

Sri Lanka power unions conference demands “real restructuring” of Ceylon Electricity Board

Our reporters
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On June 21, the Joint Trade Unions Alliance (JTUA) of the Ceylon Electricity Board (CEB) held a “Selling or Restructuring” conference at an open-air theatre in Vihara Mahadevi Park in central Colombo.

CEB workers, except those who run emergency power plants, took a sick leave protest that day but only around 1,500 of the 26,000 strong-workforce participated in the conference. That only a small fraction attended the event indicates that workers have little confidence in these unions because of their recent betrayals.

The JTUA is composed of more than two dozen unions, including the Ceylon Electricity Workers Union (CEWU), the Sri Lanka Nidahas Sevaka Sangamaya (SLNSS) CEB, the Jathika Sevaka Sangamaya (JSS), the Consumer Coordination Officers Union (CCOU) and the Engineers Union. The first three unions are affiliated with the Janatha Vimukthi Peramuna (JVP), the Sri Lanka Freedom Party and the United National Party respectively.

The union alliance was compelled to call the conference amid growing working-class opposition to the Wickremesinghe government’s moves to privatise the CEB, and hundreds of other state-owned enterprises (SOEs) as demanded by the International Monetary Fund (IMF). The CEB unions, which have no fundamental differences with the IMF’s dictates, remained silent for months after the government announced it would privatise the CEB.

Trade union leaders addressing the conference demagogically declared that there would be a “massive struggle” if the government tried to privatise the CEB but then offered total collaboration with a “real restructuring” of the state-owned enterprise.

SLNSS general secretary Priyantha Prabhath said the unions would support “correct change.” He added: “The problems can be resolved through discussions. We demand the minister does a restructure that secures the existing benefits of the employees.”

CEWU general secretary Ranjan Jayalal said the unions would not allow the government to sell CEB and pointed to other union leaders, declaring: “Here are the majors and sergeants of the struggle and for sure, they won’t allow the privatisation of CEB. If the bill is passed in the parliament and companies from America and Australia come into this country we will not allow it.”

These speeches are nothing more than hot air. They are designed

to deflect attention from the unions’ collaboration with the government in restructuring the CEB. The CEB union bureaucracy is totally committed to doing whatever is required to make the company “profitable” at the expense of the jobs, wages and conditions of workers.

Two resolutions were passed in the conference: one against privatisation and supporting restructuring, and the other demanding permanency for National Vocational Qualification (NVQ) casual workers.

Rank-and-file CEB workers were not given any chance to speak on the resolutions, let alone any of the issues confronting them. The resolutions were simply put to the vote by the union bureaucrats who declared that they were passed unanimously.

The first resolution called for “an organised, planned and well-timed restructuring … to uplift not only the Ceylon Electricity Board, but the entire energy sector of the country… The conference proposes undivided support for a proper restructuring process carried out within a planned and practical time frame, without privatisation or divestment.”

The JUTA conference resolution, echoing statements issued by unions from other state-owned enterprises, Telecom, Insurance, Ports and Petroleum, declared privatisation to be a “grave threat to national security.”

National security according to the union bureaucracies, like the ruling elites, however, has nothing to do with protecting the working class and the labouring masses. It means the defence of capitalism and its state apparatus.

The Wickremesinghe government’s cabinet of ministers approved “a roadmap and timeline of the CEB restructuring process” in April, with the ministry of power and energy due to present its measures to cabinet this month. Under its plans the CEB will be divided into 15 units and sold off as separate companies.

Cabinet spokesperson Bandula Gunawardane explained the government’s overall restructuring/privatisation plans to the media on May 17.

“The aim of the policy is to transform [the SOEs],” he said, “is to make them market oriented … [with] a cost-reflective policy,” and not burden the country and the budget. The aim of restructuring, he added, is to “create an environment … to draw in

domestic and foreign investments.”

Wickremesinghe’s “market-oriented” agenda is a massive social onslaught against the population, severely impacting the jobs, wages and working conditions of more than half a million SOE employees. It is associated with drastic increases in the cost of electricity and other essential items. Electricity tariffs were increased in August 2022 and again this February by 75 percent and 66 percent respectively.

Last September, Power and Energy Minister Kanchana Wijesekara told the media that the CEB’s 26,000-strong workforce could be reduced by 50 percent, or 13,000 jobs, through a voluntary retirement scheme (VRS). A financial and human resources audit on how to further cut expenditure and workforce is underway.

Socialist Equality Party (SEP) members spoke with CEB workers attending the June 21 conference, distributing the party’s statement—“Oppose Sri Lankan government’s privatisation of state enterprises! Build workers’ action committees to fight for jobs and wages!” They discussed how to fight privatisation and other IMF austerity measures. Several workers expressed their views on restructuring, the role of the trade unions and the capitalist political parties.

A customer coordinating officer explained that CEB management had imposed restrictions on workers to stop them attending any protests. “A circular was issued a few days ago restricting participation in protests whilst on duty. So, I had to take some of my own leave to attend this conference,” he said.

The coordinating officer had been confused by the claims of the union leadership and believed that restructuring was not privatisation. “We must start restructuring from the top without giving away to the private sector,” he said.

After SEP members explained that restructuring was a first step to towards privatisation, he said: “If the [CEB is] privatised we will have to work hard until we are exhausted and we might even have to work from home. The minister pretends that a pension will be granted to us after privatisation but we do not accept that lie.”

The voluntary redundancy scheme, he said, will not exceed 2 million rupees (\$US6,480), after loans and other deductions were taken. “What can we do with this amount of money if we lose our pension?” he asked.

Another employee attached to the generation planning division in CEB’s head office in Colombo said privatisation would harshly hit workers and the rest of the population. “We will lose our jobs and people will suffer with increasing tariffs because the private companies are only concerned with profits,” he said.

A meter reader from Rathnapura condemned the trade unions and their promotion of CEB restructuring. “Restructuring is privatisation,” he said. “The government and the unions are trying to cheat both workers and the people.”

SEP members reminded him about last year’s mass upsurge and the general strikes in April–July that forced out the Rajapakse government. The unions, however, diverted the movement behind calls from the capitalist Samagi Jana Balawegaya and the JVP for an interim government.

“If the strike had continued, many changes would have come about but it got stuck halfway,” the meter reader said. “Yes, the

trade unions are going along different paths, surrendering themselves for benefits. This is therefore disadvantageous for us.”

SEP members explained that in order for workers to defend their jobs, wages and conditions they had to establish their own action committees, independent of the union bureaucracy. After some discussion he agreed that it was necessary to form an action committee in the CEB.

A worker from the Kelanithissa power station in Colombo condemned the trade unions and the capitalist political parties.

“The unions are not fighting to defend our rights. We’ve still not been paid last year’s bonus and medical allowance, and promotions have been stopped. I agree that we cannot stop privatisation by trying to pressure the government. We need a united struggle of the working class against privatisation, but the unions are not ready to do that. They betrayed our struggles in recent years,” he said.

The power station worker said he had no confidence in any of the capitalist parties. “They all cheat us,” he said. “I’ve learned important facts from you on the political situation and the issues that workers confront and I want to study more about your party and its program.”

The working class cannot stop privatisation without a unified struggle against the Wickremesinghe government and its IMF program. This requires the building of action committees independent of the union bureaucracy in every workplace, factory, plantation and working-class neighbourhood. It requires the unity of workers across Sri Lanka and internationally.

The struggle against the Wickremesinghe government is a fight against the capitalist state. What is needed is a workers’ and farmers’ government to implement socialist policies, including placing the banks and corporations, factories and plantations, under public ownership and the democratic control of the working class.



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