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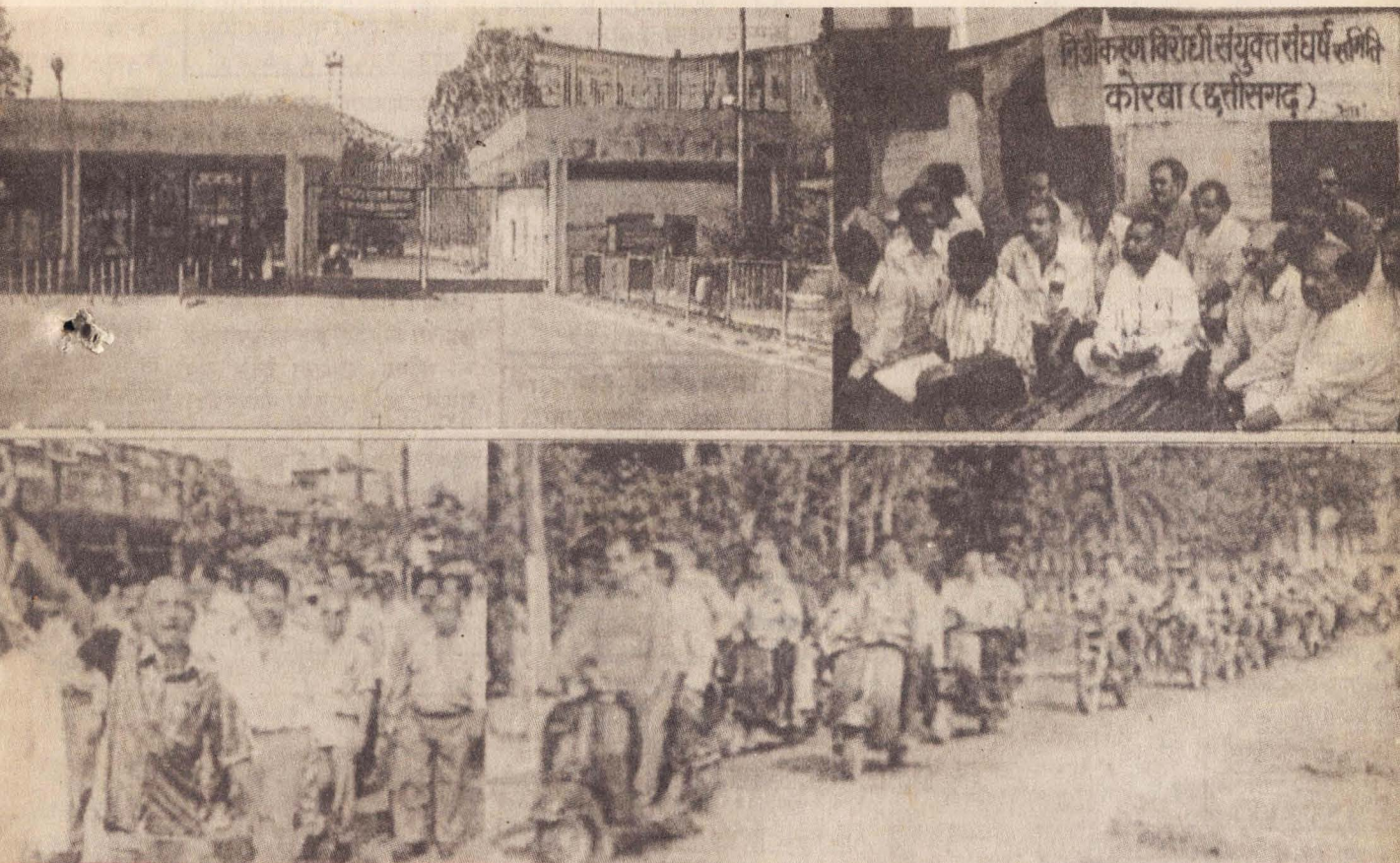
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THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

बालको में बेमुद्दत हड़ताल



A PEOPLE'S MOVEMENT AT BALCO NAGAR

CENTRAL TRADE UNIONS' JOINT CALL:

COUNTRYWIDE

TWO HOURS STRIKE/TOOL DOWN

ON 16TH APRIL, 2001

AGAINST

ANTI PEOPLE, ANTI WORKERS UNION BUDGET

PARTICIPATE ENMASSE !

CRUCIAL ELECTORAL BATTLE IN FIVE STATES

M K PANDHE

The country will soon witness a significant electoral battle in Assam, Kerala, Tamil Nadu, West Bengal and Pondicherry.

The Tehalka expose has brought to the forefront the hideous character of the NDA Government seething with corruption. Despite undeniable facts presented in the videotapes, the BJP Government is shamelessly defending its misdeeds and malpractices. Senior defence personnel were suspended; the Defence Minister was forced to resign; BJP and Samata Party-chiefs had to stage an ignominious exit; yet the Prime Minister showers praise on George Fernandes, while in the same breath ordering a judicial probe into the murky deals of the Defence Ministry.

The Prime Minister's Office and house-hold has become a notorious hub with persons like Brajesh Mishra and PM's foster son-in-law donning the role of extra constitutional authority. The Prime Minister, however, is shielding them, which is causing ripples even among the constituents of the NDA. The BJP and its allies will be entering the electoral fray in such a surcharged atmosphere. The fact that Mamata Bannerjee, the vociferous defender of all misdeeds of the Vajpayee Government, had to leave the NDA frightened by the bleak prospects awaiting her in West Bengal, foretells the fallout of the expose. The electoral scene in all the five States going to the polls is not uniform. Alliances and issues vary from State to State.

Out of these five States, two are led by the Left. Attempts made to dislodge them through all sorts of machinations have failed. The people are in no mood to pay any heed to such machinations. In Kerala, the Left and Democratic Front is entering the electoral fray with its proud record of achievements of the last five years of governance. The Congress led UDF is unable to find its feet yet. The Congress Party itself is riddled with factionalism and the people openly see the daily recurrence of factional fight. Their attempts for a secret understanding with the BJP also stand exposed. The successful *Jathas* staged by the LDF have demonstrated that it has a clear edge over the UDF. The corruption cases against the former UDF Ministers have also shown the

UDF in its true colours.

The Tehalka expose has drastically altered the ground situation in West Bengal. Trinamool Congress leader, Mamata Bannerjee, decided to part company with the NDA with a view to save her position in West Bengal electoral efforts. Her dream of forming a *mahajot* has floundered. She is unable to make up her mind about the electoral alliance in the State, till we go to the press. The people, as well as her own party ranks are disenchanted with her opportunist politics. The Congress Party in West Bengal is in shambles and many have deserted that party. The Left Front is already striding ahead with its campaign.

In Tamil Nadu and Pondichery, the BJP-DMK combine has faced a desertion in its ranks. The AIDMK has entered into seat adjustments with the Left parties and is winning more and more popular support.

In Assam, a triangular contest with i) the Congress, ii) BJP and iii) the alliance of AGP and Left forces in fray has emerged.

In such a situation, it is the duty of the working class and the toiling people to defeat the BJP led alliance, in all the five States, ensuring a popular verdict against the BJP Government.

The working class must give a fitting rebuff to the nefarious forces aiming to topple the Left Front Governments in Kerala and West Bengal and ensure the re-emergence of Left led Governments in the two States.

The formation of the People's Front with Jyoti Basu as the Chairman and Mulayam Singh Yadav as its Convener will add much weight to the campaign of the Left, Democratic and Secular parties in the country.

The CITU Unions during this election battle should draw attention of the people to the dangerous consequences of the NDA Government's economic and communal policies. We must also raise our powerful voice against the attacks on the minorities indulged in by the Hindu chauvinist forces, with patronage from the NDA Government.

The working class must unite and see that the verdict opens up new vistas of struggle in favour of democratic advance in the country.

THE WORKING CLASS

CITU MONTHLY

APRIL 2001

HERE & NOW | Sudhir Tailang



Shouldn't I be given the benefit of the doubt? I accepted the money innocently — thinking they were genuine arms dealers!

Courtesy: The Hindustan Times

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OUST THE NDA GOVERNMENT!

The revelations in the Tehelka.com videotapes have exposed the ugliest face of the ruling elites of the country. The BJP led NDA combine in governance, in their greed for minting money, had shamelessly stooped to such low levels to indulge in brazen corruption in defence related procurements, compromising the nation's security.

The tehalka episode has revealed:

- The overwhelming prevalence of corruption at the highest levels of the Government, including the Prime Minister's Office;
- That middlemen with their proximity to those wielding political power can get the expert/technical opinions easily overruled in respect of defence procurement;
- The currency-wielding touts can get easy access to the highest decision making authority in the corridors of power;
- The country's defence and security set-up is in such a fragile state at the hands of unscrupulous elements occupying seats of governance with desperate greed to amass money by any means.

The same desperation to compromise the national interests, as revealed by the shady deals by the NDA regime to hand over the country's blue chip PSUs and fritter away national wealth to MNCs and corporate houses for personal gains, (the BALCO deal being the latest testimony), has not spared the country's defence even. The NDA regime has become synonymous with corruption, in the era of globalisation and liberalisation.

In the background of these shocking revelations, continuance of the present BJP led NDA Government is itself a severe threat to national interests. The working class of the country must uphold the demand of the entire Opposition for immediate resignation of the NDA Government. The attempt to save the ruling coalition by offering individual resignations cannot be countenanced. The working class must force this anti-national Government to step down, through countrywide united action along with the patriotic and democratic people of the country.

Ousting the NDA Government is the patriotic duty of the day and let us carry it out!

AN ANTI-PEOPLE, ANTI-WORKER BUDGET

K HEMALATA

The mainstream media, print and electronic, and the industry hailed the Budget 2001-02 presented by Yashwant Sinha, as one of the best they ever hoped for. He was congratulated for showing his daring determination, in the wake of political pressures, to continue with the reforms, to carry the second generation of these reforms further forward. The mention of labour law reforms particularly made them go gaga. Mr. Sinha himself claimed that his budget was 'growth oriented'. The Economic Survey, released on the eve of the Budget, confirmed the predictions that growth has slowed down and the state of the economy is not so rosy. GDP growth has slowed

down and is estimated to be 6% in 2000-01 from 6.6% in 1998-99. Agricultural production has gone down, below the rate of the growth of population. Revenue deficit is higher than in the 80s, mainly because interest payments have been continuously increasing. Lack of public investment has not only led to slowdown of infrastructure development, but also to a decline in industrial demand. In such a situation, a growth oriented Budget should have provided for a substantial increase in Government expenditure, especially capital expenditure, as a measure of injecting demand in the economy. But this Budget does nothing of the sort. Given the obstinacy of the Government to

go ahead with reforms, the Economic Survey of the Finance Ministry prescribed as treatment the very factor that caused the disease in the first place, namely a further dose of liberalisation and speeding up of reforms.

