



THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

Forward to the 8th Conference of CITU

□ P K Ganguly

The Eighth Conference of the Centre of Indian Trade Unions is going to be held at Patna from March 3 to 7, 1994. This is for the first time Bihar is going to host the all India conference of the CITU since its formation in 1970; and it is for the second time that it is being held in the Hindi belt. Uttar Pradesh hosted it for the first time in Hindi belt at Kanpur in 1983. Hosting of such a big all India conference comprising of around 2,500 delegates definitely shows the promise of the working class of the Hindi belt to shed its "proverbial weakness" and come in the forefront of the Indian trade union movement and for consolidation of the Left forces. Bihar particularly, the most industrially advanced state in the Hindi belt has shown a lot of promise in this direction. The Patna Conference will be significant in this respect.

Unprecedented Developments

The Conference achieves further significance in view of the fact that the period from the 7th conference held at Calcutta in 1991 was marked by most unprecedented developments and changes in the international arena, including in India.

The period witnessed a serious set back to socialism---the goal of working class movement, fall of the socialist states in the European countries, culminating in the dismantling of the Soviet Union---all the fruits of October Revolution. The period saw a severe tilt in the correlation of class forces in favour of imperialism and the USA acting as the world gendarme riding rough shod over the third world countries in particular and the democratic aspirations of the people to fulfil its dream of creating a new world economic order under its domination. With its economic and military dominance the USA commanded the international imperialist institution like the IMF, World Bank and GATT to dictate its terms to the third world and other countries.

The Indian Scenario

As a consequence of the collapse of the countervailing force---the Soviet Union, it was during this period that the Indian Government surrendering to the dictates, virtually mortgaged its economic and national sovereignty to the imperialist agencies. The three year period saw the progressive dismantling of the self-reliant economy and the vast infrastructure of industrial development built through years since independence.

Under the conditionalities and pressure of the IMF, World Bank and GATT, the Narasimha Rao Govt. subverted the domestic laws and threw open the doors to the multinationals to cause a so-called "industrial revolution" in India with new foreign technology. The technological offensive in fact started a process of deindigenisation and de-industrialisation in the country. Dismantling of the public sector, privatisation, throwing open the core sectors, the financial sector, unorganised sector and agricultural sector to the multinationals, signing of the Dunkel Draft and the series of steps taken during the period put the independence and freedom of the country under threat. The so-called liberalisation has shattered the economy. The development and progress claimed by the Government under these capitalist phrases in an imperialist regime meant profits by the monopolists, both Indian and foreign, and loot by the swindlers under blessings from the Governmental top, as was seen in the security scam. But for the workers and the common people such development meant galloping unemployment, planned and unabated closures and sickness and spiralling prices.

Rise of Communal and Hindutva Forces

The period also saw an unprecedented rise of the communal forces represented by the RSS-BJP-VHP and Shiv Sena. The Ramjanam Bhoomi-Babri Masjid episode, which was brewing over a period, saw its culmination on December 6, 1992, when the Babri Masjid was demolished in broad day light, followed by a communal holocaust unprecedented in independent India. The horrible incident was not simply a consequence of spontaneous vandalism, nor merely an act of communalism. It was the demonstration and culmination of a long history of Hindutva politics, which celebrated aggression and violence, showed glimpses of its fascist overtures and declared war against the minority community and scorned at the secular, legal, democratic and constitutional norms of the country. December 6 thus signified a planned offensive to qualitatively change the national characteristics of the country.

Rising Struggles

With the mounting offensives by imperialism and their tentacles, the period also witnessed unprecedented struggles of the working class and

various other sections of the people to resist the offensives.

Throughout the world the people tasted the unbridled development of capitalism and the hi-tech offensive of privatisation. The euphoria over market economy which was seen following the collapse of Soviet Union, fast receded within the last three years. The growing all time record crises of capitalism put the advanced capitalist countries at loggerhead, as was seen in the GATT fights. The average unemployment rate rose to around 15 percent in the EEC and OECD countries. Closures and bankruptcy, inflation and recession, poverty and homelessness have become the features of these countries despite their so-called hi-tech economy. Rising struggles unprecedented in the last one decade have been sweeping all these countries including the erstwhile socialist countries now tasting the fruits of market economy. In their desperate bid to overcome the economic crisis and recession, they are frantically trying to create free trading blocks like the NAFTA, but are being hit back by massive struggles by workers, peasants and other groups. The working class and the communist groups have again started consolidating themselves to intensify the class battle and tilt back the correlation of class forces again in favour of the working class.

Massive Struggles in the Country

The period witnessed massive and rising struggles in the country against the IMF prescribed economic policies formulated by the Narasimha Rao Government. Correctly analysing the shape of things to come, the 7th Conference of the CITU in fact gave the stirring call for trade union unity and intensification of united struggles to effectively meet the new offensives, both from imperialism and the communal forces. The CITU took leading role in this direction and the Sponsoring Committee of Trade Unions was formed. This signified a further development of trade union unity and united struggles stage by stage from the United Council of Trade Unions of the early 70s to the National Campaign Committee of Trade Unions of the early 80s to the Sponsoring Committee of Trade Unions of 1991. The two countrywide strikes of 29th November, 1991 and 16th June, 1992 alongwith the massive rally of 25th November, 1992 were indeed spectacular successes by the trade union movement, which led to the mobilisation of other mass organisations of peasantry, agricultural workers, students, youth and women and formation of the National Platform of Mass Organisations---the first of its type in the country. The call of Bharat Bandh on 9th September was also given by the mass organisations for the first time, and was responded magnificently. It consolidated the alliance of the working class with all its allies. Apart from All India movements, the period witnessed rising strike struggles independently by workers in various industries in the key sector also, who are directly affected by the New

Industrial Policy, like in Steel, Coal, Oil, Fertilizers, Power, Telecom, P&T, Pharma Ceuticals, Airlines, Bank, Insurance and other financial sectors etc. Central and State Government employees also increasingly participated in strike struggles. While approaching the Conference, the National Platform of Mass Organisations has given yet another call for countrywide mobilisation and march to Parliament on April 5, 1994. The left parties supporting the programme have called for countrywide jathas to mobilise all sections of the toiling people.

Unorganised Sector

It was during this period that the CITU made a phenomenal growth the movement of workers in the unorganised sector of industries, which constitute about 90 per cent of the workforce. For the first time the CITU independently gave the call for a countrywide strike of unorganised workers on July 14, 1993 in pursuance of a 22-point charter of demands. The strike was a success and showed prospects of further development of movement in this sector.

Organisation

It was during this period that the CITU analysing the new offensives decided to discuss and consolidate the organisational machineries and held special General Council meetings to discuss specifically on organisation. A self-critical report on organisation has been prepared to continuously gear up all aspects of organisational functioning in a democratic manner.

Growing International Relations

In keeping with its tradition, the CITU maintained its international relations with other trade unions in the world. Series of CITU delegations visited various countries of the world on invitation from the fraternal trade unions. Various foreign delegations also visited the CITU during this period. This helped consolidation of fraternal ties with CITU on an anti-imperialist basis and struggles. It is expected that at least 20 fraternal international delegates will attend the CITU conference.

The Conference

In the above background of sweeping changes, mounting offensives and rising mass actions, the 8th Conference is going to be held at Patna. Delegates will be attending the Conference while organising jathas in all parts of the country independently by the left forces and jointly with all mass organisations, from villages to District Head Quarters, to State Capitals, and culminating at Delhi in a massive rally on April 5.

Meeting in the wake of the strike struggles and in furtherance of it the delegates will exchange their experience of the adverse impact of the IMF-dictated policies as they are being implemented. They will narrate their experience of trade union unity in furtherance of the objective of the CITU to form a Confederation of all trade unions. They will enlighten

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March to Parliament on April 5

The National Platform of Mass Organisations in its meeting held on 7th January evening decided for a Programme of massive protest demonstration before Parliament on 5th April 1994, culminating the next phase of countrywide movement against the economic and industrial policies of the Government and acceptance of the Dunkel draft by the Government of India.

The meeting was presided over by M.S. Krishnan, President of AITUC. It was attended by 32 representatives of the Central Trade Unions, National Federations and organisations of the peasantry, agricultural workers, students, youth and women.

The meeting reviewed the situation and noted with serious concern that despite the countrywide protest actions launched by the mass organisations which included two strikes and Bharat Bandh on 9th September and the massive rally at Delhi on 25th November 1992, the Government of India adamantly carried forward the implementation of the retrograde policies as per the conditionalities of the IMF. This had led to closures and joblessness, price rise and unemployment. Both the organised sector and the unorganised sector of industries were adversely affected, aggravating the unemployment situation in the country. The peasants, agricultural workers and rural poor have been badly hit by this policy. The students, youth and women are also victims of these policies. The meeting reiterated the 20 point demands finalised by Delhi Convention of 15th April, 1992 and called up on the mass organisations to intensify the campaign in pursuance of those demands.

The meeting condemned the Government for agreeing to the Dunkel Proposals without any amendment. This would put our agricultural economy under the domination of the multinationals, undermine the public distribution system and increase the prices of drugs and pharmaceuticals several times.

The meeting further condemned the recommendations of the Malhotra Committee for handing over the Insurance industry to the private sector and the multinationals. The meeting warned the government against accepting the recommendations which would lead to opening up the floodgates for entry of multinationals in the financial sector of the country. The acceptance and implementation of the policies under pressure from

IMF, World Bank and GATT threatens the sovereignty of the country.

The meeting appealed to all the mass organisation to send copies of the resolutions stating that the Government of India should not ratify the Dunkel proposals.

The meeting decided to make widespread propaganda against the retrograde policies in concrete terms affecting different sections of people so that they are made fully aware of the dangerous consequences of these policies.

Under the above the circumstances the meeting decided to carry forward the following countrywide action programme mobilising wider sections of the workers, peasantry, agricultural workers, students, youth, women and other professional and technical workers and the patriotic sections of the people to demand withdrawal of the policies:

- 1) Holding of local/District/State level conventions to further highlight the dangerous consequences of the economic policies and acceptance of Dunkel proposals by the Govt of India and to mobilise mass organisations for further actions.
- 2) Holding of local/District/State level demonstrations meetings, Jathas and rallies at state capitals to protest against these policies, demanding their reversal.
- 3) Organise sectional actions by various mass organisations at Regional/Area/State levels opposing these policies.
- 4) Organise massive protest demonstration before Parliament in New Delhi on 5th April 1994 against the policies of the Government of India.

The meeting appealed to all mass organisations to be prepared for a long drawn and sustained struggle till the policies are reversed. Without more militant and widespread struggles these policies cannot be defeated squarely.

The meeting also adopted a resolution congratulating the peasantry and the people of Mexico for their determined struggle against the NAFTA agreement. It expressed solidarity with their struggle and condemned the Mexican government for its brutal repression of the struggle.

