

# **CENTRE OF INDIAN TRADE UNIONS**

## **MEETING OF THE GENERAL COUNCIL**

**15 - 18 July, 2006**  
**Ranchi, Jharkhand**

### **DOCUMENTS**

- \* Presidential Address**
- \* Report of the General Secretary**
- \* Report on Activities**
- \* Statement of Accounts**
- \* Condolence Resolution**
- \* Special Discussion Paper**
- \* Information Document**



# CENTRE OF INDIAN TRADE UNIONS

## General Council Meeting

Ranchi - July 15-18, 2006

### AGENDA

1. Confirmation of the minutes of the last General Council meeting
2. Presidential Address
3. Report of the General Secretary
4. Special discussion on "Judiciary and the working class"
5. Holding of the 12th Conference of CITU
6. Accounts for 2005 – 06
7. Any other issue with the permission of Chair

### TIME – TABLE

#### July 15, 2006

|                             |                                                                                                                                      |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| 10.00 a.m. to 11.30 a.m. :  | OPEN SESSION<br>Flag hoisting & Homage to Martyrs<br>Welcome Address by the<br>Chairman, Reception Committee<br>Presidential Address |
| 12.00. noon to 01.30 p.m. : | Condolence resolution<br>Introduction of the report by General Secretary                                                             |
| 04.00 p.m. to 05.30 p.m. :  | Introduction of Treasurer's Report & Accounts – 2005 -06<br>Fraternal greetings                                                      |
| 06.00 p.m. to 07.30 p.m. :  | Debate on General Secretary's Report                                                                                                 |

#### July 16, 2006

|                                                          |                                      |
|----------------------------------------------------------|--------------------------------------|
| 09.30 a.m. to 01.30 p.m. &<br>04.00 p.m. to 07.30 p.m. : | Debate on General Secretary's Report |
|----------------------------------------------------------|--------------------------------------|

#### July 17, 2006

|                                                          |                                                       |
|----------------------------------------------------------|-------------------------------------------------------|
| 09.30 a.m. to 11.30 p.m. :                               | Debate on General Secretary's Report                  |
| 12.00 noon to 01.30 p.m. &<br>04.00 p.m. to 05.30 p.m. : | Special Discussion on Judiciary and the working class |
| 06.00 p.m. to 07.00 p.m. :                               | Holding of 12th Conference of CITU                    |

#### July 18, 2006

|                            |                                                                                                                                                    |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| 09.30 a.m. to 12.30 p.m. : | Report of the Credential Committee<br>Summing up by General Secretary<br>Adoption of reports<br>Resolutions<br>Concluding remarks of the President |
| 03.00 p.m. to 07.00 p.m. : | MASS RALLY                                                                                                                                         |

(Tea breaks: 11.30 a.m. – 12.00 noon & 05.30 p.m. to 06.00 p.m.  
Lunch break 01.30 p.m. to 04.00 p.m.)



# CENTRE OF INDIAN TRADE UNIONS

## General Council Meeting

Ranchi - July 15-18, 2006

### PRESIDENTIAL ADDRESS

Dear Comrades,

This General Council is meeting after one year after our last meeting at Alapuzha (Kerala) on 2005. Since then we had a meeting of the working committee at Bhopal on December 2005.

In this period we have lost two stalwarts of the CITU Comrades C. Kannan and K. Ramani who had played a significant role in Indian Trade Union movement even prior to the foundation of CITU. Their role in building the CITU can never be forgotten. Comrade Ramani contributed remarkably in textile and cement workers movement while Comrade C. Kannan played a glorious role in construction and bidi workers movement at a national level. Both of them were prominent in Kerala and Tamil Nadu trade union movement and were Vice-President of the CITU for a long period. Their legacy will always be a source of inspiration for our younger generation.

The last 6 months witnessed several noteworthy developments in national and international arena creating a long term impact on the future of our country and the world. It is not possible to review all of them but salient features of them will give us a clear idea about the trends with which the world is moving today.

#### **GROWING WORLDWIDE CHALLENGE TO IMPERIALISM**

With its largest military budget of over \$500 billion, the U.S. imperialism is continuing its vile attempt to strengthen its control over the world. It is also facing resistance everywhere including in U.S. itself. Bush's popularity rating according to recently held opinion polls has gone down to 29 per cent. Never before any president of U.S. did get such a low rating in the annals of United States.

Despite holding elections in Iraq under the watchful eyes of U.S. troops the outcome of the election was not to the liking of U.S. Government. It took five months for the occupation forces to form the stooge Government whose stability was in doubt. The conflict within the Iraqi Government heightened and it eroded its capacity to maintain semblance of law and order all over Iraq. The servile Govt. in Iraq could not form unified army and police force in spite of U.S. training due to internal contradictions between Shias, Sunnis and Kurds.

U.S. imperialists pursuit of policy of divide and rule threaten the unity of the country while the bankruptcy of U.S. policy came home to roost. Withdrawal of the army by Italy, Spain, Japan, Poland and other countries and pressure mounting on Tony Blair, British Prime Minister to withdraw troops from Iraq is adding to the worries of U.S. imperialists.

The demand for withdrawal of U.S. troops from Iraq is gaining ground in United States itself. Public opinion in U.S. is getting stronger with each corpse of U.S. soldier reaching home. Several intellectuals in U.S. have openly come out against war in Iraq. An assessment made by leading research organisation



in U.S. reveals that over 70 per cent of the people all over the world are against U.S. war in Iraq.

Meanwhile, popular resistance to U.S. armed forces and its dominated Iraqi Government is growing with each passing day. Despite inhuman brutalities committed by U.S. army against innocent civilians there is no sign of any let up of the heroic resistance struggle. Many columnists in U.S. have already characterized U.S. involvement in Iraq as comparable to Vietnam fiasco.

U.S. imperialism's game plan about Iran has misfired. President Bush had contemplated to resort to a nuclear strike at Iranian nuclear facilities on a plea of preventing Iran from manufacturing atom bomb. Though U.S. succeeded in taking out Iranian issue from International Atomic Energy Commission and referring it to Security Council it could not impose sanctions against Iran due to strong opposition by Russia and China, two of the five permanent members of the security council. France and Germany were also not in favour of any military action in Iran.

Iran expressed its firm determination to carry forward her programme of enrichment of uranium to feed the nuclear power generation plants. The Government of Iran even rejected the offer of Russia to do the enrichment of uranium in their country as it claimed that as per Nuclear Non-proliferation Treaty Iran can do the work in their own land.

U.S. attempt to attack Iran's nuclear sites could not materialize due to threat of Iran to retaliate not only against U.S. but against Israel. U.S. realized Iran's capacity to retaliate and cause damage to U.S. imperialists interests. Moreover, the stoppage of oil supplies from Iran would further add to the gravity of the world oil crisis by pushing up its prices further. This ground reality prevented U.S. from indulging in any misadventure of military action.

Meanwhile Government of Iran wrote to the U.S. Government about its readiness for talks on the dispute put U.S. imperialists in the dock. The proposal of Bush to negotiate only if Iran gives up its programme of enrichment of uranium was not accepted by Iran. World-wide public opinion was also in favour of a negotiated settlement instead of sanction or military action. Hence the U.S. Government found it difficult to reject the proposal for talks and accepting its failure in its aggressive policy towards Iran.

## **ISRAELI DEPREDATIONS IN PALESTINE**

The spectacular victory of Hamas in recently held elections in Palestine was naturally not liked by U.S. imperialists and Israel who were expecting the success of leadership which would compromise with Israel on humiliating conditions. U.S. had already dubbed Hamas as a terrorist outfit and expressed open determination to throttle its economy by stopping the share of tax to be paid to it by Israel to the tune of \$50 million every month. This added to the agony of the people of Palestine but leadership of Hamas refused to surrender before the Israeli dictates.

In the beginning Hamas declared that they refuse to recognize Israel but later on agreed to coexist with it. Yet Israeli authorities continued their attacks on Palestinian territory and continue to forcibly occupy a large part of Palestine homeland.

The invitation to Hamas leadership by Russia gave them a moral boosting. Despite acute financial difficulties the people of Palestine refused to surrender before the Israeli attacks and carried forward heroically their liberation struggle. They received international aid in their struggle which is enabling them to survive despite Israeli brutalities.



Israeli tanks and armoured bulldozers pushed into the Northern Gaza strip and recklessly attacked civilian population. Even the Palestine Prime Ministers office and residents of important leaders were hit by rocket attacks. Despite worldwide condemnation Israeli atrocities continue unabated. The people of Palestine however are heroically resisting Israeli depredations. The US, imperialists are fully backing the Israel Government in all its nefarious actions.

The people of Palestine require moral and material help to survive and fight the Israeli brutalities. Their right to have their homeland after vacation of all illegal settlements can be achieved only if they get strong international support.

## **ANTI-IMPERIALIST SURGE IN LATIN AMERICA**

In the recent period the people in Latin America have come to the forefront in the struggle against U.S. imperialism. It is no more a "backyard" of USA following so called "Washington Consensus" which ensures U.S. supremacy over the entire Latin American continent.

The people of Latin America from their own experience have realized the real face of U.S. imperialism. Brazil and Mexico were the largest indebted countries while the international finance capital have almost ruined their national economy.

It is no more Cuba alone fighting U.S. imperialism. Brazil has turned leftwards by electing son of a steel worker Lula as the President. In Uruguay the leftist have won in Parliamentary elections. Venezuela, under the leadership of Hugo Chavez has broken U.S. monopoly of oil in its land and joined Cuba in opposing U.S. imperialists machinations in Latin America.

In April last, Bolivia, where Che Guevara laid down his precious life for the cause of its liberation, joined Cuba to carry forward the policies of Simon Bolivar who opposed U.S. imperialist domination over Latin America. Bolivia nationalized Gas and Petroleum companies and a historic people's Trade Agreement has been signed between Cuba, Venezuela and Bolivia which will be an effective alternative to the policies of globalization.

The popular mobilization in Ecuador by the indigenous people and their opposition to the U.S. imperialists evil designs will have its repercussions in the forthcoming elections to be held in the month of October next. In the recently held elections in Peru the Leftists got the largest number of votes though the right reactionary forces could form the Government.

In recently held elections in Mexico the Leftist candidates got the largest votes. However, the fraud and manipulations were resorted to by the rightist forces in the country with the help of U.S. imperialists to deprive the Left of their legitimate support. The Leftists are going to face the rightist challenge squarely which is a significant development in Central America.

The anti-imperialist forces in Argentina, Chile, Haiti, Honduras and Nicaragua have gained strength and are challenging U.S. Supremacy. As a result of all these developments the Latin American contingent has emerged as a front rank fighter against the U.S. imperialist game of striving to dominate the world.



## **SUCCESS IN FRANCE AND ITALY**

The remarkable struggle of the students and workers in France against draconian employment law in March attracted world attention. The long drawn struggle had been against the provision that the fresh recruits would be provided only two year job contract and they would be thrown out any time during the period. This so called flexibility of the labour market evoked strong resistance by the students which was also joined by the workers all over France. The struggle sustained for over 3 weeks which compelled the Government of France to withdraw the retrograde provision. The entire country was paralyzed completely forcing the Govt to retreat from their retrograde design which generated confidence among the students and workers.

The defeat of the pro-U.S. Berlusconi Government and success of the center-left Government led by Romano Prodi was also a significant development during this period. The new Government took the first decision after assuming power to withdraw Italian army from Iraq which was a popular demand in Italy for a long time. The new Government also promised to withdraw several measures taken by the Right wing Government in the past.

## **MACHINATIONS OF NATO EXPANSION**

Though the days of cold war are over the U.S. imperialists are keen not only to maintain NATO but to expand it to strengthen its domination in the global arena. The East European countries after dismantling of Socialism in these states were included in NATO. Now the NATO is preparing the ground to include Ukraine and Georgia in its domain. Open expression to include countries like South Korea, New Zealand, Israel and Australia in NATO have been made clearly indicating that the U.S. imperialists are determined to strengthen NATO beyond the North Atlantic Countries. Development of relations with Pakistan and expression of interest to involve India in dialogue with NATO also are clear signs of expansion of NATO much beyond its regional framework. Agreement has already been reached to train Pakistani army personnel in NATO military training academies.

NATO has already established its presence in Afghanistan and its troop strength has already reached 17000. NATO is becoming a military alliance to strengthen imperialist control over a large part of territory and also to encircle Russia so that it would not challenge the Imperialist Supremacy in a period of globalization. It is becoming a threat to the peace loving people all over the world.

President Putin had been maintaining good relations with U.S. imperialists. Russian Government allowed U.S. capitalists to control some of the public sector undertakings in the former Soviet Union. Even U.S. troops were stationed in some Central Asian Republics.

However, due to the U.S. machinations to encircle Russia with the help of expansion of NATO, Russia also stated become worried about the growing activities of U.S. imperialists around the borders of CIS countries. On the other hand, the Energy rich CIS countries became an important supplier of oil and gas to European countries. U.S. has reasons to worry about growing dependence of European countries on Russian energy resources. U.S. wanted to control as much oil resources as possible from the CIS countries. These developments led to generation of conflict of interest between U.S. and Russia. This was strengthened by growing strategic alliance between China and Russia due to their growing economic co-operation.

It is also observed that of late Russian leadership has been making strenuous efforts to thwart the U.S. efforts to increase the sphere of influence in former Soviet Union Republics. With steep rise in oil



prices Russia has great advantage in increasing its influence in the field of energy which is not liked by U.S. Government. This growing conflict is likely to benefit the third world countries who may get Russian support in their conflict with U.S. imperialists.

## **ORGANISATION OF SHANGHAI CO-OPERATION**

The Shanghai Co-operation Organisation formed on June 15, 2001 in a summit meeting in which Russia, China, Kazhakhstan, Tajikistan, Uzbekistan and Kyrgyzstan was a significant event in which a strategic alliance was formed to build a powerful regional security. The four South Asian Countries namely India, Pakistan, Iran and Mongolia had been invited as observers to this summit which has made the co-operation a powerful force to be reckoned with.

The attempt to expand NATO by the imperialist forces has received a big jolt with the formation of this formidable alliance. With a powerful Russian Army and newly modernized Chinese army coming together for strategic alliance has a potential to become a challenging force to NATO military alliance. This alliance can prevent U.S. imperialism going berserk on several issues.

U.S. is attempting to placate India in its goal of containing China. The fast growing China's economic strength which is likely to surpass U.S.A. before 2030 has been a matter of great concern to USA. China is effectively competing with U.S. where Chinese products are flooding US market despite several restrictive measures by the U.S. Government. China's importance in regional affairs is growing fast which also is posing as a challenge to US supremacy. The dream of USA to build a unipolar world is likely to be shattered by these developments.

The strengthening of the economic co-operation between China and Russia has immense potential to develop the economies of both the countries. The construction of three Gorges Hydel Power project and opening of the Beijing Lhasa rail line have enhanced prestige of China in the world. Even U.S. economists have characterized China as an engine of growth of economy in the world!

The proposal from Iran and Pakistan to obtain full membership of the Shanghai Co-operation Organization has posed a serious problem to India. In a recently held meeting at Shanghai on the occasion of fifth anniversary of the formation of Shanghai Club important decisions have been taken. India's nomination of Murli Deora a well known pro-American Minister in UPA Government only underlines India's lack of seriousness about this co-operation. It would be in India's interest if the Shanghai Co-operation becomes a powerful force. India should not bow down to the US pressure and take a causal approach towards this emerging mighty force in Europe and Asian continents.

The Shanghai co-operation, along with other developments reviewed earlier, indicate a positive development which should be welcomed by the CITU. We should see that the anti-imperialist forces are strengthened all over the world which alone will put an end to the U.S. imperialist aggrandizement. The successful long-range missile test by DPRK despite protests from USA and Japan has strengthened its defence preparedness. The continued blackmail by USA failed to cow down the Government of Korea to continue their anti-imperialist assertion with determination.

## **DEVELOPMENTS IN NEIGHBOURING COUNTRIES**

Working Class and the people of Nepal heroically resisted autocratic role imposed by the King Gyanendra on 1st February 2005. The Loktantric movement turned into a popular upsurge on April 6, 2006. Despite police brutalities that resulted in killing of 19 persons and injury to hundreds, the general strike and



popular mobilization grew with each passing day in spite of imposition of curfew by the autocratic Government.

The sweep of the movement was so powerful that the king had to surrender to the Loktantric movement launched for about 20 days. He was compelled to reinstate the dissolved House of Representatives and restored the seven party Government under the Prime Ministership of Girija Prasad Koirala. The new Government drastically reduced the power of the king usurped by him through illegal means. The Koirala Government signed a landmark agreement with Maoist who agree to work with the democratic process and march towards election of the Constituent Assembly to draft a new constitution for Nepal.

In this historic struggle the Nepali trade unions have played an important role in making the popular movement successful. Eighty five GEFONT leaders and activists were arrested during the April upsurge. Twenty five GEFONT leaders had received bullet injuries while 338 were injured in police repression during the agitation. Working class involvement in the massive demonstrations had been quite significant.

The remarkable success achieved by the people of Nepal has inspired the entire Asian continent. The New Government declared Nepal as a secular state tearing asunder the dream of BJP leadership to preserve Nepal as a Hindu Kingdom.

The situation in Sri Lanka has deteriorated considerably in the recent past due to attacks and counter attacks between the LTTE and the Sri Lankan Government. The peace talks with international intervention broke down resulting in loss of lives on both sides. The LTTE commenced suicide bomber attacks and the danger of civil war is looming large. The ceasefire initiated in 2002 has unceremoniously become meaningless and the loss of life of innocent persons is increasing day by day. The declaration of LTTE as a terrorist outfit by the European union may result in adversely affecting the LTTE receiving material aid from some countries. The situation has been further aggravated due to the stand of the Sinhala extremist forces who are pressuring the Government of Sri Lanka not to have any autonomy for the Tamil majority region. The rejection of the offer of apology by the LTTE for killing of Rajiv Gandhi has been rejected by the Congress party which is considered as a rebuff to the overtures by the LTTE. These developments in Sri Lanka may lead to a bigger crisis in our Southern neighboring island.

Our eastern neighbour Bangladesh is facing general elections in the later part of this year. This has resulted in intensification of the activities of the fundamentalist forces who are striving to impose Islamic Shariat law on the country. The Bangladesh Government is openly indulging in encouraging extremist forces who are trying to strengthen disruptive activities in India. However the 14 party alliance led by Awami League also is opposing Khalida Zia Government's policy and fighting for secular and democratic policies. The crucial question is whether the country will be allowed to go for a free and fair poll. The success of the secular and democratic forces in Bangladesh will have big impact in the situation among our neighboring countries.

Bangladesh is holding the post of Chairmanship of SAARC countries. The inclusion of U.S. and South Korea as observers in SAARC during the April meeting of the Standing Committee was definitely an ominous development. When the name of China was proposed as observer to SAARC meeting the name of Japan was also proposed and approved. China has a border with several SAARC countries and has full justification in having an observer status. However, the inclusion of U.S. Japan and South Korea had no relevance but the Govt. of India supported these proposals which again exposes pro



U.S. tilt in UPA Governments policies. With inclusion of Afghanistan the U.S. shadow over SAARC countries is likely to be darker.

Though people to people contact between India and Pakistan has increased after the linkage of railway network between Rajasthan and Sindh and new bus routes from Kashmir to Pak occupied Kashmir the stalemate about the relations between the two countries. The talks of withdrawal of the armies from Siachin glacier by armies of both countries after concretely defining the line of actual control have made some progress but the situation does not show much improvement. The dispute on the question of election of new Secretary General of U.N.O. between India and Pakistan continue to affect the relations between the two countries. Despite increasing desire among the people of India and Pakistan to strengthen the ties of friendship and improvement in trade and commerce these irritants continue to affect the progress in improving bilateral relations. US imperialists are trying to take advantage of the situation and increase its sphere of influence in both the countries.

## **INTERNATIONAL T.U. MOVEMENT**

In the last meeting of the Working Committee we reviewed the new developments in the World Federation of Trade Unions. At the initiative of the leadership of Cuban Trade Unions' positive changes have taken in the activities of the WFTU. There has been change in the leadership and the new center has started operating from Greece. Anti-imperialism and the concept of class struggle has received emphasis in the conference and we welcomed these changes.

However, major membership of the trade unions in the world is still in the ICFTU. It is having overwhelming majority in the workers group in the ILO. With huge financial resources it is also creating sphere of influence in several developing countries. Majority of the trade unions in former Soviet Union and Eastern European Countries have joined the ICFTU. Even trade unions having left leanings like COSATU of South Africa and CUT of Brazil have joined the ICFTU. Former affiliate of the WFTU in Italy CGIL is also in the ICFTU. KCTU a militant T.U. from South Korea is also a part of the ICFTU.

WFTU has no affiliated organisation in the major capitalist countries like US, Canada, Great Britain, France, Germany, Japan, Australia, Italy, South Africa, etc. All China Federation of Trade Unions is friendly to WFTU but not yet affiliated to it.

Due to financial constraints WFTU is unable to establish a powerful center and carry out essential activities to guide the World Trade Union movement. Several unions in developing countries are unable to pay the affiliation fees which is adding to its financial problems. Some of its international leaders in WFTU have no high standing in the national trade union movement. Some of the trade union internationals are having no regular function while some could not hold congress for more than 10 years!

