



THE WORKING CLASS

MONTHLY JOURNAL OF THE CITY

Editorial

Raise High The Banner Of October Revolution!

On the occasion of 78th Anniversary of the glorious October Revolution this year, the toiling millions all over the world will still find the Red Star of the first socialist state on the globe shine in the horizon and light the path of struggle for ending exploitation of man by man and for achieving lasting world peace.

Already the working class and the people of the erstwhile Soviet Union have started to see from their experience that returning to capitalism means all round misery, growing unemployment, large scale closure of industrial undertakings and reduction in social benefits and standard of living. The people are naturally rallying behind the forces of socialism and launching struggles against the new capitalist rulers. They will observe the 7th November with full enthusiasm and will remember the teachings of Socialism.

The working class and the people of Eastern Europe have also experienced similar situation in their countries and are growingly feeling that capital-

ism cannot be an answer to the present day world issues. The forces of socialism are growing popular and in some areas even gaining majority of popular support.

The people of China, Cuba, Korea and Vietnam where socialism is progressing despite impediments created by imperialism, still find in the October Revolution a beacon light in achieving further success in building a modern socialist economy. The prophets of doom who predict the downfall of socialism in these countries will have to come to grief since the people are firmly rallying behind these socialist states. The heroic people of Cuba have become a shining example for all the progressive people as to how even a small country can defeat the machinations of the biggest imperialist power with the sup-

port of the people all over the world. The slogan "Socialism or Death" has inspired the Cuban people to preserve the gains achieved after the success of their revolution.



Call of Motherland. In 1941 Soviet artist sketched this poster which inspired masses of the Soviet people to take part in the battle field

The mighty struggle of the working class in the leading capitalist countries has once again come to the forefront recently. The nationwide strike by the French working class, the strikes in Italy, Germany and USA have shown the rising curve of class struggle against the capitalist onslaughts. The growing unemployment and continuing recession in these countries have further aggravated the situation adding to the social tension.

The IMF and the World Bank through their structural adjustment programmes have imposed conditionalities on the third world countries to create markets for the MNCs which have resulted in adding to the poverty of the vast masses of these countries. The struggle of the working class and the people of these countries are rising in all the continents of Asia, Africa and Latin America.

The U.S. imperialists' efforts to blackmail the countries in the third world, imposing blockades on countries opposing the imperialist machinations, imposing sanctions against countries refusing to toe the line of U.S. Government, has further exposed its hollow claim to be the protector of human rights.

All these developments underline that Socialism has not become obsolete but it is more relevant in to-

day's international situation. The new epoch heralded by the great October Revolution still exists and will come to an end only when the crisis ridden capitalism is thrown overboard by the working class and the toiling people.

The set back to socialism in the world is therefore only a passing phase arising out of the serious lapses in building socialism. The revolutionary movements all over the world by drawing lessons from these lapses and by taking corrective steps can usher in further progress of movements against capitalism and for socialism.

The working class of India as a contingent of the world working class must rise to the occasion and play a leading role by mobilising all the toiling masses in the struggle against the capitalist system which alone will result in improvement in the material standard of living for the people at large.

On this occasion of the anniversary of October Revolution let us take a pledge to strengthen our struggle against the capitalist - landlord classes by involving all the exploited sections of the society in it. The imperialist conspiracies will never be allowed to succeed whatever difficulties may come in our way.

We shall overcome one day! □

Trade Unions and Mass Organisations to Demonstrate Before Parliament on 15th December Against NEP

The representatives of the National Platform of Mass Organisations, (NPMO), the apex forum of workers, peasants, agricultural workers, women, youth, students, employees and other sections of working people against NPE held its meeting at New Delhi under the presidentship of Com. A.B. Bardhan, General Secretary, AITUC on 17th October, 1995.

The meeting decided to stage a massive demonstration before the Parliament on 15th December 1995. The demonstration is the culmination of the long drawn phased agitational programmes adopted at the national convention held at New Delhi on 15th July '95 against the New Economic Policies of the Narasimha Rao Government.

While a large number of people are expected to participate in the Delhi demonstration from the neighboring and adjoining states, massive joint demonstrations shall be organised on the same day at all the district headquarters all over the country.

The meeting has further called upon all its constituents to organise meetings and demonstrations

on 26th October '95 and send telegrams to Union Coal Minister to protest against the criminal negligence of the Central Govt. and Coal India authorities towards safety in Coal Mines resulting in series of fatal accidents, the last one being at Ghazilant, killing 74 coal miners.

The Platform appeals to all the constituents to prepare with right earnest for ensuring maximum possible mobilisation in the demonstration at Delhi and at all the district headquarters. □

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COAL WORKERS URGED TO FIGHT PRIVATISATION

The CITU and All India Coal Workers Federation (AICWF) have called upon all unions in the coal industry to wage a joint struggle to achieve their wage and other demands, fight against the attempts to privatise the coal mines, fight for higher safety standards and other issues concerning the seven and a half lakh coal workers the country.

In a detailed statement issued on October 16, CITU General Secretary, M.K. Pandhe, who is also the AICWF president, pointed out that the two day meeting of the Joint Bipartite Committee for Coal Industry (JBCCI), held in Calcutta on October 11 and 12, had failed to achieve any result "due to the recalcitrant attitude of the Coal India and other managements during negotiations."

Though the memorandum of understanding was signed by the four non-CITU federations on April 29, 1995, settlement could be arrived at so far. Only two and a half months are left for the completion of the period of the wage agreement.

Pandhe pointed out that the CITU and AICWF did not sign the MOU since it gave much less benefits than extended to workers in other wage settlements in public sector undertakings. The inordinate delay in signing the wage settlement only underlines that the MOU was signed in a hurry without taking into account its implications, he said. The managements now want a further extension of agreement period by six months if the low basic wage in coal industry is to be increased as in case of other public sector workers. This precondition was not acceptable to trade unions which resulted in failure of talks.

The CITU President recalled that all the five central trade unions (INTUC, CITU, AITUC, HMS and BMS), after deciding to go on six-day strike in October, withdrew the call on the mere assurance of the Union coal minister that he would issue an ordinance on pension scheme. This move by the non-CITU unions "has considerably reduced the bargaining power of the workers and caused acute frustration" among workers, Pandhe said, recalling that a strike was withdrawn in a similar manner in January 1994 on a mere assurance of the then Union coal minister.

He further said the CITU and the AICWF are prepared to sign the wage settlement provided the following demands are accepted by the management: 1. Guaranteed minimum benefit of Rs. 100-150 to the workers instead of only Rs. 85. 2) The percentage of under ground allowance on basic should be the same as in NCWA-IV and the arrears payment to be made from the date of the commencement of the agreement. 3) The basic wage should be increased at par with other public sector undertakings to ensure full neutralization of price-rise to the workers. The minimum rate of increment should be Rs. 40 as in other public sector undertakings. 4) Suitable increase in conveyance and night shift allowances as in other public sector undertakings. 5) Implementation of the commitment of the

management to give matching contribution in the pension schemes.

He said if the corruption and pilferage in coal industry are stopped, the industry would be in a position to grant these benefits to the coal miners. The theft of coal per annum alone amounts to more Rs. 1000 crore but the management and the government of India are refusing to stop these malpractices,

Pandhe's statement also referred to the deplorable safety conditions in the mines as high-lighted by the accident in Gaslitand and other collieries. It also condemned the recent statement by the Union coal minister openly advocating privatisation of coal mines and said, "The CITU believes that a united movement of coal workers has sufficient strength to revitalise the industry in the public sector and remove all the blemishes thrown at the industry due to gross bungling by the management and the government of India."

Worship God And Violate Safety Rules

The Bharat Coking Coal Ltd. (BCCL) management's utter negligence of the safety rules has been highlighted clearly by the Gazlitand accident on 26th September last. No officer was available on duty when the accident occurred in Gazlitand and 5 other mines killing 77 workers. The bodies of the trapped miners are yet to be taken out and it may take 3 months to remove all the water from the mines. Instead of admitting its failure the BCCL management characterised the accident as the "will of God".!

The Chairman cum Managing Director of BCCL preferred to pray to God than to implement the safety rules in mines. Barely one month before the shocking accident the CMD of BCCL decided to offer worship and Sankalp at Baidyanath Temple at Deoghar for the "welfare of BCCL Collieries against accident, fire etc. and also for production and better industrial relations."

All the expenses for the CMD's worship were of course paid by the BCCL. The money was diverted from the welfare fund of the workers. Five pandits were engaged who were fed and offered clothing by the BCCL. It should be noted here that CIL management held a BCCL meeting at Guwahati last year to enable the top brass of CIL to offer prayers to Kamakhya Devi.

CIL has no money to pay better wages to the Coal miners but it has enough funds to squander on such issues. The CMD's attempt to offer prayers is only a device to utilise the backwardness of the workers and cover up the managements failure to observe the safety rules.

CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS

(BASE 1982 = 100)

Centre	Linking factor for Old Base		Centre	Linking factor for Old Base			
	July '95	Aug. '95		July '95	Aug. '95		
All India	313	315	4.93	Solapur	341	338	5.03
Gudur	313	321	4.33	Barbil	303	300	5.00
Guntur	309	309	5.60	Rourkela	283	281	3.59
Hyderabad	288	286	5.23	Amritsar	279	282	5.19
Visakhapatnam	301	301	—	Ludhiana	288	291	—
Warrangal	309	307	—	Ajmer	312	313	5.01
Doom-Dooma				Jaipur	291	301	5.17
Tinsukia	283	291	4.05	Coimbatore	311	313	5.35
Guwahati	315	315	—	Coonor	336	331	4.80
Labac-Silchar	277	278	3.96	Madras	343	342	5.05
Mariani-Jorhat	295	307	3.95	Madurai	331	327	5.27
Rangapara-Tezpur	294	306	4.29	Salem	334	328	—
Jamshedpur	284	288	4.68	Tiruchirapally	339	344	—
Jharia	266	269	4.63	Agra	292	298	—
Kodarma	270	273	5.43	Ghaziabad	300	301	—
Monghyr	289	293	5.29	Kanpur	318	316	4.69
Noamundi	288	291	4.58	Saharanpur	292	299	5.06
Ranchi-Hatia	294	295	—	Varanasi	321	317	5.12
Ahmedabad	310	312	4.78	Asansol	290	289	4.77
Baroda	311	315	—	Calcutta	315	317	4.74
Bhavanagar	326	335	4.99	Darjeeling	273	277	4.55
Rajkot	300	312	—	Durgapur	313	316	—
Surat	330	333	—	Haldia	339	339	—
Faridabad	298	306	—	Howrah	324	327	4.12
Yamunanagar	299	300	5.53	Jalpaiguri	286	289	4.16
Srinagar	302	310	5.47	Raniganj	273	278	4.40
Bangalore	313	312	5.66	Chandigarh	295	301	—
Belgaum	342	341	—	Delhi	333	336	4.97
Hubli-Dharwar	329	329	—	Pondicherry	359	361	—
Mercara	311	314	—				
Alwaye	319	316	5.19	Additional series of Labour Bureau			
Mundakayam	326	316	—	Kothagudem	317	315	3.25
Quilon	328	328	—	Himachal Pradesh	293	296	3.75
Trivandrum	355	354	—	Bhilwara	309	313	3.20
Bhalaghat	309	313	5.24	Chindwara	321	321	2.59
Bhilai	282	282	3.49	Tripura	308	307	4.37
Bhopal	315	318	5.46	Goa	348	347	3.40
Indore	322	323	5.18				
Jabalpur	317	318	6.41	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.			
Bombay	346	350	5.12	—Dash denotes new centres under 1982 series,			
Nagpur	320	325	4.99				
Nasik	328	337	—				
Pune	334	336	—				

Supreme Court Comes Down Heavily on Contract Labour System

P. ESAKKIMUTHU

1. In the case filed by the Central organisation of Tamilnadu Electricity Employees (CITU) against Tamilnadu Electricity Board, the Supreme Court directed absorption of 18006 contract workers by the T.N.E.B on the recommendation of Khalid Committee appointed by the Supreme Court. The Supreme Court has given another landmark judgement totally opposing contract labour system as unfair labour practice. In Gujarat Electricity Board case, this judgement was delivered by Justice P.B. Sawant and Justice S.B. Majumdar.