Not that the big business went into raptures over the budget for nothing. This budget is a blatant manifestation of the class prejudice of the Government. While a few, the multinational

corporations and the big business are showered with concessions, the common masses - the workers, peasants, agricultural workers, youth, unemployed, students, women - all sections are heaped with more burdens. The working

UNITED PROTEST BY ALL CENTRAL TUs

All the Central Trade Unions expressed serious concern over the anti-labour measures proposed by the Union Finance Minister in the Budget.

In a joint statement on 8.3.2001, K.L. Mahendra (AITUC), K. Lakshma Reddy (BMS), M.K. Pandhe (CITU), R.A. Mital (HMS), G. Sanjeeva Reddy (INTUC) declared:

The permission given to the employers employing upto 1000 workers to retrench, lay off and effect closure without prior permission of the Govt. by amending the ID Act will hit over 85 percent of the industrial workers in the country. On the other hand ignoring the opposition from the trade unions the contract law is being amended to allow contract service in all categories of work including permanent and perennial nature of jobs and also giving the employers the right to retrench them. This is coupled with the proposal for 2 per cent reduction in the staff strength of the Govt. employees each year. The decision to dereserve the items of production in SSI and tiny scale units which are already hit by the withdrawal of quantitative restrictions on imports, in favour of the Indian and foreign monopolists, will result in large scale closure of these units.

To protest against the anti-labour measures, the central trade unions called upon all the constituent unions and appealed to all other trade unions to launch massive united Protest Demonstrations all over the country on 21st March, 2001, demanding withdrawal of these measures.

The Sponsoring Committee of Trade Unions comprising AICCTU, AITUC, CITU, HMS, TUCC, UTUC and UTUC(LS), also endorsed the call.

(Report on Delhi demonstration, please see page 24)

class, in the forefront in opposing the reforms, is particularly targeted for attack. As a political weekly has rightly pointed out this budget is 'a budget of the corporate sector, by the corporate sector, for the corporate sector'.

While the multinational corporations and monopoly houses are given huge concessions of Rs. 5500 crores in direct tax, and Rs 2128 crores by way of reduction of customs duties, the common people are burdened with Rs. 4677 crores additional through indirect taxes. While cars become cheaper, most of the items of regular use by the people, like detergent soaps, candles, electric bulbs, tea, sugar, etc. become costlier. Giving 49% stake for foreign investors in Indian companies will in fact pave the way for foreign control of Indian industry. Experience of all these years shows that this does not bring any new technology nor does it lead to new production and generation of new employment. Rather, this practically leads to foreign take over of Indian companies and loss of existing jobs.

TARGETING LABOUR

The Government has launched a blatant frontal attack on the livelihood of the working people. Labour laws, which the working class has won through decades of struggle, sacrificing hundreds of lives are attacked.

In the name of addressing the rigidities in our labour laws, the Finance Minister had proposed to make the provisions of Chapter V B of the Industrial Disputes Act, 1947, not

applicable to establishments employing upto 1000 workers. This will result in removing the protective provisions requiring approval by appropriate Government to effect lay-off, retrenchment or closure and throw open 85% of the workers in the organised sector to the mercies of the employers.

The proposal to hike the separation compensation from 15 days wages to 45 days wages for every completed year of service is paraded as a 'deterrent'. Actually, this will only free the employers from even introducing Voluntary Retirement Schemes, with better financial packages.

The proposal to amend the Contract Labour legislation facilitating outsourcing of activities without any restriction as well as offering of contract appointment, would push more and more of jobs from the formal sector to informal sector, where workers' lot would be miserable. It was the employers' clamour to do away with the concept of "permanent and perennial nature of jobs" as yardstick to decide on abolition of contract system. They demanded switchover to "core and periphery" concept. But, the Finance Minister had obliged the employers' class by going beyond their demand even and announced that the amended law "would not differentiate between core and non-core activities". The employers will thus have unfettered right to contract out jobs, even in the core activities.

The end result will be recourse to 'perennial contractorisation of

jobs by the employers. Even the 15% of the organised sector workers in establishments employing not less than 1000 workers will also be deprived of the protection of Chapter V B of the ID Act, in due course, through the outsourcing route. The employers will take recourse to downsize the workforce to 'less than 1000' level.

The decision of the Government to repeal the SICA, without any alternative arrangements for revival/rehabilitation of sick units, will only pave the way for downright closure of industries. In the present scenario of proliferating industrial sickness, this will result in throwing out of jobs, hundreds of thousands of workers. In the process, the Finance Minister has smashed all hopes of revival of sick industrial units, besides legitimising the foul game of the employers to make fortunes by turning a unit sick and throw the workers out on to the streets.

'SOCIAL SECURITY'

The much touted 'social security' is sought to be catered to by way of an insurance scheme that would only provide 30% of last drawn wages as relief for just one year. For this also, the workers are to pay the premium through their nose.

The Finance Minister has targeted the rural poor, the landless agricultural labourers, for showering more 'mercy'. He had provided, again by way of an insurance cover, a pension of Rs. 100 per month, that too only on attaining the age of 60 years.

Though the Finance Minister had enhanced the salary limit for

PROTEST BY CENTRAL GOVERNMENT EMPLOYEES

The Finance Minister, in his Budget Speech in the Parliament, has specially targeted Central Govt. employees and has announced the following anti employee measures:

- * Increase in rent of Government accommodation.
- * Suspension of LTC facilities for two years.
- * Reduction in staff strength by 2% per annum overboard.
- * Further reduction in the rate of interest of PF deposits etc. by 1.5% p.a. (In addition to 1% p.a. reduction earlier imposed.)
- * New entrants in Central Govt. service would not get pension facilities from the consolidated fund of India. It would be paid from a pension fund to be contributed by such employees.
- * The Expenditure Reforms Commission appointed last year has submitted its report suggesting downsizing 6 Ministries/ Department of Economic Affairs, Heavy Industries and Public Enterprises and Ministries of Information and Broadcasting, Coal and small scale industries.

A perusal of these reports would reveal that all such activities/functions which could be done through Private Sector would be offloaded from the Government Sector and that too on the basis of the Expenditure Reforms Commission's report by 31st July, 2001. According to a report in Economic Times, large number of employees declared surplus on abolition or restructuring of the Departments would be transferred to a surplus pool severing their connection from their parent department and would be asked to opt for VRS within a period of three months, failing which they would be retrenched on expiry of 12 months from transfer to surplus pool.

Highlighting these aspects of the Central budget for 2001-2002, the Confederation of Central Government Employees and workers had decided that all Central Government employees all over the country should join the protest demonstration *enmasse* on 21st March, 2001 in coordination with Central Trade Unions at their respective places.

(Report from S.K. Vyas)

coverage by Employees' Provident Fund to Rs.6500 from the present Rs.5000, he had deliberately confined the Government contribution of 1.16% to the Pension Fund only upto Rs.5000 per month. This is his commitment to 'social security'!

The reduction of interest rates on PPF, small savings, the GPF (for Govt. employees) etc. will directly hit the salaried class and the senior citizens/pensioners. The slashing down of the interest rate on the Special Deposit Scheme will again result in lowering the interest on Employees' Provident Fund and adversely affect the workers.

The Finance Minister has also

targeted the Central Government employees for further attacks as well. Irrespective of the needs of the people for important public services, employment in Government will be reduced by 2% every year for the next five years. 66000 jobs will be abolished annually for the next five years. Other benefits of the employees will be curtailed. (See box)

The Finance Minister has also hinted at further reforms related to Pension, which again will be an attack on the existing social security benefits.

The Finance minister has not spared even the pensioners. Henceforth, pensions would be

linked to contributions made by the employees. Meanwhile, interest on small savings and provident funds has been reduced. User charges are proposed for all the services. While the Finance Minister has announced some schemes, which provide scholarships and education loans, in effect higher education will go out of reach of common people. It will become the privilege of only the few rich who can afford it.

The public procurement and distribution of food grains, which was in operation since the mid-sixties, is virtually being wound up. The Centre will only extend finance to the States. The States will have to make their

own arrangements to obtain food grains as well as to distribute them. This means an end to PDS. Farmers will be placed at the mercy of traders and speculators. The rural poor and agricultural workers will lose even the little food security that was available through the PDS. This seems to be the way the Finance Minister wants to solve the problem of millions of tons

of food grains rotting in the FCI godowns!

This budget is an assault on the people of our country. The working class must rise and awake to its responsibility of uniting and mobilising the entire toiling people to fight back this imperialist dictated anti people budget. The CITU and its cadre should be in the forefront to discharge this responsibility.

2 HOURS STRIKE ON 16th APRIL

The AITUC, CITU, HMS, INTUC, AICCTU, TUCC, UTUC, UTUC(LS) have jointly called for a countrywide **TWO HOURS STRIKE/ TOOL DOWN** on 16th April 2001, (in every shift) to denounce the ant-people, anti-worker Union Budget.

RAILWAY BUDGET FROM A MESS TO A MESSIER FUTURE

Railway Budget 2001, is another political gimmick. Like last year's budget, the budget for 2001 also demonstrates the lack of vision and utter negligence towards long term development need and improvement of this vital infrastructure as well as public utility service like Railways. It had nothing to put the Railways back to health both physically and financially. And the promises for a host of new services, without really matching practical provisions, do not mean anything, since the unfulfilled promises made last year have already piled up for want of wherewithal.

The Railway Budget 2001 seeks to show itself of sound health artificially by drastically cutting down provisions for depreciation and on several other capital heads which is unwarranted in a vast infrastructure sector like Railways. Further the Railway Minister has been "bold" enough not to add any more to the length of track, not to spend enough in real terms for safety and passenger amenities, despite so many accidents and loss of lives, and at the same time she has been bold enough to announce any number of new services at will, when the earlier promises are waiting to see the light of the day.

Neither the Railways, nor the passenger welfare are her concern. The entire exercise is to project herself as the most popular political leader with an eye to ensuing election, particularly in West Bengal and in some other states.

Not even industries are her concern. The Coal and Steel industries, already under a crushing burden of heavy freight charges have again to subsidise the Railways, through the freight charges enhanced further in this budget. The Steel industry, already in crisis, will particularly be hit hardest. Electricity will be further costlier, thereby causing a further dampening effect on the economy.

But for any passenger, who undertakes the ordeal of travelling by Indian Railways knows what a mess it is today. Tomorrow it will be messier and more harrowing. On the whole it is a dishonesty on the people as promises for new services have been made without required pecuniary provisions in continuity to the previous budget.

