

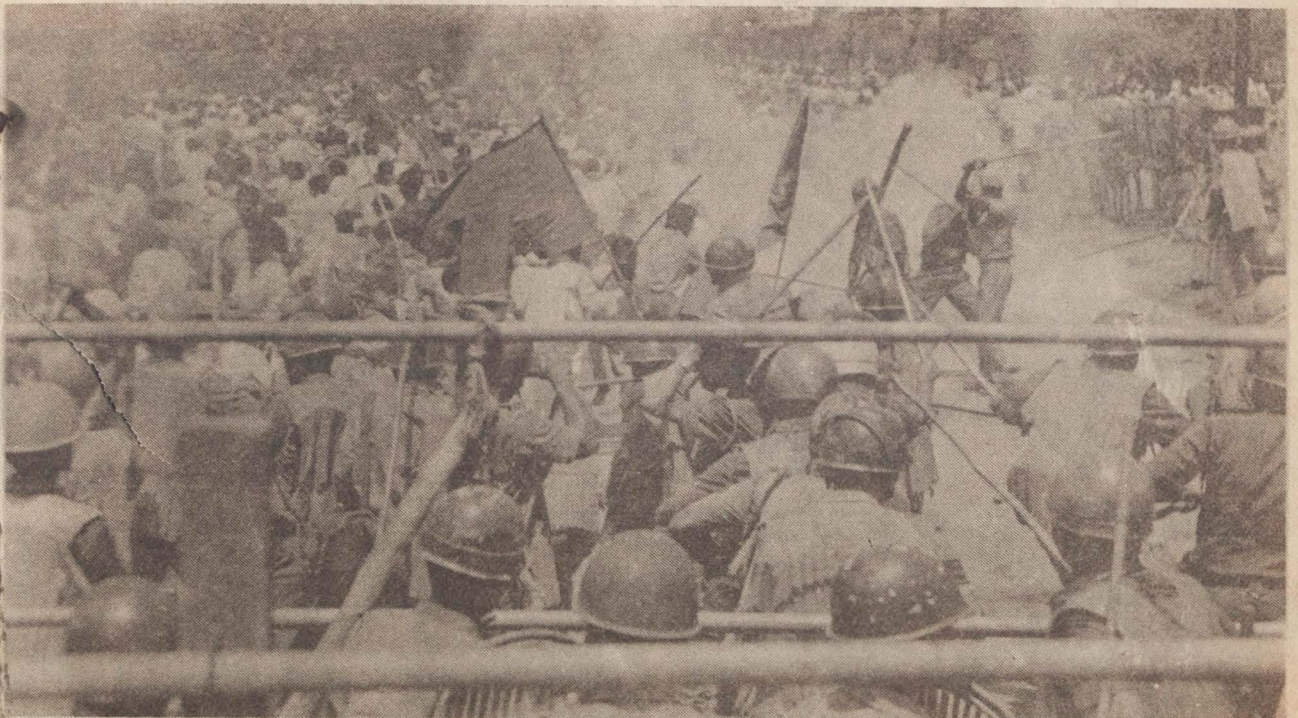


THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

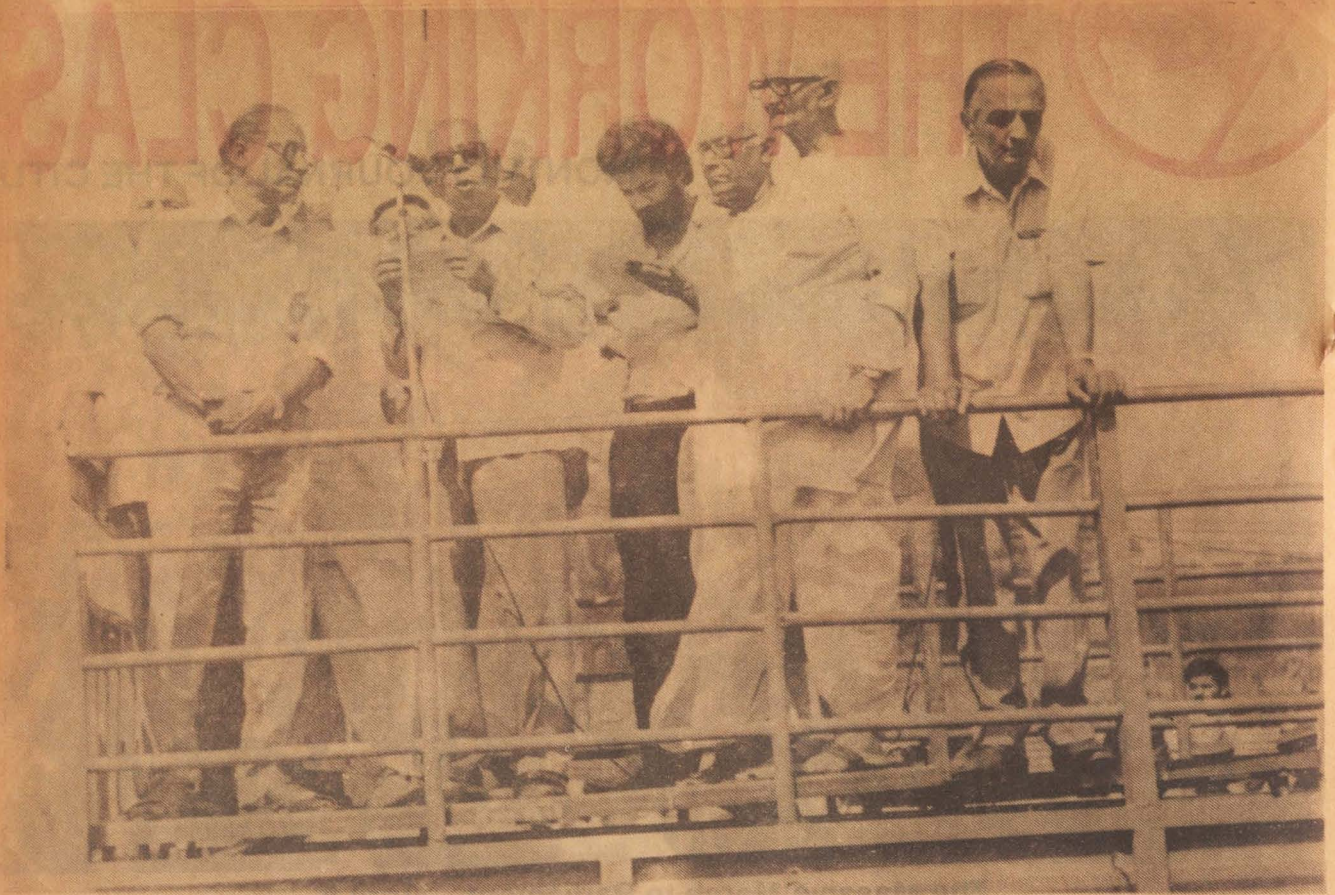


The Massive March to Parliament —April 5



The Battle Begins

May Day Manifesto of the CITU on Centre Pages



M.K.Pandhe, General Secretary. CITU reading out the Declaration



The Lathi Charging Police

APRIL 5 MARKS THE START OF MILITANT BATTLE

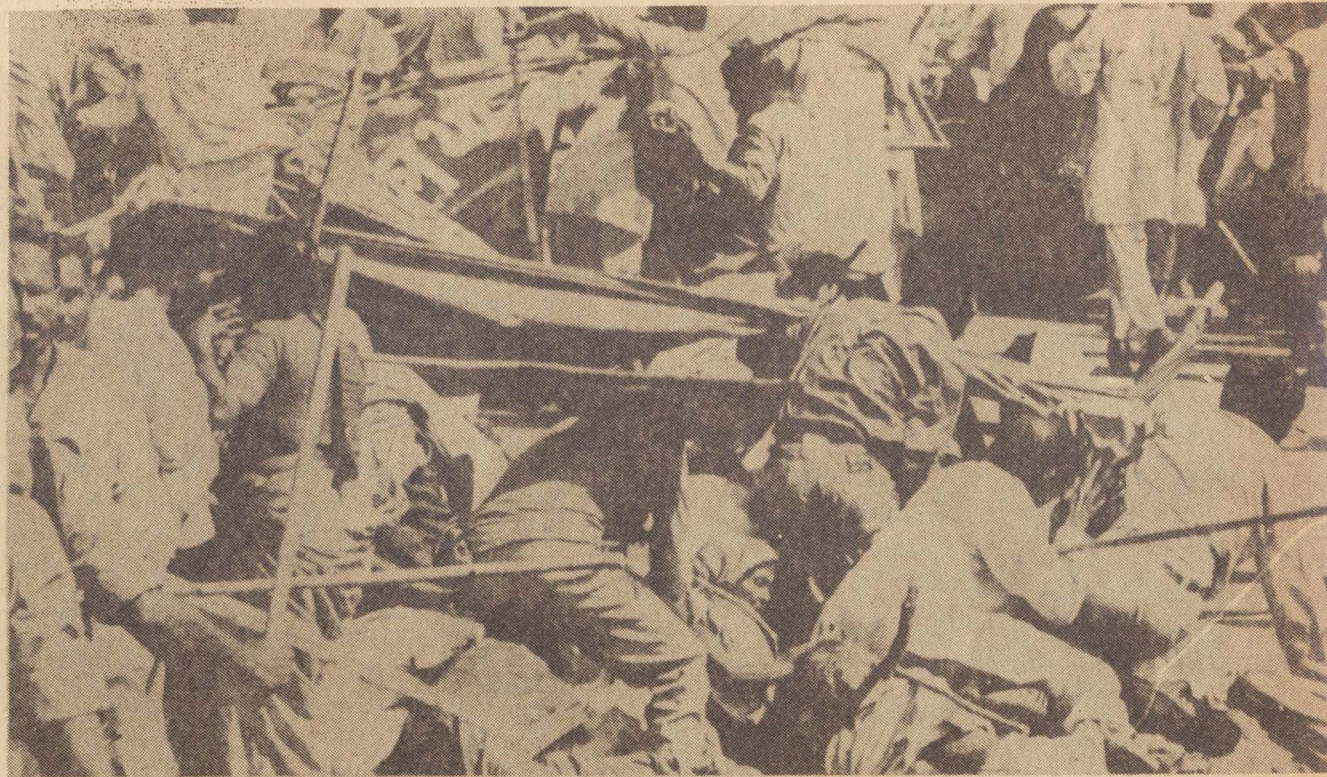
□ P.K. GANGULY

April 5, 1994 sparked off the first militant battle by the mass organisations of India against the neo-colonial offensives unleashed by the US led imperialists through their international monetary and trade organisations, viz the IMF, World Bank and GATT. The struggle that started in July 1991 following the Narasimha Rao Government's adoption of the near IMF dictated economic policies, and progressively developed militancy through two countrywide industrial strikes on November 29, 1991 and 16th June, 1992, a million strong rally before Parliament on 25 th November, 1992 and then the Bharat Bandh on 9th September, 1993, culminated on 5th April in head-on collision between a force of over 200,000 people and a barrage of police force armed with all lethal weapons. The scene of the battle ground was the capital of the country, New Delhi. The entire area from behind the Red Fort to Raj Ghat, the over 2 Km

long Ring Road with sprawling grounds both way witnessed pitched for over three hours. The police truly behaved as the most organised violent force the bourgeois-landlord government, standing as watchdog to protect the interests of the tentacles of imperialism - the giant Transnational corporation. The police had constructed three rows of 8-feet high steel structure covered with barbed steel nets at Raj Ghat and other crossings over a wide length of area and cemented on the roads to make it impregnable at any cost-a declaration of war indeed!

BRUTAL REPRESSION

It was the most brutal onslaught by the police since independence on the democratic aspirations of the people, but equally matched by the determined action by the masses to safeguard the sovereignty of the country from the neo-colonial offensives and from its slipping into the



Anti-Dunkel rallyists being lathicharged by the Police outside Raj Ghat on 5 April

re-independence days. Nearly 1000 teargas shells were fired, both short range and long range, which was the maximum since 1971, as admitted by the Police Commissioner himself. Not only teargas, but the people were lathi charged at random, subjected to water-cannons and rubber bullets, and mounted police ran amuck to kill the people. Hundreds including women were injured, a number of them seriously and were hospitalised. One blind elderly person, a freedom fighter was seriously beaten down by the police and taken to jail. True to their diabolical character, the police inflicted large number of persons with concocted charges of attempt to murder etc.

The entire episode exposed to the skin the authoritarian character of the Narasimha Rao Government and a corrupt, anti-national elite headed by the Prime Minister himself committed to the imperialist agencies for a virtual sell out of the country.