2. The Gujarat Electricity Board has a Thermal; Power Station at Ukai wherein 1500 contract laborers are employed to carry on the work of loading and unloading of coal and for feeding the same in the hoppers and for doing the cleaning and other allied activities in its power station. The Contractors were latently faulting the labour laws and exploiting the workers. The workers organised themselves into a Trade Union for which the workers were victimised on 16.11.1981. The trade union approached the High Court of Gujarat against this victimisation. The High Court appointed one Sri Israni as a Court Commissioner to make detailed enquiries regarding the allegation made in the writ petition and also to try to resolve the dispute between the parties.

3. An agreement between Contractors and Trade Union was reached before Sri Israni, whereby all the victimised contract workers were reinstated with effect from 04.01.82. It was also agreed to refer to industrial Tribunal for adjudication about the payment of service benefits as applicable to permanent workers.

4. The Tribunal came to the conclusion that the contract workers are direct workers of Gujarat Electricity Board and gave consequential direction for payment of arrears of wages to the contract workers. The Tribunal based its award on the continuous nature of work being done by the contract labourers among other reasons. The Gujarat Electricity Board went to Gujarat High Court against the award of the Tribunal. The High Court also confirmed the award of Tribunal. The Board preferred an appeal in the Supreme Court which considered the following four points.

a. Whether an industrial dispute can be raised for abolition of the contract labour system in view of the provisions of the Act?

b. If so, who can raise such dispute?

c. Whether the Industrial Tribunal or the appropriate Government has the power to abolish the contract labour system? and

d. In case the contract labour system is abolished, what is the status of the erstwhile workmen of the contractors?

5. The Supreme Court analysed the various provisions of the Contract Labour (Abolition and Regulation) Act and the award of the Industrial Tribunal and confirmed the view of the Tribunal that loading and unloading of Seed and Cake Bags were closely connected with the main industry and the work was of a permanent character. Citing its earlier decisions, the Supreme Court held that the direct workmen of the principal employer can espouse an Industrial Dispute for absorption of the Contractor's Workmen and the Industrial Adjudicator will have jurisdiction to entertain such dispute and grant the necessary relief.

The Supreme Court further held as follows:-

"If the workmen of the so-called contractor allege that in fact the contract is sham and they are in fact the workmen of the principal employer, they may raise the disputes themselves not for abolition of the contract labour system, but for making available to them the appropriate service conditions. When such dispute is raised, it is not for abolition of the contract labour, but for a declaration that the workmen concerned are in fact the employees of the principal employer, and for consequential reliefs on such declaration. If, however, the contract is genuine, the direct workmen of the principal employer may espouse the industrial dispute for abolition of the contract labour system and for absorption of the contractor's workmen as the direct workmen of the principal employer. When such dispute is raised by the direct workmen of the principal employer, the Industrial Adjudicator can entertain the reference; but in view of the provisions of S.10 of the Act, he will have first to direct the workmen to approach the appropriate Government for considering the question as to whether the contract labour in question should or should not be abolished under the said provisions. If, on such reference being made by the workmen, the appropriate Government does not abolish the contract labour, the Industrial Adjudicator has to reject the reference since the jurisdiction to abolish the contract is exclusively vested in the appropriate Government and he has no jurisdiction to adjudicate the dispute. However, if the appropriate Government abolishes the contract labour, the Industrial Adjudicator can proceed to decide.

i) as to whether the erstwhile contract

ii) if so, to what extent; and

iii) on what terms

6. The Supreme Court expressed their dismay over the fact that "even the undertakings in the public sector have been indulging in unfair labour practice by engaging contract labour when workmen can be employed directly even according to the tests laid down by S.10(2) of the Act. The only ostensible purpose in engaging the contract labour instead of the direct employees is the monetary advan-

tage by reducing the expenditure. Apart from the fact tht it is an unfair labour practice, it is also an economically shortsighted and unsound policy, both from the point of view f the undertaking concerned and the country as a whole. The economic growth is not to be measured only in terms of production and profits. it has to be gauged primarily in terms of employment and earnings of the people. man has to be focal point of development. The attitude adopted by the undertakings is inconsistent with the need t reduce unemployment and the Government policy declared form time to time, to give jobs to the unemployed." The Supreme Court has further recommended that

a. All undertakings which are employing the contract labour system in any process, operation or work which satisfies the factors mentioned in Cls.(ā) to (d) of S.10 (2) of the Act, should on their own, discontinue the contract labour and absorb as many of the labour as is feasible as their direct employees.

b. Both the Central and the State Governments should appoint a committee to investigate the establishments in which the contract labour is engaged and where on the basis of the criteria laid down in Cls. (a) to (d) of S.10 (2) of the Act, the contract labour system can be abolished and direct employment can be given to the contract labour. The appropriate Government on its own should take initiative to abolish the labour contracts in the establishments concerned by the following the procedure laid down under the Act.

c. The Central Government should amend the Act by incorporating a suitable provision to refer to the industrial adjudicator the question of the Direct employment of the workers of the excontractor in the principal establishment, when the appropriate Government abolishes the contract labour. 7. Our unions dealing with contract labourer must make full use of he new situation arising out of this Judgement of Supreme Curt and take necessary legal steps to observed the contract labourers as direct workmen of the principal employer besides launching struggles therefor.

Letter Written by M.K. Pandhe, General Secretary, CITU to the Government on the Subject

August 26, 1995

Sri S. Gopalan,
Secretary to Govt. of India,
Ministry of Labour, Shramasakti Bhawan,
Rafi Marg, New Delhi - 110001

Dear Sri Gopalan,

I would like to draw your attention to one recent judgement of Hon'ble Supreme Court in the case Gujarat Elec-

tricity Board Thermal Power Stn. Vs Hind Mazdoor Sabha and other dt. 9-5-95, which made certain specific recommendation regarding abolition of contract system and absorption of contract labour in the roll of the principal employer in respect of certain areas of work. Hon'ble Supreme Court also urged the Central and State Govt, to be more proactive in proper implementation of Contract Labour (Regulation & abolition) Act, particularly in respect of abolition of contract system in terms of the criteria laid down in clauses (a) to (d) and S.10 (2) of the Act.

— Court is no doubt historic and deserves more active initiative on the part of your office in giving effect to the judgement.

you may note, that the said judgement recommended for constitution of committees by the Central and State govts to investigate ral incidence of deployment of contract labour in permanent nature of job and take suitable action in abolition of contract system in those areas.

The Judgement also recommended suitable amendment of the Contract Labour Act in the above direction as well.

I would request you to please look into the matter and do the needful in the matter implementation of the above said judgement.

With regards,

Yours sincerely,
Sd/-
(M.K. PANDHE)

CITU Condemns Revival of Enron Deal by Maharashtra Government.

The Secretariat of CITU has issued the following statement on October 6:

The Centre of Indian Trade Unions condemns the Shiv Sena - BJP Government of Maharashtra for revival of the scandalous Enron deal on the dubious plea that the conditions laid down by the Shiv Sena Chief Bal Thackeray have been accepted by Enron.

The statement made by the Chief Minister of Maharashtra, Manohar Joshi in this respect has laid bare the fraud that was delivered by the Shiv Sena-BJP Government while cancelling the deal. All its tactical manoeuvres to project itself as anti- multinational and against the new economic policies of the Congress (I) Government have been blown off. It has exposed itself to be hand-in-gloves with the Congress (I) Government at centre to undermine the economic sovereignty of the country. It is further reprehensible the Shiv Sena Chief Bal Thackeray is openly and audaciously dictating the Government's decisions. The CITU demands cancellation of the deal and calling for fresh tenders for the Dhabol Project and making them transparent to the public. □

FOR INTERNATIONAL STRUGGLE AGAINST MULTI-NATIONALS AND UNEQUAL TRADE RELATIONS

M.K. PANDHE

A South North Conference on New Alliances for dignity of Labour was held in Pisa (Italy) on 1-3 October, 1995 which was organised by Centro Nuova Modello di Sviluppo an organisation conducting research and education in Italy. About 140 delegates from 28 countries participated in the conference coming from trade unions both from the right and the left, NGO's, educationists and women's movements, participants in the campaign against multinationals.

During the conference there was a round table on Social Clause and International Trade. The organisers selected two representatives from the advanced capitalist countries and from the developing countries Prof. P.J. Harvey, International Labour Right and Education Fund (USA), W. Kresil Dortfler, M.P. from Germany, A. Torelli, Vice President CUT, a central trade union from Brazil affiliated to ICFTU and M.K. Pandhe, General Secretary, CITU from India. C. Juliano, Secretary of the International Department of Confederation General of Italian Labour (CGIL) acted as Co-ordinator during the discussion.

The speakers from USA, Germany and Brazil advocated that the inclusion of the social clause in trade agreement under WTO will improve the conditions relating to trade union rights and working conditions. They also stressed that WTO should have right to impose sanctions against countries violating the major International Labour Standards. They expressed concern at the flight of capital from the advanced countries to the third world countries due to cheap labour which was causing unemployment in the advanced countries. They were critical of the multinational companies for exploiting the labour of the third world countries for their profits without linking Labour standards in the third world countries with international trade.

M.K. Pandhe speaking during the round table discussion pointed out how the inequality all over the world was increasing rapidly with top 20 per cent of the world population cornering 85 per cent of the world resources while bottom 20 per cent had to live only on 3 per cent of the world resources. The ILO had admitted that this growing disparity was due to unequal trade relations between advanced and de-

veloped countries. Instead of taking steps to correct these relations the proposals to include social clause in the world trade would only restrict the market for the products of the third world countries in the advanced capitalist countries and hence it was a protectionist measure. When we talk of free trade was going on the existence of ECM, NAFTA and ASIAN as trade blocks mounted to a protectionist measure.

"The CITU is not against social clause. We are fighting in our country to increasingly improve the social standards. But we are opposed to its linking with international trade" Pandhe observed. All the trade unions in India including those belonging to ICFTU have taken similar view and a joint memorandum was submitted to the conference of the Labour Ministers of the non-aligned countries held in Delhi this year.

"India has adopted only 35 ILO conventions and the trade unions are unitedly pressing to get more conventions adopted including those relating to Freedom of Association and Right to Collective Bargaining. However the record of some advanced countries in this regard was extremely poor. For instance the U.S. Government has adopted only 9 ILO conventions". CITU representative emphasised during the debate.

Pandhe mentioned about the existence of child labour in US and other advanced capitalist countries. The discrimination shown towards negro workers in USA had been repeatedly pointed out in the world forum.

Noting that the IMF and the World Bank are imposing conditionalities on the third world countries which is leading to control of their economies by the multinational companies Pandhe stated that the real standard of living had been declining after the introduction of structural adjustment programmes by these countries.

Regarding the question of sanctions, CITU representative pointed out that on the question of South Africa despite UN sanctions all advanced capitalist countries were trading with Racist Government and openly defied the sanctions but UN could not do anything. U.S. is to-day openly defying the UN resolution demanding lifting of blockade against Cuba

but UN could not do anything against USA. But in case of Iraq the armies of Western Countries immediately joined the war and blockade of Iraq even prevented sending of medicines and baby food. Under these circumstance it is ridiculous to think that WTO would be able to impose any sanctions against advanced capitalist countries. The Social clause would however be applicable only to the third world countries.