Though CITU is not affiliated to any international trade union center, it has developed bilateral ties with trade unions in 40 countries having affiliation with WFTU as well as ICFTU. Its association with Southern Initiative Against Globalisation and for T.U. Rights (SIGTUR) consists of affiliates of ICFTU as well as WFTU and independent trade unions. We have also agreed to host an International Conference of miners across all international affiliations in India next year along with other Federations of miners in India. Our association in World Social Forum enabled us to participate with unions of all International affiliations. We have developed ties of friendship with SIEU a group having support of 40 per cent of AFL-CIO membership which is taking progressive stand in the T.U. movement. A delegate from this organization attended our West Bengal Conference of security employees. We also co-



operated with them in having a meeting to oppose FDI in retail trade in India. Our relations with West Australian Trade Unions affiliated to ACTU (ICFTU) have improved. Our representative recently attended conference of CUT Brazil while we are also participating in the forthcoming conference of CGT, Brazil and Latin American and Caribbean trade union conference to be held in August next at Sao Paulo.

The proposed merger of ICFTU and WCL to form a new international T.U. centre in September at Vienna has evoked new debate on the unity of the World Trade Union movement. The CITU was invited to the international meeting convened by CGT France to discuss how the international trade union movement should shape in future. The General Secretaries of ICFTU and WCL were also invited. I had an occasion to explain the CITU's view point on the subject. The following points were stated by me during my presentation.

1. The unity of the World trade union movement should be achieved irrespective of ideological differences and based on common issues faced by the working class.
2. Trade union as an organization of the working class should strive to end all forms of exploitation.
3. The international trade union movement should oppose all aggression on a country, economic blockade, economic sanctions and foreign military bases.
4. T.U. movement should oppose neo-colonialism and support all liberation movements.
5. World unity must oppose financial globalisation and advocate social globalisation.
6. The united T.U. movement must fight for defending the T.U. and democratic rights of the working class and the Right to strike. United movement should advocate ban on nuclear weapons and total destruction of all nuclear stockpile.
7. Dialogue with WFTU and All China Federation of Trade Unions should be initiated for worldwide unity of the working class.

The CITU did not agree to join the new world trade union centre but agreed to continue the dialogue for unification for the world T.U. movement and common actions to protect the interest of the working class.

All over the world the militant actions of the working class are emerging to fight the policies of neoliberal globalisation. The CITU should try to develop links with all the forces which are in the thick of the struggle so as to strengthen the unity of the working class against the onslaughts of the capitalist class.

## **SERVILE ROLE OF GOVERNMENT OF INDIA**

When all over the world the people are veering round the struggle against US imperialism, the government of India has exhibited its utter servility towards US imperialism. The nuclear deal between US and India signed during President Bush's visit, has compromised India's vital interests and independent nuclear policy. US Ambassador and other diplomats openly make statements interfering in India's internal affairs but government is meekly tolerating such insulting interference. The 24 sub-committees promptly appointed by the Dy Chairman of the Planning Commission, Montek Singh Ahluwalia to implement the recommendations of the proposals mooted by the meeting of financial magnates of India and US during the Bush's visit to India are only proposing methods to make India



economically subservient to USA.

The government has blatantly given preference to the dictates of the World Bank and the IMF than the commitments given in the National Common Minimum Programme (NCMP).

The strategic alliance between US and India has gone to the extent of sharing intelligence information and other security matters. Though the process started during the NDA regime, it is further given added momentum by the UPA Govt. This enabled the US imperialist to carry out espionage activities in India with impunity. Secrecy in the defence matters became a casualty which was clearly witnessed in the notorious war room leak case. Senior naval officers have been involved in leaking out information to foreign country in return of some gratification. Some of the naval officers and their agents had to be declared as proclaimed offenders.

The whole case points out to lack of patriotism among the senior army and naval officers as well as deadly network established by foreign intelligence agencies on Indian soil.

In case of National Security Council Secretariat case in which a system analyst S S Paul was arrested for leaking information to a US diplomat. The ramification of the entire case throws light how US security agencies have deeply penetrated India's top level security apparatus and every secret information can be made available to US secret agency. This is a logical outcome of the India's strategic alliance with US and the understanding of sharing intelligence information with each other. These developments underline the need for a review of the entire approach of the UPA government towards strategic alliance with US imperialists. CIA's network is very active and have taken deep roots in India's administrative apparatus and all secret information of army and naval activities. CIA has access to almost all information contained in secret computers. What is surprising is that the UPA government is not realizing the implications of its strategic alliance with US imperialists.

The situation is likely to be aggravated further by the decision of the Govt of India to privatise the defence production industry. It would open floodgates of Indian private sector companies collaborating with MNCs to produce defence equipment in the country which in the long run will not be India's national interest.

Parliamentary committees have repeatedly pointed out severe malpractices in the purchase of defence equipments by the government. Middlemen continue to operate despite claims by the government not to encourage any middlemen in defence deals. US is already striving to make India a market for its outmoded defence equipments.

Trade union movement in India must view this dangerous drift in government's policy and make efforts to reverse them without any delay. Otherwise Indian defence will be at the mercy of defence cartels who are out to put India's defence in great jeopardy.

## **DETERIORATING CONDITIONS OF THE MASSES**

Our General Secretary, in his report has exhaustively dealt with the economic situation in the country which clearly highlights the deteriorating working and living conditions of all sections of the toiling people due to the economic policies of the UPA government during the last 2 years. The utter failure of the government to check the prices of essential commodities has been mainly responsible for this sorry state of affairs while collapse of public distribution system has contributed to the miseries of the people.



While the government has failed miserably to control the prices of essential commodities, it is resorting to various manipulation and dubious measures to control the consumer price index numbers which has resulted in a net loss of thousand crores of rupees of dearness allowance of the working class every month. It is a sad commentary that while all national press reported steep rise in prices during first 3 months of 2006 the consumer price index number with 2001 as the base year remain static at 119 while it increased only by one point during April 2006.

Though the CITU has lodged a complaint to the ILO on this issue, without a powerful movement of the working class all over India this fraudulent index series cannot be corrected. We must take initiative to launch a nationwide campaign demanding appointment of Index Review Committee as in case of 1978 so that the entire gamut of index mechanism can be corrected. The CITU has rightly decided to bring out a booklet to educate the working class on the subject.

While toiling masses are suffering immensely the profit hungry capitalists, both Indian and foreign are accumulating profits and swelling their assets. The Finance Minister P Chidambaram is more interested in keeping the share market bullish than improving the lot of the people. Whatever rise in national income has taken place in the recent period has all been cornered by the capitalists and landlords.

## **DEFENCE OF PUBLIC SECTOR**

The spontaneous upsurge of the working class in Nalco and Neyveli Lignite Corporation against disinvestment of 10 per cent shares has electrified the atmosphere in the country. The massive public support enjoyed by the workers in this struggle was equally inspiring. The all in unity achieved by the trade unions in both the struggles depicts the emerging urge for unity at the grass root level. The remarkable maturity was shown by the Neyveli workers when they rejected the proposal to offer of shares to the workers.

The determined struggle of the workers and the firm stand taken by the Tamil Nadu government resulted in UPA government keeping on hold the proposal to disinvest shares in profit making public sector undertakings.

The CPSTU should seize this opportunity to prepare for a nationwide struggle to defend the public sector from the attacks of the UPA government. The privatisation drive through the backdoor of disinvestment and outsourcing must be stopped with all the might of the working class. The self-reliant development of the country largely depends on strengthening of the public sector in the country.

Under these circumstances the working class must march forward with more determined struggles to defeat the retrograde policies of the UPA government. As suggested by the general secretary in his report we must prepare for a powerful nationwide struggles of resistance against the policies dictated by the World Bank and IMF. There is urgent need to prepare a phased programme of action including nationwide general strike to express the strong resentment of the working class against these policies. It is also of paramount importance to involve other mass organisations in the common struggle to resist the disastrous path adopted by the UPA Govt and save the country and its people from the impending disaster.

**MK Pandhe**  
President



# CENTRE OF INDIAN TRADE UNIONS

## General Council Meeting

Ranchi - July 15-18, 2006

### REPORT OF THE GENERAL SECRETARY

Dear Comrades,

After the Working Committee Meeting in December 2005 in Bhopal, significant developments have taken place in the national political scene, which demands our attention.

2. There has been a serious departure in our independent foreign policy. Govt. of India's stand on Iranian nuclear programme clearly indicates this departure. Indian Government refused to criticise the United State's hostile manoeuvres against Iran, even when the U.S has not ruled out exercising military option to prevent Iran from developing its nuclear technology.

3. During this period US President George W Bush visited India. The Government was too much enthusiastic with this visit. A number of joint venture agreements were signed between the two governments. But people were not enthusiastic with this visit. On the call of left and some opposition parties and of mass organisations like Trade Unions and of Kisan, Youth, Students, Women etc. meetings, demonstrations etc. were held throughout the country. The left and some opposition MPs. stalled both the houses of the Parliament against the visit of Bush. Understanding the mood the Government refrained from arranging an address by Bush to the Parliament.

4. To satisfy the US Administration, the Government is shaping not only its foreign policy, but our internal policies too, which is contrary to the NCMP perspective, security interests and the interests of the people. Various agreements with USA such as Indo-US joint military exercise, Indo-US Strategic Partnership, Indo-US Trade Policy Forum, Indo-US CEO Forum, Knowledge Initiative on agriculture etc. are harmful for the sovereignty and self-reliance of the country. Under the US influence, the venture of bringing gas from Iran, through the Iran-Pakistan-India gas pipeline, has now virtually been abandoned and the Cabinet has decided to join the Turkmenistan-Afghanistan-Pakistan gas pipeline.

5. The nuclear cooperation agreement with India is being used by the USA to put pressure on India to accept terms, which would erode our independent capacity to develop nuclear technology based on our domestic resources. It will make us dependent on nuclear energy, which in turn will leave us permanently dependent on imports of nuclear technology. All the above moves are bound to affect our scientific/technological research and intellectual property rights in particular. Further, to get approval of nuclear cooperation agreement by the US Congress, India is preparing for a big arms purchase from the USA.

### POLITICAL CHANGES

6. In the recent assembly elections in West Bengal, Kerala, Tamil Nadu, Assam and Pondicherry, the Congress has not been able to make any advance. Their success has been limited to Pondicherry and Assam, where they had emerged as the single largest party but failed to get absolute majority. However, a Congress-led coalition government in Assam and a Congress government with the support of the DMK in Pondicherry have been formed. The DMK government has taken office in Tamil Nadu. These



developments will, however, be helpful for UPA government at the Centre to ward off any immediate threat to its stability.

7. During this period, the BJP also has not been able to make any substantial gain in these Assembly elections. The BJP was in the picture only in Assam, where it managed to marginally increase its vote share and seats in the Assembly. Though the BJP has been able to be a part of the coalition government in Bihar and the Kumarawamy government in Karnataka, the internal dissensions, involving even its top leadership continue to haunt that party. The revolt by Uma Bharati, Madanlal Kurana, Babulal Marandi etc and the disarray within the top leadership over Mahajan family affairs have all rattled the communal party. The NDA has also been weakened, with the AGP and National Conference leaving it; the TDP and AIADMK have also broken their ties with the BJP. The JD (U) is also changing its stance, though they are unlikely to come out of the alliance, at least for the time being, because of their dependence on the BJP to run their government in Bihar.

8. Under these circumstances, Mulayam Singh Yadav and Chandrababu Naidu initiated a move for a "national alternative", keeping the BJP and Congress outside. They claimed that AGP, National Conference and AIADMK were also part of it, along with the SP and TDP. They were optimistic about the success of AGP and AIADMK in the elections in Assam and Tamil Nadu. The outcome has frustrated this move.

9. The Left Parties took the position that the third alternative cannot be forged only as combination of some parties; it must be an alternative based on common policies and emerge through joint working from a common platform. Such a possibility can come about only through a left initiative.

10. The victory of the Left Front in West Bengal for 7th successive term with three-fourth majority is an unprecedented historical event in a multi-party system. The victory of the LDF in Kerala with two-third majority is also an achievement of the Left forces there. The Left has been able to have a significant presence in Tamil Nadu and Assam too. These results have created an impact on the national situation and strengthened the intervening capacity of the Left.

## **COMMUNAL FORCES**

11. The danger of communal forces is very much there. These forces are very much active to utilise every provocation or opportunity and turn those into communal violence. Despite some internal problem within these forces, communal situation deteriorated specially in BJP ruled states. Attacks on minorities have increased in Gujarat, Rajasthan and Madhya Pradesh. In Aligarh too, communal violence flared up and lasted for some days. L.K. Advani, ousted from the presidentship of the BJP at the dictates of the RSS, attempted to resurrect his position by embarking on his brand model rath-yatra after the bomb blasts in Varanasi. Rajnath Singh, the present president of the BJP could not keep away from this exercise. But, response from the people was at best lukewarm and the programme was dropped like a hot potato using the pretext of Promod Mahajan murder. The BJP and the right reactionary communal forces are, however, utilising the issue of OBC reservation in education to give it a communal turn.

## **TOWARDS A REAL ALTERNATIVE**

12. In this background, the quest for a real alternative has naturally come to the fore. The anti-people NDA policy regime has, besides evicting the BJP led coalition from the seat of power, left that party in such a disarray that it cannot hope to win back the confidence of the people. The people's verdict in



successive elections, right from the general elections of 2004, has only revealed that the present ruling combine at the Centre will have to be desperately dependent on the critical support of the Left parties for its survival. These developments clearly signify that the ruling classes cannot hold the masses within their ideological grip. The recent assembly elections, resulting in the ascendancy of left parties, have simultaneously rendered both the Congress and the BJP incapable of making any significant gain. The prospect of emergence of the third force with a clear-cut pro-people policy approach and an unwavering anti-imperialist stand has brightened. In this situation, the working class movement has a formidable contribution to speed up the phenomenon of weakening the hold of the ruling classes and creating a determined roadblock against the ongoing retrograde economic policy measures. A vigorous initiative by the working class movement to mobilise all sections of people in the struggle for a directional change in the present policy regime can pave the way for developing the objective conditions for the emergence of a real alternative mode of pro-people development paradigm. This is the time for the CITU to seize the initiative in rallying the entire working class in this direction.

## **THE ECONOMIC SITUATION**

13. The persistence of the UPA regime with the neo-liberal reforms path had its natural fall out on the economy and the people. Distortion in the economy had never been so perverse, when a near 8 per cent GDP growth has brought with it generation of unemployment and joblessness at a rate faster than even the population growth. On the one hand poverty and destitution among the common masses has been deepening leading to increasing suicides in many parts of the country. On the other hand, the number of millionaires is increasing, within a miniscule segment of the society. During one year's span, the number of millionaires increased by 20 per cent, from 70,000 to 83000 as per World Wealth Report published by Merrill Lynch. Nothing else can so effectively describe the perversion generated by the neoliberal economic regime.

14. Because of their anti-people policies, food grains production in 2004-05 fell to 19.84 crores tonnes as compared to 21.32 crores tonnes in 2003-04. In 2005-06, the estimated production is 21.00 crores tonnes, which is still less than 2003-04. The UPA government is now going in for large-scale import of wheat; parallel procurement of food grains by private parties had been allowed; all these are endangering the food security of the country. The prices of all essential commodities have been escalating resulting in enormous hardship for the poor and common masses; the government is contemplating to hike the issue price of food grains supplied under the public distribution system. The rural distress is getting more and more acute with the numbers of farmers committing suicide running into staggering figures. The government is yet to bestow attention to address this critical problem of rural and agrarian situation.

15. The government is not heeding to the genuine and practical demand for recasting the tax structure and instead gone in for effecting another hike in petrol and diesel prices, which will have cascading effect leading to a further all-round rise in prices.

16. Disinvestments and privatisation of even giant, profit making and strategic Public Sector Enterprises, including those in the defence, nationalised banks, insurance, telecom, airports, coal, oil and mineral blocks etc. sectors, corporatisation and privatisation of government departments are going on. Move to allow FDI in retail trade is threatening the livelihood of scores of small vendors and traders; no tangible steps are in evidence for revival of sick/loss making but potentially viable PSUs. Legislative changes have been proposed for the purpose of handing over the Indian Banks even under the private sector to FII. Though the stiff resistance from the Left parties and the working class as well as the trade unions could stall some of such moves, contemplated by the Government, the moves are yet unabated. The government has not kept its commitment on implementation of minimum wage laws for farm



labour and enactment of a comprehensive protective legislation for all agricultural workers. Same is the fate of its promise to enact a legislation ensuring the welfare and well being of workers in the unorganised sector, including guaranteed minimum wage, social security and employment guarantee.

## **BUDGET 2006-07**

17. The Union Budget 2006 presented by the UPA Finance Minister conforms to the deceptive pattern evolved by him since last year of keeping the budget a low-key affair and pursuing the reforms agenda through intermittent executive fiat throughout the year. The Economic Survey preceding the Budget presentation laid out an ominous road map for such reforms. It advocated a shift from the existing Minimum Support Price (MSP) and Public Procurement System for the agricultural produce to developing alternative product market. As a result, private traders including the multinational companies have been ruling the rural grain market. Failure of the Govt. procurement programme, resulting in reducing the buffer stock below the norm, is threatening to drastically curtail the supply of food grains under the public distribution system. Taking this as a plea, the Govt. had gone in for import of wheat at exorbitant rates, much higher than the procurement price offered to our peasants.

18. The budget prescribed pursuit of pension reforms, a euphemism for privatisation of social security; favoured further liberalisation of FDI regime and speeding up privatisation exercise in the mining sector; pleaded for fast movement towards market determined prices of petroleum and petro-products and lamented on LPG and Kerosene subsidies. The budget has thrown hints of removing 184 items from the list of items reserved for the small-scale sector and seeks to redefine 'captive mining' moving towards privatisation of coal mining; indicated measures to promote private control (both domestic and foreign) in strategic infrastructure areas like sea-ports, airports, highways and also in petroleum exploration and refining, electricity etc. By seeking a consensus on targeting (read eliminating) subsidies on essential commodities and inputs and laying stress on quality of social sector spending, the budget made clear the real intention of the government, which is to cut down on government spending for the poor and common man.

19. Though there has been no imposition of new taxes or hike in tax-rates, there has been no relief to common man either. The popular demand for relief from tax-burden on welfare and housing facilities, in the name of perquisites, went unheeded. Rather the budget indicated possibilities of further executive action in taking away the avenues of tax-relief by the salaried class, including the retired persons and the community of small-savings public, in the name of widening the tax net and rationalising various provisions of tax-relief/exemption under the Income Tax Act.

20. On the other hand, there has been no effort to augment the revenues of the government by taxing the rich and affluent, who have practically cornered the gains of GDP growth as well as all concessions from the budget. This has created serious misgivings over the intentions of the government on implementation of the pro-people promises in the Common Minimum Programme, including those for the workers of in the unorganised and agricultural sectors. On the other hand, the increase in the cess on domestic crude will impact adversely the oil sector PSUs, producing crude.

21. The Finance Minister derived consolation that tax revenue as a proportion of the GDP is inching forward from 9.2 per cent in 2003-04 to 10.5 in 2005-06, hiding the fact that this figure is related to current market prices, whereas the GDP growth is derived at constant prices. There has been no word on recovery of huge backlog of tax-arrears and bank loan defaults of the corporate.

22. The Economic Survey referred to the unemployment scenario haunting the economy, though in an



attempt to advocate a drive towards labour market deregulation. But the budget revealed no employment friendly measure worth its name, except indicating allocations for the National Rural Employment Guarantee Programme, which is at best a relief. Tangible efforts are needed to create durable employment in the economy.

23. There is some apparent increase in allocations for some segments. But on the whole, the allocation proposed to the flagship programmes of the much-acclaimed Bharat Nirman itself is a mere Rs. 50,015 crore in the total budgeted expenditure of Rs. 5, 63, 991 crore i.e. less than 8 per cent.

24. Instead of National Employment Guarantee Act, the National Rural Employment Guarantee Act has been enacted. Naturally, the urban poor and lower-middle class has already been eliminated. The Act did not cover the entire rural poor and lower-middle class too. Only 200 districts in the country have been selected for this scheme. While the scheme has been launched with Rs. 10,170 crores of Central Plan Outlay, Sampurna Gramin Rojgar Yojana outlay has been slashed by Rs. 4,950 crores and the Food for Work Programme that claimed Rs. 4,050 crores last year has been totally wound up (to be replaced by the NREG). Thus when NREG has been given Rs. 10,170 crores, expenditure amounting to Rs. 9,000 crores has simultaneously been slashed down.

25. There is no mention of the revenue losses on account of the steep reductions in the custom duty. The reduction of duty on alloy steel and minerals will create obstacles for the indigenous steel and mining industry.

26. The Finance Minister boasted about the growth in the domestic savings rate to 29.1%. But in reality, as highlighted by the Economic Survey, the household savings have actually declined, which is the direct result of the lowering of the administered rate of interest and the move to subject the various savings instruments to taxation at the terminal stage. The budget only opened up the avenues for the mutual funds to hike overseas investment up to \$2 billion with relaxing the reciprocal share holding stipulation even. The attempt is to make the corporate lobby and overseas debt markets the beneficiaries of the surge in domestic savings, with ominous portents of encouraging resource outflows and making the economy vulnerable to external shocks.