All over the world the people do have the right to demonstrate before the Parliament. In India, the Boat Club, the traditional place for demonstrations before Parliament, where the 25th November '92 one-million rally was also held, was banned for entry

by the Fund-Bank imposed "democracy". People were asked to go to the Red Fort, which was already booked by the Sangh Parivar, who were allowed to demolish the Babri Masjid, and now allowed to march to the Ramlila Grounds one day later to demonstrate their fiction of opposition to Dunkel. This left the mass organisations practically no place even to assemble the mass of two lakhs, not to speak of any movement further. So the vast humanity was huddled together like the sheep are thrust into the Pen, in a narrow one kilometer strip right before the camp for accommodation. So it was a dangerous manoeuvre of the police to lay the siege and then attack to cause a worst stampede and get perished in it. It was as if a pre-planned war exercise by the Government on its own people.

THE BATTLE STARTS

The people, however were not provoked by such nefarious designs. After the Declaration of the rally was read out by M.K. Pandhe, General Secretary of the CITU, 5,000 frontliners consisting of workers, peasants, agricultural workers, students, youth and women led by their leaders



Workers being teargassed at Rajghat

marched on to break the impregnable cordon. The battle started. The first line of the barricades was shaken amidst sky rendering slogans. A barrage of tear gas shells followed. But the people were undaunted. The injuries were overwhelmed by militancy. A temporary retreat and again charged the five thousands. The police fired tear gas relentlessly, fired rubber bullets and water cannons. Again a temporary retreat, and then the people charged again, practically enmasse from different angles of the vast grounds spilling over the Vajay Ghat, Raj Ghat, Vir Bhoomi, Shanti Van, Shakti Sthal, Daryaganj, crossing, etc. It was an equally planned demonstration of militancy by the mass without any stampeade, utilising their right of self-defence and asserting the right to march to Parliament. The police got crazy. They could not depend on the impregnability of the barricades. They charged the crowd with lathis, rubber bullets, water cannons, mounted Police and exhausting the in incalculable stock of tear gas shells, some of which fell right before the camps, a distance of about 2 Km from the Raj Ghat barricades. The pitched battle continued for over three hours.

AT OTHER POINTS

But the battle for freedom of expression was not in vain. The Raj Ghat was not the only point from where the people struggled to reach the Parliament. Right before the Parliament building near the crossing of Talkatora Road and Parliament Street, small groups of workers, peasants, agricultural labour, students, youth and women started assembling from different points. Within a short time over one thousand comrades gathered there, unfurled the red flags and started running towards the main Parliament gate. The police was caught napping. Soon a huge armed force arrived and the main Parliament gate was turned into another battle field. Tear gas, water cannon, lathi charges all were showered recklessly. Casualties followed with arrests and detentions.

Another group of several hundred workers converged at India Gate from various directions and fought a mini battle with the police, pushing them towards the Boat Club before dispersing.

ITO points one of the busiest crossings of Delhi witnessed yet another battle of the police with



Baton-wielding policemen use water cannons and teargas to disperse Anti-Dunkel protestors at the Parliament House gate

several thousand workers coming from the industrial centres of Faridabad, Ghaziabad, Okhla and the adjoining areas.

Practically the entire city of Delhi and New Delhi was turned into a vast battle ground with the anti-Dunkel protesters. A number of Members of Parliament and women sustained injuries along with the leaders and activists of all the mass organisation. Traffic in the entire city was dislocated for the better part of the day.

A LANDMARK IN UNITED OPPOSITION

5th April thus became a landmark in the united opposition of the people against the IMF-sponsored economic policies and the notorious GATT agreement. But as stated above it was the beginning of the real battle which was amply displayed by the people by their anger and determination to further step up the militant pressure to nullify the GATT agreement and reverse the economic policies.

The declaration gave the clarion call to observe 15th April as a Black Day, when the stooges

of imperialism had decided to sign on the dotted lines at Marrakesh. The same evening the National Platform held a crowded press conference, denounced the police violence and announced the 15th April programme of burning effigies of Dunkel Draft and their Indian hinchmen - the trio of Narasimha-Manmohan-Pranab in particular. (The 15th April observation is being published separately.)

NEXT PHASE OF ACTIONS

The National Platform met on April 19, reviewed the 5th April experience and the observation of Black Day on 15th April and decided to further intensify the united action programmes in a continuous manner. It warmly congratulated the mass organisations and the workers, peasants, agricultural labour, students, youth, women and other democratic and partiotic sections for their active participation in scores of rallies all over the country apart from Delhi on April 5, as well as in the massive countrywide Jathas which culminated on



An Injured person being carried away in front of the Paliament

5th April.

It decided to hold another mass convention at the Talkatora Indoor Stadium, New Delhi on 21st June, 1994 to give the call for the next action programme. Before the national mass convention, an all India TU convention will be held by early June to take up the issue of sick units in private and public sector. The INTUC and BMS will also join this convention. Besides, industrywise consolidation and conventions have also to be organised in different industries with the participation of INTUC and BMS.

LEFT PARTIES CALL FOR CIVIL DISOBEDIENCE MOVEMENT

The left and opposition democratic and secular parties also denounced the police repression and congratulated the mass organisations for their mighty united opposition to the policies and called for civil disobedience movement to be launched throughout the country from 16th August. Enrolment of one million volunteers will commence from the May Day.



Anti-Dunkel protestors, gathered at the camp behind the Red Fort enacting a street play to express their apprehensions of US mischief in the draft



The Battle Continues

WHAT THE PRESS SAYS ABOUT THE RALLY

1) Economics Times

The First major protest rally against the Dunkel proposals on Monday, reinforced the Opposition's determination to take on the Rao government on its decision to sign the agreement. At the same time causing concern in government circles if the matter could snowball into a major campaign issue later this year.

The activists of Left parties and trade unions on Tuesday fought pitched battles with the police in different parts of the Capital.

2) Pioneer

The anger of the common man against the Dunkel proposals was at full display at Raj Ghat. Around 1.25 lakh people who rallied under the banner of National Platform of Mass Organisations on the Dunkel issue, gave the Delhi Police a run for life, before they returned to their makeshift camps behind Red Fort on Tuesday.

For three hours the stretch from Raj Ghat to Red Fort turned into a arena of pitched battles. The cops fired an unprecedented number of tear shells to stop the Red Brigade.

Chaos Reigned in the Capital on Tuesday as traffic was severely disrupted for better part of the day due to the rally.

The Delhi Traffic police personnel and Home Guards had a difficult time controlling the heavy flow of vehicles due to numerous diversions.

3) Telegraph

The Left sponsored anti-Dunkel rally turned violent today, with the police resorting to massive lathicharge and teargassing to disperse the two-lakh protesters.

The peaceful grounds of Raj Ghat turned into a battle arena with the police lobbing teargas shells for over two hours to disperse the protesters; Scores of demonstrators, including several MPs, were injured in the confrontation. Six CPI(M) MPs from West Bengal were also detained by the police.

4) Stateman

Life in the Capital was disrupted as clashes between 100,000 anti-GATT rallyists heading towards Parliament House and police erupted at 10 places in the Capital on Tuesday morning. Over 90 people were injured, some of them seriously. Police arrested 18 people for rioting and attempted murder and detained over 350 before releasing them later

in the afternoon. Police and the organizers of the rally, the National Platform of Mass Organizations, blamed each other for the violence.

About a thousand activists, however, took police by surprise and reached the main gates of Parliament House where they raised slogans against the Dunkel draft and the GATT agreement. Police used water-cannons to disperse the crowd.

5) The Hindu

Thousands of workers of left parties laid a virtual siege to the capital today, lodging a vociferous and violent protest against the Governments "Unilateral" decision to sign the Dunkel Proposals in a "Complete sell-out of the country's economic sovereignty".

Making a mockery of "foolproof" arrangements made by the police to prevent the protesters from getting past Mahatma Gandhi's samadhi at Raj Ghat, nearly 1,000 of them managed to dodge the heavy security bandobast to reach Parliament House in the heart of New Delhi. The police there had to burst 27 tear-gas shells and resort to lathi-charge to disperse the surging groups. Several were arrested.

6) Patriot

At least 70 persons, including 43 policemen, were injured in clashes between the police and anti-Dunkel rallyists in the Capital on Tuesday. Nearly 350 persons were detained and 18 arrested on charges of rioting.

The area near Raj Ghat, Vijay Ghat and Shantivan resembled a battlefield. It was here that the rallyists fought pitched battles with the police for over three hours.

7) Financial Express

The scene near Raj Ghat, Vijayghat and Shantivan resembled a battle field. According to eyewitnesses, more than a thousand teargas shells were burst by the police to control the massive crowds. The effect of the teargas continued for more than four hours in large areas on the Ring Road near Rajghat.

8) Business And Political Observer

The confrontation between the agitators and the police led to several casualties including MPs, youth and women, when, according to the police, lathicharge failed to deter the crowds. The police

had to use teargas shells to drive away the rallyists when they became "unruly" on the Ring Road near Raj Ghat and tried to break the cordon, police sources said.

Then amidst heavy pelting of stones, the police resorted to lathicharge, water canons and teargassing. The pitched battle extended into the Raj Ghat complex where four policemen were seen bodily lifting an injured person.

9) Indian Express

New Delhi, April 5. Several hundred people, injured when nearly one lakh Left activists, protesting the GATT proposal, fought pitched battles with the police for over two hours on the Ring Road stretch behind Red Fort here today.

As unruly anti-Dunkel rallyists hit the capital like a swarm of locusts on Tuesday morning, vehicular movement became the first casualty. Cops were targeted much later, Traffic chaos and bottlenecks in parts of North, East and New Delhi gripped the city like never before.

10) Times of India

Several hundred people, including policemen, were injured when nearly one lakh left activists, protesting the GATT proposals, fought pitched battles with the police for over two hours on the Ring Road stretch behind Red Fort here today. Mounted police rode through the lawns of the Vir Bhumi and Shakti Sthal (Indira Gandhi's memorial) to strike at the demonstrators. Police later said arrows coming in from the direction of the crowd hurt three of their men, including an additional commissioner.

Meanwhile, there were a series of clashes between the protestors and the police on the Ring Road. The activists would run down a part of the kilometer-long stretch towards Vijayghat and, after a brief lull, pelt stones from the front and sides. They charged at the police waving flagstuffs.

11. Hindustan Times

Widespread clashes between police and protesters marked the Left Unions rally against Dunkel proposals in the Capital on Tuesday. At least 43 police personnel and over 50 protestors were injured in the free-for-all which continued for over two hours.

The extent of mob fury could be gauged from the fact that around 740 tear gas shells were expended in the battle which continued for over two hours.

THE DECLARATION

5th APRIL 1994

The massive demonstration of the National Platform of Mass Organisations consisting of workers, agricultural workers, peasants, students, youth, women and other toiling sections of Indian people strongly condemns the decision of the Government of India to sign the Dunkel Proposals (GATT) on 15th April 1994. The Indian Government shamelessly defended its decision in Parliament to sign such a treaty which is a sellout of the national interests. These proposals provide for unhindered loot of the Indian people by the multinational companies in collaboration with Indian monopoly capital. It further endangers India's national sovereignty and self reliance.

Despite all round condemnation by the democratic opinion in the country through demonstrations, rallies, conventions, jathas, the Government of India is going ahead with its retrograde Industrial and economic policies and with the Dunkel Draft proposals due to the pressure of the World Bank, the IMF and the U.S. imperialists. The demonstration therefore firmly demands that the Government of India should not sign the Dunkel proposals and reverse the new economic policies.

This demonstration denounces the refusal of the permission by the Government of India to demonstrate before Parliament which is a down right attack on the democratic rights of the Indian people. It warns the Govt. of India that it would be solely responsible for the consequences of this autocratic step.

The demonstration decides to accept the challenge of the Government of India and calls upon the participants to assert their democratic right to hold protest rallies before the Parliament of India.

The demonstration calls upon all mass organisations to observe 15th April as BLACK DAY when the Dunkel draft will be signed, by holding protest demonstration, rallies and burning effigies, etc. of the Dunkel draft all over the country.

The demonstration appeals to the people of India irrespective of their affiliations to intensify their struggle against the draconian policies of the Government so that voice of protest is raised all over the country to squarely defeat these anti-national, anti-people policies.

Contrywide Observance of Black Day

Just Ten days after the 5th April battle, the people again rose to action to observe 15th April as the Black Day in India, when Pranab Mukherjee, the Union Commerce Minister signed the GATT proposals at Marrakesh, Morocco on behalf of the supine Indian Government. The day will go on records in the country as the worst betrayal by the Government against the people. The Government discredited itself on the day making it unfit to represent the people, signing on the dotted lines despite total oppostion from all sections of the people.

The anger of the people burst out on the day throughout the country explicitly demonstrating that the government may try to sellout the country to the Transnationals, but the people will not allow it, to do so.

At Delhi thousands assembled at Jantar Mantar Park and marched towards the Parliament. They were stopped near the Parliament Street Police Station. A mass meeting was held there and effigies of GATT and Narasimha Rao were burnt on the spot. Another group of workers, peasants students, youth and women reached the North Block gate and burnt effigies there. Yet another group assembled at the South Block gate and burnt effigies there.

At Lucknow, Kanpur, Varanasi, Gorakhpur and other places in UP similar actions were launched. Train services were dislocated for several hours.

