

CENTRE OF INDIAN TRADE UNIONS

MEETING OF THE GENERAL COUNCIL

27 - 30 May, 2007

Kolkata, West Bengal

DOCUMENTS

- * **Presidential Address**
- * **Report of the General Secretary**
 - * **Report on Activities**
 - * **Report of the Treasurer**
 - * **Condolence Resolution**
 - * **Information Document**

Centre of Indian Trade Unions

GENERAL COUNCIL MEETING

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Kolkata (West Bengal)

AGENDA

1. Condolence resolution;
2. Presidential Address;
3. Election of the new General Secretary of the CITU;
4. Report of the General Secretary;
5. Adoption of the Accounts for the year 2006 – 2007;
6. Observation of P Ramamurti Centenary year;
7. Resolutions;
8. Consideration of the programme of the united movement;
9. Any other subject with the permission of the Chair.

TIME TABLE

27.05.2007	04:00 pm	Flag Hoisting
	04:15 pm to 06:00 pm	Inaugural Session Welcome Address by Reception Committee Presidential Address
	06:30 pm to 07:30 pm	Election of the new General Secretary of CITU Introduction of General Secretary's Report & Presentation of Accounts
28.05.2007	07:30 pm to 08:30 pm	Discussion on General Secretary's Report
	09:30 am to 11:30 pm 12 noon to 01:30 pm	Discussion on General Secretary's Report
	04:00 pm to 05:30 pm 06:00 pm to 08:00 pm	-do-
29.05.2007	09:30 am to 11:30 pm 12 noon to 01:30 pm	Discussion on General Secretary's Report
	04:00 pm to 05:30 pm 06:00 pm to 08:00 pm	-do-
30.05.2007	09:30 am to 11:30 pm 12 noon to 01:30 pm	Summing Up by the General Secretary Adoption of Reports/ Accounts Resolutions Credential Report Concluding Address by the President
	04:00 pm	Mass Rally

Tea Break

11:30 am to 12 noon
05:30 pm to 06:00 pm

Lunch Break

01:30 pm to 04:00 pm

Centre of Indian Trade Unions

GENERAL COUNCIL MEETING

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Kolkata (West Bengal)

PRESIDENTIAL ADDRESS

Dear Comrades,

After the 12th conference of the CITU held in Bangalore on January 17-21, 2007, the newly elected General Council is meeting now to discharge the responsibilities bestowed upon it by the successful conference. We have stupendous tasks to perform which can be done by us effectively only if we strengthen our organization and improve our method of functioning.

At such a critical juncture, our General Secretary, Com.Chittabrata Majumdar, re-elected by the 12th Conference left us within a month of our conference. Though he was not keeping good health, we had not imagined even in our dreams that he would pass away in such a short time. All ranks of CITU were shocked to hear the sad news of sudden demise of the outstanding leader of the Indian trade union movement. His call on the CITU to increase the CITU's membership to 50 lakhs by the next conference be treated as his last wish and let us pledge to do our best to implement the task he left to us to fulfil during the next three years. His determination to fight against bourgeois ideology penetrating in the working class movement and to fight for achievement of socialism will continue to inspire all of us in carrying out our day to day activities.

In my address to the General Council, let me deal first on the international developments during the intervening period.

FIASCO OF US POLICY IN IRAQ

Despite unheard of brutalities indulged in by US imperialists in Iraq, it miserably failed to suppress the liberation struggle of the Iraqi resistance forces. Over 3000 US troops lost their lives in war in Iraq which is causing strong resentment among the people of US. During 2006 more than 700 meetings and demonstrations were held in US demanding withdrawal of US troops.

President Bush, instead of realizing the gravity of the situation, announced on February 14th "Military surge" in Iraq by sending more troops and pouring billions of dollars to quell the resistance of the Iraqi people. As per US budget estimate, US imperialists would have spent \$750 billion during the last 5 years on the wars in Iraq and Afghanistan.

According to an American Congress report "Iraqi Refugees and internally Displaced Persons: A Deepening Humanitarian Crisis", published in March 2007, estimated 40 lakh Iraqis or 13 percent of the population have become refugees.

The arbitrary decision of the US occupation forces to construct nearly 5 kilometer wall in Baghdad to separate Shia and Sunni population was a part of the imperialist game of divide and rule. Both, Shia and Sunni population opposed this diabolical move which indicate rising tide of opposition to US forces in Iraq. On April 9, a 10-lakh strong demonstration was organized in the city of Najaf led by

radical Shia cleric Moqtada-al-Sadr to protest against continued military occupation by the US troops. In the meeting an appeal was made to the Iraqi security forces to come out openly against US occupation of Iraq.

The US support to the formation of independent Kurdistan and its plan to divide Iraq into areas belonging to Shias, Sunni's and Kurds is being increasingly opposed by the people. The bankruptcy of the US policy was never seen so glaring before. Even many members of the stooge Iraqi Parliament started demanding withdrawal of the US troops from Iraq.

President Bush's isolation in US was clearly seen when the US Senate set March 2008 at the deadline for the withdrawal of all US troops from Iraq while it recommended that the process should commence from October 2007. As if this was not enough, the book entitled "At the Centre of Storm", written by George Tenet, former Director of CIA, and published in last month, noted that President Bush was determined to overthrow Saddam Hussain regime even before terrorist attack in US on Sept 11, 2001.

According to a report published in New Indian Express on May 13, 2007, which quoted a draft report prepared by the US Government Accountability Office, on an average daily between one and three lakh barrels of output was missing for the last 4 years since March 2003. The discrepancy was valued between \$5 million and \$15 million daily. This is a clear admission of a scandal amounting to several billion dollars of theft of oil in Iraq. The last fig leaf of US imperialism's role in Iraq is thus exposed by this official report itself.

US FAILURE IN IRAN

Instead of learning lessons from debacle in Iraq, the Bush administration planned another misadventure in Iran. On the plea of putting an end to Iran's nuclear programme, US sent a third aircraft carrier in the second week of February. Kidnapping of a US diplomat in Iraq was also used as a ploy to attack Iran. Bush administration ignored the observation of International Atomic Energy Agency (IAEA) that there is no proof that Iran's uranium enrichment programme is connected to weaponisation.

The US game plan could not succeed due to strong opposition expressed by China and Russia. Several allies of US also disapproved the steps contemplated by President Bush. The National Security Council of US also felt that consequences of war with Iran would not be benefiting USA since it can effectively retaliate against US interests in the region.

Pressure is mounting even within USA for starting a dialogue with Iran for peaceful solution to the problem of nuclear enrichment by Iran. US administration was forced to agree for a dialogue with Iran.

Despite being a mighty military power, US could not carry forward its aggressive policy of attacking Iran in collaboration with Israel. Improvement of ties between Iran and Saudi Arabia has further resulted in setback for US game plan in West Asia.

Simultaneously, George Bush's yes-man in UK, Tony Blair has become increasingly un-popular in his own country. The opinion poll stated the popularity of the Labour Party was the lowest in 2007 in comparison with the last 20 years. Tony Blair's blatant support to Iraq war was strongly criticized in UK and he was involved in several scandals including the one related to accepting peerage by accepting money for the Labour Party.

Finally, he has been forced to step down, but it is still uncertain whether there will be any material

change in the policy on Iraq.

NEW WAVE OF ANTI-IMPERIALISM IN LATIN AMERICA

With a view to regain lost influence in Latin America, President Bush visited some Latin American countries in March. But everywhere he was greeted with protest demonstrations of the people condemning his aggressive policies. Following Bush's flop visit, President Hugo Chavez of Venezuela went for a whirlwind tour and he was welcomed everywhere with massive mobilisations indicating the anti-imperialist mood of the people of Latin America. Chavez announced building of socialism in Venezuela and pledged to move fast in that direction.

The 5th summit of the Bolivarian Alternative for the Americas was held in Caracas (Venezuela) on April 28-29, was attended by heads of the states from Bolivia, Nicaragua, Cuba, Haiti and Venezuela. Delegates from Ecuador, Uruguay, Dominique and St Vincent and Grenadines also participated in the summit. In the final event delegates from Honduras, Peru, Chile, El Salvador and other countries participated which made the summit truly representing the voice of the people of Latin America.

The Summit resulted in several agreements relating to integration of Latin America. Important resolutions concerning education, health, culture, commerce, food, telecommunication, industry, transportation and energy were adopted in the summit meeting.

The summit condemned the policy of US imperialism and called upon the people of Latin America to rise against their draconian policies. It thus proved to be a big blow to the US policies in the Latin American continent.

RUSSIAN WARNING TO US

There has been a trend in the recent past witnessing increasing strained relations between US and Russia, expansion of NATO in spite of absence of cold war, US interference in CIS countries' internal affairs and America developing missile defence system at the border has created serious concern in the leadership of Russia. We have already seen how the development of Shanghai Club became a strategic alliance to challenge US attempt to establish a unipolar world.

US imposition of its own concept of democracy in West Asia had made the matter worse. In Munich, Security Conference held in second week of February this year, Vladimir Putin, president of Russia got an opportunity to give vent to his strong feelings about the aggrandizement of US hegemonistic policies. He asserted, "What is a unipolar world? No matter how we beautify this term., it means one single centre of power, one single centre of force and one single master."

It signals a clear cut challenge to the US supremacy at a global level. Russian President even went to the extent of warning the US that it "overstepped its borders in all spheres – economic, political, humanitarian and has imposed itself on other states." He also criticized the US government unilaterally bypassing United Nations on several issues and trying to blackmail countries to accept US dictates.

Several western commentators characterized Putin's speech as commencement of another cold war. Though US military budget is 20 times the Russian military expenditure, US diplomacy is getting a stiff opposition all over the world.

Due to high oil price Russian economy had shown better result. It has become a major supplier of oil

and gas even in Europe. US imperialists are afraid of Russia using this advantage against US machinations in different parts of the world.

President Putin's visit to India as a chief guest at the Republican Day celebrations resulted in several strategic agreements relating to supply of defence equipments to India and strengthening of civilian nuclear cooperation. An agreement was reached on supply of 4 nuclear reactors to India by Russia. An agreement is likely to be reached for the supply of MIG 35 fighter planes to India. During Putin's visit, an agreement was signed between Indian Space Research Organisation and Russian Federal Space Agency for jointly launching satellites.

The visit of Russian Defence Minister Sergei Ivanov to India in the last week of January this year also resulted in agreements for the supply of some crucial defence equipment to India. Strengthening of the cooperation between India and Russia in the area of energy also is a welcome development in this period.

The joint statement issued after visit of President Putin to India mentions about enhanced cooperation between India-Russia-China. The meeting of the foreign ministers of the three countries in second week of February this year yielded positive results which would lead to peace and stability in Asian continent.

INDO US NUCLEAR DEAL

When working class all over the world was observing May Day rallies to condemn US imperialist policy of global domination, India's foreign secretary Shivsankar Menon was busy negotiating nuclear deal with US government. The proposed 123 agreement for nuclear cooperation between India and USA will adversely affect India's sovereignty making India subservient to US imperialists strategy.

Chairman of the US House of Representatives Tom Lantos and six other leading congressmen in US, wrote on May 2 to Dr Manmohan Singh India's Prime Minister openly criticizing India's attempt to develop economic relations with Iran. It states, "Regarding Iran we are deeply concerned by India's increasing cooperation with that country, including the visits between high level officials enhanced military ties and negotiations of agreements to establish closer economic relations." US Secretary of State Condoleezza Rice and her deputy have repeatedly opposed Iran-Pakistan-India pipeline deal.

Despite these gross interferences in India's internal affairs the government has not reacted strongly against such interferences. It only shows the servile attitude of the Govt of India towards the imperialism.

The US journals have stated about progress in Indo-US nuclear cooperation talks. The govt of India must stick to the commitments given in Parliament regarding Indo-US nuclear deal. Any deviation than these commitments will be resolutely opposed by the people of India. India must stick to its commitment for an independent foreign policy.

SPECTACULAR ACHIEVEMENTS OF CHINA

According to Economic Statistics published by the Government of China, the country recorded a growth of 10.7 per cent during 2006, the fourth successive year of double digit growth. The value of Gross Domestic Product reached \$2,690 trillion during the year. It is reported that the value of GDP in Germany stood at \$3 trillion and the economy of China is likely to surpass Germany during 2007 and make China behind USA and Japan. Even US economists predicts that China will surpass USA if the

present rate of growth continues.

China's trade surplus has reached \$177.5 billion while her foreign exchange reserves have reached \$1.07 trillion. Since 1978 the economy of China is growing at the rate of 10 per cent per annum. It also leads in the race to increase in the standard of living of the people. Per capita income in China now stands at twice that of India. Only 12 per cent of the population in China is now living below the poverty line and 2010 the entire population of the country will be above the poverty line.

However, the problem of unemployment is still causing concern and the Chinese government is taking steps to generate more jobs. The Chinese trade unions have demanded more unemployment benefits to the people without jobs so that they can live a life with dignity. The uneven development is also a phenomenon that is dogging the country, while living conditions of rural people migrating to urban areas are still not good. ACFTU has demanded improvement in their conditions. In the current plan the government has decided to take some steps to ameliorate the problems of these people.

Incidentally, China successfully conducted anti-satellite missile test in the third week of January and it was a significant technological achievement. US openly expressed its disapproval of the test forgetting that the American imperialists were indulging in weaponisation of the space.

Though the test was not directed against India, the Indian government expressed its displeasure at the test.

NUCLEAR PEACE IN KOREAN PENINSULA

China played an important role in a nuclear deal signed on February 13 by North Korea, South Korea, China, Japan, Russia and USA in Beijing, which is a significant move to introduce nuclear disarmament in Korean Peninsula. The agreement provided supply of heavy fuel oil and other form of energy assistance including two light water reactors by China, Russia, South Korea and USA. The North Korean government in return promised to freeze its plutonium programme at Yongbyon permanently.

The agreement was in essence the same as signed in 1994. However, the crisis came due to violations of its clauses by South Korea, Japan and USA. The US Government stopped supply of heavy fuel oil which compelled DPRK to start her nuclear programme. Bush administration characterized DPRK as a rogue state and openly talked about regime change in that country. It also threatened to hit at North Korean nuclear installations. Bush arrogantly named Iraq, Iran and DPRK as "axis of evil."

The tension in the region increased after DPRK successfully conducted nuclear test in October 2006. The sustained diplomatic efforts by China resulted in continuation of talks which ultimately resulted in the settlement. If this agreement is implemented in its true spirit. It will lead to further improvement of ties between North and South Korea.

IMPROVEMENT IN CHINA JAPAN RELATIONSHIP

The China-Japan summit on April 12 in Tokyo marked improvement in the strained relations between the two Asian giants. Wen Jiabao, Prime Minister of China, visited Japan for a discussion on various contentious issues with Shinzo Abe, Japanese Prime Minister.

Fascist Japanese aggression on China prior to the second world war and the heroic resistance of the people of China resulted in loss of life of thousands of Chinese patriots. The bitterness of the brutal

repression on the Chinese population was still in the minds of the Chinese. The Yasukuni Shrine in Tokyo dedicated to the people who laid down their lives during the second war included several war criminals. The repeated visits of Japanese leaders to the shrine evoked strong resentment among the people of China.

Abe however avoided visiting the shrine which created favourable atmosphere for improvement of the relations between the two countries. The address of Win Jiabao to the Diet, Parliament of Japan, on April 12, reflected the signs of improvement in the relations of the two countries.

The summit resulted in signing of agreements on cooperation in the fields of energy and environmental protection. China has already become Japan's largest trading partner, 35,000 Japanese firms operating in China have created almost one crore jobs.

Japan has yet to make clear her stand towards Taiwan which is a part of China. China has also not yet agreed to the claim of Japan for a membership of Security Council. However, the China-Japan summit achieved a breakthrough in the realm of political differences between the two countries and if properly developed it will contribute more to the stability in the Asia Pacific region.

WORSENING SITUATION IN SRI LANKA

After breakdown of ceasefire in Sri Lanka between the government and LTTE, the situation continue to worsen. Two and a half decades of conflict in the island has added to the miseries of the people of Sri Lanka. It is estimated that 4000 people lost their life in ethnic conflict during the last 15 months ending February 2007. These sufferings have been aggravated due to lack of supply of essential commodities and medicine.

No political solution is emerging since LTTE is insisting for an independent Tamil elam while the Rajapaksha government is attempting a military solution to the problem.

The air raid organised by LTTE on April 29 and May 3 have created a scare in the country. Absence of any consensus between different political parties has further complicated the matters. Due to this situation any outside help is not likely to materialise in finding a solution to the ethnic problem in Sri Lanka. If political solution to the vexed problem is not found in the near future the situation in that country is likely to be further worsened with added sufferings to the common people.

NEPAL'S MARCH TOWARDS A DEMOCRATIC SOCIETY

The people of Nepal observed April 24 as the 1st anniversary of end of King's emergency rule. This historic victory was celebrated as "Loktantra Divas". The 8 party alliance in Parliament has been working well despite some hurdles. The elections for the constituent Assembly were to be held in the month of July. However, the newly constituted Election Commission came to the conclusion that due to large scale disturbances in terrai area preparations for elections cannot not be completed in July. The elections are now likely to be held at the end of October or the beginning of November.

The question of abolition of monarchy is being hotly discussed in Nepal. The power of the king has already been reduced drastically. The poverty conditions in Nepal are very acute and the new government will have to take up this question seriously. The reactionary forces in Nepal want Hindu kingdom to be preserved and they are opposing Nepal's advance towards democratization. However, the 8 party alliance has a strong popular support which will not allow any hurdle in the process of

building Nepal as a secular and democratic country.

CIVIL STRIFE IN PAKISTAN

After the struggle of the people of Baluchistan in Pakistan, the country was involved in civil strife when President Musharraf summoned Chief Justice of Pakistan Supreme Court, Justice Iftikhar Chaudhary to his camp office at Rawalpindi and asked him to resign. Reports are indicating that Justice Chaudhary was trying to develop an independent judiciary which was not to the liking of Musharraf. When Chief Justice refused to oblige him Musharraf filed a reference against him and announced that the Chief Justice was unable to perform his functions since the government had received "numerous complaints and serious allegations of mis-conduct, misuse of authority and actions prejudicial to the dignity of office of Chief Justice of Pakistan." The chief Justice was practically put under house arrest and all facilities were withdrawn.

Lawyers organized a massive procession at Lahore on March 16 which was brutally attacked by the police. This has sourced strong reactions all over the country resulting in several protests demonstration all over Pakistan. The opposition political parties condemned the action of Musharraf and joined the nationwide campaign against the presidential action.

Tension prevailed all over Pakistan since lawyers continued their agitation. President nominated Rana Bhagwandas as the Chief Justice which was not accepted by the opposition parties and lawyers of Pakistan. The situation was on deteriorating and on May 12 several clashes took place resulting in death of over 30 persons and injuries to scores of others. Attempts are being made to convert this struggle into a wider struggle for restoration of democracy in Pakistan.

TURMOIL IN BANGLADESH

Bangladesh is in turmoil since the caretaker government was formed on January 12. Dr Fakhruddin Ahmed, Chief of the army-supported government announced that the new elections would be held prior to the end of 2008. The Election Commission also announced that it would take 18 months to prepare a voters list along with photographs.

However, leader of Bangladesh National Party, Khalida Zia and leader of 14 party alliance Sheikh Hasina came under attack by the caretaker government. Khalida Zia's sons were arrested on criminal charges and she was forced to migrate to Saudi Arabia to prevent further prosecution. Sheikh Hasina was also chargesheeted for murder of six political activists of Jammāt-e-Islami in October last year. She was also involved in 8 year old charge of a businessman that she extorted Taka 3 crore. 55 other political leaders and activists were also arrested on murder charges.

The situation became more complicated when both were issued orders not to enter Bangladesh. Sheikh Hasina who was on a private visit to USA stated that she would defy the order even if she is arrested. However, due to popular pressure the prohibitory orders against both the leaders were withdrawn by the caretaker government.

