

Sri Lanka: Oppose job and wage cuts in the public sector! Build action committees to defend workers rights!

Alliance of Workers Action Committees (Sri Lanka)

30 May 2022

Sri Lanka's Ministry of Public Administration issued a circular on May 25 instructing the heads of state institutions to only employ duty officers "essential to maintenance of the public services." The decision was taken by the cabinet of ministers and came into effect on May 26.

The measure was necessary, the circular said, because "public and private transport services are not operating properly" because of fuel shortages and that government expenditure on fuel, electricity and water should "be restricted during this crisis."

This directive is not a temporary measure. There is no end to the "scarcity of resources" for the government because the Sri Lankan capitalist economy is deep in a major crisis.

We warn that this is the first step towards downsizing the public sector which will see the destruction of hundreds of thousands of jobs, cuts in wages and increasing workloads for the remaining employees. The assault is part of the International Monetary Fund (IMF) austerity measures now being implemented by President Gotabhaya Rajapakse and Prime Minister Ranil Wickremesinghe.

A previous "conception paper" issued on April 25 by the Manpower and Employment Ministry outlined extensive public sector expenditure and job cuts. It declared that more than 50 percent of government income was being used to pay salaries and allowances to 1.7 million public sector employees. These costs were now "unbearable," it said.

The paper claimed that during COVID-19 pandemic restrictions about 30 to 50 percent of employees were called in to work and that only 50 percent out of its 1.7 million workforce was needed to maintain public services. In other words, more than 850,000 government employees should be fired.

It also proposed that all workers deemed to be in excess be given five year's leave without pay and to look for foreign employment. Through this, the paper claimed, the government could cut public sector expenditure by 300 billion rupees per annum and increase Sri Lanka's annual

remittances by \$US2.5 billion.

The "conception paper" urged the government to implement these measures to prepare the ground to meet the initial demands of the international lending organisations, such as the IMF, the World Bank and the Asian Development Bank.

The IMF has repeatedly directed successive Sri Lankan governments during past decades to slash the size of the public sector and cut pensions to reduce its budget deficit. Other measures proposed include privatisation or commercialisation of state enterprises and higher taxes.

Now with Sri Lanka facing an unprecedented economic crisis and declaring a default on its foreign loans, international finance capital will no longer tolerate any postponement. While every country has been impacted by the economic crisis precipitated by the COVID-19 pandemic and the US-led NATO proxy war against Russia in Ukraine, Sri Lanka has been particularly hard hit.

Workers and the poor face spiralling and intolerable inflation, along with dire shortages of essential items including food, medicines, and fuel, as well as ongoing power cuts. Like President Rajapakse's previous regime, his present government is heaping the burden of the economic crisis onto the backs of working people to make them pay foreign creditors and to defend the profit system.

Last week Prime Minister Wickremesinghe told Reuters news agency that he will soon announce an interim budget. "It's just about cutting down expenditure, cutting to the bone where possible and transferring it to welfare," he declared. Reducing expenditure for health and education is difficult, he added, "but there are many other ministries where we can cut."

Wickremesinghe's claim that the interim budget will transfer funds to welfare and not touch health and education is a lie. The government will cut state expenditure "to the bone" at the expense of jobs, wages and pensions in all sectors, including health and education. In fact, overtime

payments and other allowances have already been slashed.

Job and wage cuts are not just limited to public institutions. Government-imposed limits on imports have led to the shutdown of many private companies. Hundreds of thousands of workers have already lost their jobs in the construction sector, while small and medium enterprises have revealed that they cannot pay wages to about 4.5 million workers.

No amount of appealing or pressure tactics will change the government's agenda, nor can workers allow their fight for jobs, wages and basic rights to remain in the hands of the trade unions.

Review your own experiences during April and think about what the unions have done over the past year!

Broad masses of workers and youth have been engaged in continuous protests, particularly since early April, to demand President Rajapakse and his government resign and bring an end to the catastrophic and worsening social conditions. General strikes on April 28 and May 6 won broad support from workers, the poor and all affected people.

The trade unions have not raised any demands to defend our social rights during these struggles, let alone issue a single policy to fight for them. Instead, they have diverted our struggles into political support for the opposition Samagi Jana Balawegaya and the Janatha Vimukthi Peramuna, backing their demands for an interim regime. These parties have made clear that they will implement the IMF's dictates.

Rajapakse imposed a state of emergency following the May 6 general strike and mobilised the military onto the streets on May 10, after ruling-party goons attacked anti-government protesters. The unions responded by systematically winding down our strikes, calling instead limited protests.

Last year, the teachers' unions betrayed their members' 100-day online strike, accepting a government "offer" of just one third of the original salary claim.

In response to rising demands by health workers for action, Federation of Health Services leaders Ravi Kumudesh and Saman Rathnayake have publicly admitted that they were "managing the anger of their members" in order to contain and control their struggles.

State sector workers have already shown their readiness to fight the government attacks. Last week health workers in Kandy, Anuradhapura and Kurunegala hospitals and at the government printers walked out and held demonstrations against cuts in overtime and other allowances.

Public service workers, like their counterparts in other sectors, can only defend their rights by taking full control of all decision-making and the organisation of their struggles.

That is why we propose the building of action committees, democratically elected by workers, at every factory, in the estates and big companies, and in working-class neighbourhoods. These must be independent of the trade unions and all the capitalist parties.

- We say workers are not responsible for the capitalist crisis and will not pay for it. Hands off our jobs, wages, and pensions!

- We demand wages be linked to the cost of living in order to counteract hyperinflation and for improved working conditions!

The Alliance of Action Committees (AAC) is a collective of action committees initiated by the Socialist Equality Party and built among teachers, health employees, garment and plantation workers, immigrant workers and those fighting for the defence of freedom for art and expression.

We are fighting to expand these committees and are ready to assist our class brothers and sisters to organise action committees in their respective workplaces, as well as forging alliances with workers internationally facing similar attacks.

Our action committees support the program advocated by the Socialist Equality Party (SEP) to combat the worsening social and living conditions. Its program includes:

- All production and distribution of essential goods and other critical social resources must be brought under the democratic control of the working class! Nationalise the banks, big corporations, estates and other key economic nerve centres!

- Repudiate all foreign debts! No to the austerity demands of the IMF and the World Bank, which represent international bankers and financial institutions!

- Seize the colossal wealth of billionaires and corporations!

- Abolish all the loans of the rural and urban oppressed, poor peasants, fishermen and small businessmen! Reinstate all peasant subsidies, including fertiliser subsidies!

- Ensure high-quality services for all those who need them through the allocation of billions of rupees for free education and free healthcare service!

The SEP has made clear that there is no solution to the crisis facing the masses within the capitalist system. What is required is a fight for a workers' and peasants' government to implement the above policies. We urge you to join this struggle and contact us for further details.



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