

Sri Lankan government reactivates tripartite labour council to impose mass sackings

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With thousands of Sri Lankan workers losing their jobs under the impact of the world recession, President Mahinda Rajapakse's government has re-established the National Labour Advisory Council (NLAC), assigning the trade unions a major role in imposing mass layoffs and attacks on workers' rights.

Earlier, Rajapakse used the war against the Liberation Tigers of Tamil Eelam (LTTE) to intimidate workers and force them to drop their demands. With the military defeat of the LTTE, that period of "war sacrifice" has come to an end, and the government has declared a new "war" for "nation-building". Hence the reactivation of the NLAC, which is scheduled to meet monthly, chaired by the labour minister or his ministerial secretary.

Despite the boasts of the government and the Central Bank that Sri Lanka has been immune from the global economic crisis, recent reports show a deteriorating situation. According to the department of census and statistics, 96,000 jobs were lost in the industrial sector and 36,000 in the construction sector during the first three months of this year.

The labour ministry reported that between September and March, 220 factories closed and more than 70,000 lost their jobs. More layoffs are certain. A recent Central Bank report said export earnings in April fell by 28.2 percent to \$US438 million. Rubber and textiles and garments exports dropped by 36.1 and 10.1 percent respectively.

Employers have also sought to pass the brunt of the burden onto workers through cuts to overtime, bonuses, and other benefits. The NLAC is instrumental in implementing all these cutbacks.

An NLAC meeting held on April 8 reached "an administrative arrangement" between government officials, employers and 12 key trade unions to suspend the operation

of procedures under the Termination of Employment of Workman Act (TEWA), thus allowing companies to impose speedy lay offs and reduce working hours.

Under the TEWA the labour commissioner was compelled to conduct a legal procedure, which took at least a few months, allowing workers to object to the termination of their employment. Through the new arrangement, this procedure has been fast tracked, requiring the labour commissioner to make a ruling within two weeks. Companies can also lay off workers for up to three months while paying "some part" of their wages.

The unions that agreed to this arrangement include the Inter-Company Workers Union (ICWU) of the Janatha Vimukthi Peramuna (JVP), the Ceylon Mercantile Union (CMU) led by the veteran centrist Bala Tampoe, the Jathika Sevaka Sangamaya (JSS) of the United National Party (UNP), the Free Trade Zone Workers Union (FTZWU) headed by the syndicalist Anton Marcus and the Ceylon Workers Congress (CWC), which is mainly based on plantation workers.

At another meeting on May 26, the NALC agreed to appoint a tripartite committee to look for ways to compensate retrenched workers. One proposal adopted was to withdraw money from "unclaimed" EPF (Employees Provident Fund) and ETF (Employees Trust Fund) reserves—that is, to plunder funds already set aside to cover payments to workers.

To head off discontent, Rajapakse has instructed Labour Minister Athauda Senavirathne to prepare a draft relief package "soon". However, the proposed unemployment benefit insurance scheme (UBIS) is only at a "formative" stage, according to ministry secretary Madihahewa.

Asked by the WSWs about his role in the NLAC decisions, CMU leader Bala Tampoe claimed to oppose the

arrangements. He said employers should abide by the existing compensation formula for layoffs. He added: “If the workers are ready accept what the employers pay, it is OK.”

In other words, Tampoe is not only willing to assist the destruction of jobs through the payment of compensation money; he is also ready to blame workers for supposedly choosing to sacrifice their rights, including the right to work.

According to the so-called compensation formula, a retrenched worker receives only two and a half months’ salary for each year of service, up to a maximum of 48 months’ salary. The minimum basic monthly wage in the private sector is less than 8,000 rupees (\$US70).

FTZWU leader Anton Marcus’s response was similar. “Yes there is an administrative arrangement but we opposed changing the labour laws,” he told the WSWS. “Therefore the laws are there and the workers can oppose lay offs and get compensation if they are retrenched.”

The JVP-affiliated ICWU is playing a particularly vicious role. It has formed a National Centre for Job Losers (NCJL) that, according to its publication *Rathu Lanka* (Red Lanka), aims to “exert pressure on the government for the workers rights”.

NCJL convener and ICWU leader Wasantha Samarasinghe told the WSWS: “We expect the government to intervene to provide relief for job losers. We have asked for that in writing from the labour minister, the Treasury and the Central Bank. If the government fails to do so, we have to think about organising a struggle.”

Samarasinghe’s talk about organising a struggle in the future is designed to hoodwink workers. The JVP has consciously defused many recent workers’ struggles, including the power workers’ fight against restructuring of the Ceylon Electricity Board and the railway workers’ pay dispute, while fully backing Rajapakse’s racist war against the Tamil minority

The NLAC is a corporatist mechanism that was initially recommended by the International Labor Organisation (ILO) in its Tripartite Consultation (International Labor Standards) Convention of June 1976. The ILO provides training to selected union leaders to help suppress the social and economic demands of workers.

During the 1980s and 1990s many countries established such tripartite government-employer-union mechanisms to

deal with the working class struggles that emerged against the attacks on jobs and conditions as governments integrated their economies into globalised systems of production.

In Sri Lanka the NLAC was first introduced in 1989 by the right-wing UNP President R. Premadasa under conditions of a huge political crisis. In the north and east of the country, the masses resisted the Indian military intervention under the Indo-Sri Lanka accord of 1987. The south of the island was destabilised as a result of fascistic-chauvinist attacks waged by the (JVP). The ruling elite called on the union leaders to join the NLAC to curb working class struggles while the government unleashed a countrywide terror campaign against the youth.

Once the situation was brought under control by the early 1990s, the NLAC was abandoned. During the subsequent coalition government of President Chandrika Kumaratunga the NLAC was not needed as the political parties of the old left, which still had some control over the trade unions, were part of the government.

The NLAC’s reactivation signals that great dangers are posed before the working class. Workers cannot protect their jobs, working conditions or democratic rights under the reactionary union leaderships that are bound top to bottom to the capitalist profit system and the nation state.

The fight against the lay offs and other attacks being policed by the trade unions requires a decisive political struggle guided by an alternative socialist perspective, based on forging the international unity of the working class against the massive assault on jobs and basic rights being carried out in every country by the corporate elite and its labour servants.



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