27. In fine, the budget 2006 - 07 reflected yet another phase in carrying forward the disastrous economic reforms and hides more than what it reveals.

## **TOWARDS FULL CAPITAL ACCOUNT CONVERTIBILITY**

28. The Prime Minister Manmohan Singh had publically called for putting India on the path to full capital account convertibility (CAC) of the Indian Rupee. This move is fraught with dire consequences for the financial stability of our economy.

29. The Rupee is convertible on the current account since 1993. That is why after the official devaluation of the Rupee in 1991 from Rs. 14 to Rs. 17 to one US\$, when the present Prime Minister flagged off his 'economic reforms' as the country's Finance Minister, the Rupee was allowed to 'float'. This has resulted in an unofficial devaluation of the Rupee to around Rs. 46 to one US\$, in the name of allowing the exchange rate of the Rupee to be determined by the fluctuations in the foreign exchange market.

30. Presently, the Government of India and the Reserve Bank of India subject the inflow and outflow of foreign exchange on capital account to certain regulations. Even here, such regulatory mechanism had by and large been diluted as a result of policy decisions announced by the Government. To cite a



few, households in India can hold bank deposits up to US\$ 25000 in banks abroad; Indian companies, including Mutual Funds, can invest in foreign securities and shares; permission is available for Indian corporates to pump out moneys to other countries in the form of outbound foreign direct investment etc. This is what is known as partial capital account convertibility of the Rupee.

31. In the absence of full capital account convertibility, the Reserve Bank of India holds the foreign exchange reserves. During times of volatile fluctuations in the exchange rate of the Rupee, the Reserve Bank of India intervenes and either sells or buys foreign currencies. As it is not prudent to hold huge foreign exchange reserves in hard international currencies, the Reserve Bank of India keeps them invested in foreign securities, mostly in US \$.

32. Allowing full capital account convertibility of the Indian Rupee will facilitate the off event households and companies in India to freely buy foreign exchange and directly invest them in bonds and shares of companies and governments all over the world. It will also facilitate foreign companies operating in India to repatriate their assets to any foreign destination at will.

33. This has the potential of capital flowing out to foreign destinations in much larger volumes than the inflows. This could result in the value of Rupee nose-diving against the US\$, Euro and other foreign currencies. This could also result in sudden depletion of the foreign exchange reserves of the country. During the crash faced by the economies of the 'Asian Tigers' in the mid-nineties, the governments there remained just helpless onlookers, as they had fully liberalised capital account operations in their economies. The Indian economy was saved from the fall out of the then crisis mainly because Indian currency was not fully convertible on capital account. That is why even the expert committees that had looked into this issue had emphasised on certain precautions to be taken prior to introduction of full convertibility.

34. The recent crash witnessed in the Indian share markets had underlined the need to continue - and rather tighten - the regulatory mechanism presently in place and not to go for full capital account convertibility. But, the UPA regime, under pressure from international finance capital is keen to introduce full convertibility, unmindful of the disastrous consequences that might follow such move. This again has to be resisted forcefully.

## **VOLATILE SHARE MARKET**

35. The share markets in India had recently witnessed very volatile movements. The SENSEX climbed beyond 12000 points only to witness a crash in May this year.

36. The Finance Minister blamed the crash on 'uninformed reporting by a section of media'. His was a panicky response to the blackmail by the US Fund Managers, who had made a forthright demand on the Government of India that no tax liability should arise on their fees. He, in post haste, submitted to this blackmail by choosing to classify the Foreign Institutional Investors (FIIs) as a whole as 'investors' and not 'traders', even for the limited purpose of subjecting to tax the management fees paid by them.

37. In the process, the Finance Minister seeks to obliterate the demarcation between the FIIs and the Foreign Direct Investments (FDI). The plea of the FIIs having no permanent residence here (in India) is a dubious one. While the FIIs may not have a physical presence here, they are deriving huge gains through trading in Indian stock markets. It defies logic that they should not be subjected to tax, even to the limited extent that the CBDT circular and notices have attempted. The present situation is a clear manifestation of the vulnerability of Indian economy as a result of the current phase of liberalisation



drive with its sole dependence on inflow of foreign finance capital and servility of the government towards the same.

38. These developments call for introspection on the part of the UPA government, particularly the Finance Ministry. Highs and lows that mark the speculative share market movements cannot be the sole barometer of the strength of our economy.

39. The Finance Minister is well known for his keenness to devise ingenious methods to squeeze the tax payers in the country, particularly the salaried class, by subjecting the perks received by them to taxation, by proposing to alter the tax treatment on small savings, provident fund etc. to subject the terminal benefits under such schemes to tax. But, when it comes to speculative foreign funds, which are virtually dominating the Indian capital market, the Finance Minister gleefully forthcoming to confer handsome benefits to them.

40. We must strongly denounce this policy orientation unduly favouring the FIIs and demand of the government to make public the income tax treaty between India and the US and review its provisions, if needed, in national interests. We should also press for review of the Double Taxation Avoidance Agreement with Mauritius, which has provided a tax free transit route for the international finance capital for a free-run in the Indian share markets to make phenomenal profits through speculative deals.

## **RETROGRADE MOVES GAIN MOMENTUM**

41. During the period under review certain crucial moves in the economic policy front gained momentum. After a period of brief respite, the UPA Govt. has again started hectic drive to disinvest shares of profit-making PSUs including the 'nav ratnas'. While the Union Cabinet has already decided to sell shares of NALCO and Neyveli Lignite Corporation (NLC), the talk of selling off 10% shares of SAIL is stealthily advanced on the spurious plea of satisfying the listing-guidelines of SEBI.

42. The exercise is also going on for allowing foreign players in retail trade and in this respect the Govt. has already made the policy declaration to allow FDI in single-brand retail trading. The retail trade in our country is the second largest source of employment after agriculture. A few crores of small shop owners and small and medium traders, accounting for twenty percent of the work force, contribute one-seventh of the country's GDP with a turnover of about Rs.2 lakh core. The dearth of opportunities to secure gainful employment has pushed a contingent of four crore people into retail market for survival, making this sector as one of "forced employment" segment. Corporatisation of retail trade in the country has already moved a long way in destroying a substantial segment of this micro-level retail trading in our country resulting in loss of livelihood to huge sections. The entry of foreign multi-national companies in retail trade will further aggravate this process of marginalising small traders and facilitate take over of the larger part of this Rs. 2-lakh-crore turnover segment (which is projected to rise to a turnover of around ten lakh crore of rupees) by the multinational trading giants like Wal-Mart and others.

43. Corporatisation and foreignisation of retail trade will not only marginalise the small traders but also put in place big traders with big money powers between the producers and consumers, with both the segments getting fleeced. The producers will not get remunerative prices for their products, but the consumers will be forced to pay a higher price. As the experience of many countries where retail trade has been corporatised in a big way shows, these big traders, promoted and patronised by the super market chains, operate as procurer with monopoly power on the corpses of already destroyed small



and medium retail outlets. Foreign players in retail trade will facilitate faster and more organised import of many consumer products, affecting the domestic industries in the concerned sector; on the other hand, the big-traders' infiltration in the domestic market - particularly in the agrarian segment - will leave the real producers at the grass root level at the mercy of these traders to accept their dictated procurement price. It is in no way in the interest of our country's economy, or in the interest of the consumers and producers.

## **LABOUR SITUATION**

44. It has been stated in the NCMP: "The UPA rejects the idea of automatic hire-and-fire. It recognises that some changes in labour laws may be required, but such changes must fully protect the interests of workers and families and must take place after full consultation with trade unions." But the Economic Survey for 2005-06 commented, "...Indian labour laws are highly protective of labour and labour markets. Labour markets are relatively inflexible. These laws apply only to the organised sector. These laws have restricted labour mobility consequently..." On one hand, in CMP, it has been announced that the interest and rights of labours and their families would be fully protected; on the other hand, the Economic Survey totally negates such a commitment.

45. The Govt. agencies are campaigning through media that workers and their trade unions are against development and reforms and they are the villains of growth and prosperity. When some strike occurs, it is said that the loss suffered by the economy is due to the action of the workers. But what is the report about the actions of the employers and about lockouts? In 1999, man-days lost due to lockout were 161.6 Lakh, against 106.2 lakh due to strike. Again the man-days lost due to lockout in 2004 were 190.4 lakh, whereas due to strike, it was 48.3 lakh. Do the lockouts, which are much more than the strikes, not cause loss of production and injury to economy? But, this fact is intentionally pushed behind the curtains.

46. There is a rampant violation of labour laws. In fact violation of labour laws is being promoted by the most of the governments in the States and at the Centre, which have completely been domesticated by forces of capital, both domestic and particularly foreign. With the indulgence of the State Governments, the authorities in the unorganised and the organised sectors, even where multinationals are there, are vigorously thwarting attempts by the workers to form unions. There are instances where the Labour Department is refusing to register the unions. Even when the union is registered, the management does not sit with the unions to settle the disputes. Even when disputes are raised, the Labour Commissioner, in many cases, does not take any initiative to convene a meeting and settle the dispute. There are also instances, where some agreement was arrived at with their intervention, but even then, the management is not implementing the agreement.

47. The government has arbitrarily released a new series of Consumer Price Index for the Industrial Workers with the base year 2001 = 100, brazenly ignoring the unanimous opposition of all the central trade unions. The new series is solely aimed at artificially deflating the price indices leading to severe cutbacks in the Dearness Allowance entitlements of crores of workers. All the Central Trade Unions have jointly demanded the setting up of an Index Review Committee and urged the Ministry of Labour to withdraw the new series of index released by the Labour Bureau, Shimla. We have also urged that compilation and publication of the 1982 series of index should also be continued, in the meantime, as per earlier norms.

48. The government has cut down the interest rates on EPF, GPF, CMPF, PPF and small savings instruments affecting the interests of ordinary workers and senior citizens and the Finance Minister



has hinted at a further reduction to 7.5 per cent, which is totally untenable. The government is still adamantly persisting with its move to put in place the PFRDA, in a bid to handover the pension funds to speculative share market players.

49. The Law enforcing authorities in the country has never been so atrocious in forcing repression on the labour with a vengeance. As a matter of fact, more than 90 per cent of the labour related disputes in the country pertain to only implementation of basic labour laws. Twelve hours work without any compensation has become the rule in the workplace in most of the parts of the country.

50. The judiciary - from the apex level downwards - is passing verdicts one after another favouring the employer class and placing fetters on the working class even in matters of exercising their democratic rights. The government is sitting silent despite repeated pleas of the trade unions to step in and legislate to remove the pernicious impact of such anti-worker judgments.

51. It appears that this Government is not formalising anything about the workforce in the informal sector; rather, this Government is informalising the workers who are working in the formal sector.

### **CONTRACTORISATION & OUTSOURCING**

52. Contractorisation and outsourcing have been spreading fast leading to casualisation of majority of the workforce and introduction of 'hire & fire' through backdoor. Such fast track contractorisation and casualisation of workplace have led to serious deterioration of the work environment, posing a severe threat to the trade union movement, which, it could ignore only at its peril.

53. The whole profile of the workforce has been changing fast owing to this fast track contractorisation of workplace. Even in public sector units, both at the Centre and in the States, the proportion of contract workers in the total workforce have already crossed the 50 per cent mark on the average. To cite a sector specific situation, in the case of petroleum sector, contract-workforce has become almost 70 per cent of total. And these contract workers are mostly deployed in regular production jobs despite the fact the contract workers are paid less than one-tenth of what is being paid to permanent workers. Even in the sectors engaged in highly sophisticated and mechanised production process, contract workers are being deployed increasingly in the same shop floor with the permanent workers. Alarming, a pernicious trend of reconciling with this monstrous reality is surfacing in the trade union movement at some places.

54. In the private sector, the situation is far worse. In the private sector units, particularly those which mushroomed from 1991 onwards, the contract (or non-permanent) workers represent more than 90 per cent of the workers in the concerned unit. May be the wage differentials between the permanent workers and the non-permanent workers are at variance in the public and private sector establishments. This represents the pattern emerging in the industrial employment in the country, where the right to 'hire & fire' at will is allowed surreptitiously for the benefit of the employers.

55. Suiting the requirements of the employers, different patterns of contract employment are coming to the fore. In steel, engineering, and capital goods sector and also in consumer durables, a kind of job-contract system is emerging, where a part of production process is being off-loaded to another agency at a pre-determined rate for that job. In this manner the principal employer evades his responsibility towards the workers under the job-contract system, though for all practical purposes, the job is carried on for the principal employer.



56. In fact, segmentation and decentralisation of the production/operational system emerging under neo-liberal economic regime has led to these changing patterns of employment. The employer-employee relationship is getting more and more vague, abstract and indirect, enabling the principal employer to fully expropriate the fruits of production with the least possible obligation towards the labour, which generates those fruits. This trend of change in the employment relationship, along with growing concentration of economic power and wealth has become the distinctive feature of present day neo-liberalism, which represents the most barbarous form of extraction of surplus by the capitalist order. The Executive, Legislative and Judiciary together have been nursing such atrocious inhuman employment relationship to gain larger grounds.

57. Unionisation of workers under such fragile pattern of employment relationship in the workplace is rendered more and more difficult. This creates an environment, which is making the workers reconcile, though for the time being, with this extremely predatory order. There have been instances, where workers themselves have approached the court for getting a stay on the order prohibiting deployment of contract workers in permanent and perennial work as per the Contract Labour (Regulation & Abolition) Act because such order leads to loss of jobs. Simultaneously, a kind of opportunism is also being noticed among the permanent workers to take an indifferent attitude towards the contract workers in the same workplace, which, if allowed to continue as it is, would also damage the permanent workers' movement as well.

58. The trade union movement has to draw appropriate strategy to combat such situation, as otherwise this will overpower the trade union movement, however temporary a phase that may be. We have to study the situation thoroughly to formulate our demands for legislative measures for redefining employment relationship based on the link between the recipients of the gains of production vis-à-vis the producer at the lowest rung of the production process. At the same time we have to evolve appropriate strategies to organise the contract/casual/indirect/non-permanent workers. This may require rigorous efforts both at the workplace and even beyond that periphery extending to workers' dwelling places.

59. We have to develop a unified understanding as to how to confront the phenomenon of contractisation or temporarisation of the workforce in various forms and fight back the menace. The General Council meeting at Nasik held in July 2005 conceived the idea of holding an all India convention on contract workers' issues to exchange ideas and formulate strategy to effectively address the problems both organisationally and with a movemental perspective. That could not materialise as yet. It is very much imperative that we should discuss and take a view in this matter of crucial importance in this meeting.

## **EXPLOITATIVE FORMS OF EMPLOYMENT**

60. The government is trying to avoid the responsibility towards the workers by simply refusing to recognise them as workers. Hundreds of thousands of workers are being hired by the government, both Central and state, to discharge various jobs but these are called 'social workers' 'community workers' 'volunteers' etc. Women constitute a large section of such employees. We already have the example of anganwadi workers and helpers who are called 'part time social workers' though in practice they work for 6- 7 hours and take orders from the state and central government officers in the ICDS Scheme. Thousands of women are employed as 'community health workers', particularly in the tribal areas; they create awareness on health, organise health check ups and distribute medicines for such illnesses like malaria, etc under the Integrated Tribal Development Agencies; but they are paid only a meagre honorarium of around Rs 500 or so. Hundreds of thousands of women are to be recruited as 'ASHA (Accredited Social Health Activists) under the National Rural Health Mission. They are again



supposed to create awareness, organise health check ups, and distribute medicines etc, i.e. the same jobs that the anganwadi workers now perform. The government envisages that all these women will work without any remuneration; only their transport will be paid. Similarly in the education department thousands of youth are employed as 'education volunteers' on a meagre consolidated pay. Thus the government itself is utilising the unemployment situation among the youth to exploit them and make them work with little or no pay in the hope that some day their services would be recognised.

## **MOVE TOWRDS FLEXIBLE LABOUR MARKET**

61. Despite opposition by the trade union movement, the UPA Govt. is trying to push ahead with its design of bringing pro-employer changes in various labour laws. It has incorporated anti-labour provisions in various Bills already introduced or under processing for introduction in Parliament. In the background of widespread opposition and campaign launched by the trade union movement, the representatives of Left Parties have consistently been intervening in the Parliament against such moves. They have succeeded in stalling such ant-labour moves in some instances.

62. The Bill on Special Economic Zones contained provisions empowering the State and Central governments to exempt the establishments in the SEZs from the purview of all labour laws. Owing to staunch opposition by the Left Parties inside the Parliament, such anti-labour provisions had to be dropped from that Bill before it could be legislated.

63. The Small and Medium Enterprises Bill introduced in Parliament contained similar retrograde clauses of exempting the employers in the small and medium scale units from the obligations under various labour laws, discontinuing labour inspection and introducing system of self certification by the employers. CITU, along with other unions demanded removal of those retrograde clauses from the Bill and also demanded inclusion of trade union representatives in the 'Micro, Small and Medium Industries Development Board' to be constituted under the provision of the new Bill. The Govt. had to finally accept all the demands of the unions in respect of this legislation.

64. There have been some more Bills pending for passage by Parliament, which also contain several anti-labour provisions. The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Amendment and Miscellaneous Provisions bill 2005, pending before Parliament, seeks to provide for exemptions to employers in furnishing various returns, registers, statements, mostly pertaining to employees and employment conditions, thus empowering the employers to violate them in a big way. Further the Bill contains a general clause empowering the governments both at the Centre and the States to exempt any establishment from whatever obligations remain with the employers even after various exemptions under the proposed legislation. In fine, in the name of simplifying forms and procedures, the Bill aims at liberating the employers from their substantive obligations under various labour laws. This Bill also has to be stoutly opposed by the trade union movement. In fact, all the central trade unions jointly opposed the Bill in the tripartite meeting held on June 22, 2006.

65. Besides the above Bills already introduced in Parliament, the UPA Govt. has been working overtime to bring in labour-law-free or 'hire & fire' regime in the workplace in a multidimensional route. Despite repeated chasing, the Govt. has not yet rescinded the notification on "Fixed Term Employment Workman" introduced by the NDA Govt., despite an assurance by the Labour Minister on the floor of Parliament in July 2005. In the 40th session Indian Labour Conference held in December 2005, all the trade unions assertively rejected in toto the Govt. proposals for pro-employer changes in Industrial Disputes Act. Despite this, the Union Labour Ministry had again sought to push through these retrograde proposals



in a tripartite meeting held on June 21, 2006, where all the trade union representatives reiterated their rejection of these proposals. The Industry Ministry has again initiated an exercise for developing so called "Manufacturing Investment Zone" (MIZ), where all the labour laws will be made ineffective under the dubious garb of "simplification".

## **OTHER BILLS**

66. Besides the labour related legislations, two more Bills, with dangerous portents, are awaiting consideration by Parliament. One is Pension Fund Development and Regulatory Authority Bill (PFRDA). Its primary objective is to convert the existing 'defined benefit' pension scheme for the Govt. employees to a 'defined contribution' scheme, beginning with those recruited from 1-1-2004. The ulterior objective is to set the ground for privatisation of all pension and social security schemes and divert the workers' contributions towards social security to the speculative stock market. The trade union movement has strongly objected to this ominous design of the Govt. The Left Parties have also conveyed their strong opposition to the Bill to the UPA regime.

67. The other one is the Banking Regulation (Amendment) Bill, which mainly aims at removing the present cap of 10 per cent on voting rights of the foreign shareholders in private sector banks and allow them voting rights proportionate to their actual shareholding. Already, the previous NDA Govt. had allowed 74% FDI in the Banking sector. The new Bill, if passed, will allow the multinational banking giants to take over the private sector banks in India and have a free play in the financial sector of the country. This will severely harm our financial sector and result in the foreign financial giants cornering bulk of the savings generated within the country for their own benefit. The source of internal capital formation will dry up putting the foreign players at advantage to blackmail the Indian policy makers. In the background of militant strike struggles by the financial sector employees and the opposition by the entire trade union movement, the Left Parties have conveyed their firm opposition to the retrograde provisions of the Banking Regulation Bill.

## **STRUGGLES ARE MOUNTING**

68. The intervening period witnessed many powerful struggles of the workers and employees, some of which could make the Govt. to retreat on certain issues. The BSNL employees' united struggle and aggressive preparation for countrywide strike in January compelled the Govt. to concede the demands for granting 'nav ratna' status to BSNL and not to unbundle last mile copper cable network.

69. The coal mine workers' strike threat demanding implementation of the already concluded wage agreement could ultimately compel the Coal Minister to come to terms with the coal mine unions.

70. Similarly all the unions of central government employees and railway workers served joint notice for indefinite strike from 1st March onwards, pressing for constitution of the 6th Pay Commission and other demands, over which the Govt. was adopting a stridently negative approach. But the momentum generated by the country wide preparatory campaign for the strike compelled the otherwise reluctant UPA regime to agree for constitution of 6th Pay Commission.

71. The week-long strike by the employees and officers of the State Bank of India demanding improved pension benefits could ultimately force the Finance Ministry to negotiate and settle the issues amicably with the striking unions.