Though the restrictions on Sheikh Hasina and Khalida Zia have been withdrawn repressive measures continue which is resulting in increasing social conflict all over Bangladesh.

OUR RELATIONS WITH THE WFTU

We have already noted the recent efforts to revive the activities of the World Federation of Trade Unions (WFTU). The last Congress of WFTU held in Havana in December 2005 has given clear cut emphasis on anti-imperialism and class struggle. After the headquarter of the WFTU shifted to Athens (Greece), there has been improvement in the functioning of the WFTU centre despite severe financial constraints. Attempts are being made to activate the Trade Union Internationals in a limited manner while some regional activities have started taking some shape.

The General Secretary of the WFTU Comrade George Mavrikos attended the 12th conference of CITU and extended invitation to the CITU to send a delegation to the headquarters of the WFTU for strengthening our relationship. WFTU also expects that the CITU should join the WFTU and strengthen its activities and international TU movement.

The CITU earlier decided to remain independent internationally and try to build a widest possible unity on common issues facing the working class. We have been cooperating with WFTU in its activities. Sukomal Sen is already functioning effectively as the General Secretary of TUI of Public Employees and has played an important role. . We have been participating in the activities of the other TUIs though some of them are not functioning.

We have noted the formation in last November the International Trade Union Confederation after merger of ICFTU and WCL at Vienna (Austria). There has not been material change in the policies of the organization. Though the new organisation criticises some aspects of globalisation it has not taken initiative in organizing world wide struggle against globalisation. We however, cannot ignore the fact that several militant trade unions with whom we have fraternal ties of friendship are affiliated to ITUC. Our fraternal relationship with them will continue and we are proud of our relations with them.

Of late CITU's international relations have increased rapidly. We have got ties of friendship with trade unions of 50 countries who are affiliated to ITUC, WFTU besides several other independent unions as well. In our 12th conference delegates from 27 countries participated which reflects our growing solidarity relations. Some TUs could not come due to difficulties of visa and local problems though they agreed to participate in our conference. We should strengthen our international relations since possibility of developing worldwide struggle against globalisation are emerging. We have to strengthen our international department so that we can play our role more effectively.

In this context we have to consider our policy towards the WFTU. Comrades should give their opinion so that the secretariat can take a proper stand on this question before our delegations visits WFTU Head Quarters for bilateral talks. We should evolve a common understanding on these issues in view of fast developing international situation in all the continents.

STRENGTHEN STRUGGLE AGAINST UPA GOVT'S POLICIES

The UPA government has completed 3 years of its rule. Despite several commitments given to the working class in the National Common Minimum Programme, most of them have remained unimplemented while on several issues the UPA Government behaved diametrically opposed to the commitment.

Rising prices of essential commodities is evoking strong resentment among the working class and the toiling masses. Their TU and democratic rights are undermined and living conditions are deteriorating

as the days pass by. Refusal of the government to rectify fraudulent price index is defrauding the working class of India several hundreds of crores of rupees every month.

As a result of the economic policies pursued by the government economic inequality has grown faster in the country during the period of globalization. As per recent study 36 billionaires in terms of US dollar are controlling one fourth of India's national income. The total wealth of Ajim Premji is estimated to be Rs 77,000 crores. The corporate sector is reaping full benefits of the situation.

The 2006 Human Development Report of UNDP points out that India ranked 124 out of 177 countries for whom the data was collected. The economic development in India today has not led to human development. It has only added to the profits of the corporate houses and boosted share market prices. Swindling of foreign exchange and hawala transactions are going on unabated.

Over 400 special economic zones sprawling all over the country are operating without implementing any labour laws. The million strong workforce working in IT sectors are mercilessly exploited without any protection to them by the labour legislation. Outsourcing and downsizing have become the order of the day. Privatisation and disinvestment have become Main-mantra of UPA Govt while FDI is allowed to run amuck in all sectors of our economy. Even defence sector is not spared by the Govt from the clutches of MNC and their Indian collaborators.

Despite getting defeated in successive assembly elections the UPA Govt is determined to carry forward the discredited economic policy dictated by the IMF and the World Bank. Unless the UPA Government learns from its mistakes and takes corrective measures during the next two years its policies will only pave the way for communal and reactionary forces to come to power once again.

The working class and the toiling masses of India must launch powerful struggle to defeat these policies through mass actions. The CITU unions should take initiative in mobilising larger and larger sections of the people to resist these draconian policies.

The globalization policies must not be allowed to have their way. These policies should be squarely defeated which alone will protect the working and living conditions of the living masses!

The CITU must overcome all the challenges posed by the policies of globalization.

With greetings,
M K Pandhe
President

Centre of Indian Trade Unions

GENERAL COUNCIL MEETING

27 - 30 May, 2007

Kolkata (West Bengal)

REPORT OF THE GENERAL SECRETARY

Dear Comrades,

We are meeting in this General Council of CITU, three months after the Twelfth Conference, held in January 2007 at Bengaluru. It is a matter of profound regret for all of us that we lost our beloved General Secretary, Com Chittabrata Majumdar, owing to serious ailment, within a month of his re-election at the Conference.

The sudden demise of Com. Chittabrata Majumdar is a very big loss to the working class movement in general and the CITU in particular. Despite failing health and various limitations arising out of the same, he played a crucial role in steering CITU both organisationally and ideologically, amidst various vacillating trends in the trade union movement. It is very difficult to fill up the void created by his demise. We have to collectively endeavour to rise to the occasion.

I am thankful to the General Council for endorsing the proposal of the CITU Secretariat to elect me as the new General Secretary. I seek your utmost cooperation in the discharge of the onerous responsibilities conferred on me.

The President in his address has dealt in detail the developments in the international arena during the intervening period after our Conference. I, however, wish to recall that the Report of the 12th conference noted, "The international scenario during the intervening period witnessed aggressive hegemonic manoeuvres by the imperialist forces led by US administration on the developing countries simultaneously on political, economic and military fronts. This period also witnessed people raising louder voice against imperialist aggression by the US and its allies in the Middle East; massive mobilisations in various parts of the world including in the imperialist countries; increasing spate of strike actions even in the European Union against the fall out of neoliberal economic order: changes towards left of the centre in the political scenario of the Latin American subcontinent." This observation continues to hold good presently as well, signalling prospects of positive developments in the international scenario.

At the same time, the temerity with which the lawmakers in the USA brazenly interfere in the sovereign policymaking domain of our country deserves outright condemnation. We hope that the UPA government at the centre will stand firm and not submit to such blackmails.

1. NATIONAL SITUATION

1.1 On the national political scene, the Congress led UPA government at the centre had relentlessly been pursuing the same economic policy regime as that of its predecessor, the BJP led NDA. This has resulted in people at large getting disenchanted with the present governance. The Congress party suffered humiliating defeat in the assembly elections of Utharakhand and Punjab and the local body elections in Mumbai and Delhi. Unfortunately, the right wing communal forces have been the

beneficiaries in the process.

1.2 This had emboldened the BJP to resurrect to the centre stage its aggressive communal agenda during the recent assembly elections in Uttar Pradesh. The result of assembly election in UP has come as a slap in the face of the BJP as people of that State had firmly rejected its communal agenda. This also has left the Congress party musing and we can only hope that it will lead to some introspection on its part over the policy directions.

1.3 In all these elections, the failure of the UPA government to contain the continuously rising prices of essential commodities, besides the ominous fall-out of the neoliberal policies on different sections of the people, has worsened the position for the Congress.

1.4 The most worrisome part of these developments is that people's disenchantment with the Congress party has, gratuitously, benefited the reactionary forces like BJP and its allies, except in U.P. This definitely is a matter of serious concern for the working class movement.

1.5 The UPA government has completed three of its five-year term in office. The track record of these three years is that it had not kept up its promises to usher in pro-people governance, different from the BJP led dispensation. Commitments in the NCMP are left to linger on as mere showpieces, while the same economic policies are being ruthlessly pursued unmindful of the disastrous effects on the masses of this country. In short, the UPA, by reneging on its pro-people commitments, had betrayed the trust and aspirations of the people who gave a decisive verdict against the communal and anti-people policies of the NDA regime in the general elections of 2004. With the elections to a few more states in the offing in end-2007 and early 2008, it is imperative for the UPA government to radically shift its emphasis towards pro-people governance. Otherwise, it will harm the very basic secular democratic fabric of Indian polity. The working class has to be vigilant and step up mass pressure through powerful mobilisations to bring about directional changes in the policy framework.

1.6 We have to take serious note of the BJP's increasing pursuit of aggressive communal agenda, camouflaged in talks of terrorism, national security etc, besides their tacit endorsement of the economic policy issues of the ruling combine. The anti-minority explosive campaign material, brought out in the CD format during the recent UP elections, had virtually boomeranged on them, with the result that they had to withdraw the same post-haste and later indulge in self condemnation at the directive of the Election Commission. The BJP stands exposed in the infamous Katara case where its own MP from Gujarat was caught red-handed in a human trafficking case. The fake encounters and deliberately planned homicide in Gujarat under directions from the Modi government there has exposed the real face of the BJP.

1.7 Nonetheless, the challenge of communal forces has rendered the tasks before the working class movement and the democratic movement all the more onerous.

2. ONSLAUGHT AGAINST THE LEFT

2.1 The situation has become complicated with the mounting onslaught against the Left forces, in the form of organised malicious campaign, by the reactionary forces of every hue and the bourgeois media, with the ultra-left outfits also joining the bandwagon. The unfortunate happenings of Nandigram in West Bengal – particularly the regrettable loss of fourteen lives in the police firing on March 14, 2007 - are being used as a fodder for this campaign.

2.2 Ironically, all the active votaries of neoliberal globalisation have combined in this anti-Left tirade, raising apparently anti-globalisation slogans and taking anti-SEZ postures, seeking to create confusion on the stand of the Left. The media, which, till the other day, sought to paint the Left Front Government in West Bengal also with the same reforms savvy brush projecting as quite different from the Left opinion on economic reforms, had gone hammer and tongs against the Left Front using the Left's vocabularies. The attempt is to wipe out in a single stroke the impressive achievements of the Left Front Government over the last three decades and promote those who had miserably failed in their past attempts to subvert it.

2.3 Truth has become a casualty in such slanderous campaign against the Left front. First, the Chief Minister of the Left Front Government of West Bengal has publically admitted that the police firing was a mistake and it ought to have been avoided. Second, there was no attempt by the Left Front Government to forcibly acquire land in the Nandigram villages and the same was made clear by the Chief Minister one month before the incident of police firing. Third, the police firing, though unfortunate, was not against peaceful villagers, as the case is made out. Fourth, it is the supporters of the Left Front – including those belonging to the CITU and other mass organisations- who had been ousted from their residences by the armed goons and are still at the receiving end of the violence for nearly three months as Nandigram has been made virtually a law-less and so called 'liberated' zone by the anti-Left bandwagons. Fifth, many among those political forces who are ranged against the Left Front Government on the Nandigram issue had been aggressively resisting the land reforms agenda successfully carried out in West Bengal during the last three decades.

2.4 West Bengal government is the pioneer in land reforms in the country. The Left Front government in West Bengal alone has distributed around 20% of the land distributed in the entire country. 83% of the land in the state is in the hands of small cultivators, a large number of them belonging to the SC, ST and other poorer sections; even after the present Left Front Government assumed office for the seventh term, it has distributed 30,000 acres of land to the landless, whereas the agenda of land reforms had virtually been shelved elsewhere in the country in the extant phase of neo-liberal globalisation. It is the height of hypocrisy for such elements to pose as kisan friendly and depict the Left Front Government as a demon out to grab the land for handing over to corporates!

2.5 It is the Left that has been vociferously raising and pursuing with the UPA Government at the Centre the demands for changes in the Special Economic Zone Act and its Rules, as also the Land Acquisition Act of 1894. It is the Left forces, which forced the dropping of the anti-worker clauses in the SEZ Act in the face of all other right wing political parties remaining silent onlookers. Again, it is the Left parties, who first raised the voice of opposition to the rules subsequently framed under the Act demanding radical changes.

2.6 We have to realise in depth the real import of and the ulterior design behind the countrywide vigorous anti-Left tirade by the reactionary forces and counter the same. We must, however, patiently explain to the common people, as many of them are confused and entertain genuine doubts as well.

2.7 The working class movement is the lifeline of Left politics and the Left forces had been consistently opposing and blockading, wherever possible, the pursuit of the anti people neoliberal policies. Left forces also championed the cause of secular democratic polity sincerely and credibly. The present political correlation of the UPA government, surviving on the support of the Left parties, has emerged in that process; it has become a stumbling block for the pursuit, without hurdles, of the neoliberal policies; in some cases, the present political correlation has become a definite deterrent for pursuing issues that are of crucial interest for the international finance capital.

2.8 On the other hand, the Left-led governments in the three states of West Bengal, Kerala and Tripura are pursuing developmental strategies towards horizontal expansion of the economy based on simultaneous growth of agriculture and manufacturing; they are upholding the democratic rights of the toiling people. They are pursuing such a line, despite all limitations imposed by the policy framework of the government at the centre. Thus, they bear the stamp of clear demarcation from other non-Left-ruled states. This demarcation is the source of their strength to resolutely fight the designs of imperialism and neoliberalism. In such a background, it is but natural that the right reactionaries, the real votaries of neoliberalism and their cronies, will not miss any opportunity of maligning the Left. Their design is to isolate the Left and weaken their opposition to disastrous neoliberal policies. We must analyse the post Nandigram developments in this backdrop.

2.9 It is, therefore, the foremost task of the CITU and the working class movement to defend the Left-led governments defeat this conspiracy against the Left forces and to bring to light the real facts behind the Nandigram episode. The CITU must plunge into this task.

3. BUDGET 2007-08

3.1 The presentation of Union Budget 2007-08 has been the major event on the economic front, during the intervening period. The budget reflects the anti-people mindset of those in governance. It is the continuity of the same exercise of increasing give-aways to richer classes at the cost of millions of common people, both in the urban and rural areas.

3.2 As per the Statement on Revenue Foregone tabled along with the Budget estimates, the revenue foregone on account of the direct and indirect tax exemptions and concessions is as high as Rs. 2,35,191 crore for 2006-07. The Finance Minister in his Budget speech has noted that the effective rate of corporate tax paid by all companies in 2006-07 was only 19.2% (against a scheduled tax rate of 33%), thanks to the liberal and numerous tax concessions and exemptions showered on the rich and corporates. Add to this the unpaid tax arrears - mostly by the big corporates - to the tune of Rs 1,29,617 crore as on 30-09-2006. Despite such liberal concessions to the rich and the tax evasion by them, the gross tax revenue increased by 27 per cent last year, meaning thereby that both direct and indirect burden of taxation on the common people, "increased manifold in real terms".

3.3 Neither does the budget make any attempt to alleviate the sufferings of the millions of common people. The quantum of food subsidy, which is an indicator of the scope of the PDS, is supposed to increase by only 6.2 per cent in nominal terms. With the inflation rate of close to 7 per cent, this allocation is a decline in real terms and shrinkage of the PDS volume. Likewise allocation for rural employment programmes, which can enhance the purchasing power the rural poor, marked an increase in the nominal outlay by a paltry 3.5 per cent, again a decline in real terms. The National Rural Employment Guarantee Scheme has been extended to 330 districts from the 200 districts during last year; but the outlay on it has increased from Rs 11,300 crore to Rs 12,000 crore, i.e. by 6.2 per cent, which again means a reduction in real terms.

4. RAW DEAL TO WORKERS

4.1 In reality, the Union Budget 2007-08 followed in toto the dictum of Fund/Bank duo and their messengers as pronounced by the editorial columns of leading print media—not to retreat to the "bunkur of proletarian and agrarian politics"

4.2 By proletarian and agrarian class they obviously mean the wage earners, i.e. the 300 million in the country who earn less than a dollar a day and the 600 million who earn less than two dollars a day. As per the survey carried out by the National Sample Survey Organisation in the year 1999-2000, the total employment in both organised and unorganised sector in the country was of the order of 39.7 crore. From the organised sector workers, the budget sought to recover a part of the cost of huge concessions granted to corporates by increasing the burden of tax in the name of increased perquisite tax particularly focussed on housing. For the unorganised sector workers the Budget has got to offer only the cruel joke of so called "Aam Admi Beema Yojana". Instead of legislation for the 37 crore unorganised sector workers, as per the commitment in the NCMP, here is a scheme for only 77 lakh households that too with 50 per cent funding by the central government, forcing the state governments to bear the burden of rest 50 per cent! There are many other examples. There is a liberal pronouncement in the budget to universalise the ICDS scheme, increase the anganwadi centres by around a lakh but the meagre budgetary allocation has reduced this pronouncement to just sound-bites and no more.

4.3 Both the Budget speech by the Finance Minister and the Economic Survey published just prior to Budget referred again and again to "inclusive growth", i.e., growth with distributive equity. But what has transpired actually? The UPA government boasted again and again of a robust 8 to 9 per cent GDP growth. The President, the Prime Minister and the Finance Minister alike parroted the same sermon in their speeches – "there is no short cut; growth is a must for reducing poverty." But the model of growth showcased by the UPA government has acted in aggravating poverty along with increased growth rate of GDP by way of huge largesse to the rich and increased burdens on millions of 'commoners'.

4.4 Moreover, Inclusive growth is possible when public investment is more. Private investment can supplement public investment but it cannot ensure inclusive growth, as profit is the "exclusive" agenda of private investment, which is antithetical to the concept of inclusive growth. The public investment has shown a steady decline from 11.2% of GDP in 1986-87 to 5.5% in 2003-2004 (Economic Survey 2004-2005). In 2005-2006 also it is less than 7%, taking 1993-94, as base year. The present budget maintains the same trend to ensure that inclusive growth remains elusive.

5. PRICE RISE

5.1 All talk of inclusive growth has turned out to be a mockery in the midst of spiralling price rise, which is accelerating the transfer of wealth from the poor millions to handful of big-businesses and corporates. The Budget comes in the backdrop of spiralling inflation, particularly steep rise in the prices of food articles of mass consumption. But the food subsidy bill at Rs.25,696 crore is just around 6% more than last year, again less than the rate of inflation. The FM stated in an interview to a newspaper on 28th January this year, a month prior to the Budget: "Now we cannot resort to price control because that brings back bureaucracy and Licence Raj, nor can we suppress demand because we are a free country. Therefore, we have to learn to live with some inflation." Such expression exposes a reckless approach towards combating inflation, notwithstanding the talk of initiating monetary and other measures to contain the same.

5.2 There are at least three identifiable causes for the steep price rise - the gross mismanagement of the food economy, the hikes in petrol and diesel prices and the huge volume of speculative future trading in agricultural commodities permitted by the NDA government in 2003.

5.3 The government policy should have expanded the scope of fair and remunerative prices for the farmers, which is the key to both food security and to bring the agrarian sector out of its distress. It

has utterly failed to do so. The Budget does not even plan to increase the present expenditure on giving better procurement prices for farmers. Procurement of adequate food grains and strengthening as well as expanding the PDS is crucial for keeping prices under check. But in reality the procurement through Food Corporation India has deliberately been allowed to decline through closure of depots and the deliberate default in deciding appropriate procurement price and announcing the same in time. This leads to private traders, including big foreign companies, cornering the food grains. In the name of bridging the deficit in procurement by the FCI, the government indulges in liberal import of food grains, at a price much higher than that offered to our farmers. The entire game plan is for allowing a big bang profit to private traders in agri-commodities, which is bound to affect most adversely the agricultural productivity as well as making the inflation and price rise of essential commodities a terminal feature of our economy.

5.4 The immediate requirement is to expand the reach of the PDS and particularly the BPL and Antyodaya subsidies. The NCMP has specifically assured measures to “strengthen the public distribution system (PDS) particularly in the poorest and backward blocks of the country” and to “establish Grain banks in chronically food-scarce areas”. But not a single rupee had been added for the Antyodaya or BPL schemes. The total allocation for village grain banks is just Rs.15.21 crore.