At Bangalore the police lathicharged the people holding demonstrations and burning effigies. At Hyderabad in a massive turn out effigies were burnt in front the All India Radio. Com. H.K.S. Surjit, General Secretary of CPI(M) addressed the rally.

A massive rally was held at Dharmatala in Calcutta and effigies of GATT, Narasimha Rao, Man Mohan Singh, Pranab Mukherjee were burnt.

Throughtout Kerala demonstrations were held and effgies were burnt. Workers and employees wore black badges protesting against the signing.

At Agartala, Tripura, thosuands of workers , peasants, students, youth and women held a rally and burnt effigies.

Big rallies were held at various places in Punjab, where effigies were burnt.

At Rajasthan massive rallies were held at Jaipur and other places and effigies were burnt. Madhya Pradesh observed the day at Gwalior and other places. Industrial workers and employees observed the day in different industrial centres of the country.

National Platform of Mass Organisations

Press Statement

New Delhi, 16-4-94

National Platform Congratulates People for observing 15th April As Black Day

The National Platform of Mass Organisations warmly congratulates the workers, peasants, agricultural workers, students, youth, women and other democratic and patriotic sections of the people for observing April 15 as Black Day throughout the country against signing of the Dunkel Draft by the Govt of India.

The Platform condemns the Government for signing the diabolical Dunkel Draft which undermines the economic independence and self-reliance of the country and mortgages its sovereignty to the imperialist countries headed by the USA. The new World Trade Organisation, which replaces the GATT, will create a new imperialist regime to have economic dominance over the people of the third world countries in particular. Apart from all other industrial sectors, it will for the first time have access into the agricultural, service and the financial sectors of the country and into its Intellectual Property Rights. It will lead to a process of all round deindigenisation and deindustrialisation of the country and expose the people to the ruthless exploitation by the giant Trans

National Corporations.

It is reprehensible that defying all democratic opinion and massive countrywide protest actions on April 15 and the March to Parliament by over two laksh people at Delhi, the Govt went ahead to sign on the dotted lines to please its mentors, the IMF and the World Bank.

As per reports, massive demonstrations and rallies were held in all the states and in the capital on April 15, which was declared as the Black Day by the National Platform. Demonstrations and rallies have been reported from even the villages and every nook and corner of the country. Effigies of Dunkel Draft was burnt by the people braving police repressions and lathi charges which caused serious injuries to many. The Platform condemns the police repression on the people.

The National Platform decides to further intensify the united opposition and carry forward the struggle to force the Government to nullify the signing and reverse the economic policies. The Platform has decided to meet on April 19 to decide the next phase of countrywide actions against the Dunkel proposals and the economic policies. It appeals to all sections of the people to actively support the movement of the platform.

Agreement Reached on NTC, But Struggle Continues

□ P.K. GANGULY

After prolonged discussions and a stalemate created by the Government for a period, the Special Tripartite Committee ultimately reached the following unanimous agreement on the public sector National Textile Corporation mills in its meeting held on April 9, 1994:

1. The reports given by the Textile Research Associations show that the NTC mills as well as Taken over Mills can be made viable by modernisation.

2. Modernisation/Rationalisation therefore should be carried out in consultation with the unions.

3. There should be no retrenchment.

4. There should be no privatisation.

5. Taken over mills would be nationalised.

6. Surplus land may be disposed of and the proceeds should be utilised by the Management for modernisation, working capital, etc.

7. Professional management should be strengthened both in the Holding Company and at the subsidiary levels and representation of trade unions should be ensured upto Board level for effective participation of workers in management at all levels from unit to Holding Company level.

8. Steps shall be taken to move the BIFR to accept the above proposals and close the cases.

It is to be recalled that in pursuance of its policy of gradually dismantling the public sector, as a part of the new economic policy, the Government had formulated a so-called Turn Around Strategy for the NTC mills. This strategy was formulated bypassing the trade unions and in gross violation of the decisions of the Tripartite Committee in Textile Industry. According to this strategy, 42 sick mills were to be closed down out of a total 122 mills, throwing out of job about Eighty thousand workers, employees and officers through voluntary retirement scheme(VRS), out of about 1,37,000 workforce. The Government's scheme was thus to run 80 mills it only about 57,000 workers. Over Rs.800 crores were earmarked for VRS in the scheme. This Rs. 800 crores were taken from the National Renewal Fund (NRF), which has been built by taking 500 million dollars from the World Bank. A

paltry sum of Rs.532 crores were kept for modernisation of 79 mills.

Policy of Destabilisation of Public Sector

It is to be noted that these 122 mills were discarded by the private sector as the weakest mills in the textile industry. These mills were taken over by the Government and nationalised in 1974 and the NTC was formed. The Government's policy that time was to establish the public sector. Over two lakh workers were employed in the NTC and the mills earned profits too. But over the period particularly since the 1985 economic policy, the government started destabilising the public sector. The NTC mills started getting sick and the workforce was reduced to about 1,37,000 through VRS and other methods. During the period the trade unions made consistent demands to modernise the mills. But the Government paid no heed to the demand. Now under the present IMF-dictated policies the Government wanted to close down 42 mills and further cut down the workforce by another 80,000 by its so-called Turn Around Strategy.

In the face of united opposition by all the trade unions, the Government constituted a Special Committee on NTC and a small Sub-Committee thereof and asked the four Textile Research Associations in the country(BTRA, SITRA, NITRA and ATIRA) to formulate a revival scheme for the NTC mills. According to the scheme of these research associations (TRA), 18 mills are to be closed down through merger(instead of 42 mills as per the Govt's scheme), and 70,000 workforce is to be cut down (instead of 80,000 as per the Govt's scheme). Over 30,000 workers and employees have already been forced out through VRS. Thus the TRA's scheme wants to reduce the workforce by another 40,000. The Government is now getting stiff resistance from the workers to its VRS scheme. It therefore tried to get the commitment of the trade unions in the Special Committee to this diabolical VRS/merger scheme drawn by it and the TRAs, which the trade unions rejected.

Volte Face By The Government:

It is to be noted that the govt had constituted the committee after having amended the Sick Industrial

Companies Act and having referred 8 out of the 9 subsidiaries of the NTC to the BIFR despite total opposition by the trade unions.

Throughout the period, the government spokesmen went on threatening and blackmailing the trade unions that if they do not agree to the TRA's scheme in toto, the BIFR would liquidate the entire NTC. But the trade unions refused to surrender to the blackmail and opposed the merger/VRS ploy. They demanded modernisation of the mills in consultation with the trade unions. After prolonged discussions they gave a five-point formula to resolve the issue. The five-point formula was ultimately accepted by the Sub-Committee on 22nd December 1993. It was even circulated as a resolution of the Sub-Committee in the Special Committee. But in the Special Tripartite Committee meeting held on 9th February, 1994 the Government made a volte-face and sought several amendments in the resolution and resorted to its blackmail methods, asking the trade unions to sign on the dotted lines. But the trade unions stuck to their guns unitedly and ultimately the Government was compelled to arrive at the above agreement on 9th April.

The Agreement:

The feature of the agreement was that the demand for modernisation of mills was accepted, and the modernisation has to be done in consultations with the trade unions (vide points 1 and 2).

The three vital commitments made by the Government are that there should be no retrenchment, there should be no privatisation and that the taken over mills (15), which the Government had refused to nationalise for the last 20 years, would be nationalised first, and then modernised. This is a significant achievement, that in a period of de-nationalisation and privatisation, the govt had to agree for nationalisation of the 15 mills. The commitment for no-privatisation is also linked with it and both together give a blow to the Govt.'s present policy. The no-retrenchment clause serves as a safeguard against reduction of workforce in any manner, which was the determined stand of the trade unions.

The sale of surplus land was agreed upon by the trade unions, as there are some surplus land in some of the subsidiaries, which has been lying

totally unutilised since 1974 and would not be required under the present modernisation process. The fund collected can be utilised for modernisation, working capital, etc.

Another important point was that, to minimise bureaucratic control and corruption, the trade unions pressed for introduction of professional management and worker's participation upto Board level, which was accepted.

It is further to be noted that at one stage, on the suggestion given by some members of the committee (not trade unions), the Govt had circulated a minute that the Holding Company, would be dismantled and the workforce from the 9 subsidiaries will be drastically cut down and the management of the mills would be monitored by a small cell in the Textile Ministry. This would have meant that a large number of employees, supervisors, other officers and technicians would have to go. The CITU recorded is note of disagreement on this point and the other trade unions agreed with the CITU. Thus point No.7 in the agreement fomfirms that there would be no dismantling of the Holding Company and there would be no reduction in workforce, at any level. The Officers Associations in the Holding Company, as well as in the subsidiaries, who had already launched agitation, welcomed the measure and expressed their willingness to co-operate with the trade union struggle.

Since the above agreement was unanimous, the government has agreed to move the BIFR to accept it and close the cases pending before it.

Apart from above, on 9th April, the Government has also agreed to call another meeting of the Special Tripartite Committee to discuss and review the case of Mohini Mills of Bengal which has been denotified, and also the cases of the BIC mills of Kanpur. The issue of growing sickness of the private sector textile mills will also be taken up. It is to be noted that 132 mills in the private sector are closed rendering over two lakh workers jobless.

Area of Disagreement; Struggle Continues.

However, the agreement above is only a broad guideline of the Apex body and a conclusion of the battle in the Special Tripartite Committee with some positive factors in favour of the workers. This cannot be taken complacently by the workers. The

battle now is to be fought in the actual field at the mill level and at all India level.

Firstly, the Govt. must carry forward the modernisation process in consultation with the unions in right earnest on no- retrenchment basis, so that all the mills can start production in full capacity. The process must start immediately and the Government must provide budgetary support till the modernisation process is complete. This only can negate the continuing losses.

The modernisation process must also be directed to make an overall change in the textile policy of the Government, so as to develop the three sectors of the industry equally, viz the organised mill sector, powerloom sector and the handloom sector. This was the objective when the private sector mills were taken over and the NTC was formed. NTC was particularly entrusted with the supply of Hank Yarn to the handloom sector. But with the growing shift in the policy in favour of the private sector, the composite character of the organised mills are gradually being dismantled closing down the weaving section in favour of the powerlooms to allow huge profits to the mill owners. This has put the handloom sector in a precarious position. While the TRA's recommendations were to close-down the weaving sections in most of the cases, the trade unions demanded that the composite character of the mills must be maintained, or at least the spinning sections must be expanded by increasing the spindlage, so as to absorb the workers affected by closure of the weaving section. The trade unions also demanded that cotton has to be maintained as the main raw material and be supplied in sufficient quantity to the mills to suit the poorer sections of the people who constitute the overwhelming majority in the country. This need of the domestic market has to be the guiding factor in the modernisation process, because the techno-economic viability of the mills cannot be maintained if stress is given only to the production of costly synthetic cloth which can be catered only to the affluent sections of the society.

Although the Government and the TRA experts principally agreed to the above points, yet the TRA's recommendations are otherwise. The Government will not act in the above direction unless tremendous and unified pressure is put by the trade unions.

Area of Disagreement:

The area of total disagreement was on the issue of merger of 18 mills and curtailment of 40,000 jobs through VRS. The meetings witnessed heated

debate over the issue. Although the govt was committed to no closure technically, yet merger of mills meant closure. Although the government was committed to no-retrenchment, yet VRS is being forced upon the workers and it meant reduction in workforce. In the wake of the new economic policy, VRS merger is coming as the worst offensive in place of retrunchment/closure, as a part of the Government's nefarious game to have a smooth sailing of the Exit Policy. Even the managements of some mills in Bombay and Ahmedabad, which were visited by the Sub-Committee, reported that VRS had caused fall in production. The trade unions refused to commit to VRS or even discuss it as an agenda. They demanded that VRS must be stopped and the amount earmarked for it be utilised for modernisation. The trade unions thus rejected the merger/VRS part of the TRA's recommendations and maintained that modernisation has to be done in consultation with the trade unions at the mill level, without any reduction in workforce.

It is however obvious that the Government will put unusual pressure on VRS as reduction of workforce is the main objective of the government.

The VRS scheme formulated by the TRAs is simply diabolical. Over 40,000 workers (permanent and badly), employees, supervisors, officers and technicians are to go. Subsidiarywise the number is as follows:

UP (Kanpur)	:	5,442
WBABO(W.Bengal, Assam, Bihar, Orissa).	:	3,699
Gujarat	:	5,796
Maharashtra(North)	:	4,182
Maharashtra (South)	:	4,646
Maharashtra(Taken over mills)	:	8,241
Madhya Pradesh	:	7,597
APKKM(Andhra pradesh, Karnataka, Kerala)	:	1,313
DPR(Delhi, Punjab, Rajasthan)	:	292

The total workforce comes to 41,208. This reduction of workforce is not only from the proposed merged mills, but also from other mills which are to be modernised. Some processing units are also to be closed down and some mills will be relocated.

The TRAs have recommended to merge 31 mills into 13, thus closing down 18 mills through merger. The distribution is as follows:

Maharashtra -17, Gujarat-5, Kanpur-2, Bengal-2, Rajasthan-2, and MP-3.