72. The most notable was the strike struggle of the employees of Airport Authority of India against



privatisation of airports. 22000 employees of 124 airports of the country started cease-work from 1st February onwards against the Govt. decision to privatise the Mumbai and Delhi airports on the plea of modernisation. The strike continued till 4th February braving police atrocities and was withdrawn after the Civil Aviation Minister committed in writing to constitute a tripartite committee 'to discuss the issue of modernisation of airports by AAI' and other employee related issues. The Govt. violated its commitment subsequently. But, the heroic strike struggles by the airport employees had created history. The Airport Authority Employees' Union is an independent trade union but in the struggle against privatisation they worked closely with the CITU. They are still pursuing their struggle against the UPA Govt. bid to hand over all the airports of the country to private hands with foreign collaborators at any cost.

73. Experience of all these all India movements clearly reveals that all in unity of the workers and determination for struggle could overcome all deterrents, however difficult that may be and compel the employers and the authorities to retreat inevitably.

74. The resistance struggle against privatisation and disinvestments is again gaining momentum at the renewed attempt by the Govt. to divest shares of profit-making PSUs like NALCO, Neyveli Lignite Corporation and NMDC. The NALCO workers reacted spontaneously through total strike in Nalco on June 23, 2006. On 30th June, the whole state of Orissa observed a general strike, which has united all the trade unions including INTUC and BMS and could enlist the support of all the political parties except the Congress and BJP. The workers of Neyveli Lignite Corporation at Tamil Nadu had embarked on an indefinite strike from the midnight of July 4, 2006 and all the trade unions including the DMK led LPF and all the political parties except Congress and BJP supported the call for strike. In NMDC, workers have resorted to a token strike on July 7 and are planning for indefinite strike from August 4, 2006. In all these developments, the trade unions at the national level also joined the resistance struggle in solidarity. At the call of the Central Trade Unions (including BMS but not the INTUC), an All India Protest Day was observed on June 30, 2006 through demonstration in all workplaces and by sending telegrams to Prime Minister etc. On July 5, a massive and militant demonstration was held in Delhi.

75. In the backdrop of the struggles launched by the NALCO workers in the first instance and the indefinite strike by Neyveli workers subsequently, the Government of India has been forced to hold back its recently announced programme of disinvestments. This is a clear pointer to the fact that the working class can force a directional change in the policies of economic liberalisation only through united mass actions, mobilising the support of other sections of masses and all democratic forces.

76. Besides the above, many struggles have been organised by the CITU, both independently and also jointly with other trade unions, at the state level. The common feature witnessed in these state level struggles and mobilisations is the rampant violation of labour laws and repression on workers in almost all instances.

77. In Punjab, the entire intervening period since last working committee meeting witnessed frequent agitation and mobilisation by the industrial workers against violation of labour laws facing police repression, arrests, imprisonment and implication of the leadership in false criminal cases by the administration.

78. Haryana witnessed indefinite strike by 18000 spinning mill workers at Panipat and continuous mobilisation of eight to ten thousand workers every day for about a week, which ultimately compelled the employers to sign an agreement on payment of minimum wages and maintenance of employment



register. But immediately thereafter employers refused to implement the agreement and again the agitation has started against such violation of agreement, which is taking shape as a statewide movement. The workers of Liberty Footwear units at Karnal braved brutal police repression, mass scale arrests and tortures by the employer-police combine in their struggle against violation of tripartite agreement by the employer. The state-transport workers of Haryana also staged a four-day complete strike against offloading of services to private hands ultimately forcing the Chief Minister to negotiate with the unions and arrive at an agreement.

79. In Himachal Pradesh, the Hydel Project workers at Chamera project in Chamba district fought a grim battle facing murderous assault by the contractor in which armed gangsters deployed by the contractors killed three workers. The struggle is going on and CITU could mobilise all the unions in the state as well as the peasantry in the adjoining area in solidarity actions.

80. The Toyota workers conducted a sustained strike struggle in Bangalore against victimisation of union activists. In Andhra Pradesh, a big peoples' movement developed at Visakhapatnam, demanding shifting of the site for the Gangavaram Port project and rehabilitation of the land ousted and fishermen who will be affected by the project. CITU played a frontline role in that along with other mass organisations and many of the CITU leaders were imprisoned for months together.

81. These struggles have reinforced the same experience that if appropriate initiative is taken, a big movement can be developed. Secondly, the state administration in most of the cases is becoming arrogantly biased against the common people reflecting their complete domestication by the forces of capital. The situation warrants more concerted and organised actions by the democratic people and maintenance of its continuity. Trade Union movement has to take more vigorous initiative in that direction.

#### **ADB MEETING IN HYDERABAD**

82. The 39th annual meeting of the governors of the Asian Development Bank (ADB) was held in Hyderabad on May 3, 2006. This was marked by protests of the working class and some non-governmental organisations. The protests exposed the Bank's role of sub-serving the vested interest of multinational corporations and endangering our country's economy by imposing anti-people conditionalities for sanctioning loans for various programmes and projects of the central and state governments.

83. The ADB, World Bank and the International Monetary Fund, working as agents of the imperialist countries, are making three-pronged attack on our country. Though the ADB has 57 countries as its members, it is mainly under the grip of the USA and Japan. With its strategy of policy-based lending, the ADB is pursuing the approach of encouraging the supplicant countries to create conditions favourable for entry of the private corporate houses, both indigenous and foreign, into infrastructure sector and their entry into the public sector projects including public utility services. As a result of implementation of the conditionalities imposed by the ADB, subsidies for public services like electricity and water are being cut. In the name of recovering costs of these services, charges are being increased, drinking water supply is being privatised and agriculture is being left to the mercy of the market forces, as experiences in several countries have confirmed.

84. A massive rally of workers, employees and teachers was held in Hyderabad under the banner of the United Forum of the Employees, Workers and Teachers, with the rallyists raising resounding slogans of "ADB go back." We need to be vigilant against the moves by the ADB and campaign among the workers and the masses in order to build and sustain a strong resistance movement.



## **WORKING WOMEN**

85. Except in Tamil Nadu, where an extensive campaign on the demands of workingwomen culminating in impressive mobilisation in five centres took place, there has been almost no activity in the other states, in the intervening period.

86. The topic for Vimal Ranadive memorial lecture was decided as 'Hazards faced by working women in the era of globalisation'. Unfortunately, even the lecture regularly held in CITU Centre could not be held this time. No report of holding the lecture has been received except from Madhya Pradesh.

87. All India Convention of Working Women: As has been the practice since the last two times, we should hold the eighth All India Convention of Working Women before the 12th CITU Conference of CITU. The Andhra Pradesh state committee of CITU and the state coordination committee of working women have agreed to host the Convention in Visakhapatnam and have suggested November 3 - 5, 2006. These dates have to be finalised by the General Council. All the state committees should hold state and district level conventions wherever possible, before the all India convention. These should be held separately from the CITU state conferences, with proper preparations, so that the issues of working women are properly focused. This is more important in the present situation, when our work among the unorganised sector, with a large number of women, is increasing.

88. The meeting of the All India Coordination Committee of Working Women (CITU), scheduled to be held here in Ranchi on 18- 19 July, had to be deferred because of the struggle programme of the anganwadi federation starting from 25th July. We have to decide now on holding the meeting by August end.

## **UNORGANISED SECTOR**

89. The Unorganised Sector Coordination Committee met for the first time after the Firozabad Convention, on 19th June. Representatives from around 15 states attended the meeting. The meeting discussed the draft Unorganised Sector Workers' Bill prepared by the National Commission on Enterprises in the Unorganised Sector. Despite the unanimous stand of the trade unions, made known to the government through repeated representations, that there should be a separate bill for agricultural workers, the draft includes the agricultural workers also to be covered by the same unorganised sector workers' bill. We have to continue our campaign that a separate comprehensive bill for agricultural workers should be prepared and should be simultaneously introduced in the Parliament, without further delay.

90. The meeting reiterated the earlier decisions to form sub committees within the state committees of CITU to monitor our work among the unorganised sector workers and to form state level unorganised sector coordination committees.

91. It was decided to recommend organising a wide campaign on the charter of demands adopted by the second national convention, focussing on 1) immediate enactment for the Unorganised Workers, ii) Minimum wages and iii) Equal wages. It was decided to organise state, district and local level conventions, residential area wise meetings, leaflets, posters, wall writings, jathas etc, trying to involve the maximum number of unorganised workers possible. The campaign should also include observation of one week on the issues of unorganised workers, during which rallies and mass deputations to the state government should be held at the state capitals. This will culminate in a one day all India strike, preferably in December.



92. In view of the importance of organising the unorganised workers, all the state committees should plan for the effective implementation of this programme.
93. The meeting discussed the draft Unorganised Sector Workers' Bill prepared by the National Commission on Enterprises in the Unorganised Sector. Despite the unanimous stand of the trade unions, made known to the government through repeated representations, that there should be a separate bill for agricultural workers, the draft includes the agricultural workers also to be covered by the same unorganised sector workers' bill.
94. In successive International Labour Conferences, the Government of India has committed to take measures to mainstream the units and workers in the informal sector with the formal sector, in an effort to address the problem of what the ILO calls 'decent work deficit'. But, the terms of reference to the Commission include 'entrepreneurship development' in small enterprises, which means providing thrust to further proliferation of the unorganised sector.
95. After examining the experiences of providing social security in different countries and even in different states in India in its lengthy report, the Commission has come out with only one proposal for a 'National Old Age Pension Scheme' in which no contribution is required, but a monthly pension of Rs 200/- will be paid only for BPL workers above 60 years.
96. All the other unorganised workers have to contribute Re 1/- per day, i.e. Rs 365 per year irrespective of the number of days they had work. As per the NSSO data, agricultural workers do not get work for more than 71 days in a year. The plight of the unorganised sector workers is no better. Even when they do get work, they do not get minimum wages. It is ridiculous to expect that they can contribute Rs 365 in a year and buy social security.
97. While the benefits are so meagre, the worker will be eligible for these benefits only if the payments are regular; eligibility would be restored only on payment of the entire arrears of contribution.
98. While the trade unions have suggested that the Central government should allocate at least 3% of the GDP annually for social security and this should be progressively increased, the contribution of the Central government as per the calculations of the Commission would be 0.17% in the first year and would go up to 0.39% in the fifth year, as the coverage of the workers is spread over a period of five years.
99. Even after paying Rs 365 a year, the benefits proposed by the Commission are meagre. There is no provision for pension for the workers, except for those under the BPL category. The others are 'free' to buy an annuity from any insurance company from the PF accumulations that they are supposed to get under old age security.
100. We should demand that this draft should be thoroughly revised and restructured taking into account the unanimous inputs provided by the trade unions.
101. As per the recommendations of the Indian Labour Conference, a tripartite working group has been formed to go through the various drafts and prepare a draft bill for the Unorganised Sector workers. The first meeting of this committee was held on June 23, 2006.
102. We have to intensify our campaign for a comprehensive bill for the unorganised workers and a separate bill for agricultural workers and demand that both should be simultaneously introduced in



the Parliament, without further delay.

## **PRESENT STATE OF UNITED MOVEMENT: SPONSORING COMMITTEE AND NPMO**

103. The phenomenal success registered by the country wide general strike on September 29, 2005 on the pressing demands of the workers and other sections of the masses demanded further efforts on the part of the united movement of trade unions to carry forward and further broad base the struggle. Unfortunately, the past experience of a prolonged lull after a one-day strike repeated itself this time as well. Despite our best efforts, a meeting of the Sponsoring Committee of Trade Unions, which has been spearheading the struggle against economic policies of liberalisation and globalisation over the last decade and half, could not be called to review the Sep. 29 strike and plan further actions. This is because of the preference shown by sections of the trade union movement for forging an omnibus all-in unity of the central trade unions for certain passive expressions of dissent and representations to the government, dumping the platform of mass struggles. We had to counter this trend in a determined and persuasive manner.

104. The meeting of the Sponsoring Committee of Trade Unions held on June 3rd and 5th 2006, had called for holding a national convention of workers in New Delhi on July 25, 2006. It is hoped that this meet will draw up the action programmes on the pressing demands before the workers and the toiling masses at this present juncture.

105. We must note here our failure to revive the National Platform Mass Organisations (NPMO), for rallying together all sections of workers, peasants, rural workers, youth, students and women to put up a stiffer resistance to the anti-people policies of the government. Admittedly, there are misgivings and reservations in the minds of the leadership of some of the central trade unions as well as of other mass organisations. We have to clear the misunderstandings on this score and push for reviving and further strengthening the NPMO as the vehicle for a broad based struggle.

106. In this respect, we need to address the problem of lack of initiative on our own part. In West Bengal, where our State Committee had been laying emphasis on implementation of calls for action programmes through the NPMO platform, it has been possible for bringing round others as well. We have to discuss in this meeting the experience in the various states and the problems faced by our State Committees, so that appropriate initiatives can be planned and pursued for taking forward the Sponsoring Committee of Trade Unions and the National Platform of Mass Organisations, as instruments of popular struggle against the challenges faced.

107. In this context, independent initiative of CITU in building joint mobilisations and action along with our fraternal mass organisations on burning issues facing the common people can play a crucial role in creating condition for re-activating the NPMO, overcoming the hurdles presently faced in this regard. We have to take initiative to build up more regular coordination with the independent unions and federations and mass organisations of our own fraternity to organise such independent mobilisations at frequent intervals to create conditions for activating NPMO.

## **CITU JOURNALS**

108. We have been regularly bringing out the CITU journals from the Centre. 'The Working Class' is close to completing its thirty-sixth year of publication. 'CITU Mazdoor (Hindi)' and 'The Voice of the Working Woman' are both in their twenty-sixth year of publication. After we discontinued the publication



of 'Kamkaji Mahila (Hindi), we have attempted to bring out the issues of 'Patrika (in Hindi)' intermittently, though its circulation is mainly among the Anganwadi employees.

109. At the CITU Centre, we have been making serious efforts not only to bring out these journals regularly but also to improve the quality of their contents. Taking into account the suggestions from the leaders of the Hindi speaking State Committees to improve the quality of translation into Hindi and in an endeavour to focus more on the activities in these States, we have assigned the task of editing the 'CITU Madzoor' to Dipankar Mukherjee as its Working Editor.

110. We have noted the persisting weakness at the CITU Centre, which has resulted in the editorial committees of our journals not having regular meetings every month. We have decided to pay due attention to this aspect in the coming period.

111. We are, however, constrained to draw your attention to the utter neglect, by the CITU State Committees, of the twin tasks of 1) enhancing the circulation of and 2) sending reports to our journals. Barring the mandatory subscription by the affiliated unions, the number of copies directly subscribed and distributed through agencies has remained at a very low figure. Efforts to renew the defunct agencies have almost been absent.

112. Besides the journals published from the CITU Centre, State committees in major States and a number of industrial federations (both at all India and State levels) have also been bringing out separate journals in local languages. Though from the CITU Centre, we have been sending the main articles carried in 'The Working Class' through e-mail to the State Committees, soon after we send the matter for printing, there have been practical difficulties in reproducing the same in local language journals of CITU.

113. We propose to convene, at the all India level, a meeting of the editors of State level CITU journals to share the experiences and consider ways of improving our campaign among the workers through our journals. We place this for proposal for consideration by the General Council and appropriate decision.

## **P RAMAMOORTI TU SCHOOL**

114. In pursuance of our Chennai Conference decision to constitute a permanent trade union school and a research centre named after our founder General Secretary Com. P. Ramamoorti, the meeting of the CITU Working Committee held at Bhopal during December 2005 decided as under:

- \* CITU Centre to continue the efforts to secure a plot of land in New Delhi for constructing the building to set up the permanent school.
- \* State Committees should expedite collection of funds and complete their quota at the earliest.
- \* Associate our fraternal trade union organisations in the setting up and running of the school.
- \* Hold one school for the Hindi region during the first half of 2006.

115. Accordingly, we had conducted the trade union schooling for the Hindi region on June 16 - 18, 2006 in New Delhi.

116. We have also been pursuing our request for allotment of a plot of land for CITU with the Delhi Development Authority and the process is likely to materialise soon.

117. The CITU Secretariat, which met at Hyderabad on June 11 - 12, 2006, has decided to constitute



a Governing Council for the proposed school comprising nominees of CITU and of fraternal trade unions. This is being given a final shape and will be in place soon. The Governing Council will address all logistical and other issues.

118. The State Committees should take expeditious steps to fulfill their quota of contributions for this fund, detailed information in respect of which is furnished separately.

## **CITU ORGANISATION**

119. The meeting of the CITU leadership of Hindi-speaking states, which was held on 22nd and 23rd March 2006, decided that an in-depth review of the organisational position in these states should be undertaken with the assistance from the CITU Centre.

120. The CITU Secretariat at the Centre discussed this issue and finalised a note for preparation of the review report on organisation on the basis of such a review should be undertaken. This has been forwarded to all the State Committees in the Hindi Speaking States. They have been asked to undertake preparation of the draft review report for discussion in the State Committees and finalise the same for implementation. Though, we had desired this process be completed by July 31, 2006, we trust that all the State Committees in the Hindi Speaking States will undertake this exercise in all seriousness.

121. We also suggest that the note prepared by the CITU Centre, copies of which had been sent to all State Committees, be taken as the basis on which organisational review should be undertaken as part of the State level conferences of CITU.

122. It is proposed to undertake a similar review of the organisational position of the industry wise federations also.

## **INTERNATIONAL RELATIONS**

123. During the period between our last working committee meeting at Bhopal and now, the CITU had made further progress in developing our relations with the international movement.

124. In our earlier reports, we let you all know that in the International sphere, confidence on CITU has been reposed by our trade union colleagues in other countries. Though CITU has not affiliated itself with any of the three international federations viz, the WFTU, ICFTU or the WCL, we maintained cordial relationship with all fraternal organisations across the globe irrespective of their affiliation.

125. As a part of the international relationship, M.M. Lawrence, Secretary, CITU and K.V.A. Iyer, Vice-President, Waterfront Workers Federation of India visited Brazil at the call of CUTS. M.K.Pandhe, President, CITU visited France to participate in the conference of CGT. Raghunath Singh, Vice-President, CITU visited Italy to attend the conference of CGIL. S.Dev Roye, Secretary, CITU took part in the 95th Session of International Labour Conference of ILO held from 30th May to June 2006 at Geneva, Switzerland. Chittabrata Majumder, General Secretary, CITU is going to Japan at the invitation of ZENOREN to attend their conference, later this month.

126. At the invitation of UCCATT, Debanjan Chakraborty, General Secretary, Construction Workers Federation of India, visited London in May 2006.

127. P Indira, Vice President of CITU, Tamil Nadu State Committee attended a Trade Union Training



programme for "Capacity building for organising" organised by ACTRAV - Programme for Workers' activities of the International Labour Organisation (ILO), during March 2006 followed by a study visit to Singapore.

128. In August 2006, delegation from Transport Workers Federation will attend International Transport Workers' Conference at Cyprus. In September 2006 delegation from Construction Workers' federation will attend International Conference of construction workers in Greece. During the month of September 2006, a seven-member delegation from Guangdong Provincial Trade Union, China will visit CITU Central Office. Moreover a delegation from All China Federation of Trade Unions is also likely to visit CITU Centre, New Delhi.

## **TASKS AHEAD**

129. Comrades, the present situation, as it has emerged, has posed a formidable challenge as well as offered a tremendous opportunity before us. Despite all the hype generated by the pro-reforms lobby, the policies of economic liberalisation have failed in offering even a minimum solace to the mass of the people. The increase in the GDP growth rate is accompanied by increasing rate of unemployment, deepening impoverishment, increasing incidents of suicides among the farmers. This is getting reflected in louder voice of protests from all corners of the country and from all segments of population. The working class movement, the most organised segment of the common populace has to convert this rising disillusionment against the neo-liberal policies into countrywide organised struggle for change in the policy regime.

130. The present political scene witnessed in the country is of a complex character. The ruling polity is keen to pursue its anti-people policies, but it faces several hurdles in its way, as it cannot retain itself in power on its own. Even as resistance struggles of the working class and democratic movement are gathering strength, the ruling classes in utter desperation perceive the working class movement as the most potential threat as well as obstacles in the pursuit of their policy regime. Hence, they are concentrating on curbing the labour rights, both administratively and through legislative efforts.

131. It is clear from the above developments that the Left Parties are the only force in our country, which are fighting against the anti people policies of both the UPA and the NDA combines. Left Parties are the only force capable of taking an effective lead in the formation of a third alternative, which can protect the interests of the masses and the rights of the working class. It is also a fact that the Left forces have emerged stronger during this period and have increased their intervening capacity.

132. Without the struggle of the working people, Left forces cannot increase its strength. Working class is the main organised force in this struggle. Without uniting the working class in struggles and thus strengthening the struggles of the working class, we cannot expect strengthening of Left forces to combat the attacks on the working class and the working people.

133. CITU is the main organ of struggles of the working class. Unless CITU is strengthened organisationally and it takes initiative to build and strengthen the struggles of the working class in both the organised and unorganised sectors, no meaningful and effective struggles of the working class can be developed.

134. It is, therefore, the task of CITU committees and comrades to take initiative in organising and building CITU among the workers both in organised and unorganised sectors of industries for strengthening the struggles against the attacks from the employers and the government and in support



of their demands and converting them in all India united actions.

135. We must, therefore, prepare ourselves organisationally to develop and lead broad-based peoples' movement and ensure broadest mobilisation of people countrywide. While pursuing our efforts through the Sponsoring Committee of Trade Unions, we must also strive to create an objective condition for resurgence of NPMO. For this initiative should be unleashed at the grass-root level as well, by our state committees, district committees and enterprise level unions. If we were to succeed in rallying all other sections of the masses, we must make a beginning with strengthening and consolidating our organisation at all levels. Without a strong CITU, there cannot be either a strong united trade union struggle or broader mass actions.