THE COAL WORKERS FOR A NATION WIDE STRUGGLE

□ M.K. PANDHE

The Fourth Conference of the All India Coal Workers Federation held in Calcutta from 24th to 26th December 1993 called upon the seven and a half lakh Coal Workers all over India to launch a nationwide struggle against privatisation and policy of import of coal in the country. It welcomed the united call given by 5 federations belonging to CITU, INTUC, AITUC, HMS and BMS for one day strike on 31st January 1994 to press the 10-point charter of Demands.

Two hundred and seventy three delegates from all the coal companies participated in the conference. More than 80 per cent of the delegates were direct workers. The conference was held in salt lake stadium which received messages from foreign countries viz Australia, China, Chile, France and International Miners' organisation. A presidium consisting of M.K. Pandhe, S.K. Baksi, Ramanika Gupta and Parsa Satyanarayana was elected to conduct the deliberations of the conference.

Niren Ghosh, Chairman of the Reception Committee while welcoming the delegates stressed the need for developing the movement of coal miners so that they play an important role in shaping the national policies.

Shanti Ghatak, Minister of Labour, Government of West Bengal explained the efforts made by the left front government to protect the interest of the workers during the economic crisis. Criticising the measures of structural adjustments taken by the Government of India Ghatak noted that it was only through the united movement of the working class and the toiling masses that the policies can be defeated. He assured the support of the left front government in the legitimate struggles of the workers.

M.K. Pandhe in his Presidential Address reviewed the two and a half years' results of the new economic policies and pointed out that it has harmed immensely the national interests in all aspects.

□ He congratulated the coal workers for participating in good strength in all the nationwide campaigns against the new economic policies and

communalism.

Criticising the anti-working class policies pursued by the Coal India managements the Presidential Address mentions the withdrawal of the existing benefits by the management. The CIL management even went to the extent of violating several clauses of the last wage settlement.

Though two and half years have passed after conclusion of the last wage agreement, the serious negotiations for the next wage accord were not commenced causing serious discontent among the coal miners all over India.

Pointing out the low membership base of the AICWF Pandhe emphasised that steps should be taken by all the unions to increase the membership substantially so that a stronger organisation is established to defend the interests of the coal miners.

"Our federation must become the initiator of the united movement of coal miners so that the dangerous consequences of the economic policies are fought squarely at every level" he concluded.

Sunil Basu Roy, General Secretary of the AICWF in his report reviewed the activities of the Federation since the Third Conference. The report dwelt at length the organisational weaknesses of the federation which was adversely affecting the activities of the federation. He elaborated steps to overcome the weaknesses so that the federation can effectively face the challenging situation.

The report stressed the importance of improving the functioning of the federation centre and called for better co-ordination between the local unions and the centre. He also referred to the improvement in the functioning of the mine-wise branch units so that overall activities can be strengthened. He pointed out that without overcoming the organisational shortcoming the gains of the activities cannot be consolidated.

More than 25 delegates participated in the debate on the report. Narrating their experience, the delegates pointed out deteriorating conditions of the mines and the callous attitude of the managements.

They criticised the vindictive policies adopted by the managements towards the CITU unions. Some speakers highlighted the rampant corruption prevalent in the mines and explained how theft of valuable natural resource of the country was taking place in broad day light. While the CITU unions had to face discrimination the mafias and divisive forces are given full encouragement by the local managements. Several speakers spoke about some T.U. leaders openly siding with the management taking clandestine contract from coal mines and indulge in rampant corrupt practices. While welcoming the proposal of Five coal Federations to organise one-day strike on 31st January 1994 some speakers expressed apprehension that some organisations would try to back out from the action and suggested vigilance against the danger.

The report was adopted unanimously after the reply to the debate by the General Secretary.

The conference adopted the statement of accounts submitted by the treasurer Bamapada Mukherjee.

The conference was greeted among others by Kali Ghosh, Somen Kundu and Bhabatosh Roy.

The Conference adopted a resolution denouncing the new economic policies and calling upon the coal workers to join all the programmes of the National Platform of Mass Organizations. By another resolution the conference condemned the machinations of communal and divisive forces and appealed to the working class to foil their designs to disrupt the unity and integrity of the country. Resolutions were adopted condemning the discrimination against women workers in coal mines and threat to stop maternity benefit after the second child birth. Supporting the struggle of the land losers in coal mines, the conference demanded that jobs should be provided to them as per earlier commitment. The conference criticised the safety organisation in coal mine and demanded full implementation of all safety rules and regulations. It adopted resolutions supporting the struggle of the people of South Africa against apartheid and people of Palestine for their legitimate homeland.

The conference elected 52 member working committee including M.K. Pandhe as President, S.K. Baksi as Working President, Sunil Basu Roy as

General Secretary and Bamapada Mukherjee as Treasurer.

Summing up the deliberations of the conference M.K. Pandhe called upon all the delegates to prepare for one day strike on 31st January as decided by all the Federations by mobilising the 7 lakh workers so that the coal managements are forced to accept the 10 point charter of Demands.

POST SCRIPT

The call by Five federations for one day strike created enthusiasm among the coal workers who commenced preparation in full swing. However surprisingly, the Four Federations belonging to INTUC, AITUC, HMS and BMS decided to defer the strike even before servicing the strike notice on the plea that the talks with coal managements were inconclusive. As a matter of fact the talks had been going on for more than one year without any result which led all the Federations to decide for the strike, on 31st January '94.

The management offered only Rs.100 as interim relief, and gave the assurance that the bonus paid to the workers above the ceiling would not be recovered. It would have been impossible to recover the advance bonus paid to the workers and hence the said assurance does not have any substance whatsoever.

Further the issue of implementation of the pension agreement in coal industry signed five years ago but not implemented so far is the major issue before the strike. In spite of repeated chasing the coal management did not move an inch yet for implementing the said pension agreement. It is the general view of the coal workers that without implementation of pension agreement question of withdrawal of strike cannot arise.

The CITU has appealed to all the non-CITU federations to review their decision to defer the strike without any valid ground, so that united movement of the coal workers can be built. The unions affiliated to AICWF and CITU have decided to go ahead with the serving of strike notices on 2 weeks before the date of strike so that the long standing issues are pressed effectively by the united action of the coal miners all over the country. □

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BEHIND IISCO PRIVATISATION

□ TAPAN SEN

Thanks to the MP's from the left-parties and Janta Dal, the bill for privatisation of IISCO could not be introduced in the Lok Sabha, albeit for the time being, and the bill has been referred to Standing Committee of Parliament for Industry.

NOT IISCO ALONE

The proposed bill titled "The Public Sector Iron and Steel Companies (Restructuring) and Miscellaneous Provisions(Amendment) Bill, 1993" deals not only with privatisation of IISCO. The bill is so drafted as to empower the power that be to privatise whole of Public Sector Iron and Steel Industry, without referring back to parliament again in future.

The proposed bill says clearly that:

"The integral company may, with prior approval of Central Govt., transfer to any person all or any of the shares transferred to and vested in it under sub-section (1) in consideration for such amount as is agreed upon by the Integral Company and such person."

Thus, after the bill is passed, the integral company, i.e., Steel Authority of India Ltd., can transfer itself to any private sector beneficiaries in the country or abroad, of course with the approval of Central Govt. They need not come to the Parliament.

It is but natural for the Govt to do like that since their action flows from the policy-prescription of their Fund/Bank masters, the main content of which is total dismantlement of the public sector network. And the reasonings framed to justify such action is also designed to ensure handing over IISCO to private sector by any means.

MODERNISATION OF IISCO - NOT THE AGENDA BEHIND PRIVATISATION

The plea taken by Govt of India for privatisation of IISCO is that the Govt cannot afford necessary funds for MODERNISATION of IISCO, which is the immediate and urgent need for its survival and viability. Such plea is totally unfounded. The terms and conditions on the basis of which IISCO is being sought to be gifted to M/s. Mukund, merrily allow the taker not to spend a single copper for successive two years for modernisation of IISCO, establishing thereby that modernisation or even survival of IISCO is not at all the factor or the purpose behind Govt. of India's hell-bent move to transfer the ownership of IISCO with all its assets valuing Rs.15000 crores at

current market price, at a throwaway price. This position is further substantiated by the fact that ownership of IISCO is going to be handed over from the giant steel making company like SAIL to a private sector firm Mukand, whose capacity and competence to modernise an integrated steel plant like IISCO is itself questionable as evident in the dissenting note of the only technical expert member of the Shankaran Committee, which was constituted by Govt. of India to decide on the IISCO privatisation. The agenda is only to see that IISCO is handed over to private sector by any means.

PLEA OF RESOURCE CRUNCH - DOES NOT STAND

Even in the meeting of Public Investment Board (371st Meeting) attended by the representatives of Govt of India, SAIL and Planning Commission, it had been made emphatically clear that "SAIL envisages to finance modernisation project (of IISCO) through its own resources, without Budgetary Support". Secretary, Planning Commission emphasised that the modernisation of IISCO will be a priority project to be included in the eighth plan, and the Secretary, Steel Ministry confirmed that the project will be accommodated on the highest priority in the eighth plan outlay. All these are the stories of 26.12.1991 (date of the meeting of PIB) when same Narasimha Rao Govt was running the show. And the entire episode clearly reveals that the resource crunch of the Govt of India was not the hindering factor for IISCO modernisation within PSU framework even during December, 1991, since SAIL management expressed their readiness to undertake modernisation of IISCO through its own resources without extra budgetary support from the Govt.

But IISCO modernisation within SAIL network was not to the liking of many including the masters in World Bank and IMF. Hence, the SAIL management was made to move in the opposite direction in the deliberation of Shankaran Committee. When the M/s Mitsui of Japan made the offer to arrange for a foreign exchange loan of Rs.1236.9 crores for modernisation of IISCO within SAIL framework, SAIL management was made to refuse the said offer by the Govt of India to make way for M/s. Mukand. And the Shankaran Committee constituted by the Govt of India for privatisation of IISCO minced no word in this respect when they recorded "SAIL did not give any firm

indication of their plan to arrange for the balance of funds. SAIL, however, reiterated that if the effort to identify a private participant proved unsuccessful, it would at that state evolve some means of implementing plans for modernisation and expansion of IISCO." The same SAIL management expressed their readiness to take the entire financial responsibilities for IISCO modernisation in the meeting of Public Investment Board in December, 1991. After few months the same management was tutored by the concerned Ministry, to almost reverse its stand in the Shankaran Committee, and the purpose of such tutoring by the Govt was to project that modernisation of IISCO within PSU framework is no more possible and hence PRIVATISATION.

