# Sri Lanka: Confronted with mounting electricity workers' discontent, union leaders threaten strike action

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**26 January 2026**

Under pressure from their members, Ceylon Electricity Board (CEB) trade union leaders threatened last week to call a strike if their demands are not granted before the scheduled break-up of the state-owned enterprise, which employs over 20,000 workers, into six new state-owned companies.

The same union officials shut down all workers' actions four months ago, clearing the way for the government to finalise the CEB's liquidation. They have now been forced to call for strike action as unrest has grown among employees over the uncertainty of their jobs and working conditions in the new companies.

The Power and Energy Ministry and the CEB had planned to complete the restructuring of this state-owned institution by the end of January and to begin operations of the six new companies on February 1. The restructuring is part of the International Monetary Fund's (IMF) austerity program, which targets more than 400 SOEs for privatisation or commercialisation.

On January 20, leaders of the Joint Alliance of CEB Trade Unions (JACEBTU) held a media conference, warning that if Energy Minister Kumara Jayakody failed to meet and discuss their demands, "all employees of the Electricity Board will go on strike."

The unions also called for the gazette abolishing the CEB, due to be issued at the end of this month, to be delayed. But they have yet to announce any date for possible strike action.

The JACEBTU consists of about 20 unions, including the CEB Freedom Employees Union (CEBFEU), Sri Lanka Electricity Technicians Association, CEB Engineers Union, Technological Engineers and Superintendents Union (TESU), Jathika Sevaka Sangamaya, Joint Electricity Workers' Union and Samagi Sewaka Sangamaya.

The unions' demands were first raised in September and included full payment of workers' outstanding entitlements prior to the abolition of the CEB, with guarantees of existing rights—salaries, promotions, loans, pensions, leave, and the resolution of industrial disputes—in the new companies. These conditions were to be formalised in a collective agreement with the government.

On September 17–18, CEB employees participated in a union sick-note action and a work-to-rule campaign in their first major protest action against the Janatha Vimukthi Peramuna/National People's Power (JVP/NPP) government. The union leadership, however, abruptly suspended the campaign, claiming that Minister Jayakody had agreed to their 24 demands at talks on October 13.

While the government addressed some issues related to the activities of the CEB, including outstanding payments, it ignored demands related to the new companies and continued its preparations to transfer CEB assets to the new bodies. This means the government will allow the new companies to abandon previous CEB working conditions and determine employment according to their own requirements.

While over 2,000 employees have applied for retirement under the CEB's Voluntary Retirement Schemes (VRS), the Energy Ministry has not made the promised retirement payments. These delays and other broken promises have increased concerns and anger among workers, compelling the JACEBTU leadership to threaten strike action unless the planned breakup of the CEB is postponed, talks held and a collective agreement signed.

The Socialist Equality Party (SEP) warns workers not to be deceived by the JACEBTU's empty rhetoric. As past experiences show, any action called by the union bureaucracy is designed to let off steam and allow it to negotiate a new trap. Even if a collective agreement is signed, it can be easily torn up.

Addressing the media on January 20, JACEBTU leaders reaffirmed their support for the CEB restructuring—their differences are only over how it will be implemented—and openly backed the IMF's austerity program.

As CEBFEU leader Priyantha Prabath told a press conference last September: "We are still a poor country,

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[but] we are moving forward with assistance from the IMF. Large power projects require foreign investment." Prabath's comments express the position of the entire trade union bureaucracy in Sri Lanka.

Many of the JACEBTU unions are affiliated with the ruling JVP/NPP or the parliamentary opposition parties—the Samagi Jana Balawegaya, United National Party and Sri Lanka Freedom Party—all of which support the IMF program and previously enforced its austerity measures.

CEB workers must draw political lessons from past struggles. While previous attempts to privatise the institution were temporarily halted, the drive for privatisation and job destruction remained. Sri Lanka's ruling elite depends on the union bureaucracies to divert and diffuse working-class resistance.

Sri Lanka's 2022 financial collapse, amid a deepening global economic crisis, and its default on foreign debts meant the privatisation of the country's state-owned sector could no longer be delayed. Bailout loans from the IMF required the implementation of what its own officials described as a "brutal experiment," with the Wickremesinghe government passing legislation to restructure and privatise the CEB.

Under pressure from its members, the CEB union alliance—then led by a JVP-affiliated union and headed by Ranjan Jayalal, one of its party leaders—called limited protests in January 2024. The government responded by invoking draconian Essential Services laws and suspending 62 workers.

In June 2024, the JVP trade union wing ordered all its unions to halt industrial action, declaring that this would damage the presidential election campaign of JVP/NPP leader Anura Kumara Dissanayake, who falsely promised to "re-negotiate" the IMF program. The JVP-led CEB union obeyed the directive, with others following.

Once in power, Dissanayake dumped the promise to renegotiate the IMF program and swiftly moved to implement its dictates, including the restructuring of the CEB. A new Electricity Amendment Act was passed with cosmetic changes to the Wickremesinghe government's Act. When CEB workers protested last September against the amendment, the JVP-led union openly opposed any action.

Dissanayake branded workers' opposition as "reactionary," hailed IMF austerity as a "progressive transformation," and reimposed the Essential Services Act on the CEB, banning industrial action. Under these threats, the rest of the CEB union bureaucracy capitulated, entered talks with Minister Jayakody, and shut down all action in October.

The fake-left Frontline Socialist Party (FSP) has made rhetorical criticisms of the government, but its trade union arm, the so-called Workers Struggle Centre, has collaborated closely with the CEB union leadership's betrayals throughout.

In July last year, the FSP formed the Joint Electricity Workers' Union (JEWU), but rather than challenge the JACEBTU leadership, it has worked to whitewash it. Operating within the alliance, it repeats the same duplicitous rhetoric, serving as another mechanism to keep workers tied to the pro-capitalist union apparatus.

JEWU president Charitha Sri Chinthaka claimed on January 6 that a collective agreement proposed by the JACEBTU would safeguard workers' rights in a "systematic and orderly manner." In other words, IMF restructuring of the CEB is acceptable if it is carried out "systematically" through agreements with union leaders.

Like the rest of the trade union bureaucracy, the FSP opposes the independent mobilisation of the working class against the IMF program and the JVP/NPP government enforcing it.

The FSP insists that President Dissanayake and his government represent "people's expectations." These claims are a desperate attempt to hide the reality that the JVP-led government is fully implementing the demands of Sri Lanka's ruling elite and international finance capital.

In opposition to the desperate political manoeuvres of these trade union bureaucracies, the SEP and the Collective of Workers Action Committees (CWAC) call for the independent mobilisation of workers against IMF austerity and the JVP-led government.

From the outset, the SEP and CWAC have urged workers to form their own action committees, independent of the trade union bureaucracies and all capitalist parties. Such committees would allow workers to democratically decide their course of action and unite with workers nationally and internationally. Such organisations provide the only way forward for CEB workers fighting to defend their jobs, wages and hard-won conditions.

This struggle is bound up with the mobilisation of the working class against privatisation and for a socialist program and a workers' and peasants' government, in which all SOEs are placed under workers' democratic control, all major companies, industries and banks are nationalised, and all foreign debts repudiated.

The SEP urges CEB employees—and all workers—to contact us and discuss this program.

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