

Sri Lankan plantation unions sign secret wage deal

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Plantation unions in Sri Lanka signed a new pay agreement for two years with the plantation companies on April 4, without any discussion with workers on the deal, which maintains a poverty-level daily wage.

This was the result of a coordinated effort by the trade unions, employers and President Mahinda Rajapakse's government to pre-empt any struggle of the hundreds of thousands of plantation workers for a wage increase, out of fear that it could spread to the other sections of workers, amid rising living costs and job losses.

The basic daily wage of a plantation worker will rise from 380 to 450 rupees—an increase of only 59 US cents. Yet, the employers announced that it was a 20 percent increase, seeking to present it as a generous deal.

The daily attendance allowance was also raised from 105 to 140 rupees, but the price share supplement of 30 rupees per day remains unchanged. The overall daily wage could rise to 620 rupees, but the attendance allowance depends on the number of days a worker works. If a worker fails to work on 75 percent of the 25 days offered in a month, he or she loses the total allowance.

This so-called wage increase is not compatible in any way with the skyrocketing cost of living. In addition, according to the employers, the unions have agreed to further “productivity improvements”, which means another increase in workloads.

The unions that signed the deal with the Employers Federation of Ceylon were the Ceylon Workers Congress and the Joint Plantations Trade Union Centre led by the Lanka Sama Samaja Party and the Communist Party—all coalition partners of Rajapakse's government—and the Lanka Jathika Estate Workers Union controlled by the right-wing opposition United

National Party.

They were aided by another trade union coalition. The Up Country Trade Union Alliance (UTUA) includes the National Union of Workers (NUW), the Up Country Peoples Front—both also partners in the Rajapakse government—and the Democratic Workers Congress (DWC), the union wing of the Democratic Peoples Front.

The UTUA had stated earlier that it would fight for a “reasonable wage increase”, but remained completely silent until the other unions completed their treacherous job. As with every previous wages sellout in recent years, the UTUA leaders have since declared that they oppose the April 4 deal. But this is only to hoodwink workers, and provide a mechanism for diverting their anger over the agreement.

DWC president Mano Ganesan said the UTUA was planning to call a “black day” on April 21 in Kotagala, and the following day in Colombo, to pressure the government and the employers to increase the pittance offered.

NUW leader R. Thigambaram said his union was preparing to file a court case against the deal. In the same breath, he said: “Our plantation joint committee is not against the unions signing the agreement. Our struggle is against the employers' federation. I told Arumugam Thondaman and Vellayutham [union leaders who signed the deal] that we will be outside and carry out a struggle and pressurise the companies.”

Thigambaram feigned disappointment that Thondaman and Vellayutham had not taken into consideration his suggestion to use pressure to “negotiate with the companies and try to get a reasonable salary increase to our plantation workers.” These remarks reveal the actual division of labour among the union leaders, with the bogus “militant”

union leaders pretending to oppose the deal so as to wear down the resistance of workers to it.

This is not the first time that the UTUA leaders have played the same deceit. Similar fraudulent claims were made about mounting a fight against the previous deals carried out by the same right-wing union leaders. When thousands of workers rebelled against the 2006 wage agreement, the “militants” worked to contain the workers and disperse the protests (see: “Sri Lankan unions prepare political trap for plantation workers”).

This latest wage agreement, signed secretly in violation of the democratic rights of plantation workers, has again demonstrated that the union leaders are direct agents of the companies and the government. They are all property owners, businessmen or politicians tied to capitalist parties. They represent not the interests of workers, but the interests of the employers and the bourgeois state.

Planters Association chief Lalith Obeysekera told the media the “unions have given an undertaking on improving productivity” to cover the additional wage costs, which the Employers Federation claimed would total 250 to 350 million rupees per year.

When new productivity clauses were imposed after the previous agreement in 2011, opposition erupted among workers against the increased workloads. At several estates in Maskeliya, Hatton and Nuwara-Eliya, thousands of workers joined protest campaigns, despite the opposition of the unions.

Sri Lanka’s total tea export income declined by 6.6 percent last year; yet plantation profits surged by hundreds of million rupees as a result of the devaluation of the rupee, increased tea prices and rising tea company share prices.

While profits have increased, the living conditions of plantation workers have deteriorated, with real wages declining by 3.6 percent since the last agreement in 2011. The prices of essentials, including wheat flour, the staple food of estate workers, and kerosene oil, mainly used for lighting houses, have increased several-fold during the past two years. Bus fares and electricity charges have also risen.

Under the austerity measures implemented by the Rajapakse government, to satisfy the dictates of the International Monetary Fund, the living conditions of the estate workers and the working class as a whole will further decline.

The estate workers cannot defend their basic social and democratic rights through the trade unions and capitalist parties. An independent political movement of the working class is needed to organise a genuine fight for its class interests, including a monthly wage that rises with the cost of living, proper health and housing, and decent education and employment opportunities for their children.

This is a political fight against the Rajapakse government and the capitalist class as a whole. It requires the formation of action committees of workers in every estate to unify the struggle for a workers’ and peasants’ government and socialist policies. Above all what is required is the building of the Socialist Equality Party as the necessary revolutionary leadership to fight for this perspective.



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