IISCO PRIVATISATION - A DESIGN FOR LOOT

And the privatisation of IISCO is not just selling out a public sector plant to private hands. It is a loot of public wealth by the players of the game and selling operation is just a camouflage. IISCO is having an asset valuing Rs.15000 crores at current price including the land, township, mines and plants. M/s Mukand is becoming the master of such a huge wealth for Rs.120 crores only, that too payable in five instalments. And to help M/s Mukand to take over IISCO, existing equity base of IISCO of Rs. 388 crores (which is itself under valued) has been further diluted (according to Govt: restructured) to Rs.150 crores (less than half) 80% of which will be transferred to m/s Mukand at a face value of Rs.10 per share.

Not only that, M/s Mukand will be the owner of IISCO including the Mines in exchange of Rs.120 crores only, that too through deferred payment. Now M/s Mukand would give back the Chiria Iron Ore mines to SAIL for Rs.500 crores which will be adjusted against part of the loan given by SAIL to IISCO prior to takeover. And balance loan of Rs.392 crores payable to SAIL will be paid back without interest after 15 years.

In reality, M/s Mukand is becoming the owner of assets of IISCO without shouldering its liabilities. And the whole deal shows as if M/s Mukand is obliging Govt of India by agreeing to take over IISCO. How M/s Mukand has obliged the individuals in the system is yet to come to light.

It was Shankaran Committee that negotiated on handing over IISCO to M/s Mukand. But real negotiations was going on even before that. In 1993 when Govt of India had already taken decision to privatise IISCO, fresh resources have been pumped in by SAIL of course under instructions from the Govt to going-to-be privatised IISCO for building up new

50 tonne Oxygen Plant and many other facilities. Is it not plundering of public money? Or behind the curtain process was set in by the persons at the helms of the affairs to offer the prospective taker in the private sector more facilities than formally being negotiated and decided by the Shankaran Committee.

Probably the IISCO deal has created history in respect of desperate loot that can take place by direct Govt-tutelage. Beside the taker, M/s Mukand, there must be, in fact there are many more beneficiaries of the entire deal, and hence so much arrogance is being demonstrated by the persons in power inspite of all out opposition by the entire Steel family.

THREAT OF BIFR

Noteworthy is that, in the face of opposition from the entire trade union movement, the Govt of India sought to pose a counter-threat that in the event of non-privatisation, IISCO would be referred to BIFR.

Such posture of the Govt further unveils the real face of IISCO deal and also the real intention of the Govt. The Govt. of India has already backed out from their commitment of Rs.800 crores support for IISCO during eighth plan period. Further threat of BIFR is being given by the Govt to bring anti-privatisation froces to their knees.

Now, how IISCO could be referred to BIFR when the plant inspite of all its limitations made a turn around in 1991-92 showing profit, and making all round improvement in its production? But logic and rationality matter little to the persons in the present government particularly when the issue relates to privatisation and denegration of public sector. Hence 1992-93 accounts of IISCO did not take care of real value of the stores and inventories (which were left unaudited) to show cash loss for the year. Motive is quite simple to understand - to create ground for pushing the Company to BIFR. The BIFR threat being posed by the Govt is in reality a threat to push IISCO to liquidation, if privatisation is not accepted - a kind of muscle flexing to humble the opposition.

PRIVATISATION CANNOT SAVE IISCO

Through this threat, the Govt wanted to give a message that the only way to save IISCO is privatisation. or IISCO can only be saved by M/s Mukand! A Company whose turn-over could hardly cross hundred crores of Rupees would be the Savior of IISCO whose turn over even at the present critical situation is more than Rs.800 crores. A Company whose competence and capability of handling modernisation of an integrated steel plant is under serious cloud of doubt, would undertake

modernisation of a plant involving expenditure more than Rs.3000 crores. In fact, it would be naive to assume or even expect that IISCO would be modernised and/or saved, and the interest of the workers and its assets would be protected by way of privatisation, that too by M/s Mukand.

WHY NOT SAIL MODERNISE IISCO

As per offer made by M/s Mukand to Shankaran Committee, it would only improve management with the current level of operation during first two years. For that job, ground has already been prepared by SAIL. In 1993, when the move for privatisation is in full swing, SAIL sanctioned fund for building new Oxygen Plant in IISCO which is now nearing completion. And with the availability of newly built 50 tonne Oxygen Plant facility, even routine relining of Blast furnace and capital repair in steel melting shop etc. would enable IISCO to continue with its present level financial performance for some more years pending total modernisation. Hence SAIL has created the facilities to enable M/s Mukand earn profit just after the take over. Then why not SAIL be given the same assignment? What Mukund can perform, cannot be performed by SAIL though it is many a times larger in size than the prospective taker of IISCO.

RESISTANCE TO PRIVATISATION - A MUST

But, whatever vocabularies are used and whichever threats are posed by the Crooked Cronies of the Fund/Bank Bosses, same could not befool the working class and the people. Opposition to privatisation bid of IISCO has been mounting and the platform of such opposition is getting broadened every day. All the trade unions irrespective of their affiliation in IISCO including the Officers Association got already united to oppose the move the privatisation of IISCO and such unity had drawn all the central trade unions of the country even including INTUC & BMS in the common platform to oppose separation of IISCO from public sector SAIL. Such unity of the entire class irrespective of banner got manifested in the massive strike action all over the Steel Industry on 7th September, 1993.

The 7th September Strike symbolises the firm resolve of the Steel workers to stall the privatisation move of IISCO, which is at the same time going to be biggest scandal, under govt. tutelage, at any cost. It must be stalled, since it is not IISCO alone, the whole of public sector Steel Industry and the Public Sector Industries as well are being placed before the firing squad. □

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the Conference of their new experience of forging a fighting alliance with the peasantry and other allies under the National Platform of Mass Organisations. They will also tell their experience of the impact of the policies on the society as a whole faced with growing joblessness, closures and price rise. They will further narrate their experience of fighting the communal forces in cooperation with the secular democratic and patriotic forces in the country. No doubt they will demonstrate their determination to safeguard the sovereignty of the country and its unity and integrity. They will further explain their efforts to gear up the organisation in all its facets and rectify the weaknesses to make the CITU a cadre based democratic organisation to be able to face the onslaughts on a national scale so as to lead the Indian trade union movement and guide the working class in the interest of all sections of the toiling people.

Commissions

Analysing the grave and complex situation, the CITU has decided to conduct the discussions in several commissions with important subject matters which are vital for working class movement. This will enable the delegates to make indepth discussions on the issues and arrive at concrete decisions on the issues, so that the struggles can be carried forward in a more organised manner.

Preparations

The Bihar State Committee of the CITU is making elaborate preparations for the Conference, which will be held in the imposing Sri Krishna Memorial Hall, situated at the heart of the city and just adjacent to the sprawling Gandhi Maidan. The Conference will be preceded by a massive open rally at the Gandhi Maidan. Brisk efforts are going on to mobilise about one hundred thousand workers, peasants, agricultural workers and others in the open rally. Top leaders of the CITU and other fraternal and mass organisations and international fraternal delegates will address the rally.

The whole city is being decorated with gates, banners, festoons, etc. Stalls will be opened by various organisations in the Gandhi Maidan. Cultural functions by various groups will be staged for all the days of the Conference. Various places of accommodation have already been arranged for stay of the delegates.

Incidentally, the AITUC is also going to hold its conference at Patna in the same place after a few days of the CITU conference. The Conferences of the two major left Central Trade Unions of the country are bound to consolidate the left forces in the state. The clarion calls to be given by the conferences certainly will boost the forward united movement to force the Narasimha Rao Govet. to reverse the policies. □

A Doctored Report

□ Saroj Chaudhuri

Probably never in the past did a committee review the working of the insurance industry, both life and general, and recommend 'remedial' measures in such a slipshod manner as the 8-member committee on reforms in insurance headed by former RBI Governor, R N Malhotra. Each of the several committees presented the arguments in coherent details buttressed by precedents and parallels and supported by relevant data, wherever appropriate, in respect of each recommendation. The Malhotra Committee has not cared to argue its case for a certain recommendation and preferred, instead, to pronounce judgements and straight away award changes of very fundamental nature. A plain reading of the report makes it plain that the committee proceeded to deal with the subjects under investigation from pre-determined decisions. Indeed, one would be justified to conclude that the committee's main concern was about allowing revival of Indian private insurance companies, re-entry of foreign insurance companies and permitting greatest possible access to private sector to the vast investible insurance funds.

Life insurance was nationalised in 1956 because fleeing the policy holders and cheating them on the slightest pretext, defrauding the exchequer and massive fraudulent dealings with funds had become the hallmark of the private companies. People's savings had been turned not into a vehicle of public good and benefits to policyholders, but of private gains, not always legal. Only nationalisation--life insurance in 1956 and general insurance in 1971--could salvage the industry from the corrosive consequences of malpractices, end stagnation, bring insurance to the doorstep of the common man, spread to the vast rural areas, guarantee ever higher return to clientle, deploy enormous funds for nation-building projects and ensure safety and security of public savings. The story of both LIC and GIC is the story of the spectacular growth and expansion, continuous diversification of products, declining expenses, better than the international standards of claim settlement, periodic reductions in prices of products, a real breakthrough in rural areas and making enormous funds available to government for investments. The Malhotra Committee has not, as indeed it could not, make out a case of stagnation

and sickness of LIC or GIC. The main thrust of the report is to cripple the two eminently successful public undertakings, destabilise their functioning, deprive them of the advantages of large-scale operation and make a gift of the vast improvements achieved at enormous cost and tremendous labour to the private sector and foreign companies. It has recommended that Indian private companies will be allowed to transact insurance business; the government's share in both LIC and GIC reduced to 50 percent and the remaining 50 percent thrown upon to public and foreign companies to be allowed entry as joint ventures with Indian partners.

If 50 percent of LIC's share capital, as also GIC's, is passed over to private capital, the orientation of the industry shall undergo a substantial change. The terms and conditions of insurance policies, the thrust areas of promotional work, rural business where cost is relatively higher, servicing mechanism, valuation methods--all shall undergo changes to suit the drive for profits to shareholders. In GIC too, the same features will operate. Compliance of law will be inhibited by profit motive and private investors will have no compunction about social obligation. The concept of joint ventures in the case of foreign insurance companies is a pretentious hoax. Anyone acquainted with the nature and methods of operation of multinationals in third world countries would know that once the formative formalities are over, these giants with their financial and political clout will pressure and browbeat the Indian partner into irrelevance and take over every aspect of policy and practice. The so-called safeguard is flimsy and cannot withstand the fierce offensive of multinationals.

The report lays great emphasis on the revival of the institution of Controller of Insurance with expanded powers to be known as Insurance Regulatory Authority (IRA) on the lines of Security and Exchange Board of India (SEBI) to exercise regulatory control. The SEBI is a post-scam phenomenon and its efficacy to prevent malpractices and corruption is yet to be established. It required a share market scandal of unprecedented proportions to jolt the Department of Banking Operations and Development of RBI and the Banking Division of Finance Ministry out of their somnambulation. Did the

institution of Controller of Insurance prevent squandering of insurance funds and massive embezzlements before nationalisation?

