

A sign of unrest among workers

# **Sri Lankan postal union ousts leader for agreeing to government restructuring**

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In the midst of Sri Lanka's deepening military conflict in the North and political crisis in Colombo, a longstanding postal union leader has been suspended from his post on charges of collaborating with the Peoples Alliance government in implementing its restructuring plans. The incident not only reflects a deep hostility to the union bureaucrat in question, but a combative mood among sections of workers to the government and its attempts to use the war as a means of making drastic new inroads into living standards.

On May 4, the executive committee of the Union of Postal and Telecommunication Officers (UPTO) carried a motion of no confidence on its general secretary, N.P. Hettiarachchi, and suspended him from his position. Of the executive committee members, 14 supported the no-confidence motion while only three members voted against it. A delegates meeting is scheduled for June 4 in Colombo to discuss the issue and is almost certain to vote Hettiarachchi out of office.

The charge against Hettiarachchi was based on a press release issued by a front of postal unions agreeing with the government that the state postal service should be "freed from state treasury control" and "administered by a director board". In the press release, the unions also expressed "their happiness" at the government receiving a \$US42 million interest free loan to assist with the restructuring.

Under the proposed restructuring, nearly 20,000 jobs will be cut to 5,000, pensions for employees with less than 10 years service will be abolished, and workers will have to shoulder increased workloads to make the postal service profitable. The number of post offices will be drastically reduced and many areas will be left without proper postal services.

The government has already submitted to parliament a bill to corporatise the state postal service—the first step towards its eventual privatisation—but has twice had to postpone the debate. Discussion on the bill was due to begin on May 9 but the date was postponed until June 9. Last week the government announced that the debate would again be delayed with no new date fixed.

The upheaval in the postal union was certainly one of the major reasons for the delay. The support of the unions was essential for the government to be able to overcome the opposition of postal workers to the measures. The privatisation of the postal department was a key condition insisted upon by the IMF and World Bank in return for a \$US250 million loan under the IMF's so-called poverty reduction program.

Even though the government has armed itself with a battery of emergency powers, including a complete ban on all strikes, protests and public meetings, it appears unwilling—for the moment—to tackle the postal corporatisation and risk a bitter confrontation with postal workers without the explicit support of the union bureaucracy.

The government has been attempting to privatise the postal department since 1996 but was forced to alter its approach as a result of the opposition of workers. In March and April 1998, postal workers imposed an overtime ban against privatisation that completely paralysed the postal service. The government used thugs to intimidate and assault workers and then mobilised the army to break the bans. The postal union leaders, including the suspended union secretary, were arrested.

Ultimately the campaign was abandoned by the union leaders themselves. Their aim was never to defend jobs

and conditions but simply to pressure the government to keep the postal service under state control. They offered to help the government reorganise the service, to boost productivity and make it profitable.

In 1999 the government, with the backing of the World Bank, changed tack and called for a meeting with union leaders to which all six unions responded positively. In May last year, union leaders met at a five-star hotel with state officials and representatives of the Universal Postal Union, Communication International and the World Bank and discussed the ways and means of reorganising the postal service. The UPTO, which took the lead in organising the protests against the privatisation, was one of the participants and agreed to the present legislation.

Although the majority of the UPTO executive committee opposed the collaboration of the suspended secretary with the government, they have no alternative program. They insist that the existing department must be made profitable. The first action of the present temporary committee was to abandon a picket planned for May 8 to protest against the bill, due to “prevailing situation”—that is, the government's emergency regulations.

The government is also concerned that any move against postal workers could provoke wider opposition, including among employees at the Sri Lanka Telecom Ltd. Previously telecommunication and postal services were part of the Department of Postal and Telecommunication. The former United National Party (UNP) government split the department in two and then corporatised telecommunications.

In 1997, the PA government sold 35 percent of Sri Lanka Telecom's shares to the Japanese transnational Nippon Telecommunication. Three years later workers are demanding that the government retake control of the company, complaining they are not being adequately paid and their working conditions are harsh. The unions have launched a campaign for 22 demands, including the re-nationalisation of the corporation.



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