescue workers who continue to risk their lives to save others... We reject the idea that entire nations should be punished for the actions of a few. Bombing raids and military strikes will only fuel an endless cycle of revenge that can only bring the deaths of more innocent civilians, both here and around the world.... We also declare our resistance to efforts to use this tragedy to curtail our civil liberties. Militarisation of our society inevitably leads to erosion of civil liberties and workers rights."

In Berkeley, about 4,000 students attended a free speech candlelight vigil for peace on the evening of September 9th. Most people spoke out against the US responding with violence and for the defence of Arab American and Muslims civil rights.

Since then, thousands more have attended other vigils, marches, sit-ins and rallies against war and racism in Berkeley, Oakland, Concord, Fresno, Mendocino and San Francisco.

At both Copley Square in Boston and Harvard Square in Cambridge, large vigils were held mourning for the dead and calling on the US government not to respond to the terrorist attacks with more violence on September 12th.

In Washington DC; hundreds marched in a candlelight Peace Vigil from Adams Morgan to Dupont Circle on September 14th with a message of sorrow for the victims of these tragic events and of hope that the cycle of violence can be broken. Major pro-peace, anti-racism actions are planned for Washington in the coming weeks and months.

In New York, several thousands mourners, largely peace supporters, gathered the same night in Union Square for the city's largest vigil up-to-the-point since the catastrophic attack on the World Trade Centre. Proposed plans to send ground troops into Afghanistan were widely criticized.

We are against war. Peoples and workers the world over are against war. For they know that war would mean increasing exploitation and oppression under the lead of the IMF, the EC and the Trilateral, leading to deregulation, unemployment, destruction of education and culture, destruction of factories, desertification of the countryside in all countries on all continents.

War would mean new steps toward the subordination of Labour organisations and first of all the trade unions to the State, which would endanger their independence.

Every minute, governments throughout the world are wasting away \$ 2 millions for military budgets. This is our duty to fight and help peoples and workers to save humanity from war their own activities.

Governments beware of people and Peoples' revolt, War no!

(Excerpts from a report from International Liaison Committee of Workers and Peoples Paris)

UNABATED LOOT OF PEOPLE'S MONEYS

Ardhenda Dakshi

The assault on the Indian economy during the last three years of the NDA rule, is unprecedented. In the framework of Fund/Bank dictated policy regime, amateurish handling, deliberate mismanagement and to top it all, rampant corruption—all are taking their aggressive toll. The financial and industrial sectors are witnessing the most frightening scenario ever seen in post-independence period. The 1991 crisis of balance of payment can be termed only an affliction of 'flu' in comparison to today's symptoms that resemble the cancer, developing into a terminal case.

Indiscipline and corruption among the ruling politicians and the owners of industry and commerce have set in a rot.

For the first time this year, perhaps, nobody has ventured to raise money from market to start a new company. IPO or Initial Public Offer, as it is called, is almost zero this year, as the business confidence has come down, again almost to zero. Gone are the days when IPOs raised more than one lakh crore per year and such offers were oversubscribed 4, 5 or 10 times of the amount sought for.

Loans advanced by the banks are not being paid back. The amount is staggering. The principal amount is Rs 72,000 crore by now, coupled with interest, it will exceed Rs1,20,000 crore, according to bank trade unions. Finding no way out, banks are rescheduling the payment terms, lowering the interests, writing off a good amount of loan and what not. And in the name of slow-down, the willful defaulters are deliberately swindling the country's resources. The banking system is afflicted with two mortal diseases. The unpaid loans are huge and undisbursed cash is also huge with no or negligible returns. The deposits are there on which interests have to be paid but loans are there on which the companies are not paying interests. It is only a matter of time that banks will collapse under this burden and people's money will be lost.

Prominent financial institutions like UTI, IDBI, IFCI, ICICI are in still worse shape. There is not a single

corporate house that has not taken huge loans from these institutions and almost all of them have not paid back the major part of the money. The steel sector alone has been advanced more than Rs 30,000 crore which have gone bad. The health of steel industry has further deteriorated. Since 1998 till today there is little chance of recovery of most part of the loan. Mittals, Ruia's and Guptas, Jindals, all of them are at fault, and the Government is only trying to help them by giving further loan to 'complete' their projects.