A PEOPLES' MOVEMENT AGAINST PRIVATISATION

The BALCO Nagar at Korba, Chhattisgarh, where the BALCO plant is situated, is boiling. Thousands of workers, along with the local residents coming from all walks of life, the students, youth, women and also the rural folk from the adjoining villages, have been squatting around the BALCO plant, day and night, round the clock, since 2nd March 2001, the black day when Rs 5000 crore worth BALCO plant has been handed over to M/s Sterlite on a platter at Rs 551.5 crore. The agitation in this phase started with a massive Korba Bandh on 26th February 2001.

BANDH TO INDEFINITE STRIKE

From 3rd March, morning shift, the strike began. The BALCO Bachao Sanyukta Abhiyan Samity, comprising all the trade unions functioning in BALCO, affiliated to INTUC, AITUC, BMS, HMS, CITU and NLO have given the call for indefinite strike in protest against the BALCO sell-out. Hundred percent of the workers stayed away from duty. And it is just not staying away from the duty, the striking workers have been in dharna around the plant at Parasbhatta chawk round the clock and they have been joined by hundreds of people of the locality from all walks of life with a resolve to reverse the disastrous sell-out deal.

PEOPLE FROM ALL SEGMENTS UNITED

The anti-privatisation struggle gave birth to "Nijeeakaran Birodhi Sanyukta Sangharsh Samity" consisting of all the political parties, viz., Congress, CPI(M), CPI and of course, not the BJP. The said Sangharsh Samity also includes various mass organisations of students, youth, women, the local businessmen, Adivasi Parishad and others. Even the local Chambers of Commerce joined the anti-privatisation struggle, as a constituent of the Sangharsh Samity, although their national forum has everyday been chasing the Govt to ensure that Sterlite gets the possession of BALCO. From the movement of the trade unions at the initial stage, the struggle against privatisation of BALCO has now turned out to be peoples' movement.

Almost every day, mass meetings and rallies are being held at BALCO Nagar where the leaders of various political parties except BJP and various mass organisations are addressing, expressing their resolve to stop BALCO sell-out at any cost. On 4th March, morning, a massive procession of several thousands workers and common people covered 14 kilometer long route from BALCO to Korba town. On the same day evening, a 15000 strong torchlight procession of women moved around the BALCO township which created sensation all around. The participation of thousands of women from adjoining villages in the said procession speaks about active involvement of rural folk in the anti-privatisation struggle.

On 5th March, Chief Minister of Chhattisgarh, Ajit Jogi, visited BALCO Nagar and addressed a huge crowd of more than 25000 people gathered at Ramlila Maidan. The Chief Minister declared his total support to the anti-privatisation struggle at BALCO and commented that "the BALCO deal is a daylight robbery on country's wealth by the BJP Govt and the struggle must continue till the infamous deal of BALCO sell-out is reversed." The meeting was also addressed by the trade union leaders. Manas Kumar Nandy, General Secretary of the Chhattisgarh State CITU also addressed the meeting and called upon the workers and the people to carry on the struggle unitedly to force the Govt to reverse their decision to sell BALCO to private hand.

STRIKERS' INITIATIVE TO SAVE THE PLANT

The Strike has been going on in full swing. Meantime, the Sangharsh Samity decided that, in order to save the Plant from collapse, a team of volunteers from the striking workers would work without taking any wages to maintain the temperature of the smelter furnace called 'cell house' to prevent the alluminium from freezing. Accordingly from 6th onwards, around sixty workers have gone to plant as volunteers to work in 'cell house', but as per report received, the Sterlite officials there have still been trying to

create hindrance in their work to maintain the 'cell house'.

CITU Chhattisgarh State secretary M K Nandy and the District CITU President Kameshwar Singh have been camping at Balco Nagar since 3rd itself. On 6th March Tapan Sen, Secretary CITU, visited BALCO and addressed the massive gathering of workers at Parasbhatta Chawk. On 8th March, Samar Mukherjee, Vice President, CITU, visited BALCO along with S Kumar, Secretary, Chhattisgarh State Committee of CPI(M) and addressed the striking workers. All the five Central Trade Unions, viz., CITU, AITUC, HMS, INTUC and BMS, by a joint statement on 8th March, have called upon the working class to organise countrywide solidarity actions in support of the BALCO workers, with protest telegram to Prime Minister demanding scrapping of the BALCO deal. On 13th March a team of MPs consisting of Dipankar Mukherjee(CPI-M), J Chittaranjan and Gaya Singh(CPI) and on 16th March, Jibon Roy MP and Secretary CITU also visited BALCO Nagar and addressed the striking workers.

STERLITE DEPLOYS TOUTS

Meantime, taking advantage of the Supreme Court's intervention, the BJP MLAs of the locality have been trying to create provocation in the area and disrupt the peaceful united strike in BALCO. On 8th onwards, the Sterlite officials at BALCO, along with the BJP legislators and local police, moved around the township and called the workers to join duty immediately and also made threatening announcement of dire consequences, if the strike continued. Not even a single worker responded to such provocative announcement. Rather, the striking workers and the local people demonstrated before the police station protesting the disruptive and provocative activities of the BJP leaders as agents of Sterlite management.

And the anxiety of the BJP Govt to hand over the BALCO to Sterlite has crossed all bounds of shamelessness. The BJP leaders have gone to the extent of demanding President's rule in Chhattisgarh, if the Sterlite is not given a free hand over BALCO. They are not anxious about thousands of workers and their family members spending days and nights in Dharna on the

roadside at BALCO. The Govt of the day has successfully sold out the workers right and jobs along with the company by agreeing to a 'one-year protection clause' to the workers' present service condition. On the other hand the BJP Govt has not felt an iota of shame in moving to Supreme Court for protection of Sterlite's right. As per the Central Govt, the BALCO is now with Sterlite. Then how the same Govt can plead in Supreme Court on behalf of a private promoter? Everything is fair under liberalised policy regime— might be the answer by the sellers' brigade in Governance!

STRUGGLE GETTING WIDENED

The struggle against BALCO sell-out is not limited to Korba alone and got extended much beyond. At Raipur Airport, hundreds of youth volunteer blockaded the car of BALCO, suspected to carry Sterlite officials to Korba on 4th March. On 5th March, rail-roko agitation paralysed the railway movement for more than four hours in the Bilaspur-Korba route. On 13th March, the trade unions in the coal mines in that area, affiliated to CITU, AITUC, HMS and INTUC have decided to go in for strike in the collieries in Korba, Gebra and Kushmunda area of SECL by the end of the month in support of BALCO struggle. Side by side, the workers of the Asansole factory of BALCO in West Bengal have been staging continuous dharna before the plant since 2nd March and foiled the conspiracy of the Sterlite to shift the produced materials from the Asansole factory. On 16th March, the people of Chhattisgarh irrespective of political affiliations observed a massive bandh throughout the State. In the midst of all these, the Chief Minister of Chhattisgarh State has made an open offer to Central Govt to purchase the 51% stake of BALCO at a price of Rs 552 crore to reiterate the State Govt's stand to keep BALCO in public sector control.

THE NEW DIMENSION

The struggle against BALCO sell-out has given a new dimension to the anti-privatisation struggle. While ministers are busy in striking murky deals in selling out the national wealth for a song, and their hired economists and intellectuals are everyday justifying the scandal as divinity in the TV screen and in national dailies, the workers and the mass of the people of Chhattisgarh have decided to ignore those over-fed elites of the

higher echelon and taken the path of struggle and resistance against the day-light robbery on the country by the aristocracy in the governance. And such peoples' upsurge had created such a surcharged situation in the whole of the state of Chhattisgarh that many of those, so long supporting privatisation have to fall in line in the opposition to the nasty deal of BALCO sell out. In fact, in the background of wide-spread opposition against privatisation, the recent debate in Parliament on BALCO sell-out has demonstrated an almost consensus situation among the polity against privatisation of profit making PSUs. And the said consensus is not limited among those in opposition alone, but

almost all the constituents of the ruling NDA combine except BJP have also expressed opposition/reservation against the sale of controlling stake of profit making PSUs. In such a context, the anxiety of the Disinvestment Minister and his swadeshi-brand party, to escort the Sterlite safe to throne of BALCO, demonstrates their commitment not to the country's well being, but somewhere else.

The people of Korba and Chhattisgarh have been asserting this fact of life with their resolve to reverse the scandalous BALCO deal. Korba is boiling with peoples' anger against the robbery on country's precious wealth, and it shows the way to all anti-privatisation struggles.

BALCO Issue In Parliament:

The MANIPULATIVE BALCO SELL-OUT

[Following is the excerpts from the speech of Dipankar Mukherjee, MP, in Rajya Sabha on 27th February 2001].

.....Everybody is well aware about the firm position of the left parties, that we are against privatisation, it being totally against the national interest. I do not like to repeat that again.....

In the matter of BALCO sale.... A global bid was held so as to get competitive bidders. The foreign company which came for bidding did not make any financial bid at all. There were only two Indian bids, by two Indian companies. Of these, the second bid, which was the lowest one, quoted at half of the first one.... Hence the second bid(out of the two bids) was a non-serious bid....Then it means that there was only one bid (for BALCO sale)....Thus for the sale of Rupees thousands crore worth asset, it was a single party offer. Does that satisfy the minister ?....

Hence, is it wrong to say there is cartelisation in bidding ? Two fellows have given bids for BALCO, One fellow deliberately underquoted at half the level of the other fellow, and the other fellow's quotation just hit the bull's eye-the 51% of the asset-valuation made... and then the deal is

finalised. What else can be called cartelisation ? Then the question of asset valuation... The minister said that asset valuation is not the appropriate method for the sale of an 'ongoing concern'...And he prescribed only the 'discounted cash flow' method.... For a highly capital intensive plant.. a steel plant or an aluminium plant, is it the appropriate method ? For such capital intensive plants there is a specific method for asset valuation. But the same has not been resorted to in case of BALCO.

Under the discounted cash flow method, instead of valuation of the assets under sale, the whole thing is based on future projections, how much will be the cash flow, how much profit will it make and the like.

And how the projection has been made by the Govt while selling the company ? Suppose, I am selling my house and I am telling the customer that the pillar is falling, the colour is coming off, and then what price will I get ? In the case of BALCO, the seller, the Govt is telling that the profit is falling, cash flow is going down etc, while negotiating the sale, and that decides the price of BALCO. What intention of the Govt does it

reveal ?

Govt is the owner of BALCO. They should explain, instead, why the profit is falling. Or is it made to fall before the sale ? One unit of the captive power plant of BALCO was down throughout the last year. Production suffered naturally and profit has fallen. That has been re-commissioned only on 24th of this month. And the company may go at least to the same level of profit as achieved earlier. Another reason of profit going down....capital restructuring has been done for the company and the Govt has withdrawn Rs 244 crore from it. And this has reflected in falling margin of the company to the tune of Rs 30 crore. Hence "falling profit" should not and cannot be projected as a perennial feature in case of BALCO, while making the valuation for its sale. But precisely same thing has been done. Who gains ?

