Sri Lankan plantation companies rule out further wage increases after union sellout

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Lalith Obesekara, general secretary of the Sri Lankan Planters' Association, made clear in comments last Friday that the major plantation companies will not accept any further increases to the meagre wages of workers.

Instead they will intensify the exploitation of oppressed plantation workers, in line with a sellout collective agreement recently brokered by the trade unions. The deal provides for nominal pay rises and scraps previous allowances.

Obesekara told the *Dailyft*: "We have already taken a hit of 9 billion rupees due to the increase and the industry cannot sustain further increases." His statements indicate that the companies, in league with the unions, will seek to offset the wage increases by intensifying the attacks on conditions and allowances.

Obesekara's remarks followed discussions on Friday between the Planters' Association and several unions which had appealed for the restoration of the allowances, in a bid to assuage anger among plantation workers. The benefits, which have been abolished under the new agreement, include a monthly 140-rupee attendance allowance and 60-rupee incentive allowance.

The deal was agreed upon by the Ceylon Employers Federation on behalf of the plantation companies and the Ceylon Workers Congress (CWC) and the Lanka Jathika Estate Workers' Union (LJEWU) on January 28.

It was the outcome of efforts by the unions, the companies and the government to end protracted industrial and political action by workers who were demanding a 100 percent increase in their basic daily wage to 1,000 rupees ($US5.60).

The agreement rode roughshod over workers' demands. It only increases the daily basic wage from 500 rupees to 700 rupees. Combined with a marginal increase to the price share supplement allowance, from 30 rupees to 50 rupees, the gross daily wage will be just 750 rupees.

The announcement of the sellout agreement provoked widespread opposition and protests by workers.

The National Workers' Union (NUW), the Democratic People's Front (DPF) and the Upcountry People' Front (UPF), which did not sign the agreement, have since appealed to the government and the companies to restore the scrapped allowances. They are desperately seeking to prevent a rebellion against the unions.

These unions consistently opposed the workers' struggle for a 100 percent wage increase, thus paving the way for the betrayal.

The union leaders are thoroughly integrated into the political establishment which has overseen the attacks on plantation workers. The heads of the NUW, the DPF and the UPF—P. Digambaram, Mano Ganeshan and R. Radhakrishnan—are ministers in the current government.

As part of their posturing, the three union leaders hinted that they might resign from the government if their request for the restoration of the allowances was not addressed.

Prime Minister Ranil Wickremesinghe has postponed officially gazetting the collective agreement, to forestall the growing opposition to the deal.

The government, however, has already demonstrated its full backing for the agreement. In a February 8 discussion at the prime minister's office, the Planters' Association again made clear that it would not restore any allowances. Plantation minister Naveen Dissanayake and labor minister Ravindra Samaraweera participated in the meeting.

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Digambaram has nevertheless sought to cover up the fact that the deal has the government's blessing. During a meeting at Dickoya near Hatton last Friday, he fraudulently claimed that the government would ensure a "reasonable decision" was made on the allowances as a result of pressure from the NUW, the DPF and the UPF.

At the same time, S. Ramanathan, the secretary of the Joint Plantation Trade Union Center (JPTUC), has pledged legal action if the allowances are not reinstated. This is an attempt to divert workers' anger into futile appeals to the courts, which invariably come down on the side of the companies and big business.

The JPTUC is comprised of unions controlled by the Lanka Sama Samaja Party and the Stalinist Communist Party. It has been a signatory to innumerable sellout agreements with employers. As a result, the alliance's constituent unions have only a few hundred members each.

Significantly, the NUW, the DPF, the UPF and the JPTUC are completely silent about some of the key clauses in the agreement aimed at deepening the assault on workers' rights. One clause, for instance, states that the unions will help the plantation companies implement a "revenue share scheme," also described as an "out-grower model."

This scheme is aimed at abolishing the existing wage system and transforming workers into sharecroppers. Its purpose is to vastly intensify exploitation and to atomise workers.

The agreement also declares that the unions will "cooperate and commit themselves to improving the efficiency and productivity of estates." The unions have also pledged to settle "operational issues at estate level in harmony."

These are promises by the unions to act as an industrial police force, disciplining workers and enforcing incessant company demands for further cost-cutting.

The limited criticisms of the agreement made by some unions are utterly bogus. All of them collaborate with the companies and the government against the workers they falsely claim to represent.

Workers can secure their demands, including for a decent wage, medical facilities, housing and their children's education, only through a break with the unions and the establishment of new organisations of struggle, such as action committees.

Above all, what is required is a fight for a workers' and peasants' government that would implement socialist policies, including placing the plantations under public ownership and democratic workers' control.

We urge workers and youth to attend the plantation workers' conference called by the Abbotsleigh Estate Workers Action Committee with the support of the Socialist Equality Party. The conference, to be held at Hatton Town Hall on March 17, is entitled "Lessons of the plantation workers' struggle and the way forward in the fight for wages and social rights."

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