Sri Lanka: Kahatagaha mine workers protest lockout and cuts in daily allowances

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11 January 2022

Kahatagaha graphite miners in Sri Lanka have been locked out by management since Saturday in an attempt to crush opposition to cuts in their 300-rupee ($US1.50) daily allowance. About 140 workers are currently protesting outside the mine gates. Management claims the allowance was cut because of reductions in production.

The lockout is the first industrial dispute this year and follows a wave of strikes and protests last year involving hundreds of thousands of workers fighting against low wages and attacks on social conditions.

This state-owned mine is controlled by Kahatagaha Graphite Lanka Limited (KGLL) and located about 120 kilometres northeast of Colombo. It is reportedly the deepest mine in South Asia with the purest graphite in the world.

The Kahatagaha miners' daily allowance was cut in October, November and December last year. Facing fierce opposition from miners, management, however, later paid the November allowance.

Workers discovered that their December daily allowances had not been paid when they reported to work on January 1 and immediately demanded a discussion with the company manager.

Mine company officials finally agreed to a discussion last Thursday, telling the unions that the daily allowance would be slashed to 150 rupees. Well aware of workers' opposition to this drastic cut, the unions rejected the management offer.

The unions involved in these talks were the pro-government Sri Lanka Nidahas Sevaka Sangamaya and the right-wing United National Party-controlled Eksath Sevaka Sangamaya. Both are notorious for undermining and suppressing workers struggles.

When miners reported to work on Saturday, the mine gates were locked with chains and padlocks. The management lockout was to pre-empt a strike and occupation of the mine premises.

One angry miner told the *World Socialist Web Site*: "Generally a worker's salary, including the allowances is about 30,000 rupees but with the 300-rupee daily allowance cut the salary is reduced to 23,000 rupees. At a time when salaries should be increased, due to unbearable cost of living, our wages have been drastically cut."

Workers faced serious difficulties because of skyrocketing prices, he said. "Our expenses are higher in January because the new school year has started and we have to provide our children with food and clothing. We also have to spend money on medicines.

"About 90 percent of the workers survive through loans with some paying 20,000 rupees a month in loan payments. They are also in a difficult situation and have not been able to pay leasing installments for several months on their motorbikes and three-wheelers. We suspect that what's behind this pay cut is preparations for privatisation," he added.

Last October, the Rajapakse government removed almost all price controls on essentials, opening the way for rampant inflation. In December alone the inflation rate increased by 12 percent on a year-on-year basis. Food prices climbed by 22 percent in the same month.

The rising prices have also been accompanied by shortages of essentials as the government attempts to impose the burden of the country's deepening economic crisis on the backs of workers and the poor.

Another employee denounced the government's callous response to COVID-19 infected workers. "Last year, in May and June, 26 workers tested positive when antigen tests were conducted and the mine was closed down," he said.

However, production was later resumed with uninfected workers before the end of required quarantine period, with little support provided to the infected miners. “There was no follow up about their health situation and they were not given adequate assistance. Everyone was just given a bag of goods worth 5,000 rupees. In August two other workers were infected,” he said.

The mine was closed during Sri Lanka’s initial lockdown in 2020 but resumed production a few weeks later in May after the country was reopened. Workers were only paid their basic salaries during that period.

The cash-strapped Sri Lankan government hopes that its pure graphite will attract international investments. The Bogala mine, the other major graphite mine in Sri Lanka, was privatised last year. Private investors are also exploring for new mines in the Gampaha and Kahatagaha areas.

Consecutive Sri Lanka governments have attempted to sell the Kahatagaha mine, which had been abandoned for some time but restarted in 2006. Moves to privatise the mine in 2016, however, had to be abandoned in the face of militant protests by mine workers.

In January 2020, Kahatagaha graphite miners, who had not received a salary hike since 2012, took strike action and began a hunger protest to demand a decent wage rise, a shorter working day on Saturdays, 21 days annual leave and the proper payment of all allowances.

The strike, which developed independently of the trade unions, was a shock to the government of President Gotabhaya Rajapakse who came to power in 2019 pledging to resolve the economic crisis facing Sri Lankan capitalism. Industry Minister Wimal Weerawansa declared that “actions at the mine should not embarrass the government.”

The strike was shut down by the unions after Weerawansa increased daily salaries at the mine by just 50 rupees and promised to soon resolve other outstanding demands. In February that year, Rajapakse’s cabinet approved plans to transform the mine to a public-private partnership to attract investors.

Intervening into the January 2020 strike, the WSWS explained the political significance of the miners’ walkout and the necessity to build action committees, independent of the unions, in order to take forward their fight: “The three-day walkout and hunger protest inside the mine, which was held in defiance of the mine unions’ leadership, was the first industrial action this year since President Gotabhaya Rajapakse came to power. It was a clear indication of the nature of the struggles to come, the increasing radicalisation of the working class, and the rapid break up of illusions in the new government.”

Two years on, the Rajapakse government, which is teetering on the brink of an international debt default, is broadening its attacks on the working class. The daily allowance cut at the state-owned Kahatagaha mine is a brutal intensification of these assaults.