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Workers'
Chargesheet against
Congress-led
Government



THE WORKING CLASS AND THE FORTHCOMING ELECTIONS

For the working class battling the impact of recession, the forthcoming Lok Sabha elections are a crucial political challenge, the outcome of which will decide the fate of millions of working people.

The Congress-led UPA Government is in a state of utter denial about the recessionary impact on the working class. It has taken not a single step to protect the jobs and service conditions of the workers. Its interventions have been designed as corporate bailouts, while workers' interests have been ignored. This callousness towards the plight of crores of working people hit by recession in the organised and unorganised sectors comes as an added blow to the five years of incessant attacks on the working class during the UPA rule. Even as employers are being handed concession after concession, the UPA Government in contrast has refused to even begin the seventh round wage settlement negotiations for public sector workers which fell due in January 2007. The only agreement reached is for the coal industry. It was in this period that the judiciary made an all out attack on the rights of the working class to go on strike. This government could jump to the defence of every corrupt corporate, refused to enact any legislation to guarantee the workers' right to collective bargaining including the use of the weapon of the right to strike.

In this entire period, the BJP-led NDA, the recognised main opposition party, did not raise a single policy issue to protect the working class. On the contrary their main criticism of the UPA was that they did not undertake so-called labour reforms under the pressure of the Left.

Indeed, it was only the Left parties through their militant interventions in Parliament and outside which could to an extent put a brake on the onslaught against the workers and employees.

The neo-liberal policies have intensified the exploitation of workers and intensified social inequalities.

THE COMMON MINIMUM PROGRAMME

When it assumed power, the UPA Government under pressure of the Left parties had to include some pro-worker assurances in its Common Minimum Programme. This is what they said in the CMP:

- “The UPA Government is firmly committed to ensure the welfare and well-being of all workers, particularly those in the unorganised sector who constitute 93% of our workforce. Social security, health insurance and other schemes for such workers like weavers, handloom workers, fishermen and fisherwomen, toddy tappers, leather workers, plantation labour, beedi workers, etc., will be expanded.
- “The UPA rejects the idea of automatic hire and fire. It recognizes that some changes in labour laws may be required but such changes must fully protect the interests of workers and families and must take place after full consultation with trade unions. The UPA will pursue a dialogue with industry and trade unions on this issue before coming up with specific proposals.
- “The UPA Government firmly believes that labour-management relations in our country must be marked by consultations, cooperation and consensus, not confrontation. Rights and benefits earned by workers, including the right to strike, according to law, will not be taken away or curtailed.”

On the Public Sector, the CMP committed the following:

- “Generally profit-making PSUs will not be privatised.
- “The UPA Government will retain public sector companies in the public sector.”

The CMP commitment on employment was:

- “The UPA Government will immediately enact a National Employment Guarantee Act. This will provide a legal guarantee for at least 100 days of employment to begin with on asset-creating public works programmes every year at minimum wages for at least one able-bodied person in every rural, urban poor and lower middle-class household.”

But in practice, the Congress-led government did just the opposite.

The betrayal on each and every point by the UPA is the workers’ charge sheet against the Congress-led government, which as far as workers’ rights are concerned, was the proverbial animal which can never change its spots.

CHARGE 1 YOU TOOK AWAY JOBS

Far from providing new jobs, under the UPA regime at least one crore jobs vanished as a result of its policies of a ban on recruitment, abolition of posts, casualising and contractualising the work force.

The UPA Government and the NDA before it have pushed policies of outsourcing, of changing the service conditions of regular work into contract labour and casual labour thus depriving workers of their legitimate rights, forcing them to work at very low wages. The Central Government itself has taken the lead in this. There is no job recruitment in government departments, defence production units, public sector units, in banks and financial institutions, etc. The much praised turnaround of the railways for example has much to do with the ruthless slashing of regular jobs and privatising and outsourcing of many of the services. In other words, the railways earns profits at the cost of the workers.