The 270 mw captive power plant of BALCO has all along been functioning quite efficiently with a plant load factor of above 85%. At today's rate, the 10 year old power plant's worth is Rs 1020 crore, while the whole BALCO has been priced at Rs 551.5 crore. What does the Govt want to achieve really ?

How the valuation of a metallurgical plant like BALCO should be done ? According to concerned consultants, the experts, you should assess the fair value of the plant and machineries and major facilities including the auxiliary facilities taking into account the replacement value. What can be the replacement value of BALCO ? As per experts, a Greenfield project of the same size and capacity would cost between US\$ 5000 to US\$ 9000. Now you may calculate depreciation of the old plant, taking into account the replacement cost as well, since you are making all these assessments for the purpose of sale. But the Govt has not done that but resorted to only 'discounted cash flow method'. Why and for whose gain ?

The Minister is making a plea, that the plant is not in a good condition. Whom should we believe, the minister or the company's Annual Report, placed in Parliament. The Annual Report of BALCO for 1999-2000 noted that "Best achieved saleable metal production in 13 years; highest ever foil dispatch; highest turnover achieved during 1999-2000" still the Minister for Disinvestment says that the company's condition is bad, nothing

left in it etc. Let the Minister of Mines come forward and clarify, who is correct.

In fact the Govt is biased against BALCO, in its haste for selling it. The Minister is telling that he will give BALCO to anybody offering one rupee more than Rs 551.5 crore. That should not be the approach. Concrete example is there. The Jessop & Co, which was in BIFR got a price of Rs 8 crore and that was the highest offer at that time. The Industry Ministry decided not to sell as the price was not appropriate. Subsequently it got a much higher price, almost three times more.

But in this case the Govt is showing abnormal haste. The Govt is in a selling spree. And the prospective buyers are forming cartel to keep down the price. And thus distress sale of the PSU is taking place.

And how the asset valuation is made of BALCO ? Out of four shortlisted valuer, one Mr P V Rao was appointed for valuation of the assets. The valuation of Korba plant was done in four days from 31st January to 4th February and in two days the Asansole plant. In this way the asset valuation of a big metallurgical complex was made. Still have we to accept that everything was transparent and fair ?

And the last point here. You have all stated that privatisation is being done for capital infusion and technology. Now who will give technology to whom. The Sterlite who has just taken over a plant MALCO in Madras, having a 3% market share will give technology and capital to a company like BALCO having 15% market share. Does this make any sense?

In fine, in the BALCO deal, all sorts of manipulations are there, in the asset valuation, fixing the reserve price too low and ultimately it culminated in a distress sale. The Parliament must review this thoroughly.

WHAT OTHERS SAID

Pranab Mukherjee MP(Congress):

....What is the rationale behind disinvestments of majority shares in profit making PSUs, which has track record of earning profit ? If the Govt's view is not to have any industrial activity and leave the entire industrial activity of the country to be led by the private sector, they may have that view but we cannot share that view. ...I can never comprehend that we will dispose of the capital

assets to create a corpus to meet the consumption expenditure.....

Sanjay Nirupam MP(Shiv Sena):

...We should not blindly follow the Disinvestment Commission, we must use our own wisdom....I am not against disinvestments as such but the question is how to and what to disinvest...I do not understand why the drilling work in petroleum sector is being given to private hand...why the profit making public sector companies, which provide the strong foundation to the industrial economy should at all be privatized? If we hand over the profit making companies to private sector, one day will come when we will become bankrupt...

The NDA Agenda noted about the PSUs, "we will also expedite comprehensive reform of the public sector units including restructuring, rehabilitation and disinvestments" But in that matter the Govt is only doing disinvestments....no restructuring and

no rehabilitation...why?....

Because of policy of privatisation, many public sector units have been put in difficulties...Those who are responsible for recent loss(falling profit) in BALCO are being told to disinvest BALCO...It means it's a conspiracy to put deliberately BALCO in loss to facilitate and expedite privatisation. Another dangerous aspect is that foreign agencies are appointed as global agencies to handle the disinvestments of PSUs, as if no body is available inside the country. On the matter there have been complaints of corruption and the valuation methodology has been questioned. Govt must reply to those in clear terms. I also feel that proper expertise is wanting in the process of asset valuation.....

I appeal that disinvestments in the profit making companies like BALCO must be avoided altogether.

The Ongoing Debate:

WHITHER PRIVATISATION WITHOUT CORRUPTION ?

Tapan Sen

The ongoing debate on privatisation deal on BALCO has brought forth certain crucial questions.

In the background of widespread opposition to BALCO sell-out, the scamster sellers' brigade in the Governance and also the interested quarters in the media are raising a point as to whether such opposition is against corruption or against privatisation as such. They are seeking to confuse people by posing, as if, the corruption and privatisation in the liberalised policy regime can be separated from each other.

PRIVATISATION: ITSELF A CORRUPT IDEA

The fact is that giving away of the profit making PSUs or a perennial income generating source in them for a one time sales proceeds is itself a corrupt proposition. In a developing country like ours, always complaining on resource shortage, the very idea of selling out profit making PSUs, providing for regular flow of earnings to Govt exchequer for one-time money, is not based on

any economic justification. It is like killing the goose laying golden eggs or selling the family silver for immediate consumption. It may look foolishness for the fools but definitely satanic on the part of those doing the said misdeed and also having commitment to serve not the country but somebody else. Such a tainted and economically corrupt idea cannot be made operative corruption-free, in a fair or transparent manner. Each and every exercise of disinvestments and privatisation since the early Narsimha Rao regime, if closely looked into, would expose the shady and corrupt deals leading to loss to national exchequer. The sale of PSU shares in bundles during early Congress regime, was arranged to benefit pre-determined buyers, mostly foreign financial institutions. The Comptroller and Auditor General(CAG) had to make stringent observation that the loss to Govt exchequer from the sale of PSU shares in 1992 was a hovering Rs 3441.7 crore. Subsequent study made by the

Parliamentary Standing Committee on Industry estimated a loss of Rs 10000 crore to national exchequer in the disinvestments of PSU shares carried on till 1994-95.

Sale of GAIL shares abroad at a rate, cheaper than that prevailing in the domestic market also exposed the corrupt practices by the operators at the highest level. Sale of Modern Food Industries Ltd with its huge landed assets, 14 manufacturing units, 17 franchisees and eight ancillaries at only Rs 104 crore to Hindustan Lever is another example of such distress sale of national asset. And the last one till date, the BALCO sell-out at almost one-tenth of its real value is a continuation of the said corrupt exercise named privatisation.

CORRUPTION AND PRIVATISATION ARE INSEPARABLE

The same exercise is going on in respect of other PSUs, slated for fast track privatisation. The Finance Minister has already announced the resolve of the Govt to sell out 27 more profit making PSUs within the current year to garner only Rs 10000 crore. The ministerial haste has already sent the signal to prospective buyers to come and pick up the PSUs from the anxious seller for a song. Thus how corruption takes over the thought process of the anxious buyer announcing the time-bound target along with the targeted quantified sale-proceeds.

The process is on in full swing. As per a recent press report, valuation of assets of Four five star hotels and one four star hotel under Hotel Corporation of India, with huge land assets and buildings, all situated in the prime locations of different metropolis, have been made at only around Rs 650 crore (Times of India) by the agencies engaged by the Govt sponsored global advisor, again at less than one third of the actual value. In this case also, the global advisor, appointed by the Govt is the same Jardine Fleming, which has recommended the sale of BALCO at a throw away price.

Further, against almost all the global advisor companies (appointed by the Vajpayee Govt to decide on sale of various blue-chip PSUs), viz., the Jardine Fleming, Morgan Stanley, Credit Suisse First Boston (CSFB), ANZ Grindlays etc., investigation has been initiated by the Securities

and Exchange Board of India (SEBI) for their alleged involvement in irregular practices. In fact, "the same ANZ Grindlays, which had presided over the distress-sale of Modern Food in favour of Hindustan Lever and now has been rewarded with the contract of presiding over the sale of Indian Airlines, was found guilty in the infamous Security scandal perpetuated by Harshad Mehta in 1992" (Hindustan Times, 7-03-01). May be, 'the involvement in irregularities' have been considered as main essential qualification for the global advisors by the Govt of India for presiding over PSU sell-out. And the game is clear, to keep the PSUs under sale as much under-valued as possible, courtesy the prospective buyers in the corporate or MNC's clan. Thus, Corruption and privatisation are the two sides of the same coin in the present liberalised policy regime and cannot be separated.

And it is not just corruption in one particular stage of transaction. The every stage of the entire exercise for deciding sale of the profit making PSUs is so designed as to ensure that the PSU slated for sale is kept undervalued to the advantage of the buyer. Once the PSU is identified for sale, right from its operation, maintenance and business decision on the one hand and the appointment of global advisor, choice of the particular method of valuation and the handpicked valuer to be associated with it, fixing the minimum reserve price etc on the other, — everything is so tutored as to ensure the sale at a cheaper rate to a predetermined buyer. In fact the entire system is made corruption tainted and is being monitored by the top in that direction.

The exercise on BALCO sale once again exposed such frightening systemic corruption, piloted monitored and defended by the concerned ministers. The company had consistently been in profit since last one decade and it increased more than 20 times during the said period. But after the company is identified for privatisation, steps are being so tuned at the company level itself so as to ensure that the profit marks a distinct decline. One unit of the captive power plant is allowed to remain in 'out of order' condition for one full year despite electricity being the essential input for the plant. That unit of the power plant has been re-commissioned in February this year

only. Secondly, after being selected for strategic sale, the company was made to take up capital investment of Rs 200 crore for installing cold rolling facility in the plant. Thirdly almost half of the reserve surplus with the company, around Rs 244 crore have been withdrawn by the Govt. At the same time the Company has been made to borrow Rs 211 crore from the market in 2000.

And by all these exercise at company level, profit was made to decline by half the previous year's level by the Ministerial monitoring in order to achieve a particular objective. That is to show that the condition of the company is not good enough and thereby ensure a cheaper price for the particular buyer. And precisely for this objective, the Disinvestment Minister asserted for the "discounted cash flow method" for valuation of the real worth of the highly capital-intensive company, with huge fixed asset, in the form of land, mines, plants and machineries etc. The particular method decides on the real worth on the projected trends of future earnings and not by asset valuation. And in case of BALCO, in the background stage-managed decline in current year's profit, the discounted cash flow method has

helped the seller-Govt to depress the minimum reserve price level in favour of the buyer. If this is not corruption and betrayal to nation, then what else ?