136. A bigger struggle is ahead. Anti-privatisation struggle has already gained momentum with the action programmes unleashed by the workers of NALCO, Neyvelli Lignite and NMDC, which has made the message loud and clear that "any drive of privatisation will not pass". The Sponsoring Committee of Trade Unions have already given the call for preparing for united countrywide action and the National Convention going to be held on 25th July 2006 at New Delhi is going to draw the future plan of united action and a countrywide strike action is in the offing. The intervening period before the strike must be effectively utilised for ensuring broadest possible mobilisation both jointly with others and also independent initiative of CITU stream to project and popularise alternative pro-people policy approach.

137. With this immediate perspective in the vision, the immediate tasks before us are:

- \* Fight against the twin dangers of communalism and neo-liberal economic policies to continue
- \* Make the demand for "Right to Work as fundamental right" a central slogan in all campaign and agitation against the neoliberal economic policies
- \* Intensify and widen solidarity actions in support of bitter struggles going on at various parts of the country against violation of labour laws and repression and onslaught on labour rights
- \* Demand for implementation of labour laws and resistance against violations to be taken up as central to all trade union campaign and actions countrywide
- \* Intensify campaign on immediate enactment of comprehensive legislations for unorganized sector workers and agricultural workers separately.
- \* Intensify activities among unorganized sector workers to focus on immediate legislation, statutory coverage and enforcement of Minimum Wages Act and 'equal pay for men and women workers'
- \* Mainstream the emerging struggles of the workers and employees in various sectors and industries.
- \* Organise campaign and struggle against attacks on existing social security benefits and fight for comprehensive social security for all.
- \* Make serious efforts to revitalise the Sponsoring Committee of Trade Unions and the NPMO to organise massive mobilisations throughout the country.
- \* Strive to achieve the target of 40-lakh membership at the earliest, through consistent and vigorous membership drive.
- \* Establish the P. Ramamoorti Institute of Trade Union Education and Research in the near future.
- \* Organising trade union school in regular interval must be taken up as an integral part of the CITU



activities at all level of organization.

\* Organise intensive and structured discussion on the document on " Cadre Development and Trade Union Movement" finalised by CITU Working Committee meeting held at Bhopal in last December 2005 at all levels of organization and particularly in the forthcoming state conferences of CITU.

\* PREPARE FOR COUNTRYWIDE GENERAL STRIKE AGAINST ANTI-PEOPLE POLICIES OF THE GOVERNMENT.

138. I am confident that above tasks will be taken up for whole hearted implementation at all levels of the organization by the State Committees and the affiliated unions to carry the CITU to further height to enable it to discharge the historic responsibility fallen on the working class.

With greetings

**Chittabrata Majumdar**  
General Secretary



# CENTRE OF INDIAN TRADE UNIONS

## General Council Meeting

Ranchi - July 15-18, 2006

### REPORT ON ACTIVITIES

The period since last Bhopal Working Committee meeting held in December 2005 witnessed crucial developments in the political and economic scenario. This period also witnessed growing attacks on the rights and livelihood of the working people.

During the intervening period state assembly elections took place in West Bengal, Kerala, Tamilnadu, Assam and Pondicherry. These elections had been of crucial importance for the working class movement. Particularly in West Bengal and Kerala, which are stronghold of the Left forces, the Left Front and Left Democratic Front have been in the fray to retain the Governance for the seventh consecutive terms in West Bengal and oust the anti-people Congress led Govt. in Kerala. CITU organisations played active role in electioneering both in campaigning for the Left forces and participating at every level of the election organizations. From the trade union platform, campaign literatures have been published in several thousands in projecting the pro-people Left alternative of governance and explaining before the people the crucial necessity of victory of the Left forces in these elections in strengthening and carrying forward the struggle against the retrograde neoliberal economic policies. The victory of the Left Front and Left Democratic Front with huge majority in West Bengal and Kerala and increase in the strength of the Left forces in both Tamil Nadu and Assam assembly would result in more assertive role of the Left forces in national political scenario besides strengthening the struggle of the working class countrywide.

During the period under review, there have been many events of working class assertion at all India level in which CITU played a pioneering role.

The anti-WTO demonstrations throughout the country on 13th December 2005 in the run up to the Hong Kong Ministerial meet of WTO had drawn participation of wider section of democratic people along with the working class.

The All India Protest Day against reduction in the interest rate on Provident Fund was observed in all the states and most of the industrial centers of the country through demonstrations. All the Central Trade Unions in the country except INTUC had given the call for observance of the protest day.

As decided by the Bhopal Working Committee meeting of CITU, week long campaign against non-implementation of labour laws and the Govt's move to bring pro-employer changes in labour laws was organized throughout the country on 25th to 31st January which culminated in massive mobilization and demonstrations in all the State capitals, district headquarters and industrial centers on 31st January 2006. As per reports received at the center, most of the states took active initiative in organizing the protest week through district level mobilizations.

CITU working committee also decided to hold massive protest demonstrations throughout the country on the occasion of the visit of US president Bush in India. This programme have roused good enthusiasm



among the workers and the March 2nd and 3rd witnessed many big demonstrations in many places of the country raising slogans against imperialism and denouncing capitulating stance of the Govt of India. Working class had been the major constituents of the anti-bush demonstrations throughout the country and people from all walks of life also joined the anti-imperialist demonstration in a big way. The rallies in Kolkata, Kerala and Mumbai had drawn lakhs of people in the street while rallies in Hyderabad, Chennai and Delhi also deserves special mention for drawing the participation in terms of several thousands.

The Joint platform of the public sector workers in the country, the Committee of Public Sector Trade Unions held two days national workshop at Mumbai on 18th and 19th March 2006, which had drawn participation of more than 200 leaders of the PSU unions covering all the sectors and from all corners of the country. The CPSTU session decided the common approach towards the forthcoming wage revision for the PSU workers based on which countrywide mobilisation has to be planned. The CPSTU also decided to strengthen opposition to the move of privatization and stressed upon the solidarity actions in all the PSUs whenever the Govt. makes any move to privatize or disinvest any PSU. The CPSTU decided to observe "anti-privatisation day" on March 30, which was observed in almost all the PSUs in the country through joint demonstrations and sending protest telegrams to Prime Minister.

The countrywide protest demonstrations against the unjust hike in prices of petrol and diesel on 13th June is another national event during this period which has drawn participation of people from all walks of life throughout the country. The state of Kerala witnessed complete strike on 13th June in which CITU along with other trade unions played the frontline role. In West Bengal, blockade of all vehicles from 12 noon to 12-05 hrs have been organized throughout the state on 12th June by the trade unions followed by massive demonstration before the central govt. offices in all the districts on 13th. June. other places widespread protest rallies. All major metropolitan cities including Delhi and Mumbai, Chennai, Hyderabad, Bangalore etc witnessed militant protest demonstrations in which working class took part in a big way.

During the intervening period many all India actions have taken place in many important sectors in which CITU took a leading role in organizing and pushing through the struggle.

The most notable was the strike struggle of the employees of Airport Authority of India against privatization of airports. 22000 employees of 124 airports of the country started cease-work from 1st February onwards against the Govt. decision to privatise the Mumbai and Delhi airports on the plea of modernisation. The strike continued till 4th February braving police atrocities and was withdrawn after the Civil Aviation Minister committed in writing to constitute a tripartite committee 'to discuss the issue of modernization of airports by AAI' and other employee related issues. The Govt. violated its commitment subsequently. But the heroic strike struggles by the airport employees had created history. The Airport Employees' Union is not affiliated to any central trade union but in the struggle against privatisation they worked closely with CITU and have still been carrying on their struggle in the face of hell bent bid by the UPA Govt. to hand over all the airports of the country to private hands with foreign collaborator at any cost.

Another important event had been the bold and united initiative by the telecom employees to go for countrywide strike on 5th January 2006 against disinvestments of BSNL and also against Govt. bid to unbundle last mile copper cable network laid by BSNL to the advantage of private operators. At the initiative of BSNL Employees Union closely working in cooperation with CITU, all the employees and officers' unions could be united to serve jointly signed strike notice. In the face of tremendous countrywide tempo among the BSNL employees for the strike action, the Govt. had to call the unions for negotiation



prior to strike and commit that BSNL will be considered as 'Navaratna' company and the last mile copper cable will not be unbundled. The strike of 5th January in BSNL was, thus kept in abeyance.

The coal mine workers' strike threat to Govt. demanding implementation of the already concluded wage agreement could ultimately compel the Coal Minister to come to terms with the coal mines' unions. All the All India Federations of coal miners jointly gave the strike threat to the Govt.

Similarly all the unions of central govt employees and railway workers served joint notice for indefinite strike from 1st March onwards demanding constitution of 6th Pay Commission and other demands to which the central govt have been taking an arrogantly negative approach. But the tempo created by the preparatory exercise by the employees for the strike throughout the country compelled the arrogant Govt to come forward for negotiation and agree for constitution of 6th Pay Commission.

The State Bank Employees united countrywide strike from 3rd April onwards demanding higher pension benefit in the face of intimidation and threat by the Govt could ultimately force the arrogant finance ministry to negotiate and settle the issues amicably with the striking union.

The Medical and Sales Representatives' three day long countrywide strike on 14-16 December 2006 was another notable all India struggle in the intervening period.

Experience of all these all India movements clearly reveals that all in unity of the workers and determination for struggle could overcome all deterrents however difficult that may be and compel the employers and authority to retreat inevitably.

Besides above, at state level, many struggles have been organized by CITU, both independently and also jointly with other trade unions. The common feature of these state level struggles and mobilization is that rampant violation of labour laws and repression on workers have been the issue on focus in almost all the events of struggles.

In Punjab, CITU committees both at state and district levels had been busy in building struggles and mobilization against closures, attack on labour rights. After prolonged struggles, the cycle factory workers of Ludhiana could snatch union registration from the unwilling hands of the Govt and the employers immediately retaliated by declaring closure in one of the cycle factories against which struggle is still going on braving police atrocities, imprisonment and false cases inflicted against the leadership. Jathas were organized throughout the state demanding implementation of labour laws and revision of minimum wages which witnessed rallies of several thousand workers in all the districts. CITU took initiative in organizing successful strike by UT Govt employees of Chandigarh. In Chandigarh Transport Undertaking CITU leadership got massive victory in secret ballot election and compelled the management to withdraw the termination order on some workers through spontaneous strike action thereafter. Solidarity demonstrations were organized in all districts in support of the striking airport employees, brutal lathicharge on Oswal mill employees at Ludhiana and against murder of CITU activists in Himachal Pradesh.

In Himachal Pradesh, militant struggle of the hydel project workers in the state compelled the employers and contractors in many of the projects to make settlement with CITU unions. In Chamara Project of NHPC, the main contractor Hindustan Construction Corporation got three workers including the CITU state leader Baburam brutally murdered by the gangsters employed by them on 10th June. The whole of Himachal Pradesh condemned this gruesome incident by spontaneous strike action on 11th in all the projects in the state, in hotel industry and other establishments. CITU has been carrying on the



struggle there demanding arrest of the murderers and concerned HCC officials, blacklisting HCC and payment of adequate compensation to the victims' family members. During the period under review there have been struggles and mobilizations also by the Hotel workers and Anganwadi workers and workers in other industrial units in the state.

In Haryana, Brick kiln workers union organized statewide month long strike demanding revision of wages and could succeed to compel the brick kiln owners Associations in three/four districts to give rise in wages and also many individual brick kiln owners in other districts to agree for wage rise going against their Associations' direction. Around 18000 spinning mill workers in around 300 mills at Panipat went for strike action for 9-10 day long strike confronting police repression, jail and other atrocities ultimately to compel the district administration to intervene and mill owners to settle with the CITU there on payment of minimum wages and implementation of other labour laws. The Roadway workers in Haryana successfully compelled the State Govt not to allow more bus-routes to private luxury bus operators through four day strike action which had completely paralysed the state-run bus services in the state despite police action and mass scale arrest of leaders. All the unions in Haryana Roadways could be united in this struggle. CITU also led struggle in many industrial units like Speedomax, Liberty etc against retrenchment and victimization. The strike by the contract workers of Hero-Honda at Gurgaon had been another notable event which could compel the employer to accede to some of the major demands of the workers.

In Orissa, CITU could mobilize people from all walks of life in the struggle against indiscriminate iron-ore export from the state and the conspiracy to hand over the control of many iron ore mines to private hands including foreign companies.

In Chhattisgarh, the CITU union at Balco could successfully mobilise all the unions and workers in the struggle against off-loading of balance 49% govt shares in Balco to private hands. At the initiative of State Committees big rally was organized at State capital against anti-people policies of the Govt and attack against workers dalits and tribal people.

Karnataka witnessed the heroic struggle by the Toyota Kirloskar workers in January 2006 against victimization where entire 1400 workers could be drawn to long drawn struggles including strikes braving police atrocities. This struggle could draw support from the Japanese trade union ZENROREN who took initiative to launch organized protest before the Toyota office at Tokyo. During the intervening period the CITU has also been able to unite most of the trade unions in the state in holding mobilizations in defence of labour rights and against labour law violations.

Andhra Pradesh CITU held their state conference during the intervening period in January 2006. Statewide march and blockade of district headquarters by thousands of Anganwadi workers and helpers have been organized on 20th February. The State CITU also took initiative to organize massive rally on 3rd May at Hyderabad along with other central trade unions, employees federations etc on the occasion of the 39th Annual General Meeting of Asian Development Bank.

Tamilnadu State CITU, despite preoccupation with the state assembly election, organized a massive march of working women throughout the state involving participation of more than 15000 women workers from various sectors covering almost all segments of occupations both in the organized and unorganized sector. March and rallies were organized in five centers in the state viz., Chennai, Tiruchy, Tirupur, Madurai and Nagercoil at the initiative Working Women Coordination Committee to highlight 13 point charter of demands of the Working Women.



UP State CITU took initiative to organize a meeting of the CITU unions in the central PSUs in the state which took elaborate programme to organize a state level convention of PSU workers. The meeting took note of the victory of the CITU unions in two projects of NTPC at Rihand and Uchahar. The meeting of Anganwadi workers and other unions have been organized in Allahabad, Moradabad, Bijnour, Kanpur during February-March to prepare for consolidation of the anganwadi workers movement in the state.

Uttaranchal witnessed demonstrations and rallies by the anganwadi workers, contract workers in telecom, employees of Jal sangsthan and Jal Nigam, Garwal Mandal Vikash Nigam, workers in the sugar factory during the intervening period.

Delhi State CITU played important role in mobilising workers in the national level programmes of protest rallies organized on various issues during the intervening period. Besides that, the State CITU have conducted number of struggles in the industrial areas of West Delhi, East Delhi, Ghaziabad and Faridabad braving victimization and police atrocities.

Reports of programmes and mobilizations of petroleum workers, plywood workers, anganwadi workers and various organizational activities in the tea-garden areas have also been received from Assam state CITU, besides their participation in all the national level programmes. State level trade union school was also organized by Assam State CITU. Arunachal Pradesh witnessed massive mobilization of the workers and employees during the intervening period after formation of the state level CITU organization.

The All India Federation of Anganwadi Workers and Helpers have also countrywide mobilizations and demonstrations covering almost all the states in the country. And at present the Federation has been preparing for a week long dharna in front of Parliament from 25th July onwards in which around 10000 workers are expected to participate.

During the intervening period, the meeting of the leadership of Hindi speaking state Committee was also held at CITU center on 22-23 March 2006 to review activities in the hindi speaking states. The meeting has drawn a elaborate guideline based on which the State Committees have been advised to prepare a report on the present organizational situation and plan for action. As decided earlier in the Bhopal Working Committee, the Trade Union School for the Hindi Speaking States was held on 16-18 June in which 33 leading comrades from ...states attended.

## **IN WORK REPORT**

AIFAWH - The All India Federation of Anganwadi Workers and Helpers gave a call for state level rallies on 18th April. Rallies were held in almost all the states. While the participation of anganwadi employees was massive where proper preparations were held, in some states like Maharashtra, we could not mobilise even according to our strength.

A national workshop was held on organisation on 3- 4 June in Hyderabad. 100 leadership level cadres from 19 states, including all India working committee members, state level office bearers etc participated in the workshop, which held in depth discussions on four important aspects of organisation - membership, democratic functioning, cadre development and financial discipline - and formulated guidelines to the state committees.

The Working Committee of the Federation, which met on 5th June, prepared a plan for the ten-day mass relay hunger strike during the monsoon session of Parliament, on the major demands of the



anganwadi employees. This will start from 25th July and will last up to 3rd August 2006. More than 10,000 anganwadi employees from 23 states are expected to participate in this struggle programme. The campaign for this programme has already been started and is meeting with good response from the anganwadi employees. In addition to focussing the major demands of the anganwadi employees, this programme is also intended to be utilised for the expansion of our movement in the Hindi speaking region. The CITU state committees in Hindi region should try to utilise it for expansion to newer areas. As this is the first time that such type of struggle programme is being held by the CITU, particularly involving women workers, all the state committees of CITU should extend all the necessary help and assistance to make the programme effective.



# **CENTRE OF INDIAN TRADE UNIONS**

**General Council Meeting**

**Ranchi - July 15-18, 2006**

## **AUDITED STATEMENTS OF ACCOUNTS FOR THE YEAR 2005 - 2006**

**\*\*\*\*\***

### **STATEMENTS ON**

**1) MEMBERSHIP / AFFILIATION FEES**

**2) TSUNAMI RELIEF FUND**

**3) P RAMAMOORTI T.U SCHOOL FUND**



# General Council Meeting

July 15 - 18, 2006

Ranchi, Jharkhand

## Report of the Treasurer

Dear Comrades,

I am placing the following statements relating to the financial position of the CITU:

- ◆ Audited statement of accounts for the year 2005 – 06.
- ◆ Statement on CITU membership and affiliation fees received for the years 2003, 2004 and 2005.
- ◆ Statement on collections received in the CITU Tsunami Relief Fund.
- ◆ Statement of collections received for the Com. P. Ramamoorti T U School Fund.

Besides the above, we had called for collection of funds for the Jammu & Kashmir Earthquake Relief Fund. As per decision of the CITU Secretariat an amount of Rs. 1 lakh was paid from the CITU Centre as initial payment under the Fund. However, the collections under this Fund have so far been only to the extent of Rs. 64000/-. We have so far received contributions from the State Committees of A.P., Assam, Orissa, Jharkhand and U.P. only. Other State Committees may please expedite their contributions, as the relief work in J & K is continuing.

### On membership:

As you are well aware, the 12th Conference of the CITU will be held in January 2007 at Bangalore. The number of delegates to the Conference will be decided on the basis of membership figures for the year 2005, for which affiliation fees and annual returns are duly sent in by the State Committees. For the year 2002, based on which the delegation for the 11th Conference was decided, we had received affiliation fees in respect of 4107 unions representing 34.55 lakh members. But, for the year 2005 we have so far received affiliation fees and annual returns only in respect of 614 unions representing 7.37 lakh members.

There are huge arrears in respect of the years 2003 and 200-4 as well. This meeting of the General Council will have to decide the deadline by which the affiliation fees and annual returns should be submitted to the CITU Centre, well ahead of the 12th Conference dates.



### **B T R Fund:**

Contributions to the Com. B T Ranadive Memorial Fund have almost ceased. But, we have to meet recurring annual expenses of land rent (Rs. 52, 800) property tax (Rs. 48, 000) water & electricity (Rs. 1, 50, 000), maintenance (Rs. 10000) and some other expenditure as well. We have advanced Rs. 16 lakh from the CITU Central Funds to meet such expenditure by the B T R Trust. This general Council meeting will have to decide how to ensure regular inflow of fund to the B T R Memorial Fund for meeting the annual expenses.

### **P Ramamoorti T U School Fund:**

As per statement appended, we have so far received a sum of Rs. 33, 60, 246 towards this fund. The report of the General Secretary has dealt with the efforts of the CITY Secretariat to set up the permanent school and research centre named after our founder General Secretary Com. P. Ramamoorti. State Committees should ensure immediate completion of their quota for this fund.

### **CITU Tsunami Relief Fund:**

We have received collections of around Rs. 59 lakh together with assistance from France to the tune of Rs. 43 lakh. We have planned, in consultations with our Tamil Nadu State Committee of CITU, utilization of these funds for providing assistance and relief to the victims.

I trust the meeting of the General Council will consider these matters and take appropriate steps to strengthen the financial position of the CITU Centre.

With greetings,

Ranjit Basu

Treasurer



# REPORT

We have examined the Balance Sheet of Centre of Indian Trade Unions as at 31st March, 2006 and the Income and Expenditure account Receipt and Payment account for the year ended on that date which are in agreement with the books of account maintained by the said institution.