In the private sector, even in organized, high tech industries regular workers have been substituted by contractors workers who are retrenched at will. Job security has decreased drastically in various areas of industry like mining, services, IT sector, civil aviation, and so on. As per documents of the Ministry of Labour, the number of workers in regular employment out of the total work force has come down from 9% to only 5% in the last decade, which means more than one crore regular jobs have vanished in this period. As for registered unemployment the situation worsened further. The number of unemployed in live register of employment exchanges was 41.4 million as per the Annual Report of Ministry of Labour for the year 2007-2008. This means 5 lakh additions in the live register since UPA came to power.

This does not take account the estimated job loss of more than 5 million workers during the last 6 months due to global financial melt down.

The ban on recruitment has especially hit the dalit and tribal youth who have suffered directly due to a reduction in the reserved quotas. Moreover the promise to introduce reservations in the private sector was not implemented. The elitist casteist mentality of the corporate sector reigned supreme as the UPA Government did not have the political will to force the corporate sector to accept reservations.

CHARGE 2

YOU TURNED US INTO SLAVE LABOUR

This “deregulation” in employment conditions means that employers are given complete freedom to decide wages, working hours, benefits and social security of the workers and most importantly in practice a policy of dismissal and retrenchment was put in place. The labour laws were practically put on hold.

Workers had won hard earned rights under various laws which have been monitored under labour inspectors of the central and state governments. But with the advent of neo-liberal policies, in the name of abolishing inspector raj, the Congress-led government, following in the footsteps of the previous BJP-led government has demolished the entire labour laws enforcement machinery. This single step has helped the employers to intensify the exploitation of labour to unprecedented levels. The Factory Act stipulates 8 hours work per day. But 12 hours or more work per day has become the rule under the NDA and UPA regimes. In the garment sector, the hours of work were officially increased to 12 hours without overtime by the UPA Government.

Workers have suffered big losses in terms of denial of a minimum wage. Wages are notified by state governments for different industries, plantations, services, construction, etc. But with minimum wage inspectors being withdrawn in many states encouraged by the central government, the employers imposed wages far below the notified minimum wage, taking advantage of the vulnerability of the work force and the desperate need for work. A report of the International Labour Organisation says that 30 crore Indian workers work for less than a dollar per day. Both NDA and UPA governments promoted this system to help the employers earn huge profits.

Shockingly, the share of wages in the net value addition in industry in India is amongst the lowest in the world. According to NSS data, it had come down to just 12 per cent in 2006 compared to 30 per cent in the nineties.

Instead of helping the small scale enterprises against unfair competition *vis-à-vis* large industries or facilitating their access to bank credit, the UPA Government encouraged them to devise ways and means to deprive the workers. As a rule, these enterprises don't show more than 19 workers on

their registers, to avoid PF, ESI, accident and other legal benefits, even if they employ more people. Most of the time they divide workers into 2-3 fictitious companies. Poverty forces the workers to work without name and identity.

The UPA government has given the employers further concessions. They need not file their returns as required under law. As a result 94% of workers in unorganized and informal sector are totally unprotected.

In the “newer” industries like the IT sector, the UPA Government has given huge concessions to the employers. But in contrast, the conditions of IT workers are terrible and have been appropriately compared to a Roman slave ship where slaves were always under threat of being thrown into the sea if the slightest problem were to arise. Today IT sector employees are literally being thrown out of jobs in thousands, when profits are even marginally down. Yet even minimum rights of collective bargaining for better service conditions and wages are denied to them.

In the so-called SEZs, the UPA Government has refused to make amendments to the Act regarding the extension of the full labour laws to the SEZ within the legal framework and organisational machinery of the government. Instead it persists with its total dilution of workers’ rights.