The committee has recommended largescale changes in distribution of investments. It has suggested reduction to 40 per cent from the present 75 per cent in central government securities and government guaranteed securities for LIC and 35 per cent for GIC. This would deprive the government of a stable source of finance at a time of financial crunch. The committee also virtually shuts out socially purposive investments of LIC, though a 2-year cushion is kept. This means that the massive flow of LIC funds to electricity, water and sewerage schemes, road transport, housing and township development, loans to panchayets and zilla parishads for developmental projects and the special requirements of backward areas etc will disappear. The emphasis on LIC and GIC hereafter working as board-run companies will not be supposed to support social goals and have to pursue with single-minded devotion profits and more profits. The private sector will not only own 50 per cent of LIC's and GIC's share capital, float new insurance companies, but will receive larger share of investments of these two institutions.

The committee proceeded to examine nationalised insurance and make recommendations without taking into cognizance its splendid successes and achievements but thoroughly convinced that private capital is lily-while and epitome of efficiency. To the committee, as indeed to the present government, competition is a magic wand! This wisdom has dawned since the so-called new economic policy was launched. One need not ask was there no competition among the 243 private companies before nationalisation? There was competition but, not in excellence, not in extending people's welfare, not in spreading insurance awareness, but in unsavoury areas. The Malhotra Committee has opted for a revival of the degrading scenario.

The report harps on the theme of LIC and GIC being overstaffed. This too is in keeping with the IMF conditionalities which insist on cutting labour costs on all counts. In the GIC, recruitments are stopped for three years now. In fact, both the LIC and GIC are under-staffed. The committee's finding is without basis and pervert. There should be no surprise that the committee wants wholesale computerisation of insurance work and is opposed to any mutually

agreed arrangement with regard to application to any sphere. This is just in keeping with the philosophy of present-day private capital of jobless growth.

The class bias of the committee's recommendations is manifest in several areas.

The Malhotra Committee apparently has constituted to serve the same purpose as the Narasimham Committee on banking--- destruction of nationalised financial sector of Indian economy.

The committee's report suggests yet another step towards withdrawal of the State from economic activity. it is a prescription for total laissez faire. Even in the most advanced capitalist country, the USA, total withdrawal of the state from certain spheres has created very complex problems. It is the uniform experience of all under-developed countries that the state's predominant participation is an essential precondition for maintenance, expansion and improvement of the vast social sector.

In sum, it is a retrograde and reactionary report which is anti-public sector, anti-nation, anti-worker and anti-progress. The insurance employees, especially those led by All India Insurance Employees' Association(AIIEA) shall have to launch vigorous and sustained campaign and struggle for its scrapping in collaboration with all trade unions, political parties and patriotic people. □

COM. MOTILAL SHARMA

The Centre of Indian Trade Unions deeply mourns the tragic death of Com. Motilal Sharma, a member of its General Council and President of its Madhya Pradesh State Committee.

Com. Motilal Sharma was fatally hit by a jeep near the Vidhan Sabha, Bhopal on December 30. He was 68.

Com. Motilal Sharma was a freedom fighter, a veteran communist leader and was a pioneer in developing the working class and trade union movement in Madhya Pradesh. He was also a former Secretary of the M.P. State Committee of CPI(M) and a member of its Central Committee. He spent several years in jail for his communist activities.

The CITU dips its red banner paying homage to Com. Motilal Sharma and sends its heartfelt condolences to the bereaved members of his family.

Magnificent Strike by Air Employees Against Privatisation

□ Hemant Kumar

On December 17, 1993 the employees of Indian Airlines and Air India struck work for 24 hours protesting against the repeal of the Air Corporations Act 1953. The repeal bill introduced in 1992 was pending before the Parliament and was listed as the first item on the agenda which was to be taken up by the government for consideration and passing on that day. Approximately 19,000 employees of both the airlines owing allegiance to the Air Corporations Employees' Union countrywide participated in the strike, the call being given by the union just 24 hours before. The strike was total in all the five regions of Indian Airlines viz, Delhi, Calcutta, Madras, Hyderabad and Bombay while it was partial in Air India.

It may be recalled a week before the department related Standing Committee of Parliament attached to the Ministry of Transport and Tourism(1993-94) submitted its fourth report recommending the passing of the Air Corporations Repeal Bill 1992. This committee was headed by Shri Promod Mahajan of the BJP. A few months earlier this same committee submitted a report on the problems of the private air taxi operators and had come to the conclusion that the Air Corporation Act 1953 should be scrapped, and Indian Airlines and Air India be privatised.

The ACEU had at that time too protested against the one sided recommendations of the committee which heard the views of the private taxi operators while no union in the industry or otherwise was given an opportunity to express their viewpoint before the committee came to the retrograde conclusions. A one week long protest action culminating into a nationwide walkout by airlines employees highlighted this bias and discrimination against the trade unions and the employees. Subsequently, all the unions in the industry as well as the National Confederations of Central Public Sector Officers Association appeared before the Mahajan Committee and opposed the scrapping of the 1953 Act. The only exception was the Air India Pilots' Guild which expressed no opposition to the moves of the government in privatising the industry. A joint memorandum by all unions of Indian Airlines opposing the repeal bill was also submitted to the committee. Four members of the committee belonging to the CPI and the CPI(M) also submitted dissent

notes. However, ignoring all protests and opposition the government moved in the direction of scrapping the Air Corporations Act, 1953. Thus the spontaneous action by the members of the ACEU was timely and deserving.

The government controlled electronic media and the 'free press' of our country jointly retaliated against the strike, at the first instance declaring it as a 'failure'. However, they could not ignore Calcutta where not a single flight departed or arrived on that day and they had to admit that there was 'a' strike in Calcutta. Some of the leading English newspapers wrote editorials giving advise to the leadership of the ACEU and the "misguided air employees" to accept the changes which the central government is determined to bring about in the air transport industry in the interest of service to the passengers and the country at large. None, however, spoke on the repercussions the proposed changes and the new Open Sky Policy would have on the workers or the industry itself besides the security and sovereignty of the country being exposed and compromised.

The ACEU had been consistently pointing out that the industry was nationalised in the year 1953 as the private sector despite huge subsidies from the government was unable to run the industry and provide any infrastructure or service necessary for trade commerce and governance. Without any budgetary support the industry has grown leaps and bounds in the past four decades absorbing the latest technology available in the world in the sector of air transport and providing with the cheapest and the largest airtservice in the continent. Besides the two air corporations profitability and productivity over the years have been multiplying. The only justification the government could provide was to "cater to the new global economic environment". Yes, to satisfy the dictates of the World Bank and the IMF. The world airlines are in crisis. In order to provide them with markets the Indian skies have been opened. The statutory protection afforded by the Air Corporations Act to the Indian Market is being removed without any reciprocal benefits to this country and all this is being done in the "national interest."

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ESI Sub-Committee Recommendations Entrancement of Existing benefit Rates to the Insured Persons.

The employees State Insurance Corporation constituted a sub- committee to review the scale of cash benefits admissible under the ESI Act, 1948, Kali Ghosh, Secretary, West Bengal State CITU and Working Committee member of All India CITU was in the sub- committee as our employees' representative.

The sub-committee held four meetings. The sub-committee made its following recommendations after thorough discussion and examining the various proposals.

1. Rationalisation of the daily standard benefits rate:

The committee found that the existing table of daily standard benefits for the insured pension was divided into 11 wage groups. The standard benefit rate is the mean of the minimum and maximum wage in each wage group based on principle of averages. Thus while the daily standard benefit rate of some of the insured persons is less than 50% in some of the cases it is upto 62% of the average daily wage. This vast variation ranging between 42% and 62% is considered inequitable. The committee felt that either the existing table be scrapped altogether and the standard benefit rate be fixed as a flat rate equivalent to 50% of average daily wage or the table be rationalised providing more equitable benefit rates. The sub-committee after considering the matter in detail recommended the following revised table:

PROPOSED TARIFF OF DAILY STANDARD BENEFIT RATES				
wage group	s.b.rate	% variation		
1. Rs 20	below Rs 28	15.00	50-56	
2. Rs 28	32	16.00	50-57	
3. Rs 32	36	18.00	50-56	
4. Rs 36	40	20.00	50-55	
5. Rs 40	48	23.00	50-57	
6. Rs 48	56	28.00	50-56	
7. Rs 56	60	30.00	50-53	
8. Rs 60	64	32.00	50-53	
9. Rs 64	72	36.00	50-56	
10. Rs 72	76	38.00	50-52	
11. Rs 76	80	40.00	50-53	
12. Rs 80	88	44.00	50-55	
13. Rs 88	96	48.00	50-54	
14. Rs 96	106	53.00	50-55	
15. Rs 107 and above		58.00	50-54	

ii) Payment of dependent benefit to the widow after remarriage as being done under the Workmen's Compensation Act 1923:

The benefit is payable to the dependents of insured persons who died as a result of an employment injury or occupational disease. The widow gets the benefit during her life and until remarriage. This is a equal to 3/5 of the disablement benefit rate and 2/5 in case of infirm child. The Committee recommended that the widow should continue to receive dependents benefit even after her marriage.

iii) Charging of contribution from retired/permanently disabled insured persons for providing medical benefits:

According to section 56 of the ESI Act 1948 an insured person can get medical benefit after his/her retirement or permanent disablement. It is subject to payment of contribution at the rate of Rs 10/- per month in advance for one year. This provision is effective from 1.2.91. Committee recommended that the collection of contribution should not be from the date of superannuation/leaving service due to permanent disablement, but it should be only from the date of termination of their last benefit period.

iv) Raising exempting limit of average daily wage for payment of employees' share of contribution from the present limit of Rs 15/- per day:

There was an amendment in Section 42 of ESI Act and Rule 52 of ESI (Central) Rules 1950. As a result, the exemption limit was raised from Rs 6/- to Rs 15/- per day. After discussing the whole matter, the committee recommended that the limit of exemption may be raised from Rs 15/- to Rs 25/- per day.

v) Sub-committee recommended that the minimum standard benefit rate under Rule 54 of the ESI(Central) Rules, 1950 might be raised to Rs 15/- per day, provided that daily SRI rate would be Rs 15/- or full average daily wage whichever is less.

vi) Prior to the amendment at ESI Act in 1984, there was provision that an insured person who worked for 13 days in different weeks in a contribution period of 6 months. He was eligible to claim sickness benefit in the corresponding benefit period. After the amendment in 1984, the insured

person is eligible for sickness benefit only if he/she contribute atleast 91-92 days in a corresponding contribution period of 182/183 days. As a result, large number of persons were deprived of sickness benefit. The committee therefore recommended that sickness benefit period might be reduced from present 91-92 days to 78 days.

