Sri Lankan power workers strike for pay increase

W.A. Sunil 31 August 2009

Thousands of Ceylon Electricity Board (CEB) workers took part in an islandwide, one-day strike last Friday to demand a 40 percent pay hike, the restoration of working conditions and the scrapping of the Electricity Bill adopted earlier this year.

In an attempt to break the strike, the government cancelled all leave and threatened "tough action" against anyone who stopped work. However, more than 70 percent of the 14,000-strong workforce, including clerks, mechanics, electricians, transport workers, technicians and meter readers, defied the government's intimidation. Management used contract and probationary workers to maintain some offices and carry out fieldwork.

The high participation in the strike is another sign of growing resentment in the working class as a whole against the policies of President Mahinda Rajapakse. The government is attempting to offload the massive costs of its war against the Liberation Tigers of Tamil Eelam (LTTE), now compounded by the global recession, onto working people.

CEB employees conducted a sick note campaign on July 17 over the same demands. Subsequently they held a series of pickets in several cities, including Anuradapura, Kurunegala, Kalmunai, Galle and finally in Colombo last Wednesday. The participation in the strike was far higher than in the sick note campaign, in which workers simply took sick leave.

The strike was called by United Trade Union Front (UTUF)—an alliance of 27 trade unions led by the Ceylon Electricity Employees Union (CEEU), which is affiliated with the Sinhala extremist Janatha Vimukthi Peramuna (JVP). The Billing Officers Union (BOU), which is linked to the Nava Sama Samaja Party (NSSP), and the

Technicians Union joined the industrial action. The two unions refused to participate in the previous sick note protest, lamely claiming they had not been invited.

The pro-government Trade Union Combination (TUC), which includes the Sri Lanka Nidahas Sevaka Sangamaya and the Engineers Union, did not support the strike. Their stance failed to prevent some of their members from joining the stoppage.

UTUF leaders, however, attempted to limit the strike. The union alliance did not organise workplace pickets or rallies for workers to discuss the next steps in the campaign. The unions simply advised workers to stay at home on the day of the strike in a move that was clearly designed to prevent a confrontation with the Rajapakse government.

Last week Power and Energy Minister W. D. J. Senaviratne rejected outright the union demand for a pay increase, citing the "massive war expenditure and the effects of the world economic crisis". He threatened that if the workers went ahead with the strike "the government will take tough measures against them".

The government intensified the war against the separatist LTTE over the past three years, raising annual defence spending to over 166 billion rupees (\$US1.44 billion). After defeating the LTTE in May, the government immediately announced an "economic war" to "build the nation" that has further undermined the social conditions of the working class and the rural poor.

In March, government passed its electricity bill to pave the way for the privatisation of the CEB. The legislation was clearly in preparation for a \$US2.6 billion IMF loan, which has stipulated that the government must end subsidies to loss-making public enterprises such as the CEB. The IMF specifically stated that "the Ceylon Electricity Board and the Ceylon Petroleum Corporation must break even by the end of 2011".

The CEB is one of the largest loss-making public enterprises. By 2008, its long-term debt amounted to 64 billion rupees while its operating loss was 35 billion rupees for that year alone. It owed 57 billion rupees to the Petroleum Corporation and private power producers.

A recent Sri Lankan Central Bank report noted: "This fragile financial position of the CEB highlights the importance of quickly dealing with this problem." The government has already introduced various cost-cutting measures, including the reduction of overtime and the outsourcing some CEB services to private companies.

The pro-government TUC refused to wage any struggle for the workers' demands and openly supported the privatisation program. For its part, the JVP-led UTUF deliberately limited the campaign against the Electricity Bill to a series of lunch-time rallies.

While the JVP is part of the parliamentary opposition, it has no intention of launching an all-out campaign against the government's policies on electricity or in any other area. In 2005, the JVP openly supported Rajapakse's election as president, and even though it remained in opposition, backed his renewed war and voted for his huge military budgets. Following the defeat of the LTTE, the JVP proposed its own "nation-building program" as a condition for joining the government.

Even though the government has ruled out any concessions, UTUF leaders have been promoting the dangerous illusion that Rajapakse is on their side. Speaking to workers picketing the CEB head office in Colombo last Wednesday, UTUF convener Ranjan Jayalal declared: "We don't want to gain our demands by creating inconveniences for the government and the people. President Rajapakse is a good person. We don't want to make him angry. He was brought to office by us. He is also a former labour minister. Therefore we don't think he would be against us."

Desperately seeking an accommodation, Jayalal added: "If our voice is communicated to the cabinet of President Rajapakse, I think we will get a solution to our demands within next few hours." He concluded with an empty threat to call an indefinite strike if the government refused to listen. Following last Friday's strike, the UTUF has not announced any further strikes or industrial action.

Speaking to the WSWS, a CEB worker said: "I am a member of BOU. There is a crisis in the union. Many members, including me, do not approve of the union's support for the Bill and their sectarian attitude regarding the pay struggle. It is due to the sectarianism of the union leaders that the government was able to pass the Bill and delay the pay hike."

He continued: "Due to the reduction of overtime hours and the cutting of other benefits we lose at least 10,000 to 15,000 rupees per month. Almost every worker has taken housing and other loans to cover the loss of overtime income. Now it is difficult to manage our monthly expenses and that is why the workers want this pay hike."

A worker from the Kothmale power station said: "The government says there is no money due to the war expenditure and the world economic crisis. But the government has decided not to reduce the defense expenditure next year and the world crisis will continue. So the government will repeat the same explanation next year too."

A worker from the Kalanitissa power station said: "The JVP union is acting for their political interests. The government was able to pass the Bill and delay the pay hike because of their policies. They persuaded us to sacrifice a day's salary for the war. Now the government has refused to pay arrears for 2009 and has asked us to sacrifice as well for the government.

"While the politicians and capitalists enjoy every privilege, why is it that only the workers must sacrifice?" he exclaimed.



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