In this process the BALCO, having 2720 acres of land, a 270 mw captive power plant having a replacement price of Rs 1080 crore at current market rate, with a huge stock of produced aluminium worth Rs 100 crore, along with newly installed cold rolling facility with the investment of around Rs 200 crore, besides the bauxite mines with huge reserve at Mainpat and Kawardah, and another plant at Asansole, has been sold at only Rs 551.5 crore, not even one-tenth of its real value. What else can be called plunder and loot?

The above example shows as to how the liberaliser Govt in power is out to legitimize day-light dacoity on national assets and betrayal to country's economy in the process of privatisation, by making corruption in thought and practice, in-built in the entire system. It is thus an absolute utopia and an act of self-deception to delink corruption from privatisation. They are the two sides of the same coin.

CONGRATULATIONS TO AP COMMITTEE OF CITU!

M.K. Pandhe

The Andhra Pradesh CITU is the first State committee to fulfil the quota of BTR Memorial Fund. Its quota of Rs.15 lakh was overfulfilled by the State Committee and the total contributions stand at Rs. 15,22,808.50.

After organising the successful Tenth Conference, the A P State Committee had completed the target of BTR Memorial Fund.

The CITU, therefore, would like other State committees to take up the task of collection of contribution to the BTR Memorial Fund as early as possible so that the objectives of the trust can be accomplished without any further delay.

While several unions have done their duty in collecting contributions to the BTR Memorial fund, many have yet to fulfil their duty. Let those unions, who have not collected funds so far or only collected token contributions rise to the occasion so that the collection drive can be intensified at all levels.

Due to the collective efforts of CITU unions, a fitting memorial for our great leader and teacher has been built in the capital of India. However, as our Vice-President, Jyoti Basu, in his address on the occasion of the inauguration of BTR Bhawan, pointed out it is not merely the building but the activities in the building that would constitute a real memorial for Com. B.T. Ranadive. Every State Committee should fix up the date before which they would complete the quota of collection of fund. It is possible to achieve the objective if the task is carried out in a planned manner.

BTR MEMORIAL FUND

STATEWISE BREAK-UP OF RECEIPTS (UPTO 25.3.2001)

Names of State Committees	Amount Received (Rs.)	Committed Amount (Rs.)
1. West Bengal	58,52,615.00	1,00,00,000.00
2. Andhra Pradesh	15,22,808.50	15,00,000.00
3. Assam	74,180.00	5,00,000.00
4. Bihar	74,522.00	8,00,000.00
5. Delhi	1,14,430.00	2,00,000.00
6. Kerala	31,42,500.00	50,00,000.00
7. M.P.	64,342.00	2,00,000.00
8. Orissa	26,813.50	5,00,000.00
9. Punjab	4,47,152.00	10,00,000.00
10. Rajasthan	3,00,615.00	5,00,000.00
11. Tamilnadu	5,62,580.00	30,00,000.00
12. Tripura	30,280.00	5,00,000.00
13. Karnataka	2,60,016.00	7,00,000.00
14. H.P.	13,756.00	2,00,000.00
15. Haryana	46,950.00	2,00,000.00
16. Maharashtra	2,11,182.00	10,00,000.00
17. U.P.	1,61,750.00	5,00,000.00
18. Goa	50,000.00	1,50,000.00
19. Gujrat	14,000.00	1,00,000.00
20. Andaman & Nicobar	5,000.00	000.00
21. Individual/Unions/Federations	5,18,016.00	000.00
22. Bank/Unions/Federations	5,24,114.00	000.00
22. Insurance(AIIEA)	3,51,000.00	000.00
23. AISGEF	6,31,670.00	
TOTAL	1,50,00,292.00	2,65,50,000.00

(Contribution received after Kozhikode General Council Meeting)

Receipts upto Kozhikode			
General Council Meeting	1,31,26,194.00	W.R. Varada Rajan(CITU)	2000.00
Otis Elevator Empl. Union	3800.00	Sadasivan Pillai(BEFL)	1000.00
Ranjana Nirula	200.00	IMI Employees Union (Delhi)	200.00
All India Insurance Emp. Assn.	7500.00	BHEL Kamgar TU (Bhopal)	3000.00
Karnataka SC of CITU	50000.00	Canara Bank Staff Union(Mumbai)	15615.00
W.R. Varada Rajan(CITU)	1000.00	Canara Bank Staff Union(Mumbai)	100000.00
WB State Committee of CITU	300000.00	Hotel Workers Union(Delhi)	500.00
V.M. Galte(Karnataka)	500.00	AP State Committee of CITU	27500.00
Ranjana Nirula	400.00	Workmen of HC Sonapat(Haryana)	2000.00
Hemalata(CITU)	500.00	M.K. Pandhe (CITU)	10000.00
A. Dakhi(CITU)	250.00	A. Janardan Rao (AP)	200.00
Orissa State Comm. of CITU	115.00	Tirupati Municipal Park WU	125.00
AP State Com. of CITU	100438.00	AIIEA	200000.00
Sri Balaji Lorry loading/ Unloading WU AP	6500.00	MP Koyla Sramik Sangh	40000.00
Coal field Labour Union (Singrauli) MP	5000.00	FMRAI (Ambala Unit) Haryana	1100.00
GIC (Delhi)	1000.00	Assam State Comm. of CITU	10000.00
HP State Com. of CITU	5000.00	AP Delegates on way to Hyderabad	2065.00
Orissa State Committee of CITU	3090.00	Ranjana Nirula	500.00
Tapan Sen	700.00	APPWD Irrigation Emp. Union	6000.00
AP Panchayat Raj (ZP) Emp. Union	1000.00	APHR&B Emp. Union	5000.00
AP State Comm. CITU	450000.00	AP State Comm. CITU	500000.00
FMRAI	10000.00	A.R. Sindhu (CITU)	300.00
Total	1,50,00,292.00		
	(till 25.3.2001)		

WORKSHOP ON ALTERNATIVE FERTILIZER POLICY

A National Workshop was organised by the Fertilizer Workers' Federation of India (FWFI) on 15-16 March 2001 at the Constitution Club, New Delhi.

SOME HIGHLIGHTS

Union Minister of Chemicals and Fertilizers, Sukhdev Singh Dhindsa inaugurated the workshop.

He complimented the FWFI for organising the workshop and assured that the Government would consider all the relevant factors and the recommendations of the workshop, while finalising the fertilizer policy.

The speakers at the inaugural session included Dipankar Mukherjee, M.P. and Chaturanan Misra, former Union Minister of Agriculture. The panel of the central trade union leaders included M. K. Pandhe, General Secretary, CITU, H. Mahadevan, Dy. General Secretary, AITUC and R. A. Mital, Secretary, HMS.

The workshop had the unique distinction of having representatives from the entire industry.

Apart from the workmen participants, there were the serving and retired Chairman and Managing Directors, Functional Directors, General Managers, MPs, Economists and other experts.

WORKSHOP SESSIONS

Presentations were made by O.N.Kapoor, Ex. CMD, PDIL, Uttam Gupta, Chief Economist, Fertiliser Association of India (the autonomous forum of the entire fertilizer industry), A.K. Roy, Chief Executive, Economic Information Technology, Kolkata, S.B.Sengupta, Ex.Agronomist, Fertilizer Promotion & Agricultural Research, L Joshi, General Manager (Marketing) PPCL and Chaturanan Mishra, Former Union Agriculture Minister.

Based on the papers, presentations, discussions and speeches, a set of recommendations were drawn up in. These would be submitted to the Government, as well as to MPs of the concerned Parliamentary Standing Committee.

RECOMMENDATIONS

Fertilizer, as one of the most effective inputs for increasing agricultural produce, played very important role in India's phenomenal increase in

foodgrain production leading to self-sufficiency achieved during the last 35 years. Thus fertilizer sector, which is directly connected with food security and food sufficiency of the country, cannot be classified as a non-core sector.

The Workshop therefore recommended that the Fertilizer Sector should be treated as Core Sector. Acceptance of the recommendations of the Expenditure Reforms Commission (ERC) as pronounced in the Budget this year would have the following repercussions on the farmers, industry and long-term fertilizer availability:

Farmers: As per ERC recommendations urea price shall be increased from the present Rs.4, 600.00 to Rs.6, 900.00 per tonne with provision for 7% increase per annum and ultimately complete de-regulation of price by the year 2006.

Industry: Majority of the Naphtha and Fuel Oil based plants as also a number of Gas based Plants would become unviable leading to their eventual closure.

Availability: On the matter of availability, the country would land into total dependence on imports for a critical input like fertilizers.

The recommendations of the ERC should not be accepted, considering the devastation it is sure to cause.

Disinvestment: The fertilizer PSUs including the companies like NFL, MFL, FACT, PPL, RCF, etc. earmarked for disinvestment have contributed immensely in attaining self-sufficiency in fertilizer production. Disinvestment of these companies would not serve any national interest, but would only result in closure of many fertilizer plants and retrenchment of thousands of workers.

Therefore, the decision of disinvestment of these public sector units is against the national interest and hence the move should be stopped.

Sick Units: The present indigenous production of Urea in our country is 19.2 million MT per annum against the consumption of 21.00 million MT. The country would need additional quantity of about 8 million MT of Urea per annum by the end of 9th Plan as per optimistic estimate of the 9th Plan Working Group. It is to be noted that stoppage of production in sick units of HFC and

FCI has added to the deficit by 2 million MT.

Experience has shown that international price shoot up heavily when Indian import substantially increases. Besides, uncertainty of availability of such huge quantity from world market and also inadequate port facility for handling of such huge quantum of imported urea for transportation would pose a greater challenge. Hence the workshop recommended:

1. Availability of Urea should be ensured from old vintage plants, which contribute one third of the existing production, by infusing funds to make/keep, these plants productive to avoid increasing dependence on imports. Revamping of Durgapur, Barauni, Talcher and Ramagundam as in Namrup should be done since it would be more cost effective compared to new grass root plants.

2. Additional capacities are required to be created in the region to remove the imbalance in production and meet the growing demands. The best choice of setting up such plants would be the existing sites of the old plants.

Increasing Demand: The demand for nitrogenous fertilizers is increasing at the rate of around 5 % each year and is expected to continue in future as well. This would amount additional requirement of 10 lakh MT per annum.

The Government policy should be to add one standard sized Ammonia-Urea complex every year to meet this additional demand.

Phosphatic Fertilizers: Consumption of Phosphatic Fertilizers, particularly SSP is virtually stagnant over the years resulting in gross imbalance in the NPK ratio. As a result, about 50% of the existing capacity of SSP plants are remaining idle. Considering the Sulphur deficiency in Indian soils, use of SSP, carrying agronomically important secondary nutrient Sulphur need to be encouraged through: -

1. Intensified promotional activities ;
2. Availability of duty-free imported raw materials and intermediates for increasing indigenous phosphatic fertilizer production. The grant of concession to SSP prices ensuring capacity of the farmers to buy the product and at the time making it uniform all over the country on a proportionate basis to DAP against the current different price at different states;
3. Minimised import of DAP so that the existing

SSP capacity can be fully utilised.