5.5 There is a belated move to ban future trading in wheat and rice in the budget. The question is when the Parliamentary Standing Committee has categorically recommended cancellation of future trading of all agricultural commodities, then why ban only on two commodities? Why has another Committee been constituted to examine the same issue? Is the Parliamentary Committee subservient to a Committee constituted by the Finance Ministry?

The budget makes a small reduction in the rate of excise duty on petrol and diesel, without changing the ad valorem duty structure. If the FM were serious about taming inflation, steps would have been taken to rationalise the skewed tax structure on petroleum products. Today central excise duties on Aviation Turbine Fuel (ATF) are actually less than diesel. Central excise duty on ATF works out to Rs. 2.23 per litre, whereas on diesel it works out to Rs. 4.85 per litre and that is excluding Rs. 2 on road cess. The present tax structure burdens the common man and helps the air traveller! Change in the tax structure by doing away with the ad valorem component and bringing down the duties would have a salutary effect on prices. In spite of all the hype about the big subsidies on LPG cylinders and kerosene, the budget figures show that petroleum subsidy has actually come down from Rs.3,080 crore budgeted last year to Rs.2,840 crores in this budget.

5.6 EMPLOYMENT

5.7 As per the two most recent quinquennial rounds of National Sample Survey Organisation (NSSO) reports on employment and unemployment, the unemployment rate has increased. Unemployment rate on Current Daily Status basis was estimated at 7.32 per cent in 1999-2000 (55th round), which has gone up to 8.30 per cent in 2004-2005 (61st round). In this backdrop, instead of increasing the reach of National Rural Employment Guarantee Scheme to at least 300 more districts as demanded, FM had expanded it just to 130 more districts with increase in allocation by only Rs. 700 crore. This is ridiculous.

5.8 Organised sector employment in both public and private sector together increased from 26.442 million in 2004 to 26.458 million in 2005 i.e. only by meagre 16,000. This is when the number of job seekers in live registers of employment exchanges as on 31.8.2005 is 40 million. Number of job seekers registered during 2005 (January-August) is 39 lakhs. It is being claimed by many that the employment is increasing in the unorganised sector. But that is not the whole truth. The unorganised

sector workers are the main victims of severe underemployment and poverty level wages.

5.9 Added to this is the bans and restrictions imposed by the judiciary and the administration on a major chunk of unorganised sector employment like vending, hawking etc in the major metropolitan cities; these, if fully implemented, would lead to huge job losses; if not, such workers in these occupations would be considered as law breakers and subjected to harassment and victimisation by the administration. The recent judicial ban on food vending on the streets in Delhi and mobile vending in railway compartments are the examples of such onslaughts on unorganised sector occupations as well.

6. CORPORATISATION OF RETAIL TRADE

6.1 Another serious onslaught is the speedy corporatisation of the retail trade in the country, which is the source of second largest employment after agriculture. The corporatisation process of retail trade has already advanced considerably with the mushrooming of shopping malls, giant departmental stores, big-bazaars etc throughout the country. This corporatisation process is closely linked with allowing private traders, including MNCs, to exploit the domestic agricultural market. The chain of corporatised procurement and supply will result in the corporate retailers and procurers together dictating terms both to the consumers and the grass-root producers; producers will not get due prices for their products and consumers will have to pay through their nose. The resultant large-scale loss of livelihood to crores of small retailers can in no way be compensated by whatever employment that is likely to be generated by the large-scale retail establishments.

6.2 The insistence by the UPA government to allow FDI in retail trade, which is already put in the trajectory of corporatisation, is going to make the situation even worse. Muscle flexing by the foreign retail giants will result in displacing the producers of consumer products both in rural and urban economy in a big way by using and counter posing their controlling lever over the supply chain abroad.

7. ATTACK ON LABOUR RIGHTS

7.1 The situation of widespread violation of labour laws and attacks on trade union rights by the employers at large is aided and abetted by the state machinery. This was focussed by the 12th Conference and remains unchanged. The intervening period has witnessed several united struggles by the workers in various sectors, mostly against the violation of basic labour laws by the employers.

7.2 More than two months long heroic strike by the Jute Mills workers in West Bengal had been basically against the violation of the tripartite agreements in respect of payment of Dearness Allowance besides criminal default by the employers to pay their PF and ESI dues. The coalmines workers of Eastern Coalfields Ltd irrespective of affiliations have served notice for three days strike against the menace of rampant outsourcing—in blatant violation of the law of the land.

7.3 The workers of Northern Coalfields are also planning for strike action against contractorisation and outsourcing. The workers of premier petroleum PSU, Bharat Petroleum Corporation Ltd (BPCL) staged countrywide strike action on 18th April 2007 against violation of the commitment by the management, braving the threat of eight day's wage cut which is also a brazenly illegal action by the concerned management. The workers of Chamara-III Hydel project at Himachal Pradesh compelled both the principal employers NHPC and the infamous contractor Hindustan Construction Corporation (HCC) to implement minimum wages and other statutory benefits for the entire workers through four

days strike from 28th March 2007 onwards.

7.4 The management of premier liquor baron Mohan Meakins at Ghaziabad resorted to victimisation of the leaders of the CITU for forming the trade union. The workers unitedly thwarted these actions and compelled the employer to retrace his vindictive actions. The workers of industrial areas of Patparganj in Delhi are still struggling against the onslaught of the employer-administration combine carrying on a labour-law-less raj in the workplaces. There are various other such examples.

7.5 Consequent upon enactment of Cigarette & Other Tobacco Products (Prohibition etc) Act 2003, a peculiar situation of crisis has erupted in Beedi Industry throughout the country putting several lakhs of beedi workers also in dire straight. Certain clauses of the Act particularly pertaining to 'statutory warning' which are practically impossible to implement, have put the beedi industry in severe disadvantage and the burden of the same is being sought to be passed on to lakhs of workers by the employers. The beedi workers' movement including CITU led Fédération have opposed some of the provisions of the Act which are not practical and possible to implement. A private member bill seeking amendment to such impractical provision in the Act has also been moved in Rajya Sabha on 27TH April 2007 by Tapan Sen MP. On the other hand, the Beedi Industry Owners wanted the complete repeal of the Act. The Joint Action Committee of beedi workers are already agitating over the issue and preparing for further action. Meantime the Beedi Industry Owners' Association has gone for virtual lock out in the industry throughout the country from 5th May 2007 onward under the camouflage of strike which continued till 11th May, when it was withdrawn by the Industry Association reportedly after getting some assurance from the Prime Minister. The All India Beedi Workers' Federation opposed the so called strike by the industry owners which resulted in loss of earnings to lakhs of beedi workers. Earlier, the Federation after detail discussion on the situation decided not to join the platform of Employers Association on the issue and carry on struggle from the trade union platform and CITU endorsed the stand of the Federation. Now reports are being received from different centres that the beedi workers and their unions are being pressurised and coerced by the beedi industry owners to join their platform with the threat of closing down the industry from 1st June 2007. The Beedi workers movement will have to combat such pressure/coercive tactics by the employers while building up united struggle on the 10 point demands already formulated by the Joint Action Committee of Beedi Workers including deletion of the impractical and non-implementable provisions on printing of statutory warning on the labels etc from the concerned Act.

7.6 Simultaneously, active move is afoot to change the labour laws through the backdoor. The Eastern Coalfields Ltd and the Collieries of IISCO have been granted exemption from the purview of the Contract Labour Act by the central government for a period of five years; this is nothing but putting a legal stamp on illegal contractorisation of coal-mining by the government itself. The Calcutta Port Trust has been granted exemption from the purview of Section 13 and 14 of the Minimum Wages Act in respect of employees working in vessels, shore stations and survey parties through official notification. These are nothing but moves to legalise the violation of basic labour laws, rather changing the laws through executive orders avoiding the Parliament.

7.7 Many more such exercises in various sectors are in the pipeline, which reflect the desperate attempts of the government to relieve the employers from their basic obligations towards the workers. This is a short cut being resorted to in the face of their failure to formally amend the labour laws owing to the opposition of the Left Parties and the Trade Unions. We have to resolutely fight back this conspiratorial move to change the labour laws through the exemption route both at workplace and at the national level simultaneously.

8. 41st INDIAN LABOUR CONFERENCE

8.1 Precisely in this background, the 41st Indian Labour Conference took place on 27-28 April 2007. The agenda of "Strengthening Labour Laws for Effective Implementation and to Prevent Violation" was the main agenda for discussion, thanks to forceful insistence by the central trade unions. Other items included in the agenda were the Contract Labour (Regulation & Abolition) Act, Payment of Bonus Act and Measures to increase employability of Youth.

8.2 The Prime Minister in his inaugural speech in the ILC ended up only exhorting the trade unions 'to be as committed to the task of generating new employment as to their responsibility of protecting the interests of those already working'. The Prime Minister had, in the meeting with the trade union leaders on August 19, 2006, strongly asserted, 'you have raised the important issue of enforcement of labour laws and strengthening of enforcement machinery. These laws are as much the laws of the land as any and they must be implemented'. But at the ILC, he chose not to utter a single word advising employers to respect the labour laws.

8.3 We are annexing the CITU memorandum circulated at the ILC as information document to this report, which is informative and can be used for campaign among the mass of workers.

8.4 It is interesting to note that representatives of various state governments - even from the non-Left ruled states - expressed concern over non-implementation of labour laws. They pointed to the inadequacies of the existing enforcement-related provisions in the labour laws to discipline the employers in the workplaces. Labour Minister from Kerala, P K Gurudasan, emphasised the need for strengthening the enforcement machinery to ensure strict compliance of labour laws. He expressed strong disapproval to the system of self-certification by employers introduced in some states. Mrinal Banerjee, Labour Minister of West Bengal, proposed that "all labour legislation should contain the provision for Recovery Officers to be appointed by the Labour Department for recovery of money due from an employer through attachment of properties, arrest of the employer and detention in prison etc." He stated that the West Bengal Assembly has already passed legislation to that effect, which is awaiting the assent of the President.

8.5 On the issue of Payment of Bonus Act, 1965, there was an apparent consensus recommendation to increase the ceiling on bonus calculation and eligibility to Rs 3500 and Rs 10000 respectively.

8.6 On Contract Labour Act and on Employability of Youth, the discussions in the Conference Committees failed to produce any tangible conclusions.

9. UPA GOVERNMENT AND LABOUR

9.1 The UPA government has not honoured its assurance given on the floor of the Parliament in 2004 to rescind the notification introducing a new classification of 'fixed term workman' in the Model Standing Orders, despite the trade unions repeatedly drawing its attention to it.

9.2 In response to the forceful plea put forward by the CITU during the meeting the Prime Minister had with the trade union leaders on August 19, 2007, the Prime Minister has assured that an Index Review Committee would be constituted.

9.3 The government arbitrarily decided to include only two representatives of trade unions on the

Review Committee. The central trade unions wrote to the government for enlarging trade union representation on the Committee. But again in an arbitrary move, the government went ahead with constituting the Index Review Committee with only two workers' representatives (from the INTUC and BMS only) on it. The Director General of the Labour Bureau, Shimla, who is primarily responsible for bringing out the faulty new series of consumer price index with the base year as 2001, has been made the member-secretary of the Committee. The terms of reference of the Index Review Committee, finalised by the government without any consultations with the trade unions, are vague and faulty and as such its outcome can predictably be a zero sum exercise!

9.4 The government has been totally indifferent to its own commitment in the NCMP of enacting a comprehensive legislation for the benefit of agricultural workers. Again, after circulating several drafts of the Unorganised Sector Workers' bill, the government has now mooted the idea of introducing just a scheme for social security for unorganised sector workers, thus shelving the proposed legislation. On several matters concerning amendments in labour laws, to provide at least some cosmetic relief to the workers, the government has failed to act even where there had been tripartite conclusions. This is not being dealt with in detail here, as it has been elaborately explained in the CITU memorandum to the 41st ILC.

9.5 On the Employees' Provident Fund, despite the interest rates in the banking system having recorded a steep hike, the government is refusing the genuine demand for restoration of even the earlier rate of interest of 9.5 per cent. Rather, it is contemplating a further reduction from the present 8.5 per cent! The Finance Ministry is keen only on diverting the social security contributions of the workers to the speculative share market.

9.6 Though the Sixth Pay Commission has been set up, the government is procrastinating on the genuine demand for grant of interim relief. The whole attempt is to pass off the tenure of the present government without undertaking any financial commitment on this score.

9.7 The government employees – both at the centre and the states – had intensified their struggle against the dubious New Pension System, which is imposed on new recruits from 2004 onwards. Though the passage of the Pension Fund Regulatory and Development Authority Bill has been deadlocked in the Parliament due to firm opposition by the Left parties, the government has resorted to executive orders for operationalising the scheme. The officers and employees of all commercial banks have been on struggle for extending the pension scheme introduced in 1993 to those who had then opted out of it. The Regional Rural Bank employees have been pressing for extending the same pension scheme and other benefits as applicable to commercial bank staff. On these issues also the government response has only been indifferent.

9.8 In railways, the Loco Running Staff and Guards are still languishing without any limit on their working hours. Instances have been there where employees had to face dismissal for requesting relief after 13 hours of continuous work.

9.9 The sum and substance of all these developments is that the UPA government, which is eager to oblige the employers' class on all counts – true to its class character, has turned a deaf ear to the genuine demands of the working class.

9.10 We must prepare to take on these onslaughts and counter them effectively through united

struggles.

10. TASKS UNDERTAKEN

10.1 As has been the practice since the 11th Conference of CITU, we are presenting a separate report on the activities undertaken by the CITU during the intervening period. Yet, it will be relevant to mention here some of the key initiatives taken since our Bengaluru Conference.

10.2 As decided by the 12th Conference, the CITU, All India Kisan Sabha and All India Agricultural Workers' Union jointly called for an All India Demands Day to be observed on 18th April 2007 on a ten-point demands charter. A month-long grass-root level campaign including state and district level conventions preceded the Demands Day when rallies, demonstration, processions etc were held throughout the country.

10.3 Again as a sequel to the decision of the 12th Conference, the CITU took the initiative to organise joint convention of public sector workers to prepare for forthcoming wage struggle. A convention of CITU unions in public sector units and the Joint Convention of Committee of Public Sector Trade Unions (CPSTU) were held in New Delhi on 10th and 11th March 2007. There was wide participation in the CPSTU convention by trade unions of most of the PSUs in the country affiliated to CITU, AITUC, and HMS along with independent unions from Bangalore and Hyderabad. The Declaration adopted by the Convention resolved to take up the issue of wage-revision and other rights of the contract workers working in various PSUs. A notable event is the all India convention of the contract workers in petroleum PSUs at the initiative of Petroleum & Natural Gas Workers' Federation of India on 10th March 2007. Around 350 contract workers and their leaders from all over the petroleum sector attended this. On 12th March a joint demonstration by the public sector workers was held before the Labour Ministry and a delegation of CPSTU leadership met the Prime Minister and submitted memorandum on public sector workers' demands.

10.4 The All India joint convention of the unions of Defence sector undertakings along with All India Defence Workers' Federation was also held in Bangalore to plan strategies and movement against the ongoing move to allow entry of private sector in defence production and privatise the defence undertakings through corporatisation route.

10.5 All India level consultations involving the leaders of unions in private security agencies has decided to convene a wider meeting of leadership of the security workers' unions on July 2, 2007 to prepare for an all India convention.

10.6 For chalking out actions in line with the Conference call for a countrywide intensive campaign on the Unorganised Sector Workers' demands, a meeting of the All India Coordination Committee for Unorganised Sector Workers is meeting here in Kolkata on May 31, 2007.

11. ALL INDIA FISHERS AND FISHERIES WORKERS' CONFERENCE

11.1 The first conference of the All India Fishers and Fisheries Workers' Federation (AIFFWF) was held in Thiruvananthapuram on March 24 – 25, 2007. 281 delegates from 8 states – Andhra Pradesh, Assam, Karnataka, Kerala, Orissa, Tamil Nadu, Tripura and West Bengal - attended the conference. 27 of them were women. MK Pandhe, president of CITU and K Varadharajan, general secretary of the AIKS participated and guided the conference.

11.2 The fisheries sector provides employment to more than 75 lakh people, through both marine and inland fisheries. Around 3 crore people, either directly or indirectly depend on this sector for their livelihood. Around 30 percent of the workers in this sector are women. The fisher people mostly belong to the socially oppressed and economically exploited sections of the society. The working and living conditions of the fishers in our country are pathetic but they are a militant section ready to fight for their rights. In view of the vast numbers and their socio economic character, all the state committees of CITU need to make serious efforts to organise them.

11.3 The Federation consists of organisations of fishers and fisheries' workers, which are guided by/affiliated to the AIKS, CITU, and artisans' organisations. Some, e.g. in West Bengal, Assam, Orissa etc are being guided by the AIKS; some as in Andhra Pradesh, Tripura etc are with the Artisans' organisations, while those in Kerala, Tamil Nadu etc are organised by the CITU. It has been decided that the new all India Federation would operate from the CITU centre in Delhi.

11.4 A 32 member national committee was elected in the conference, which in turn elected 13 office bearers. Pitabasan Das, Hemalata and Nurul Huda were elected as the president, general secretary and treasurer of the federation respectively. Some seats were kept vacant to accommodate the representatives of states, where the movement is developing.

11.5 The first meeting of the federation will be held in Visakhapatnam on 25th June 2007.

11.6 It has been reported that in addition to the states, which have been represented in the Conference, we have contacts in several other states like Chattisgarh, Maharashtra etc. Besides, in some states CITU affiliated unions of the fish processing workers are also functioning. Most of them are migrant workers who are severely exploited by the employers. The CITU state committees should make efforts to organise this vast section of workers – both fishers and fisheries workers.

12. ANGANWADI EMPLOYEES

12.1 The March to Parliament organised by the All India Federation of Anganwadi Workers and Helpers on 8th May was successful. What is significant is that the major participation was from the neighbouring Hindi states, (around 1,000 participated from Uttar Pradesh) which is encouraging. All of them courted arrest at the Parliament Street police station.

12.2 The Federation decided to organise an all India strike on the Demands' Day on 10th July 2007. It has also called upon the anganwadi employees to organise rasta rokos, processions, demonstrations, dharnas, and burning of effigies etc at the project level on that day,. The CITU state committees are requested to provide all the necessary help and support to make this a great success.

12.3 It is our experience that wherever we have been organising the anganwadi employees, there is a tremendous response from them. This was observed in their militant struggles even in most of the Hindi speaking states, where the CITU is not very strong. It is also our experience that with consistent training and education they can be developed as CITU activists and will be of great help in organising the CITU campaigns and programmes etc at the village and basti level.

12.4 The CITU state committees should understand the specific character of the anganwadi employees and ensure that proper cadre are allotted to this important area and proper attention is paid to strengthen the union.

13. ALL INDIA COORDINATION COMMITTEE OF WORKING WOMEN (CITU)

13.1 As noted in the 12th Conference, women's membership in CITU has increased to more than 22%. The Conference has also noted that several unions do not specify the number of women members while filing their annual returns. This weakness should be overcome and the CITU state committees should ensure that women's membership is properly reflected in the annual returns of the unions.

13.2 Women's participation in CITU activities has also increased over the past few years. Definitely a few more women are found in the leadership positions of CITU at the local, district and to some extent at state level leadership. But we have to critically assess the role of the AICCWW (CITU) and different state CCWWs in ensuring this. It is also necessary to review the attention being paid by the state committees of CITU to the work among working women. Even today, many state committees of CITU are under the impression that once a convention is held and a coordination committee is formed, their job is over; they just blame the convener or other members of the CCWW for the non functioning of the CCWW. This attitude is not correct. It is urgently necessary to take the necessary steps to overcome the weaknesses that still continue to exist.

