

# Sri Lankan president announces wage rise to dissipate estate workers anger

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On May 1, Sri Lankan President Ranil Wickremesinghe declared that his government was increasing estate workers' daily wage to 1,700 rupees (\$US5.72), up from the current 1,000 rupees. He made the announcement at a May Day rally organised by the Ceylon Workers Congress (CWC) at Kotagala in the Nuwara-Eliya district.

Waving a government gazette issued the previous day, Wickremesinghe's jubilant announcement for tea and rubber estate workers is a fraud. CWC leader and current Minister of Plantation Infrastructure and Water Resources Jeevan Thondaman, and the media, later falsely declared the increase to be a massive 70 percent pay hike.

The gazette notification, however, makes clear that the so-called 1,700-rupee daily wage consists of 1,350 rupees and a 350-rupee "daily budgetary relief allowance," along with a 350-rupee "daily special allowance."

Another 80 rupees will be paid if workers pluck more tea or collect extra latex than the daily targets set by estate management. While these targets have not yet been decided, tea workers are currently required to harvest at least 18 kilograms per day, an exceedingly difficult amount. If they do not reach this target their wages are cut.

The gazette does not say who would pay the "daily budgetary relief allowance" or the "daily special allowance" and, even if these amounts are provided, the proposed 1,350 daily wage is regarded as the real wage when calculating pension funds.

Above all, the gazette states that any "objections to the proposed determination will be received by me [Commissioner General of Labour] until 12.00 noon on 15th May 2024." This is a clear call for the Regional Plantation Companies (RPC) to oppose the increase. It also means that there will be no wage hike until objections filed by the companies are discussed and resolved.

Making his announcement, Wickremesinghe feigned

concern for estate workers declaring: "It was the up-country people who suffered the most during the hard times. But they were the people who also worked hard to produce tea and ensured foreign exchange."

That Wickremesinghe has suddenly discovered the plight of estate workers is laughable. He has been a government minister and even a prime minister in several previous regimes which, like their opposition counterparts, did nothing for these workers while doing their utmost to boost estate profits.

Wickremesinghe's so-called pay hike will do little to overcome the massive increases in the cost of living for plantation workers and their families, let alone lift them out of the desperate social abyss they confront.

Estate workers suffer endemic poverty, unemployment, and malnutrition, and lack proper basic social facilities, such as housing, health and education.

According to the 2023 Household Survey on the Impact of the Economic Crisis and the Sri Lankan Department of Statistics, the cost of household expenditure of the plantation sector population has risen by 90.3 percent since the COVID-19 pandemic.

The Sri Lanka Medical Research Institute's 2023 report found that overall anemia among the estate population is now 14.3 percent. Malnutrition among children aged between 6 and 59 months is 40.3 percent, with 33.1 percent suffering from stunted growth and 30.2 percent underweight. Most estate workers, moreover, live in 10x10 feet (3x3 metre) barrack-type line rooms built during British colonial rule.

The real aim of Wickremesinghe's wage increase is to defuse the rising anti-government anger of estate workers against his government and its International Monetary Fund-dictated austerity measures that are endorsed by all the plantation unions and other trade unions.

Wickremesinghe has indicated that he will contest the forthcoming presidential election and, with the assistance

of the trade unions and the CWC in particular, is desperately seeking to win plantation workers' votes.

The Planters Association of Ceylon (PA) and Employers' Federation of Ceylon (EFC) immediately rejected the government's wage proposal, declaring that it would lodge objections and, if necessary, take legal action to block it. A media statement by the PA said it was "very concerned that the announcement, remarks by government officials and the tone of media coverage, is raising expectations that could lead to disappointment and unrest."

CWC general secretary Senthil Thondaman told *News First* that the "1,700 daily wage for plantation workers was decided by the government and the plantation companies must obey the law. If not, the government must take action." Minister of Plantations Industries Lohan Ratwatte also issued a similar bogus threat: "Either they do it or we take back the RPCs (Regional Plantation Companies)."

In March, the PA advanced two counter wage models to the government's proposal. The first is a total 1,200-rupee daily wage tied to workers' attendance. If workers failed to observe the company-dictated attendance rule they would only be paid 1,000 rupees. The second proposal is a 1,300-rupee daily wage but with a higher daily harvest workload of 20 kilograms, two kilos more than the current 18 kilo quota. If a worker plucks more than 20 kilos they would be paid an additional 65 rupees per kilo.

In April 2021, President Gotabhaya Rajapakse's government announced a 1,000-rupee daily wage via a gazette notification in an attempt to undermine estate workers' strikes for a higher wage. The PA initially rejected the increase only to accept it after judicial intervention. However, it then devised various methods, including increasing daily production targets, to avoid paying the higher daily wage.

The CWC and all the other plantation unions, including the National Workers Union (NUW), the Lanka Jathika Estate Workers Union (LJEWU), the Up-Country Peoples' Front and the Democratic Workers Congress have endorsed the Wickremesinghe's new wage proposal. All these unions, apart from the LJEWU, are aligned with the Samagi Jana Balawegaya, the parliamentary opposition.

The All Ceylon Workers Union, which is controlled by the Janatha Vimukthi Peramuna (JVP), has called for a 2,000-rupee daily wage for estate workers. It has no significant following in the estates, however, and always

falls into line with the other unions' pro-company wage policy.

The RPCs for a decade have attempted to impose a productivity-based revenue share model (RSM), under which plots of around 1,000 or more tea bushes are allocated to a worker and his family to maintain and harvest. Workers' basic social rights, including pensions and other benefits, are eliminated under this model, with workers only paid a portion of the income from the tea harvest, after the companies deduct their costs and profit margin.

While estate workers have opposed this exploitative, cost-cutting system and protested in several estates where it was implemented, the RPCs, the government and the estate unions continue to collectively work to impose this reactionary model. The RPCs consistently complain about "high labour costs" in Sri Lanka while demanding greater productivity to compete with other tea-exporting countries, such as Kenya, China and India.

Addressing a May 2 press conference, NUW leader P. Digambaram called for an end to the daily wage system and urged for sections of the plantations to be leased to workers. "Paying 100 rupees per kilo of tea leaves is a better way to solve this problem," he declared.

Estate workers cannot depend on the trade unions to fight for decent wages and their basic social rights but must take this struggle into their own hands. This means rejecting the imposition of any wage deal negotiated by the government, the RPCs and the trade unions and advancing their own independent demand for a decent monthly wage indexed to cost of living with paid leave, including medical leave, and proper housing.

To organise this struggle requires the formation of democratically elected workers' action committees in every estate, independent of all capitalist parties and the trade unions, and in unity with other workers fighting the Wickremesinghe government's austerity measures.

Such a fight must be based on the struggle for a workers' and peasants' government to implement socialist policies, including nationalisation of the plantations, the banks, and other major capitalist corporations under workers' control and in unity with class brothers and sisters internationally.



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