Sri Lankan government proposes pay "formula" to end plantation workers' struggle

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Sri Lanka's government has suggested a meagre wage increase over three years for plantation workers to suppress their demand for a 100 percent pay rise. For the past three months, workers have been campaigning for an immediate doubling of their daily wage, from 500 rupees ($US2.74) to 1,000 rupees. They launched an indefinite strike in December, but the trade unions shut it down after nine days.

Workers previously rejected a 20 percent or 100-rupee increase proposed by the Employers' Federation of Ceylon (EFC), which represents the plantation companies.

In separate meetings with the EFC and trade unions last Thursday, Plantation Minister Naveen Dissanayake and Labour Minister Daya Gamage suggested a three-year wage formula. During the first year, the basic wage would rise by just 125 rupees, or 25 percent. In the second year, it would increase by 25 rupees, or 4 percent, with another 25-rupee rise in the third year.

Dissanayake said workers could earn 1,000 rupees or more with various allowances. He noted that the pay increase would improve according to the "amount of tea leaves plucked."

This means a worker could earn 1,000 rupees only with allowances directly tied to productivity, as proposed by the companies. Many workers are usually unable to meet the targets set for regular attendance and productivity. Allowances are also tied to price fluctuations in the global tea and rubber markets.

Dissanayake asked the companies and the unions to sign collective agreements accordingly. Together with the employers, the government wants to end the wage protests and impose these agreements with the unions acting as an industrial police force for driving up workloads.

Echoing the companies, Dissanayake declared that the unions needed to show "concern" about the industry and "it was not possible to add pressure on the companies."

The employers requested time to decide on the proposal. According to the media, unions have "rejected" the proposal and said they were "firm" over the 1,000-rupee demand. This is bogus posturing. Well aware of the widespread opposition among workers to lowering the demand for a 100 percent increase, the unions are seeking ways to deflect the unrest in the plantations.

The unions participating in the discussions included the Ceylon Workers' Congress (CWC), Lanka Jathika Estate Workers' Union (LJEWU) and Joint Plantation Trade Union Centre (JPTUC). They have been engaged in secret talks with the employers and the government for several months and have shut down workers' strikes and protests.

Exposing the so-called firmness of the unions, LJEWU general secretary Vadivel Suresh, who is also the state minister of plantations, said his union could agree to a 150-rupee rise this year, just 25 rupees more than the government's proposal, with another 50-rupee increase next year.

National Union of Workers (NUW) leader P. Digambaram, another government minister, earlier told the *Lanka* newspaper the 1,000-rupee demand was "unjustified" at the moment because the plantation companies' profits had dropped. *Lanka*, which is controlled by the Janatha Vimukthi Peramuna (JVP), published his declaration without any comment, indicating agreement with the NUW leader.

The Planters' Association made essentially the same assertion in a statement issued last month. "The demands of trade union leaders far exceed the capacity," it insisted. "We urge all stakeholders, especially, those whose daily living depends on this industry, to consider the fatality of the industry."

The plantation companies continually complain that low tea prices make it impossible to meet the workers' demand for higher wages. They say the industry is hampered by factors beyond their control.

The low prices are a result of intensifying competition among tea-producing countries, including China, India and Kenya. As a result, Sri Lanka's annual average tea export earnings declined from $1.63 billion in 2014 to $1.53 billion in 2017. Between January and August last year, the country's tea export income dropped from $1 billion to $970 million, compared to the corresponding period the previous year.

To impose the burden of this crisis onto the workers, the government and the plantation companies insist on scrapping the wages system and implementing a so-called revenue-share system that aims to increase output several-fold.

Under this system, workers are given a plot of land with 1,000 or more tea bushes. The company sells them fertilisers and agrichemicals, deducting the cost from workers' income. Where this system has been introduced already in some estates, the workers have rejected it, complaining they cannot earn enough income to live, even with their entire families doing the work.

All the indications are that the EFC and the unions, backed by the government, plan to enter into collective agreements soon, behind the backs of workers, which will include terms tying workers to supposed revenue-share schemes and other productivity requirements.

The plantation workers must reject these proposals and organise a common struggle, uniting with other sections of workers in Sri Lanka and internationally. Without a political fight against the government and the capitalist class, and the unions that prop up them, workers cannot defend their interests.

To carry out this struggle, workers should establish their own action committees in estates, workplaces and neighbourhoods, totally independent of the trade unions. Workers at the Abbotsleigh plantations, near Hatton, have taken such an initiative, forming an action committee under the guidance of the Socialist Equality Party.

Workers need a socialist program to defend their interests against the drive by the ruling class to impose the burden of its crisis. It is necessary to fight for a workers' and peasants' government that would nationalize the large estates, banks and all major enterprises under workers' control, as part of the struggle for socialism internationally.