vii) There was a suggestion that the rate of extended sickness benefit might be brought at par with the rate of temporary disablement benefit. It is 40% more than the standard benefit rate. Committee accepted this suggestion and recommended that this rate might be raised from present 25% to 50% more of daily standard benefit rate.

viii) The sub-committee recommended the enhance the total duration of extended sickness benefit from present 400 days (91 + 309) to a maximum period for 2 years. it also recommended delegation of power to the Director General to grant ESB beyond 400 days to deserving cases.

ix) Maternity Benefit Act 1961, provide that the maximum period for which any women shall be entitled to maternity benefit shall be 6 weeks. The committee recommended the maximum period of entitlement of maternity benefit in case of death of an insured woman during delivery or thereafter leaving behind a child may be enhance to the entire period of 12 weeks entitlement of Maternity Benefit. The qualifying period for maternity benefit was also reduced from 80 days to 70 days.

xi) Apart from that committee recommended to enhance the rate of medical bonus from Rs 50 to rs 250 per case to insured women who do not avail medical facilities under ESI scheme for confinement.

xii) Permanent disablement benefit is admissible to an insured person who forced to withdraw from economic activities due to employment injury. The committee recommended to enhance the disablement benefit to the extent of "double the standard benefit rate."

xiii) Similarly, committee recommended to enhance the rate of dependent benefit to double the standard benefit.

xiv) At the same time committee suggested to grant full medical case to widow and children of deceased insured person without charging any contribution from them.

xiv) At the same time committee suggested to grant full medical case to widow and children of deceased insured person without charging any contribution from them.

xv) The sub-committee considered the matter of funeral of deceased person. At present a lumpsum payment up to Rs 1,000/- is paid either to eldest surviving member of the family or to the person who actually incurs the expenditure on the funeral. The committee recommended that the amount of funeral expenditure might be enhanced from Rs 1,000/- to Rs 1,500/-.

xvi) ESI had granted rehabilitation allowance to the insured person for each day on which they remain admitted in the artificial limit for fixation, repair or replacement of artificial limbs. The sub-committee recommended to double the daily standard benefit rate.

xvii) Similarly, the committee recommended the enhancement of compensation for loss of wages in case of insured person appearing before the medical board. According to the committee the benefit rate should be double from the existing standard benefit rate. xvii) The committee considered the matter of sickness benefit. It views that the sickness benefit should be payable for entire spell of sickness. At present ESI rules provides for an initial waiting period of two days for drawal of sickness benefit in the first spell.

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The recommendations of the Rangarajan Committee are further frightening. 74% equity in the proposed government companies formed on scrapping the Air Corporations Act 1953 will be disinvested. Furthermore, the external debt of the companies (Indian Airlines Ltd & Air India Ltd) which is approximately 2000 crores each and stands at four times its authorised share capital of Rs 500 crores is to be Swapped for equity. The entire control of these companies is thus, slated to be passed on to the foreign institutions who are its creditors. And, why should they run these Indian Air Companies at a time when their own country's carriers are running short of business and clamouring for markets in India. The Govt has no answer. Disappearance of these beautiful Air Corporations is a certainty in the present circumstances. Unfortunately, the action of ACEU was a solitary cry in wilderness, the other trade unions in the industry not yet willing to forge a common platform for action. Only a People's Mass Movement can save the national carriers. The ACEUs actions may continue not only being justified but patriotic too.

DE-RATING OF NAME-PLATE CAPACITY CAN MAKE HFC ECONOMICALLY VIABLE

□ SWADESH DEV ROYE

The trade unions of Hindustan Fertilizer Corporation Ltd.(HFCL) in a note submitted to the BIFR have requested that the Central Government should be asked to immediately implement the recommendations of the high-power Technical Committee for derating the name-plate capacity of the operating units of HFCL. The unions have narrated as to how HFCL came into being as a result of unscientific bifurcation of the parent company with unsound capital base.

UNSCIENTIFIC BIFURCATION

As a result of unscientific bifurcation of erstwhile FCI, HFCL was born unhealthy. Because the units allocated to it were already handicapped with technological, design and equipment deficiencies and the Company inherited as birthday gift an outstanding loss of Rs.80.94 crores from the mother Company. Had the grouping of the plants been judiciously done taking into consideration their operational viability and profitability, the deficient unit could have drawn from and sustained on the internal resources generated by the healthy units.

UNSOOUND CAPITAL BASE

The equity base of HFC was brought down to Rs 98.10 crores by reducing the original base by an amount of Rs 45.28 crores. Thus the amount of outstanding loan was also reduced, but it is to be noted that, whereas the equity base was reduced by 32% , the loan amount was reduced by mere 7%. Thus, the entire capital structure of the Company was very much disadvantaged from commercial consideration and had its consequential effects in the subsequent deterioration in the financial performance of the Company.

HIGH INTEREST BURDEN

From the table given below it would be seen that the high interest burden in respect of Govt. of India loan imposed on the company has played havoc in inflating the amount of yearly loss of the Company.

Rs.Crores

Year	Amt. of loss	Int. Burden	Penal Int.
1988-89	156.38	71.40	
1989-90	169.79	82.48	
1990-91	231.45	93.88	
1991-92	338.53	96.62	88.96
1992-93	349.45	103.26	108.47
TOTAL	1245.60	447.64	197.43

Derating of Name-Plate Capacity

The Task Force on the working of FCI and HFCL set up by the Government of India under the chairmanship of Shri Paul Pothan in their report had recommended for derating the capacity as back as 1986.

The Government of India constituted a Technical Assessment Committee in the year 1992. As per the recommendations of the committee, the annual capacity utilisation of Durgapur Unit in its present state can be 52.42%, Barauni Unit 55.6% and Namrup-II 57.6% and Namrup-I Ammonia Plant 52%. It has further been recommended that the de-rating may be given effect from vth Pricing Period i.e. 1987-88.

The Secretary of the Department of Fertilizers in his deposition before the COPU told that "with the revision of rated capacity.....these units can be turned around....they will cease to be burden on the government."

The COPU of the tenth Lok Sabha under the chairmanship of Shri A R Antulay, MP noted, "The committee urge the Ministry to weigh the pros and cons of the proposal (de-rating) and expedite a decision."

The recommendations of the Technical Committee has been forwarded by the Department of Fertilizers(DoF) to the Fertilizer Industry Coordination Committee for consideration, acceptance and implementation. This obviously

implies that the DoF has in principle accepted the recommendations of the said Technical Committee.

The Economic Viability

It has been worked out that with the implementation of the recommended de-rating of capacity, change in the consumption norms and restructuring of the capital including waiver of the outstanding interest and conversion of the loan amount into equity, the company shall not only become economically viable but also it would almost wipe out the past losses. Moreover, the arrear amount which has become due to the company on account of retrospective implementation of the said steps, the funds which will be available with the company, it would be able to take care of the minimum financial need of the company for meeting the expenditure on account of urgent technological rehabilitation and financing the requirement for working capital.

It may be noted that if the balance sheet of the company is recast since 1987-88 after considering the revised retention price on the basis of the recommended de-rated capacity utilisation and changed consumption norms, the balance sheet will reflect a picture which shall not attract section 3(1)(O) of the Sick Industrial Companies (Special Provisions) Act, 1985.

Fertilizer Ministry Faces Severe Criticism by BIFR

The Board for Financial & Industrial Reconstruction (BIFR) have expressed its serious indignation over the failure on the part of the Ministry of Fertilizer to work out a rehabilitation Scheme for Hindustan Fertilizer Corporation (HFC) even after one year, though the Ministry was committed to submit the same within three months. The case of HFC came up for hearing in the BIFR on 30th December 1993 thirteen months after the first hearing as the Ministry had been taking adjournments time and again.

While deposing on behalf of the Fertilizer Workers' Federation of India (FWFI) S Dev Roye, submitted that the implementation of the unanimous recommendation of the high-power Technical Committee for derating the name-plate capacity of the HFCL plants along with restructuring of capital and revision of consumption norms even with effect from 1987-88 not only the HFCL plants can resume production on sustained basis but also will enable the

company to almost wipe out the past losses and make the net-worth of the company positive.

He also drew the attention of the Board about the non-implementation of the said recommendation by the Ministry, making the reference of the company to BIFR as one of the pleas. He further pointed out the violation of its commitments by the Banks and read out from the previous Record Notes of the meeting of the Board where the representative of State Bank of India said "...the Bank would, however, extend the reliefs and concessions to HFCL....and pending sanctions of rehabilitation Scheme for HFCL by the Board, commercial banks would continue to extend need based working capital facilities to HFC." He also requested the intervention of the Board in the matter of unilateral suspension of operation of the Namrup-II, Durgapur and Barauni plants of HFC. The BIFR pulled up the representative of the Ministry for not taking a decision on the question of derating in the name of BIFR reference. It also expressed its serious displeasure for suspension of operation by the Management and violation of commitment by the banks to extend need-based working capital to HFCL. While acceding to the request of the Ministry of Fertilizer for another adjournment, the Board has asked for the following specific steps to be taken by the Ministry:

The rehabilitation scheme must be submitted to the Board positively within next three months.

During this period the Ministry should organise few rounds of meetings with the Trade Unions so that the scheme to be prepared, can be a consensus one.

The Fertilizer Ministry has to inform the BIFR in writing the progress of preparing a revamping scheme at the end of six weeks.

The next hearing which would be held before 15th April 1994 shall be notified soon.

Two representatives of the Trade Unions have been asked to report to the Board about the progress on the above tasks. □

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Workshop on Organising Women Workers in South Asia

□ V V Presenna Kumari

A workshop was organised by the Committee for Asian Women from December 3rd to 9th at Katmandu, Nepal. The host of this workshop was the Central Women Workers Department (CWWD) of the General Federation of Nepalese Trade Union - GEFONT. The workshop was attended by 27 participants from five South Asian countries (2 from India, Pakistan 4, Sri Lanka 5, Bangladesh 4, Nepal 10, Ms Cheung Choi Wan of CAW Secretariat and Ms Kim Kyoung Hee of Hongkong). Indian working women were represented by V V Presenna Kumari of All India Coordination Committee of Working Women, CITU and Sushama V Patil of SEWA.

The workshop discussed general conditions of women workers, their main issues and their wages. The most important feature noted was that all the participant countries were facing the same problems especially of the impacts of economic liberalisation on women workers.

Pakistani women said in their report: "Structural adjustment programme dictated by IMF and World Bank cannot be our people's programme for the 21st century. We ought to determine our priorities and define our programmes in the context of our needs and united work for its realisation."