Feed Stock: LNG: No doubt Natural Gas is the most preferred feedstock. In the proposed Fertilizer Policy, existing Naphtha/Fuel Oil/LSHS based 27 number of fertilizer producing units have also been asked to switch over to this feedstock. Since the domestic availability of Natural Gas does not commensurate with the demand, this has to be imported either through cross-country on-shore and off-shore pipe lines from neighbouring countries like Bangladesh, Myanmar, Iran or in the form of LNG through the sea route.

The creation of infrastructural facilities for either of the two options should be speeded up removing the present snail's pace progress.

Coal: However, we have to decide whether to permanently depend on costly and imported feedstock for production of fertilizer or to switch over to comparatively cheaper and abundantly available indigenous feedstock i.e., coal. India has huge reserve of coal sufficient to last for more than 200 years. Our experience in the past for coal based plants should not deter us from taking a decision in favour of coal as feed-stock since present day technological development in the field of coal-gassification is encouraging.

Hence in view of the abundantly available coal in the country and also considering the continuous development in Coal-gassification technology, setting up of coal based Ammonia/Urea plants and Power generation integral complex on coal pitheads warrants priority attention.

Fertilizer Promotion: The promotion of fertilizer and technology to the farmers leading to field application is very essential for enhancing use efficiency and productivity.

Affordable Price: In developed countries farm subsidies are much larger scale than in developing countries. Ironically, subsidy per capita per hectare of arable land is the lowest in India and any attempt to reduce it further will surely endanger our food security. Fertilizer being an essential agricultural input under modern HYV technology package adopted by all categories of farmers, its price is important factor in motivating its ever-increasing use. Low price of fertilizer is linked to much bigger question of protecting the millions of small and marginal farmers on one hand and majority of the poor consumers of food-grains on the other.

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ORISSA CITU STATE COMMITTEE MEETING

CITU Orissa State Committee Meeting was held on 4.3.2001 at Bhubaneswar under the Chairmanship of Lambodar Nayak, President. Bishnu Mohanty, General Secretary and Dusmant Das, Treasurer placed the work report and statement of accounts. After detailed deliberations the following decisions were taken:

The State Committee decided to organise a State level demonstration in front of State

Assembly during the current budget session on 4.4.2001 demanding minimum wage of Rs.100/- per day and against changing Trade Union Laws affecting the interests of the working class, privatisation of various public sector units, anti-Railway and General Budget, stepmotherly attitude towards the State in the Railway Budget, Electricity tariff rise, close of Orissa Textile Mills and other textile and spinning mills etc. It will

be preceded by factorywise gate meetings, poster and wallwriting etc.

A State level joint convention of textile and spinning mill workers will be organised to plan out a sustained joint movement against closure of mills and retrenchment. The meeting also decided to increase the circulation of "Sramik Ekata", CITU monthly in Oriya, now published regularly by the State Committee.

(Report from Bishnu Mohanty)

U.P: CITU STATE CONFERENCE PLANNED

A two-day meeting of the UP State Committee of the CITU was held at Lucknow on 14-15, February, 2001. Daulat Ram, State President, chaired the meeting. Kanai Banerjee, Secretary CITU, participated from the Centre. The meeting discussed and finalised the preparations for

holding the eighth conference of the UP State CITU at Hardwar on 22-24 April 2001. A Reception Committee for the conference has already been formed at Hardwar and funds collection was going on in full swing. State-wide campaigns including mass meetings, street corner meetings

and Jaathas etc. has been planned. The State Conference at Hardwar will be participated by M.K. Pandhe, General Secretary, and other all India leaders. A Souvenir is also being published on the occasion of the conference.

(Report from Daulat Ram)

TAMILNADU NEWS LETTER

Tamilnadu State Committee of CITU has called upon the members of CITU affiliated unions to actively involve in the ensuing election campaign, so as to ensure the defeat of DMK-BJP combine. The Committee has also appealed to the people in the State to vote

for the left party candidates and those supported by the left.

The State committee of CITU met at Chennai, on 24-25 February, 2001, with J.Hemachandran, MLA in the chair.

The committee reviewed major struggles and campaigns in this

period.

Unorganised sector workers participated massively in demonstrations all over the State on 23rd February. This struggle was at the call of the State CITU, to protest against the State Government, which with an eye on

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ensuing elections, has been creating problems in the functioning of welfare Boards for various unorganised sectors.

The attacks on the workers are also on the increase. Tea and Rubber plantation employers are trying to impose wage cut and D.A. freeze in the name of crisis. Small and cottage industries like matches, which employ lakhs of workers in the State, are refusing to pay the statutory minimum wages. So also is the case in Beedi Industry where the employers are pressurising the workers to forego statutory benefits.

The employers in the small scale sector are also on warpath. The State level organisation of small and tiny sector industries organised a one-day fast pressing their charter of demands, which included change in the Govt's policies towards their sector. The employers in the matches industry had been conducting struggles along with the trade unions and other social organisations.

In the already affected Beedi sector, the proposal for a new legislation for ban on smoking, has created a lot of apprehensions. All

the employers and workers in the industry organised a industry bandh on 22nd February in the southern districts and on 27th in the northern districts. Massive rallies and meetings were organised by the unions.

The employees in the Co-operative sector under the banner of CITU organised a march to the secretariat in Chennai on 26th February, in which a large section of the workers including women participated.

With the steep increase in prices of cement, the construction industry is in doldrums. Construction workers and the Builders Associations organised a joint rally in Erode, which was massive. CITU led construction workers federation called for a one day Statewide strike on 1st March to protest cement price rise and the State Govt's non implementation of the decision of the construction workers welfare board.

On the other side, there is a serious threat to trade union and democratic rights in the State. Hundreds of workers have been thrown out of employment for forming trade unions.

On 7th February, CITU State Secretary and a leader of textile workers federation, R.S. Rajendran and other local leaders were brutally attacked by policemen in Dindigul district. They had assembled near a textile mill in Nilkottai Taluk to hoist the CITU flag, as the workers in the mills had joined the CITU. There were massive protests all over the State and a massive picketing was held in Dindigul on 5th March, demanding action against the police officials, who had attacked the leaders at the behest of the employer.

There is virtual ban on processions and meetings, especially in Chennai and major cities in the State.

The State committee noted with satisfaction that CITU members have contributed their mite to the Gujarat earth quake relief fund. Over Rs. 2 lakh had been sent to the CITU Centre by the State committee, while others have sent their contributions to the PM's Relief Fund through the managements.

CITU State committee has also paid Rs. 1,43,817 to the kisan sabha as the annual solidarity fund.

STRUGGLE AGAINST CLOSURE AT NOIDA

The Noida district committee of CITU has been agitating against the closure of a large Shoe factory M/s Phoenix International for quite a long time.

The factory was locked out on 7th

July 2000, by the owner illegally, without observing any statutory formality. The factory employs 1500 workers of which 300 are women workers. The district CITU had organised a number of

demonstrations before the office of the Dy. Labour Commissioner and District Administration demanding ban on the illegal lockout and arrest of the owner. But the BJP led Govt in the state

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did not take any action. And being emboldened by the Govt indulgence, the owner of Phoenix International declared closure of the factory, again without seeking permission of the Govt on 23rd October 2000.

The CITU district committee carried on a month long campaign in the district in early 2001 against the unlawful closure of the Phoenix international. 5000 leaflets were distributed and numerous meetings were organised calling upon the workers of other factories to come

forward and rally in the struggle of the Phoenix workers. From 9th February to 18th February 2001 - everyday thousands of workers mobilised to make Road-blockade in the heart of Noida city demanding Govt intervention to open the factory and pay workers dues. District Committee of CITU decided to organise court arrest by hundreds of workers every day by blockading District Administration office from 20th February onwards.

On 20th February, on the first day

of Court arrest programme, thousands of workers gathered before the District Magistrate's office. The District Magistrate had to intervene in view of the militant demonstration. A meeting was held between the District Magistrate, Dy. Labour Commissioner and the Dy. Police Supdt and the CITU leaders. The District Administration had to commit in writing to take urgent step to ensure end of the closure and arrange payment of due bonus to the workers.

PLAN CAMPAIGN AMONG WORKING WOMEN

The full Secretariat of CITU met at BTR Bhawan in Delhi, on 13th February 2001 and finalised the details of the various tasks adopted by the Tenth Conference of CITU at Hyderabad. On the Working Women's front, the Secretariat has finalised the campaign programme on the major issues of working women, to be undertaken by the CITU.

The CITU Secretariat has directed all the State Committees of CITU to plan the Statewide campaign on equal wages, maternity benefit, sexual harassment and night work. The State committees should decide the industries in which the campaign can be conducted, keeping in view the State Committees priorities for organising working women. They should take initiative to ensure participation of all the members of

the Working Women's Coordination Committee and Sub-Committees as well as the women members of CITU. At the same time planning and implementation should not be left only to the Coordination Committee of Working Women. It is the responsibility of the CITU committees, said the Secretariat. The campaign should consist of leaflet distribution, group meetings, collection of signatures on memoranda, representations to the State Governments, district and State Conventions etc.

The Secretariat decided that the mass mobilisation at Delhi would be held after the elections in some States, in June-July.

The CITU Secretariat called upon all the affiliated unions and State Committees to observe International Women's Day on March 8 by organising meetings,

bringing out leaflets, badges etc. besides the issues of Women's liberation.

It was also decided that Vimaldi's birth anniversary on April 10 will be observed by organising a lecture on "Impact of Globalisation on working women in the Unorganised Sector". The State Committees should plan the details.

The Secretariat directed the State Committees to identify the federations/unions, where working women's sub-committees can be formed and direct the unions/federations to form the sub-committees.

It was decided to bring out the Haldia working women's conference report together with the Commission Paper on Working Women and the declaration on tasks on the working women front adopted at the Tenth Conference.

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TOWARDS GENDER EQUALITY AT WORKPLACE

An ILO research had pointed out:

- Women hold only 1 to 3 per cent of top executive jobs in the largest corporations worldwide. For women who experience racial discrimination, the percentage is even less;
- Only 8 countries have a woman head of state;
- Women account for just 13 per cent of the World's parliamentarians; 2 countries have a female deputy head of state;
- Although women account for almost 40 per cent of trade union members worldwide, only one per cent of trade union leaders are women.

ILO research also indicates that the gender bias against women's accomplishments in the workplace

extend to persistent occupational segregation where jobs are classified as "male" or "female" with the latter often being assigned a lower market value. Even in fields where women employees predominate, such as health and education, men usually occupy the more skilled, responsible and better-paid positions.