13.3 A meeting of the main office bearers of the state committees of CITU along with the convenors of the state CCWWs should be held at the earliest to develop a common understanding on the objectives, structure and functions of the AICCWW (CITU), as per the decision of the 12th Conference of CITU. It is suggested that a two-day workshop should be organised for this in August 2007. The General Council should fix the dates for this workshop some time in the month of July. The state committees, particularly the stronger states like West Bengal, Kerala, and Tripura etc should ensure their participation so that a purposeful discussion can be held and the workshop can come to concrete conclusions.

13.4 The All India Federation of Anganwadi Workers and Helpers, which the CITU has taken the initiative to organise in 1989, has grown into a strong all India organisation. In addition to strengthening it further, we have to identify and organise women workers in some other sectors, where women work in large numbers, e.g. community health workers, mid day meal employees, domestic workers, ASHAs, (Accredited Social Health Activists) under the National Rural Health Mission etc. While several CITU state committees are organising women employees in these sectors, in the present stage, we need to make efforts to develop all India coordination among the organisations of the community health workers and mid day meal employees. A national convention of the activists and CITU cadres working among the mid day meal employees should be organised at the earliest to develop such coordination among our mid day meal employees unions.

14. ON ORGANISATION

14.1 The ongoing verification exercise by the Ministry of Labour is yet to be completed. But, in the meanwhile reports have appeared in the media giving out the results of verification of membership of central trade unions, showing that the CITU had slipped from the third to the fifth place. The CITU representative on the Standing Committee, Ranjit Basu, Treasurer, CITU, wrote to the Chief Labour Commissioner (Central) why the Standing Committee had been kept in dark, while such news stories are being planted in the media. Tapan Sen, Secretary, CITU, also raised this issue by way of a question in Rajya Sabha. In a written reply the Minister of Labour and Employment while admitting that some newspapers have reported about the general outcome of the ongoing exercise of general verification, stated that the result is yet to be finalised. It was also made clear, "The result of general verification has not been finalised as yet. Before finalisation of the result, the objections of the

Central Trade unions will be invited”.

14.2 While this is the factual position, we must also point out here that during the verification process, several of our unions did not properly respond to the requests for production of documents before the Central Labour machinery. This has resulted in substantial number of CITU members being left out in the verification. This once again underscores the imperative need for all our state committees to relentlessly pursue with the affiliated unions in the state to file the annual returns regularly, maintain the required documents in proper and updated form and pay serious attention to matters linked to the verification process. It is also necessary to ensure that women's membership is also mentioned in the annual returns.

14.3 Related to this is the issue of prompt payment of affiliation fees year wise along with copies of annual returns to the CITU Centre. Our unions are still in the habit of keeping the affiliation fees accumulating year after year and coming up with payment only at the time of the CITU Conference. This is a wrong organisational practice, which is also affecting the functioning of the CITU Centre. Our state committees should take vigorous efforts to take appropriate corrective measures.

14.4 Another grey area of our organisational functioning is the lack of regular communications between the state committees and industrial federations and the CITU Centre. There is only lukewarm response from state committees in responding to circulars or queries from the CITU Centre or sending reports of implementation of all India calls or in submitting activity reports. This is not healthy for an organisation like ours. The earlier we rectify the shortcomings in this regard, the better.

14.5 We are presently updating the CITU website. Our website, which was being maintained from Kolkata until recently, is now being operated from the CITU Centre. We earnestly look forward to the active cooperation of the state committees in sending us the relevant materials from their end for uploading. Suggestions to improve the contents of the CITU website are also solicited.

15. CITU JOURNALS

15.1 We are publishing four Journals from the CITU Centre. The Working Class, published in English, has a circulation of only 4943. Out of this, 3712 copies are sent to all affiliated unions and rest 1060 are on individual subscription (171 complementary). The circulation of CITU Mazdoor, published in Hindi is 6248; out of this 719 copies are sent to affiliated unions and rest 5470 are individually subscribed (59 complementary). Of these, West Bengal alone has 1479 subscribers for CITU Mazdoor; next to West Bengal is Himachal Pradesh with 1005 subscriptions. This explains how insignificant is the circulation of CITU Mazdoor in most of the Hindi-speaking states, to benefit whom the CITU Centre has undertaken the task of publishing the journal.

15.2 The state of CITU Journals can be presented as “less than poor” in circulation. At least eight of our state committees (non-Hindi regions) bring out journals in regional language and sometimes that is cited as reason for low circulation of the ‘Working Class’ or ‘CITU Mazdoor’ in the concerned states; but that is not a sound enough logic to explain the present very low level of circulation of CITU journals.

15.3 If we assume that at least the leading comrades in the states can reasonably be expected to read and subscribe to the CITU journals and reckon the strength of the state committee, district committees and the office bearers of the major unions/federations in a state, the state wise circulation figures fall much below that number in most of the states. This state of affairs reflects an absolute

lack of consciousness and understanding among the major part of our leadership in most of the states about the importance of the journals and the potential it has in educating themselves and the mass of the workers. We have to take steps on priority basis to overcome this weakness, if we are to make a qualitative breakthrough in our organisation.

15.4 The circulation of 'The Voice of the Working Woman' has increased considerably, and at present, fluctuates around 6,000 copies. The increase is mainly because of the enrolment of a large number of state government employees from Kerala. But there is still great scope to increase the circulation, if the other states also make efforts in a planned manner. The main weakness is the lack of consistent efforts to renew the subscriptions at the end of the year. The CITU committees should monitor the efforts of the state CCWWs to renew the existing subscriptions and enrol new contacts.

15.5 The circulation of 'Patrika', which is being published as a quarterly in Hindi, mainly for the working women in the Hindi speaking states, is only around 2,000. Almost the entire circulation of 'Patrika' is confined to anganwadi employees and a large number of these are sold as individual copies. The CITU state committees in the Hindi speaking states have to monitor its circulation with the state committees of the anganwadi unions and the state CCWWs wherever they exist. Unless the circulation increases, the 'Patrika' may also meet the same fate as the earlier 'Kamkaji Mahila'.

15.6 The quality and content of the CITU Journals also require much improvement. There are persistent shortcomings at the CITU Centre to sustain a planned and collective effort in this regard. Further, there is need to harmonise and coordinate the efforts of publication of journals in different states with that from the Centre. The CITU Centre also needs regular feedback/inputs from the states about the journals published from the centre for further improvement. This also is not forthcoming. As decided earlier, the CITU Centre will soon have a joint interaction with the editorial boards at the centre and editors of the state level CITU journals to evolve a strategy to improve the content, quality and also circulation of CITU journals published both from the Centre and the states.

16. IMMEDIATE TASKS

16.1 The 12th Conference has outlined certain important tasks, which we need to take up with due urgency.

16.2 We have to organise a national convention of contractor workers and launch nation wide campaign and agitation demanding concrete legislative and administrative actions to protect the interests of the contractor workers and punitive action against illegal deployment of contractor workers. Our trade unions in the public sector must take the initiative to ensure that the contract workers are mobilised for the convention. The national convention may be followed by such conventions at the state and industry level and a wide campaign. It is also necessary to unleash an all India campaign against the back door attempts of the government to make the labour laws flexible.

16.3 Our consistent campaign and struggles on the issue of non implementation of labour laws and the state sponsored violations helped us in forcing the government to bring this issue as an agenda in the last Indian Labour Conference. All the state committees should plan state wide campaigns and agitations on the demands formulated in our memorandum to the 41st Indian Labour Conference, which is being circulated as an information document in this meeting.

16.4 We have to take initiative to revive the countrywide united movement against the economic policies of the government. The Sponsoring Committee has to be activated and a strong united

movement has to be built upon the 16-point demands, which formed the basis for The 14th December 2006, all India strike.

16.5 The joint initiative of the CITU, AIKS and AIAWU on the common demands of the workers and peasants to observe an all India Demands' Day on 18th April received enthusiastic response throughout the country. This initiative must be further strengthened and the NPMO has to be activated into a centre point for the struggle against both the neoliberal policies and the divisive forces.

16.6 The birth centenary year of Com. P. Ramamurti, the founder General Secretary of CITU and a stalwart of the Indian trade union movement begins on 23rd September this year. It should be observed in a befitting manner by organising an intensive educational and ideological campaign at all levels of the organisation. It is proposed to start the birth centenary with a massive mobilisation in Kolkata and end it on 23rd September 2008 with a similar mobilisation in Chennai.

16.7 The CITU Centre has to finalise setting up of Com. P. Ramamurti Institute of Trade Union Education and Research in New Delhi within a year. Trade union schools should be organised by the CITU Centre in three regions – eastern, southern and for the Hindi speaking states. The CITU Centre should also publish literature on ideological and organisational issues facing the trade union movement in the country; Special numbers of CITU journals should be brought out containing articles on the life and contribution of Com Ramamurti to the trade union movement in our country. Seminars, trade union classes, memorial lectures etc should be conducted at the state and industry levels.

16.8 The CITU Centre as well as the state committees should make serious efforts to implement the tasks of the 12th Conference. Besides, we also have to take note of the serious challenge to the working class movement as well as the mainstream Left movement from the opportunistic coming together of the right reactionaries and the ultra left forces in a bid to isolate the mainstream Left movement. We can successfully face this by broadening people's mobilisation and intensifying the struggles against every facet of the neoliberal policies with an uncompromising determination. It is the working class movement that can and should shoulder this responsibility of combating the ideological offensive against working class and mainstream Left movement in the country.

16.9 Com. Chittabrata Majumdar, while concluding the deliberations on the General Secretary's report at the Twelfth Conference, had revised the target of membership from 45 lakhs to 50 lakhs and called upon all of us to achieve the same by the next CITU Conference. This, no doubt, is achievable, given the fact that we have already touched 40-lakh membership. But, our state committees will have to take specific quota state wise and sector wise to make this happen. We must address this task with utmost dedication and in a time bound manner.

16.10 We must redouble our initiatives at all levels to fulfil these urgent tasks before the working class movement.

Greetings to you all!

Md. Amin
General Secretary

Centre of Indian Trade Unions

GENERAL COUNCIL MEETING

27 - 30 May, 2007

Kolkata (West Bengal)

REPORT ON ACTIVITIES

In the aftermath of 12th Conference of CITU there was all-round campaign to carry the message of the conference in all parts of the country, though many of the actions taken were not reported to CITU Centre.

The most disturbing trend in the UPA government is that despite series of actions including nationwide strikes by the working class no action has been taken to establish a rule of law in the labour front and the employers are having their field day. The workers anger and disillusionment are getting expressed in hundreds of demonstrations, rallies and in the strikes taking place in different corners of the country.

The government's utter contempt about the working class is manifested by their refusal to increase and declare the rate of interest on PF till the end of May. The same government was prompt to grant tax concession estimated to be anything between 150,000 crores to 2 lakh crores to SEZ promoters.

Naturally struggles for enforcement of labour laws, ensuring minimum wage and legal rights, against contractorisation of jobs and demand for employment are continues, as the movement in continuation of 14th December, 2006 strike, with or without a formal call from Centre, at the state level and unit level as well.

SOME MAJOR ACTIVITIES ARE DETAILED BELOW

JUTE: Two and a half lakh jute workers in West Bengal led by 20 trade unions of all affiliations unitedly went on a strike from 5th January. They fought heroically for 61 days and finally forced the IJMA to sign an agreement on 8th March. The employers had to release the dearness allowance payment that was withheld since November, 2005.

The Jute Mill owners had signed two tri-partite agreements in 2002 and 2004 but did not implement them, instead, they stopped DA payment for November, 2005. They violate agreements, usurp PF and ESI money, refuse payment of PF & gratuity at the time of retirement and resort to all sorts of illegal activities. The workers went on strike after all their efforts failed in conciliation meeting, even the Central Ministers' intervention, MP's meeting with Prime Minister and raising the matter of indiscipline of the Jute mill owners in Parliament yielded no results.

FMRAI: On 15-17 February All India Conference of FMRAI was held in Mumbai that started with a mass rally at Azad Maidan. M.K. Pandhe inaugurated the rally. Pandhe emphasized that simultaneously with the struggle to better their service condition the FMRAI members must fight the forces of globalization who want to enslave developing countries. Justice P.B. Sawant, Basudeb Acharia, Sukomol Sen also addressed the rally along with D.P. Dubey the General Secretary, FMRAI. The conference was inaugurated by W.R. Vardarajan. He elaborated on national and international situation and asked everybody to remain vigilant against divisive and communal forces. R. Viswanathan President, FMRAI

presided over the conference with four other Vice-Presidents.

GOVERNMENT EMPLOYEES: A joint mass rally of Central Government employees, State Government employees and those of Railways and Defence departments was held in Azad Maidan in Mumbai on 14th March, 2007. Thousands of employees, many of them are women, joined the rally in processions to protest against the New Pension scheme and the governments plan to invest pension fund in stock-market. The meeting was presided over by R.G. Karnik. Speakers from all organizations warned the UPA government that if they did not retrace their steps in the Pension matters the UPA will have to pay the price for the anti-worker policies.

RAILWAY: Thousands of Railway Contractor and Allied Workers under the banner of their co-ordination Committee took out a March to Parliament on 8th March from Ramlila Maidan to Parliament which was stopped at Parliament street Police Station. The workers joined from Contractors' labour, Catering workers and vendors, Coal & ash handling coolies, porters, hawkers and allied workers. They demanded social security measures like PF, welfare fund and pension, continuation of service when contractor changes, absorption in regular jobs etc and also implementation of various court judgments and recommendations of the Standing Committee on Railways. Kanai Banerjee presided over the meeting and the rally was addressed by M.K. Pandhe, Basudeb Acharia, Chandran Pillai, Tapan Sen and others. A delegation met the MOS, Railways Shri R. Velu and submitted a memorandum.

3000 railwaymen from All India Loco Running Staff Association, organisation of Loco Pilots and Assistant Loco Pilots and All India Guards Council Organised a Joint Dharna at Parliament demanding safety, reduction of duty hours, filling up of vacancies and starting of new trains. M K Pandhe, Brinda Karat, Tapan Sen, Kanai Banerjee addressed the Dharna. Later leaders of railway unions met the Chairman, Railway Board with Chandran Pillai, M.P.

THE ELECTRICITY EMPLOYEES FEDERATION OF INDIA (EEFI) organized a march to Parliament on 14th March demanding electricity at affordable cost, review of Electricity Act, 2003; stop privatization of core sector and review the results of unbundling of SEBs. About 10,000 electricity employees and engineers joined the march. The rally was presided over by E. Balanandan, M.K. Pandhe and several other leaders demanded that the IIPA report on restructuring of SEBs be rejected as the report is against job creation and development of the country. The rally resolved to intensify the struggle in future.

ANGANWADI: 7000 Anganwadi workers and helpers from 15 states marched to the Parliament on 8th May '07, majority of whom were from neighbouring states as the contingent from UP was about 1000, to demand full employee rights, social security benefits, retired benefits and raise in remuneration. The Prime Minister assured to look into their problems in August, 2006 but nothing has happened so far. A delegation led by Brinda Karat, Tapan Sen and Leaders of Anganwadi Federation again met the PM on 10th May but came back with little promises, while thousands of Anganwadi workers and helpers along with K. Hemlata, A.R. Sindhu, Nilima Moitra courted arrest at Parliament Street. M.K. Pandhe addressed the rally and also courted arrest in support of their demands.

PETROLEUM AND GAS WORKERS FEDERATION OF INDIA (PGWFI) organized their first ever All India Convention of Contract Workers in New Delhi on 10th March, 2007 in the Auditorium of Indian Institute of Public Administration. 400 delegates representing 59 trade unions participated in this landmark convention that highlights the plight of contract workers in this highly sophisticated and sensitive industry. Pradip Mayekar, President, PGWFI presided over the meeting which was addressed also by Tapan Sen & K. Chandran Pillai. Swadesh Deb Roye, General Secretary, PGWFI conducted the

proceedings and Dipankar Mukherjee delivered the concluding address. The convention underlined the imperative need to co-operate, co-ordinate and combine the movement of regular employees and contract workers which only can restore justice to both section of workers. It was resolved to carry out a long drawn campaign locally, region-wise, company-wise etc. and prepare for a one-day strike in this year or early next year.

DEFENCE: A Convention of organizations of Defence PSUs, Ordnance Factories and Central Trade Unions was held on 21st & 22nd April in Bangalore. The Convention was inaugurated by M.K. Pandhe, President, CITU. The Convention was attended by more than 250 delegates. The Convention noted with deep concern that inspite of strong opposition by employees, Government is going ahead with implementation of Kelkar Committee Report aimed at dismantling of public sector defence industries. The Convention after detailed discussions on the report demanded scrapping of the Kelkar Committee Report. A 'Trade Union Forum for Self-reliance in Defence' was formed comprising representatives of all participating trade unions and associations for launching a nationwide campaign on the issue. A delegation of the Forum presented a Memorandum to the Minister of Defence, Government of India in a meeting on 17.05.2007 in New Delhi.

CPSTU MEETING: The extended session of Committee of Public sector undertakings was held on 11th March, 2007 at IIPA Auditorium, New Delhi, to decide the future course of action by public sector employees to defeat the anti-worker guidelines in respect of 7th round wage revision already due from 2007. 350 delegates from all unions attended the meeting which was presided over by S. DevRoye (CITU), H. Mahadevan (AITUC), R.A Mittal (HMS), D. Anantapadmanabha (JAF, Bangalore) and V. Prabhakar (Hyderabad PSU Co-ordination Committee). M. K. Pandhe presented the discussion note which was supported by leaders of other Central Trade Unions, JAF and Hyderabad Co-ordination Committee. 41 delegates contributed in the discussion and endorsed the note.

The Declaration adopted in the meeting congratulated workers for success of 14th December, 2006 strike and criticized the DPE guidelines and the government policy of disinvestment and privatization. It condemned large scale contractorisation in regular jobs and exploitation of contract workers.

The meeting adopted a 7-point demand chart with major demands like 5-year term of agreement, revival of sick units, wage rise for contract workers, filling up of vacant posts etc. A plan for campaign and action was drawn up to force the DPE to change the guidelines.

GEOLOGICAL SURVEY OF INDIA: Nearly eight thousand non-gazetted employees of Geological Survey of India went on a token strike on 29th March, 2007 called by a forum of 3 unions of GSI employees and Drivers. The Ministry of Mines had decided to make 2500 Group-D employees surplus in GSI and abolished more than 5500 posts in Group C & D categories from 1st April' 07. The strike was total and won support from the 3 thousand Gazetted employees who belong to scientific community of GSI and also from Pay & Accounts staff and officers.

The All-round protest is against taking away many jobs from GSI to yet another autonomous body which was initiated by former NDA government. The motive is to outsource the job and use private companies in prospecting against the interest of the country. The GSI employees and officers decided to intensify their struggle if UPA government does not cancel their design to weaken the GSI.

COAL: Coal workers in ECL are going for 3-day strike on 24 -25-26 May, 2007 in the entire Eastern Coalfields collieries on a 9-point charter of demands highlighting full implementation of National Coal

Wage Agreement-VII and demanding total stop of outsourcing. In Northern Coalfields the strike will take place on 9th August 2007.

PRIVATE SECURITY WORKERS PLAN ACTION: As per decisions of 12th Conference of CITU the security workers unions in private agencies met in New Delhi to draw a plan for prolonged action. It was decided to print campaign materials, contact all such people and observe 15th June a National Demand Day. They will hold National Convention on 8 – 9 September 2007 and organise March to parliament on 10th September. They will collect mass signature and submit to the Government/Speaker, Lok Sabha on that day.

ALL INDIA FISHERS AND FISHERIES WORKERS' CONFERENCE: The first conference of the All India Fishers and Fisheries Workers' Federation (AIFFWF) was held in Thiruvananthapuram on 24 – 25 March 2007. 281 delegates from 8 states – Andhra Pradesh, Assam, Karnataka, Kerala, Orissa, Tamil Nadu, Tripura and West Bengal - attended the conference. 27 of them were women. MK Pandhe, president of CITU and K Varadha Rajan, general secretary of the AIKS participated and guided the conference.