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

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

1. In the case of the Balance Sheet, of the state of affairs of the above named institution as at 31.03.2006 and
2. In the case of the Income and Expenditure account, of the excess of Income over Expenditure for the year ending 31.03.2006

## CENTRE OF INDIAN TRADE UNIONS, NEW DELHI BALANCE SHEET AS AT 31st MARCH, 2006

| LIABILITIES                                    | AMOUNT   | AMOUNT   | ASSETS                                                                 | AMOUNT   | AMOUNT          |
|------------------------------------------------|----------|----------|------------------------------------------------------------------------|----------|-----------------|
| <u>GENERAL FUND</u>                            |          |          | <u>FIXED ASSETS</u>                                                    |          | 1321016         |
| Opening Balance                                | 13187446 |          | (As per Schedule attached)                                             |          |                 |
| Add: Surplus from Income & Expenditure account | 1921237  | 15108683 | <u>INVESTMENTS</u>                                                     |          |                 |
|                                                |          |          | Fixed Deposits with Banks                                              | 12938991 |                 |
|                                                |          |          | Interest Accrued on F.D.R.                                             | 1002614  | 13941605        |
| <u>CURRENT LIABILITIES &amp; PROVISIONS</u>    |          |          | <u>CURRENT ASSETS,</u>                                                 |          |                 |
| a) Current Liabilities                         |          |          | <u>LOANS AND ADVANCES</u>                                              |          |                 |
| Tsunami Victim Relief Fund                     | 5754905  |          | a) Current Assets                                                      |          |                 |
| Com. P. Ramamurthy Fund                        | 3346303  |          | Balance with Banks                                                     | 7026332  |                 |
| Transport Seminar Fund                         | 30000    |          | Cash in hand                                                           | 38006    |                 |
| Staff Contributory Fund                        | 40000    |          | b) Loans & advances                                                    | 1958544  | 9022882         |
| Audit Fee Payable                              | 5612     | 9176820  | (Advances recoverable in cash or kind for which value to be received.) |          |                 |
|                                                |          |          | <u>TOTAL (Rs.)</u>                                                     |          | <u>24285503</u> |

Note : Figures have been rounded off to the nearest of rupee.  
For CENTRE OF INDIAN TRADE UNIONS

Sd/-  
(PRESIDENT)  
Place : New Delhi  
Dated : 1st July, 2006

Sd/-  
(TREASURER)

### AUDITORS' REPORT

As per our report of even date attached.  
For B.M. SHARMA & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
( B. M. SHARMA )  
Partner



**CENTRE OF INDIAN TRADE UNIONS, NEW DELHI**  
**INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2006**

| EXPENDITURE                       | AMOUNT         | INCOME               | AMOUNT         |
|-----------------------------------|----------------|----------------------|----------------|
| Magazine Expenses                 | 559080         | Sale of Magazines    | 654861         |
| Meeting, Rally & Seminar Exp.     | 387118         | Publication A/c      | 13020          |
| Travelling & Conveyance Exp.      | 163726         | Affiliation Fee      | 3250700        |
| Vehicle Expenses                  | 175649         | Bank Interest        | 85382          |
| Bad Debts                         | 8527           | Donation             | 287084         |
| Bank Charges                      | 33407          | Interest on F.D.R.   | 813076         |
| Building Maintenance Expenses     | 150450         | Miscellaneous Income | 8760           |
| Electricity & Water Expenses      | 37745          |                      |                |
| Medical Expenses                  | 6642           |                      |                |
| Miscellaneous Expenses            | 23555          |                      |                |
| Communication Expenses            | 227173         |                      |                |
| Publication Expenses              | 9485           |                      |                |
| Rent & Taxes                      | 27203          |                      |                |
| Service & Maintenance             | 269824         |                      |                |
| Printing & Stationery             | 187465         |                      |                |
| Tea & Tiffin Expenses             | 57013          |                      |                |
| News Papers & Periodicals         | 27207          |                      |                |
| Wages                             | 617500         |                      |                |
| Right to Work Convention          | 7700           |                      |                |
| Depreciation                      | 209565         |                      |                |
| Audit Fee                         | 5612           |                      |                |
| Excess of Income over Expenditure | 1921237        |                      |                |
| tfd. to Balance sheet             |                |                      |                |
| <b>Total</b>                      | <b>5112883</b> | <b>Total</b>         | <b>5112883</b> |

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

For CENTRE OF INDIAN TRADE UNIONS

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

Place : New Delhi  
Dated : 1st July, 2006

**AUDITORS' REPORT**

As per our report of even date attached.  
For B.M. SHARMA & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
( B. M. SHARMA )  
Partner



**CENTRE OF INDIAN TRADE UNIONS, NEW DELHI**  
**RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2006**

| RECEIPT                        | AMOUNT                 | PAYMENT                               | AMOUNT                 |
|--------------------------------|------------------------|---------------------------------------|------------------------|
| <b><u>OPENING BALANCE</u></b>  |                        | Magazine Expenses                     | 559080                 |
| Cash in hand                   | 109825                 | Meeting, Rally & Seminar Exp.         | 369437                 |
| Cash at Banks                  | <u>6324036</u>         | Travelling & Conveyance Exp.          | 163726                 |
| Sale of Magazines              |                        | 654861 Vehicle Expenses               | 154270                 |
| Publication A/c                |                        | 13020 Bank Charges                    | 33407                  |
| Affiliation Fee                |                        | 3250700 Building Maintenance Expenses | 150450                 |
| Bank Interest                  |                        | 85382 Electricity & Water Expenses    | 37745                  |
| Donation                       |                        | 283045 Medical Expenses               | 6642                   |
| Interest on F.D.R.             |                        | 653574 Miscellaneous Expenses         | 23555                  |
| Miscellaneous Receipts         |                        | 8760 Communication Expenses           | 227173                 |
| Com. P. Ramamurthy Fund        |                        | 1856752 Publication Expenses          | 9485                   |
| Tsunami Victim Relief Fund     |                        | 1258036 Rent & Taxes                  | 27203                  |
| Realisation of Loan & Advances |                        | 3230 Service & Maintenance            | 269824                 |
| J & K Earthquake Relief Fund   |                        | 64143 Printing & Stationery           | 187465                 |
| Realisation FDR                |                        | 2431743 Tea & Tiffin Expenses         | 57013                  |
|                                |                        | News Papers & Periodicals             | 27207                  |
|                                |                        | Wages                                 | 617500                 |
|                                |                        | Right to Work Convention              | 7700                   |
|                                |                        | Addition to FDR                       | 6000000                |
|                                |                        | BTR Trust                             | 436390                 |
|                                |                        | Addition to Fixed Assets              | 447660                 |
|                                |                        | Audit Fee                             | 16310                  |
|                                |                        | J & K Earthquake Relief Fund          | 100000                 |
|                                |                        | Bad Debts                             | 3527                   |
|                                |                        | <b><u>CLOSING BALANCE</u></b>         |                        |
|                                |                        | Cash in hand                          | 38006                  |
|                                |                        | Cash at Banks                         | <u>7026332</u>         |
| <b>Total</b>                   | <b><u>16997107</u></b> | <b>Total</b>                          | <b><u>16997107</u></b> |

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

For CENTRE OF INDIAN TRADE UNIONS-

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

Place : New Delhi  
Dated : 1st July, 2006

**AUDITORS' REPORT**

As per our report of even date attached.  
For B.M. SHARMA & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
( B. M. SHARMA )  
Partner



**STATEMENT SHOWING STATEWISE MEMBERSHIP AS PER ANNUAL RETURNS RECEIVED TILL-8/7/2006**

| Name of the State | Unions Submitting Returns |             |            | Position of membership according to Annual Returns |                        |                      |
|-------------------|---------------------------|-------------|------------|----------------------------------------------------|------------------------|----------------------|
|                   | 2003                      | 2004        | 2005       | 2003                                               | 2004                   | 2005                 |
| Andaman & Nicobar | 8                         | 8           | 1          | 2242(-)                                            | 2207(-)                | 193(-)               |
| Andhra Pradesh    | 568                       | 711         | 2          | 220378(50460)                                      | 257159(64204)          | 1730(151)            |
| Assam             | 78                        | 76          | 8          | 55511(25615)                                       | 60355(25875)           | 1418(15)             |
| Bihar             | 2                         | 3           | 2          | 3806(21)                                           | 5198(4907)             | 11378(9867)          |
| Delhi             | 61                        | 66          | 29         | 24365(941)                                         | 21814(782)             | 11372(341)           |
| Goa               | 7                         | 7           | 0          | 1174(116)                                          | 947(67)                | 0                    |
| Gujrat            | 18                        | 18          | 2          | 8557(1033)                                         | 8532(987)              | 1150(-)              |
| Haryana           | 19                        | 6           | 1          | 29361(13538)                                       | 21600(8200)            | 35009(11198)         |
| Himachal Pradesh  | 26                        | 30          | 0          | 12175(6468)                                        | 14714(6961)            | 0                    |
| Jammu & Kashmir   | 2                         | 1           | 1          | 6352(24)                                           | 204(19)                | 376(42)              |
| Karnataka         | 103                       | 94          | 38         | 93803(39696)                                       | 94647(57355)           | 34554(18680)         |
| Kerala            | 725                       | 358         | 0          | 857417(242358)                                     | 372794(107636)         | 0                    |
| Madhya Pradesh    | 37                        | 3           | 0          | 10690(726)                                         | 730(3)                 | 0                    |
| Maharashtra       | 52                        | 41          | 8          | 56025(5397)                                        | 51776(5435)            | 3538(1313)           |
| Orissa            | 55                        | 53          | 14         | 45235(12694)                                       | 58221(6011)            | 8713(617)            |
| Punjab            | 71                        | 75          | 58         | 59943(2606)                                        | 54318(5449)            | 81465(13206)         |
| Rajasthan         | 52                        | 38          | 6          | 22843(2244)                                        | 20711(2315)            | 2607(-)              |
| Tamilnadu         | 423                       | 384         | 1          | 228578(34987)                                      | 217077(24556)          | 61(-)                |
| Tripura           | 31                        | 33          | 20         | 98697(21824)                                       | 114726(35641)          | 90294(31590)         |
| Uttar Pradesh     | 58                        | 56          | 8          | 13195(274)                                         | 10606(247)             | 2679(16)             |
| West Bengal       | 862                       | 749         | 410        | 1163457(79489)                                     | 1036854(98268)         | 441011(-)            |
| Uttaranchal       | 35                        | 29          | 1          | 10298(2361)                                        | 9460(2131)             | 100(1)               |
| Chhatisgarh       | 16                        | 13          | 1          | 15428(1151)                                        | 13303(1556)            | 9540(103)            |
| Jharkhand         | 15                        | 16          | 3          | 40207(2939)                                        | 35699(2115)            | 615(28)              |
| Meghalaya         |                           | 1           | 0          |                                                    | 1460(-)                | 0                    |
| Arunachal Pradesh |                           | 1           | 0          |                                                    | 17900(-)               | 0                    |
| <b>Total</b>      | <b>3424</b>               | <b>2870</b> | <b>614</b> | <b>3079737(546962)</b>                             | <b>2503012(460720)</b> | <b>737803(67168)</b> |

| Year | No. of Unions | Membership      |
|------|---------------|-----------------|
| 1983 | 1854          | 1890993         |
| 1984 | 2005          | 1575655         |
| 1985 | 1717          | 1716457(132536) |
| 1986 | 2412          | 1844273(209348) |
| 1987 | 2350          | 1680884(206482) |
| 1988 | 2618          | 1919280(264507) |
| 1989 | 3114          | 2425000(247388) |
| 1990 | 2934          | 2095550(245060) |
| 1991 | 2783          | 2088218(291228) |
| 1992 | 3343          | 2381012(321620) |
| 1993 | 3156          | 2371405(306344) |
| 1994 | 3198          | 2470131(261980) |
| 1995 | 3523          | 2784050(35888)  |
| 1996 | 3645          | 2805127(435285) |
| 1997 | 3804          | 2917200(506097) |
| 1998 | 3502          | 2881478(483373) |
| 1999 | 3929          | 3296808(550583) |
| 2000 | 3754          | 3124996(646618) |
| 2001 | 3777          | 3148920(600703) |
| 2002 | 4107          | 3455055(679548) |



**COLLECTION FOR "TSUNAMI VICTIM'S RELIEF FUND" AS ON 08.07.2006**

| <b>Name</b>                                                                                        | <b>Amount</b>   | <b>Name</b>                                                                  | <b>Amount</b> |
|----------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------------|---------------|
| L'Avenir Social , France                                                                           | Rs 4,560,125.00 | Lal Jhanda Hero Cycle majdoor Union, Punjab                                  | Rs 40,000.00  |
| Indian Workers Association, Great Britain                                                          | Rs.588,215.00   | Lal Jhanda Rockman Cycle Mazdoor Union, Punjab                               | Rs.19,000.00  |
| Mr. H.Mahadevan, Deputy General Secretary, WFTU (The amount originally came from Zenroren, Japan ) | Rs.227,469.00   | Lal Jhanda Highway Workers Union, Punjab                                     | Rs.4,500.00   |
| All-China Federation of Trade Unions                                                               | Rs.3,270,000.00 | Lal Jhanda Avon Bycycle Component Union, Punjab                              | Rs.4,000.00   |
| Bharat Electronics Employees Union, Ghaziabad                                                      | Rs.5,000.00     | Lal Jhanda Avon Cycle Mazdoor Union, Punjab                                  | Rs 12,000.00  |
| CITU, Orissa State Committee                                                                       | Rs 35,400.00    | Lal Jhanada Vyas Eng. Mazdoor Union, Punjab                                  | Rs.9,000.00   |
| Collection from CITU Centre Comrades, Delhi                                                        | Rs.5,380.00     | Lal Jhanda K.W.Majdoor Union, Punjab                                         | Rs.8,500.00   |
| CITU, Chhathishgarh State Committee                                                                | Rs.10,449.00    | Lal Jhanda K.W.Rim Mazdoor Union, Punjab                                     | Rs.2,500.00   |
| BHEL, Kamgar Union, Hardwar                                                                        | Rs.6,000.00     | Amritsar CITU, Punjab                                                        | Rs.10,500.00  |
| Ms. Meenakshi Marwah, New Delhi                                                                    | Rs.2,500.00     | Lal Jhanda (Mangli Div.) Hero Cycle Workers Union, Punjab                    | Rs.13,000.00  |
| Com. B.D.Prasad, Bokaro Steel, Jharkhand                                                           | Rs.3,500.00     | Aska Co-Operative Sugar Industry Sramik sangh, Orissa                        | Rs 2,165.00   |
| All India Road Transport Federation, Kerala                                                        | Rs.10,000.00    | CITU, Sirmour District Committee, H.P.                                       | Rs.11,800.00  |
| Mr. Rana Siddiqui, New Delhi                                                                       | Rs.6,000.00     | Hirnachal Hotel Mazdoor Lal Jhanda Union, H.P.                               | Rs.6,000.00   |
| J.K.Tyre Karmachari Ekta Union (CITU), Rajasthan                                                   | Rs.187,190.00   | CITU, Goa State Committee                                                    | Rs.63,700.00  |
| Phal Sabji Vikreta Vyapar Sangh, Rajasthan                                                         | Rs.5,000.00     | CITU, Maharashtra State Committee                                            | Rs.600,000.00 |
| Bharat Earth Movers Limited, Karnataka                                                             | Rs.5,000.00     | Workers of M/s National Controls (India), Goa                                | Rs.351.59     |
| Construction Workers Federation of India, West Bengal                                              | Rs.5,000.00     | Hindustan Cocacola Bottling South West (Pvt.Ltd.) Employees Union, karnataka | Rs.14,605.00  |
| Com. B.T.Virendra Kumar, Karnataka                                                                 | Rs.1,872.00     | Wipro Karmikara Sangha, Karnataka                                            | Rs.39,632.00  |
| CITU, Assam State Committee                                                                        | Rs.20,000.00    | CITU, Mysore District Committee, Karnataka                                   | Rs.3,120.00   |
| B.H.E.kamgar Trade Union, M.P.                                                                     | Rs.2,000.00     | Foods Fats & Fertilizers Staff & Workers Union, A.P.                         | Rs 12,500.00  |
| Com. S.K.Dhar, New Delhi                                                                           | Rs.100.00       | Rubber Workers Union, Haryana                                                | Rs.2,600.00   |
| All India Federation of Anganwadi Workers and Helpers, New Delhi                                   | Rs.30,850.00    | Mr. Prem Gupta, H.P.                                                         | Rs.21,200.00  |
| National Coal Organisation (G.O.I.) Employees Association, Jharkhand                               | Rs.7,000.00     | Mr. J.J.Nath, NRMU, Maharashtra                                              | Rs.500.00     |
| C.F.J.V. Workers Ekta Union, H.P.                                                                  | Rs.29,000.00    | Mr. P.K.Sen Sharma, NRMU, Maharashtra                                        | Rs.300.00     |
| Larjee Project Workers Union, H.P.                                                                 | Rs.72,450.00    | Vikrant Tyres Employees Union, Karnataka                                     | Rs.244,000.00 |
| Steel Workers Federation of India, W.B.                                                            | Rs.10,000.00    | Suman Dandass                                                                | Rs.500.00     |
| Karnataka Workers Union, Karnataka                                                                 | Rs.56,632.00    | Bank Interest Received                                                       | Rs.151,925.00 |
| Keonjhar Industrial Workers Union, Orissa                                                          | Rs.5,000.00     |                                                                              |               |

**TOTAL COLLECTION**

**Rs.10,465,030.59**



**COM. P.RAMAMOORTI T.U. SCHOOL FUND as on 07.07.2006**

|                                                            |                        |
|------------------------------------------------------------|------------------------|
| CITU, Goa State Committee                                  | Rs.1,206.00            |
| CITU, U.P. State Committee                                 | Rs.20,894.00           |
| CITU, A.P. State Committee                                 | Rs.245,399.00          |
| CITU, Chhatishgarh State Committee                         | Rs.4,151.00            |
| CITU, Tripura State Committee                              | Rs.10,000.00           |
| CITU, M.P. State Committee                                 | Rs.14,274.00           |
| CITU, Karnataka State Committee                            | Rs.37,210.00           |
| CITU, Kerala State Committee                               | Rs.1,022,143.00        |
| CITU, Punjab State Committee                               | Rs.23,698.00           |
| CITU, Tamilnadu State committee                            | Rs.718,000.00          |
| CITU, J & K State Committee                                | Rs.1,240.00            |
| CITU, Orissa State Committee                               | Rs.14,491.00           |
| CITU, Haryana State Committee                              | Rs.40.00               |
| CITU, Assam State Committee                                | Rs.10,000.00           |
| CITU, West Bengal State Committee                          | Rs.500,000.00          |
| CITU, Jharkhand State Committee                            | Rs.6,500.00            |
| CITU, Gujrat State Committee                               | Rs.1,000.00            |
| Association of SAIL Employees, Kolkata, W.B.               | Rs.10,000.00           |
| 2nd World Conference of Oil, Gas, Refinary Trade Union     | Rs.700,000.00          |
| I.E.L.Employees Union, U.P.                                | Rs.10,000.00           |
| Central Zone Insurance Employees Association, Chhatishgarh | Rs.10,000.00           |
|                                                            |                        |
| <b>TOTAL</b>                                               | <b>Rs.3,360,246.00</b> |



# CENTRE OF INDIAN TRADE UNIONS

## General Council Meeting

Ranchi - July 15-18, 2006

### CONDOLENCE RESOLUTION

This meeting of the General Council of CITU being held at Ranchi (Jharkhand) on July 15-18 deeply mourns the death of Com. Anil Biswas, a member of the Polit Bureau of CPI(M) and Secretary of its West Bengal unit. A most outstanding leader, reared in glorious revolutionary traditions of the Communist movement particularly in West Bengal, Com. Biswas set an exemplary standard in adhering to principles of Marxism-Leninism and applying it creatively to the development of the democratic movement and the party. CITU expresses its heartfelt condolences to his bereaved family members.

This meeting expresses its deep sense of sorrow at the passing away of Com. C. Kannan a veteran TU leader of Kerala and Vice-President of CITU for several years. Com. Kannan played a significant role in building trade union movement and developing All India Federation of Bidi and Construction workers. This meeting pays its respectful homage to a great warrior of the working class.

This meeting pays its respectful homage to Com. K. Ramani, former Vice-President of CITU and President of CITU Tamil Nadu State Committee. An outstanding leader of the working class Com. Ramani dedicated his life to the cause of the people. This meeting conveys its condolence to the bereaved family members.

This meeting also deeply condoles the death of:

- 1) Com. Koratala Satyanaryana, a leading light of the communist and peasant movement in India.
- 2) Com. T.K. Ramakrishnan, one of the front ranking leaders of the Communist and peasant movement in Kerala.
- 3) Com. Mahadeb Zahedi, Veteran Kisan leader and Vice-president of All India Kisan Sabha was also a veteran CPI(M) Parliamentarian.
- 4) Com. Sheopat Singh, Vice-President of All India Kisan Sabha and President of its Rajasthan unit, was a militant leader of Rajasthan Kisans and led many a struggle in Rajasthan.
- 5) Com. K.K. Pawar, Vice-President of Maharashtra Rajya Kisan Sabha
- 6) Com. Albel Singh, a veteran TU leader of Bijnore (UP).
- 7) Com. Samsher Khan, Kisan and Agricultural Workers leader of UP.
- 8) Com. OP Grewal former General Secretary of Janwadi Lekhak Sangh.
- 9) Com. R.P. Manchanda a veteren leader of the Insurance Employees.

The General Council pays its respectful homage to these departed leaders.