It highlighted the "pay gap" that leads to income differentials of 10 to 30 percentage points for women in even the most advanced countries in terms of gender equality.

ILO studies have shown that women on average work longer hours than men in nearly all countries and women continue to perform most unpaid work.

The ILO has also coined two

phrases in the course of its efforts to improve gender equality in work place. One is the problem of "sticky floor", which is used to describe the forces that keep women stuck at the bottom of economic pyramid. The other is the "glass ceiling", which is a reference to the barriers to female entry to Senior Executive posts.

Addressing a special gathering at the headquarters of the ILO in Geneva, on the International Women's Day, **Juan Somavia**, Director General, ILO, declared: "Gender equality is a goal and a catalyst to achieve our core vision: decent work for women and men in conditions of freedom, equity and dignity."

CONSTRUCTION WORKERS CONFERENCES

On 28.1.2001, Coochbehar District Conference of Paschim Banga Nirman Karmi Union (PBNKU) was held at Coochbehar town.

On 13.2.2001, Medinipur District Conference of Paschim Banga Nirman Karmi Union was held at Kharagpur.

On 2nd February 2001, the first State level convention of construction workers in Jharkhand was held at the capital city Ranchi. 2000 construction workers (mostly Adivasis) came to attend this

convention from different parts of the State.

Before the convention these workers led a big procession in the heart of Ranchi City.

Jharkhand Construction Workers Union, a State wide union, was formed in the convention with Sudhir Das as President, Sahabir Lokra as General Secretary and Jhon Lakra as Treasurer.

On 10th & 11th February, 2001, at Sudarnagar, H.P. a meeting of the leading comrades of NHPC and other comrades from J&K, H.P.,

Punjab, Sikkim and West Bengal was held. The meeting chalked out several programmes of action including holding of demonstration before National Hydro Electric Power Corp. (NHPC) Head Quarter at Faridabad on 12-13 March, 2001.

A National Convention of NHPC workers will be held at Pathankot, Punjab on 12th May 2001.

In a meeting of the leading comrades of Rajasthan, under the presidentship of Ravindra Shukla, General Secretary, CITU,

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Rajasthan State Committee at Jaipur, it was decided that in the 3rd week of May, a State level convention will be organised to form the State level union in Rajasthan.

On 21st February, 2001, at Digboi in Assam, a workers' meeting was

held at IOC plant gate in spite of 144 Cr. P.C.

On 22nd February, 2001, a meeting of the leading comrades of upper Assam was held at Mineral Workers Union office.

On 23rd February, 2001, a meeting of the leading comrades of lower

Assam was held at CITU, Assam State Committee office, Guwahati. After the State Assembly elections in Assam are over, a State level convention will be held to form a State level union of construction workers.

(Report from Debanjan Chakraborty)

UNORGANISED WORKERS RALLY IN KOLKATA

In Kolkata at Saheed Minar Maidan a rally of the working people engaged in unorganised sector took place on the 2nd March, 2001. Over 50000 working people from different corner of the State attended the rally to voice against the anti-working people policies of the Union Govt., which practically have seopardised the livelihood of the working people of our country as a whole including those engaged in unorganised sector. This meeting also hailed the Provident Fund Scheme for unorganised Sector workers introduced by the Left Front Govt. of West Bengal.

Niren Ghosh, President, CITU, W.B., presided over the meeting where the main speaker was Jyoti Basu, Vice-President CITU and former Chief Minister. Chittabrata Mazumdar, General Secretary, CITU W.B., Mrinal Das, Secretary, CITU, W.B. and Convenor of All India Co-ordination Committee of Unorganised Sector, Asim Dasgupta, the State Finance minister and Santi Ghatak, State Labour Minister were the other speakers. The eminent leaders of CITU, Kali Ghosh, Shyamal Chakraborty, Arati Dasgupta, and others also participated.

Jyoti Basu in his speech highly applauded the State Left Front Government's announcement of a P.F. Scheme for the unorganised workers. He sharply pointed out different sides of the Union Govt's Budget whereby, he told the Central Govt., in place of creating opportunities for one crore of the unemployed every year in accordance with their assurance, had arranged snatching away of employment of the millions of working people including those engaged in Small Scale and Cottage Industries and different professions.

(Report from Somen Kundu)

REGULARISATION OF CO-OP. SOCIETY WORKERS

The services of the Cooperative Society Workers under the control of the Director General of Ordnance Factories has not been regularised so far putting the employees to great sufferings and hardship.

There are about 600 employees in the 39 Cooperative Societies functioning under the control of the Director General of Ordnance Factories, to provide Food items etc. required for the families of the workers at nominal controlled

rates.

The service of the cooperative society workers in the Ordnance factories range from 2 to 35 years. The CITU has urged regularisation of their services.

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MUMBAI BUNDH ON 25th APRIL

The 24 hour hectic commercial capital of India, Mumbai, is now to witness a total bundh on 25th April 2001. The Bundh is to register the strong resentment against the anti-working class and anti-people policies of the BJP-led Central Government and the INC-NCP led Maharashtra State Government. The call by the Trade Unions Joint Action Committee, comprising 30 trade union organisations in the city, was announced in a massive congegation of industrial workers and middle class employees at Azad Maidan on 15th March.

Though the call for the bundh is presently restricted to Mumbai only, efforts by the State CITU are in progress to see how best this action could be extended to the whole State of Maharashtra.

The leaders who addressed the meeting were R.G. Karnik, (State Govt. Employees Confederation), Ahilya Ranganekar (CITU), Sukumar Damle (AITUC), Dr. Arun Dixit (MFUCT), Suryakant Bagal (HMS), Sarad Rao (HMKP), Dada Samant (Kamgar Aghadi), Jayant Chavan (SSS), R.P. Singh (Central Govt. Employees), Suresh

Dhopeshwarkar (AIBEA), A.D. Golandas (MSEB) and Medha Patkar, Narmada Bachao Andolan.

The working class organisations under different organisations had also taken part in the Statewide protest demonstration against the anti-people and anti-working class provisions contained in the Central Budget on 2.3.2001.

On 9.3.2001, the workers and employees staged a massive demonstration in support of BALCO strike, near churchgate station.

(Report from P.R. Krishnan)

CONTRIBUTE TO BALCO STRUGGLE FUND

The indefinite strike by the workers of BALCO at Korba, Chhattisgarh has already crossed a fortnight. All the major Central trade unions have already given a joint call to organise countrywide solidarity action in support of BALCO struggle and on 21st March. In an appeal jointly signed by K.L. Mahendra (AITUC), M.K. Pandhe (CITU), U Purohit (HMS), Chandidas Sinha (INTUC), R Ganguly (AICCTU), Abani Roy (UTUC), R Sharma (UTUC-LS), S.C. Gaur (TUCC) a call has been given to raise funds for assistance of the workers on continuous strike.

The CITU Secretariat has requested all the State committees and industrial federations to activate all affiliated/constituent units in collection for support of BALCO struggle and send the collected funds to them, with an intimation to CITU Centre.

PLEASE NOTE IN PARTICULAR that the funds collected should be sent by DD payable to "BALCO Bachao Sanyukta Abhiyan Samiti, BALCO Nagar, Korba", and crossed A/c payee; the same should be forwarded to the CITU union there at the following address, who in turn will hand over the DDs to the joint platform:

**Com. I P Verma,
President, Bharat Aluminium Employees Union (CITU),
Qtr no 485A, Sector 6, P.O - BALCO Nagar,
Korba - 495684, Chhattisgarh.**

DELHI: ANTI-BUDGET DEMONSTRATION

A massive workers dharna and demonstration at Jantar Mantar in New Delhi on 21-3-2001 denounced the anti-labour pronouncements and anti-people provisions in the recently placed Union Budget of the BJP led NDA Govt. All the central trade unions in the country including INTUC and BMS had given a call for countrywide protest against the anti-labour and anti-people Union Budget.

Several thousands of workers both from public and private sectors, Govt offices Railway, Banks and Insurance sector affiliated to all the central trade unions, took part in the dharna and demonstration from 11am. Leaders of various central trade unions and of the bank, insurance, railway and central Govt. employees, including MK Pandhe, S B Bharadwaj

(CITU), KL Mahendra, SN Sharma(AITUC), Umraomal Purohit, S Upadhyay(HMS) Chandidas Sinha, Ashoke Singh(INTUC), Ranjan Ganguly(AICCTU), Abani Roy(UTUC), S Tiagi(UTUC-LS), S C Gaur(TUCC), S R Saini(AIIEA, Ramanand(AIBEA) addressed.

All the speakers pointed out the atrocious anti-labour pronouncements in the Union Budget. They, while pointing out to the corrupt deals being made by the Govt, one after another, while selling out the profit making PSUs, stated that the NDA Govt have become desperate to sell out the whole country brick by brick and Tehelka episode exposed only the tip of the iceberg. "The working class must unite and fight for ouster of this corrupt and anti-

national Govt, which is acting as agent of the MNCs and big corporates. We must plunge into countrywide united struggle", was the clarion call of the rally.

The rally also called upon the working class and trade union movement to act in solidarity with the striking BALCO workers against privatisation and appealed to the trade unions for sending liberal monetary assistance to the BALCO Bachao Sanyukta Abhiyan Samity, Korba, which is conducting united indefinite strike action in BALCO. From the rally, a five-member delegation submitted a memorandum to Union Labour Minister demanding reversal of all the anti-labour pronouncements in the Union budget and scrapping of BALCO privatisation deal.

KOCHI : JOINT SECTOR MOVE OPPOSED

The Water Transport Workers Federation of India has come out against the proposal of P&O Ports India Ltd to develop a container transshipment terminal at Kochi Port, saying that the terms and conditions in the proposal were not in the interests of the port and its workers.

In a letter submitted to the Shipping Secretary, the Federation Vice-President, K.V.A. Iyer, said that

there was no credible guarantee in the contract that P&O would build a world-class container terminal at Vallarpadam, as the company had proposed to invest only Rs.150 crore at Kochi for a project involving a total of Rs.1,874 crore.

Notwithstanding all the safeguards available to P&O, the penalty for non-performance of the contract by the joint sector company was a

paltry Rs.10 crore.

However, P&O's stake in other projects in the east and west coast in the country were high, exceeding Rs.2,200 crore. Protecting and safeguarding these investments would rank high for P&O, rather than developing Vallarpadam terminal. The prospect of development of Vallarpadam terminal participation by P&O appeared bleak.

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It also involved the immediate handing over of the publicly-owned and operated facility of the Rajiv Gandhi Container Terminal and renouncement by the Port of

the statutory right to do container handling service and confer this exclusive right to the joint sector company.

The Federation urged that RGCT

be retained under the port and effective action might be taken to build transshipment terminal at Vallarpadam by public authorities.