Bangladesh reported: "International institutions like IMF and World Bank give loans to Bangladesh for development works. These loans come with a lot of conditions and most of these policies work against the workers, also they are especially harmful to women workers."

The Sri Lankan representative said that the sole intention of the foreign investors who opened factory in the free trade zone was to exploit the resources of the country and earn huge profits. By and large multinational companies and foreign countries started yielding more power over the economy and policies and today the country is so indebted to the extent of obeying every command of IMF and World Bank.

In the Indian report we emphasized that the imperialist forces were trying to make the third World Countries as their markets with new devices and techniques. The ruling class in these countries conspire with them in these anti-people moves. In my report our work among Anganwadi women was also explained in details.

Generally, low literacy, unequal wages, unawareness among women workers, discriminatory

laws and child labour were the problems of all the nations. Agricultural workers and peasants were facing the same problems every where. Patriarchal society, male domination and inferiority complex among women workers prevailed in all countries.

The economic aspects of all the nations were also of the same characteristics--neo-colonisation, feudal and capitalist policies of the existing governments leading to privatisation and economic indebtedness.

Apart from the debates we had the occasion to get a glimpse of Nepalese women workers. We were able to visit three factories in Kathmandu.

Nebico Biscuit Factory, which is to an extent modernised is having 30% of the total workers as women. Union activists were dismissed in connection with a strike in 1982.

Biswass Garment Factory, owned by an Indian is fully export oriented. Unlike the other South Asian countries Nepal Garment Factory is male dominated.

Sangrila carpet factory was a shocking experience to all of us. There was a board in front of the factory exhibition "Child labour strictly prohibited." But to our great surprise we could see children even below eight years involved in weaving carpets and working with cotton. Here also under the pretext of the "piece-rate" a total system of slavery could be seen--the whole family working together from dawn to dusk and even later.

GEFONT is playing a vital role in organising women workers in Nepal. They are trying to give trade union education to women workers using cartoons and cultural programmes. They conduct picnics and make use of the local festivals for the hearty get together of the women labourers who are alienated from the social life.

Female workers have to join their respective unions and the CWWD. They are inclusive of the programmes of All Nepalese Women's Association to affiliate themselves with women's problems and struggles.

All participants were divided into three groups and group discussion gave opportunities to go in detail of each representative's practical experience in struggles and organisations. Each group elected a reporter and she participated in general discussion.

Our visit to GEFONT office was also unforgettable, where we could meet Com. Ms Bidya Bhandari, the co-ordinator of the CWWD and had a few memorable exchange of words. □

KANORIA JUTE MILL : THE FACTS BEYOND FICTION

□ Chittabrata Majumdar

It is high time that the actual events leading to the present situation at Kanoria Jute Mill in Howrah district of West Bengal are unveiled to identify the real defaulters before the people.

The Kanoria Jute Mill has been lying closed since September 1987 and the same was referred to the Board of Industrial and Financial Reconstruction (BIFR) in March 1988. The Industrial Finance Corporation of India (IFCI) was appointed as the operating agency. On July 25, 1989, the board recommended for winding up the mill and served notice to all concerned for their objection, if any, against the winding up order. All the three unions affiliated to the CITU, INTUC and TUCC, and the government of West Bengal raised objections against the winding up of the mill. At the subsequent hearing held on January 25, 1990, the BIFR accordingly allowed three months time to the operating agency to examine a revised scheme for rehabilitation of the Kanoria Jute Mill submitted by Shib Shankar Pasari after circulation among the concerned parties by the BIFR. Finally, on February 14, 1991, the BIFR sanctioned the draft scheme with Shib Shankar Pasari as promoter. Jyoti Prakash Bagaria of the Oysters Packers (P) Ltd. also submitted an outline scheme to the BIFR, but that was not accepted by the board.

BIFR PACKAGE

The main feature of the package was that it was aimed at modernisation and rehabilitation of the Kanoria Jute Mill. The total requirement of fund was estimated at Rs.215.00 lakh for modernisation and Rs.125.00 lakh for rehabilitation. The requirement of fund was proposed to be met from various sources as shown in the table alongside.

Another feature of the package was that an interest free excise loan of Rs.113.00 lakh was expected to be available to the mill in the beginning of 1992-93.

The package had a disturbing feature too—that the workers have to deposit, on interest-free basis, an amount of "Rs.15.00 per person per day for a period of five years from January 1991 to December 1995. The said interest free deposit shall be repayable after the rehabilitation period. The amount was reduced to Rs.11.00 per person per day at the insistence of the workers unions.

The board directed to implement the scheme with immediate effect and directed that the IFCI confirm

the full implementation of the scheme to the BIFR within six weeks.

HOW THE PACKAGE WAS IMPLEMENTED

But in the BIFR's review meeting held on August 16, 1991, it was observed that though the workers were paying Rs.11.00 per person per day and the promoter, Shib Shankar Pasari, had inducted more than 50 per cent of his share of Rs.120.00 lakh, no amount had been released either by the financial institutions or the Bank of India. The IFCI representative could not give any reason for not complying with the directive to confirm to the board within six weeks that the scheme has been fully implemented. On the other hand, without showing any reason, they informed the board that they had decided not to participate in fresh term loans of Rs.180.00 lakh. The Industrial Development Bank of India (IDBI) also declined to take any share of the term loans. The Industrial Reconstruction Bank of India (IRBI) agreed to extend their share of Rs.72.00 lakh but refused to take up the entire amount of Rs.180.00 lakh. The Bank of India agreed to take up their share of Rs.40.00 lakh but refused to release any amount unless the institutions decide to extend their share. The promoter also expressed his inability to pay the remaining portion of his share, unless the financial institutions and the Bank of India release funds.

The BIFR bench directed that although more than six months had elapsed since the sanction of the scheme, the IFCI had neither confirmed the implementation of the scheme nor taken any active steps for resolving the issue of participation of term loans among the institutions. This was particularly unfortunate since under the sanctioned scheme the workers have made extraordinary sacrifices and the institutions and banks had agreed to the terms and conditions of the scheme. The bench directed that the banks and other institutions should release the funds, as provided for in the scheme, within one month and confirm to the bench the compliance of the provisions of the sanctioned scheme. The new promoter should also bring in the remaining portion of the promoters contribution as funds are released by the banks and other institutions. It should be understood that failure of the parties concerned to observe the terms and conditions of the sanctioned scheme is violation of the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985.

The IFCI was directed to submit a report on the matter within 45 days.

The BIFR met again on March 17, 1993. In the meeting it was observed that the situation had not changed from what it was. Neither the financial institutions nor the Bank of India released a paisa as loan. The excise relief loans was also not available. In fact, the scheme remained a non-starter.

In the meeting the IFCI proposed that the IRBI should consider sanctioning an additional loan of Rs.157.00 lakh (including excise loan of Rs.85 lakh) and the balance Rs.23.00 lakh should be brought by the promoter towards additional contribution. The promoter had expressed his willingness to provide additional promoters contribution. But the IRBI did not agree to that proposition. They stated that they were still willing to take their share of Rs.72.00 lakh but the IFCL, as an operating agency, cannot stay away from funding when they had accepted the viability parameters. In fact, instead of solving the issue, the meeting turned into a virtual battle field between the IFCI and IRBI.

Ultimately, the board had no other option but to ask the IFCI again to undertake a fresh techno-economic viability study of the mill. But nothing fruitful has been done till now.

(In Lakhs of Rs.)

Modernisation Rehabilitation Total

Equity/Interest-free unsecured loans from the promoters	75.00	45.00	120.00
Term loans from the financial institutions	140.00	40.00	180.00
Term loan from the Bank of India	-	40.00	40.00
Total	215.00	125.00	340.00

ROLE OF TRADE UNIONS

During this period a number of representations were made by the state government, registered unions and by Hannan Mollah, MP, to the union finance minister on the unreasonable and irrational stand of the IFCI and other financial institutions and

the Bank of India. But there was no response from the government of India on the blatant refusal of these agencies to abide by the BIFR directives.

It was in this background that in September 1992, the present promoter issued a notice for suspension of work. The unions fought against this move and, after protracted negotiation, an agreement was signed resulting in opening of the mill with promise of increased DA and arrear bonus to the workers. After opening of the mill the bonus and the increased DA were paid but DA arrears were not paid. By November 1992, however, another new instalment of DA became due for payment. This also remained unimplemented.

Thus the workers became restive and, because of the pressure from the unions, negotiations had to be held in the office of labour commissioner on January 14, 1993 where the promoter agreed to pay the DA arrears. But he went back on his word and neither the new DA nor the arrears were paid. The new DA due from August 1993 was also not given to the workers. Of the bonus, 50 per cent payment was made before the Puja in October 1993 and the remaining was promised in December 1993. All these aggravated the anger and frustration of the workers.

In the above background, the Bengal Chatkal Mazdoor Union affiliated to the CITU, started preparing for a powerful and protracted agitation. On November 17, 1993, the BCMU organised a mass deputation with more than 2000 workers before the management. The deputation demanded immediate payment of gratuity to 410 retired workers. The CITU involved other workers in the area in support of the workers of Kanoria Jute Mill. From the deputation it was announced that there would be a general strike and bandh in Uluberia-Manikpur area in Howrah on December 21, 1993. On December 4, 1993, notices for strike would be served followed by a mass convention on December 19, 1993.

PRESENT EPISODE

Thus, when under the leadership of the CITU an agitation on a wide scale had been called, all of a sudden some workers under the banner of Sramik Sangram Parishad, along with some outsiders, started sit-in-agitation within the factory of November 23, 1993 onward on the plea that the organised trade union movement cannot solve the problems of the

workers of the jute mills and that by taking physical possession of the mill, the workers can run the mill. They also charged that the state's Left Front government was not helping;ing the workers and it was because of the state government as well as the organised trade union movement that the workers are suffering in absence of a militant movement. However, there was not a single word of criticism against the central government and its financial

institutions. Unfortunately, a section of the workers got swayed by the these words and there was a lot of tention within the factory. Taking advantage of the situation, the promoter issued a notice for suspension of work from November 26, 1993.

The above are the bare facts of the Kanoria Jute Mill episode as to who are actually responsible for the present state of affairs and against whom the agitations have to be directed. □

JUTE WORKERS TO RESIST MANAGEMENT OFFENSIVES UNITEDLY

Sarvasree Niren Ghosh and Siva Prasad Bhattacharya of Bengal Chatkal Mazdoor Union (CITU), Kamalapati Roy, Tarun Maitra and Dabashish Dutta of Federation of Chatkal Mazdoor Unions (AITUC), Lal Bahadur Singh and Ganesh Sarkar of National Union of Jute Workers (INTUC), Sunil Sengupta of Bengal Provincial Chaktal Mazdoor Union(UTUC), Sailen Dey and Shamcharan Gaur of paschim Bengal Chatkal Mazdoor Federation(TUCC) and Bibhash Ghosh, Naresh Banerjee of All India Jute Textile Workers Federation (HMS) have jointly issued the following statement to the press:

After the successful stike of Jute Workers last year the management of the jute mills and the ICMA have launched an offensive in the form of large scale reduction of permanent hands, lockouts/work suspensions etc. Even in the NJMC jute mills, we see curtailing of production and closing down the shifts and departments on the plea of lack of inputs. Some speculators in the garb of owners have entered the jute industry who are forcing the workers to accept retrenchment without Provident Fund, gratuity, ESI contributions etc not to speak of retrenchment compentions.