Thus, although the liquidation attempt by the BIFR may have been stalled by the unanimous agreement in the Special Tripartite Committee, the actual battle ground is laid at the unit level.

Joint Action Committee:

Visualising the shape of things to come, all the Central Trade Unions in the Committee, viz INTUC, AITUC, CITU, HMS, BMS and NLO have formed the Joint Action Committee a chalked out a countrywide agitational programme at the All India Convention held at Indore on February 7 and 8. The programme includes joint rallies at the mills and joint conventions in the states, particularly at Bombay, Ahmedabad, Calcutta, Kanpur and Bangalore by the mill workers, both of private sector and the NTC mills. Calcutta has already held the joint convention

on 11th April which was attended by over 500 delegates representing the private sector and the NTC mills from CITU, INTUC, AITUC, HMS, BMS and TUCC. At Bangalore the joint convention will be held on 30th April. On 5th May a joint convention will be held at Delhi and a delegation will meet the Textile and Labour Ministers. In the meantime the managements have already stepped in to frustrate the trade union unity. In Bombay when a joint convention was under preparation, a mafia group has captured the INTUC union. It is however a life or death struggle for the workers. Braving all gangster attacks they must accept the challenge of the Govt's policy. The exemplary trade union unity that has been shown in the committee must be practically demonstrated at each mill in each state to save the jobs of the workers and defeat the diabolical game of the Government.

National Platform of Mass Organisations

Press Communique: New Delhi

Dated, 20th April '94

Platform to Launch Further Militant Action Programme against GATT and NEP

The meeting of the Platform held on 19th April '94 congratulated the employees of the financial sector for the totally successful strike observed by them on 8th April against the privatisation drive of the Central Government. Com. Sushil Bhattacharya, Secretary, UTUC presided over the meeting.

The meeting reviewed the Delhi demonstration of 5th April '94 and observance of 'Black Day' on 15th April all over the country. The reports revealed that the Black Day was observed with massive demonstrations, rallies and burning of effigies of Dunkel with enthusiasm and determination by the constituent mass organisations. The meeting noted that the magnificent Delhi demonstration has heightened the fighting spirit of the mass of the people.

The meeting was of the unanimous opinion that the wrath of the people against the GATT and NEP must be transformed into further militant action of the mass of the people and should be spread over every nook and corner of the country.

With this in view, the platform has decided the following programmes of action:

1) The ensuing May Day programme to be organised unitedly all over the country focusing on the harmful antinational and

antipeople effects of the GATT and NEP etc. and antilabour laws.

2) The constituent mass organisations viz., Trade Unions, Kisan and Agricultural Workers, Students, youth and Women should hold separate meetings and chalk out vigorous agitational and propaganda programmes.

3) Extended meeting of the Public Sector Trade Unions tentatively fixed for 25th and 26th May at Delhi to chalk out action programmes iter alia against privatisation, disinvestment of equity shares and other economic demands.

4) National Convention of trade unions of the problem of industrial sickness in both public and private sectors to be organised jointly and dates to be fixed by the T.Uns.

5) All India massive convention of the platform in the third week of June '94 at New Delhi to be attended by several thousand representatives of the all the mass organisations from all over the country.

The convention shall decide and announce the next phase of mass action programme.

The National Platform appealed to the constituents to be prepared for a sustained a long drawn struggles against these policies till they are squarely reversed.

IN DEFENCE OF INDUSTRY AND WORKERS' RIGHTS

□ M.K. PANDHE

The new economic policies of the Government of India have virtually started a process of de-industrialisation in India as a result of which a large number of industrial units have become sick. According to the recent estimate made by Associated Chamber of Commerce about 4 lakh 6 thousand industrial units have been sick in the country. This sickness is increasing very fast and surprisingly, the state of Maharashtra is leading the list of sick industries in the country.

The conditionalities imposed by the World Bank and the IMF visualise that foreign capital and goods should have free access in the Indian market. Due to superior technology the goods produced by multinational companies have competitive advantage over the third world products which can dislodge domestic goods from the market. Several units in India have become sick after the announcement of the policy of so called liberalisation and the Indian market is being flooded with foreign goods.

In a period of recession India is looked upon by the advanced capitalist countries as a prospective market for their products. Many studies undertaken by the multi-national companies have noted that the higher and middle income group population in India which is estimated to be at about 10 crores, is the potential market for their products. The population works out to be of the size of Germany in Europe. These multinational companies have observed in their studies that the overwhelming majority of the population in India which has a hand to mouth existence cannot have resources to purchase goods produced by multi-national companies and hence they are not taken into account by them. This is how they have assessed India's potential market.

The multi-national companies also seek to use cheap labour in India and produce some products for sale in their international net work to gain higher profit. Some of the export performance in India is thus the performance of multi-national companies operating in India and Dr. Manmohan Singh calls it a sign of India's economic advance.

The net result of both the aspects will be the non-development of Indian enterprise. Some industries will be forced to accept junior partnership with multi-national companies who will corner the lion's share of the profitability of the undertakings.

Only a small section of the Indian industrialists who have political patronage of the state power will have collaboration with multi-national companies. A larger section of industrialists with low financial base would not be able to become junior partner of multinational companies and their capacity to

compete with multi-national companies will be extremely limited. They thus stand to lose.

The multi-national companies with strong capital base, through electronic media and newspapers, can capture the domestic market which the small and medium scale manufacturers will find it difficult to sustain. Some of the multi-national companies have bigger budget than the Govt of India. Under these circumstances the argument of the Indian Finance Minister that foreign competition will increase our competitive edge and efficiency is without any foundation. Though the low wage level of Indian workers give an advantage to the Indian capitalists, this advantage will be available also for multinationals who would be investing in india.

Talk of Globalisation

The present talk of globalisation trotted by the advanced capitalist countries is actually forcing the third world countries to become importers of finished products and exporters of agricultural and primary products. The inequality between the advanced capitalist and the third world countries will be further accentuated due to this process with the result that poverty in the third world countries will further grow rapidly. The independent economic development will be adversely affected further slowing down the economic growth of our country.

The globalisation gives an upperhand to the advanced capitalist countries to subjugate the third world countries. The tall talk that it would lead to higher agricultural exports is only a ploy to hide the cheaper exports of our essential commodities which can be achieved only at the cost of reduction of domestic consumption of these commodities. With growing competition among the third world countries the prices of agricultural and primary products tend to rise at a slower rate than the finished products.

The small scale and medium industries in India will be at a special dis-advantage in this situation and the closure and sickness will continue to grow at a faster rate. The insistence of the IMF to adopt the Exit policy is to enable the closure of these units so that the industrialists can dispose off their assets expeditiously. This will result in massacre of workers. The Exit policies will further enable the multi-national companies and Indian big business houses to purchase some of the assets at throw away prices and increase the process of concentration of capital in fewer hands.

Challenging Situation

This poses a challenging situation for the trade union movement in India. Unless the industry is

Contd on Page 19

May Day Manifesto of the CITU, 1994

On the occasion of May Day, 1994, the Centre of Indian Trade Unions conveys revolutionary greetings and pledges international solidarity to the workers of all countries and to the peasants, agricultural workers and all other allies of the working class fighting against capitalist and landlord exploitations and against imperialist offensives.

The CITU extends full solidarity to the workers, peasants and other toiling people of the third world countries in particular, who are fighting against the diabolical Dunkel Draft, the NAFTA and other neo-colonial offensives by imperialism headed by the USA to safeguard their economic and national sovereignty.

Capitalism in Deep crisis : Rising International struggles:

The CITU extends warm solidarity to the working class and peasantry of the advanced capitalist countries who have waged militant struggles against closures, retrenchment, unemployment, and against wage cuts, withholding of wages and other austerity drives by the Governments and for the defence of their trade union rights. The past year witnessed rising strike struggles and pitched battles by the working class in France, Germany, Belgium, Britain, Canada, USA, and other countries. The CITU draws pointed attention of the working class to the fact that since the last several years the industrialised capitalist world is in the grip of the most prolonged and deepest recession known in the last six decades. Despite the so-called technological development, the GDP and economic development of the developed capitalist countries (OECD countries) have remained stagnant or even have shown negative growth in many countries. Unemployment in these countries have reached the colossal figure of 40 millions, the highest in the post war period. Growing closures of big and small industries have rendered tens of thousands jobless. While engaged in fierce battles amongst themselves they are trying to capture the markets of the Third World Countries through their financial and trade organisations like the IMF, World Bank and the GATT and using their technological might. To come out of this crisis they are desperately launching offensives on the Third World Countries to have economic dominance over them and posing a threat to their sovereignties. On this May Day, the

trade unions of all countries must renew their pledge to fight back these new imperialist offensives through international working class cooperation and solidarity and by mobilising the democratic and patriotic forces in their countries.

The CITU conveys warm greetings to the working class and the people of the former Soviet Union and other erstwhile Socialist Countries of Eastern Europe, who from their own experience of the adverse effects of capitalist path of development, plagued by growing unemployment and price rise, are trying to reorganise themselves and waging militant struggles including strike actions. The upheavals witnessed in Russia, Ukraine, Belarus, Kazakhstan and other places demonstrated their desire for a renovated USSR free from imperialist influence. On this May Day the CITU recalls the tremendous achievements of socialism, which had banished unemployment and gave inalienable rights to the people for right to work, free education, free health care, housing, social security, equal rights to women etc, and wishes success to their struggles.

The CITU denounces the USA for its continued blockade of Cuba for the last three decades despite the UN resolutions successively for two years against it and extends wholehearted support to the people of Cuba who under the leadership of Com. Fedel Castro are in the thick of a grim struggle to safeguard socialism from the machinations of the USA.

The CITU further denounces the USA who have hijacked the United Nations and the International Atomic Energy Agency and posed a threat to DPRK with a baseless charge that it possess nuclear weapons and on the plea has created a war danger in the area by supplying Patriot Missiles to its puppet regime, South Korea and holding joint military exercises with it. The war actually would have broken out, but for the intervention of China. The CITU extends full solidarity to DPRK in its struggle against the US war manoeuvres.

The CITU greets the working class and the people of China and Vietnam who are defending socialism despite the ideological offensives and impediments created by the USA.

The CITU condemns the USA and other imperialist powers for their continued intervention in the former Yugoslavia, which is still engrossed in an internecine war and wishes peace in the country.

The CITU condemns the Zionist Government of Israel which with the tacit support of the USA have mounted up offensives against the Palestinians. It extends solidarity to the Palestinians in their struggle for a homeland.

On this May Day the CITU hails the success of the valiant struggle by the working class and the people of South Africa under the leadership of the African National Congress in compelling the apartheid regime in agreeing for democratic election in the country to be held from April 25-27. It is an outstanding event in favour of the working class and democratic struggle of the people in a period when the US imperialists are riding roughshods over the democratic movements in the world with the objective of creating a new world order under its hegemony. The CITU wishes success to the ANC in the elections, so as to pave the way for creation of a free, democratic and non-racial South Africa.

India under New Imperialist offensives:

Surging Struggles:

On this May Day the CITU conveys warm greetings to the working class and all the trade unions and the mass organisations of the peasantry, agricultural workers, students, youth and women for their united and militant struggles against the Dunkel Draft and the IMF prescribed new economic and industrial policies of the Narasimha Rao Government. It extends warm congratulations to them for successfully launching the massive March to Parliament on 5th April braving all Police highhandedness. 5th April was a landmark in the united struggle of the mass organisations against the policies, which was preceded by massive countrywide jathas and witnessed a pitched battle with the police for several hours in the capital voicing protest against the Dunkel Draft and asserting the democratic right to demonstrate before the Parliament. This was followed by equally massive protest actions all over the country on April 15 against the signing of the Dunkel Draft which has undermined the self-reliant economy of the country and mortgaged its sovereignty to the imperialist countries. On this May Day the CITU denounces the Narasimha Rao Government for signing the Dunkel Draft and shamelessly justifying its anti-national and anti-people act, and renews the pledge to further intensify the united struggle to safeguard the sovereignty of the country and force the Government to nullify the agreement.

Devastating Effects of the Economic Policies:

The CITU notes that the effects of the new economic policies during the past one year have been devastating and widespread. Tens of thousands of workers have already been forced out of jobs in different industries through VRS and due to closures. The Exit Policy has threatened further closures and joblessness. Under pressure from the World Bank and following the Goswami Committee report a large number of industrial units are threatened with liquidation. Following the Narasimham Committee report and the Malhotra Committee report, Banks, Insurance and the Financial Sector are facing privatisation with large scale closures. The move to privatise the IISCO has posed a threat to the vital steel industry to be given away to the private sector and the foreign investors. Similarly the move to close down a number of the public sector NTC mills and the fertilizer units will render thousands of workers jobless. The small scale and the unorganised sector of industries have been equally affected by closures due to the entry of the monopolists, rendering thousands jobless. The entire process will further aggravate the unemployment situation in the country, which has already crossed 38 millions. The vital power sector has been thrown open to the multinationals with a guaranteed profit of 16 percent, which will increase the power tariffs by several times. The Dunkel proposals will put agriculture into the hands of the multinationals, adversely affecting the peasantry. With the surrender of the Intellectual Property Rights to the multinationals, the prices of pharmaceuticals, chemicals and other items will go beyond the reach of the common people. It will further undermine the research and development in the country and lead to a process of deindigenisation and deindustrialisation.