CHARGE 3

YOU MADE A MOCKERY OF THE RIGHTS OF UNORGANISED WORKERS

Over 40 crore unorganised workers constitute the largest section of workers in rural and urban India. Among them a substantial section are women, an increasing number working in extremely low paid jobs as domestic workers or taking in outsourced work as home based workers. The National Commission for Enterprises in the Unorganised Sector had, in consultation with the trade unions, made very important recommendations for guaranteed wages, work conditions and social security schemes for these sections to be backed by central allocation of funds. The UPA Government in the first instance rejected the recommendations and produced a draft which made a mockery of the Commission. The Standing Committee of Parliament also rejected the draft and recommended that it be scrapped and a new legislation drafted based on the Commission’s recommendations. But in a blatant display of its contempt for the working

class, the UPA Government pushed through a truncated legislation which is high on rhetoric and near zero in substance.

The legislation is a fraud on this vast workforce as:

- The Social Security Schemes are limited only to those who have BPL cards. As is known the vast section of India's working people have been denied BPL cards because of the spurious and dubious estimates of poverty. In rural India an adult earning over 11 rupees a day is not included. In urban India an adult earning around 18 rupees a day is not included. This bogus condition was also sought to be imposed for the eligibility of beneficiaries under the Rural Employment Guarantee Act. It was only because of the CPI(M) and Left parties that this obnoxious clause was removed. But in the case of the Unorganised Sector Workers Act, in the changed political circumstances after the withdrawal of support by Left parties, the government pushed through this clause.
- The Act does not provide any time frame by which all the workers will be covered.
- The Act does not provide for any specific grievance-redressal machinery.
- The Act does not provide for any dedicated fund from which the social security schemes would operate.

Moreover for agricultural workers, the UPA made a clear commitment in NCMP that "The UPA administration will ensure fullest implementation of minimum wage laws for farm labour. Comprehensive protective legislation will be enacted for all agricultural workers".

After 5 years both these promises remain unfulfilled.

CHARGE 4

YOU DEALT A BLOW TO WORKING WOMEN'S RIGHTS

In addition to all the above charges, specifically in the areas where the majority of workers are women, the UPA Government's policies have been particularly callous. For example, lakhs of women are employed as anganwadi workers, helpers, as accredited social health activists (ASHAs) or mid-day meal workers. The government has burdened them with

onerous responsibilities far beyond the work mandated by their service requirements. Yet they have been denied even minimum benefits. For example ASHAs are the women who carry a major part of the burden of work connected with the Rural Health Mission. They do not get a regular allowance, but have to depend on so-called incentive schemes, under which average earnings are a pittance – around Rs 600 per month. Women who make the mid-day meals for children in school also have no fixed allowances or benefits. The salaries of anganwadi workers were increased after several struggles of the workers, yet it is just about one-tenth of what they would get as regular government employees. Even after working for two decades, when an anganwadi worker or helper retires she is not entitled to any retirement benefits, not a single paisa.

At the workplace there have been increasing cases of sexual harassment of women workers both in the organised as well as the unorganised sector. Yet the UPA Government has refused to bring a law to protect women at the workplace even though the Supreme Court had suggested the guidelines over twelve years ago. A large number of young women working in the IT sector have to do night shifts. The shocking cases of sexual assault and murder should have made any government which claims to be even minimally sensitive to women's security requirements bring legislations to mandate women's security in the night shift. This government failed to do so.

CHARGE 5

YOU ATTACKED OUR PROVIDENT FUND AND PENSION RIGHTS

Only 4 crore workers are covered under the Provident Fund scheme. Recently the UPA government brought down the threshold (eligibility) number from 20 to 10 workers in all establishments. But this long standing demand of the workers remains on paper as no action has been taken to implement it.

The NDA and UPA governments brought down the rate of interest from 12% to 8.5%. The UPA Government wanted to bring it down even further but was prevented from doing so by the trade union movement and the Left parties. But 30 per cent of the retiral PF money is already gone. The UPA Government is responsible for this. A major part of the accumulated fund under PF and EPS-95 is taken by the government in the

Special Deposit Scheme on which the government used to pay interest at 12% which has been brought down to 8% now. The UPA has given huge benefit to employers by giving cheap credit at low interest and punished the workers by reducing the only old age benefit available to them.