Pandhe emphasised the need for co-operation between the third world countries so that they could protect their economies from the inroads of multinational companies.

Kailas Satyarthi of a foreign funded NGO in India however supported the Social Clause and remained true to the aid givers. He even went to the extent of saying that child labour was the cause of poverty in India.

Though the conference was divided in 3 commissions the main theme of discussion was on the social clause. During the commission the differences came to the forefront and there could be no agreement. Hence it was divided into two groups to submit their arguments. However out of 55 members of the Commission only 10 remained in the group advocating linkage of social standard with international trade.

Those who opposed linkage noted that the improvement in social standards can be achieved only through nationwide struggles of trade unions while international solidarity would help the process of this improvement. It is only through popular movements of both advanced and developing countries that the objective could be achieved. The need for international co-operation against multinational corporations was also stressed by the speakers.

There was another commission on Child Labour and Forced Labour. The third Commission discussed the conditions of the workers in agricultural sector.

Due to differences on several important issues the final declaration could only be of a general nature.

The declarations commences with the need for struggle against multi-national corporations. Pandhe moved an amendment to include the struggle against unequal trade relations which was accepted by the Presidium.

The Conference was the first worldwide debate of representatives holding different ideologies and hence it was not possible to draw definite conclusions since much more detailed discussion was required for the purpose.

The Conference was not sufficiently represented

from the countries of the "South". Over 75 per cent of the delegates were from the "North". Only 2 countries from Africa were represented. China was a major country unrepresented. Representatives from former soviet union and Eastern European countries also did not attend the conference. Middle East countries were also totally unrepresented. Among the advanced countries Australia and Japan were also not represented in the Conference. The organisers explained that they did not have contacts but in future they would take note of that for a wide discussion.

However, the conference helped in highlighting the problems faced by the advanced and developing countries. It also stressed the need for continuation of a worldwide debate on this question so that the struggle against poverty and unemployment can assume worldwide character. □

PRIVATE CORPORATE SECTOR PROFITABILITY

Ever since the economic reforms of the present government were launched in mid 1991, the chieftains of India's private corporate sector have been the most vocal supporters. In order that India may come out of the shell of a 'sheltered economy', it must be unshackled, all regulatory controls must disappear, the Indian economy must be integrated with the global economy and so on have been the constant refrain. What is good for the corporate sector is good for India is the running theme!

Recently, on Sept. 8, the Bombay-based Centre For Monitoring Indian Economy (CMIE) released to the press its findings of a study of annual accounts of 751 private firms for 1994-95. This revealed that the gross profits had increased by more than 40 per cent in 1994-95, the highest in 8 years. Net profits, after servicing assets, borrowings and providing for taxes for the same year rose by as much as 72 per cent. The same study shows that the Indian private corporate sector also gained by lower interest costs, lower depreciation and lower tax rates. It also confirms that corporate sector profits have been on a persistent rise.

It is not for nothing, not the least altruistic, that the roly-poly gentlemen of private corporate sector are so enthusiastic about Dr. Manmohan Singh's reforms.

The Finance Minister is heavily relying on the much discredited theory of trickle down effect. What in fact has been happening is 'trickle up'. It is sheer reverse flow of wealth and assets. □

CO-ORDINATION COMMITTEE OF PUBLIC SECTOR TRADE UNIONS MET AT DELHI

The Co-ordination Committee of Public Sector Trade Unions met at New Delhi on 17th and 18th October 1995 and decided to observe PUBLIC SECTORDAY by holding public meeting demonstration on 29th November '95 all the Public Sector units all over the country to protest against denial of wage revision and enhanced DA to the employees of a section of public sector units declared sick and demanding rectification of VDA calculation method as suggested by the central trade unions jointly removal of all ceilings on payment for bonus and taking the TUs in confidence in formulating pension scheme.

Co-ordination committee in its two day long deliberation expressed in unequivocal terms that sickness of PSUs is the result of mismanagement and erroneous policy of the Govt. responsibility of which naturally lies with the Govt of India only and employees and workers should not and cannot be penalised for the same. Co-ordination committee also expressed concern over the manner in which Govt. of India declared bonus ordinance without giving cognisance to the demand of the trade unions for removal of all ceilings on bonus payment and entitlement. The unions also expressed dissatisfaction over the new D.A formula which denied full neutralisation to price rise to majority of the public sector employees, in so far as it restricted full neutralisation up to a pay range of Rs.3500/-.

Around 40 delegates from various public sector units like BHEL, NTPC, Coal, Steel, BEL, Neyveli Lignite, Hindustan Zinc, HSCL, NBCC, Insurance, Hindustan Antibiotics Ltd., Fertilizers etc. from all over the country attended the meeting.

Com. S. Dev Roye, Secretary, CITU presided over the meeting. Com. M.K. Pandhe, General Secretary, CITU, explaining the situation arising out of New Economic Policy of the Govt of India and consequent onslaught let loose against the public sector network of the country and its fallout on the public sector workers, and urged upon the urgent need for expanding and consolidating the organisation in each unit and industry level unions and federations to meet the challenge of the situation.

Com. Jibon Roy, Secretary CITU placed the convenor's report before the meeting which dealt at length the problems being faced by the PSUs in the background of determined bid by the Govt of India to dismantle the PSUs and create condition for dragging

even the healthy PSUs towards sickness. The report also sought to make an appraisal of the united movement of the public sector workers developed in the above background, problems and complications cropped up therein and the role of the Co-ordination Committee in advancing the cause of the united movement in defence of public sector and the interest of the workers.

Report pointed out that inspite of negative attitude of the Govt of India, united movement of public sector workers under the banner of CPSTU could get wage revision concluded in many public sector units breaking the DPE guidelines. But on the otherhand wage negotiation has not been allowed in Sick PSUs nor the enhanced DA rates has been paid to employees of sick PSUs which has created a peculiar dichotomy in the situation and posed serious problem before the movement. The present situation also posed before the public sector workers movement the need for mobilising the entire public sector workers including those in non-sick units in the struggle for revival of sick public sector units and against the negative approach of the govt towards rendering necessary assistance for revival of Sick PSUs. The report put forth in clear term, the urgent need for elevating the consciousness of the entire movement to a much higher level, but for which it would be difficult for us to throw full strength in the struggle against sickness.

While detailing the complication and confusions being created in the public sector workers movement by the Govt policy and the discounting tactics of the ruling class, the report sought to introspect the present organisational position of the movement and identify the short comings. Not with-standing the major role of CITU in the united movement of PSU workers, and its increasing influence among the public sector workers, fact remains that organisational position of the unions in various PSUs and industry level federation is far short of its influence and much behind the need of the hour.

The report emphasised that fast changing situation and the aggressive role of sophisticated media and other propaganda machinery of the ruling class in confusing and dechannelising common people away from the path of united struggle counterpose the need of sharpening and updating the organisational capacity on the part of the trade union movement to enable itself to address the situation.

It has also been pointed out that in the background of joint struggle against the NEP and its fall out in the life and living of the economy, a kind of vacillation is also developing within a section of the trade union movement to somehow reconcile with the situation and go in for unprincipled adjustment. The real face of disinvestment of PSU shares to the workers however marginal the amount may be, could not be properly exposed by the movement which has created vacillation/confusion even among a section of leadership of many trade unions in opposing the disinvestment process. The concept of productivity linked wage for PSU workers has also influenced a section of PSU leaders while making this observation, the report pointed out that above situation brought forth the need of moping up the ideological campaign within the movement in the face virulent move of the ruling class in de-ideologising the working class struggle. The main responsibility of carrying on such ideological campaign effectively within the public sector movement naturally rests on CITU unions and it is imperative that CITU unions must prepare themselves to undertake this uphill task to elevate their consolidation to a much higher capacity level both ideologically and organisationally, the report reiterated.

The report dealt at length the steps to be taken by the CITU unions to rejuvenate organisation in unit/industry/national level to meet the challenge of the situation in the light of the report on organisation finalised by CITU in its Bhubaneswar Working Committee meeting. It reiterated that the Bhubaneswar document on organisation have to be discussed thoroughly at unit level committees to have a proper appreciation of the organisational need at the grass-root level. Otherwise we would be failing to discharge the responsibility that has fallen on CITU to unite not only the working class but also the democratic people as a whole in the struggle against the ruling class and disruptive forces. Unions must explore non traditional routes as well to reach every individual workers and also the people from other walks of life surrounding them in order to achieve a better consolidation within and outside the trade union framework.

26 Comrades from various PSU unions and state leadership took part in the two day long deliberation and mainly concentrated on the organisational position in respective areas and steps to be taken to improve the same. Suggestion came up in the deliberation for holding national level workshops with the leadership level comrades in the PSU movement on organisational aspects. Comrades also suggested that unions must take up cultural programmes

as a popular form of organizing at the unit level and fight back degeneration of values. It was also suggested to have a central programme with the workers of cultural front within the trade union movement. The problems of revival of the sick public sector units for which total unity of the entire workforce including the officers could be achieved in many units also surfaced in discussion in a big way.

Com. Jibon Roy, while summing up the deliberation suggested discussion on the report placed in the meeting at the unit/federation level. He also pointed out that in view of the increasing contractisation of permanent work in the PSUs and phenomenal increase in the number of contract workers, the permanent workers movement have to take up with all seriousness the task of organising the contract workers and develop struggle on contract workers demands, which is a must even for consolidation and effectiveness for their own struggle.

Following decision have been taken.

1) Demonstration would be held on 29th November in all Public Sector units to protest against denial of wage revision, D.A. etc. to Sick PSUs, demanding removal of all ceilings in Bonus payment and entitlement and also protesting the new DA formula which restricted full neutralisation of price rise only upto 3500/-pay.

2) A workshop would be held at national level on organisation the date and venue of which would be decided shortly.

3) State level Co-ordination Committee of PSU unions have to be reorganised in the states where it is not there and all state level co-ordination would discuss the organisational position unitwise and take necessary steps in the light of the report.

4) A cultural meet with the cultural workers within the PSU movement would be organised.

5) Initiative have to be taken by all the units to make the Parliament march at the call of National Platform of Mass Organisation to be held on 15th December a total success and also to hold district level rallies on the same day against NEP.

The meeting was also addressed by Com. E. Balanandan, President, CITU, who while emphasizing the frontline role to be taken by the public sector workers to unite and organise the entire working class and democratic people in the struggle against exploitation, stressed upon the need to strengthen the public sector movement organisationally and ideologically.

The meeting was concluded with the concluding speech of Com. M.K. Pandhe, General Secretary, CITU.

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AROUND THE STATES

ANDHRA PRADESH

A meeting of the A.P. State Committee was held on the 29th September, followed by a meeting of the State Council on the 30th Sept. and 1st October, 1995 in Hyderabad. Comrade N. Prasad Rao, President, presided over the two meetings. In his opening remarks, Comrade Prasad Rao dealt with the present political situation in the country and the State. He said that we have to step up our agitation against privatisation. He also said that we have to agitate for fixation of minimum rates of wages as they were fixed in 1991, and some even in 1989 and 1985, and for reorganisation of the Advisory Committees which are loaded with INTUC men and excluded CITU. He congratulated the affiliated Unions for their effort in collecting Rs 1,70,297.15 for Cubafund, which shows their international solidarity. He exhorted the CITU workers to work for the defeat of the Congress and the BJP in the coming parliament elections.

