

# Sri Lanka: Petroleum unions call off work-to-rule bans

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Unions called off a four-day, work-to-rule campaign by workers at the state-owned Ceylon Petroleum Corporation (CPC) and Ceylon Petroleum Storage Terminal Company (CPSTC) in the expectation of talks yesterday with President Mahinda Rajapakse over wages. The president, however, rejected outright any pay rise before next year.

Workers are angry at the failure of the government to implement average increases of about 15,000 rupees (\$US135) to their monthly wage, in line with a collective agreement signed in 2006 and due to implemented after three years.

The unions had already agreed last month in talks with Petroleum Minister M.H.M. Fowze to accept an interim allowance of 5,000 rupees a month backdated to January until the full wage increase is approved by cabinet. The interim allowance demand was made the main issue of the work-to-rule campaign.

The Ceylon Petroleum Corporation Common Services Union (CPCCSU), affiliated with the Janatha Vimukthi Peramuna (JVP), initiated the protest action on October 22. More than 6,000 CPC workers out of a total workforce of 6,700 backed the work-to-rule. Workers at Indian Lanka Oil Company filling stations, who were not directly involved, showed their solidarity by refusing to work on Thursday and Friday.

Despite the limited nature of the protest, fuel supplies declined by 30 percent and 160 of the 174 filling stations in Colombo shut down. All parts of the country were affected by Saturday evening. The work-to-rule severely affected private buses and lorries, motorists and thermal-power stations, but the unions excluded the armed forces as well as public buses and the health sector from the bans.

The government and management launched a vicious campaign of threats and intimidation. Last Tuesday

management thugs attacked CPCCSU general secretary D.J. Rajakaruna when he visited the Maturajawela oil storage facility to address the workers. The union's office situated within the CPC premises in Kolonnawa was damaged the following night.

On Wednesday, CPSTC chairman M.R.W. De Soysa, a retired major general, threatened union leaders with physical violence. "It is not a big job for us, who have killed Prabakaran to tackle the unions," he said. V. Prabakaran, head of the separatist Liberation Tigers of Tamil Eelam (LTTE), was killed in May in the final days of fighting in the country's protracted civil war.

Petroleum Minister Fowze told the media that other alternatives were being lined up if workers continued their campaign. While he did not elaborate, the Rajapakse government has a record of using the military to break strikes and industrial campaigns.

On Saturday, Fowze announced a meeting between the unions and the president for Monday. He warned, however, that "the unions would not get anything if they used threats to win their demand" and branded the work-to-rule campaign as "an irresponsible act". The CPCCSU leaders called off the protest on Sunday.

Yesterday, only the pro-government Sri Lanka Freedom Workers Union (SLFWU) was invited to attend the meeting with the president, who bluntly ruled out any pay rise this year. Rajapakse provided only a vague promise of a pay rise next year, but refused to indicate when or how much. Any increase would be back paid to November 2009, not January 2009.

The government has already made clear that it has no intention of caving in. It confronts a deepening economic crisis produced by its huge defence spending compounded by the global recession that has badly affected exports.

Facing a balance of payments crisis, Rajapakse was compelled to go to the International Monetary Fund (IMF) for a \$2.6 billion loan to shore up the country's finances.

The IMF loan came with stringent conditions, including a reduction in the budget deficit by about 40 percent in two years. To meet this benchmark, the government will have to make savage inroads into essential social services and the pay and conditions of public sector workers. Even before the loan was agreed, Rajapakse had imposed a freeze of pay rises and new recruitment in the public sector. Other cost-cutting measures have been implemented, including cutbacks to overtime work and fringe benefits.

The targetting of petroleum workers was specifically foreshadowed in the terms of the IMF loan which stated that "the Ceylon Electricity Board and the Ceylon Petroleum Corporation must break even by the end of 2011". Ending the losses will mean not only suppressing pay demands but increasing fuel and electricity prices.

Hard hit by inflation that reached 30 percent last year, other public sector employees have been engaged in campaigns this month for pay rises. These include Colombo Port Authority workers, teachers and railways workers. Having been told by the government and their trade unions to "sacrifice" for the war effort, workers are increasingly bitter that the end of the conflict has only led to a further deterioration in their living standards.

Confronted with rising industrial unrest, the government is preparing to use the police-state apparatus that it used to prosecute its communal war against working people. As reported in today's *Island* newspaper, Rajapakse yesterday told loyalist union activists that "international conspirators bent on destabilising the country could be behind those engaged in disruptive trade union action".

The president had called the meeting specifically "to discuss ways and means of meeting the threat posed by the JVP and UNP [United National Party] unions now causing trouble at several sectors, including petroleum, water and electricity". He declared that people should not be deceived by "sinister elements" who "peddled hidden agendas on the pretext of fighting for workers' rights".

Rajapakse's comments make clear that any struggle for jobs, wages and conditions by workers will involve a political fight against the government. Rajapakse is using the same language as during the war—denouncing strikes and protests by workers as a betrayal of the nation. The

government will use the same draconian methods of arbitrary arrest and media censorship, as well as thuggery and murder.

The Sinhala chauvinist JVP helped elect Rajapakse in 2005 and fully backed his renewed communal war. Its union leaders repeatedly capitulated when told by Rajapakse that there was no money for pay rises because of high military spending. CPCCSU secretary D.J. Rajakaruna told the WSWS last week: "We gave a chance to the government, as we supported the war. However, the war is now over and the workers need their salary increase."

The JVP and its unions will not, however, wage a political struggle against the Rajapakse government. The CPCCSU's decision to call off the work-to-rule campaign has already provided the government with a much-needed breathing space. Despite Rajapakse's refusal to meet with the union yesterday, the JVP is still holding out the hope of talks with the president.

At the same time, having shut down the previous campaign, the CPCCSU is threatening joint industrial action with unions in the Ceylon Electricity Board (CEB), Water Board and the Ports Authority. The JVP-led CEB union combine has announced another lunchtime demonstration tomorrow—another of many similar protests in recent months designed to let off steam among their members.

Rajapakse, however, is not going to be pressured into making concessions. What is needed is a political campaign against the government and the capitalist system that it defends. The real conspiracy against the working class is the one being carried out by the government, in league with the IMF and international finance capital, to make workers pay for a crisis for which they are not responsible.



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