The economic policy has further spiralled the prices of all commodities. This has been made worse by the administered price rise of rice, wheat, sugar in the public distribution system, which is already facing collapse due to cut in subsidies. Apart from this, the rise in the prices of LPG cylinders and petrol and diesel causing price rise in all commodities have put the common people in miserable conditions. Coupled with this is the increase in the railway freights and fares. The Union Budget in keeping with the economic policies has put further burden on the suffering people. It has become difficult for the poorer sections to make the both ends meet.

In addition to above the working class in all industries, Public Sector or Private Sector, are facing serious attacks on their wages and other immediate demands. Wage cuts and wage freeze and curtailing other long standing economic benefits have become the common feature of the day. Furthermore, serious attacks including gangster attacks are being launched against trade union activities. The government has also taken a move to amend the labour laws to curb the right to strike and put the trade union movement into straight jacket.

Further consolidate Trade Union Unity

On this May Day the Working Class must address itself to further step up day to day united resistance to all these offensives by the Narasimha Rao Government by mobilising all its allies and the common people in the common struggle. The situation demands for further consolidation of trade union unity and the CITU appeals to all trade unions on the occasion of this May Day to come forward to form a Confederation to meet the challenges more effectively.

The CITU greets the peasantry and the agricultural workers who are the worst sufferers of the economic polices, and are engaged in grim struggles with their vital and immediate demands like genuine land reforms, for remunerative price, against price rise, usury, for minimum wages, Central legislation, etc.

The CITU further greets the working women, students, youth other sections of working people, who are joining the struggles in increasing number. The CITU calls upon the working class to champion the causes of all its allies and strengthen the common struggle against the Government's anti-people policies. The struggle in the country is intermingled with the struggle against imperialism.

Safeguard the Unity and Integrity of the Country:

The CITU expresses serious concern over the activities of the communal and secessionist forces, who are carrying forward their disruptive activities under support from the imperialists and their agents.

Following the demolition of the Babri Masjid, the unity and integrity of the country is under constant threat from the Sangh Parivar. The continuing activities of the Sangh Parivar and their pronouncements over the construction of Ram Mandir at the same spot at Ayodhya and on Mathura and Varanasi is a pointer to their nefarious designs

to vitiate the minds of the people with the diabolical philosophy of Hindutva. On this May Day the CITU calls upon the working class and all its allies to unitedly resist their attempts to cause any communal conflagration and safeguard the unity and integrity of the country and its secular character.

The CITU further expresses serious concern over the continuing activities of the extremists in Kashmir and condemns the Pakistani efforts to make it an international issue by-passing the Simla agreement, despite its defeat in the UN Human Rights Commission. The CITU further denounces the US administration for its overt statement supporting Pakistan on the issue. The CITU also condemns the Narasimha Rao Government for not coming out openly against the USA on the issue because of its surrender to it on the economic policies. The CITU demands a comprehensive policy on Kashmir and a political solution to it instead of merely administrative measures.

On this May Day, the CITU gives the clarion call to the working class to intensify the struggles unitedly and squarely defeat both the evil designs of imperialism to recolonise India and of the dark forces of communalism and secessionism to dismember the country, and safeguard its sovereignty and unity and integrity.

Let every factory and every establishment in each state, district, down to the rural areas reverberate the call in the country.

Let all section of the working people and the toiling people unitedly stand as a bulwork of opposition to the policies to safeguard the country's freedom and independence from the imperialist offensives.

Red Salute to May Day!

Long live India's Independence and Freedom!

Long live India's Unity and Integrity!

Down with Imperialism!

Long live Socialism!

Workers of All Countries Unite!

Editorial Board

M.K.Pandhe (Chairman)

P.K.Ganguly (Working Editor)

Niren Ghosh, M.M.Lawrence,

Vimal Ranadive, Ranjit Basu

Contd from page 15

revived the chances of preserving jobs would be remote. In a period of recession and stagnation possibility of getting alternate jobs would be increasing by becoming a difficult proposition. The talk of self-employment on the basis of retrenchment compensation, euphemistically called voluntary retirement scheme, is not going to be a workable proposition with growing poverty and reduction in domestic market. The growing sickness and closures would only further shrink the market in India reducing further the possibilities of self-employment.

The question of saving the industry has thus become a crucial task before the T.U. movement. The owner of the sick industry is not taking keen interest in the revival of the unit since he is in search of better avenues of investment elsewhere if available. This makes the task before the T.U. movement more difficult to preserve the jobs of the workers.

If the trade union movement fails to preserve the jobs of the workers it would lead to serious frustration among the working class some of whom may go away from the T.U. movement. When the unemployment all over the country is increasing at menacing proposition the task of job, preservation acquire more prominent than improvement in the living conditions of workers working in these industries.

BIFR - A Slaughter House of Sick Units

When sick units are referred to BIFR no bank or financial institution is prepared to give any credit facility to such unit which ultimately results in making it more sick. The BIFR is generally asking promoter to suggest a viability proposals. The promoter proposes reduction in earnings of workers, reduction of manpower, substantial increase are made in the workload on the workers. He seeks to overcome the sickness by passing on its burden on the workers.

BIFR also appoints an "expert" committee which also proposes similar package if they feel that the unit can be revived. Efforts are made to force the workers and unions to accept the package otherwise threat of liquidation is posed before the workers. The proceedings of the BIFR are dilatory and are heavily loaded against the workers. BIFR being a quasi-judicial body its procedure is too much legalistic while the emphasis is more on winding up of the unit than its revival.

BIFR also offers workers to take over the sick unit but in absence of any protection or financial support from the state several difficulties are faced by the workers to run a sick unit as a co-operative venture. Moreover trade unions need necessary expertise to manage such undertakings. The problem of finding out market also is a serious hurdle. The refusal of the Government to write off all the past liabilities further

pose difficulties in take over of such unit by the workers.

Though there is provision of appeal against the decision of BIFR it is a mere formality and the new economic policies of the Government of India has given clear indication to the appellate authority also.

The experience of trade unions in dealing with BIFR cases highlights the need for revamping the whole mechanism and making it more oriented towards revival of the unit than its closure.

The Goswami Committee however has recommended constitution of winding up tribunals to expedite the procedure of winding up operations of the sick units so that they are handed over to the big business houses or multinational. Trade unions have opposed this report in toto and demanded its scrapping.

The amendment to SICA to provide compulsory reference of sick public sector undertakings to BIFR has created several problems for the public sector undertakings. Despite the assurance given by the union Labour Minister that so long the special tripartite committee or the Industrial Committees are going into the question of sickness of a unit the BIFR will not take a final decision about the unit and if the tripartite committee approves a viability proposals the BIFR will only have to endorse it, in practice this is not being implemented.

T.U.s in public sector have jointly prepared several viability reports in consultation with officers and technicians, such as in case of Fertilizer units, Scooter India Ltd., Cycle Corporation of India, Tyre Corporation of India etc. The BIFR is not taking them into account properly. The Govt. of India is also not pursuing the matter vigorously in the special Tripartite Committee with the result that the fate of these undertakings is hanging in the balance. The decisions taken and some of the tripartite committees have remained unimplemented which is also making the task of revival of such units difficult and complicated.

WORKERS' "SACRIFICES"

As we have noted earlier, in the name of saving the industry invariably workers are asked to accept several sacrifices and at times a tendency emerges in the trade unions to accept these "sacrifices" at the first stage itself. This has resulted in workers developing the feeling that the trade union leadership was letting them down and selling out their interests.

It has been observed that the leadership of trade unions while succumbing to the pressure of the management and BIFR accept some antiworker pre-conditions without even discussing with the rank and file workers. The CITU has to combat these tendencies and oppose such humiliating conditions in the name of revival of the industries.

The CITU unions should study the condition of

industry thoroughly so that they can effectively modify the revival package proposed by the employer or by the Expert committees in favour of workers. The details of these should be properly discussed in the General Body meetings of the unions so that workers are informed about all the proposals and unions views are formed on the basis of the General Body decisions.

Unions should make maximum efforts to ensure that the viability packages are finalised without adding any burden on the working and living conditions of the workers. The Reports available with the Government clearly indicate that majority of the units have become sick due to mismanagement and workers were not at fault. Hence the burden of revival package should not fall on the workers.

However, there may be occasions when after detailed discussion at the bipartite or tripartite level and reviewing the preparedness of the workers to resist, the unions may be forced to accept certain unfavorable conditions. The decision on such issues should be taken in consultation with the State Committee leadership of CITU because a pre-condition accepted in one case may be quoted in other case and hence a proper policy decision is necessary. A thorough discussion in the general body meeting of the union is necessary before taking any final decision in the matter. However this should be treated as a last resort during the negotiations. Otherwise employers will take disadvantage of the crisis situation prevalent in the industry.

The acceptance of such conditions must be after a long drawn struggle of the workers and only when further resistance to such pre-conditions is not possible then unions should take such decision. During a period of crisis, when the trade union movement is fighting a defensive battle, this should be agreed as a last resort and there also union should try to minimise the impact on the workers.

In case issues involved in such conditions have all India repercussions then the CITU centre should be consulted so that Secretariat can take a suitable decision in the matter.

Unity of the Workers

A remarkable sense of unity is prevailing among the workers in sick industry since they have realised that without firm unity it would not be possible for them to save the undertaking. If proper leaderships is provided they are prepared to fight to preserve their jobs and hard earned rights. In several cases the workers have unitedly opposed the move for unjustified compromise by some of the leaders behind their back. The CITU unions should fully utilise this sense of unity among the workers and organise resistance to every unjust proposal made by the employer or the so called experts.

There is also urgent need to prepare alternate proposals at every stage to protect the interests of the workers. It is only through such proposals the workers would look at the trade unions as genuine defenders of their interests.

It is also necessary that trade unions should educate the workers on the problems of the industry and how they are linked with the economic policies of the Govt. of India. Therefore, the struggle for the revival of the sick industries become a part of the struggle against these economic policies.

Saving the industrial unit in India will not only protect the jobs of the workers employed in it, this step also is a part of the struggle for self-reliance of the economy and against the depredations of the multi-national corporations who are out to weaken our national industrial base so that they can convert India as the market for their products.

However, defence of Industry and protection of workers rights should go together. Workers can decide which pre-conditions are to be accepted whenever they are absolutely necessary for the industry's survival. These steps must be considered as temporary measures and trade unions must ensure that these pre-conditions are withdrawn whenever the situation in Industry is improved.

A nationwide movement of sick and closed units should be developed to change the policies of the Govt of India towards the industrial sickness. Opposition to Exit policy and the National Renewal Fund will ultimately lead to a genuine policies of survival of our industrial base and job potential of the industries.

FORM IV

(See Rule 8)

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I, M.K. pandhe hereby declare that the particulars given above are true to the best of my knowledge and belief.

Sd/-

M K PANDHE
Publisher

28.2.95
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Coal Workers Oppose Reduction of Import Duty On Coal

The following joint statement has been issued by the INTUC, HMS, BMS and CITU on April 1:

We the representatives of Indian National Mine Workers' Federation (INTUC), Indian Mine Workers' Federation (AITUC), Hind Khadan Mazdoor Federation (HMS), Akhil Bharatiya Khadan Mazdoor Sangh (BMS) and All India Coal Workers Federation (CITU) view with concern the proposal of the union budget for the year 1994-95 reducing the import duty on coal from 85% to 35% and also the proposed hike in railway freight on coal for the year 1994-95.

This has created such a situation that Indian Coal will be costlier in Coastal and Southern States in comparison to imported coal from Indonesia, Australia, Malaysia and South Africa. It is estimated that Coal India will lose market of nearly 10 million tonnes of non-coking coal resulting the loss of Rs.450 to 500 crores per year within a year or two.

Once the door is opened for non-coking foreign coal it will be difficult for Indian coal to compete in the market due to its inherent lower quality, as non-coking coal of India has ash content from 30% to 45% while Indonesian coal on an average has 12 to 16% ash content.

It is also to be considered with concern that international price of coal has crashed down to the level of 30 to 35 US dollar per tonne. Indonesia and other such countries which are facing recession are prepared to cut down prices further and dump coal in India throwing Indian coal out of market to a greater extent in years to come. This policy of the Government of India to open the door for foreign coal by cutting down import duty may create such a situation which may pave the way for closure of mines and reduction in manpower through V.R. scheme or retrenchment. It is worth to be noted that there is no need to import noncoking coal in India even though the ash content may be less, as our power houses in coastal and southern part of the country also are designed to consume coal of higher ash content. The Indian coal is going to be costlier in comparison to imported coal due to excessively high rate of railway freight and royalty.