### ON HOMAGE TO MARTYRS

This meeting of the General Council being held in Ranchi on July 15-18 remembers with deep respect the courageous sacrifice of those leaders, cadres and activists of the trade unions, peasants, agricultural labour, youth, student, women and other segments of the democratic movement who embraced



martyrdom while confronting the brutal attack of the class enemies. The left a permanent impression of the democratic movement as a whole and continue to be a constant source of inspiration to the working class in their struggle against exploitation as well as against separatist divisive Communal Forces, safeguarding the unity of the people and integrity of the nation.

This meeting salutes with respect the heroic sacrifice of Com Babu Ram, Vijay and Dan Sigh Bhandari who laid down their lives while confronting with the armed goons of the contractor(HCC) at Chamera-III hydel project at Chamba, Himachal Pradesh on 10th June 2006. They embraced martyrdom while organizing the project workers' struggle there. The meeting severely condemns the barbarous act.

The meeting strongly condemns the heinous attacks perpetrated by the terrorist and divisive forces as in Doda (Kashmir) massacring 22 innocent lives, brutal massacre of tribals in Jajpur (Orissa), in Chhattisgarh, Tripura and by Ranvir Sena Gang in Bihar and Jharkhand and other parts of the country.



# CENTRE OF INDIAN TRADE UNIONS

## General Council Meeting

Ranchi - July 15-18, 2006

### Special Discussion Paper:

### JUDICIARY AND INDIAN WORKING CLASS

From day one of the onset of economic liberalization, successive Governments at the center have been striving for bringing about disastrous changes in the existing labour laws. The design behind such move are: (i) to erect legal obstructions in organizing trade union movement and (ii) to take away the legal rights and protections at least formally available to the workers under these labour laws. Their ultimate motive is to crush the ever-increasing struggles of the working class to thwart the age-old nefarious game of the exploiting classes to shift the burden of economic crisis to the tolling people.

In concrete terms, the intention of the employers' class is to legitimize 'hire & fire' and full scale contractorisation and casualisation of workplaces along with completely freeing the contractors and principal employers from any obligation towards the contract and casual workers they employ. In reality, the entire exercises by the ruling polity for changing the labour laws are aimed at imparting such flexibility as to render the employment relationship more disguised and ambiguous and thereby facilitating employers' class from all their obligations towards labour who creates wealth for the society and profits for them.

#### INFRINGEMENT BY JUDICIARY

Due to multiple factors, even during the long span of one and half decades since the advent of the evil era of liberalization, not much progress could be made by the Legislative and/or Executive wings of the state either at the central or provincial levels in bringing about the designed pro-employer legislative changes.

The legislatures are a body of elected representatives by the people and peoples' movement led by the working class against such pro-employer changes in labour laws and the neoliberal policies in general had a bearing on their positions on the concerned issues; those movements also played crucial role in altering the political equations in those elected forums. The defeat of the NDA Government and the subsequent UPA Government's dependence on the Left Political Parties are expressions of such changes in the political equations created by peoples' actions, which hurdles sweeping legislative changes in favour of employers' class particularly on labour and people related issues.

In such a situation, Judiciary has crept in to fill the gaps, usurping the roll of legislature. In the era of complete domestication of 'State' by the forces of capital, both domestic and foreign, under neo-liberal economic policy perspective, jumping over the line by the Judiciary, may possibly be explained as the effort of one wing of the 'State' to fill in the blanks created by the failure of the other in suppressing the democratic rights of toiling people. The situation has been captured thus, "After the failure of all these attempts, it is apparently the turn of the judiciary to take the lead in restricting the democratic space



enjoyed by the people.” Now it is evident that during last one decade or so the attitude of the judiciary on matters of democratic rights of working class has been reflecting the new ethos of liberalization, the market economy friendliness, in conformity with the ideology of class divided society that “the dominant outlook of the ruling classes cannot but affect the various instruments of the state including the judiciary.”

Former Justice of Supreme Court of India V. R. Krishna Iyer said, “Unwittingly, class bias may creep into their overt impartiality” Referring to the book “ Politics of the Judiciary” by Professor J.A.G. Griffith, Iyer further said, “judges, being but human, may not be immune to class bias, never intentional but subconscious in their surrender to partiality.”

## **THE PERIOD OF INCLINATION**

However, before we proceed to look at the avowed anti-worker judgments delivered by courts pertaining to the era of economic liberalisation, it would be pertinent to take note of the attitude of the judiciary during the period prior to the dawn of economic liberalization in the country. The fact is that during the pre-liberalisation period many pro-worker judgments were also pronounced by the judiciary upholding the rights of the working people.

The Supreme Court appreciated and implemented the mandate of directive principles of the constitution during the period when the bourgeois - landlord government badly needed the support of the working people for implementing its programme. The judgments delivered unto the period of eighties demonstrate the attitude of the Court to incorporate the social philosophy of the Constitution into their judgments.”

The Supreme Court built up a regime of employment security for the working class by granting reinstatement as a normal relief with back wages; upholding of numerous decisions of Labour Tribunals on wages and bonus; regularisation of casual and temporary daily rated workers; expansion of the definition of industry thereby covering a large section of population of working class under the protection of the Industrial Disputes Act.

The Court evolved law on immunities under the Trade Unions Act 1926 in Rohtash Industries Ltd. vs. Rohtash Industries Staff Union (1976) 2 SCC 82; granted right to worker to participate in winding up proceedings of a Company in National Textile Workers Union vs. R.P. Rama Krishnan (1983) 1SCC 228. It recognised the right to strike as a legal right in B.R. Singh vs. Union of India (1989) 4 SCC 710. It upheld the constitutional validity of Section 25N (No retrenchment without the permission of the Government) of the Industrial Disputes Act 1947 being a reasonable restriction of the right of an employer to carry on trade and business - Workmen vs. Mahalakshmi Mills Ltd (1992) 3 SCC 336.

## **ANTI-WORKER ATTITUDINAL CHANGE**

But attitude of the judiciary in our country has undergone directional change under the influence of the neo-liberal socio-economic policies adopted by the successive Governments particularly after 1991. The changed approach of the Court has resulted in tremendous erosion of the rights of workmen and laws are now being interpreted with a pro-employer orientation.

This has sharply manifested expressly in areas such as: right to strike; subtle introduction of the principle of hire and fire by refusing reinstatement and grant of back wages; regularisation of daily wagers, casual workers and temporary workmen employed for years; burden of proof has been placed on the employees although documents of proof may be in the hands of the employers; definition of



workmen; tests for determining existence of employer-employee relationship; deterrent and legalistic attitude of the Court in disciplinary proceedings.

In the attitudinally-changed era, the judiciary has become desperate even to go beyond the confine of the proviso of law in their pursuit for the current pro-employer and anti-worker orientation. This has become evident from the fact that the judges have been exercising discretionary jurisdiction instead of statutory provision of concerned law. The Supreme Court, while delivering a judgment has observed, "Discretionary jurisdiction in a court need not always be conferred by a statute."

## **ATTACK ON BASIC TRADE UNION RIGHTS**

The hard earned basic rights of the working class has been targeted by the judiciary of the day - getting more and more committed to the doctrine of liberalization, globalisation and privatization. The most shocking attack on the basic right of the working class has been delivered by the Supreme Court in their infamous verdict in the case of Tamil Nadu state government employees pronouncing that, "coming to the question of right to strike - whether fundamental, statutory or equitable moral right to strike - in our view no such right exists with government employee." Similar attack has been mounted by the Kerala High Court in its judgment against the right of political party to call 'bandh' and so too by the Calcutta High Court's judgment imposing ban on public demonstration.

In February this year the Supreme Court declared a ban on demonstration, dharnas and rallies, publication of articles etc. during the pendency of trials in courts. Such pronouncement imposes severe restriction on the right to freedom of speech and expression. It may be recalled that Shri Rajendra Sail was sentenced to seven days' imprisonment by the Supreme Court for criticizing the acquittal of the murderer of trade union leader Shankar Guha Niyogi by the Madhya Pradesh High Court. While pronouncing the judgment the apex court noted, "the accusation that the judiciary is not powerful enough to punish wealthy people would bring the administration of justice into ridicule and disrepute. Such tendency deserves to be firmly curbed."

The above restrictions and bans imposed by the judiciary in pronouncing different judgments has encouraged the employers' class in obtaining through the different branches of the judiciary liberal judicial restriction against carrying out even routine trade union activities. Orders of prohibition are liberally issued in advance against gate meetings and simple campaign and propaganda oriented activities like demonstration, rallies etc in the workplace or even near the workplace. Strikes are declared illegal well before its commencement. All these are source of encouragement for employers' class to resort to high-handedness against trade union organizers and spreading panicky among the general workers.

The anti-worker approach of the court is well framed in the observation that, "The Supreme Court's latest stance contrasts sadly with both the substance and spirit of earlier progressive rights-led rulings by the apex court, delivered by many outstanding jurists."

It is a matter of serious indignation that the judges of the apex court have resorted to virtual falsehood as noted in the editorial of The Hindu dated 13.08.2003 under the title 'Supreme Court and the right to strike' it said, "In the recent case, the Court has cited, not always in context, various judgments to the effect that, "employees have no fundamental right to strike," that there is no constitutionally guaranteed right to "effective collective bargaining", that strikes cannot be justified "in the present-day situation" either for a "just or unjust cause" and that the strike weapon "does more harm than any justice." The editorial further continued to say, "If these quotations were to match the ground reality, then India in



2003 could not claim to be a democracy with any kind of regard for its working people.”

## **NO MORE FULL BACK WAGE ON REINSTATEMENT**

In the state of Uttar Pradesh vs. Jaibir Singh, (2005) the Supreme Court has observed that so far the Court has placed over-emphasis on the rights of workers and undue curtailment of the rights of the employers to organize their business.

The court has resented, in direct negation to its own earlier view that “the cases of employment and non-employment have given rise to large number of industrial and labour claims resulting in awards granting huge amount of back wages for past years allegedly as legitimate dues of the workers who are found to have been illegally terminated or retrenched. In many such cases such burdensome awards compel the employer of moderate means to close down industries. The awards of reinstatement and arrears wages by Labour Courts treating small enterprises as industries is experienced as a serious industrial hazard particularly those engaged in private sector. “ The court has equated the workers with the employers and opined that workers have equally exploited the employers and declared that exploitation both by workers and employers has to be checked.

Redefining the term ‘industry’ as appearing in Section 2 (i) of the Industrial Disputes Act the Supreme Court has observed that the Learned Judges of the Court in Bangalore Water Supply and Sewerage Board vs. R. Rajappa : AIR 1978 SC 548 and 969 seem to have confined only such sovereign functions outside the purview of Industry which can be termed strictly as constitutional functions of the three wings of the State namely Executive, Legislature and Judiciary. The concept of sovereignty in a constitutional democracy is different. In a democracy governed by the constitution, the sovereignty vests in the people and the government undertakes public welfare activities in discharge of its constitutional obligations. Such activities in discharge of sovereign functions fall, outside the purview of Industry.

Reversing its own long standing landmark judgment ruling that full back wage must be paid to the worker on reinstatement in services, the court has come out with recent judgment denying Back Wages and impairment of Security of Service.

The Supreme Court held that although in the past direction to pay full back wages on a declaration that the order of termination was invalid used to be the usual result but now realizing that the industry may not be compelled to pay to the workman for the period during which he apparently contributed nothing or for a period that was spent in unproductively.

The Court went on to hold that when justice is the buzzword in the matter of adjudication under the Industrial Disputes Act it would be wholly improper on the part of the superior courts to make them (industrial courts) apply the cold letter of the statute mechanically. Rendition of justice would bring within its purview giving a person what is due to him and not what can be given to him in law. A person is not entitled to get something only because it would be lawful to do so.

Thus by a stroke of pen not only the right of full back wages in case of wrongful termination has been taken away, but right of security of employment is also taken away - as liability to pay back wages in case of order of reinstatement, used to deter the employers to take hasty/malafide actions. U.P. State Brassware Corporation Ltd and Another vs. Uday Narain Pandey (2006) 1SCC 479.



## **NO 'EQUAL PAY FOR EQUAL WORK'**

How the apex court has been influenced by the current disastrous policy of globalisation is clearly reflected in two judgments on same subject pertaining to two periods - before and after the advent of the policy of globalisation. The subject is 'Equal pay for equal work'. In disposing the case between Randhir Singh vs. Union of India in the year 1982 the Supreme Court ruled clearly in favour of the worker attracting comment that, despite being under the jurisdiction of directive principle of the state policy in the Constitution, it was raised to the level of a fundamental right.

Now in reversing its own ruling and setting aside a judgment in favour of workers delivered by the High Court of Punjab and Haryana, a three member Bench of the Supreme Court in disposing an appeal by the state Government of Haryana has observed, "The principle of equal pay for equal work has no mechanical application on every case." Castigating the High Court, the Bench has proclaimed that, "These are not matters where a writ court can lightly interfere ... In all these cases, we find that the High Court has blindly proceeded on the basis that the doctrine of equal pay for equal work applies without examining any relevant factors.

Without mincing words the apex court has admitted in clear terms that it has been influenced by the policy of globalisation. In course of writing the judgment in the case between U.P. State Bassware Corporation Ltd. vs. Uday Narayan Pandey decided on December 8, 2005 the two member bench has noted, "The changes brought about by the subsequent decisions of this Court, probably having regard to the changes in the policy decisions of the Government in the wake of prevailing market economy, globalisation, privatization and outsourcing is evident."

As we listen from the ardent advocates of 'market economy' under imperialist globalisation that in the present economic era trade union activities must be curbed if not banned altogether, so too the Supreme Court has uttered sermon at the workers: "In the prevailing situation ... for redressing their grievances, instead of going on strikes, if employees do some more work honestly, diligently and efficiently, such gesture would not only be appreciated by the authority but also by people at large."

These utterances are undoubtedly the abject expression of class biasness, audacity and mockery too. In one hand workers are being totally deprived of their fundamental rights, brutalities of state machineries are showered on the hungry workers, trade union busting and killing of trade union organizers are constantly on the rise and on the other hand the Supreme Court hurls sermons at the workers to work 'honestly', 'diligently' and 'efficiently'!

## **CONTRACT LABOUR - NO ABSORPTION ON ABOLITION**

In Air India vs. United Labour Union: (1997) 9 SCC 377 the Supreme Court held that the contract labour becomes automatically the employee of the principal employer in the event of abolition of contract labour. However, in Steel Authority of India vs. National Union of Water Front Workers: (2001) 7 SCC Page 1: The Supreme Court unsettled the settled law and ruled against automatic absorption on abolition of contract labour thus creating a situation where the rights of the workmen were heavily impaired. In subsequent cases on the basis of the judgment in Steel Authority of India the Supreme Court has been taking a stricter attitude even in cases where the work of permanent and perennial nature did enable the contract labour to be the employee of the principal employer. The Court held that though control was one of the important tests in determining employer-employee relationship it was not the only test. The Court held that whether a relationship between employer and employee is genuine or a smoke screen or a camouflage through the mode of a contractor is essentially a question



of fact to be determined on the basis of features of relationship, the written terms of employment and the actual nature of employment which were to be decided by the industrial adjudicator. The Court held that without ascertaining the facts no relief could be granted to the workmen.

In the case pertaining to Rajasthan Abas Vikash Sangsthan, the apex court going much beyond the issues referred to it, empowered the Employer (Rajasthan Government in this case) to restructure and downsize manpower and abolish posts at will without any obligation to re-deploy the employees rendered redundant by the employer.

The ruling of the Rajasthan High Court Division Bench, which the apex court has squashed, had only granted the affected employees the benefit of redeployment with pay-protection and service-continuity, while permitting the closure of a unit of the State Housing Board. In fact the court has gone beyond the prayer of the petitioner and delivered the judgment granting the employer the unfettered 'right to hire and fire' which the employers' class have been clamouring for ever since the advent of liberalized economic policy regimes. The excitement with which the media had hailed the verdict goes to prove that the much sought after 'labour market reforms' had arrived, courtesy the judiciary.

The Supreme Court has also adversely ruled against the workmen of canteen although the canteen has been established by the company under its statutory obligations under the Factories Act, 1948 in the premises of the company. The Court held that the workmen could not be held to be workmen employed by the company because: (i) the canteen employees are not directly employed by the company; (ii) they have never moved to the company for leave and other benefits enjoyed by the regular and direct employees of the company; (iii) they got their wages from the respective contractors after signing the Register; (iv) they signed the attendance cum Pay Register maintained by the Caterers.

It is evident that the Court has taken a completely legalistic view ignoring the fact that since the employees were employed through the Contractor none of these requirements could be fulfilled and the fact that they were the employees of the principal employer could be determined only on the basis of control exercised and the perennial and permanent nature of the work. *Ram Singh vs. Union Territory, Chandigarh*: (2004) 1 SCC 126. and *Workmen of the canteen of Coates of India vs. Coates of India Ltd.*: (2004) 3 SCC 547.

## **GOOD-BYE TO REGULARISATION**

The biggest attack of the Court, however, has been on those sections of the employees who have been employed as casual and temporary daily rated workers for years together. The Court held them not to qualify for regular employment. In *Secretary, State of Karnataka and others vs. Uma Devi and others*. (2006) 4 SCC Page 1, the Court simply upset the age old law on the subject and declared that even though these categories of workers have been employed for years together they are not entitled to regularisation as according to the Court there are "teeming millions" who are waiting for employment. The Court did not pause to consider as to what the authorities have been doing for not initiating the process of regular recruitment according to rules and did not ask why did not do so. On the one hand by its judgment the Court has allowed the authorities to indulge in blatant exploitation of the poor workers by keeping them daily wage-workers for years together and on the other has denied their right to regular employment.

The judgment of the apex court precisely legitimates the blatant violation of the Contract Labour (Regulation and Abolition) Act in unparallel scale throughout the country - the central and state Governments being the forerunner, and virtually the Act stands amended, which the Government has



been, so far, unsuccessfully trying in the era of 'economic reform'. In effect by this retrograde judgment the Court has perpetuated slavery. These decisions of the Supreme Court have introduced the doctrine of hire and fire through back door.

Yet another pro-employer bias of the court has manifested in the case between Municipal Corporation, Faridabad vs. Srinivas (2004) 8SCC 195. Totally ignoring the fact that the documents relating to the employment of an employee are with the management the Court has ruled that the burden of proving that the worker worked for 240 days in the preceding 12 calendar months prior to the alleged retrenchment and thus gave a go-by to the celebrated principle of law of evidence that for a proof of fact the best evidence should be produced which in the case of employment the best record is always in the possession of the employer.

## **ON 'DISCIPLINARY' PROCEEDINGS**

The Supreme Court has also taken pro-employer attitude while dealing with the cases of disciplinary proceedings and has given free hand to the employers to deal as they would like in such cases. Here also the Court has stated that the one sided approach to protect the workmen is wrong.

Earlier in case of disciplinary proceedings the Supreme Court had adopted a reformatory attitude but now that is not the case. In such cases the Court has now adopted a very technical approach and adopted a deterrent policy as a general rule. Misconduct on account of law and order problem, long unauthorized absence, so-called lack of devotion to duties, lack of confidence and misappropriation by the employees have been held to be serious enough to deserve the extreme penalty of dismissal.

More recently court has pronounced judgment upholding employers' action of dismissal of employees for alleged verbal abuse (read altercation with) of higher officials and for being found asleep at work. Delivering the judgment in the case of two workmen of Bennett Coleman Supreme Court has ruled that not only the employee be dismissed, but even their gratuity could be forfeited. While upholding the dismissal of a workman by Bharat Forge the court remarked, "falling asleep at work amounted to a level of misconduct that could justify dismissal." In the case of Mahindra and Mahindra the workman was dismissed after eleven years of an incidence of using "filthy" language against his officer. The court said using filthy language is sufficient ground warranting dismissal from service.

The Supreme Court in its earlier decisions had ruled that the law that mere participation in illegal strike or in the strike as such does not amount to abandonment of employment as is clear from the judgment of the Supreme Court in Punjab National Bank Ltd. vs. All India Punjab National Bank Employees Federation AIR 1960 Sc 160 and in Burn & Co, Ltd vs. their Workmen AIR 1959 SC Page 1111 that it is the right of the workmen to go on a strike and that mere participation even in illegal strike does not effect the service of workmen. In U.P. State Bridge Corporation Ltd. vs. U.P. Rajya Sethu Nigam Karmachari Sangh (2004) 4 SCC 268 however the Court has gone on a tangent and held that if the workmen on strike do continue to remain on strike and do not return to work despite repeated general notices, it would be treated as voluntary abandonment of service.

## **ACCOUNTABILITY OF THE JUDICIARY**

It is a matter of serious concern that the Chief Justice of the Supreme Court of India has gone for a self-proclamation to the effect "that the role of the judiciary is to oversee the functioning the other organs, so that they do not transgress their proper domains." Pointing out the lack of accountability of the judiciary, it has been said, while the judiciary assumes the authority to prevent transgression by



Legislature and Executive, how about transgressions by the judiciary in the domain of the other organs of the state.

According to Professor Prabhat Patnaik , "The unquestioning acceptance of judicial verdicts, which is a typical feature of a modern democratic society, stems from a perception of the judiciary as an interpreter of the existing laws, not as a custodian of the nation's morality. The enforcement of "morality" is a task that in a democracy rests only upon the people, not upon a "select few" who not being elected, are not answerable to anybody."