The EPS-95, viz. Employees' Pension Scheme has proved to be a big fraud. The scheme had its funding from the employers' contribution equivalent to 8.33% of wages of the workers. As of now the government records shows that more than one crore workers who are PF members, but are out of EPS-95 because the employers have stopped their contribution. The EPS-95 has all but collapsed, resulting a huge loss to the workers. Barely 10 per cent of the retired workers have been able to get pension, the amount of pension is ridiculously low and the record keeping and delivery mechanism is so poor that getting pension is nearly impossible.

The Congress-led government shamelessly worked for the benefit of finance companies who wanted to get their hands on the crores rupees of workers savings to speculate with on the stock market. In spite of opposition from the trade unions and the Left parties, the government decided to invest PF money in the share market through private fund managers like HSBC, Reliance Capital, ICICI Prudential. The UPA Government could do it only after withdrawal of support by the Left parties. This has put the workers only savings in great danger as the share market is collapsing everywhere in the world.

IN CONTRAST: THE ROLE OF THE LEFT

Only the Left parties prevented the situation from getting even worse. Both inside Parliament and outside in support of the huge resistance movements of all sections of the workers, the left parties showed their firm commitment to the rights of the working class and to protect the fundamentals of the Indian economy. Only the Left parties halted the untrammelled policy of globalisation, liberalisation and privatisation that the government wanted to push through.

To Defend the Public Sector

In contrast to the policies under the NDA Government, the Left parties played a historic role to prevent the privatisation of even a single Navratna company during the period it supported the UPA Government.

The UPA Government early on in its rule tried to disinvest BHEL, a Navaratna PSU. This was stalled by Left Parties when they threatened to boycott UPA-Left Coordination Committee.

The government decided to privatise four major airports of Airports Authority of India (AAI), a profit making PSU. Because of the opposition by the Left parties, they had to limit it to two of the four which was also strongly opposed by the Left. When the AAI employees went on strike against privatisation, UPA Government wanted to invoke ESMA against them. This was resisted by Left parties and they forced the Government to negotiate with employees. Shockingly today, the assurance of the government to the workers, trade unions and on the floor of parliament that no workers would be retrenched is being blatantly violated. At a time when elections have been declared, the government is forcing workers to either retire or to join the private company. The private company on its part has announced that it has filled up its requirements of staff. Thus a large majority of workers in Mumbai and Delhi airports face retrenchment and joblessness.

The Left also foiled the attempts of UPA Government to disinvest Neyveli Lignite and NALCO and got an undertaking from the government not to disinvest any Navaratna PSU in future. It was only because of the Left, that UPA, inspite of their backdoor manoeuvrings could not privatise public sector units as was done by NDA Government when 30 PSUs were privatised at throwaway prices.

To Save Banks and Insurance

Every effort was made by the UPA Government to push through legislation to bring FDI into the insurance and banking sectors. Today in the entire capitalist world there is a severe crisis and bankruptcy of the most well known banks and insurance companies. If this has not happened in India it is solely due to the persistence of the Left parties in defending these crucial sectors against the efforts of the UPA Government in the form of two laws. Firstly to increase FDI in the Insurance Sector from 26 per cent to 49 per cent. Secondly to permit 74 per cent FDI in banks by allowing them representatives on the Board. The Left parties blocked these legislations which were against the national interest thus protecting the interests of the public sector and the thousands of employees working in these sectors.

To Save the Retail Sector

It was the Left parties which similarly blocked FDI in the retail sector, which otherwise would have led to loss of livelihood of crores of people. If Walmart was stopped from bringing its predatory practices into India, it was because of the Left parties. In countries where Walmart operates, it has retrenched thousands of employees in the name of recession.