A conservative estimate shows that more than 1000 companies have raised money from market, took huge bank loans, sold their shares to UTI, IFCI, IDBI, ICICI, prices much higher than market prices, and then vanished. The Govt., the RBI, the SEBI, the CBI are all mute spectators. Not a single operator has been arrested or jailed. The picture is worse with cooperative banks. The Ministry has acknowledged that 95 cooperative banks have failed to pay their deposits insurance premiums for the past 3 years, which signify that those have gone burst.

Literally loot is going on. What is the need to innovations in technology, what is the need to become competitive in business? What is the need to take great pains to develop the economy, if they can become rich simply by swindling the country's resources?

Now the Government wants to give them further concessions. Lower interest, liberal guarantee norms, all sorts of incentives for exports (real or imaginary), - easy money, despite all their misdeeds. Nobody has been forced to pay back loans, nobody has been jailed for diverting bank loans to other unauthorised purposes, neither any bank nor any financial institution has blacklisted anybody; and that helped them to borrow money from all the banks one after another.

Even capitalism needs some discipline. Several reports warned the Government about the misdeeds, some from foreign independent agencies, but the Government didn't move. It cannot move because these swindlers are running the Government.

(We reproduce herein the Excerpts from the declaration adopted at the meeting of the Co-ordination Committee of Public Sector Trade Unions held on Oct 1-2 at Kolkata. See page 17 for related report. - Editor)

CALL FOR ACTION BY PSU TUs

This meeting of the Co-ordination Committee of Public Sector Trade Unions expresses grave concern at the mad and desperate drive of the BJP led Government at the centre to liquidate the entire Public Sector Network from the country's economic map. Not even a single day did pass when the Government does not declare their decision of either sale or closure of various public sector units.

The meeting notes with dismay that while the profit making Public Sector Units are placed virtually for distress sale at throw away prices; the sick public sector units are being pushed towards closure by the Government's deliberate denial for the funds for revival. The rabid anti- public sector policy of the Government is evident from the fact that they are ready to spend more for closing down the public sector units concerned (on account of VRS etc) but no revival. In compliance with the dictates of the imperialist forces abroad and the big business houses in the country, the NDA Government has become hell- bent in completely destroying the economic and industrial base of the country.

The meeting of the co- ordination committee also expresses its anguish and condemns the shameless indifference of the Government towards non-payment of salaries to the workers of various PSUs, ranging even up to 20 months in some cases. These workers are even denied the statutory dues.

This meeting strongly condemns the role of the Union Labour Ministry who are granting permission under section 25(o) of the ID Act to close down Central Public Sector Industrial Units by-passing the concerned State Governments. Even industrial units under the consideration of BIFR are being permitted to be closed down.

The co-ordination committee expresses serious concern at the atrocious move of the Government of India to effect wholesale retrograde changes in labour laws. Such steps are aimed at denying basic democratic trade union rights and protection of labour laws to the working class and on the contrary granting the employer class atrocious authority to resort to indiscriminate lay-off,

closure, retrenchment and massive contractorisation. In nutshell the Government has declared a war against the trade Union movement trampling under foot all basic norms of democracy. The recent threat of the Union finance Minister to withdraw the recognition of All India Reserve Bank employees Association for taking part in strike has thoroughly exposed the intolerance of the BJP- led Government towards the trade unions.

The co-ordination committee firmly opines that the countrywide united struggle by the public sector trade unions is the urgent need of the hour to defeat the anti- national and anti- worker policies of the Vajpayee Government. The public sector trade unions must undertake the task of mobilizing not only the entire workforce irrespective of affiliations and also the common people against in the struggle against such policies of the Government. The co-ordination committee urges upon the CPSTU- the joint platform of the united movement of the public sector trade unions to take immediate initiative in that direction.

The co-ordination committee welcomes the joint call given by the Central Trade Unions of the country (including INTUC and BMS) to hold countrywide protest against imperialist Globalisation policies on the 9th November, 2001 in response to the call of the three international trade union Centres viz., ICFTU, WFTU and WCL for observance of anti- globalisation protest day all over the world.

The co-ordination committee decides to observe the following programmes of campaign throughout public sector units all over the country.

- 1) Holding of industry-wise massive conventions of all workers.
- 2) Observance of a 'Protest-day' on 19th October 2001 against "Closure, Privatisation and attack on Labour Laws" through demonstration/ dharna etc.
- 3) Launch massive campaign to ensure active participation of the public sectors in the ' Global Protest-day against imperialist Globalisation' on 9th November 2001.
- 4) Prepare for a massive countrywide united strike action and long-drawn struggles.