Com. B.V. Raghavulu presented the report in which he elaborately dealt with the work done during this period. On the question of privatisation, CITU, together with 8 other State-level unions held a state level convention and 12 district conventions. On particular fronts, separate district conventions were held - 12 on privatisation of power, 8 on RTC, 4 on Co-operative Spinning mills and 4 on Co-operative Sugar mills and some on dairies, and some on municipal services.

This period saw a number of important struggles. At the call of the All India Coal Workers Federation Coal Workers of Singareni coal mines went on strike on Aug. 21. AITUC and INTUC Unions opposed the strike call vehemently, but the strike was successful. Total workers in Bellampalli, Ramakrishnapuram, Srirampuram, Mandamarri, 60% workers in Kothagudem and Yellandu, and about 20% in Manuguru participated in the strike i.e. more than 60,000. The preparations for the success of this strike was made elaborately and the meetings held in all centres were well attended. One meeting was addressed by Comrade M.K. Pandhe, General Secretary, CITU.

Contract workers in the generation centres of the APSEB were agitating for regularisation of their services, and a Joint Action Committee with 9 Unions has been formed. They went on strike and after about 26 days the Government called the JAC and settled the dispute. Their wages were enhanced by Rs.500, Rs.550, and Rs.600 and the regularisation issue was left to the court before which their is a case pending.

One contractor in Vijayawada Thermal Station refused to pay these enhanced wages to the belt vulcanising workers. Repeated negotiations failed, and ultimately United Electricity Employees Union

started a strike there. The management started repressive measures and first 8 workers and later 17 other workers were removed or suspended. The State leadership and Leader of CPI(M) Legislature party made representations to the Board Chairman and the Chief Minister, who agreed for reinstatement of the workers and payment of wages. But the contractor was adamant and did not take the workers into duty. So, Comrade V. Umamaheswararao, Vice-president of State CITU and Deputy Mayor of Vijayawada Municipal Corporation and 4 other workers sat on indefinite hunger strike from September 13. Huge sympathetic movement started and the Board Chairman had to intervene and order for the reinstatement of the workers. This was a big victory for the UEEU in Vijayawada Thermal Station.

Contract workers numbering about 500 in Nizam's Institute of Medical Sciences formed a Union with CITU affiliation and started agitation against reduction of their wages from Rs.900 to Rs.780 and against removal of some workers. After a week long strike the management of the hospital settled the issue by taking back the workers and restoring the wage.

In Appolo hospital, a prestigious hospital in the country, the workers formed a Union with CITU affiliation. The Management started vindictive measures. 8 workers were first removed and later another 72 workers were suspended. The workers went on strike, and workers from many other industries supported the hospital workers. Fund was collected in their support. Ultimately the management had to climb down.

The daily-rated workers of Osmania University carried on a 2 month long agitation for regularisation of their services and other demands. The police at one stage intervened and removed the tent of the workers. But the workers gained the sympathy of the public by sweeping the roads, polishing the boots etc. A one day strike also was observed. Permanent workers also sympathised with their cause. Ultimately the University regularised the services of 47 workers. This was a victory for the university employees.

In Visakhapatnam, 247 workers of the municipal corporation were declared surplus and were removed from service. So it became necessary to go on strike. Ultimately a settlement was reached in the presence of the Minister for Municipal Affairs and the Corporation officials. The working class in Visakhapatnam gave unstinted support to the strike of these municipal workers.

CITU Unions won some prestigious union elections in this period. Recognition elections were held in Visakhapatnam Steel Plant on July 1995. The

CITU panel won with a thumping majority of 1400 votes. CITU panel secured 5373 votes, AITUC panel 3963 votes, Steel Employees Union 2913 and INTUC 350.

In the elections held to the Hindustan Shipyard Ltd. CITU contested the elections and wrested the leadership from the hands of AITUC-INTUC-NAXAL combination. CITU panel got 2073 votes, INTUC 891, and AITUC 131 votes.

A note on Unorganised sector employees was submitted by Dr. Hemalata, Secretary of State Committee. A questionnaire was issued to collect data about these sections.

Resolutions were adopted on Hiten Bhaya committee recommendations and Subrahmanyam Committee recommendations opposing them and demanding rejection by the Govt.

The council decided to hold district level dharna on 11th September in all Municipal towns against privatisation of some services and retrenchment of large number of employees in APIDC and appealed to all municipal workers, irrespective of their affiliations, to join in this dharna.

The Council adopted a resolution supporting the just demands of agricultural workers for higher wages and against social discrimination and decided to collect Fund to help their movements. The Council congratulated, the Bank employees and Insurance employees for their massive participation in their struggles and pledged support for their future struggles.

Tamil Nadu

CITU CALLS FOR UNITED STRUGGLES

The Tamilnadu State Secretariat of CITY has called upon unions to conduct independent and united struggle to settle the demands of Bonus.

Meeting at Madras on 23rd September, the Secretariat reviewed the present situation in the state. K. Ramani, Vice- President chaired the meeting.

It was noted with satisfaction that the mass rally of contract workers on 21st August was a success. More than 10,000 contract of the state Electricity Board workers including hundreds of women had participated in the procession from the gates of the Board Head Quarters. After marching through the busy roads of the city, a mass meeting was held. Among those addressed the rally were K. Ramani, T.K. Rangarajan, A.K. Padmanabhan, A. Soundarajan, D. Janakiraman and S. Pancharathnam.

A memorandum containing the demands of the contract workers was submitted to the Board chairman.

The state Secretariat endorsed the decisions

taken by the Central Organisation of Tamilnadu Electricity Employees to continue the struggle for regularisation and on other demands of contract workers as per the supreme court order and also of those outside the order.

Local Body Workers' strike:

The Secretariat, while having a preliminary review of the Local body workers strike noted that workers were forced to go on strike because the state government has been refusing to implement its own orders. Thousands of workers in Municipalities and Panchayaths had participated in the strike which began on 11th September and was withdrawn on 13th after a discussion with Government officials, who agreed to implement certain government orders.

Joint Action:

The state secretariat noted with satisfaction that the CITU- AITUC led joint movement of handloom workers has been further strengthened with INTUC initiating a united movement in which LPF also has agreed to participate. A massive rally of handloom workers is to be held in Madras City on 4th October. Preparatory meetings are being held in various centres all over the state. The demands of the joint movement include, implementation of 22 items reservation, implementation of handloom workers welfare act.

National Platform Movement:

The Secretariat while reviewing the preparations of the movements called by National Platform of Mass organisations noted that preparation for rallies on 27th September is being made in all the districts. The necessity of strengthening of this movement by mobilising various sections was also noted.

CITU had also participated in the meetings held in various district centres on 13th September in connection with the anti multinationals campaign in SAARC countries.

Beedi Industry Bandh

Protesting against the duty concessions to mini Cigarettes, which has created serious crisis to the Beedi Industry, the Manufacturers had decided to close the Industry for a day on 21st September. CITU Unions in various centres in the state had also participated in the industry bandh, at the call of the state level federation.

Organisation:

The Secretariat noted that various industrial Federations Co-ordination committees had met after the last meeting of the Secretariat and planned industry level activities.

T.U. Classes have been organised by various district committees and Industrial Federations.

Silver Jubilee Celebrations:

As decided by the State Committee, Silver Jubilee is being Celebrated in various districts. So far 15

district committees have successfully organised the Celebrations. In view of the demands by the district committees, it was decided that the Celebrations will continue till November. The Celebrations will conclude in Madras in December.

It was noted by the Secretariat that the district committees have organised the celebrations with good participation of workers and public. Cultural programmes, seminars, classes and competitions for workers' children are being arranged. Some of the Unions also have organised separate functions.

On Bonus Struggles:

The Secretariat noted that large number of workers are not eligible for Bonus even after the latest amendment. The Secretariat decided to continue the campaign for Bonus for all and removal of all wage ceilings. It was decided that CITU unions should take initiative for united and independent movements for securing just Bonus in various industries. With festival season fast approaching, Bonus struggle have already commenced. Bonus issues in state government owned establishments at the earliest, ensuring bonus to all irrespective of wage ceilings in the Act.

In a resolution, the Secretariat demanded festival season payment of Rs.1500/- from the Chief Ministers' Relief Fund to the workers in all the closed industrial establishments.

The Secretariat also expressed solidarity and support to the nation wide strikes of Bank and Insurance workers.

Massive Rally of Handloom Workers in Madras

Thousands of men and women, handloom weavers from all over the state marched to the state Secretariat in Madras, on 4th October demanding fulfillment of their demands.

The rally was jointly organised by INTUC, CITU, AITUC and LPF.

Major demands put forward by these organisations were, implementation of 22 items reservation for handloom products, holding of elections to Co-operative Societies, withdrawal of 2% Sales Tax on hank yarn, implementation of handloom workers welfare Act of 1982 another welfare measures etc.

Preparatory meetings attended by leaders of all unions were held in all handloom centres in the state.

The rally was inaugurated by K. Ramamoorthi, M.P. Honorary President of State INTUC. Among those who addressed the workers were T.K. Rangarajan (CITU), K.S. Somu (AITUC), C. Kuppusami (LPF).

The procession was led by leaders of handloom workers movement in the State including V. Karmegam, G. Bharati Mohan (CITU), R. Damodharan

(INTUC) and the leaders. State leaders of the participating organisations including A.K. Padmanabhan, P.M. Kumar (CITU), K.T.K. Thangamani (AITUC), V. Perumal (LPF) were present.

The procession was stopped at Chepauk by Police and a delegation met the officials at the Secretariat and submitted a memorandum. It has been decided to continue the united movement.

MASSIVE GUJARAT STATE RALLY

On 22nd September Ahmedabad witness a massive rally under auspices of the Gujarat Committee of Platform of Mass Organisations. The participants numbering about eleven thousands came from 14 districts of Gujarat Viz; Bhavnagar, Ahmedabad, Junagadh, Baroda, Rajkot, Sabar Kantha, Kheda, Surat, Surendranagar, Kutch, Amreli, Palanpur, Jamnagar and Mahesana (Sidhpur). The rally was participated by workers from CITU, AITUC and HMS and women, youth and students from AIDWA, DYFI and SFI.

Chief Guest of the occasion was Mrs. Sarala Maheshwari, Rajya Sabha Member of CPI(M) from West Bengal. The procession had started from near Railway station sarnagpur circle Babsaheb Amberdkar Statue and culminated in public meeting at J.P. Chowk, winding a seen mile long way through the streets of Ahmedabad.

Women from AIDWA constituted almost 40 percent of the rally led by Ivaben Mehta, Naliniben Jadeja, Ilaben Dodiya, Jayaben Sorathia, Hansaben jadeja, Pushpaben Parmar, yashodaben and Radhaben. The public meeting was presided over by Subhodh Mehta (CITU) and Chintaman Pajankar (AITUC).

A 21 point charge sheet against the BJP Govt. of Gujarat was presented by CITU president Subodh mehta. They included high level corruption, atrocities on downtrodden masses singling out minorities, open inroads to foreign companies even in construction of village roads, ship barges constructions and ship braking undertakings.

Exposing BJP's actions against its claims Sarala Meticulously explained the heritage of Indian culture and civilization and how the Sanghparivar was destroying the same systematically. She equally castigated the congress government at the centres for the economic policies.

Among others who spoke were Chintaman Pajankar of AITUC, Chauhan from HMS, Raghuvir Mali of CITU, etc. Prakash Parmar of DYFI sang revolutionary songs before the meeting. The 22nd September central rally was preceded by District rallies on 15th September all over the state.