It is also to be considered that many coal producing States depend very heavily on the collection of royalty and cess to finance their budget.

The reduction in production of coal due to lesser and lesser demand of Indian coal and closure of mines will hit the financial position of States like Bihar, Bengal, Orissa, Madhya Pradesh and Maharashtra to a great extent.

We, therefore, demand from the Government of India to reconsider the matter and withdraw the reduction in import duty as well as the hike in railway freight.

In view of the fact that the huge capital which has been invested to develop coal industry to give required quantity and quality of coal to our consumers will be destroyed and thousands of workers may lose their jobs which will be very harmful for the country and the workers.

We have jointly submitted a memorandum to the Hon'ble Minister of Finance, Dr. Man Mohan Singh and also a memorandum to the Chairman of Standing Committee of Parliament on Energy in which we have explained everything in detail and hope that the Government will reconsider the matter before approving the budget proposals.

Sd/-

(S. DASGUPTA)

Indian National Mine Workers Federation (INTUC)

Sd/-

(DAMODAR PANDEY)

Indian National Mine Workers Federation (INTUC)

Sd/-

(SHAFIQUE KHAN)

Indian Mine Workers Federation (AITUC)

Sd/-

(JAYANTA PODDER)

Hind Khadan Mazdoor Federation (HMS)

Sd/-

(DR. B.K. RAJ)

Akhil Bartiya Khadan Mazdoor Sangh (BMS)

Sd/-

(M K PANDHE)

All India Coal Workers Federation (CITU)

New Delhi, 1st April, 1994

CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS (BASE 1982 = 100)

Centre	Linking factor for Old Base			Centre	Linking factor for Old Base		
	Jan '94	Feb.94			Jan '94	Feb.94	
All India	263	265	4.93	Nasik	282	284	—
Gudur	257	258	4.33	Pune	275	280	—
Guntur	265	268	5.60	Sholapur	275	277	5.03
Hyderabad	244	246	5.23	Barbil	258	260	5.00
Visakhapatnam	255	256	—	Rourkela	241	239	3.59
Warrangal	254	257	—	Amritsar	251	251	5.19
Doom-Dooma Tinsukia	244	250	4.05	Ludhiana	250	249	—
Guwahati	262	265	—	Ajmer	264	271	5.01
Labac-Silchar	239	240	3.96	Jaipur	256	258	5.17
Mariani-Jorhat	257	258	3.95	Coimbatore	259	261	5.35
Rangapara-Tezpur	259	253	4.29	Coonor	273	279	4.80
Jamshedpur	248	248	4.68	Madras	274	276	5.05
Jharia	230	230	4.63	Madurai	277	273	5.27
Kodarma	237	240	5.43	Salem	278	278	—
Monghyr	257	261	5.29	Tiruchirapally	285	271	—
Noamundi	247	250	4.58	Agra	246	251	—
Ranchi-Hatia	256	256	—	Ghaziabad	252	254	—
Ahmedabad	265	266	4.78	Kanpur	263	267	4.69
Baroda	265	267	—	Saharanpur	252	258	5.06
Bhavanagar	272	276	4.99	Varanasi	275	278	5.12
Rajkot	262	263	—	Asansol	245	245	4.77
Surat	276	275	—	Calcutta	263	264	4.74
Faridabad	254	255	—	Darjeeling	246	245	4.55
Yamunanagar	237	245	5.53	Durgapur	272	272	—
Srinagar	253	259	5.47	Haldia	273	275	—
Bangalore	258	261	5.66	Howrah	275	277	4.12
Belgaum	270	271	—	Jalpaiguri	236	237	4.16
Hubli-Dharwar	268	267	—	Raniganj	240	240	4.40
Mercara	254	251	—	Chandigarh	255	258	—
Alwaye	255	260	5.19	Delhi	278	282	4.97
Mundakayam	259	265	4.67	Pondicherry	294	295	—
Quilon	255	269	—	Additional series of Labour Bureau			
Trivandrum	274	287	—	Kothagudem	257	257	3.25
Bhalaghat	263	259	5.24	Himachal Pradesh	253	257	3.75
Bhilai	237	237	3.49	Bhilwara	269	274	3.20
Bhopal	279	279	5.46	Chindwara	273	272	2.59
Indore	273	273	5.18	Tripura	260	259	4.37
Jabalpur	286	295	6.41	Goa	299	300	3.40
Bombay	281	291	5.12	Note: Figures on old base can be obtained by multiplying the Index Number on New Base by the linking factor given and rounding off the result to nearest whole number.			
Nagpur	280	279	4.99	—Dash denotes new centres under 1982 series,			

94-95 Budget and The Steel Industry - A cursory Glance

□ Tapan Sen

When Sardar Manmohan Singh introduced the Budget for 1994-95 in the Parliament on 28-2-94, the Captains of the Indian Industries welcomed the same raising all hands "Growth Oriented", "innovative" and many other glorifying adjectives had been showered liberally on the budget proposals and the print and electronic media carried the same with sense of pride. But hardly a week has passed, the real face of budgetary measures has started manifesting itself in its true colour posing severe threat and crisis to indigenous industrial base.

The steel industry is one such industry which has been hit the hardest. And it is presumed even without going into detail that whatever may be claimed by the writer of the Budget and their masters in Washington, the budget created a misnomer in the domestic industrial economy. When the excise duty on the domestic produce is hiked and the import duty on the same material gets reduced, as had actually taken place in the 94-95 budget, it becomes crystal clear, for whom the authors of the Budget are operating - the Indian economy or the foreign capital, although their basic salary and alluring perks are coming from the Indian exchequers only.

The All India Induction Furnaces Association in Separate telegrams to Prime Minister has protested the duty hike in excise on Mild Steel Products. The Chairman of the Association Mr. Saraf stated that over 200 induction Furnace units had to close down during 1993-94 (for which 93-94 budget cannot escape its responsibility) and the crisis would further aggravate if the fresh hike in excise as proposed in the current budget is not reversed.

More than 1000 tiny units engaged in rerolling stainless steel pattas/pattis in Delhi, have gone on Indefinite strike in protest against the move of the Govt of India to introduce excise duty on their products. The "Observer of Business & Politics" reports that in the post-budget meet of All India Steel Re-rollers Association, many of the industrialists mostly from small scale sector said that even after taking benefit of Modvat, the rerolling industry was not in a position to bear the additional burden of

excise duty and was left with no alternative but to close down, leading to massive loss of jobs and also affecting other industries having forward linkages.

The domestic cold rolling industry's survival has also been severely threatened in the prevalent international market situation following the steep 35% cut in customs duty on the galvanized products and 25% on cold rolled coils/sheets, alongwith 10% reduction of import duty on hot rolled coils as this will further encourage dumping by overseas producers. According to Delhi based cold rolled steel manufacturers' association of India, the landed cost of imported CR coils and sheets has now become cheaper by about Rs.2000/- per tonne against domestic selling price of CR coils made from imported HR coils, not to speak of domestically produced CR coils as such. The proposed hikes in excise duties on steel items ranging from 20 to 50% with consequent increase in their retail prices will further affect the recession-hit market and industry's capacity utilization and economic viability.

These are all complaints and grievances from private sector which, our IMF certified Ministers consider to be fountain-head of efficiency. Even those private sector units now-a-days are facing severe threat to their survival thanks to IMF designed policies being operated by the Govt.

For the public sector steel plants situation is all the more serious. Due to East-india-Company-pattern of decreasing import duty with increasing excise duty being followed by the Finance Minister in successive budget proposals from July 1991 onwards till latest 1994-95 budget, even the giant steel producer like SAIL is facing severe marketing disadvantage vis-a-vis import which has been given all welcome even in the latest budget proposal. As per estimate made by SAIL itself, in the marketing of items like steel plates, HR Coils, Tin Plate (Prime), TPWW, CRNO which all together constitute major share in SAIL's total production, the SAIL produce has already been thrown at a disadvantageous position vis-a-vis its imported counter parts as the import has been made cheaper and domestic produce costlier by simultaneous reduction of import duty and hike in excise. The price differential as estimated by SAIL between SAIL products and the imported material

would be much more in reality if dumping operation by the foreign producers at less than cost prices or less than domestic sale prices in Indian soil is taken into account.

As per an estimate, the domestic sales price of HR coil in USA, Japan and countries under European Community ranged from US\$ 472 to US\$ 598 and that for CR COil was from US\$ 586 to US\$ 676, as on November 1993, which was much more than the Indian domestic price for the same commodities. But during the same period import of HR Coil in Indian market have been contracted at US\$ 300/320 and CR Coil at US\$ 390/410 from the same countries, which were much less than the prevalent domestic prices of the countries of origin. What more is required to substantiate unfair dumping of steel in Indian market for enacting anti dumping measures by the govt? But inspite of repeated pointers from the steel producing sectors, Govt of India prefers not to see to it, may be to avoid displeasure of prospective foreign investors or IMF masters. Can subservience go further!

The budgetary impact is so serious on the viability of public sector steel industry that even the Steel ministry could not deny the fact that SAIL would lose to the tune of Rs.193 crores annually only on account of excise duty hike alone, besides the loss that may be incurred due to loss of market, as a consequence of price disadvantage vis-a-vis imports. On the average, excise duty burden for four SAIL integrated steel plants would go up from present Rs.1360 per tonne to Rs.1700 per tonne. Similarly the excise duty burden for Alloy Steel Plant would go up by Rs.2000 per tonne and that for Salem steel plant by Rs.2200 per tonne having its cascading effect on the selling price.

The increase in excise duty on semis and long products from Rs.1000 per tonne to 15 per cent advalorem, would lead to increase in selling price and the rerollers have to bear an additional burden of Rs.400/- to Rs.500/- per tonne.

On the other hand, maximum rate of import duty was reduced from 85%-75% to 50%. Import duty on HR coil was reduced to 40 per cent and import duty on TMBP also get reduced to 30%. The import duty on Tinplate has been reduced from 75% to 50%. All these wholesale reduction in import duty coupled with simultaneous increase in excise duties has been bringing down severe pressure on the economy of domestic steel industry and made Indian market an easy prey to Foreign Producers.

RAILWAY BUDGET

Added to this is the onslaught unleashed by the Railway Budget on the economy of the steel industry. Besides declaring straight increase in Railway Freight for goods traffic, the Railway Budget in a most cunning manner injected additional element of freight hike through restructuring of freight table and reclassification of various transportable items including its groupings. As a result real impact of Railway Freight hike is much more than the declared increase in Freight charges, in the Railway budget.

So far as the steel sector in concerned the impact of Railway budget is on the average 8 to 9% freight hike at the minimum level and on some items such as Semis, the impact is as more as 20% freight hike if same has to travel a longer distance, Such a position would also adversely affect the marketing prospect of public sector steel industry catering for the countrywide market.

While introducing Budget for 94-95 Dr. Manmohan Singh, like previous years claimed his budget to be for the all round growth of National Economy. Prime Minister echoed him faithfully.

Reality reveals that the domestic Industrial economy have been put into further jeopardy and so far steel sector is concerned, budgetary measures have been precisely designed to marginalise the domestic -producers be it in public and private sector, for giving a grand welcome to foreign producers in Indian market.

Then whom does the Budget serve? For whom the Govt of India operates?

COM C. RAJESHWAR RAO

The Centre of Indian Trade unions deeply mourns the passing away of Com. C, Rajeshwar Rao, one of the front line leaders of the Indian Communist movement and a former General Secretary of CPI. For some time he was associated with trade union movement.

He was deeply involved with the peasants' struggles and was vociferously raised the demand for land reforms. He took leading role alongwith Com. P. Sundarayya and Com. M. Basavapunnaiha and others in the historic Telengana struggles. The CITU pays homage to the memory of Com Rajeshwar Rao and conveys heartfelt condolences to the bereaved members of his family.

STEEL WORKERS PREPARE FOR STRUGGLE

The meeting of the Steel Workers Federation of India decided to observe Protest Day on 6th May, 1994 all over the Steel Industry against the disastrous policies of the Government of India and the inordinate delay in settlement of wages for the steel workers which has already fallen overdue.

The Working Committee of the Steel Workers Federation met in a two-day Session on 16th and 17th April '94 at Calcutta wherein 51 members from different Steel Centres all over the country assembled to decide its future course of action.

The meeting was presided over by M K Pandhe, President, SWFI. The meeting paid homage to departed leaders comrades S Y Kolhatkar, Dr Ambarish Mukherjee, C Rajyeshwar Rao and others.

The meeting discussed thoroughly the situation arising out of move of the Govt of India to privatise IISCO. The IISCO Bill could not be introduced in Parliament owing to resistance of the Left Front MPs and ultimately referred to Standing Committee of the parliament relating to Industry. It is learnt that the Standing Committee have already submitted its report to parliament. Com. Jibon Roy while reporting on the whole issue explained that owing to united resistance by entire Trade Union movement the privatisation of IISCO could not yet take a definite shape. Steel workers should carry on their effort to mount the united struggle for finally reversing Governmental move to privatise IISCO and to ensure modernisation of IISCO through SAIL.