Regarding the unfortunate incident that took place in Victoria Jute Mill of Telenipara, on 20th and 21st October 1993, the grievances of the workers were genuine but it reflects the malady that afflicts the entire jute industry especially those units controlled by the speculators including megna, Baranagore, Kelvin, Raverly, Anglo India and others.

The Government of India permitted R J Brualey, who himself is a speculator, has become the owner of 4 jute mills, i.e. Titaghur PLC, Victoria Jute, Samnuggur North Mill and Angus Jute Mills. This gentleman defaulted in paying several crores of rupees in PF money and ESI contributions and several crores of rupees of gratuity. The workers have

been cheated of earned wages/salary, bonus etc., to the tune of Rs.160 crores, if not more.

We the representatives of trade unions met today i.e. 19.11.93 in the CITU office to take up the issues and demands mentioned below:

1. Anti-worker and humiliating bipartite agreements, to which govt. cannot be a party must note be signed by any of our affiliates.

2. Representatives of all unions/federations to the so called monitoring/operating committees which the management are utilising basically for their own selfish purpose should be withdrawn immediately.

3. Regarding the four mills under Titathir Jute Factory PLC, we demand that a) R J Dreeley, PS Thape and all other Directors of the company must be prosecuted for realising the several crores of rupees grabbed by them and for this purpose Government of India be approached by the State Govt to arrange for removing any legal difficulties that may stand in the way of prosecution. b) Pending this, the Govt of WEst Bengal must approach the Central Govt for immediate taking over the management of this company.

4. We further demand that NJMC mills be supplied with raw jute, spare parts and other inputs regularly and revive production and increase the productivity with the cooperation of the workers.

5. The clauses of last industry-wide Tripartite Agreement in the jute industry be strictly enforced in toto in all the jute mills of the state.

6. We request the West Bengal Labour Minister to find ways and means for reopening of the Victoria Jute Mills at Telenipara.

Lastly, we appeal to all workers to fight back the offensive of the jute employers by Joint meetings, demonstrations and other forms of movement for realising the above mentioned demands. □

8th National Conference of All India State Government Employees' Federation - A Challenging Success.

□ SUKUMAL SEN

The 8th National Conference of the All India State Government Employees' Federation which was held in Calcutta from 28 December 1993 to 31 December 1993 amidst great enthusiasm was a landmark in the history of the Federation. A total of about 2800 delegates and observers from 21 States of the country attended. Out of these 21 States representatives from Manipur, Meghalaya and Arunachal Pradesh attended on invitation States which participated in this Conference were Kerala, Tamilnadu, Karnataka, Andhra Pradesh, Orissa, Assam, West Bengal, Bihar, Tripura, U.P., M.P., Rajasthan, Haryana, Punjab, Himachal Pradesh, J&k, Maharashtra, Goa, Manipur, Meghalaya and Arunachal Pradesh.

This time some fraternal delegates from abroad also participated. The countries which were represented in the Conference are Ghana (West Africa), Bangladesh, Sri Lanka and Nepal. Representative from Pakistan could not attend because of refusal of visa by the Government of India. An eminent Australian trade unionist Comrade Markham, M.P. also attended. Messages were received from fraternal organisations of Japan, France and also from the TUI of Public and Allied Employees at also addressed the Conference. Representatives of all the foreign delegates also spoke in the Conference.

The Conference began with the placing of wreath on and paying homage to martyr's column installed at the campus of the Conference. The flag of the Federation was hoisted by Comrade R.G. Karnik, Chairman of the Federation.

The Presidium was constituted of Comrade R.G. Karnik and the other Vice-Chairman. Steering Committee was composed of the General Secretary and other Secretaries. Minutes Committee and the Credential Committee were formed by the representatives from different States.

Inaugural session of the Conference began in the morning of 28 December 1993 with the placing of condolence resolution by Comrade R.G. Karnik. Thereafter welcome address by the Chairman of the Reception Committee Com. Hasim Abdul Halim, Hon'ble Speaker of West Bengal Legislative Assembly was delivered. Com. Jyoti Basu, Chief Minister of West Bengal inaugurated the Conference. Com. M.K. Pandhe, General Secretary of CITU addressed the inaugural session as Chief Guest. Com. Prasanta Chatterjee, Working President of the Reception Committee and the mayor of Calcutta Municipal Corporation also attended. Several

central Trade Unions and National Federations also attended. Many of them greeted the Conference. All were introduced before the delegates and observers.

The business session began in the afternoon of 28 December 1993. General Secretary Comrade Sukomal Sen presented his report and explained its salient points. Thereafter some resolutions were placed and seconded. From next day i.e. 29 December 1993 discussion started on the General Secretary's report. About 40 speakers from different States participated. All supported the General Secretary's report. A few suggestions and amendments were also placed. Some discussions took place on organisational issues also. Discussion continued upto 30 December 1993 evening session. The rest of the resolutions were placed and seconded in between and were passed unanimously.

On the concluding day i.e. 31 December 1993 the General Secretary summed up the discussion on the report and clarified many of the issues raised by the delegates. Thereafter the General Secretary's report which dealt with international and national issues and the activities of the Federation and the basic problems of the employees and the working class in general was unanimously adopted with thunderous applause.

One resolution urging for collection of central fund of the AISGEF - Rupee 1/- per employee in each State and to be collected in the month of May-June, 1994 with full preparation was moved and seconded and was unanimously adopted. Policy and Programme resolution were moved by the General Secretary and seconded by two other Secretaries. This Policy and Programme resolution called upon the employees to observe 23 February 1994 as National Demands Day for realisation of 10-point charter of demands of the Federation by holding rallies and demonstrations throughout the country. The programme resolution further called upon the employees in all states to observe the "March to Parliament Programme" to be decided by the Sponsoring Committee of Trade Unions and Federations of Mass Organisations against the Government's economic policy and their Dunkel Agreement (the date of March to parliament has since been decided to be on 5 April 1994 at Delhi). The resolution urged the employees to make this programme a grand success by maximum mobilisation of employees of different State at Delhi.

The final agenda of the Conference was election of office bearers amidst prolonged jubilation and

applause a 16 member new office bearers were elected with total unanimity with Com. R.G.Karnik as the Chairman and Com.Sukomal Sen as the General Secretary.

Comrade R.G. Karnik, Chairman of the Conference gave his concluding speech urging for further strengthening of the Federation activities and the unity of the employees. General Secretary Com. Sukomal Sen gave vote of thanks to all concerned and wished a happy new year to all.

Thus the Conference ended with the message and resolve of widest possible unity of the employees and strengthening the organisation at every level of the State.

The fraternal delegates from Bangladesh, Srilanka and Nepal proposed to have a meeting of the government employees' organisation of the SAARC countries either in India or in Bangladesh to form a

international set-up of the organisations of these countries. The proposal was accepted in principle.

The Reception Committee organised Cultural programmes in the evening of 27-30 December 1993. The cultural performance were attended by the delegates and observers and also by the common employees and others and all enjoyed it. An exhibition on 'Religion' and another exhibition of different products of West Bengal were also organised which were also visited by the delegates and the observers with keen interests. Special Issue of Employees' Forum was also issued by the Federation Headquarters which received wide acceptance of the delegates and observers. Thus the Conference came to be a total success and unique in history of the All India State Government Employees' Federation. □

TELECOM EMPLOYEES EXHIBIT EXEMPLARY UNITY

□ Moni Bose

The one day stay in-pen down-tool down strike of 4.7 lakh telecom workers on December 31 was a complete success in terms of participation of the employees. At the call of the three federations in the industry, viz, the National Federation of Telecom Employees, Federation of National Telecom Organisations and Bharatiya Telecom Employees Federation, the entire telecom community participated in the stop work programme for 24 hours on the day. The government was prompt enough to declare the stay-in strike as illegal, and threatened to punish the striking employees with orders for break in service and other penal measures. But all in vain.

The major demands included halt to corporatisation/privatisation; constitution of an independent telecom finance corporation; consultation with staff side before launching any move for a change in the structure of the Department of Telecommunications; and upgradation of skills of the workers.

The Indian Telecom Service Association, the single organisation of the Class IITS officers, observed a protest day on December 31 to synchronise their opposition to the government's move for corporatisation and fragmentation of the basic telecom services, when the officers wore black badges and extended full support to the striking employees. The chief general managers in all the states and the senior ITS officers in the directorate are members of the association and they also took part in the protest action. In a hand-out the association charged the government of selling out the Telecom Department to the multinationals. It quoted N Vittal, Chairman, Telecom Commission: "The government is in a hurry because of thy pressure of

restructuring of the Department of Telecom coming from the World Bank-IMF."

The class II officers, under the banner of Telecom Engineers Service Association (TESA), observed a pay-boy-cott. The trend of a total and all-out unity of the telecom employees and officers of all ranks, was unique.

The decision of an indefinite strike to commence from December 6, just a day before the four-day glorious strike of the postal employees on December 7 to 10, was eventually deferred to December 21 and finally called off without any tangible gain. This sparked off resentment of the telecom employees against a section of leadership who wanted to foster illusions about formation of a single Telecom Corporation and tired to rouse aspirations for economic gains among the employees. The call given by them for observance of an hour's strike on December 21 on such a serious issue fell on deaf ears and met with meagre response.

However, a reappraisal of the grave situation made the leadership of the different federations and associations conscious that in the name of changing the present policy of monopoly over the telecom services to that of competition, the government was determined to ultimately fragment all operations of basic telecom services into four zonal corporations—east, west, north and south. In such an eventuality, the zonal corporations in the west and south might be profitable from the commercial point of view, but that in the east would not be able to stand the test of profitability from its very inception, and the northern zonal corporation will eventually meet the same fate. This will inevitably lead to handing over of

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CITU Delegation In China amidst Com. Mao Zedong Birth Centenary Celebration

□ KANAI BANERJEE

(A three member CITU delegation led by Kanai Banerjee, Secretary, CITU, visited China from 18th to 29th December. The other two members of the delegation were Sakti Prasanna Bhattacharya, Vice President, Tripura State Committee of CITU and Kashmir Singh Thakur, General Council member of CITU and also Vice President of its Himachal Pradesh Committee. A brief account of the visit is given hereunder---Ed)

This year the visit of the CITU delegation to China took place amidst celebration of the birth centenary of Com. Mao Zedong the legendary leader of the Chinese revolution and one of the stalwarts of world communist movement. The programme drawn up by the International Department of ACFTU included places of historical interest, mainly those connected with the Chinese revolution and the life and revolutionary activities of Com. Mao Zedong and other veterans of Chinese revolution. Besides Beijing, our delegation visited three provinces namely Shanxi, Hunan and Guangdong.

