

Sri Lankan unions end pay campaign in the interests of “national security”

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Union leaders called off a strike by Sri Lanka Telecom (SLT) employees for better pay and the defence of jobs after the Colombo District court imposed an interim injunction banning industrial action on the grounds that it would threaten the economy and security of the country.

The court ruling on January 8 came just two days before a scheduled strike by the 18 unions of the Trade Union Alliance of Sri Lanka Telecom Employees (TUASLTE). SLT workers have been campaigning for a 30 percent pay rise and an end to the destruction of jobs through the outsourcing of services.

SLT is partly owned by the government but the Japanese corporate giant, Nippon Telegraphic and Telecommunications (NTT), has a controlling 35 percent share. Management argued in court that “if the services of the company collapse due to the strike, it would cause an irreparable loss to the public.” The court accepted the company’s argument and imposed an injunction until January 22.

Union leaders held two rounds of discussions with the management and labour ministry on January 10 and 12. TUASLTE president Anura Perera told the *World Socialist Web Site*: “We agreed to the labour ministry secretary’s request to stop the strike taking into account national security and the prevailing situation in the country.” He also admitted that management is now implementing a wage rise of 18.5 percent, not the 30 percent demanded by workers.

The court decision took place as President Mahinda Rajapakse intensifies the military offensive against the Liberation Tigers of Tamil Eelam (LTTE). Increasingly the government, with the support of the trade unions, is insisting that workers have to sacrifice for its communal civil war, which has already claimed more than 65,000 lives over the past two decades.

Last year the Sri Lanka Ports Authority and the Railway Department obtained similar court injunctions against striking workers, after a vicious media campaign in which workers were accused of supporting the “LTTE terrorists”. In December, as hundreds of thousands of plantation workers campaigned for a pay rise, Rajapakse demanded the unions call off the strike, warning of the “possibility of terrorist infiltration” in the plantations.

On January 9, the day after the latest court ruling, the government called out riot police to attack transport workers picketing transport ministry premises in Colombo. Four union leaders were arrested. The workers were demanding that the transport ministry pay their outstanding salary arrears.

On January 11, cabinet spokesman Anura Priyadharshana Yapa announced that protests were inconveniencing the public and could threaten national security. As a result, the cabinet has appointed a subcommittee to consider public grievances and prevent protests.

The Telecom workers have been campaigning for their demands since November. Two strikes have already taken place—on November 23-24 and again on December 1-5. On each occasion, the unions called off the industrial action when the labour ministry proposed negotiations. Each time, however, the talks collapsed without any serious concessions on the management side.

The company responded to the strikes with punitive measures. Around 60 employees have been forcibly transferred from Colombo and other areas such as Kegalla, Kandy and Panadura. Those who participated in the December strike were docked two days pay. Management has also refused to give overtime to those who took part in the protests.

The company sent a letter to workers on January 4 warning that they would be sacked if they took part in any future industrial action. The letter pointed out that thousands of workers employed by private companies had lost their jobs during the past decade for taking part in “unreasonable strikes.” It also noted that the president had the power under the country’s state of emergency to ban strikes in essential services.

Over the past decade, the unions have been instrumental in enabling the government to carry out a far-reaching restructuring of telecommunications. The Department of Telecommunication was transformed into a state corporation in 1991 and then in 1996 into an independent state-owned company.

In 1996, the government sent a group of union leaders to Mexico and Chile on a World Bank funded trip to study the “prospect” of restructuring. On their return, the unions organised a series of protests against privatisation, designed to let off steam, then agreed to the proposed sale.

In 1997, the government of former President Chandrika Kumaratunga sold off a controlling interest in Sri Lanka Telecom to NTT. The new NTT management provided “scholarships” to a number of union leaders to visit Japan. In return, the unions assisted in imposing a far-reaching restructuring of the company.

In 2000 and 2006, the company slashed more than 2,000 permanent jobs out of a total workforce of 8,600 under two so-called voluntary retirement schemes. At the same time, management ended new recruitment and outsourced services to low paid contractors from labour hire firms.

One labour hire company, Makeeta, has provided some 1,300 contract workers for technical positions and as drivers. SLT pays the contracting company which hires the contractors. The contractors receive none of the leave and other entitlements of permanent SLT employees.

SLT has made huge profits by slashing its workforce, introducing new technologies and increasing customer charges. For the first three quarters of 2006, its net profit was 3,870 million rupees (\$US35 million), more than double that for the corresponding period in 2005.

Facing competition from Suntel, Lanka Bell, Lanka Cellular, Telecom Malaysia and MTN (Dialog GSM), SLT management is preparing for further cost cutting

and downsizing. As for the government, it is primarily interested in boosting the share prices as it is planning to sell its remaining shares.

These are the real interests motivating the banning of strike action by SLT employees. In the name of “national security” and the war effort, workers are being ordered to sacrifice to boost the profits of big business.



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