It is high time that the working class and democratic movement of the country must go for massive campaign to demolish the myth in the mind of the common people that in status judiciary is superior to other organs of the state, impartial in functioning and custodian of morality. For unleashing a popular movement against onslaught of judiciary on the working class, it is essential that the mask of the 'superiority', 'impartiality' and 'morality' must be removed to acquaint the people with reality under the mask.

## **TO SUM-UP**

The judicial approach to strikes takes away from the possession of the workmen the great weapon of collective bargaining and has left them to the mercy of the employers. The well-settled decisions for determining existence of an employer-employee relationship have been totally unsettled now and the managements have been encouraged to engage contract labour even in respect of permanent and perennial jobs. It clearly shows that Supreme Court is resorting to an interpretation of laws in favour of the employers as it feels that the protection of the employees has to be given a go-by so as to render the working class totally defenceless in the face of inhuman exploitation under the regimes of liberalization, globalisation and privatisation.

An in-depth scrutiny of the current behaviour of the judiciary as manifested in the judgments would clearly show that in the cases pertaining to conflicts between the labour and capital, on class related issues as a whole, the judgments in the post liberalization period demonstrated a clear bias in favour of the employers' class and the rich. But the most notable and alarming as well is that many of the judgments have gone much beyond the confine of the concerned current statute and the Constitution.

These judgments amounted to amendment of the existing laws of the land on the concerned labour related issues.

These acts of infringement by the Judiciary, an appointed structure by the State into the domain of the legislature constituted by the elected representatives of the people bears dangerous portents for the democratic set up itself. Even under bourgeois democracy, the separation of power between executive, legislature and judiciary, each one supposed to operate within their domain defined by the constitution without infringing into others' area has been supposedly envisaged for striking a balance and maintaining harmony in democratic governance.

Jumping steps and crossing boundaries by different wings of the 'State' as has been happening of late due to 'judicial activism' poses severe threat to such prospects under the existing set up. Such jumping over the line or usurping the role of legislature by the Judiciary or assertion of dominance over elected peoples' representatives' forum signals danger of aberration in the democratic set up towards rolling back of democratic rights and systems and will have serious bearing on peoples' democratic rights, if not effectively addressed by the peoples' movement.



All round attack on the right of the working class, designed to convert the workplaces to a fertile ground of virtual slavery, thus demonstrates pro-active exercise of non-elected wings of the 'State' in curbing peoples' and labour rights in the face of obstacles being faced by the elected organ of the modern representative 'state'. This signals dangers of attenuation, rather the process of rolling back of democracy. The struggle in defense of the rights of the working class must be understood and fought with a clear understanding of the imminent challenges.

Right from the time the Supreme Court pronounced its August 2004 verdict denying the workers their right to strike, the trade union movement had unanimously urged the government to step in and take steps to undo the pernicious impact of the said judgement. Successive governments at the centre paid no heed to the trade union plea and persisted with their indifference towards labour rights. This has, in a way, emboldened the judiciary to tinker with the hard earned rights of workers by way of verdicts, one after another.

Rather, it appears to be a case not of default by the government, but one of deliberate design. The government has been sitting silent over persistent pleas for legislative intervention to correct the excesses indulged in by the judiciary taking upon itself the task of ushering in 'hire and fire regime', a familiar plea from the reformers' corner.

There are several loopholes and the grey areas in the existing labour legislations, which the employer-class is utilising not only to contravene the provisions intended to protect or benefit the workers. The judiciary is also skillfully plays upon these very loopholes and grey areas to lend a legalistic credibility to its otherwise willful onslaughts against labour. The government on its part is fully aware of this aspect as well; but it deliberately refuses to address the issue of undoing the deficiencies in the legislative provisions.

Notwithstanding these deficiencies in the legal framework, the judiciary in pre-reform period had, in several instances, leaned on the directive principles of state policy in the Constitution to protect the interests of the weaker of the two classes in conflict viz. labour. Now, the judiciary goes overboard the liberalisation bandwagon, throwing to winds the basic human right to dignified employment and decent work environment.

This anti-labour mindset that has descended on the judiciary is not accidental. It seems that the executive and the judiciary have decided upon a surreptitious redesigning of their respective roles, supplementary and complimentary to each other. This twin attack on labour rights, in tune with the liberalisation policies, to facilitate ruthless exploitation by the ruling classes is a class affront. The working class must take on this challenge rallying together all its forces.

## **NEED TO DELIBERATE**

It is important that in course of the deliberations we focus on our perception and experience concerning the current change in the attitude of judiciary in order to arrive at centralized understanding about the danger of the onslaught of the judiciary on the democratic rights of the people in general and working class in particular.

We further need to develop concrete understanding that in the ultimate analysis judicial activism is a potential threat to the democratic structure of our polity. To look upon judiciary as a custodian of political morality is a potential danger of "benevolent dictatorship".



It is 'an urgent necessity to identify the task and draw strategy to effectively dispel the widespread belief that: (i) judiciary is superior to the other two 'organs of the state' - the Legislature and the Executive and (ii) it (the judiciary) functions strictly under the confine of statutes and that too 'impartially'.

Such misplaced belief creates illusion amongst the common people about the role of judiciary. For mobilizing the people in a massive scale against the anti-working class prejudice of the judiciary, we have to launch massive awakening campaign to acquaint the people with the anti-labour pro-capital character of the judiciary. The strategy for such campaign must be focused in course of the deliberations.

In the meantime we have also to deal with the question of appointing a 'Judicial Reform Commission' to consider the disturbing developments relating to the judiciary and suggest mechanism to make the judiciary accountable to the democratic society of the people. Such exercise has become all the more necessary in view of the startling exposure of "Hon'ble Judge's involvement in corruption.

The task before the working class to address the challenges emanating from the anti-working class tirade by the judiciary in the country has well emerged in the statement of Comrade Jyoti Basu, as carried by Monthly Review, May 2005: "Trade Unions will have to get together to get the Supreme Court to change its views. In the name of "investor friendly" environment or not to destabilize the government, this disastrous policy must be openly challenged if the class enemy is to be forced to respect democratic rights. That the time has come for labour to teach a lesson to the judiciary."



# CENTRE OF INDIAN TRADE UNIONS

## General Council Meeting

Ranchi - July 15-18, 2006

### Information Document:

### CADRE DEVELOPMENT IN TRADE UNION MOVEMENT

*(Finalised by the CITU Working Committee Meeting held on December 28-30, 2005 at Bhopal)*

The constitution of the CITU clearly defines its perspective when it states that "holding fast the ideal of socialism, the CITU stands for the complete emancipation of the society from all exploitation."

This enjoins upon the CITU several basic tasks of which the first and foremost is that of uniting the entire working class in the struggle against all attacks by the ruling classes and for improvement in economic and other conditions of life. Other major tasks are to unite the working class with other toiling masses and to create awareness among the workers about the perspective.

Since its very inception, the CITU has been pursuing the line of unity and struggle. It has been seriously striving to unite the entire working class. The CITU can modestly claim to have played a prominent role in the coming together, at the present juncture, of a number of important trade unions on one platform for struggle against the new economic policy. Similar is the case with the coming into existence of a platform of mass organisations, under the aegis of which several common struggles have been conducted.

However, recent experience tells us that unless the CITU itself is substantially strengthened, the ongoing united struggle of the working class will be unable to make further advance, adequate enough to meet the challenge of the growing onslaught of the ruling classes and the imperialist forces. A stronger CITU is also the pre-requisite for the active functioning of the united platforms of the trade unions and mass organisations.

The CITU document on "United Struggle and organisational consolidation of the Trade Union movement" (2002) underlined the importance of initiation of grass-root level independent campaign by CITU for creating the ground for tangible unity among the trade unions and united countrywide movement.

All these require an effective cadre-base at all the workplaces, regional, district and state levels. Therefore, development of these cadres as a well equipped force to address the task of uniting the class right from the grass root level demands utmost priority.

Since early 90s we have been carrying on serious exercise on the problems of strengthening the CITU organisation. In 1993, we adopted the Bhubaneshwar document. From time to time we have been reviewing the progress of implementation of this document. Though there has been improvement in some respects, the progress is far from satisfactory. In the light of the document, we decided to increase our membership from 24 lakhs to 40 lakhs in a couple of years or so. But today, we have not crossed the 34 lakhs mark even. Besides, we have not been able to spread substantially to new areas. What is the reason for this failure? We may refer to the Bhubaneshwar document itself for an answer.



The document reads: "one of the major causes of our organisational stagnation is the neglect of the urgent task of cadre development. Without sustained availability of growing contingent of cadres discharging multifarious responsibilities facing the organisation, the required all round development of organisation cannot take place". Further, "In several meetings.... comrades have mentioned the question of paucity of cadres as a bottleneck they face in advancing in existing centres and expanding in newer centres."

Our experience of the past years fully confirms these statements. Therefore, at a time when we are in dire need of enhancing the strength of CITU organisation so that we can carry forward the ongoing struggle of the working class further, we cannot but give utmost priority to the task of cadre development. We also need to realise that our struggle has become infinitely complex and difficult today. Only well trained and properly equipped cadres can effectively lead these struggles.

## II WHO ARE CADRES?

There is nothing mystical in the concept of 'cadre' as the reactionary media often try to make out. In relation to political parties and mass organizations, it should be clear, that the word simply means an active worker, with the qualification that a cadre works regularly and continuously for the organization with which he or she is associated. A cadre is certainly not like an employee serving under an employer for remuneration. A cadre renders voluntary service because he has conviction about the ideal pursued by the organization and therefore wants its realization. Of course a cadre works under the direction of the leadership. But he is essentially a part of a 'collective' comprising both the leaders and the cadres, which actually emerges almost automatically, even if not formally constituted, and which is really responsible for the totality of the work with each cadre having his or her own share of work and responsibility. A cadre need not necessarily be a holder of an executive post in the organization though he or she may have some executive function. He or She may be a whole timer but need not necessarily be one. There may be part timer cadres too. This in brief is the general profile of a cadre.

The role of the cadres is pivotal in the functioning of any organization. In all organizations decisions are taken by a relatively small group of leaders. But decisions, however correct, mean nothing to the organisations unless it is implemented. And it is the cadres who implement them. Not that the cadres alone do it. Many other may and actually do, participate in the process but it is the cadres of our description who keep the process going. Political parties and trade unions have an enormous volume of daily work to attend to, apart from campaigns movements and struggles, conferences and conventions which go on in a regular and continuous flow. Who else except the active workers working regularly and continuously, that is except the cadres of our description, can carry on the daily work and also keep the flow of other works going? Even the quality of the work depends on the quality of the cadres. Hence the old adage popular in the international working class movement "CADERS DECIDE EVERYTHING"

Cadres, as we all know, are not available readymade in the markets. Some cadres grow spontaneously in the course of struggles and other union activities. But for quantitatively and qualitatively adequate cadres, planned and conscious effort for developing them is needed. From the very inception the CITU is having a strong contingent of capable cadres. Thanks to their untiring effort under an able leadership, the CITU, over the decades have grown from strength to strength working in most trying circumstances. But of late, particularly with the advent of the so-called era of globalization marked by all round offensive of capital, for the CITU organization, the primary requirement is a sizable number



of well trained cadre. Not by leaving it to spontaneity, but only through a vigorous programme of cadre development that we can have sufficient number of capable cadres in shortest possible time. That is the most urgent need of the hour.

### **III RECRUITMENT OF CADRES**

The cadre development process involves (a) identification of potential or prospective cadres (b) education and training of these prospective cadres for their proper development (c) reeducation and retraining of the existing cadres. We are to pay due attention to all the three aspects of cadre development process.

As regards the method of identification of potential cadres and their training we may profit by referring to the Bhubaneshwar document, which is a treasure trove of ideas relating to organizational problems. "During enumerable struggles conducted by us we have come across a large number of workers who show interest in our organization". They not only show interest but often take active part in struggles on their own, some times showing unusual courage and capability. Also during conferences and similar programmes, they sometimes render their service on their own initiative and display remarkable efficiency. They are our prospective cadres to be picked up, educated, trained and properly placed.

In reply to the complaint that there is shortage of workers the teachers and leaders of international working class movement asserted that there were "enormous number" of them, "they need only be discovered in our own organizations during strike and demonstrations, in various mass organizations of the workers..... They must be helped to grow in the course of their work and struggle, they must be put in such conditions, where they can really be useful.."

For recruitment of prospective cadres, apart from the qualities shown by them during struggles and other activities, we shall also look for some other qualities. It should be seen that they have deep devotion for the cause of the working class. Honesty and integrity should be another criterion. They should be industrious. They should have desire to learn things. They should also have the disposition to undertake difficult task and so on.

In the process of recruitment we must take care of several important aspects. First, importance must be given to recruitment of actual workers. Second, we must remember that the unorganized sector is rapidly widening and we need large number of cadres for and from this sector. Third, organised sector must not be neglected and attempt should be made to utilize cadres from organised sector for the unorganized sector. Lastly, due attention should be paid for recruitment of cadres from among workers belonging to scheduled caste and scheduled tribes, minority communities and working women. Another important source of cadres are the other sectors of democratic movement, such as student movement, youth movement etc.

### **IV TRAINING OF CADRES**

Drawing upon the experience of the international working class movement and basing on our own experience, the Bhubaneshwar document stated that after identifying the prospective cadres, we are "to involve them in day to day union activity, give them suitable responsibility after making objective assessment about their capability, extending regular guidance to them with a view to help them in discharging their work more effectively, appreciating their capabilities when they perform well and



helping them to learn from their mistakes and promoting them to higher responsibility when they exhibit necessary capabilities". Here we find in a nutshell the entire methodology of training the prospective cadres.

There is a confusion prevalent among us in relation to education and training, many of us think that organizing classes is the 'be all and end all' of education and training. It is important to make the distinction between education and training.

Not only in trade unions but also in every sphere of human endeavour "training" is basically practical as distinct from education which is predominantly theoretical. The purpose of training persons is to make them capable of doing some thing and doing it better. In trade unions training programmes aims at turning out better trade unionists. The received principle is that one learns to do, and do it better only by doing it. It is this principle that underlies the above methodology.

While involving prospective cadres for training we should take care to develop in them basic trade union skills, develop capacity to lead organizations and movement, to effectively comprehend and make presentation on various issues, to address organizational and movemental problems both at unit level and regional level. Cadres should be trained to study the current states and condition, to handle legal matters, communication and documentation skill, negotiating skill, skill for conducting agitation and propaganda. It is to be noted that mere understanding of the issues is not enough for a cadre, attaining the required skill to put into practice the correct understanding in day to day trade union work is important.

Organisation of workshops/camp may be very useful in developing cadres. In workshops/camps, experience of the cadres themselves in running the trade unions, launching and leading movements, building organization etc. can be exchanged. The cadres may explain problems faced by them. Problem solving exercises may be taken up in the workshops to focus on the skills required in comprehending and evaluating a problem and finding a solution or the appropriate course of action. The workshop is also the most appropriate means of imparting basic trade unions skills like communication, negotiation, record keeping, documentation, agit-prop campaign etc, which are quite vital for effectively running a trade union. The elder and experienced comrades attending and guiding the proceedings of the workshops/camps may help the comrades in finding solution to the problems. Therefore, organization of workshops/camps should be considered as very important means in the process of cadre development.

## V

### EDUCATION OF CADRES

As for education of cadres, that is theoretical education, it should be noted, its purpose also is same as that of practical training, to make them better workers. Practical training alone cannot make a cadre most effective unless backed by theoretical education, as we all know, "practice without theory is blind". Therefore theoretical education is equally important for development of effective cadre. Purpose of trade union theoretical education makes them better workers, conscious of where they stand and what they are doing.

Ideological education is of crucial importance, which demarcates CITU from other trade unions. Particularly in the face of aggressive ideological offensives by the capitalist and imperialist lobby in the post soviet era embracing the economic, social and cultural fields, ideological struggle, both against



the adversaries and against the spurious trends within the working class and progressive movement itself has assumed paramount importance to keep the movement and organization in track. Ideological education has to be seen and perceived as an ongoing process, not just a classroom session in an education programme but as an effective means of sharpening the understanding on everything around us, making an objective assessment of what is going on and making appropriate decision both on tactics and strategies. The trade union education on ideological issues should be reoriented to equip our cadres with these capabilities.

Present day capitalism and globalization, their impact on India, response of different classes in India - all these will of course be a part of the syllabus. Character of trade unions in general, character of CITU in particular, character of other trade unions, communalism and casteism will also form a part of the syllabus. Labour laws, rights and benefits won through a century of struggle, current attacks on them - all these should be discussed. This is the minimum to start with.

Interactive classes are likely to be helpful, if the participants take part with proper attitude. The participants' role will be to explain the experience in implementing the principles examined in the presentation. Only then the interactive discussion can be really fruitful. At the same time self-study is also important. Cadres must be given all help to carry on self-study and classes should be so planned and articulated so that interest for self-study is generated among the cadres.

It should be noted that only the basic parameters of the plans for education and training has been provided not the plans. Actual plans will require much elaboration, and that is an urgent task to be accomplished by the leadership from the central to the union level.

## VI IMPEDIMENTS

There are not a few impediment to the proposed cadre development programme, some of which are extraneous while others are intrinsic to the present state of our organisation and mindset. Note has to be taken of them.

One major thrust of the neoliberal globalisation is the drastic reduction of work force in the name of so called right-sizing. In many establishments new entry has been totally stopped and old existing workers are sent out through VRS. In this situation finding new cadres is not as easy task.

Apart from this direct effect, Globalisation has very damaging indirect effect too. Spread of consumerist mentality is another scourge of globalisation. Under influence of consumerism younger generation has developed a tendency to keep away from unions. This also create some difficulty in cadre development effort.

In days to come the first problem will persist and is likely to be more acute until the working class movement is strong enough to reverse the employment policies of globalisation. We have no other go but to try to develop cadre from among the work force available which is also not too small. As regards the second problem, to fight against it is a part of the ideological struggle of our trade unions. Only persistent ideological - cultural work among the workers, patiently carried out, can change the situation.

The other major impediment is intrinsic it is the lack of democratic functioning and attitude of leaders. Actual task of cadre development is infinitely more difficult than talking or writing about. "Bhubaneshwar



document has correctly stressed that cadre development is possible only through "planned and conscious effort. Who will do the planning if the leadership of the organization does not care to function democratically." The question of cadre development needs to "find place in our collective consciousness". Where is the collective consciousness if there is no collective functioning? Therefore democratic collective functioning of organization is the indispensable precondition for successful cadre development effort.

It is not only that democratic functioning is absent in wide areas. There is often a pernicious anti working class vice in a fairly large section of leaders who do not want new and effective cadres to come up lest they should lose their monopoly of leadership. There are many instances of this tendency in our organisation. But it does not end here. Such leaders not only prevent emergence of new cadres, they indulge in the practice of 'developing' personal followers, with whose help he himself control the organization. This tendency will have to be eradicated with firm hands.

## **VII WHOLE TIMERS**

We need - more whole time workers for manning the existing organization and for its expansion. The Bhubaneswar document has discussed the question of whole-timers. There is no need to repeat it here. We only reiterate that developing and maintaining an effective team of whole-time cadres and exploiting full potential of their capabilities in various tiers of the organization is of crucial importance. Our cadre policy should appropriately be in tune with this objective. Developing and maintaining an effective team of whole timers, constantly updating and sharpening their level of understanding, commitment and skills and taking appropriate care of their basic needs are of crucial importance.

But, we must not under-estimate the importance of part-time workers. We need a large number of part time cadres. They are the living link between ordinary workers and the organization. Developing part-time cadres, i.e. more number of skilled and trained activists from among the employed workers will ensure more effective presence of the union in the work places. They being in constant touch with the mass of the workers will be of considerable help to consolidate and strengthen the union. This may also help in releasing whole time cadres for deployment in other areas yet to be accessed. Towards this end, the union leadership has to consciously plan their activities in such a manner as to encourage more initiative among the ranks of the workers, identify the potential activists in the union and try to activate them in day-to-day work. Hence, developing part-time cadres must be at the center of our cadre development perspective.

Some times, our unions and even higher level committees are under compulsion to accept whole timers who are neither suitable to nor helpful for trade union, most often which whole timers do not even have any desire to learn the work. In many cases the imposed whole timers are attached to a large number of unions and has actually no contribution to any; in most cases they are actually meant for political work though they are whole timers on union account. It will not be an easy task to bring about a change in the situation. But we must undertake to handle the job in proper manner. Whole time workers are expected to be our hard core cadres and the matter should be dealt with accordingly.

What was admitted on the Bhubaneswar document 12 years back is generally true even today. We have so far made no consciously planned effort at cadre development. Only a few of our State Committees have made some attempts. Therefore, we are not in possession of much experience of this job. Cadre development work in trade unions is not exactly similar to the same work at political level. We have to start the work with whatever understanding we have and occasionally review our



work. In the process, we shall accumulate experience, which will deepen our understanding and we shall be able to improve in our work gradually.

We must understand that cadre development is a wholesome process, much wider and deeper in scope. Cadre development is a very elaborate job; it is a part of the day-to-day work. In starting the work, we need to adopt a time bound programme and it brooks no delay. We have to set a target of three months, say by end of October, to discuss the matter at all levels and prepare necessary plan to start the work. The state committees must closely monitor progress of the work. We shall try to review our experience at the all India level after an year.

If we succeed in this endeavour - and succeed we must - the CITU will be more effective in fulfilling its historic mission.