On our arrival in Beijing Airport we were received by Com. Xia Xiaomei, Director, International Department and Zhaug Tao, section chief, in charge of Asian affairs, International Department ACFTU. In Beijing we were received at the ACFTU headquarters by Com. Xiao Zhenbang, member of the ACFTU Secretariat with whom we had exchange of views on issues of common concern. On our arrival in provincial capitals too, as well as in different places in the provinces, we were received by senior leaders and International Department officials of ACFTU. During discussion the leaders introduced us with conditions prevailing in China as a whole and in individual provinces, explained the policies pursued by them, progress made and all that.

Cradles of Revolution

Among the places of historical significance associated with Chinese revolution and the life of Com. Mao Zedong, we first visited Chairman Mao's Memorial Hall at Tian Anmen Square, Beijing which is also his mausoleum where his embalmed body is lying at rest for visitors to see.

Later we were taken to Yanan in Shanxi province, where the headquarters of the Communist Party of China and of the Red Army had been situated for long periods and where Comrade Mao Zedong and other veteran leaders lived in caves and huts and led one of the greatest revolutions in history. We visited all the caves and huts used by the leaders as their residence and office. We were also shown the auditorium in Yanan where the Communist Party held its 7th conference in 1945. We also visited the hall where in the famous Yanan Forum Com. Mao

delivered his celebrated speech " On Art and Literature". Besides we were shown the exhibition of photographs and other exhibits relating to the revolutionary activity of Com. Mao and other leaders.

The "Xian incident" was an extremely important event in the course of development of Chinese revolution. Chiang Kaishek who was busy fighting the communists instead of seriously defending China from Japanese aggression, was arrested at a place near Xian, the capital of Shanxi province by a revolting general and was forced to sign a pact with communists for jointly fighting the Japanese and stopping the civil war. This was a turning point in the history of Chinese revolution.

In Hunan Province our delegation visited the ancestral home of Com. Mao Zedong at Shoshan where he was born and had spent his childhood. The delegation, thanks to ACFTU, had been fortunate enough to visit Com. Mao's birth place on Dec. 26 on his 100th birthday. In Guangzhou the Capital of Guangdong province where the All China Federation of Trade Unions was born, we visited the building which for a long time housed the headquarters of ACFTU. This building also housed the headquarters of the Kuomintang in its early period.

Notable among other places visited by our delegation was of course the great wall of China at Badaling near Beijing. The great wall is rightly considered to be among the seven wonders of the world. In the neighbourhood of Beijing we visited what is known as the World Park, a large expanse of land where replicas of important architecture which are commonly regarded as symbol of respective countries, have been constructed.

In Shanxi province we were taken to the recently excavated site of ancient emperor Qin Shihnan's mausoleum where a huge number a terracotta infantry and cavalymen in formation have been discovered. Two bronze chariot with horses discovered there are "destined to become one of the greatest art treasures in world.

The golden goose pagoda which we visited stands as a symbol of ancient relation between India and China because it was in this pagoda that Hu Ensang worked on the vast Buddhist criptures he collected from India.

Factories Visited

We were taken to visit three important Factories in China: a Locomotive factory near Beijing, an electrical appliances factory and a cigarette factory in the capital of Hunan.

The locomotive works is an old one, established towards the end of the last century. There was a great strike in this factory in Feb.7, 1927 which was brutally suppressed. Several workers were killed and many injured. To commemorate the incident the factory has been named as 7th February Locomotive Factory. It produces around one hundred diesel locomotives a year with old technology. It is going to modernise. It is wholly in the state sector.

The electrical appliances factory is almost a fully automated one and is one of the five big factories producing refrigerators. It produces for home market as well as for export. It has almost completed installation of a new wing for production of air conditioners. It is working with American and German technology which has been improved upon by China's indigenous R&D unit. Originally it was entirely on the state sector, now it has been turned into a share holding company with the workers of the plant holding about 30% of share. The remaining shares still being in the hands of the states. It earns good profit.

Chaugsa cigarette factory is one of the biggest in China. It also exports a substantial part of its product and earns profit. We were impressed by the Kindergarten attached to this factory for the children of workers.

Some Impressions

The saga of Chinese revolution and the life story of its great leaders have been an inexhaustible source of inspiration for the people fighting for freedom and for emancipation of man from exploitation. We of course experienced a sort of emotional upheaval while moving from cave to cave and hut to hut in Yanan from where the great leaders like Comrades Mao Zedong, Zhu De, Zhou Enlai and others led the revolution. Wherever we have gone in China we have noticed there are efforts to remember Com. Mao Zedong and some of his teachings in various ways and forms. A serialised telefilm covering the life and struggle of Com. Mao was shown throughout China. Marxism-Leninism and Mao Zedong thought are always mentioned as guiding principles. We were told that 10,000 people would mobilise in Beijing in celebration of Mao's birth centenary. Innumerable cultural and other programmes were organised in different places. In the province of Hunan the celebration almost took the form of a sort of mass upheaval. Two lakhs of people reportedly mobilised at Com. Mao's birth place. Thousands upon thousands of young men and women were returning from Shaoshan village like an unending stream. The village took the appearance of a great fair. Fire crackers and fire works marked the celebration

everywhere.

Whatever may be the reason for turning the spot light on Mao Zedong in a big way today, this seems to be an important positive element in China's current development. One cannot but recall in this context Kruschov's de-Stalinisation efforts and its grave consequences. Incidentally Stalin's photographs are also seen in China along with Marx, Engels and Lenin.

On the economic front, the ACFTU leadership at all levels made a modest claim that China has just solved the problem of food and clothing. We have seen the city streets and travelled across vast stresses of rural areas. In fact we rarely met either poorly clad people or people with signs of inadequate nutrition. The leaders told us that though China has barely solved the problems of food and clothing, the problem of poverty remains and it is their main struggle to raise the living standard of the people. With their staggering population figure, they think it will take them a long time to raise standard of life of the entire population to a really socialist level. And it is in this context that the complicated questions of opening up, joint sector, private (foreign) sector, leasing of land and socialist market economy come in. It is impossible through twelve-day visit to gain any special insight into the various aspects of the consequences or probable consequences of these policies. The Chinese comrades assert that they have achieved remarkable progress in the limited field. Both industrial and agricultural production has recorded considerable increase with some reflection in the people's living condition. As we expressed our apprehension that once the imperialists get an entry, they may very well spread their tentacles over the whole economy, they told us that only 12% of their economy is in joint or private sector, the rest of the economy is in the state sector. They exuded confidence that they would be able to successfully resist such attempt on the part of the imperialists. They claimed, foreigners do business in China not on their own terms but on Chinese terms that the Chinese have complete control over the whole situation. They claimed that they have brought down unemployment to minimum and are trying to eliminate altogether. According to them existing unemployment is largely the consequence of change over to different level of technology but planned expansion of the economy compensates for that and other governmental measures are also taken. Regarding inflation they claim that it is also managed through macro-economic control.

However, it is difficult for casual visitors to make any correct evaluation of the situation. What one can see with bare eyes is that construction work is going on in a massive scale not only in the cities, but also in rural areas. It also seems that some overall improvement in the economy has been achieved. Income of farmers have increased. In spite of unsatisfactory level of prevailing minimum wage

wage income is improving in some sections. There is still large difference in wage level between different sectors. Recently after prolonged exercise province wise minimum wage system enforcible by law is being introduced.

What is remarkable is that instead of making tall claims about progress, the ACFTU leaders every where point out their weaknesses candidly and explain the measure China is taking to overcome them.

We pointed out infiltration of decadent cultural and ideological influence of the West. Chinese comrades asserted that they are aware of it. They do not mind some "superficial" western influence but they take all possible measures to uphold values based on their great national heritage. They claim that they are carrying on education of the workers and other sections of people both intensively and extensively to mould their consciousness in right shape.

One remarkable aspect that deserves mention is that proportion of women workers in industry in China is perhaps one of the highest in the world.

As regards the trade unions, it seems that though it is a central task of the Chinese trade union to see that productivity and production increase, equally important task is to ensure maximum possible protection of workers' interest and advance it. There is elaborate mechanism for workers' participation and control in the management of state owned units. Foreign collaborators resisted formation of trade unions but ACFTU has decided to start unions in joint ventures and private foreign enterprises.

We pointed out to the Chinese comrades that restructuring undertaken by the bourgeois-landlord govt in our country is completely different from what they are aiming at in China. Our govt's policy dictated by IMF and World Bank is leading to recolonisation of our country, that after the collapse of socialism in the erstwhile Soviet Union and East European countries, the imperialists have launched a new offensive, economically, politically and militarily. What is happening in our country is a part of that offensive. We told that in this situation it is urgent for the working class of the world to unitedly resist the offensive. We expressed our hope that the Chinese working class will stand in the fore front of the struggle.

Finally, we were highly impressed by the flawless hospitability of our Chinese comrades. What is specially to be reported is that it was not just formal, we were overwhelmed by the warmth of genuine comradeship of the comrades. □

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zonal corporations to private operators, both foreign and Indian who are eager to grab this profitable sector. Thus, corporatisation of the

telecom services in justly considered as a stepping stone towards privatisation.

The interest of the users of the telecom services will be equally jeopardised if the department is converted into a single corporation or fragmented into multiple corporations in the name of competitiveness. The tariff will increase three or four times in tune with the international standard and tariff structure. The goal of expanding telecom services to the vast rural areas will remain a myth as the foreign multinational companies are prompted only by the motive of earning fabulous profits which can accrue only from the urban service networks. It was in this background that, in the interest of the nation as a whole as also the large work-force of nearly half a million, the demand for continuing the government control as existing, with the only addition of an independent telecom finance corporation, received the widest support.

The Telecom Commission's inability to decide the telecom policy in its much publicised meeting on December 31 has given a new dimension to the movement. The commission has reportedly decided to shelve its decision to create a single corporation to run the basic telecom services across the country. This is undoubtedly a setback to the process of reckless reforms.

The development of indigenous technology and equipment production with necessary R & D facilities are the basic requirements which should be met, or else the multinationals will come to dominate the sector all the time.

The federations and all other organisations of the telecom employees and officers have to maintain the bond of unity and prepare for launching further programmes of action until the anti-national telecom policy, sought to be implemented by the central government, is reserved. □

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