To Protect Pension Funds

Every effort was made by the UPA to push through a legislation to privatise the funds of employees. In the US where pension funds were handed over to private players, millions of dollars of workers funds have been wiped out in the crash of stock markets in the global crisis. The UPA Government tried very hard to hand over the workers' and employees' funds to private financial companies. The Left parties prevented this from happening.

To Uphold Labour Rights

In almost every Parliament session the UPA Government tried to bring a legislation to take away the labour rights of workers and to permit employers to fire workers at will. The Left parties prevented such a law from being passed.

ALTERNATIVE POLICIES

The CPI(M) stands for alternative policies: the protection of the public sector, the protection, defence and advance of the rights of workers and employees, the extension of protective legislation as well as social security schemes backed by Government funds to the unorganised sector.

In the three States where the CPI(M) is in Government, *the above alternative policies have been clearly reflected in the governance.*

Defence of Public Sector

In Kerala after the LDF came to power in 2006, it overruled the decision of the previous Congress-led government to privatise/close down some of the State Government Undertakings and instead took measured steps to revive these undertakings. In West Bengal also there has been concerted effort for turnaround of State PSUs which were sick, leading to reduction

of financial loss and increase in profitability. Unlike BJP and Congress governments in other states, the power sector in Left-led states of Kerala, West Bengal and Tripura has been kept under state control inspite of pressure from central government to privatise State Electricity Boards. Even in the case of saving sick Central Government PSUs, state governments of West Bengal and Kerala had been taking a leading role along with the trade unions to exert pressure on the succeeding governments at the centre who were bent on closing such central PSUs.

Schemes for Workers

The State Government of West Bengal has the scheme for giving Rs. 1000 per month as relief to the workers of closed factories. The State has a provident fund scheme for workers in unorganised sector as well as landless agricultural workers.

Stimulus Package

The pro-worker approach of the Left-led state governments of Kerala and West Bengal becomes clear from the nature of the package offered by them in the wake of present global financial meltdown.

The special package of Rs 5106 crore announced by the Government of West Bengal is mostly direct expenditure from the government fund for, Special State Housing Scheme, rice at Rs 2 per kg to BPL population through PDS, bank loan to self-help groups at subsidised 4% rate of interest, special programme for employment generation in horticulture, animal resource development and fishery, special relief and development package for handloom sector establishment of block level godown for procurement of paddy and other foodgrains, development of one cluster for small-scale industry in each block, setting up of land-bank for large and medium scale industry development of roads, bridges and construction of east-west Metro, setting up of 1000 Vocational Training Centre in the schools, recruitment of 50,000 primary teachers, setting up of new Madrasas, increase in remunerations of part time school teachers, part time college teachers, para-teachers, helpers, etc., in the education sector.

Similarly, the package released by the Kerala LDF government includes rice at Rs 2 per kg, increase in the amount of pension under State Pension Scheme, debt relief on housing loan to 41500 families, package of Rs10,000 crore for infrastructure development comprising drinking water,

irrigation and other public-work projects, housing scheme, Rs 800 crore for revival and diversification of state PSUs, enhancement of the procurement prices of paddy by Rs2 per kg over and above the central government rate, Rs 25 crore for farmers' debt relief, Rs 10 crore for debt relief of fisherfolk, welfare fund for non-resident Keralites returning to Kerala owing to recession, etc.

CONCLUSION

The CPI(M) calls upon the working class to hold accountable Congress-led UPA Government and the earlier BJP-led government for their anti-worker policies and practice. The elections provide the opportunity to the working class to give a befitting reply to these anti-worker parties and forces and to take up the challenge of mobilising workers towards the formation of a non-Congress, non-BJP, secular, pro-worker alternative government at the centre.

Vote CPI(M)

**Strengthen the Left and Democratic Forces to Ensure
an Alternative Secular Government at the Centre.**

Vote CPI(M)



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for an
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