Com. Jibon Roy explained in detail as to how IISCO with its huge assets is being sought to be handed over to M/s Mukund practically free of cost, which cannot ensure survival and modernisation of IISCO and would severely jeopardise the interest of other public sector steel plants.

After detail discussion it was decided that SWFI would propose for holding week-long Dharna by Steel Workers before Prime Minister's residence sometimes in early June and would continue dialogue with other trade unions and save IISCO

committee to have a united programme to that effect. SWFI has also called upon the Steel Workers in all the steel plants including IISCO to prepare for further struggle to foil the nefarious game of the Steel Ministry in the matter of IISCO. It was decided to publish a booklet containing details of the IISCO affair to campaign among the workers and the people. Com. Jibon Roy would prepare the booklet, which would be published by SWFI.

The meeting also reviewed the situation arising out of the inordinate delay and stalemate in wage negotiation even after passage of two years since the expiry of last Wage Agreement. It noted with anguish that even after assuring early wage settlement, including the pension Scheme, the SAIL management appeared to have backed out from their commitment, may be due to Govt of India's pulling the strings from behind. It was decided that SWFI would press for immediate payment of interim Relief if settlement could not be finalised within May 94. The meeting decided to hold Protest Day on 6th May 94 in all the Steel Centre throughout the county.

The meeting also discussed the problems of the Contract Workers working in the Steel Industry at length. It was decided to observe 'Demand Day' for the Contract Workers in all the Steel Plants on 13th May '94. It was also decided to hold a two-day long all India Convention of Contract Workers on 17th and 18th July '94 to chalk out further course of action.

The meeting dealt at length the situation created by SAIL's decision to sell shares of the Company to the workers. Com. Pandhe explained the real face of the issue. It was resolved that such offer by SAIL. Govt has been dis-investing shares of SAIL in the market and they are trying to make the workers a party to their design for privatisation. The proceeds of disinvestment would not be ploughed back to industry for its development but would go to meet the revenue deficit of the Govt. SWFI called upon the steel workers to oppose such move of the Govt tooth and nail.

Parliamentary Committee Rejects IISCO Privatisation proposal

The Department Related Parliamentary Standing Committee on Industry has placed its report on the question of modernisation of IISCO to the house on 19th April '94.

The unanimous report of the Committee, having a majority members from the ruling party, has expressed its strong resentment on the move of the Steel Ministry to privatise the premier public sector steel company and noted "The Committee is thus not convinced with the Government's approach in rejecting the proposals made by SAIL itself towards modernisation...". Commenting on the capability of M/s Mukund the report has recorded the receipt of reservation on the technical competence of the companies not having experience in the making of steel through the open hearth furnace route while SAIL has full capabilities in this regard.

The committee has come down heavily on the central government for restrained and limited terms of reference under which the Committee of Experts was made to work. The report has noted that "The Committee finds that the terms and reference set out for the Committee of Experts were limited enough to restrain that committee in recommending concrete proposals for modernisation of IISCO".

Contrary to the Government's stand that SAIL has been unwilling to undertake the work of modernisation of IISCO, the report has mentioned that "The Committee finds that at no stage SAIL has expressed its inability to undertake the modernisation programme of IISCO..."

While rejecting the move of the government to handover IISCO to M/S Mukund, the committee has asked the government to work out "even now" a practicable formula "through consensus" and for this the management, workers and the Government should sit together and devise through tripartite discussion some positive solutions to modernise the company."

Com Jibon Roy, MP, Secretary of CITU who was a member of the Standing Committee has, in the meantime, written a booklet wherein he has elaborately dealt with the "IISCO privatisation episode" and has made startling revelations behind the game of privatisation.

In his foreword on the booklet Com M K Pandhe has written "Comrade Jibon Roy with his vast knowledge and practical working of Steel Industry, in this booklet, has brought to the forefront the deep-led conspiracy to hand over more than Rs.12,500 crore worth assets for a mere Rs.120

crore price to a private sector company which has no experience and expertise to undertake the work of modernisation of an integrated Steel Plant. M/s Mukund Iron is only a cover for a Netherland multi-national company to grab a giant public sector undertaking with its huge assets at throw-away-prices."

Embarrassed Steel Minister

Within two days after the parliamentary Committee gave its verdict against privatisation of IISCO in its report submitted to Parliament on 19th April, Santosh Mohan Dev had another shock when he was giving SAIL Safety Awards on 21st April in New Delhi.

All the three Trade Union representative speakers in the meeting M.K. Pandhe (CITU), S.L. Passey (INTUC) and Gaya Singh (AITUC) praised the role of public sector in the Steel Industry and criticised the private sector. Everybody including the Minister took the hint about the reference.

When the prizes were distributed IISCO got the largest number of prizes which greatly embarrassed the Minister. At times his reaction could be seen from his face while awarding prizes.

Regarding highest percentage of reduction in Accident Rates in the Iron, Steel and Coke and Chemical Zone IISCO got the first award. Similarly in Rolling Mills Zone IISCO stood first. In services and maintenance zone too IISCO got the first award. All the three prizes were given immediately one after another.

Regarding the longest accident free period (Safety During Capital Repair) IISCO got the second prize.

In safety poster competition Road and Rail safety section IISCO got the second prize. In Electrical Safety too IISCO stood second while for Health at workplace IISCO got the first prize. In home safety IISCO won two second prizes while in safe handling of hot metal IISCO got the first prize.

In safety calendar design competition IISCO artist stood first in construction safety design. In pollution control section again IISCO got the first prize.

Whenever IISCO prizes were announced there was a special applause by the participants which only made the steel Minister more uncomfortable.

Immediately after the function the crest fallen Minister left the venue in a half to the amusement of the participants of the function.

Impact of New Industrial Policy on National Airlines In India

□ HEMANT KUMAR

POLICY INTRODUCED

The new Industrial Policy was announced by the government of India in Parliament on 24th July 1991. It proposed a series of measures to remove administrative and legal controls on industries in India in order to cater to the changed global economic environment. The policy statement however, reiterated the objectives of employment generation, reduction of socio-economic disparities, removal of poverty and attainment of self reliance. Strangely these objectives were sought to be achieved by diluting the Monopoly Restrictive Trade Practices (MRTP) Act, allowing greater control and play to private entrepreneurship by privatisation of the Public Sector and removing protection on domestic industries thereby allowing multinationals to penetrate the Indian Economy. For the purpose of Industrial Licensing Policy the industries were divided into the following three groups:

1. Industries reserved for public sector. There are 8 industries in this list having strategic importance like defence production, Atomic Energy, Coal & Mining through Dr. Rangarajan Committee reservation was interpreted to mean state control through 51% equity ownership by the government leaving 49% for disinvestment.

II. Industries requiring compulsory licensing from the Govt. of India. This group has 18 industries like Petroleum Products, Sugar, Drugs and Pharmaceuticals, Paper and Newsprints, Consumer durables, Automobiles etc.

III. Industries entitled for automatic approval of foreign technology agreements and for 51% foreign equity approvals. This group has 34 industries and includes Hotel & Tourism related industries under this category. Subsequently through a clarification it was notified that Air transport services fall under this category.

Dilution of Policy Itself through Committees

The Government of India then set up a Committee in February 1992 to devise the criteria for selection of Public Sector Enterprises for disinvestment. This committee was initially headed by Shri V Krishnamurthy until his involvement in the Bank Scam which was exposed in November 1992

since when Dr. C Rangarajan the Member Planning Commission took over as Chairman.

Some of the recommendations of this committee with regards to the modus operandi for disinvestments in public sector are:-

a) Preparatory steps like conversion of corporation into a Company.

b) Offering shares to public at a fixed price with a scheme of preferential offer to workers in the public Enterprise within individual ceiling of 20 share's making a total reservation of 5% of total equity.

c) Sale through auction amongst predetermined clientele.

d) Transfer of controlling interest to a specific firm or person.

e) Swapping the external debt of PSE for Equity.

The Rangarajan Committee also laid down the limits for disinvestment. While the Government of India would retain 51% equity in group I industries the disinvestment in group II & III would be over 74% allowing government ownership upto 26% only and that too in exceptional cases. During the above period the Cabinet Committee on Economic Affairs (CCEA) decided to have separate proposals for disinvestment in respect of the two air corporations and the ITDC. The same was considered in its meeting on 24.11.1991.

Impact on National Air Carriers Air India & Indian Airlines

Indian Airlines and Air India are statutory corporations being creatures of the Air Corporations Act 1953. This law has vested monopoly of operations on these two corporations for various reasons. Over the last four decades these two corporations became the main agencies for developing tourism and air transport in India providing a vast network with latest technology and cheapest air fares in the world.

From the above policy declarations and decisions of the government it is clear that civil air transport which falls in group III where more than 51% of shares will be disinvested including foreign participation, is heading for complete decontrol and privatisation. While following the recommendations of the Rangarajan Committee

May Day Message from National Confederation of Trade Unions (ZENROREN)

18 April, 1994

Centre of Indian Trade Unions (CITU) 6,
Talkatora Road, New Delhi 110001 India.

Dear Brothers,

On the occasion of 1994 of 1994 May Day, we send you fraternal and militant greetings of solidarity from Zenroren.

We thank that the history of May Day traditionally built in workers' struggles, mainly aimed at shorter working hours and workers' international solidarity, is now all the more urgent for workers.

Mainly in advanced capitalist countries, their governments are pursuing anti-labour policies in the interests of big enterprises. These policies only help big businesses to promote cutback of production, bringing about a great deal of the unemployed.

Increased economic discrepancy observed between advanced capitalist countries and developing countries, on the other hand, works to put more and more pressure upon workers in former countries in forms of wage restraint and longer work hours. Taking advantage of the serious recession, monopoly, capitalists in our country are stepping up their offensive against workers, urging them to accept personnel reduction and dismissals, while, shifting their operations abroad in pursuit of low cost and new markets, which often result in destructing domestic industrial operations. This offensive inevitably relates with pressure to lower the working standards of Japanese workers down to the level which prevails in developing countries.

"Reduction of work hours" and "increase in employment opportunities through shorter working hours without loss of pay" is now an extremely pressing task for workers in order to "live and work in human conditions". Now that monopolies and reactionary governments are unitedly stepping up its offensive not only within each country, but on the global scale aiming at further strengthening of exploitation and plunder, internationally united movement by workers and their trade unions on the

preparatory steps already has been initiated to scrap the Air Corporations Repeal Bill 1992 in Parliament and simultaneous registration of two companies in New Delhi under the Companies Act, 1956 viz. Indian Airlines Ltd., and Air India Ltd. with an authorised share capital of Rs. 500 crores each, orders of the Department of Civil Aviation between 1990 and 1993 in the form of guidelines for private operators Cargo and passenger traffic on scheduled sectors including foreign participation has virtually thrown open the hitherto protected Indian Airtransport market to private operators and through them to foreign airlines. Administrative action is initiated to merge Indian Airlines and Air India while Vayudoot has been merged altogether with Indian Airlines, and soon its legal existence will be extinguished procedurally.

Under the circumstances a question often debated is regarding the future of these national flag carriers. While the Government proposes to restructure them by integrating them to operate a critical mass to face the unequal competition envisaged from multinational giants, the industry is suffering from over capacity and there is no protection against sickness arising therefrom. The offloading of 74% shares will eventually see the complete loss of Government control leaving it to the ravages of market forces for survival. The gravest danger however, is from the recommendation swapping equity for foreign debt. The external debt of Indian Airlines as on 1992 is Rs. 1950 crores while that of Air India is still higher. The creditors being foreign banks and institutions. The debt equity ratio in commercial terms for Indian Airlines and Air India is very bad at 4: 1. The ideal ratio being 2:1. The reason is that Indian Airlines and Air India has a very low equity base at only a hundred and odd crores rupees each. The equity has been low in these statutory Corporations because there was no budgetary had been prospering and growing through commercial loans/ borrowings and ploughing back of profits. The Authorised Share Capital of the new limited companies is at Rs. 500 crores and that in no way alters the Debt/ Equity Ratio which shall remain at 4:1.

Whether the Government goes to the open market with the issue or adopts a shortcut method of swapping foreign debt for equity, which most likely will happen, air India and Indian Airlines (or their integrated company whatever name it may have) will have to depend on external mercy for their survival.

world scale is more important than before.

Following the history and tradition of May Day, Zennoren declares to strengthen the struggles inside our country and also promote our activities in the international level in order to achieve "workers' better life and rights, peace and democracy by workers' solidarity,"

Long live militant May Day!

Workers of all lands, unite!

Sd/-

Kanemichi Kumagal, Secretary-General

Solidarity Message From ZENROEN to 5th April Rally In New Delhi

National Confederation of Trade Unions (ZENROEN) of Japan extends its full support and solidarity to the 5th April Rally in New Delhi in protest against the economic policies of Narasimha Rao Government which immensely harm the interests of the country and its workers and people and thus clear the way to the rule by transnational corporations and international financial organisations.