The fisheries sector provides employment to more than 75 lakh people mostly belonging to the socially oppressed and economically exploited sections. Around 3 crore people depend on it. 30 per cent of the workers in this sector are women. The working and living conditions of the fishers in our country are pathetic but they are a militant section ready to fight for their rights. All the state committees of CITU need to make serious efforts to organise them.

The Federation consists of organisations of fishers and fisheries' workers, which are guided by/affiliated to the AIKS, CITU, and artisans' organisations in different states. The conference decided that the new all India Federation would operate from the CITU centre in Delhi.

The conference decided to hold wide campaigns on the problems of fishers and fisheries' workers and to observe May 15 as the All India Demands' Day.

A 32 member national committee was elected in the conference with Pitabasan Das, Hemalata and Nurul Huda as the president, general secretary and treasurer of the federation respectively. The first meeting of the federation is scheduled to be held in Visakhapatnam on 25th June 2007.

CITU, AIKS AND AIAWU ALL INDIA DEMANDS' DAY

The 12th Conference of CITU gave a call for joint campaign along with the AIKS (All India Kisan Sabha) and AIAWU (All India Agricultural Workers' Union) on the demands of the peasants, agricultural workers and the working class. All India Demand's Day was held by organising district level dharnas, demonstrations, and meetings etc on the charter of demands adopted by the three organisations. As per the reports received by the CITU centre, the Demand's Day was observed in almost all the states with very good response from the toiling masses.

In **West Bengal**, the Demands' Day was a resounding success. The State Committees of CITU and AIKS have given a joint appeal to the workers, the home based workers as well as the rural workers and the kisans to join hands to fight for their rights and to improve their living conditions. In Kolkata people assembled in the Shahid Minar maidan to hear the leaders of the two organisations. The Chief Minister of West Bengal Buddhadeb Bhattacharya, Md Amin, Kali Ghosh and the leader of the West Bengal state committee of AIKS Sanjay Patutunda and other senior leaders of both the organisations

addressed the huge rally. The Chief Minister highlighted the need to create more jobs for the unemployed youth. He assured the people that the rights of the peasants would be protected by the Left Front government of West Bengal. Md Amin pointed out that the UPA government, which committed to work for the 'common man' failed to keep up its commitment. He reminded the people of the continuing spate of suicides in the other states in the country.

Big rallies, processions and other forms of campaign like wearing badges etc were organised in all the districts in the State— from Darjeeling in the north to Medhinipore in the west.

In **Rajasthan** the call was received with great enthusiasm. Some local demands were also added to the charter. Processions, dharnas and meetings were held in Sriganga Nagar, Hanumangarh, Bikaner, Jhunjhunu, Churu, Sikar, Jaipur, Kankroli, Udaipur, Dongarpur, Chittorgarh, Kota, Alwar, Bharatpur, Tonk, and Nagaur. The general secretary of Rajasthan state committee of CITU Ravindra Shukla, the general secretary of the Rajasthan state committee of the Kisan Sabha Dulichand, and other leaders addressed the rally.

In **Jharkhand**, demonstrations, in which large number of rural women participated, were held at the district level. In Dhanbad, procession were held in which the coal workers from different coal fields, the Indian Institute of Mineral Resources, University, CSRI, DVC, and the pharmaceutical industries participated in large numbers. CITU SK Bakshi, secretary of the Jharkhand State Committee Gopikant Bakshi, AK Roy, and several other leaders addressed the rally.

In **Punjab**, workers, kisans and agricultural workers responded magnificently to the All India Demands' Day on the ten point charter of demands, on 18th April 2007. Around 1,000 workers, kisans and agricultural workers participated in the 29th March convention, which decided to organise massive campaign from 1st April to 15th April, not only on the common charter of demands, but also demanding fulfilment of the commitments made by Badal, the Akali Dal Chief Minister of Punjab, to supply wheat at Rs 4/ per kilo and pulses at Rs 20/- a kilo. On 18th April more than 20,000 kisans, agricultural workers, and workers from brick kilns, FCI, Transport, Forestry, anganwadi employees, medical representatives etc held a huge demonstration in front of the deputy commissioner's office with empty tins of wheat flour and pulses. Large numbers of women participated in these rallies, and dharnas etc. Representations were sent to the Prime Minister through the district collectors.

Protest demonstrations and rallies were held in Ludhiana, Sangrur, Rajpura, Ropar, Hoshiarpur, Amritsar, Fatehgarh Sahib, Moga, Bathinda, Muktsar, Jalandhar, Pathankot, Batala, Patiala, Nawan Shahr, Firozpur etc. More than 20,000 workers, peasants and agricultural workers participated. These rallies and demonstrations were addressed by Balwant Singh, AIKS leader Lahambar Singh Thaggar, Raghunath Singh and the General Secretary of the Punjab State Committee of the AIAWU Vasdev Jamsher and others.

In **Orissa**, the joint call of CITU, AIKS and AIAWU received very good response from the people in Orissa. Demonstrations were held at the district headquarters in 20 out of the 30 districts in the state.

Some local demands like immediate distribution of house sites to the homeless and distribution of land for the landless, as announced by the state government a year back, proper implementation of the Indira Awas Yojana etc were added to the 10 point charter of demands.

The campaign was held in 22 districts and covered nearly 1 lakh people through meetings, union general bodies and workshops etc.

Bishnu Mohanty, General Secretary, Sivaji Patnaik and Janardan Pati, vice presidents of the Orissa state committee of CITU and other state leaders of the Kisan Sabha and Agricultural workers' union participated and addressed the gatherings in different parts of the state.

ANDHRA PRADESH

Campaign against caste discrimination was carried out in the state where CITU members took an active part. 1000 CITU cadres took part in cycle jathas and 150 cadres were on relay hunger strike in support of the left party leaders who were on indefinite hunger strike demanding steps against caste discrimination.

On 22nd March a big rally attended by 20 thousand workers was organized in Hyderabad. The issues were to ensure Social Security to unorganized sector workers, to release pending wages & DA to municipal workers and promotions to village servants. The Labour Minister and Labour Commissioners had come and addressed the rally and promised to study and implement those schemes in operation in Kerala, Tamilnadu and West Bengal.

The Chief Minister, in order to dampen the militancy of the workers called a meeting on 21st March to foil the rally next day. Yet the rally was a resounding success despite the government's attempts to put hurdles.

CITU has actively participated in the movement demanding house sites in Visakhapatnam city that continued for 5 days from 6th January. Thousands were jailed including nearly 3 thousand women. Cases were booked on 243 and 141 were sent to jails. 73 were women out of this 141. State President Com. Sudha Bhaskar was also sent to jail when he went there and participated in the struggle. One of our state council member from Visakha was in Jail for 11 days.

- 6000 coffee workers of Visakha agency area were on strike for 4 days and got increase in their daily wages.

- Workers from 14 rice mills in a town of East Godavari District were on strike 55 days demanding scraping of a life long agreement entered into by a BSP leader. Workers came asking us to lead them in their struggle to scrap the agreement. Ultimately workers were successful and the agreement was scrapped. New agreement was made. The strike was withdrawn on 11th March.

- In Mahindra & Mahindra of Medak district we have won the election defeating State President of HMS and Sinor INTUC leader both of them are MLAs.

- 6000 Municipal Workers are demanding release of pending wages and provincialisation of services. They went for demonstrations, picketing and relay hunger strikes. With no result forthcoming they are on strike led by all unions. AITUC refused to join the movement at first but now they also have joined strike.

A new office of CITU, Andhra Pradesh State Committee, "N.V. BHASKARA RAO SMARAKA KENDRAM" was inaugurated on May 9th 2007 by Com. M.K. Pandhe. May 9th happened to be the death anniversary of Com. K.L. Narasimham, veteran trade union leader of Andhra Pradesh. Leaders and Cadre representing districts and units affiliated to CITU throughout the state have congregated to the new venue by the morning of 9th.

After inauguration of the main building by Dr. M. K. Pandhe Com. Parsa Satya Narayana, Senior leader of CITU, Com. V. Srihari, former State Secretary, CITU Andhara Pradesh, Com. K. Venkateswarlu, former Vice President, CITU Andhara Pradesh, Com. A. Satya Narayana, Vice President, CITU Andhara Pradesh & Com. P. Roja, Vice President, CITU Andhara Pradesh have inaugurated the meeting hall, library, computer room, working women center & agit prop centre respectively. Com. R. Sudha Bhaskar, President, CITU Andhara Pradesh hoisted the red flag.

Public meeting at the venue was followed at the venue presided over by Com. R. Sudha Bhaskar. Com. M.K. Pandhe gave the inaugural speech. Com. B.V. Raghavulu, former General Secretary, CITU Andhara Pradesh & Com. P. Roja, Vice President, CITU Andhara Pradesh spoke on the meeting.

On 22nd February in **Jaipur**, Rajasthan thousands of workers along with youths, students and women demonstrated at Sikar Road in support of the struggles of the farmers in the State. The call was given by "Forum for Democratic Rights". Hundreds of farmers were prevented to proceed to Jaipur and police resorted to mass arrest to foil this demonstration, yet it was a big success.

TAMIL NADU: On 27th February there was a massive march to State Secretariat at Chennai where more than ten thousand workers including three thousand women had participated to highlight their demands for enforcement of labour laws, proper functioning of labour department and welfare boards and formation and activating of tri-partite committees for these boards. The workers, particularly in unorganised sector are suffering because of difficulties in enrolment and settlement of claims. They also protested against rampant contratorisation, casualisation, bonded labour system in textile and other industries and non-filling up of vacancies particularly in labour department. The march was led by A. Soundara Rajan and other senior leaders from North and South Chennai District Committees. The other issues raised in by the delegation to the minister were relating to trade union rights in MNC companies, failure of conciliation machinery, non-reference to Tribunal of failure cases, problems of Anganwadi workers, anti-labour policies in textile industry and problems of workers in state marketing federation and other PSU's.

Demonstrations were organized in all districts and in all about 70 thousand workers 25000 of women participated in these demonstrations.

On 4th March a Contract Labour Convention was held with hundreds of contract labours against large scale contractorisation in MNC companies and in Government departments.

"Campaign Committee Against Unemployment" has been revived with the participation of Central and State Government Employees, BEFI, AIIEA, AIKS, DYFI, AIDWA and other organizations. Conventions and campaign are being organized in all major cities of Tamilnadu.

A spate of movements is going on by all workers in Local bodies, co-operatives Aganwadi Centres, Water Boards, Electricity, Transport, Civil supply department, Sugar, Cashew industries etc. and also in unorganized sector. Prestige Cooker (T.T.K) employees got wage revision after 4 ½ months strike.

In **Chattisgarh** on 6th , 7th and 8th April General Conference of MP-CG Medical & Sales Representatives was held at Durg. Tapan Sen inaugurated the Conference.

HIMACHAL PRADESH: The construction workers in Chamara-III Hydel Project fought a glorious battle to realize statutory minimum wage, other applicable allowances and arrears. They continued their strike for 90 days though the attack was severe as 3 workers were killed by goondas, hundreds were

retrenched and state government and police worked as private security guard of the HCC Company, a contractor of NHPC. Finally the HCC was compelled to pay statutory minimum wage, arrears, allowances and the entire unpaid wages. The workers had to go for strike again for 3 days to ensure payment of overtime for work beyond 8 hours. Total strike forced the HCC to agree to this demand and the agreement was signed on 31st March, 2007.

MAHARASHTRA: On 9th March in Mumbai workers from closed industrial units staged a Dharna in Azad Maidan demanding opening of closed units and payment of unemployment relief to the tune of Rs. 1000/- per month of workers in closed units. There are 15,000 closed units in Mumbai in small, medium and big sectors and large number of textile mills and large number of workers are jobless. CITU has taken the lead for unemployment relief for these workers. K.L. Bajaj, Dr. D.L. Karad, Ashok Dhawale addressed the rally.

Earlier on 22nd March in Mumbai Anganwadi workers and helpers from all over Maharashtra assembled in Azad Maidan to demand increase in wages, social security benefits, insurance schemes. The Maharashtra Shabya Ahar Kamgar Sangathana (Mid-day meal makers in Schools) demonstrated in Azad Maidan on Same day under leadership of CITU to demand rise in wages and social security benefits and protection of jobs.

Massive agitation was organised by CITU in Nasik against the negligence of employer in Premier Explochem Ltd causing severe explosion and killing 22 workers on the spot at night shift on 5th May 2005.

MAY DAY CELEBRATIONS

Kolkata and for that matter, entire **West Bengal** went red with fluttering red flags on May Day. May Day was observed in all the cities and towns and industrial establishments by hoisting flag and holding meetings, procession, blood donation camps etc.

In the morning there was flag hoisting and brief meeting at the state CITU headquarters. Com Shayamal Chakraborty, Com Samar Mukharjee, Com Amin, Com Bimon Bose, Com Kali Ghosh and others laid wreaths at the martyrs' column.

COM. JYOTI BASU ADDRESSES THE RALLY

A joint central rally was organized at Shaheed Minar Maidan in the afternoon attended by leaders and workers of CITU, AITUC, UTUC, TUCC, 12th July committee and many other federations or other organisations. Com Chunilal Das Gupta presided over the meeting. Com Jyoti Basu in his speech criticized the UPA Government for their failure to adhere to Common Minimum Programme and to follow an independent foreign policy. He called upon workers to build up a strong organisation to force the UPA government to implement the promises given in NCMP. Com Basu warned the people against the nefarious games played by the opposition parties in the state who have joined hands with reactionary and fundamentalist forces which are raising their heads to weaken the peoples movement and destabilize the state. He wanted workers to be vigilant against these moves.

Com Shyamal Chakraborty criticized the UPA government for their failure to cover 37 crores of unorganized sector workers by a Social Security Scheme, PF or Pension. West Bengal government with limited resources is going ahead with schemes of health insurance, PF to more number of unorganized sector workers.

Com Amin reminded the need of solidarity actions and building working class unity to stop attack on workers anywhere in the world.

Com Samar Mukharjee released a Hindi version of the book "Labour Laws" by Vijay Tewari and reminded the workers to take a new pledge on May Day to intensify our struggles in coming days. Speakers from all other organisations also spoke before this huge meeting.

In Durgapur a mass rally was organized at the Trunk Road Maidan adjacent to the office of United Contractor Workers Union. It was also the occasion of inauguration of the big auditorium named after Com Chattabrata Majumdar. The contractor workers of Durgapur Steel Plant have contributed to build this auditorium with nearly 400 capacity with other facilities.

Com M K Pandhe inaugurated the auditorium and also was the main speaker in the Mass meeting along with Samar Baora, General Secretary of Kisan Sabha (West Bengal Committee) Com Dilip Mazumdar Presided over the meeting. Large number women workers were present in the mass meeting.

Com Pandhe highlighted the problems of growing attacks on working class and the failure of UPA Government even to honour the commitments given in NCMP. He emphasized that the workers resentment is also growing everywhere. He criticized the Steel Management for their withdrawal of maintenance facilities in Steel township as well as curtailment or privatization of medical or educational facilities so far run by the company. He called upon workers to strengthen the unity of workers which will eventually make CITU strong and effective.

Com Samar Baora highlighted the present crises in Agriculture and Rural sector of the economy. He explained the sinister game played by the opposition party in West Bengal centering the Nandigram issue and emphasized the need for working class – peasantry unity to defeat the anti-development conspiracies carried out by the anti- people forces in the country.

Earlier in the morning Com Pandhe hoisted the red flag at the Ashish Jabbar martyrs column and at the union office.

In **Orissa** state leaders attended May Day celebrations in all the major urban and industrial centres like Bhubaneswar, Cuttack, Rourkela, Puri, Keonjar, Barbil, Sambalpur Angul, Rajagada, and many other places. The day was observed by hoisting the red flag and holding rallies.

In **Tamil Nadu** May Day was celebrated throughout the state jointly with AITUC, though AITUC's participation was nominal.

In **Himachal Pradesh** militant demonstrations and rallies were organized in protest against anti-worker policies of the government. May Day was observed in all major industrial centres and towns. The state government did not declare May Day as holiday but the CITU unions in hydro- electric projects forced the government to declare holiday there. In Kullu, Solan, Chamba, Mandi, Shimla, Kinnaur, Sirmour big rallies were held where senior CITU leaders pledged to intensify the struggle of the working class.

In **Chattisgarh** May Day was observed with other like minded unions, but AITUC did not join the joint programme. Rallies, processions, demonstrations were organised and leaflets were issue and post-

ers displayed. In BALCO a cultural programme drew large audience.

In **Chandigarh** a colourful big procession started from Cheema Bhawan and passed through different sectors to culminate in a public rally at sector 17 bus stand. The rally was addressed by Com Raghunath Singh, Com A Sawhney and Com Bal Kishan among others. While remembering the struggle and sacrifice of workers in 1886 in Chicago the speakers narrated the nature of ruthless exploitation of the working class in this era of globalization. They vowed to intensify the struggle to fight the WTO/IMF dictated anti- worker policies and regain our right to organize Trade Unions to realize our demands as well as to achieve goal of 'Right to Work' as a fundamental right. In the morning there was flag hoisting at the offices of several unions.

In **Jaipur** May Day was observed with enthusiasm in all union offices, factories Cinema Halls, Bus and Taxi stands by hoisting red flag and holding meetings. Slogans were raised to intensify struggles fight the anti – workers policies of UPA and State Governments. The workers and the leaders pledged to carry on the fight for right to work, right to strike, to work for working class unity as well as unity of workers and peasants. They vowed to end casteism, regionalism, and religious fundamentalism, by all means. Com Ravinder Shukla, Bhanwar Singh and many other leaders spoke on this occasion.

In **Delhi** like previous years a procession marched to the Town Hall starting from Ramlila Ground and winding through the alleys of Old Delhi: A rally was held in front of the Town hall addressed by leaders of all left trade unions. From CITU Com Dipankar Mukherjee addressed the audience. Com Mukherjee severely criticized the Central Government for their failure to provide social security, minimum wages specially to the unorganized sector workers, while the government is giving a free hand to employers, in the name of ending Inspector Raj to violate all labour laws, safety regulations and environmental norms. He urged upon workers to take a vow to fight this lawlessness and to unite themselves to defeat anti- workers policies followed by the UPA government.

May Day was observed with great enthusiasm in Adityapur, Gamharia, Chandil industrial area around **Jamshedpur**. Observation was marked by hoisting of red flag, all around decoration by chain flag of CITU and holding meetings in several places. In the evening there was flag hoisting in the CITU union office in Dugdha Gaon. Comrade G K Shukla, Vijay Kant Lal Das, Narender Mishra, S N Singh, K K Tripathy and many other leaders addressed the meetings at different places.

Joint Council of Trade Unions in **Faridabad** organized a big mass meeting at Vadana Bhawan on Neelam Bata Road. The rally paid homage to the martyrs of May 1886 movement and resolved to fight against the anti-labour policies in the era of globalization. Leaders of CITU, AITUC, HMS, HMKP, BEFI, Haryana Bank Federation and Haryana Sarva Karamchari Sangh addressed the gathering. A big procession was taken out raising slogans demanding rise in minimum wage, stopping of outsourcing, filling up of vacant posts, employment on compassionate ground, increasing PF interest rate etc. Com Ram Chandra Rawat spoken from CITU.

Centre of Indian Trade Unions

GENERAL COUNCIL MEETING

27 - 30 May, 2007

Kolkata (West Bengal)

REPORT OF THE TREASURER

Comrade President and Comrades,

The audited statement of accounts of CITU for the year 2006-07 is already circulated. I am formally placing it for your approval.

On Funds: Last year being the Conference year, the affiliation fee collection was quite substantial. Unfortunately, our state committees are not taking concrete steps to see that the affiliation fees collection and Annual Return submission for the year 2006 is complete by June so that no backlog is allowed to pile up again. Up till now we have received only some Annual Returns from West Bengal, Kerala, Delhi (21), Assam, M.P., Punjab etc. The regular and timely collection in effect will also augment their state Committee funds. It is therefore, necessary that we should strictly adhere to making complete collections within a targeted date.