ASSAM: CITU ON THE MOVE

As per the NPMO call against the anti-people budget of the NDA Government, meetings and demonstrations were held in several places in Assam. At Guwahati, demonstrations were held in front of the Head Post Office. Similar demonstrations were held at Silchar, Tinsukia, Kokrajhar and Jorhat Town.

To discuss the decision of All India Convention of NPMO, a meeting of the State committee of NPMO was held on 27th February. The meeting decided to organise a Mass Rally and procession on 15th March at Guwahati against the anti-people Central budget. Considering the ensuing Assembly

Election, the meeting also decided to hold the State Convention after the election.

On 20th February, a big demonstration was held in front of the Assam assembly, organised by the Anganwadi Workers and Helpers demanding additional honorarium by the State Govt. and proper implementation of ICDS. More than two thousand Anganwadi workers and helpers participated in the demonstration covering 16 districts.

The State Committee meeting of the CITU was held on 24th and 25th February. S Dev Roye, Secretary, was present.

The State Committee appealed to

the working class of Assam to defeat the Cong(I) and the BJP in the coming Assembly election and to strengthen the left, secular and democratic forces.

The State committee decided to organise independent programme by CITU in support of the programme of Kisan Sabha on 30th March throughout the State. A three day workshop on organisation will be held during July or August, 2001.

In the last CITU State conference it was decided to increase the membership to 80,000. The State committee has taken some steps to increase the membership.

(Report from Deban Bhattacharyya)

SUCCESSFUL STRIKE BY NTPC WORKERS

On 15-3-2001, NTPC workers observed a day's token strike. The CITU unions and the three independent recognised trade unions functioning in NTPC had called the strike jointly. The strike was to protest against the anti-public sector power policies, against the attack on trade union rights and against the anti-worker

long-term wage settlement.

It may be recalled that on 25-1-2001, a long-term wage settlement was signed between the management of the NTPC and the INTUC, BMS and AITUC unions. The CITU along with the independent trade unions did not sign the settlement, demanding parity between the officers and

workers in terms of parameters and not in terms money. But, the management in connivance with the aforesaid central trade unions deprived the workers of their genuine and principled demand. The workers fully supported the principled stand of the CITU. They firmly held that if the CITU had not taken the firm stand, then

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whatever benefit has been achieved would not have been possible and those unions would have signed the settlement with much lesser benefits.

In order to terrorise the leaders and workers, the NTPC management, with the ulterior motive to thwart the strike, organised notorious activities. The General Manager issued administrative instruction to all the NTPC project management to "make preparations for taking strict administrative and disciplinary actions, including punitive deduction of 7 days wage for one day's strike, suspensions, dismissals including discharge simplicitors."

In the face of the terror tactics and allurements of the management, the independent trade unions backed

out from the strike decision. However, taking into consideration the mood of the workers and future implications for the trade union movement, the CITU unions decided to go ahead with the strike.

Braving the atrocities of the management the CITU unions carried out campaign for the strike. The response was varied. Some projects witnessed massive strike, some partial and yet others observed solidarity programmes. It is a matter of satisfaction and encouragement that overwhelming majority of NTPC power stations witnessed some form of action including strike on 15-3-2001.

The strike has brought immense prestige for the CITU unions amongst the workers of NTPC.

The management has become panic at the growing popularity of the CITU amongst the NTPC workers. Now, they have launched a naked attack against the CITU activists. Charge sheets are issued in large-scale to the CITU leaders on fabricated charges.

Given the solid support extended by the workers the CITU unions are sure that in the end the management shall have to accept the reality, honour the will of the mass of the workers and shall be compelled to give up the vindictive path and come to honourable settlement with the CITU unions. But that shall not come so easily. The CITU unions will have to mobilise the mass of the workers and thwart attack of the management.

HAL EMPLOYEES TO CELEBRATE DIAMOND JUBILEE

The Hindustan Aeronautics Employees Association is holding its Diamond Jubilee Celebrations on 1st May 2001.

M.K. Pandhe, General Secretary, CITU, in a message to the union, has exhorted the Hindustan

Aeronautics Employees to be vigilant about the anti-worker policies of the present government when these policies, like disinvestment, privatisation, closure of industries are telling upon heavily on the interest of the

workers of this country. He has advised the HAL workers to remain vigilant to the serious situation and strive hard to strengthen and consolidate the united movement of the working class.

VERIFICATION IN THE SHIPPING INDUSTRY

The Forward Seamen's Union of India had deferred their proposed hunger strike, with a view to give time to the Govt. to decide on verification of membership of Unions in the Shipping Industry. It is learnt that the Asst. Director

General of Shipping had requested the CLC (Central) to give necessary directives to the RLC(C) to conduct the verification of membership of the Unions in the Shipping Industry at Mumbai/Calcutta/Chennai and Port Blair in

order to facilitate negotiations with the truly representative union. The CITU urged the CLC(C) to expedite verification of membership of unions in Shipping Industry.

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NEPAL: STRIKE BY HOTEL WORKERS

The Hotel Workers Movement in Nepal had been launching a continuous movement for the last two decades demanding implementation of 10% service charge in Nepal. The Hotel Association of Nepal (HAN) had been carrying on a misinformation campaign against the Hotel Workers, who were set to launch a strike during December last year. The Dy. Prime Minister of Nepal intervened and at his request the strike, which was to commence on 22.12.2000, was deferred by two months. Even after the two months period lapsed by 22.2.2001, the Government failed to take any serious step to solve the problem. On February 27, 2001, the Joint Action Committee of the hotel workers announced that the general strike would be launched from 15th of March, if the demands were not fulfilled within March 14, 2001. The HAN, violating all norms and practices of industrial relation, is acting in a

corrupt manner from the very beginning. Rejecting the possibilities of bipartite dialogue, it filed a petition against GEFONT, NTUC and the Joint Action Committee and also union leaders for stay order from the court. In their petition, they blamed unions for instigating illegal strike, trying to topple the Government, damaging the entire national economy, ruining flourishing tourism industry etc.

But, the court on 14.3.2001 gave its verdict in favour of hotel workers. It has given unions the legal right to launch strike. The Bench, comprising the Justice Madhav Raj Thapa and Bodhar R. Pandey, made their observation in the verdict that "it cannot be proved that the activities of the Trade Unions registered under the Trade Union Act would create extreme condition, which would damage the national economy and invite social unrest. If there is such a situation, there are proper rooms

with government to check it". It also noted that the issue is a policy issue and the court should not enter into the policy matter but said that the social dialogue between concerned parties would find out amicable solution.

But, the Home Ministry of the Nepal Government on 15th March issued a notice to ban the general strike of hotel workers, declaring the hotel services to be an essential service. The General Federation of Nepalese Trade Unions (GEFONT) denounced this anti-democratic measure by the Government, which went against the spirit of the court verdict. The GEFONT also denounced the police operations against the leaders of Hotel Workers Movement. The Government order has been challenged in the court and the hotel workers are getting set to launch the strike any time, after getting the outcome on the court petition.

(Report from Bishnu Rimal, GEFONT)

ATTENTION, AFFILIATE UNIONS!

In the Tenth Conference, the CITU Constitution in respect of affiliation fees had been amended as under:

An affiliation fee at the rate of Re 1 (Re one) per member per calendar year subject to the minimum of Rs 40/-.

The Conference also decided that the revised rates of affiliation fee will become payable on the membership of the unions for the year 2000, payable in 2001.

All affiliated unions are, therefore, requested to send copies of their Form E Returns for the year 2000 along with the affiliation fees payable at the revised rates, through their respective State Committees.

WEST BENGAL

Provident Fund Scheme for Unorganised Workers

While the Central Government only shed crocodile tears for the vast multitude of workers in the unorganised sector and did not deliver any goods to them, the Left Front Government of W.Bengal, despite serious crunch in resources has shown the beacon light by introducing a state assisted scheme of Provident Fund for both wage employed and self employed workers of the unorganised sector in W.Bengal with effect from 1.1.2001. The scheme has been made for wage employed workers in 49 industries and for self employed workers in 15 occupations. In the first phase the scheme will cover workers in 13 industries and 7 self-employed occupations. Workers covered under the Employees Provident Fund and Miscellaneous Provisions Act, 1952, however, will not be eligible under the scheme.

Benefits under the Scheme

All wage-employed or self-employed workers between the age of 18 and 55 years having an average family income of not more than Rs 3500/- per month will be eligible to be covered under the scheme. The family will include the beneficiary, his or her spouse, the wholly dependent daughters, wholly dependent minor sons and wholly dependent parents. The major source of income of the beneficiary and income of his or her family members taken together should be from their work as wage employed or self-employed workers in one or more employment or occupations covered under the scheme.

At the time of enrollment the worker under the scheme will be issued an Identity Card cum Pass Book under the signature of the authorised officer.

Contributions

Each worker will contribute a sum of Rs 20/- per month. An equal amount shall also be contributed by the State Government. The interest on the balance of credit of the subscriber will also be paid by the State Government annually at the rate declared by the government. Total contribution alongwith interest will be refunded to the workers on attainment of 55 years age or in the event of the account becoming inoperative due to death

or prolonged default in making contribution, i.e. for six consecutive months. The account under prolonged default will, however, stand revived when contributions are made upto date by making payments in one or more instalments, subject to a maximum of six instalments. In the event of death the total amount with interest will be paid to the nominee. The State Government may prescribe provisions for loans and withdrawal from the fund.

A bank account in the name of "State Assisted Provident Fund Account for Unorganised Workers in W.Bengal" will be opened in each Block, Municipal Area, District head Quarters and borough of the Municipal Corporation jointly by the ALC and/or BDO or Minimum Wage Inspector. The State Government will also bear all expenditure relating to the administration of the scheme.

Employments

1. Tailoring Industries (having less than 20 workers)
2. Shops (having less than 20 workers) & Establishments (having less than 20 workers).
3. Bakery (having less than 20 workers)
4. Linesman engaged in supply of Bakery Products
5. Hand-loom
6. Cottage/village based Cottage Industry (Boatman Service, Bangle-Making, Fire works, Chakki Mills, Kite and Kite Stick manufacturing, Earthen Pottery Work, Paddy Husking, Embroidery & Zari Chicon Work)
7. Construction (having less than 20 workers)
8. Lac Industry (having less than 20 workers)
9. Stone crushing (having less than 20 workers)
10. ICDS, IFP, VIII & CUDP-III
11. Automobile repairing garages, (having less than 20 workers)
12. Public Motor Transport Service
13. Hired Motor Vehicles Services

Self-employed occupations

1. Cycle Rickshaw and Van Puller/Paddler
2. Head-load workers and workers engaged in loading & unloading
3. Railway Hawkers
4. Street hawkers including newspaper hawker
5. Auto Rickshaw Operator
6. Mason & other workers engaged in Masonry work
7. Cobler/Shoe-maker.