Activities of IMF-World Bank and transnationals on the whole have negative effects on developed capitalist countries including Japan, not to speak of developing ones. The GATT-Uruguay Round has made it clear that workout of the rules to protect the interests of transnationals largely harms the interests of development of national economy and stability of life of not only Indian and Japanese people but also of billions of the people throughout the world.

In Japan, Hosokawa Government accepted full liberalisation for import of rice and all other agricultural products, abandoning its policy to protect its agricultural industry which endangers the sovereignty of the country. On the other hand, Japanese big business and financial circles have promoted also a policy to open the rice market of the country for their own interests as transnational corporations so as to create their favourable investment environment and free trade structure for the transnational corporations along with U.S. ones.

Under the economic policies of Japanese

government in cooperation with the U.S. and in the interest of Japanese big monopoly corporations, the workers and people are suffering from cuts down in social welfare, tax increases and deep recession. ZENROEN is waging now 1994 Spring Struggle demanding for big wage increases and job security against the revision of pension system and capitalist restructuring of industries. At the same time, we are promoting a big campaign in cooperation with other mass organisations including farmers and consumers to protest the liberalisation of rice import and to prevent a ratification by the Diet of the GATT agreement.

Senroren does honor to all the workers and people participating in the 5th April Rally in New Delhi and hopes this rally a grand success. Let's further strengthen international cooperation and solidarity of workers and trade unions for a democratic control on transnationals and international financial and trade organisations and for a new international economic order based on independence, equality and fairness of all nations of the world!

Tokyo, 5 April 1994

MESSAGE FROM WFTU ON 5TH APRIL RALLY

**FEDERATION SYNDICALE MONDIALE
WORLD Prague, 5 April 1991
FEDERATION OF TRADE UNIONS
FEDERATION SINDICAL
MUNDIAL**

WFTU EXPRESSES ITS INTERNATIONAL SOLIDARITY WITH THE DAY OF PROTEST OBSERVED ALL OVER INDIA TODAY JOINTLY BY NATIONAL TRADE UNION CENTRES AND INDUSTRIAL FEDERATIONS AGAINST SEVERE SOCIAL CONSEQUENCES OF PRIVATISATION, RESTRUCTURING AND OTHER NEOLIBERAL POLICIES WHICH DEEPLY HURT WORKING PEOPLE, DESTROYING IN PARTICULAR JOB SECURITY AND DEPRESSING LIVING STANDARDS.

WE WISH YOU SUCCESS IN UNITED ACTION TO UPHOLD WORKERS' RIGHTS AND INTERESTS AND FOR DEMOCRATIC ALTERNATIVE ECONOMIC POLICIES IN THE INTEREST OF WORKERS AND PEOPLE.

Sd/-

ALEXANDER ZHARIKOV
GENERAL SECRETARY, WFTU

U.S Hostile Policy of Stifling DPRK will Surely end in Failure

The foreign Ministry of the Democratic people's Republic of Korea released a statement on April 4 regarding a statement the United Nations Security Council has adopted raising an unreasonable demand with the DPRK.

Following is the full text of the statement:

The United Nations Council called upon the DPRK to accept an unreasonable additional inspection by the International Atomic Energy Agency in a presidential statement on March 31 imposing an unjustifiable demand upon the DPRK.

Our unclear issue is, by nature, not a topic for discussion at the UN Security Council.

We have already undergone inspection of our nuclear facilities which was enough for the continuity of safeguards, as agreed with the United States and the IAEA.

There is no room for doubt in this regard.

Conflicting views, if any, in the course of the inspection, should have been solved on all accounts between the IAEA, which was the actual inspector for the inspection, and the country which was the object of inspection.

Out of its hostile policy of stifling the DPRK, the United States needed a forum of political debate, that is, the UN Security Council, and had to secure an expedient of pressure in the form of presidential statement.

It is obviously contrary to the purpose and principle of the UN charter that UN Security Council whose mission it is to guarantee world peace and security discussed the issue of the DPRK on the basis of the unreasonable and prejudiced conclusion of the Board of governors of the IAEA that the scope of non-compliance with the safeguards agreement has expanded.

It is the present-day reality that the United States and some western forces which hate our socialist system as a thorn in their flesh can freely manipulate International Organizations, if necessary, in order to do harm to small countries like ours.

If the UN Security Council is truly to discharge its mission, it should take issue with the United States which is gravely threatening peace and security of the Korean Peninsula with huge amount of nuclear weapons, laying obstacles to the solution of the nuclear issue.

It must not go unnoticed that the UN Security Council is playing into the hands of the United States in the latter's hostile policy of stifling the DPRK, playing double standards.

We have consistently maintained a steadfast policy of independence and a correct line in external relations and never changed our once clarified position.

The UNSC should first take a measure to set right the unreasonable act of IAEA secretariat in expanding the scope of partiality against the DPRK, flattering big countries, before demanding an additional inspection of it.

The IAEA secretariat must make a due apology for its acts in further widening the scope of partiality, openly joining the United State in its intrigues against the DPRK.

Now the United States is becoming all the more undisguised in stepping up the campaign for International pressure on our republic by setting in motion the Board of governors of the IAEA and the UNSC.

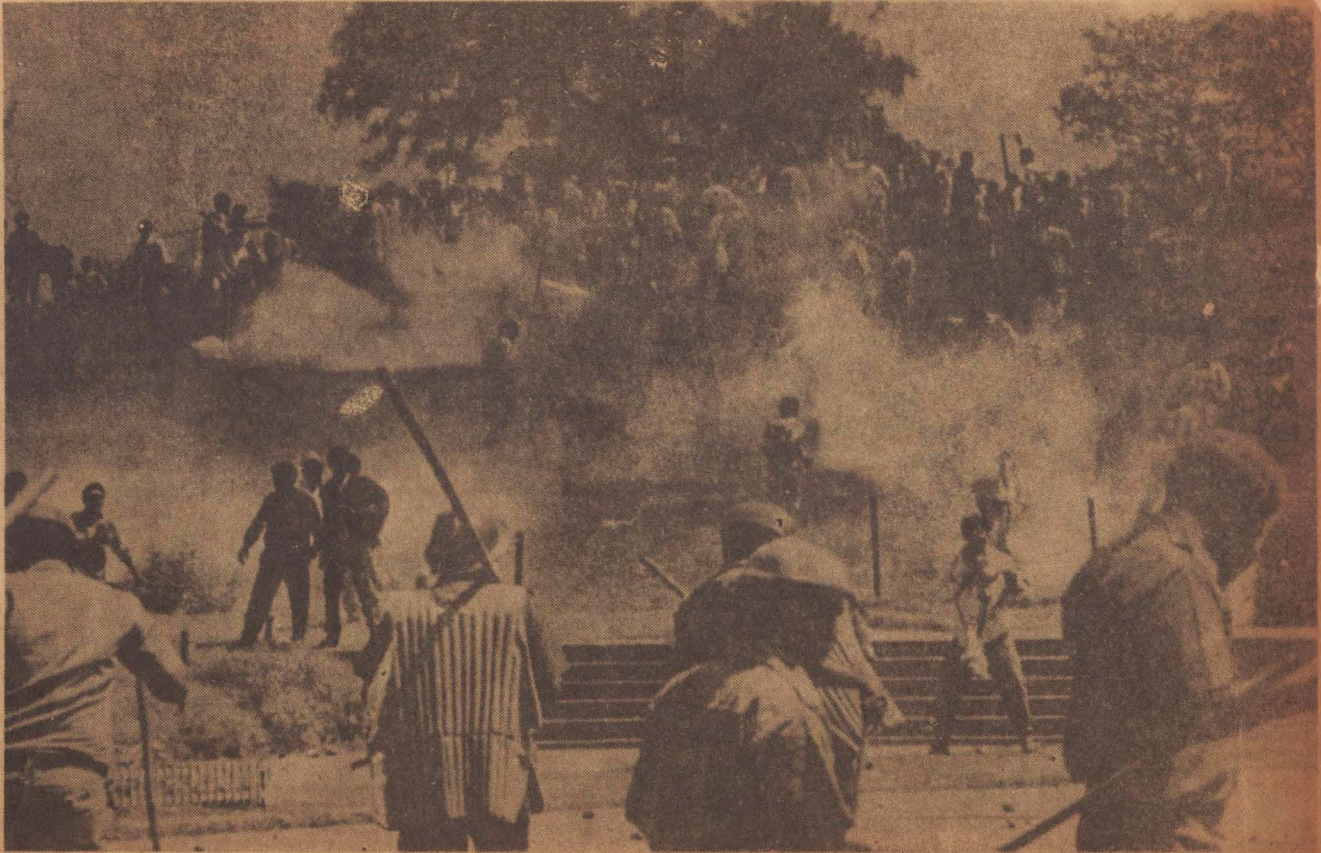
The South Korean authorities, following it, are trying to resume nuclear war exercise in league with the nuclear state against us at any cost, while continually shipping in nuclear weapons and putting spurs to their own nuclear development. This virtually shows that the South Korean authorities have no regard for the joint declaration on the criminal road of nullifying it. Since the United States resorts entirely to pressure, reversing all its commitment with US, we have no alternative but to put on the normal track our peaceful nuclear activities which have been unilaterally frozen for the DPRK-USA talks.

The United States and the South Korean authorities are intending to escalate the campaign for pressure on us with the UNSC presidential statement as the starting-point, but it can never work with us.

The more desperately the United States and its followers try to stifle our socialist system, the more immensely the might of the single hearted unity of our party, people and people's army will increase.

It is our unshakable will and policy to answer strength with strength, and dialogue with dialogue.

Consistent is our stand to seek a peaceful solution of the nuclear issue.



Unabated Lathi Charging by Police (Top) and Tear Gas Firing (Below)

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The foreign Ministry of the Democratic people's Republic of Korea released a statement on April 4 regarding a statement the United Nations Security Council has adopted raising an unreasonable demand with the DPRK.

Following is the full text of the statement:

The United Nations Council called upon the DPRK to accept an unreasonable additional inspection by the International Atomic Energy Agency in a presidential statement on March 31 imposing an unjustifiable demand upon the DPRK.

Our unclear issue is, by nature, not a topic for discussion at the UN Security Council.

We have already undergone inspection of our nuclear facilities which was enough for the continuity of safeguards, as agreed with the United States and the IAEA.

There is no room for doubt in this regard.

Conflicting views, if any, in the course of the inspection, should have been solved on all accounts between the IAEA, which was the actual inspector for the inspection, and the country which was the object of inspection.

Out of its hostile policy of stifling the DPRK, the United States needed a forum of political debate, that is, the UN Security Council, and had to secure an expedient of pressure in the form of presidential statement.

It is obviously contrary to the purpose and principle of the UN charter that UN Security Council whose mission it is to guarantee world peace and security discussed the issue of the DPRK on the basis of the unreasonable and prejudiced conclusion of the Board of governors of the IAEA that the scope of non-compliance with the safeguards agreement has expanded.

It is the present-day reality that the United States and some western forces which hate our socialist system as a thorn in their flesh can freely manipulate International Organizations, if necessary, in order to do harm to small countries like ours.

If the UN Security Council is truly to discharge its mission, it should take issue with the United States which is gravely threatening peace and security of the Korean Peninsula with huge amount of nuclear weapons, laying obstacles to the solution of the nuclear issue.

It must not go unnoticed that the UN Security Council is playing into the hands of the United States in the latter's hostile policy of stifling the DPRK, playing double standards.

We have consistently maintained a steadfast policy of independence and a correct line in external relations and never changed our once clarified position.

The UNSC should first take a measure to set right the unreasonable act of IAEA secretariat in expanding the scope of partiality against the DPRK, flattering big countries, before demanding an additional inspection of it.

The IAEA secretariat must make a due apology for its acts in further widening the scope of partiality, openly joining the United States in its intrigues against the DPRK.

Now the United States is becoming all the more undisguised in stepping up the campaign for International pressure on our republic by setting in motion the Board of governors of the IAEA and the UNSC.

The South Korean authorities, following it, are trying to resume nuclear war exercise in league with the nuclear state against us at any cost, while continually shipping in nuclear weapons and putting spurs to their own nuclear development. This virtually shows that the South Korean authorities have no regard for the joint declaration on the criminal road of nullifying it. Since the United States resorts entirely to pressure, reversing all its commitment with US, we have no alternative but to put on the normal track our peaceful nuclear activities which have been unilaterally frozen for the DPRK-USA talks.

The United States and the South Korean authorities are intending to escalate the campaign for pressure on us with the UNSC presidential statement as the starting-point, but it can never work with us.

The more desperately the United States and its followers try to stifle our socialist system, the more immensely the might of the single hearted unity of our party, people and people's army will increase.

It is our unshakable will and policy to answer strength with strength, and dialogue with dialogue.

Consistent is our stand to seek a peaceful solution of the nuclear issue.



Unabated Lathi Charging by Police (Top) and Tear Gas Firing (Below)

Leaders of the Mass Organisations Leading the Procession Below