BTR Fund: As I had reported in the XII Conference of CITU a regular inflow towards this fund is necessary to meet the regular annual expenses which currently is being met by taking loan from CITU. I only wish that some suggestions are made in this regard by this meeting.

P.R.Fund: Com.P.Ramamurthy's birth Centenary year begins from 23rd September. The Secretariate has already decided to build the permanent School and Research Centre by middle of next year. It will come up either in Delhi (if we get the land) or in Ghaziabad as decided earlier. In the meantime, efforts are being made by Com.Jibon Roy, Com.Basudev Acharya and Com.Tapan Sen to see that we get the land assured by the Govt. Therefore, funds are required to give shape to our dream. Rs.35 lakhs has been collected up till now and I feel a fresh drive, fixing quotas, has to be given in a time bound manner.

Tsunami Fund: Out of a total collection of Rs.1 Crore 5 lakhs Tamilnadu State Committee has already started relief work for the victims and we hope to utilize the fund as early as possible so that relief work can be completed without further delay.

Publications: It is sad that the circulation of our journals CITU Mazdoor and Working Class has not been showing any encouraging picture. Circulation of Working Class is around 5000 Copies while that of CITU Mazdoor is 6248 copies only. Both including the complementary copies. It does not cover .25% of our total membership. While on the other hand the readership of the Voice of the Working Woman has crossed almost 6500 through the major subscribers are from Kerala. The payment position of Working Class and CITU Mazdoor has improved but Voice has a substantial outstanding above 72,000. in which A.P. alone has to clear above 42,000. State Committees should give more effort to see that the circulation of our journals increases and the payment position is improved.

With this I place this report for your consideration and adoption.

Ranjit Basu
Treasurer

ACCOUNTS FOR THE YEAR 31st MARCH 2007
AUDITORS' REPORT

We have examined the Balance Sheet of Centre of Indian Trade Unions as at 31 st March, 2007 and the Income & Expenditure account and Receipt and Payment account for the year ended on that date which are in agreement with the books of account maintained by the said institution.

We have obtained all the information and explanations and in our opinion, proper books of account have been maintained by the above named institution so far as appears from our examination of the books subject to the notes on accounts.

In our opinion and to the best of our knowledge, and according to information given to us, the said accounts read with the Notes on Accounts give a true and fair view:-

1. In the case of the Balance Sheet, of the state of affairs of the above named institution as at 31.03.2007 and
2. In the case of the income and expenditure account, of the excess of income over expenditure for the year ending 31-03-2007

CENTRE OF INDIAN TRADE UNIONS

BALANCE SHEET AS AT 31st MARCH, 2007

LIABILITIES	RUPEES	RUPEES	ASSETS	RUPEES	RUPEES
<u>GENERAL FUND</u>			<u>FIXED ASSETS</u>		1,394,182.00
Opening Balance	15,108,683.00		(As per Schedule attached)		
Add: Surplus from Income & Expenditure account	4,200,178.00	19,308,861.00	<u>INVESTMENTS</u>		
			Fixed Deposits with Banks		18,273,967.00
<u>CURRENT LIABILITIES & PROVISIONS</u>			<u>CURRENT ASSETS, LOANS AND ADVANCES</u>		
a) Current Liabilities			a) Current Assets		
Tsunami Victim Relief Fund	7,274,303.00		Balance with Banks	8,045,884.00	
Com. P. Ramamurthy Fund	3,460,783.00		Cash in hand	57,389.00	
Transport Seminar Fund	30,000.00		b) Loans & advances	2,363,249.00	10,466,522.00
Audit Fee Payable	11,224.00		(Advances recoverable in cash or kind for which value to be received.)		
Payable Staff Welfare Fund	49,500.00	10,825,810.00			
		30,134,671.00			30,134,671.00

Note : Figures have been rounded off to the nearest of rupee.

For CENTRE OF INDIAN TRADE UNIONS

AUDITORS' REPORT

As per our report of even date attached.

For B.M. SHARMA & ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/- Sd/- Sd/-
(PRESIDENT) (SECRETARY) (TREASURER)

Place : New Delhi
Dated : 04.05.2007

Sd/-
(B. M. SHARMA)
Partner

CENTRE OF INDIAN TRADE UNIONS

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2007

EXPENDITURE	RUPEES	INCOME	RUPEES
Magazine Expenses	743,085.00	Sale of Magazines	768,521.00
Meeting, Rally & Seminar Exp.	262,302.00	Publication A/c	2,493.00
Travelling & Conveyance Exp.	177,125.00	Affiliation Fee	5,627,095.00
Vehicle Expenses	169,314.00	Bank Interest	72,463.00
Bank Charges	13,139.00	Donation	147,382.00
Building Maintenance Expenses	118,383.00	Interest on F.D.R.	937,555.00
Electricity & Water Expenses	33,183.00	Miscellaneous Receipts	20,495.00
Medical Expenses	87,800.00		
Miscellaneous Expenses	37,023.00		
Communication Expenses	214,187.00		
Rent & Taxes	36,493.00		
Service & Maintenance	255,362.00		
Printing & Stationery	160,386.00		
Tea & Tiffin Expenses	53,362.00		
Staff Welfare Fund	138,700.00		
News Papers & Periodicals	47,400.00		
Wages	620,875.00		
Depreciation	202,095.00		
Audit fee	5,612.00		
Excess of Income over Expenditure	4,200,178.00		
tfd. to Balance sheet			
	7,576,004.00		7,576,004.00

Note : Figures have been rounded off to the nearest of rupee.

For CENTRE OF INDIAN TRADE UNIONS

AUDITORS' REPORT

As per our report of even date attached.

For B.M. SHARMA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(PRESIDENT

Sd/-
(SECRETARY)

Sd/-
(TREASURER)

Place : New Delhi
Dated : 04.05.2007

Sd/-
(B. M. SHARMA)
Partner

CENTRE OF INDIAN TRADE UNIONS

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2007

[illegible]

Note : Figures have been rounded off to the nearest of rupee.

For CENTRE OF INDIAN TRADE UNIONS

AUDITORS' REPORT

As per our report of even date attached.

For B.M. SHARMA & ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/-
(PRESIDENT

Sd/-
(SECRETARY)

Sd/-
(TREASURER)

Place : New Delhi
Dated : 04.05.2007

Sd/-
(B. M. SHARMA)
Partner

Centre of Indian Trade Unions

GENERAL COUNCIL MEETING

27 - 30 May, 2007

Kolkata (West Bengal)

Condolence Resolution

COM. CHITTABRATA MAJUMDAR

This General Council Meeting of CITU being held from 27-30 May 2007 at Kolkata deeply mourns the passing away of Com. Chittabrata Majumdar, the General Secretary of CITU and a member of the Polit Bureau of CPI(M). He was admitted to a hospital in Kolkata soon after the 12th All India Conference with breathing complications and died on 20th February '07. He was 71.

From the beginning Comrade Chittabrata as he was affectionately called, had been associated with the working class movement. Fighting the revisionism in the working class movement, he contributed much during the formation of CITU in West Bengal. He concentrated on developing the TU movement in the Engineering industry in particular and organized the workers moving from factories to bastis.

A TU organizer of the highest calibre, Comrade Chittabrata Majumdar was a member of the Working Committee of CITU when it was formed in 1970. He was elected the General Secretary of the Bengal unit of the CITU in 1990. He became one of the national secretaries of the CITU in 1991. He continued as the General Secretary of the biggest state unit of the CITU till he was elected as the All-India General Secretary of the CITU at the 11th All-India Conference held in Chennai in January 2004. He was re-elected to the post at the 12th All India Conference held from 17-21 January 2007 at Bangalore.

At the most difficult time of the ideological and economic onslaught of imperialism, he led the CITU with sharp ideological clarity and correct organizational understanding.

He always spoke of the importance of taking the workers' struggle out of the circle of economic demands into the wider realm of political struggles and movements. He also played an important role in setting up an international solidarity of workers against the dictates of imperialist globalisation. He was one of the architects of Southern Initiative against Globalisation & Trade Union Rights (SIGTUR). He represented the CITU in International TU conferences and in the ILO. As part of his TU life he has visited many countries. He wrote innumerable essays and articles on such subjects as Marxism-Leninism, political economy, ideology of the Communist Party and Party and TU organization. He always updated himself with new information and also technologies of the modern times. He was an expert in using computers to improve the efficiency of the organization. He also had a keen interest in sports and games.

Com. Chittabrata Majumdar took special care to develop cadres and leaders. He guided his cadres in their problems not only politically, but personally also.

Comrade Chittabrata Majumdar is no more. But his humble lifestyle, his depth of knowledge, his role as a dedicated Communist, and his achievements as a TU organizer who led from the front, will remain as icons of inspiration that he leaves behind for the present and the future generations of

Communists, TU organizers, and workers. His concluding remarks on the deliberations on the General Secretary's report at the 12th All India Conference have given a direction towards intensified struggles against the present onslaught of neo-liberal imperialist globalization and for streamlining the organization. This will continue to inspire the working class movement in its future struggles.

While paying homage to his revered memory, let us rededicate our lives to the ideals and goals for which he lived his entire life. This General Council Meeting conveys its heartfelt condolences to his wife Sabitri Majumdar and daughter Barshana Majumdar and other bereaved members of the family

ON CONDOLENCES

This General Council Meeting of CITU held at Kolkata from 27-30 May '07 records with deep grief the passing away of Com. Banamali Das a veteran freedom fighter and leader of many a mass movement in Orissa, Com. Nain Singh a leader of the Agricultural Workers in UP.

The General Council also deeply mourns the demise of Com Haradhan Roy, a veteran leader of the trade union movement and one of the pioneers and architects of the coal workers' movement in the country and also an eminent parliamentarian championing the cause of working class in Parliament during almost decade long tenure. He was also known and highly respected for his spartan life and accessibility to all while remaining in senior position in the organization.

The meeting also condole the death of versatile Hindi Novelist Sri Kamaleswar, Sri P. Bhaskaran a noted poet of Kerala and Smt. Leela Majumdar a reputed Bengali writer.

This meeting also condole death of the coal mine workers and their family owing to subsidence in the Jharia coal field under BCCL and also the loss of lives of 22 workman in explosion during night shift in Premier Explochem Ltd at Nasik and expresses anguish over the negligence of the employers and management towards safety in workplace causing such tragic loss of lives.

This meeting condole the death of 14 people who died in Nandigram due to police firing and the attack by anti-social gangs of opposition parties and extremist elements on 14th March 2007.

This meeting also condole the death of 12 people in Mecca Masjid in Hyderabad because of massive explosion triggered by extremists on 18th May 2007 and those who died of police firing in the wake of the bomb blast.

ON HOMAGE TO MARTYRS

The General Council Meeting of CITU held from 27-30 May, 2007 at Kolkata pays respectful homage to all those leaders, cadres and activists of trade union, peasant, agricultural labour, youth, student and women's movement, who laid down their lives in the struggle championing the cause of the toiling people, as well as against separatist, divisive and communal forces safeguarding the unity of the people and integrity of the nation.

The meeting most respectfully remembers the courageous sacrifice of those innumerable comrades of democratic movement who have embraced martyrdom confronting the heinous and ghastly attacks of the political gangsters, the police and the employer nexus. These courageous sacrifices have left indelible impression on the democratic movement as a whole and will remain a constant source of inspiration in our fight against exploitation and for the cause of unity of the people.

Views and Comments of CITU ON THE Agenda Items of 41st Indian Labour Conference held on 27-28 April 2007 at New Delhi

GENERAL

The Centre of Indian Trade Unions (CITU) records its concern that the practice of convening the sessions of the Indian Labour Conference (ILC) on an annual basis has not been adhered to and the sessions due in the years 2004 and 2006 have been skipped.

The Centre of Indian Trade Unions (CITU) also records that the action taken report on the conclusions of the 40th session of the ILC, presented to the 41st session of the Standing Labour Committee (SLC) held during December 2006 had only testified to a totally indifferent approach to issues of concern to the labour in this country.

Before proceeding with our comments on the agenda items before this (41st) session of the ILC, we wish to point out the inadequacies and omissions on the part of the Government of India as reflected in the action taken report placed before the SLC.

ON SOCIAL SECURITY FOR UNORGANISED SECTOR WORKERS INCLUDING AGRICULTURE SECTOR WORKERS COVERING THEIR SERVICE CONDITIONS, SOCIAL SECURITY AND OTHER BENEFITS

The action taken report refers to a presentation made by the Ministry of Labour & Employment to the Prime Minister on 18.11.2005 on draft Bills prepared by Ministry of Labour & Employment, National Commission for Enterprises in the Unorganised Sector and one forwarded by the National Advisory Council (NAC) also a social security scheme as suggested by National Advisory Council. This whole exercise was not even brought to the notice of the 40th session of the ILC, which was held subsequently.

The action taken report only elaborates the follow up action taken pursuant to the meeting presided over by the Prime Minister on 18.11.2005 and has paid no attention to the unanimous conclusions of the 40th session of the ILC. The only reference is to the constitution of a Tripartite Working Group under the Chairmanship of Secretary (L&E), the first meeting of which was held on June 23, 2006. The Tripartite Working Group has thereafter been pigeonholed and the issue had been processed at a different level, which has undermined the unanimous conclusion of the ILC itself.

The action taken report states, 'In view of the urgency in bringing about a comprehensive legislation for welfare schemes for workers in the unorganised sector, various meetings were held with the concerned Ministries, Departments and NCEUS. Finally a draft Bill has been proposed for decision at an appropriate level'.

The urgency talked of as above is nothing but an alibi to give a go by to the tripartite consultation process as nothing tangible has been in evidence. Another draft Unorganised Sector Workers Social Security Bill, 2007 was published on the website of the Ministry of Labour & Employment calling for comments from the public. This draft is completely different from all the previous drafts and has left out the vital aspects like regulation of employment, budgetary allocation to the social security corpus, guaranteed payment of minimum wages etc, Taking cognisance of this move, the Central Trade Unions had, on February 13, 2007, jointly written to Minister of Labour, Government of India, expressing

deep anguish and dissatisfaction over the cavalier fashion in which this vital issue had been handled and demanding convening of a meeting of the Central Trade Unions.

The action taken report has put forth a proposal as under:

"It is our considered view in the Ministry of Labour and Employment that we should move sequentially in a phased manner, initially extending some benefits of life/accidental insurance and survival benefits to a segment of the unorganised sector. On the basis of experience gained, we can then consider increasing the benefits as well as the coverage depending on the availability of funds. We can also, subsequently decide whether there is a need for an exhaustive legislation".

This is totally out of sync with the decisions of the ILC as well as in total deviation from the commitment made in the National Common Minimum Programme (NCMP) of the present Government.

The CITU demands that this proposal be rejected outright. The CITU demands of the Government of India to expeditiously resume tripartite consultations towards simultaneous introduction of separate but comprehensive bills for the agricultural workers and the unorganised sector workers covering both social security and conditions of work, incorporating the unanimous inputs provided by the central trade unions.

ON AMENDMENT OF WAGE RELATED LABOUR LAWS and AMENDMENTS RELATING TO INDUSTRIAL RELATIONS

As per the action taken report, the Government had come to an unfortunate decision that it will not be possible to carry out further amendments to the Payment of Wages Act, 1936, immediately, as the Payment of Wages (Amendment) Act, 2005 had been made effective from 9th November, 2005.

On the amendments proposed to the Minimum Wages Act, 1948, the action taken report states, 'no consensus could be reached on all the proposals' and 'it has been decided to discuss the amendment proposals in the Central Advisory Board (CAB) constituted under Section 8 of the Minimum Wages Act, 1948 to facilitate taking a final view in the matter'. This is not borne out by the recording in the action taken report itself which notes, 'The amendment proposals relating to sections 3 (1) (a), 3 (2) (a), 3 (3) (a), (iii), 8 (2) & 9, 18 (3), 20 (1), 20 (2), 20 (3) (ii), 20 (5) (b), 20 (7), 20 (8), 21 (1), 21 (3), 22, 22 A, 22 AA, 27 and 28 of the Minimum Wages Act, 1948 as contained in the agenda note were agreed to'.

On the Payment of Bonus Act, 1965, the action taken report simply records in a routine fashion, 'the proposal to revise the eligibility/calculation limits upward, as per recommendation of 2nd NCL is under active consideration by the Government'. As this is listed as an agenda item in this (41st) session of the ILC, we note to offer our detailed comments at the appropriate place, later in this memorandum.

On amendments relating to industrial relations, the action reports correctly notes, 'consensus was arrived at only on the following five proposals: -

- (i) Grievance Redressal Authority (agreed subject to certain modifications)
- (ii) Appropriate Government – Section 2 (a) (Agreed subject to certain modifications)
- (iii) Power to enforce decree by tribunals

- (iv) Salaries and allowance and other terms and conditions of service of the Presiding Officers.
- (v) Direct reference of dispute, etc.’.

But, there is no explanation in the action taken report as to why the amendments on these aspects, where a consensus had been reached, could not be proceeded with. The report elaborates twelve proposals over which no consensus could be reached for they being very contentious issues. The report quotes the provisions of the NCMP but fails to answer why the consensus amendments that protect the interests of workers and families should be kept in abeyance because of divergence over other amendments pressed for by the employers. This only strengthens the worst apprehensions of the trade unions that the stand ‘the amendment proposals in the Industrial Disputes Act, 1947, will be finalised after detailed consultation with social partners’, is a calculated ploy to coerce the workers’ side to compromise on those amendments pressed for by the employers’ side.

In fine, the action taken report is nothing but a sordid piece of evidence, which undermines the very ethos of tripartite machinery, and speaks volumes of the inertia on the part of the Government to prioritise the issues of concern to the workers.

Item 1: Strengthening of Labour Laws and its effective implementation to prevent violations

The CITU views with serious concern that the agenda note circulated by the Ministry of Labour on this item has failed to capture the essence of the deliberations in 41st session of the SLC, held on December 20, 2006 at New Delhi under the chairmanship of Union Labour Minister.

The fact that clearly came out during the deliberations of the 41st session of the SLC is that most of the labour laws enacted in both central and state sphere are being brazenly violated in most of the States and also in the Central sphere. Most of the private sector employers, most of the state governments and also the management of most of the central government-owned industries/establishments and departments have also been the abettor of such process of labour-law violations.

Regretfully the agenda note has inverted the thrust of the agenda item by laying emphasis primarily on changes required in the Acts and Rules, inspections and concomitant action. Though the need to strengthen the labour enforcement machinery also finds a mention in the agenda note, it does not outline any concrete measure to achieve this.

The agenda note places this item for discussion in this (41st) session of the ILC with a suggestion, ‘the ILC may consider deliberating and suggesting broad parameters’, leaving the requirements of the individual Acts to be examined separately and subsequently. This virtually seeks to take the contents of changes in the individual legislations outside the ambit of tripartite scrutiny and decision-making process. This is unacceptable.

Yet another dangerous trend in this regard is placing the Hoda Committee Report and its recommendations on the same footing as that of the Report of the Second national Commission on Labour (SNCL).

The SNCL had representation - though unsatisfactory – of the central trade unions. But, the very constitution of the Hoda Committee is, apparently, an outcome of the meeting of the Prime Minister’s Council on Trade & Industry held on December 4, 2004; its composition and terms of reference are

not known to the central trade unions; the trade unions had no representation therein. The Hoda Committee had very limited scope to 'look into the requirements of multiple inspections and recommend on steps to be taken to streamline and simplify them'. It is not clear how the report and recommendations of this committee are relevant to the discussion on agenda item of 'Strengthening of Labour Laws and its effective implementation to prevent violations'. Moreover, there is no transparency in the whole exercise. The Report of the Hoda Committee had not been made available to the central trade unions. But, the Government of India is bringing certain recommendations of this report for discussion in this (41st) ILC, after circulating the same to State Governments, as a result of which at least a couple of State Governments have, as reported, already introduced self-certification. Even now, the report in its entirety is not placed for scrutiny but only some piecemeal recommendations have been forked out for consideration.