7TH CONFERENCE OF ALL ORISSA TRANSPORT WORKERS FEDERATION

The 7th State Conference of All Orissa Transport Workers Federation was held on 26th September, 1995 at Kalinga Hotel, Balasore. The venue and place was named as Lal Mohan Nagar in memory of the esteemed leader, later Lal Mohan Panigrahi who acted as a pioneer in organising the transport workers at Balasore. The Conference began with the hosting of a flag by Janardan Pati, the President of the Federation followed by presenting flowers in the martyrs' column. The welcome address was given by Radharaman Sarangi. The conference was inaugurated by Janardan Pati.

The past performance of the Federation, the transport industry as well as the drawbacks of the Central Government's policy along with income and expenditure of the Federation was analysed and presented in a written report by Pradeep Das, the General Secretary of the Federation. The resolutions on the protection of Trade Union rights of the transport workers of Bargarh, the coming 28th national conference of Krsak Sabha, Cuba solidarity, repair of roads in Orissa, to keep a crime free environment inside all the premises of bus stand etc. were discussed by D. Behera (Chhendipada), J. Mishra (Keonjhar), A.S. Sahoo, Okil Choudhury and Biman Maiti (Rourkela), Jethu Bhoi (Sambalpur), Nalini Kanta Dash (Bargarh), Raghunath Das (Cuttack), Hrushikesh Pani (Puri), Pramod Jenamani (Bhubaneswar), Nirmal Nayak (Balasore). All the resolutions along with the General Secretary's report and statement of Income and Expenditure were passed unanimously.

Messages of greetings were sent by the Minister of Revenue and Transport Deptt. of Orissa, Kanhu Ch Lenka;

Dy General Secretary, West Bengal Private Bus-Mini Bus Workers Federation, Sujit Das and President of Shree Nilagiri Motor Workers Union of Puri Akhaya Pradhan.

The Conference was also greeted by ex-MLA Pitambar Panda; AITUC leader Ratnakar Mohanty; CITU leader as well as ex-panchayat Samity Chairman, Pradipta Panda, Sitansu Samapathi of Kehta Majdoor Union and Ganesh Patra, Secretary Railway Contract Labour Union.

The Conference unanimously elected Janardan Pati as President, Radharaman Sarangi as Working President, Nabakishor Mohanty, Bishnu Mohanty, Raghunath Mahakudum and Jagadananda Mishra as Vice-Presidents, Pradeep Das as General Secretary, Dadhi Baman Nayak, Nirmal Nayak, Biman Maitai and Durga Tripathy as Secretaries and Jayadev

Nayak as Treasurer and an Executive Committee of 35 members. A 17-point charter of demands was adopted unanimously. The Conference demanded for a clear Transport Policy through tripartite discussions involving the workers, the management and government of Orissa.

Massive Rally in Bihar

Massive rallies were held on 15th September in all the districts of Bihar under the banner of the National Platform of Mass Organisation's in the State. The decision was taken in the state meeting held at Patna on 31st August in pursuance of the call of the 15th July Delhi Convention against the economic policies of the Government of India.

About one lakh workers, Peasants, Agricultural Labours, Students, Youth and Women participated in the rallies. The rallies were addressed by the leaders of the State CITU and other organisations. The most massive demonstrations were held at Darbhanga, Samastipur, etc., where more than ten thousand men and women had gathered. These rallies were preceded by statewide campaigns upto village levels in the form of gate meetings, cycle jathas, leaflet distribution, street corner meetings, etc.

According to the decisions of the 31st August meeting, a state level joint convention was also held at Patna. The convention decided to organise a state central rally at Patna on 10th November. A state level campaign has been launched for mobilisation of one lakh workers, Peasants, Agricultural Labours, Students, Youth, Women etc. this central rally.

Demonstration against Dugdha Colliery Disaster:

The Bihar Colliery Kamgar Union observed 21st September as a protest day against the Dugdha Colliery disaster, where a large number of workers died.

Exactly at 11.30 in the morning a massive procession was taken out from the union office at Dugdha Colliery, which was joined by not only the colliery workers. But workers of other industries, Peasants, Students, Youth and Women. The procession marched through the different collieries and reached the main Administrative office of the Dugdha Colliery. The rally paid homage to the demised workers and demanded immediate judicial enquiry into the disaster, stringent punishment to the culprits and full compensation to the families of the deceased. It demanded adequate safety measures by the management. The rally was addressed among this M.K. Pandhe, General Secretary, CITU; Haradhan Ray, M.P.; Sukhendu Khan, M.P.; Chandi Prasad, President, State CITU; J.S. Majumdar, General Secretary, State CITU; S.K. Bakshi, General Secretary of Colliery Kamgar Union, etc. □

ASIA-PACIFIC REGIONAL CONFERENCE FOR SOLIDARITY WITH CUBA : CALL TO OBSERVE 27TH NOVEMBER 1995 AS CUBA SOLIDARITY DAY

P.R. KRISHNAN

A 3-day long Asia-Pacific Regional Conference for Solidarity with Cuba hosted in Calcutta on 22nd, 23rd and 24th September, 1995 under the auspices of the National Committee for Solidarity with Cuba ended on Sunday the 24th Sept. with a stirring call to the democratic, patriotic and freedom loving people of the World to resist the American pressures against Socialist Cuba and to lift the 40 year old economic and trade blockade imposed against this tiny but heroic nation. This Conference in Calcutta, it must be stated here, was held in response to the decision taken by the world solidarity conference held in Havana in November, 1994.

The conference passed a resolution declaring and pledging the unflinching support to and full solidarity of the Asia Oceans countries with Cuba and decided to observe 27th November, '95 as "Cuba Solidarity Day", the world over. The conference through this resolution appealed to the freedom loving people of the world to mobilise support to the brave people of Cuba by holding meetings, demonstration and seminars in the districts, states and national capitals demanding end to American blockade.

The inaugural session of this historic conference started in the morning at 10 on 22nd at Netaji Indoor Stadium while the concluding session was held at Nazrul Manch Stadium (Ravindra Sarovar). The intervening plenary sessions were held at Sisir Manch hall. There was also a brief meeting and function at Hochi Minh park where the statue of Cuba's heroic guerilla fighter Jose Marti was unveiled.

In the public meeting at the historic Netaji Indoor Stadium, Processions from different parts of Calcutta, shouting slogans against American Imperialism and Solidarity with Cuba began pouring into the venue right from the beginning to the end of the meeting. Those seated on the dais were a distinguished galaxy of foreign and Indian delegates and leaders from different walks of life. Besides Harkishen Singh Surjeet and Jyoti Basu, others who addressed the open session were the President of the Cuban Institute for Friendship with the People and Member of Cuban Parliament Sergio Corrieri Hernesdez, Mulayam Singh Yadav and Mrinal Sen.

The concluding session in the evening of 24th at Ravindra Sarovar was also chaired and addressed by Harkishen Singh Surjeet. This meeting was also addressed by Jyoti Basu and leaders to all the foreign delegations. The Government of India's Minister of State for Foreign Affairs Shri R.L. Bhatia was the other distinguished guest to greet this mammoth gathering international importance. Com. Biman Basu welcomed the gathering while M.A. Baby read

out messages from foreign countries and Indian dignitaries. The messages of solidarity amongst others were from the former Indian prime Minister V.P. Singh and Social Reforms Activist of Indian churches Dr. Poulouse Mar Poulouse.

Between the opening session and concluding rally were the plenary sessions held in the beginning from 3.30 P.M. on 22nd and ending at 1 P.M. on 22nd and ending at 1 P.M. on 24th September. It was here that the delegates gave their heart-rendering speeches and exchanged their views and experiences in regard to the anti-imperialist struggles in their own countries with particular reference to Cuba. Com. Harkishen Singh Surjeet was in Chair conducting the 3-day plenary who wished to share the anti-imperialist platform mentioned here that Mrs. Margaret Alva, the union Minister, Govt, of India, greeted the delegates in the plenary session on 23rd Sept. dignitaries who addressed the plenary sessions were Smt. Meera Kumar, M.P., and member of the Congress Working Committee and Shri Chandrajit Yadav of the All India Peace Council.

However, in the afternoon of 24th Sept. the delegate session was divided into 2 commissions namely commission (1) against Blockade and (2) for solidarity. This facilitated the representatives to discuss the different facets of anti-imperialist struggles in their countries. The deliberations in the two commissions helped the delegates to gather enough strength and material to wage their fight against American blockade and to strengthen solidarity movements with Cuba. The commission against blockade was presided over by M.K. Pandhe, the General Secretary of CITU while the commission on Solidarity was chaired by the veteran journalist N. Ram.

The concise reports of the deliberations of these commissions were placed before the concluding plenary session in the morning on 24th respectively by M.K. Pandhe and N.Ram. Both these reports were adopted unanimously.

This Conference of national and international importance was represented by 11 countries. Those nations are China, Vietnam, Laos, Australia, New Zealand, Sri Lanka, Bangladesh, Nepal besides Indian and Cuba. 109 delegates representing 102 organisations of these countries attended this conference. 69 of these delegates actively spoke in the plenary session. The largest contingent of 30 members was from Sri Lanka. The Sri Lankan delegation included the Minister for Science and Technical Development besides 10 members of Parliament of the Sri Lanka

(On Page 18)

PENNY WISE, POUND FOOLISH

SWADESH DEV ROYE

In his Independence Day speech in 1992 Prime Minister Narasimha Rao announced from the rostrum of Red Fort his Government's resolve to go for large scale import of fertilizers instead of increasing indigenous production. Because, according to him import would be "cheaper".

PAST EXPERIENCE NEGLECTED

Such decision of the Rao Government grossly ignored the analysis on the behaviour of international fertilizer market. The paper presented at the India International Centre seminar on 20th July, 1990 noted, "The votaries of fertilizer imports particularly nitrogenous material where domestic production is possible with local resources, tend to ignore certain basic aspects. World market prices for fertilizers are set in response to global demand/supply forces and are unrelated to cost of production in the exporting countries. And, India and China being two major buyers in the World Market, their purchasing decisions determine whether imports will cost low or high".

SELF-RELIANCE REVERSED

The country was totally self-sufficient in the Urea variety of nitrogenous fertilizer in 1990-91. However with the decision of the Government to depend on import, no step was taken to add to the indigenous capacity to keep pace with the growth in consumption. The result has been that gap between consumption and indigenous production has come into being and is continuously widening. The import bill for fertilizers is surging since 1992-93. In 1990-91 it was Rs.1335.82 crore which increased to Rs.1934.19 crore in 1991-92 and further increased to Rs.2216.00 crore in 1992-93 and this is mainly due to increased import of nitrogenous fertilizers, the major component of which is Urea. Whereas in 1991-92 the country imported 5.66 lakh tonnes of nitrogenous fertilizers, in 1992-93 the import quantity was 11.37 lakh tonnes and in 1993-94 it was 15.64 lakh tonnes. It is to be noted that as per projection of the Ministry of Chemicals and Fertilizers the gap between demand and indigenous production of nitrogen will stand at 12 lakh tonnes of nitrogen (equivalent to 26 lakh tonnes of Urea) at the end of the Eighth Plan period and this gap is likely to increase to 36 lakh tonnes of nitrogen (equivalent to 78 lakh tonnes of Urea) at the end of Ninth Plan. Thus it is certain that if indigenous capacity and production of Urea is not augmented, then country's import is bound to increase heavily at the cost of outgo of precious foreign exchange.

STEEP RISE IN PRICE

During 1994-95 the country has imported about 30 lakh tonnes of Urea. Now as a result of such huge quantity of purchase by India the price in the international market shot up abnormally. But it must be mentioned that the

experts had predicted such possibility well in advance which fell into the deaf ear of the Narasimha Rao Government.

