

Sri Lanka: Hundreds of thousands of public sector workers demand pay rises, oppose austerity measures

Our reporters
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Hundreds of thousands of Sri Lankan public sector workers demonstrated this week to demand pay increases and to protest against the Wickremesinghe government's social attacks, which are being dictated by the International Monetary Fund.

On Monday, about 100,000 central and provincial state services workers held a nationwide lunch-hour protest to demand a 20,000-rupee (\$US62) monthly pay increase. They also called for the reestablishment of a pension scheme denied to all public sector employees recruited over the past six years. Colombo scrapped a fully state-paid pension to new recruits in 2016, replacing it with a contributory pension deducted from their pay.

Development officers, state administrative services employees, village officers and postal workers joined Monday's protest. They chanted slogans opposing any state repression of their agitation.

Monday's protest was called by the Collective of State and Provincial State Services Trade Unions (CSPSSTU), a combine of over 40 trade unions, including the Development Services Officers' Union (DSOU), which is controlled by the opposition Janatha Vimukthi Peramuna (JVP). Members of the United Postal Trade Union Front and State Administrative Officers Association members also participated.

About 15,000 Public Health Inspectors held a two-day sick leave campaign that began on Monday, to demand an increase in oil and motorcycle allowances.

On Wednesday, more than 20,000 power workers held a one-day sick leave campaign opposing privatisation of the Ceylon Electricity Board (CEB) and increased electricity tariffs. They also demanded rectification of salary anomalies. Around 600 employees demonstrated outside the CEB head office in Colombo. The CEB trade union alliance, which organised the action, directed most of its members to remain at home.

On the same day, several thousand health workers, including nurses, attendants, laboratory professionals and office workers, staged a half-day strike and protested outside their respective hospitals across the country. The action, which was organised by the Health Trade Union Collective, called for a 20,000-rupee monthly wage increase, a five-day work week and several other

demands.

About 400 professionals, including doctors, university teachers and bank employees, held a separate protest on Wednesday, near the Lake House roundabout in Colombo. They were opposing the government's new Pay-As-You-Earn (PAYE) taxes. The Government Medical Officers Union called a district-wide one-day strike over the same demand yesterday.

This week's protests followed a demonstration on October 24 by over 4,000 teachers and principals outside the education ministry. They were demanding a 20,000 rupee pay hike and increased government spending on education. Police brutally attacked the protesters. On October 27, tens of thousands of teachers demonstrated in every major Sri Lankan city denouncing the police assault on their colleagues.

The rising tide of protests is another powerful expression of seething anger among working people against the Wickremesinghe government's attacks on social conditions and democratic rights. They are part of increasingly militant action by the international working class against job destruction and the rising cost of living.

Amid the unprecedented and ongoing economic crisis in Sri Lanka, the IMF agreed in March to release a \$3 billion bailout loan, extended for four years. In exchange, the IMF demanded sharp cuts in government expenditure. It has also insisted upon higher and more broadly-based income tax, along with increases in the Value Added Tax (VAT) and other imposts. The fund has called for the privatisation and restructuring of hundreds of state-owned enterprises and drastic reductions to the state workforce, together with higher electricity and water tariffs.

In September, the IMF withheld the second tranche of its bailout loan, demanding a harsher implementation of its austerity targets. The second instalment was released on October 20, after the IMF secured new spending cut pledges from Colombo.

Last week, the government increased electricity tariffs by 18 percent. That followed a 75 percent hike in August 2022 and a 66 percent rise in February this year. This week the government lifted the VAT from 15 to 18 percent. Gas and oil prices have

increased twice in the past two months.

Escalating inflation rates have eroded real wage levels. According to official statistics, taking the base year of 2013 as 100, real wages of public sector and private sector employees had declined to 58 and 82 points respectively by mid-2023.

While workers have demonstrated their determination to fight the rising cost of living and the government's IMF-dictated austerity, the trade unions are desperately working to prevent a political confrontation with the government.

The trade union bureaucracies continue to promote false claims that limited protests will force the government to grant a pay rise and halt privatisation and other social attacks in its 2024 budget. The budget will be presented to parliament on November 13.

This week, CSPSSU president Udeni Dissanayake said, "If the government does not give solutions to our demands in the November budget, we warn that it will face a huge struggle."

At the same time, Ceylon Electricity Workers Union (CEB) general secretary Ranjan Jayalal, who is a leading member of the JVP, declared: "If the government is unable to address our demands, next year will be a year of struggle. We also take these issues to the international."

This is hot air. The CEB backs the government's job-cutting, restructuring and privatisation measures. At its June conference, the union pledged to support "real restructuring" aimed at transforming state-owned enterprises into profit-making institutions.

While Jayalal demagogically spoke of a "year of struggle," this week Power and Energy Minister Kanchana Wijesekara presented his Electricity Sector Reforms Bill to the cabinet of ministers. Under this plan the CEB will be broken into 14 different parts with some handed over to private companies.

Workers protesting this week spoke to WWSWS reporters about the increasing impact of inflation on their living standards and voiced their anger against the trade union bureaucracy and the Wickremesinghe government.

A postal worker from Chilaw said his wages had not increased since 2016, but the cost of living had tripled during that time. "To be honest, 20,000 rupees is not enough to compensate for the huge increases to the cost of living," he said.

"I've been permanent for 23 years but my full salary, with all the allowances, is 54,000 rupees and half of that goes to pay for loan instalments. I'm unable to manage expenses for my two children," he added. The worker said it was necessary to fight IMF austerity but noted that the union bureaucracies were hostile to such a struggle.

A development officer who participated in Monday's protest said he did not think that the government would grant a salary increase. "Many other workers share the same thought. Like many of our colleagues, my monthly wage is exhausted within a couple of weeks. Those issues are not limited only to government employees. What about the rest of population? The

trade union leaders failed to mobilise workers in other sectors."

Attempting to deflect the rising mass opposition, President Wickremesinghe said last week that he has a plan to "increase wages" in the forthcoming budget. Even if this occurred, any increase would be well below the current rate of inflation and would not compensate for previous social attacks. In line with its recent hikes in electricity tariffs and the VAT, the government yesterday increased a special commodity levy on sugar by about 25 percent.

The working class is in direct confrontation with the Wickremesinghe government which has made clear that it will not tolerate any opposition to its vicious and escalating social assaults. Its brutal police attack on teachers on October 24 and on university students marching in Colombo to oppose the privatisation of universities makes this clear.

The union bureaucracies and the opposition parties, including the Samagi Jana Balawegaya (SJB) and the JVP, do not oppose the IMF's austerity program. Most of these trade unions are controlled by the opposition SJB and JVP and the ruling Sri Lanka Podujana Peramuna.

To fight for decent wages, against austerity measures and the accompanying state repression requires a united movement of the working class, independent of every faction of the capitalist class.

To wage such a struggle, workers must take matters into their own hands, rejecting the divisive efforts of the trade union bureaucracies to subordinate them to the capitalist parties and their interests. This requires the building of their own action committees in every workplace, factory and plantation.

Workers' social and democratic rights can only be defended in a political struggle against the Wickremesinghe government and the entire capitalist class in the fight for a workers' and peasants' government. It would implement socialist policies, including nationalisation of the banks, the major industries and plantations under the democratic control of workers.



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