The recommendation to establish a system of third party inspection giving an option to enterprises to get their regulatory compliances certified by international agencies, which are described as 'reliable', coupled with exemption of such units from routine inspections tantamount to liquidate the very enforcement machinery under various labour laws.

Similarly, the recommendation for developing joint inspections and joint annual calendar of inspections – spelt out in the agenda note in a cursory manner – has ominous portents. This gives rise to justifiable apprehensions of a government-employers' coalition against labour, providing a smoke screen for deliberate evasion and wilful non-compliance of labour laws.

Again the introduction of a scheme of self-certification has already been flagged off for surreptitious implementation at the State level. In the background of rampant violation of Labour Laws witnessed all over the country, proposing "self-certification" by the employers only tantamount to legitimising those violations and can by no means "strengthen implementation". This is nothing but conferring on the perpetrators of crimes the right to exercise surveillance of criminal law!

It is ridiculous to find the agenda note putting forth these recommendations of the Hoda Committee report, side by side with the paragraphs from the SNCL Report suggesting "stringent punishment" for violation, "quick and time-bound disposal of cases" and "deterrent punishment to make the cost of violation dearer than the cost of implementation" et al. It appears to be the height of hypocrisy!

The CITU submitted a detailed note to the Union Labour Minister on various glaring cases of labour law violations on October 25, 2006. This includes cases of violations both in the State and Central spheres. The reality is that all the labour laws are being violated, or being allowed to be violated with impunity, in most of the workplaces in the country. None of the labours law is enforced particularly in the Special Economic Zones, although the SEZs very much fall within the coverage of labour laws, at least for the record as of now. The recent economic policy initiatives are designed to promote proliferation of SEZs all over the country, to make them a tax-free, trade union-free and labour-law-free zone.

Not to speak of the SEZs alone, more than 50 per cent of the organised sector workforce does not get the statutory minimum wage notified by the State or Central governments. 12 to 14 hours of work a day - without any extra remuneration for work beyond eight hours - has become the order of the day in most of the establishments in the private sector. In the Information Technology Sector, particularly the ITES segment, there is just no limit to the working hours and all norms are trampled underfoot. In most of the private sector establishments, names of the majority of workers do not find place in the employment register either of the principal employer or of the contractor. Thus, a majority of the

workforce is deprived of minimum wages, basic social security benefits and even compensation in the event of death and disablement owing to accident at workplace. Workers are deployed en masse on contract basis even in regular jobs, trampling underfoot the core provisions of the Contract Labour (Regulation & Abolition) Act. Formation of trade union itself has become a serious challenge owing to aggressive and repressive tactics being adopted by the employers with the active support of state administration, especially in the industries and establishments that have come up since 1990s. These are the areas where labour laws are violated most. This is the scenario in most of the workplaces in the country particularly after the onset of economic liberalisation where market is considered to be the god of everything.

Wherever and whenever the workers raise their voice just for implementation of what is there in the statute book, i.e., against non-payment of minimum wages, 12 hours working without compensation, denial of basic social security, unlawful retrenchment, repressive dismissal just for forming trade unions etc - all glaring examples of desperate violation of all basic labour laws, they face inhuman atrocities at the hands of both the employers and the State administration. In most of the places, the State administration as well as the Police has been acting as personal security-men of the employers and protectors of the offenders of law. Repeated appeals to the Government agencies for intervention by the trade unions are naturally falling on deaf ears, owing to complete domestication of all agencies by the employers' lobby.

Even in the pre liberalisation period, there had been complaints of violation of labour laws, but those can at best be attributed to failure of the enforcement machinery and the unholy alliance of a section of the enforcement officials and the employers' class. But post liberalisation, particularly from mid nineties, labour law violation is being consciously promoted as a policy by the dirigisme regime, from the respective seats of governance. When governance indulges in lawlessness, it signals the beginning of reign of anarchy, which is not at all a healthy symptom so far as the maintenance, and more importantly sustenance of social equilibrium.

In fine, the design of the government-employers' combine has been to introduce 'hire & fire regime' and to ensure a union-free workplace everywhere. The Economic Survey (2005-06) seeks precisely to advocate this approach when it comments, "...Indian labour laws are highly protective of labour...Evidence suggests that States which enacted more pro-worker regulations, have lost out on industrial production in general (Page 209)". The message to the States is clear: "don't implement labour laws; acquiesce in labour law violations; head towards jungle raj; join the race to bottom to erode quality of work-life of labour and prosperity will shower on you!" Shrouded in these phraseologies is the theory and ideology that advocates pursuit of aggressive hostility against the workers' basic rights in all workplaces and trade unions.

The situation is serious enough to warrant urgent corrective measures by way of strengthening the enforcement machinery, bring them out from the clutches of palm-greasing employers, strengthening and widening inspection system instead of lamenting on "inspector raj". This has also been corroborated by the observations made, albeit reluctantly, by the studies made by agencies sponsored by World Bank. One such study recently made by Carmen Pages of the World Bank and Tirthankar Roy of Gokhale Institute, Pune (Titled-Regulation, Enforcement and Adjudication in Indian Labour Markets: Historical Perspective, Recent Changes and Way Forward) termed the labour regulation system in India as "an ineffective system of law enforcement and a saturated system of dispute resolutions" and noted further that "We found that while no significant change has occurred in legislation and formal union presence, weakening law enforcement, increasing recourse to contract employment, judicial decisions upholding the legality of contract and temporary employment and increasing decentralisation

of legislative initiative are some of the ways that flexibility has increased.”

On Contract Employment, the same study observed, “Although it (contract employment) is now being used extensively as the principal means available to employers and state governments to increase flexibility...the original purpose of the Contract Labour (Regulation & Abolition) Act was quite the opposite.... And there is collusion between the primary (principal) employers and contractors to pay wages below the minimum wages.”

Other notable observations of the same World Bank sponsored Study are:

“Neither the provisions related to hours of work nor those related to hiring of workers appear as in favour of the workers or restrictive for the employers.”

“Data gathered from the Labour Bureau indicates large decline in the number of factories inspected relative to the number of registered factories.”

“There are signs of weakening law enforcement, ineffective and corrupted inspections and rising recourse to contract labour. A shift in the stand of the judiciary might also be contributing to this”

“The organised-unorganised duality in the Indian labour force has increased over the four decades, when the objective of economic development was to reduce it.”

Above observations, which are a sad commentary of our labour law enforcing machinery throughout the country, had been practically corroborated by none else than the Prime Minister himself when he went on record in his interview to “The McKinsey Quarterly, 2005 Special Edition”: “When we talk about labour reforms, we are essentially talking about 10 per cent of our labour force, which is accounted for the so called organised sector. Outside this 10 per cent, for the 90 per cent we are in a completely flexible labour market. The normal laws of market take precedence. Even within this organised sector.... in the private sector, most people tell me that they can find ways and means of working out voluntary agreements, whereby necessary labour flexibility can be introduced.”

The above statement is a clear admission of the fact that 1) for the 90 per cent of the labour force—no labour law including that pertaining to minimum wages, working hours, workmen compensation etc do not work—a reign of absolute lawlessness under the market god. 2) Of the rest 10 per cent, the private sector segment find their ways and means to dodge the labour laws with impunity.

The only correction needed in the PM’s otherwise unexceptionable statement is that the figures have further changed for the worse with the organised sector shrinking to almost 7 per cent.

The ‘voluntary agreement’ referred to by the Prime Minister is not with the workers but it is a voluntary arrangement between the employers and the enforcement machinery and law and order authority to impose retrenchment, underpayment, unpaid working hours etc on the mass of the workers. We may again refer to the World Bank sponsored Report, which says, “If anything, the evidence points to the opposite, that is, to a coalition between employers and inspectors to evade the law...the conclusion is an ineffective system plagued with irregularities that seemingly does little to promote compliance or advance the cause of the workers while increasing the costs of doing business.”

The deliberations in the meeting of the Central Trade Unions and the State Labour Ministers held on December 21, 2006 corroborated the above-mentioned situation so far as the labour-law-enforcement

is concerned. The response of most of the State Labour Ministers to the issues raised by the Trade Unions revealed the de facto ineffectiveness of the State enforcement and grievance-redressal machinery in monitoring the enforcement process. They also pointed out in particular to the ineffectiveness of the provisions in various labour laws pertaining to enforcement and disciplining the offender-employers and ridiculously insignificant penalty for violation. The power conferred on the officials in various tiers of enforcement machinery is so inadequate as to render the enforcement authority virtually toothless. Added to this has been the obsession within the governance on doing away with preventive inspection system, which makes it a hey-day for the employers to do whatever they like.

It would be pertinent here to refer to the letter written by the Labour Minister, Govt of West Bengal to Union Labour Minister on 12-02-2007 in the context of the strike in Jute Mills in West Bengal. The letter pointed out the inadequacy of the provisions of the Industrial Disputes Act to enable the State Govt to discipline the employers violating the agreements and various labour laws at will.

The Agenda note has rightly referred to some of the recommendations of Second National Commission on Labour pertaining to Review of Labour Laws and Labour Administration citing paragraphs no 6.136, to 6.139, 6.141, 11.3, 11.4, 11.32, 11.34, 11.43, 11.60, 11.75, 11.81 and 11.376, which suggested concrete measures to make the enforcement of labour laws more effective.

But the measures taken thereafter, and those proposed to be taken henceforth, in terms of the recommendations in the report of the Hoda Committee, are all in the reverse direction, which make a mockery of the recommendations of the SNCL, elaborated in the agenda note.

If implementation of the labour laws is to be strengthened to prevent violation, as the title of the subject under discussion desires us to do, the direction of changes in the labour laws cannot be towards flexibility in the deceptive garb of simplification as being stated in the agenda note. Making such suggestion tantamount to mocking at the subject under discussion and a mockery of tripartism as well.

What is required is 1) crying halt to the oft-repeated lament over the 'ills' of the so called "inspector raj" by those in governance; 2) strengthening and widening of the inspection system with adequate manpower and empowering of the inspection agency to impose corrective action for immediate implementation; 3) time-bound disposal of grievances registered with the labour department including time bound disposal of cases by the labour court and empowering the labour court to enforce the decree against the employer with immediate effect; 4) violation of labour laws by the employers to be treated a criminal offence; 5) total ban on granting exemptions to any establishment from the purview of labour laws; 6) universal application of all labour laws without any restriction based on employment stipulation or income parameters and last but not least 7) bringing the entire workforce in the informal sector under coverage of labour laws.

We want changes in the labour laws to strengthen and widen the umbrella of governance on all kinds of employment relationship; exhaustively and effective implementation of them—not to weaken or dilute them further under the deceptive garb of simplification et al, to legitimise non-compliance, as being attempted by the agenda note circulated by the Government.

On the Labour Laws (Exemption From Furnishing Returns & Maintaining Registers by Certain Establishments) Amendment & Miscellaneous Provisions Bill 2005, the agenda note itself has referred to the process of tripartite consultations held pursuant to the direction of the Parliamentary Standing

Committee on Labour. We append a note (Annexure I) presented on behalf of the CITU at the meeting convened by the Secretary (L & E) on March 15, 2007, which is self-explanatory.

Annexure I

The Labour Laws (Exemption From Furnishing Returns & Maintaining Registers by Certain Establishments) Amendment & Miscellaneous Provisions Bill 2005

We note that the Government has come forward to categorise the proposed amendments, as contained in the Bill, into two – core and peripheral and consider dropping these peripheral amendment proposals outright. These peripheral amendments indicated are as below:

- Empowering the Central Government to extend the applicability of the Act to establishments employing more than 500 workers by way of notification. We believe that Clause 3 (2) of the proposed Bill will be dropped.
- Empowering the appropriate Government to exempt any establishment from the requirement of maintenance of any register or record if suitable alternative arrangement has been introduced. We believe that Sub-section 8 of Clause 7 in the proposed Bill will be dropped.
- Exempting employers from displaying abstracts of the Acts and rules framed under the Scheduled Acts. We believe that Sub-section 4A of Clause 5 in the proposed Bill will be dropped.

To reach a consensus on the captioned Bill, the following may please be considered:

The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988 intended to provide exemption to employers in small and very small establishments from furnishing returns and maintaining registers under certain labour laws.

The Principal Act provides for exemption from filing returns and maintaining registers as prescribed in respect of NINE laws as under:

- Payment of Wages Act, 1936
- Weekly Holidays Act 1942
- Minimum Wages Act 1948
- Factories Act 1948
- Plantation Labour Act 1951
- Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act 1955
- Contract Labour (Regulation and Abolition) Act 1970
- Sales Promotion Employees (Conditions of Service) Act 1976
and
- Equal Remuneration Act 1976.

Inclusion of SEVEN more enactments, as proposed in the Bill, can be considered, provided the Principal Act definitions of small and very small establishments are retained as it is, i.e., as under:

‘Small establishment’ has been defined to mean an establishment in which not less than ten and not more than nineteen persons are employed or were employed on any day of the preceding twelve months; ‘very small establishment’ has been defined to mean an establishment in which not more than nine persons are employed or were employed on any day of the preceding twelve months.

Towards this end, we urge that the words 'Certain Establishments' in the long title of the Bill, in Clause 1 (1), in the Heading of the Chapter II of the proposed Bill, in Clause 5. 4 (1) and in Clause 5. 4A of the proposed Bill be replaced by 'establishments employing a small number of persons' as in the long title of the Principal Act. Clauses 2, 3 and 4 (ii), (cb), 4 (iii) and 4 (iv) of the proposed Bill should also be deleted. Besides, in section 4 (1) of Clause 5 in the proposed Bill substitute the words 'or very small establishment' for the words 'other establishment'. Also substitute the words 'a small establishment or very small establishment' for the words 'other establishment' in the proviso thereto.

Further, in Clause 7 of the proposed Bill substitute the words 'any Schedule (other than the FIRST Schedule) and/or Form and thereupon such Schedule and/or Form' for the words 'any Schedule and thereupon such Schedule'. Otherwise the proposed Bill will leave the enactment open ended in terms of inclusion of Scheduled Acts, beyond the proposed addition of SEVEN enactments.

We are unable to agree to enlargement of the employment threshold beyond what is contained in the Principal Act for the following reasons:

The Report of the Second National Commission on Labour desired "to have a separate dispensation for establishments having an employment size of 19 or less workers"; the related recommendation was: "provisions in respect of such establishments can be in the form of a separate law named Small Enterprises (Employment Relations) Act".

We are not aware of the stand of the Government on this recommendation. As the recommendations of the Second National Commission on Labour on the separate law named 'Small Enterprises (Employment Relations) Act', are far reaching in scope (see note in box below), we cannot commit ourselves to any enlargement of the scope of this legislation in terms of employment threshold as in the proposed Bill, as it could be cited as a precedent.

As regards prescribing uniform penalty in all the Scheduled Acts, the principle enunciated that 'violation of a simplified system should invite higher rate of punishment' is only logical and should be accepted by the employers.

We, however, suggest that the penal provision should be modified as under:

The penalty for first time violation of the provisions of the Act may be 'fine which may extend to rupees five thousand', as proposed in the bill. But, we are of the strong view that the competent authority under the Scheduled Acts should be empowered to impose this penalty. Only imposing of the penalty proposed in the Bill for the second time violation (which includes a provision for imprisonment) should be 'on conviction'.

We agree with the proposal in the Bill to permit the employers to maintain the registers and file the annual return on a computer, computer floppy, diskette or other electronic media. We, however, desire that there should be an appropriate addition to the proviso to the sub-section 4 (2) of Clause 5 in the proposed Bill to ensure that the employer should also be mandated to provide the same to the representative of any trade union of which any person/s employed in the establishment is a member. In case there is no such trade union, the employer should be mandated to display hard copies of such returns etc. on the notice board at a prominent place accessible to the person/s employed in the establishment.

We have, however, to scrutinise the Schedules and the Form appended to the Bill.

As the employers' representatives, during the course of the meeting held on March 2, 2007, had expressed their agreement to extend social security to the workers covered under the proposed Bill, we have an important suggestion for consideration.

The Report of the Second National Commission on Labour, presented on June 29, 2002, inter-alia, included the following in respect of the EPF (MP) Act, 1952:

■ The P.F. Act be made applicable to all classes of establishments, subject to such exceptions as may be considered necessary for specified reasons. (8.117)

■ Regarding applicability of the P.F. Act, the Task Force on Social Security has recommended that the employment threshold should be brought down to 10 immediately, to 5 during the next 3-5 years, and to one within a short time-frame thereafter. The Commission agrees with these suggestions. (8.118)

■ Our Study Group has suggested that the special dispensation granted to co-operatives is not warranted, and should be removed. We endorse this view. (8.120).

Even before the Second National Commission on Labour was appointed, the then Union Minister of Labour, Shri Satya Narayan Jatia, addressing the 148th meeting of the Central Board of Trustees held on December 5, 1998, inter-alia, stated:

- To widen the scope of coverage of provident fund benefits a proposal to reduce the employee criteria from 20 to 10 is under consideration of the Government.
- Further to extend the provisions of EPF & MP ACT & Schemes to the economic activities, a proposal for dispensing with schedule heads is under consideration of the Government.

While striving for a consensus on the proposed Bill the Government should agree to implement at least these two measures, which have been under consideration since 1998.

ITEM II: Payment Of Bonus Act, 1965

The agenda note on this subject has confined itself to amend the Payment of Bonus act, 1965 on the lines recommended in the report of the SNCL.

The agenda note, in passing, records, 'the trade unions have been representing for abolishing/hiking of the ceilings.

The Prime Minister in his concluding remarks at the meeting with the senior trade union leaders held on August 19, 2006 stated, inter-alia, "There has been discussion on the ceiling for bonus. I agree that the current ceilings were set more than a decade ago. We will soon consider this in the Cabinet and will take a favourable decision".

We urge that review of the ceilings provided for in the Act should not only be in respect of the wage ceilings for entitlement and calculation of bonus, but also cover the minimum and maximum rates of bonus and the employment threshold.

The draft 'Small Enterprises (Employment Relations) Act' provides that nothing in the following laws will apply to these establishments: i) The Factories Act, 1948 (except those covered by Sec.8); ii) The Industrial Disputes Act, 1947; iii) The Industrial Employment (SO) Act, 1946; iv) The Minimum Wages Act, 1948; v) The Payment of Wages Act, 1936; vi) The Payment of Bonus Act, 1965; vii) The EPF & Misc. Provisions Act 1952; viii) The Employees State Insurance Act; ix) The Maternity Benefit Act; x) The Workmen's Compensation Act; xi) The Equal Remuneration Act, 1976; xii) The Contract Labour (R&A) Act, 1972; xiii) The Interstate Migrant Workmen (RE&CS) Act 1979; xiv) The Shops & Establishments Act; xv) The Mines Act 1951 (except the mines where work is being carried on below ground).

The proposed legislation will also confer the employers of these establishments absolute right to lay-off and retrench workers or close down establishments at their will, by paying a compensation of 20 days' wage per year of service. Those serving for less than five years will be entitled for 15 days' wage per year of service as compensation. They have also been given freedom to lay-off workers any time, and "if the lay-off continues for more than 45 days, it shall be lawful for the employers to retrench the workers."

Besides, the Law on Wages prescribed by the Commission has kept these "small enterprises employing below 20" out of its coverage. The proposed law for the small establishments has provided that "The State Government may fix the minimum rates of wages in respect of the enterprises covered under this Act". This clearly means that the minimum wages in the Small Enterprises will be different from and well below the "National Floor Level Minimum wages" as conceived by the Law on Wages, and which, as per the wisdom and also the "strong belief" of the Commission "should be a reasonable wage keeping in view the needs of the workers and his/her family".

