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CITU DEMANDS WITHDRAWAL OF BONUS
ORDINANCE

Com. Jyoti Basu, Vice-President CITU has
issued the following statement to the Press.

"The Ordinance on Bonus promulgated by the President of India is a direct attack on the right of bonus of the workers and nullifies all the gains they have won through bitter struggles all these years.

The reduction of minimum bonus from $8\frac{1}{3}\%$ to 4 percent and other provisions of the Ordinance underline acceptance by the Government the proposals of the representatives of the employers on the Bonus Review Committee. These measures will add hundreds of crores of rupees into the coffers of the employers when the real standard of living of the workers is continuously falling.

The Ordinance will deprive lakhs of workers employed in Companies which have shown losses in their balance sheets. The new element of basing minimum bonus on average profitability over the last 4 years will virtually result in declaring nil bonus by majority of the companies. Moreover this step blatantly rejects the concept accepted by the Supreme Court that bonus is a deferred wage to bridge the gap between the present below subsistence wages and the "Living Wage". This measure will give a green signal to the companies to further manipulate their balance sheets and show losses to deprive even those workers who will get a paltry bonus this year. The Ordinance is therefore virtually withdrawing the right of the workers to bonus.

The claim of the Government that the minimum bonus had been raised to Rs.60/- and 100/- will not hoodwink any worker since most of the workers were already getting a higher bonus than that amount.

The bonus commission awarded minimum bonus to workers irrespective of profit or loss in view of the prevalent low rate of wages. Now the Ordinance seeks to replace the concept by linking bonus to productivity. This will only mean that unless the workers add to the already high profitability of companies they will not be paid additional bonus - a position which was unitedly opposed by all the Central Trade Unions earlier. This new concept will deprive all additional claims of workers for every increase in productivity and thus favour only the employers. It will also give a handle to the employers to increase the workload on the workers and intensify their exploitation. By limiting the exgratia payment to employees in banks, insurance, port and docks and other companies the Government has imposed a bonus cut on these employees. The Public Sector managements have been asked by the Government not to enter into negotiations on bonus with the unions and the Govt. has usurped the right to determine the quantum of bonus for these workers throwing overboard all norms of collective bargaining.

The CITU rejects the argument of the Government that this step was necessary to check the inflation and boost the economy. The fabulous profits earned by various companies and the reduction in their wage costs has been noted by the Reserve Bank studies.

The CITU therefore demands that the Ordinance should be withdrawn forthwith and $8\frac{1}{3}\%$ should be declared as the minimum bonus irrespective of profit and loss and without any ceiling. The employers should be directed to pay whatever higher quantum over and above the minimum they paid last year and honour the longterm bonus agreements signed with the unions.

The CITU appeals to all the trade unions to come together and launch a vigorous protest against these measures since all the trade Unions had repeatedly asserted in the past the concept of bonus as a deferred wage.

The CITU calls upon the working class to resist in whatever manner possible the attack on their right to bonus unitedly so that the Government is compelled to withdraw this anti-working class measure.