The moment India decided to purchase huge quantity of urea from the international market, Narasimha Rao's theory of "cheaper" price evaporated and the price of urea shot up from \$130 per tonne to \$250 per tonne!

It has been reported that the country has incurred a loss of \$300 million on account of urea import. The industry sources have been quoted, "The price of urea in the international market is ruling at \$135 per tonne. India has paid an extra amount of \$100 per tonne to import urea. The Government stand on taking a sudden decision to import urea in bulk triggered high fluctuations in the international market as a result of which India imported urea at a higher cost".

INCREASED SUBSIDY ON IMPORTED UREA

The imported urea contributed 17% of the total consumption of the country in 1994-95. Now the total subsidy payment for the year 1994-95 was Rs.5,166 crore out of which Rs.1166 crore was for imported urea and Rs.3100 crore for domestic production for the current year and Rs.900 crore for outstanding dues for the year 1991-92 to 1993-94. Thus out of the total subsidy for the year, the imported urea accounted for 27.33% as against its contribution of 17% to the total consumption of urea. In other words imported urea swallowed proportionately more subsidy than the indigenous industry.

The budget provision for subsidy on imported urea for the year 1995-96 was Rs.1650 crore. Now this figure has shot up to Rs.1775 crore due to the dollar's appreciation against rupee. Compared to last year's revised estimate it constitutes an increase of Rs.609 crore. It is necessary to note that as against the weighted average cost of Rs.5500.00 per tonne of indigenously produced urea, with the current C & F landed cost, the farmgate cost of imported urea works out to about Rs.8800.00 per tonne. Thus subsidy on imported urea is higher by Rs.3300.00 per tonne compared to the domestically produced urea.

SITUATION MAY FURTHER AGGRAVATE

From the past and present experience it is conclusively established that whenever India goes for bulk import of urea, the price in the international market increases abnormally. The result is that we are compelled to purchase urea at an inflated price determined by demand-supply factor having no relevance with the actual cost of production in the exporting countries. The implication on the country's exchequer is that on one hand we have to pay higher price and on the other hand the more the farmgate cost of imported urea the more is the amount of subsidy. Moreover any change in the rupee-dollar exchange rate

due to slide of rupee would automatically inflate the import bill as has happened due to the recent slide of rupee.

It is, therefore, crystal clear that Rao Government's decision to depend on import of urea has already cost the country's exchequer heavily. As if this much is not enough, without taking any lesson from the very costly experience, the Government has increased its budget provision for import of urea which is a clear indication that the policy to import shall continue.

As in the past, the industry observers have warned, "the situation will get further aggravated in case we allow the dependence on imports to increase..... This is not just theoretical and, in the 70s, when we were heavily dependent on imports the prices went up to as high as USD 375 per tonne C&F." It is high time that Rao Government see the reality and give up the suicidal policy of depending on import and further must take all necessary steps to restore self-reliance by augmenting indigenous capacity and production.

JOINT VENTURE ABROAD

The Government of India have decided to establish an Ammonia/Urea fertilizer plant based on Natural Gas at Oman. It is a joint venture project by Oman Oil Company (OCC) on one hand and on the other hand two Indian Government companies namely, Krishak Bharati Cooperative (Kribhco) and Rashtriya Chemicals & Fertilizers (RCF). The capacity of the plant would be 1.5 million tonnes of urea per annum to be purchased by Kribhco and RCF under 100 per cent 'BUY BACK' agreement. The project is to be financed in debt-equity ratio of 3:1 with 40-50 per cent equity participation by Kribhco and RCF; 40-50 per cent by OCC and 0.20 per cent by the Oman public. In other words the Indian companies would be junior partners.

At the time of signing the Memorandum of Understanding between the Government of India/Kribhco/RCF and the Government of Sultanate of Oman/OCC on 30th July, 1994 the estimated cost of the project was US \$820 million. However, even before the preparation of final feasibility report, the cost of the project has escalated to US \$1200 million.

WHY PLANT IN FOREIGN COUNTRY

The Government have justified the decision to establish the plant at Oman on the ground that Natural Gas (NG) at Oman is cheaper than India. The likely price of NG for the Oman plant would be about US \$ 0.77 per mbtu (\$0.5 plus \$ 0.27 for basic and transportation cost respectively) as against US \$ 1.7 per mbtu in India for plants near landfall point and US \$ 42.5 per mbtu for plants based on HBJ Gas pipe line.

The difference in the price of NG is really not due to difference in cost of production but mainly due to irrationality in pricing policy of the Government of India which administers the price of NG.

HYPOTHETICAL BASIS OF PRICING

The consumer price of gas has three components, basic price, transportation cost and taxes. The basic price

has been fixed on the basis of replacement cost of imported furnace oil which has no relations to the actual cost of production. Again instead of taking the weighted average of the NG produced at different regions of the country, only the production cost of South Bassein fields has been taken into consideration which is much higher than the cost of production in other fields. Moreover, according to Petroleum Secretary, out of the total gas produced in the country, about 22% is flared up every year because of lack of adequate compression and transportation capacities to evacuate the associated gas. According to figures provided by the Ministry of Petroleum and Natural Gas (P&NG), during the period of ten years from 1981-82 to 1990-91 the total cost of flared NG is Rs.4,486.09 crore! It is nothing but criminal waste of scarce and precious natural resource the value of which is far more than its face value. While fixing the basic price of NG the cost of gas flared is included in the consumer price of gas. In other words the Government is realising the value for the gas flared from the consumers of NG.

In case of transportation charge of NG, the situation is no better. As per information furnished by the P&NG to the Joint Parliamentary Committee (JPC), the actual cost of transportation of 1000 cu.mt. of NG for 1000 kms works out to Rs.440. But the consumers are charged Rs.850 per 1000 cu.mt. irrespective of distance.

Apart from that there are about 16% taxes and duties. Thus the factory gate total price for 1000 cu.mt. of NG for the consumers based on HBJ pipeline is Rs.3,100.00 and composed of Rs.1,750.00 as basic price at land fall point, Rs. 850.00 towards transport charge and Rs.500.00 for taxes and duties.

Therefore the comparison in the price of NG in India and Oman is unequal, because of the fact that gas price in our country is artificially inflated at the instance of th Government.

In this connection it may be mentioned that disapproving the said deceptive process of gas pricing, the JPC recommended a reduction of 35% in the price for the fertilizer industry, the implementation of which could have an approximate saving of about Rs.560 crore in fertilizer subsidy.

ADVANTAGE AND DISADVANTAGES

Due to the so called cheaper NG the major advantage from the Oman plant is supposed to be the economy in cost of production to the tune of US \$25 per tonne of urea produced.

On the other hand for bringing back the entire urea from the Oman Plant under the buy-back arrangement, expenses like ocean freight, insurance and port charges will be added to the effective cost of such urea. Further, "implications from foreign exchange angle are too important to be taken casually. Importation of urea from the joint venture project will entail "perpetual" foreign exchange outgo." Depending on the price of urea in the international market it has been calculated that annual outgo will not be

less than US \$ 300 million. It has been noted, "for a project set up in India, the foreign exchange liability is much lower and restricted only to the initial one time outgo on import of plant and machinery (only 20 to 30 per cent of the total cost of a project)."

However, the most important point is that according to the experts in the industry, "A similar size plant, if it is to be set-up in India would not cost more than the equivalent of about US \$900 million".

Taking all the factors into consideration it would be noticed that the farm-gate cost of urea produced at the joint venture of Oman based on so called cheaper NG and that produced indigenously would be more or less similar.

Under such circumstances it makes no economic sense to go for such a joint venture in a foreign country. Apart from the point of cost of production, there is the question of industrial development of the country. It has been gathered that the location of the plant at Oman is too backward as a result of which huge expenditure is involved in building infrastructure which in turn is contributing to inflating the cost of the project.

REVIVAL OF HFC-FCI PLANTS BETTER OPTION

As a result of neglecting the urgent task of technological upgradation of the plants of Hindustan Fertilizer Corporation (HFC) and Fertilizer Corporation of India (FCI) by the Government, these companies have become sick and are under reference with BIFR. On the other hand, low capacity utilisation and consequent reduced production of urea from these plants has also become a factor in widening the gap between indigenous production and consumption of urea.

The trade union movement in the industry have been demanding of the Government to take investment decision for last several years. It is strange that while refusing to invest for revamping these plants, the Government have been spending huge fund in foreign exchange for importing urea at exorbitant price. It is apparent that, for reasons best known to the Government, they have been refusing to appreciate the economy in augmenting indigenous production by revamping HFC-FCI plants instead of depending on import.

However, at long last, the Government have reportedly finalised revamping schemes for HFC and FCI at estimated cost of Rs.464.93 crore and Rs.1736.20 crore respectively and the schemes have been approved in principle by the Group of Ministers. But Government have not yet decided to release the fund and hence uncertainty still prevails.

It would be sheer stupidity if fund is not released for undertaking the revamping work. Because according to report of the Ministry of Fertilizers and Chemicals, "The proposed revival package envisage the sustenance of indigenous urea production capacity of 14 lakh MT per annum (FCI) and 9.2 lakh MT per annum (HFC), on rehabilitation of the aforesaid units after revamp."

Now, when the Government is going for a project in a foreign country at a cost of about Rs. 4,200 crore to

produce 15 lakh tonnes of urea per annum, why should they refuse to invest Rs.2,201.13 crore to revive the old plants in the country which would produce 23.2 MT of urea per annum. In other words almost double the quantity of urea can be produced from the HFC-FCI plants by investing half the amount slated to be invested in Oman project.

DEFEAT THIS SUICIDAL POLICY

From the foregoing facts and figures it is established beyond doubt that the policy of the Government to depend on import of nitrogenous fertilizers both through direct purchase from the international market and buy-back arrangement from joint ventures abroad is not at all economic. The country attained complete self-reliance on urea which could not be sustained due to change in policy by the Rao Government.

There is immense potential for increasing the country's production by utilising the available infrastructure and natural resources. Prior to the introduction of the New Economic Policy by the Rao Government, the declared strategy of the Ministry of Fertilizers was revamping of old plants "with incorporation of modern technologywhose full potential was never realised due to various technological constraints" Further, "Expansion of production capacity of existing fertilizer plants....where significant investment made for creation of various offsite/outside and other infrastructure facilities may be fully utilised. These locations can sustain new expansion projects keeping in view the available infrastructure and other facilities." The trade union movement in the industry must take united initiative to mobilise the total strength of the employees and ensure support of the democratic forces in the country to build up a powerful countrywide united movement to defeat and reverse the suicidal fertilizer policy of the Rao Government. □

Asia-Pacific Regional—

(Cont'd Page 15)

coalition ruling parties. The participating CITU delegates consisted of M.K. Pandhe, Mohammed Amin, Chitabrata Mazumdar, Kali Ghosh, N.H. Pathak and P.R. Krishnan.

An important feature which should not be missed from mentioning before concluding this brief note here is the fact that this conference gave an opportunity for the Trade Union leaders from amongst the delegates of the participating countries also to separately meet together and exchange views on the common problems of the anti-imperialist struggles in their own countries with special emphasis on the solidarity movement for Cuba. Such a meeting of the trade union representatives was held in the afternoon of 23rd Sept. at the initiative of CITU. M.K. Pandhe and P.R. Krishnan of CITU, A.B. Bardhan and Nanda Gopal Gupta of AITUC and Sunil Sen Gupta of UTUC represented the Indian side in this meeting of the Trade Union delegates. □

“Yes, We are All Members of CITU”

VIMAL RANADIVE

It was a pride to watch the men and women sitting in a row and making beedi, labeling them, placing them in a proper way, counting them and so on in Dinesh Beedi Cooperative centre at Kannur in Kerala run by CITU. This centre we visited must be having about 2000 men and women. Including all such work places in Kerala about 42,000 workers are in the cooperative society named Dinesh Beedi. While the service and working conditions in Beedi industry are deplorable in the country, the workers in Dinesh Cooperative are getting Rs 51/- per 1000 beedis daily altogether. They get Bonus, maternity leave, PF and all other benefits.