The SNCL recommendation is as follows:

We also recommend that the present system of two wage ceilings for reckoning entitlement and for calculation of bonus should be suitably enhanced to Rs. 7500/- and Rs. 3500/- for entitlement and calculation respectively. (para 6.113)

This has to be considered in the context of the factual situation obtaining at the time when the report of the SNCL was presented.

The SNCL report had noted: "The application of some of the laws is also subject to a wage ceiling. This wage ceiling too does not have uniformity. The ESI Act and the EPF Act are applicable to employees drawing wages not exceeding Rs. 6500/-."

It may be remembered that the SNCL recommended hiking the ceiling for entitlement under the Payment of Bonus Act to Rs. 7500/-, when the wage ceiling under the ESI Act and the EPF Act were only Rs. 6500/-. With the wage ceiling under the ESI Act having been hiked twice first to Rs. 7500/- and recently to Rs. 10000/-, the proposal to stick to the SNCL recommendation of Rs. 7500/- as the maximum ceiling for entitlement is not keeping in line with the spirit of the SNCL recommendation itself.

In another context the report of the SNCL recommended: "The Task Force on Social Security recommended that wage ceiling and employment threshold can and should be uniform with a provision for raising the wage ceiling and its eventual removal and lowering employment threshold and its ultimate removal. The Commission also agrees with it". (para 8.93)

Even on the question of excluding 'highly paid' employees from availing the benefits as 'workman' under various labour legislations the report of the SNCL made a recommendation, "Another alternative is that the government fix a cut off limit of remuneration which is substantially high enough, in the present context, such as Rs 25,000/- pm beyond which employees will not be treated as ordinary "workmen". (para 6.19)

Without prejudice to the basic stand that the ceilings prescribed in the Payment of Bonus Act, 1965 should be abolished, we urge that the proposal as placed in the agenda item be substantially revised in view of the foregoing.

Besides, we urge that the following points also should be considered:

I. Sub-section (vii) of Section 32 of the Payment of Bonus Act had a provision for the employers and the employees coming to an agreement on bonus different from the formulae prescribed in the Act. This Sub-section was omitted by the amendment Act of 1980. We demand that this Sub-section (vii) should be re-inserted in the Act.

II. Section 31A of the Act contains special provisions with respect to payment of bonus linked with production or productivity. The second proviso to this Section reads as under: -
"Provided further that] such employees shall not be entitled to be paid such bonus in excess of twenty per cent of the salary or wage earned by them during the relevant accounting year."
As payment of bonus under this Section is based on production/productivity, this proviso imposing a ceiling of 20 per cent even when enterprises are making phenomenal profits is totally unwarranted. This proviso should be deleted.

III. As per Section 2 (13) read with Section 8 of the Payment of Bonus Act casual employees who have worked in an establishment for not less than thirty days in a year are entitled to bonus. But, despite the broad definition of 'employee' in Section 2 (13) of the Act, the non-permanent employees – other than apprentices, who have been specifically excluded – such as contract workers etc are not getting the benefit of bonus. In the present environment of proliferation of contract employment, the huge workforce employed under various forms of contract should be entitled to payment of bonus on par with the casual employees. This aspect should be specifically provided for by way of suitable amendment to the Act.

Item III: Contract Labour (Regulation & Abolition) Act, 1970

The Agenda note at the outset delves on the conditions of the contract workers in the country. It states, "These workers are millions in number and generally belong to unorganised sector. They have very little bargaining power have little or no social security and are often engaged in hazardous occupations endangering their health and safety. They are often denied Minimum Wages and have little or no security of employment."

The above statement itself reveals the fact that the employers in most of the workplaces flagrantly and the enforcement authority violate the provisions of the Contract Labour (Regulation & Abolition) Act, 1970 with impunity, with the governments remaining mere onlooker. The ground reality is the

Government agencies and departments themselves, both in the State and the Centre, are the biggest employers of contract workers, where such deployment does not stand the test of legality under the Act. The custodians of the law, the governments, are the biggest violators besides acting as abettor of such violation in other areas. The agenda note should have started with a candid admission of this phenomenon explaining the reasons why such a pathetic situation, as depicted above, has emerged in spite of having this Act on the statute book.

Secondly, while presenting an outline on the "PROVISIONS OF THE ACT AND THE PRESENT STATUS", the agenda note meticulously skipped mentioning the most crucial feature of the Act, in essence, the life-line of the Act, which defines the 'triangular employment relationship' and the role and responsibility of the Principal Employer, who is the final recipient of the benefits/gains from contract-employment. These relate to sections 10, 20, 21, 29 of the Act and Chapter V, sections 25(v), 72, 73, 74, 81, 82 and 83 of the Central Rules framed there under.

Regarding the status of implementation, the agenda note seeks to brush beneath the carpet the alarming situation prevailing at the ground level with a simple statement, "number of complaints alleging violation ... are being investigated and remedial action taken in accordance with the provisions of the law..." The tables, given in the annexure on number of prosecution launched and convictions out of total number of complaints and irregularities detected out of them, expose that the enforcement machinery could not touch even the fringe of the vast magnitude of the phenomenon of widespread violations. The statistical table annexed to the agenda note also shows that number of contract labour covered by licenses is only 9.715 lakh in 2005-06, which was 13.27 lakh in 2002-03. Contrast these figures with the actual figure of the contract workers that too only in few selected sectors. As per NSS data, manufacturing sector in our country employ around 4.80 crore workers, of which only 66 lakh are in the organised sector and the rest 4.14 crore account for unorganised sector. This means that more than 4.5 crore contract workers are in the manufacturing sector alone. In the mining & Quarrying, of the 23 lakh workforce the share of unorganised sector employment is 13 lakh – all working under various contractors and sub-contractors. Construction sector is another segment where unorganised sector employment is ten times more than the regular employment in the sector, around 1.65 crore - again mostly employed under various contractors and numerous petty sub-contractors.

Added to this has been the contract workforce in the Government departments and undertakings. Even in public sector units, both at the Centre and in the States, the proportion of contract/temporary workers in the total workforce have already crossed the 50 per cent mark on an average and in most of the cases the contract/temporary workers are being deployed in core operational jobs. In the case of petroleum sector, contract-workforce has become almost 70 per cent of the total. Coal is another sector where a huge number of contract workers were deployed since beginning in transporting, loading/unloading and various other jobs; since mid-eighties itself, contract workers started being deployed in a big way in core production jobs particularly in open cast mines. These contract workers, mostly deployed in regular production jobs, are paid less than one-tenth of what is being paid to permanent workers. Even in the sectors engaged in highly sophisticated and mechanised production process, contract workers are being deployed increasingly in the same shop floor with the permanent workers. A majority of such instances of deployment of contract workers is unlawful and violative of Section 10 of the Act, as they are all deployed in regular and permanent/perennial jobs.

The above situation clearly depicts that only a miniscule section of contract workers are covered by licensed contracts and overwhelming majority of the contract workforce in the country are outside the boundaries of legal inspection and scrutiny, where violation has become the order of the day.

Quite consistent with this mass scale contractorisation and temporarisation of workforce, the share of labour cost in total cost of production is declining steadily over the years. As per the Report of Annual Survey of Industries (ASI), it has gone down from 7.84 per cent in 1999-00 to 6.82 in 2003-04. The ASI Survey also revealed that the average daily wage of the contract workers is around 65 per cent less than the total average daily wage of all workers in the industry. This reflects the pitiable condition of the majority of the industrial workforce in our country.

Post-liberalisation, the contract system is also undergoing a drastic change – both in pattern and structure. In the name of outsourcing/offloading/job contracts and various other nomenclatures, workers are being deployed under extremely fragile service conditions, affecting their wages, continuity of employment and other basic rights at workplace. Through these new processes of contract/temporary deployment, the principal employers - the final recipients of the value created by such contract workforce - also manage to escape their responsibility as principal employer as provided in the Contract Labour (Regulation & Abolition) Act. As a result, the concerned workforce is thrown outside the scope and boundary of legal scrutiny and monitoring under the Act.

Side by side, the Judiciary has become pro-active to cover-up the inability of the Government – albeit due to compulsions - to yet bring about the changes in labour laws as desired by the employers. There are numerous examples of the apex court judgements undermining and in many cases nullifying basic labour rights recognised over couple of decades. Not only that, the implication of such judgments in many cases has been one of changing the provisions concerned statutes in stead of disposing of the complaints in terms of those statutes. The apex court order setting aside its own judgement on regularisation of contract workers (Air India case), while responding to a subsequent appeal of SAIL, denying the contract workers, working continuously for several years in permanent perennial jobs, the right of being regularised. Repetition of similar judgements in all subsequent cases of similar nature clearly reflected the judiciary assuming the role of a proactive legislature, rather than discharging its own constitutionally designated role as arbitrator under the existing laws of the land. All such judgements have a single point destination – of rendering the employment relationship indirect and freely adjustable in the interests of capital. In reality, these judgments manifested complete indulgence of the judiciary towards despicable violations of the Contract Labour Act by the employer-class.

In this context, it is pertinent to quote from a World Bank sponsored Study made by Carmen Pages of the World Bank and Tirthankar Roy of Gokhale Institute, Pune (Titled-Regulation, Enforcement and Adjudication in Indian Labour Markets: Historical Perspective, Recent Changes and Way Forward). The Study noted: “ We found that while no significant change has occurred in legislation and formal union presence, weakening law enforcement, increasing recourse to contract employment, judicial decisions upholding the legality of contract and temporary employment and increasing decentralisation of legislative initiative are some of the ways that flexibility has increased.”

Specifically on Contract Employment, the same study observed: “Although it (contract employment) is now being used extensively as the principal means available to employers and state governments to increase flexibility...the original purpose of the Contract Labour (Regulation & Abolition) Act was quite the opposite....And there is collusion between the primary(principal) employers and contractors to pay wages below the minimum wages.”

It is most unfortunate that the alarming situation of virtual anarchy prevailing in the workplaces, mentioned above, does not find any place in the agenda note. It has failed to propose measures for strengthening and widening the coverage of the Act to include all kinds of temporary employment and ensure equal pay for same and similar nature of work to all workers in a particular workplace. On the

other hand, it virtually pleads for 'liberalising the Act, in tune with the changing time, in order to spur the growth of industry'. The Government has also formulated the issues for consideration in the agenda note, with absolutely no concern about the brutal exploitation going on at the grass root level. Trade Union movement cannot accept such an approach, which in the name of "liberalising" ensuring its effective implementation actually aims at legalising the illegal measures of rampant violation of the existing law.

In consideration of the situation prevailing at the ground level and in view of changes taking place in the character of deployment of workers basically designed to provide the employers avenue to evade the obligation under the Act, the Contract Labour (Regulation & Abolition) Act 1970 needs to be amended to ensure the following basic requirements:

- 1) Redefining employment relationship on the basis of the linkage between the final recipients of the gains of production, i.e., the principal employer, vis-à-vis the producer at the lowest rung of the production process deployed through various decentralised agencies.
- 2) Outsourcing should be treated as contract and should be covered by Contract Labour Legislation.
- 3) Reiterating the equal pay for same and similar work both for regular and contract/temporary workers in the main body of the legislation (at present similar provision is there in the rules framed under the present statute).
- 4) Regularisation of contract workers deployed in permanent/perennial jobs in the permanent roll of the company and stringent punishment (This is required to negate the pernicious impact of the Supreme Court Judgments on rights of the contract workers)
- 5) Payment of the minimum wage prevalent in the company/establishment to the contract workers of the said company if it is higher than the statutory minimum wage
- 6) All contractors must obtain license from the appropriate authority for running its operation
- 7) Even if contractor changes, the contract workers engaged by previous contractor should continue to be deployed without any interruption and change in service conditions: this provision should be incorporated as a condition in the tender to be invited for appointment of contractors.
- 8) The Annual Return on employment to be submitted to labour department by the principal employer should compulsorily include details of the contract workers including the contractors and their licence details.
- 9) In case of death owing to accident or otherwise in course of employment, contract workers should be paid same compensation as the regular workers
- 10) The Principal employer should be held responsible for implementation of all labour laws for the contract workers including maintenance of employment register, submission of annual returns to labour department, PF, ESI and other social security measures and workmen's compensation any violation of those laws should attract stringent punishment on the principal employers as well.
- 11) A separate inspectorate with adequate manpower has to be established in all states only for the purpose for inspection of the contract-employment related matters.
- 12) Contract labour monitoring board must be constituted in all states and central level with the representatives of unions, employers and government to monitor implementation of labour laws in respect of contract workers. Etc.
- 13) Appropriate legislation to negate the pernicious impact of the Supreme Court judgment in setting aside its own judgment (Air India case) in the case Vs SAIL.

The above is illustrative and not exhaustive. But the above proposals may very well form a basis for tripartite consultation to formulate the urgently required changes in the Act to achieve the goals

stated in the following objective of the original legislation:

"The system of employment of contract labour lends itself to various abuses. The question of its abolition has been under the consideration of Government for a long time. In the second-Five-Year-Plan, the Planning Commission made certain recommendations, namely, undertaking of studies to ascertain the extent of the problem of contract labour, progressive abolition of the system and improvement of service conditions of contract labour where the abolition was not possible. The matter was discussed at various meetings of tripartite Committees at which the State Governments were also represented and the general consensus of opinion was that the system should be abolished wherever possible and practicable and that in cases where this system could not be abolished altogether, the working conditions of the contract labour should be regulated so as to ensure payment of wages and provision of essential amenities."

Agenda Item IV: Measures to increase Employability of Youth

The issue of employment generation has been discussed in the 40th and 38th sessions of the ILC, under different captions; as 'Impact of Globalisation on the Indian Economy, particularly on Employment and how to meet the Challenges' in the 38th session and under the caption of 'Employment Generation, Employment Protection and Skill Up gradation' in the 40th session. This time the agenda item itself is confined to only 'employability of youth', ignoring the fact that large number of workers are losing employment due to closures, lock outs, downsizing, retrenchment etc and there is an imperative need to provide them with alternative employment. Besides, there is no mention of the action taken on the recommendations of those two sessions of the ILC. By confining the agenda to only the employability of the youth, the Government appears to have wilfully ignored the plight of the hundreds of thousands of workers, who previously had employment and have since become job less, as a result of the present type of economic growth often termed as 'job loss' growth.

The agenda note itself observes that around 130 million of workers are 'working poor', unable to bring their families above the poverty line. It speaks of the situation in which 'economic compulsions of the persons, i.e. they are forced to work in order to survive, which actually cannot be termed as 'quality work' or 'decent work'; but it is not ready to acknowledge the fact that the policies of liberalisation and privatisation have been aggravating the situation in which the workers are forced to accept such jobs. It throws the entire responsibility of not finding proper work on the workers themselves.

The CITU desires to briefly present our assessment of the unemployment situation in our country and how the problem needs to be addressed in the present context.

We now witness that everybody is rallying round the fact that growth alone does not and cannot provide jobs. Though India has been recording better economic growth, encouraging the Finance Minister to fondly dream of a 10% growth-rate, the fact is that unemployment, both in the rural and urban - both for men and women - has been increasing. The urban organised sector workers are losing their regular jobs due to increasing contractorisation, casualisation, retrenchment, closures, outsourcing, lock outs, retrenchments, downsizing, mergers/ acquisitions, etc and are joining the informal sector workers.

Agriculture still occupies the first position in providing employment in our country. The Government has been encouraging corporatisation of agriculture, mechanisation, shifting the pattern of agriculture from food crops to commercial crops and has exposed our farmers to the vagaries of international market and speculative capital. This has led to the unprecedented crisis in agriculture and the suicide

of around 2 lakhs peasants in different parts of the country. The agrarian crisis is forcing the rural poor peasants and agricultural workers to migrate to the urban areas in search of work. Large numbers of women are also migrating in search of jobs. They crowd the already over-populated informal sector and push the wages of the informal sector workers further down.

The informal sector, where there is no job security, no social security, and no wage security is expanding, while the organised sector is shrinking. The informal sector workers are not allowed to organise; they do not have any bargaining power. This is the reason for the workers to remain poor and it is not as though the workers themselves opt to remain poor. So, the first thing that would help increase employability is the reversal of these policies of liberalisation. The much-hyped growth during the last few years has been capital-intensive not labour intensive; the changes in technology, introduced in the industrial sector, have mostly led to displacement of labour and lower requirement of labour per unit of output. It is thus obvious that lack of skills is not the main reason for the workers losing their jobs. Relying only on skill development is not going to help them in getting better jobs or help in improving the employability of the youth or the erstwhile workers turned job-seekers.

In the absence of employment opportunities accompanied by assured decent wages and working conditions, the unemployed, even those who are highly skilled - particularly those from poor and middle class families, are forced to accept whatever menial jobs they can get. Imperialist globalisation has fuelled an unhealthy competition among the developing countries to attract 'investment'. In the process, jobs and working conditions of the workers are being targeted to bring down cost of production and increase/ protect their profits. This has been the experience, not only in our country, but also in the world over, where the policies of unbridled imperialist globalisation have been implemented

There cannot be a different opinion on the importance of skill development. But such a step alone is not enough to address the problem of unemployment. The main question is the capability of job market to absorb the trained persons. In the absence of job opportunities for the skilled workers or youth, training and skill development by itself cannot increase employability. In fact, because of the lack of employment opportunities, highly skilled and educated people are forced to join menial jobs, which do not require any skills.

So, the direction of the present economic policies, which benefit the corporates and big employers at the cost of the workers and also result in loss of employment and falling employment opportunities, need to be reversed by adoption of pro-people policies that can increase employment and ensure decent working conditions.

But even within the present framework, the policy regime needs to focus in skill development of the existing workers whenever any new machinery or technology is introduced. The thrust of the policies should be on generation of jobs and not on bringing in the 'hire and fire' policy under the dubious pretext of facilitating employment generation.

The ITIs in our country at present provide training in very few skills. In the present situation of huge technological development, these few skills do not help the youth to find decent employment. It is necessary to increase the number of skills imparted to the youth as in China, which would improve their employability.

Whenever any new technology is introduced, the existing workers should be provided re-training to enable them to operate the same.

Women are mostly employed in unskilled jobs. Whenever any machine is introduced it is the men who are provided training, if at all, and the women are forced to exit the job. It is necessary to impart training to women and retain them in work.

The training provided for skill development of women generally consists of detergent making, candle making, tailoring, pickle, fruit juice and jams making etc. It is very difficult or almost impossible for these women to produce these products and market them facing the competition from the national and multinational corporations. They should be provided training in such skills, which would enable them to produce and sell their products within an area around the places where they live. They should be provided access to cheap credit and raw materials at affordable rates.

The proportion of children who drop out from school is very high in our country. The agenda note itself record that out of 175 million students who enrolled in class one, 96 million, i.e. more than half drop out by class VII and 122 million by class X. It is necessary to check this high rate of school drop out by improving the infrastructure in education, providing mid day meals, and introducing useful vocational training in the schools. Keeping class X as the criterion for joining the ITIs eliminates a large number of students from skill development.

The total capacity of the ITIs/ ITCs in our country is highly inadequate for the skill development. While 12.8 million persons enter the labour force every year, the capacity of the ITIs / ITCs all over the country is only 7.73 lakhs. This needs to be increased.

The short term training provided to industrial workers for 1 – 12 weeks is only conducted in 6 advanced training institutes; this is not enough; the workers attending these institutes should be provided leave with wages and other benefits during the training period.

The state must take the responsibility of providing training. Public Private Participation will only pave the way for further exploitation of the youth – by making them work without any remuneration on the pretext of teaching them the skills and exploiting them after induction into the workforce of the trainer company. The aim of skill development should be to increase the employment opportunities for the youth and workers and not meeting the requirements of the industrialists.

The Government has to provide increased budgetary allocations specifically for skill development to the youth; the industries should be asked to provide in house training to the workers. Increasing trade areas to 2,000 by 2021 is too long. The Government should establish more ITIs in the public sector.

Government policies will have to be directed towards promoting labour intensive and capital saving technology. But this task can obviously not be achieved by depending entirely on the market forces. This requires a change and reversal of the policies of liberalisation and imperialist globalisation.