India: NLC contract workers launch indefinite strike

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Nearly 11,000 contract workers at the central government-owned Neyveli Lignite Corporation (NLC) plant in the south Indian state of Tamil Nadu walked off their jobs Wednesday night.

The NLC is a highly profitable, government-owned and managed corporation located about 200 kilometers south west of the state capital Chennai (formerly Madras). It operates three open cast mines with 28.5 million tons of annual capacity in Neyveli and one open cast lignite mine with a capacity of 2.1 million tons annually at Barsingsar in the state of Rajasthan. It also operates three thermal electric power stations in Neyveli and one at Barsingsar.

Apart from a longstanding demand for the regularization or permanency of jobs, workers are campaigning for an interim wage hike to 25,000 rupees ($416) from current levels, which range from 5,000 to 8,000 rupees ($83 to $133), until they are made part of the permanent workforce and for a 20 percent bonus on their monthly wages. The current bonus level is 8.33 percent.

The strike action has been called by the Joint Action Council (JAC), a coalition of trade unions that includes the Centre of Indian Trade Unions (CITU), the Labour Progressive Front (LPF), which is affiliated to the opposition Dravida Munnetra Kazhagam (DMK), and the Anna Workers and Staff Union (AWSU), which is tied to the All India Anna Dravida Munnetra Kazhagam (AIADMK), the ruling party in Tamil Nadu. The All India Trade Union Congress (AITUC) has also joined the strike. The CITU and AITUC are affiliated respectively to the two main Stalinist parliamentary parties, the Communist Party of India (Marxist) or CPM and the Communist Party of India (CPI).

The contract workers, who make up half the total NLC workforce, are demanding multi-year permanency. Many of them have fifteen, twenty, and in some cases thirty years of service at NLC. Over the last several weeks, the unions staged protests including the wearing of black badges and between August 26 and 30 held meetings at mine gates.

On Tuesday, JAC's talks with NLC management, held in the presence of the Assistant Labour Commissioner, P. Sivarajan, failed.

The coalition was forced to launch the strike because of growing unrest among the workers. In the past, JAC's members-unions—the LPF, AWSU and the Stalinist CITU—did not call strikes demanding permanency of contract workers' jobs, but just participated in strikes the AITUC had called over this issue. However this time, they have called the strike, because they fear the loss of their influence among the workers, who have repeatedly demonstrated their keen desire to fight for their rights in spite of repeated betrayals by the trade unions.

Once again, the trade unions have not called out the permanent workers in support of the striking contract workers. This is not only to help NLC management and the government divide the workers but also to dissipate workers' militancy by maintaining production.

The NLC pays some of these contract workers as little as 10 percent of the compensation paid to regular workers. Corporate management is utterly determined to resist "regularizing" and to maintain the current system of hiring.

In line with the demands of international finance capital, the brutal exploitation of contract workers has become the standard across India over the past two decades. Like the former Indian National Congress-led ruling coalition, Prime Minister Narendra Modi's Hindu supremacist Bhartiya Janatha Party (BJP) government gives its full support to this corporate

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agenda.

The trade unions are demanding that management implement an April 2013 Supreme Court ruling that directed NLC to regularize the contract workers. However, this ruling has been vaguely worded, providing management with significant loopholes. The Supreme Court has not specified any time frame for regularizing the contract workers. Accordingly, NLC has said that it will absorb contract workers into its permanent workforce whenever a “vacancy” arises.

Recently NLC management arrogantly declared it has a plan to regularize just 200 workers. The NLC officials claimed that while it has prepared a seniority list according to the court ruling, it cannot take more than 750 contract hands at one go.

The unions have long told the workers that they can pressure the management and the government to win their demands. This claim has, predictably, proven false. Even the ruling of the Supreme Court, which approved a Chennai High Court directive given in 2008, came only after five long years. Instead of preparing workers for class struggle against the government-backed NLC policy, the trade unions filed this case sowing illusions that the capitalist courts can be used to secure the rights of the working class. They did this after selling out several preceding strikes and protests.

A major united struggle of NLC workers took place in July 2013 against the previous Congress-led UPA government’s decision to disinvest 5 percent of the NLC shares in line with its disinvestment program. This is part of the privatization of state-owned ventures. The unions, including the Stalinist led CITU and AITUC, betrayed the strike. (See: “India: NLC workers angered by sell-out of their anti-privatisation strike”).

The NLC contract workers strike is the largest strike against a public sector company since the business-friendly Modi government came to power in May.

Domestic and foreign investors are demanding the new government gut laws restricting layoffs and plant closures, slash subsidies meant for the poor, and accelerate its privatization program.

In response, Modi is aggressively pushing forward with anti-working class economic measures, promising to attract international investors with a “red carpet” and to make reducing subsidies and eliminating “archaic” labor laws top priorities.

The current strike is largely being blacked out by the media, according to Murugan, an NLC contract worker who spoke to the WSWS. Expressing the general mood among the NLC contract workers, Murugan said, “We have no confidence that all contract workers will be made permanent. We have no confidence in the unions either. We want to win our rights. We also focus on a wage hike; we are supposed to get equal pay for equal work. Until we are made part of the permanent work force, we want our wages to be raised to 25,000 rupees per month. It is simply impossible for us to live with the meagre wages we now get as the cost-of-living has increased exponentially.”

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