While visiting the factory we found that the work was going on smoothly, and rapidly in all the departments, viz, rolling, labelling, counting, packing, etc. There were supervisors in each department looking after the work. There were women in our visiting group from other states. Herself a beedi worker, Padmavati from Karnataka took one tobacco leaf and tobacco and rolled one beedi then and there. Putting the label on the ready made bundle, I thought it was little complicated. The woman in charge of labelling came forward and said, “No no. it is not difficult...see how it is done quickly”, and she did it in a second. I asked her how many bundles a person can make and she replied it depends on the person but easily more than 200 or so. “And how many are members of our CITU.?” She promptly replied, “We all are members of CITU—100%, and more than that”. It was but natural that all workers were members of CITU. This trade union consciousness has not come because of the benefits, but because of the class consciousness created by CITU while fighting for their demands, ultimately transformed into a cooperative which helped all the workers.

While visiting, we noted that one worker of that department was reading newspaper loudly for the consumption of the workers doing their work. It struck to me and I asked the question whether this was a regular practice. Yes, it was a regular practice in each department. And moreover, he reads for others and his work is compensated by them and he is being paid accordingly. Bengal cooperatives too have this practice.

No doubt, the Dinesh Beedi Cooperative Society

was a pride for all of us who are members of the All India Committee of Beedi Workers. Those members coming from Bihar, Rajasthan, Tamilnadu, Andhra, etc and working in Beedi unions can very well appreciate the work done by Kerala Beedi Union leaders. The low wages they get in their states, that too unequal for women, no other benefits no identity cards for home workers, and that too, in the name of a male worker to avoid maternity benefits etc., are the conditions in other states. The applicable minimum wage too is not available. Rs 18/19 per one thousand may be the wage or a bit more. All other benefits are non-existent or availability of these depend on the strength of the organization and struggles launched.

Despite the Equal Remuneration Act, 1976 in almost all states and elsewhere in Kerala, women are getting less wages for their work. In spite of CITU taking up this issue, many of our unions are still to fight for this just demand. There is child labour, especially girl children are employed, so that the daily quota would be fulfilled by the whole family.

And now, some multinationals like India Tobacco (ITC) have started manufacturing small cigarettes almost at the same price as Beedi. This advantage has been given to them by the Government of India by reducing the Excise Duty on small cigarettes below 60mm in length. This naturally has harmed the indigenous beedi industry. What would happen to the lakhs of beedi workers engaged in this work, all in the unorganised sector who are depending on this for their livelihood? The All India Committee of Beedi Workers is concerned about this, and launched a struggle demanding withdrawing of the excise concession.

The large number of workers in different states under Beedi industry, unless organised in unions, their conditions will remain the same. We have to prepare all the workers for joint actions with the support of the workers in the organised industries since there are lakhs of workers in Beedi. It is a challenge and the workshop on child labour held in Kannur and the meeting of the Beedi Committee held afterwards have taken up the programme accordingly. The Dinesh Beedi Cooperative has given a food for thought to all those who visited the Cooperative, a pride for the Beedi workers all over India.

□

TRIPURA STATE WORKSHOP ON CHILD LABOUR

P.K.GANGULY

A two-day state level workshop on child Labour was held at Agartala, Tripura on October 14 and 15. The workshop was part of the CITU-ILO project on Child Labour. The workshop was attended by 47 comrades from all parts of Tripura representing various industries in the unorganised sector, where child labour is prevalent, like handloom, beedi, tea plantation, hotel and restaurants, shops and establishments, public transport, construction, quarry, rice mills, mechanical workshops, brick-kiln, etc. Ten working women also participated from these industries.

M.P. Joseph, the National Coordinator of the International programme on the Elimination of Child Labour of ILO, Delhi and Dr. Mahaveer Jain, the in-charge of Child Labour cell of the National Labour Institute, Delhi also attended the workshop.

Baidyanath Majumdar, the Deputy Chief Minister of Tripura and the State CITU President was the Chief Guest. Sudarshan Das, the State CITU General Secretary welcomed the delegates. Chitta Chanda, the senior Vice-president of the state CITU presided over the workshop on the first day.

The workshop was inaugurated by Keshab Majumdar, the State Labour Minister. The Labour Minister drew attention to the grinding poverty of the people that forced them to send their children to work instead of schools. He urged upon the CITU to struggle for betterment of the economic conditions of the workers in the unorganised sector and for the peasantry and agricultural workers in cooperation with all other mass organisations, which would contribute to putting a check on the growing child labour and also create an awareness against this scourge. He also referred to the Tripura State Govt.'s scheme on Child Labour and urged for support from the trade unions and other mass organisations.

The Deputy Chief Minister Baidyanath Majumdar assailed the economic policies of the Central Government and stated that while the Government shed crocodile tears for the working children, its policies were directly responsible for the growth of poverty, unemployment and closures, which resulted in the growth of Child Labour. He pointed out that unless genuine land reforms were done, people cannot be brought above the poverty line. Child Labour cannot be eradicated simply by making laws and taking enforcement measures. He explained the policy of the Left Front Government of Tripura, vis-a-vis its Child Labour scheme, which were directed towards alleviation of poverty in the rural and unorganised sector with genuine land reforms, which would go a long way in creating conditions for containing the growth of Child Labour.

M.P. Joseph of ILO explained the role of ILO in

creating awareness against Child Labour. He urged for struggles for minimum wages, free compulsory schooling for working children, special schools in the Child Labour infested industries, educative campaign among the workers with posters, brochures, etc. He said that elimination of Child Labour under the present Socio-economic conditions calls for a long drawn struggle. The struggle however can be directed towards checking further growth and recruitment of Child Labour by the employers while demanding to improve basic economic needs of the parents. He further appreciated the role of the left front Government of Tripura for involving itself in the success of the project.

Dr. Mahaveer Jain explained the role of the NLI in investigations and occurrence of Child Labour in different industries. He referred to several training programmes undertaken by the Institute in this regard and publication of books by the NLI. He hailed the work undertaken by the CITU and urged for further development of the organisation and struggles as a part of the awareness campaign focusing on the basic needs of the workers in the unorganised sector.

Manjulika Bose, President of the Tripura unit of AIDWA and in-charge of the National Commission on Women in Tripura spoke about the ruthless exploitation of girl children in different unorganised sectors of industries. She also gave vivid description of the grinding poverty of the parents which compelled them to force their girl children along with the boys to work to help the family to earn as much as possible to make the both ends meet. She urged for taking special care for the girl children while developing organisational struggle for improving the economic conditions of the families.

P.K. Ganguly, Secretary, CITU explained the CITU-ILO project in all its phases and the approach of the CITU on the issue as outlined in the National Committee meeting and in the national workshop held at Delhi in May, 1995. He explained the twin objective of struggle for the basic needs of the workers, peasants, agricultural workers, etc. like need base wage, land reforms, minimum wage for agricultural workers, free compulsory education to children, etc., as well as to launch an awareness campaign on the need for progressive elimination of child labour and its further growth. The struggle in short has to be directed towards elimination of the cause of child labour, i.e. poverty of the parents. For this our organisations in the organised sector have to be strengthened by launching struggles and with a drive for increasing membership.

Pijus Nag, Secretary, State CITU and the State Coordinator on Child Labour Placed the theme paper. He mentioned about the prevalence of Child Labour in different industries in the unorganised sector in the state. He

elaborately dealt with the socio-economic causes, the grinding poverty, that have resulted to the occurrence of Child Labour. He stated that the present economic policies of the Central Government under the troika of liberalisation, privatisation and globalisation of economy at the behest of the imperialist powers have aggravated the situation because of growing unemployment, closures and price rise. In this background the Left Front government of Tripura was making efforts to ameliorate the poverty conditions of the people fighting against the Central policy. He stressed for struggle for improving the economic conditions of the workers and bired about the struggles launched by the State CITU in this direction. He also referred to the scheme drawn by the state government, which was supported by the CITU and other mass organisations in the state.

There was a general discussion on the issue with questions raised by the delegates, which were replied to by M.P. Joseph, Dr. Mahaveer Jain and P.K. Ganguly.

On the Second day the workshop was presided over by Bhanu Ghosh, Vice President, State CITU. After a guideline of points given by P.K. Ganguly, the workshop was divided into six groups, namely, Handloom, Beedi, Transport, Brick-kiln, Quarry, Plantation and Hotel and Restaurants. The group discussions were led by Nayan Roychoudhury, Manmohan Das, Chanchal Majumdar, Dwijen Saha, Ananta Pal and Kanu Ghosh.

Action programme:

After submission of the reports of the group discussions another round of general discussions was held and the workshop decided to launch the following action programme in pursuance of the basic demands formulated by the CITU for the workers in the unorganised sector, linking them with hem w an awareness campaign on the elimination of child labour with additional demands like free compulsory education, opening of special free schools for the working children etc.:

1) To constitute a state team under the state committee of CITU to make survey of Child Labour upto sub-divisional, sub-zonal, panchayat and ADC levels and complete the survey by January, 1996.

2) To actively participate in the State government scheme.

3) To observe November 8 to 14 as campaign week by poster, poster competition, street meetings, cycle processions, seminars, etc. throughout the state.

4) To give a mass deputation to the State Labour Minister with demands to be forwarded to the Central Labour Minister in the third week of January, 1996.

5) To review the implementation of the programme and take further programme in March, 1996.

The workshop concluded with a summing up speech by Com. Bhanu Ghosh. □

NATIONAL SEMINAR ON SOCIAL CLAUSE

ASHOK VASISHTH

The Maharashtra Institute of Labour Studies organised a two day national seminar on Social Clause at Bombay on October 12 and 13. Apart from the major central trade unions like CITU, INTUC, AITUC, HMS, BMS and UTUC, some research scholars from Maniben Kara Institute and Ambedkar Research Institute participated in the seminar. The CITU was represented by Lambodar Nayak (Orissa), Subodh Verma (Delhi), Vivek Monteiro (Maharashtra) and Ashok Vasishth (Centre). More than 17 papers were presented in the seminar by the participants.

In his welcome address Dr. S.T. Sawant, Director of Maharashtra Institute of Labour Studies said that a section of world community desired to link a Social Clause with multilateral trade, and take Labour Standards out of the purview of the ILO. This will create problems particularly for the third world countries.

Dr. Dilip Nachney, Director of the Bombay School of Economics and member of Whole Sale Price Index Committee, who was the chief guest, placed the key note address. He said according to GATT principles trade must be free from all restrictions imposed by the imperialist countries. So enforcement of social clause linking it with multilateral trade was against the GATT principles. While he was for eradication of poverty, hunger, bonded labour, child labour and for implementation of Labour standards by the Government, as an economist of the third world his firm opinion was that enforcement of a social clause in the

GATT agreement will be counter productive and the third world countries will be further marginalised in competition with the developed countries, and the trade will be unilateralised, particularly by the USA.

Each session was chaired by different persons. One session was chaired by Lambodar Nayak of CITU. The representatives of Freiderich Ebert Stiftung, however supported the inclusion of social clause in multilateral trade. They were however doggedly opposed by all other participants. The trade union representatives rather wanted sanctions to be imposed on USA and other imperialist countries for trampling international laws and violating the basic human rights of the people of the third world countries and subverting economic sovereignties in the name of social clause.

The concluding session was addressed by Wolfgang Daubler of Germany, who is an expert on labour laws in Europe. He said the labour laws in Germany do not protect the workers. The employers violate the labour laws and exploit the workers with impunity. The situation in East Germany was deplorable. There was huge difference in wages of workers there was compared to the western part.

The seminar ended with the conclusion that social clause should not be linked with international trade. The trade unions however must continue their struggles for implementation by the government the labour standards without any interference by the imperialist countries. □

REPORT OF STANDING COMMITTEE ON ENERGY - III

(We are publishing hereunder the third part of the Report of standing Committee on Energy (1995-96) on the subject, "New Policy Initiatives in Power Sector - Status of Implementation and their Impact on the Economy." dealing with the impact on Public Sector Two parts were published in the September and October 1995 issues - Editor).

NEYVELI LIGNITE CORPORATION-ZERO UNIT

A 210 MW power project (called the Zero Unit project) was to be added to the second TPS Stage I of Neyveli Lignite Corporation was sanctioned by the Govt. at an estimated cost of Rs.397.26 Crores in March, 1989. It has been stated in the Annual Report of the Ministry of Coal 1993-94 that for various reasons, orders for procurement of power plant equipment could not be placed. Due to resource constraints and in consonance with the policy enunciated by the Department of Power for private sector participation for generation of electricity, this project was reportedly transferred to M/s. S.T. Power Systems Inc. of USA, promoted by an NRI.

When the Sub-Committee held discussion with the officials of NLC at Neyveli during the study tour, it was stated that the NLC was interested in putting up the 'Zero Unit' and it was in a position to put up this plant on its own without budgetary support. NLC had even laid foundation stone for setting up of the Zero Unit. Subsequently however the project was transferred to a private party.

During the discussions with the representatives of the Ministry of Coal, the Sub-Committee desired to know what action was taken by the Government to implement the project which was sanctioned in March 1989. In reply the Coal Secretary stated:-

"This project was sanctioned on 23rd March 1989 for Rs. 397.26 crore NLC wanted to negotiate with four firms. NLC had negotiations with Trans Electro and three other companies. These are the people who had supplied some equipments for 2nd Thermal Station Stage I and II. The NLC thought that there could be a repeat order at the same price. That is why, they went ahead with the negotiation.

Then, various things happened. They did not accept these repeat orders. Their payments were held up. In the meantime rupee went through a devaluation process. Then in order to make this

active BHEL was also asked to put in their offer. That was in 1990. Now, the negotiations by the NLC Board Sub-Committee went on and revised prices were noted by the NLC Board on their side. Then NLC Board and BHEL went on with discussions. BHEL had submitted their offer and NLC Board discussed it in detail with BHEL. The revised price offers of Trans Electro were open also and final results just could not emerge because of the time taken in negotiations. Meanwhile the validity periods expired and the validity period had to be extended. Rs. 397.26 crore with July 1988 base was revised to Rs.511.03 crore which had a base of March 1991 and finally in the process of negotiations the price that emerged was Rs.712.05 crore on December, 1991 base."

Elaborating the chronological events that led to transfer of the project to a private inventor, a representative of Coal Ministry stated during evidence:-

"I will give you the chronological events. The project was sanctioned on 23.3.89. NLC requested for the Ministry's permission to negotiate with the three companies, then the foreign firms submitted their offer between July and September 1989. Thereafter in November 1989 after seeing their rates the Ministry advised NLC to bring in BHEL. Thereafter the Neyveli Board set up a Sub-Committee and held discussions with BHEL in February 1990.

In March 1990 the BHEL submitted their offer. In between the foreign firms had also submitted. They were asked to explain their offers. The problem was that the BHEL offer and the foreign firm's offers were all on high side....After that, the Ministry asked them to negotiate with BHEL and ascertain their best price. That was in August 1990. After they completed their negotiations ultimately, NLC came back to the Ministry and said, in January 1991, that the evaluated price of BHEL was higher in comparison with those of the others. At that point of time the BHEL price was Rs.4 crore higher than the offer of the foreign firm. Thereafter we made a reference to the department of Economic Affairs and simultaneously we asked to extend the validity by all the four firms. This was between February and November 1991. The Ministry of Finance advised us that we should revise our cost because enhanced requirement of the foreign exchange has become necessary. By then the estimated cost had also gone up and therefore this

required a fresh PIB and CCEA approval... Thereafter we calculated the price and we found that the price had gone up by 110 per cent with reference to foreign offer and 70 per cent with reference to BHEL offer. At that point of time the BHEL declined to extend their validity period and no more extension was there. This was in September 1991. January 1991 was the time when we first took it up with the Finance Ministry. In August 1991 we got the advice of the Finance Ministry. Thereafter between November 1991 and January 1992 we examined the position again, but at that point of time, the then Chairman wrote to us very clearly, that an offer from an NRI entrepreneur had come. He had talked to him, the Chairman NLC and he wrote a letter dated 27.11.1991."

Explaining the reasons for transferring the Zero Unit Project from NLC to a private investor, the Ministry of Coal stated in a written reply as under:-

"Owing to various reasons, suppliers of main power plant equipment could not be identified and orders for procurement could not be placed. Meanwhile, there was escalation in costs. This necessitated revision of the cost estimates in respect of this project. While action for revising the cost estimates was being taken as per the laid down procedure, NLC faced resource crunch. At the same time it had other ongoing and committed projects having larger priority. Even for funding these projects exclusive of Zero Project, the resource gap had been assessed by independent financial institutions at between Rs. 1900 crores and Rs. 2100 crores. In 1991, the Department of Power liberalised the investment policy in power sector enabling the private sector to invest in power generating projects. M/s STP, an American firm owned by an NRI in the USA made an offer for proposing to take over the Zero Unit Project in its entirety and to arrange its funding through Indian and foreign sources. In the face of non-availability of adequate funds/resource with them, NLC could, therefore, either defer the project indefinitely or it could entrust it to the private sector under Government's liberalised policy to ensure higher availability of power in national interest. Since adopting the former course would have denied much needed energy to Tamil Nadu, it chose the latter option in the national interest.

The proposal of M/s. STPS was thoroughly examined and it was decided with the approval of the competent authority to transfer this project to M/s. STPS. A Memorandum of Understanding (MOU) between NLC and STPS Inc. was signed on 31.8.91.

M/s. STPS have formed an Indian company known as M/s. ST-CMS Electric Company to implement this project. The size of the unit has been enhanced to 250 MW and the site has also been shifted to locate it outside the area of NLC."

It has been indicated that the selling price of power from the project being implemented by STPS would range from Rs. 1.73 to Rs. 3.39 per unit over 30 years including electricity duty and taxes.

The Sub-Committee called for the original files from the Ministry of Coal relating to transfer of NLC Zero Unit Project to STPS. On scrutiny of the files, the Sub-Committee observed that on 23rd October, 1991 a U.S. Congressman wrote to Prime Minister of India introducing a non-resident Indian Mr. Sharad Tak who was looking for investments in India. On 25th October 1991, the US Consulate General at Madras wrote to the CMD of NLC stating that certain specific projects being pursued by NLC in the field of power generation based on lignite as a fuel are of special interest to Mr. Tak. The letter added that Mr. Tak has proven record of starting and successfully operating companies in diverse fields such as software, 1991, Shri Sharad Tak wrote to the then CMD, NLC (Shri R. Gupta) proposing to put up the Zero unit plant either totally in the private sector or jointly with NLC. On the very next day i.e. on 27th November 1991, the proposal was considered by the NLC Board of Directors and a letter sent to the Coal Secretary by the CMD of NLC. The letter dated 27th November, 1991 from the CMD of NLC, inter alia, reads as follows:-

"Shri Tak visited Neyveli yesterday and since our Board Meeting took place today we had the occasion of discussing the matter in the Board. The Board was of the opinion that since Shri Tak is keen on investing in a Power Plant based on lignite, we could consider his proposal for one of our approved projects like 'Zero' Unit especially in view of GOI's recent trends of thinking on the industrial front. As you may please be aware, while we have sanctioned projects and cleared by PIB of the order of Rs. 3400 crores (including Mine-1/TPS-1 Expansion) we may not be able to get adequate funds and the required foreign exchange for all these projects. It may, therefore, be worth considering Shri Tak's proposal for one of our projects like 'Zero' Unit. For this purpose I am forwarding his letter in this regard for the Government to take a view in this matter.

NLC can supply lignite from Mine-II to the Power Plant, which may be owned totally by a company floated on Shri Tak's investment. Alternatively, NLC

could provide land to this venture and the value of land could be the equity holding of NLC in this joint undertaking."

On the question of accepting Shri Tak's offer for investment in Zero unit, a representative of the Ministry of Coal stated during evidence:-

"Either we could reject the offer or find out the mechanism of finding from our own resources or to examine in detail whether there is any merit in that proposal, and if there were other proposals, those also ought to be considered. We had no mechanism of raising funds at that point of time because the market situation at that time was also not good."

As per the MOU signed between the NLC and a ST Power System the project was to be located outside the NLC's existing power stations and M/s. ST Power System were required to arrange for coal transportation, plant water system and ash dump separately.

Enquired about the reasons for shifting the location from the originally approved site, CEA stated in a written reply as follows:-

"The reasons for change of site were discussed by CEA with NLC and they indicated that to avoid the problem of operation and maintenance of common facilities and sharing of their costs, NLC had decided to offer a separate site to ST Power System. based on the above considerations the new site was accepted by CEA."

The originally approved cost of Neyveli 'Zero' Unit was Rs.397.26 crores i.e. Rs. 1.89 crores per MW at 1988 price level. The project cost furnished by M/s. ST-CMS was reportedly brought down by CEA to the tune of Rs.183 crores from the cost of Rs.1508 crores furnished by the company. The cost of the project therefore works out to Rs.1325 crores.

Asked about the reasonableness of the project cost which works out to Rs.5.3 crores/MW, the Ministry of Power stated in a written reply as under:-

"As regards the reasonableness of the project cost, compared with the cost of lignite based TPS-I expansion of NLC as well as with the cost of Coal based TPS of other private sector project after making necessary adjustment for type of boiler, number of units, escalation etc. the cost per MW of NLC's revised cost estimate of 2 x 210 MW Neyveli TPS-I Expansion based on the lost budgetary offer for turnkey contract execution received by NLC was about Rs.4.25 crores/MW. The average cost of public sector

coal based project cleared by CEA in 1993 was Rs.3.25 Crores/MW. This cost when escalated to completion period and to include cost elements applicable to Private Sector, after adjusting for increase in boiler cost due to lignite firing and single unit, worked out to Rs.5.33 cr./MW. Further based on the cost of Ib Valley units 3 & 4 (for which transparent competitive bidding procedure was adopted by M/s AES) and after applying the necessary corrections, the cost of ST-CMS project of NLC was found reasonable. Thus, it was seen that the cost per MW of Neyveli Zero unit finally cleared by CEA was reasonable from all considerations."

The Sub-Committee desired to know the equivalent completion cost based on the approved cost of NLC's Zero unit. The Ministry of Power stated in a written reply as below:-

"As desired by the Committee, an exercise has been made to derive the equivalent completed cost of private Sector Scheme for Neyveli Zero unit based on the sanction cost of the scheme for NLC. The approved cost of Zero Unit for NLC was Rs.397.26 Crores at July 1988 price level. The present day cost of the Unit taking into account various factors including scope of M/s. ST- CMS works out of Rs.767 Crores including cost of common facilities to be provided for the new location which is estimated at Rs.36.53 Crores when adjusted for completed cost on turnkey execution in Private Sector Works out to Rs. 5.33 Crores/ MW."

The expected time for commercial operation of the project from the date of financial closure is stated to be 38 months

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