

JOINT NATIONAL CONVENTION OF WORKERS IN CPSUs

Hyderabad: 2nd July 2016

DECLARATION

The Joint National Convention of CPSU workers held on 2nd July 2016 at Hyderabad was attended by Central Trade Unions leaders and representatives of unions affiliated to Central Trade Unions as well as the independent trade unions from all major CPSUs. The convention unanimously resolved to participate to the nationwide General Strike on 2nd September 2016 jointly called by the Central Trade Unions and National Industrial Federations on 12 point Charter of Demands on the most burning issues confronting the working class.

The convention noted that the NDA Government is desperately moving ahead for mega strategic sale of huge national assets of CPSUs. They have pronounced a disastrous policy called 'Mega Strategic Sale' which involves handing over the management of the company concerned to the private equity buyer. Job security of the employees of the CPSUs is under attack of forcible retirement scheme.

BUDGET 2016-17: DIABOLICAL DESIGN FOR OUTRIGHT PRIVATISATION

The Union Budget-2016-17 has fixed disinvestment target of Rs.56, 500 crore with a break-up of Rs.36, 000 crore through minority stake sale and Rs.20, 500 crore through strategic sales. Apart from equity sale, government has declared that it will go for sell out of land, buildings, manufacturing units and other assets owned by CPSUs.

Further the NDA Government has launched new onslaught, what is called a set of comprehensive 'guidelines' directing the CPSUs to pay enhanced minimum dividend payouts of 30% of net profit, buyback of equity and mandatory bonus shares by CPSUs who have stipulated amount of cash reserves to the Government and other private share holders. Under this new directive the amount of dividend to Government by CPSUs in 2016-17 shall go up from Rs.44, 365.00 crores to 53, 883.00 crores. Thus only under the two accounts – dividend and disinvestment the NDA Government shall take away more than one lakh crores from CPSUs.

The Government has replaced the practice of case by case approval for stake sale of CPSUs by Union Cabinet and instead the NITI Aayog (erstwhile Planning Commission) has been empowered to exercise full authority to decide stake sale, asset sale and outright privatisation. In the meantime the Government has renamed the Department of Disinvestment to Department of Investment and Public Asset Management (DIPAM). And now the NITI Aayog has submitted a comprehensive proposal to Prime Minister involving outright privatisation, strategic disinvestment etc. with a list of 74 CPSUs.

Apart from the attack of privatization, the Government has decided to allow FDI in almost all key sectors including Defence, Coal, Petroleum, Mining, Power Sector, Telecom, Civil Aviation, Satellites, Construction, Insurance, Pension Funds, PSU Banking, Railway operations and maintenance, Multi brand retail, pharmaceuticals and so on. Now again the Government has further liberalised the norms to increase 100% FDI in strategic and sensitive sectors. This will lead to a serious situation of loosing effective control of the nation on most of the strategic and core sectors of the national economy. This will adversely affect CPSUs operating in the concern field such as Defence PSUs providing remarkable services to defence forces. Ironically the Prime Minister has proudly proclaimed that India has now become 'the most open economy in the world for FDI'.

DESTROYING LABOUR LAWS AND ATTACKING TU RIGHTS

The NDA government at the centre and also some of the State Governments are dismantling the Labour Laws and thereby snatching away vital trade union rights and legislative protections to workers. Such move shall adversely affect the workers of public sector the most. Five Labour Codes have been prepared by merger of present laws and abolition, alteration and addition of

existing provisions in all the 44 Labour Laws and has already been lined up for adoption in Parliament. The disastrous outcome of these processes will be earth shaking for the world of work. More than seventy per cent of the industrial establishments in the country and their workers are thrown out of the purview of almost all labour laws. Major Labour Legislations like Trade Unions Act, Industrial Employment (Standing Orders) Act and Industrial Disputes Act, Payment of Wages Act, Payment of Bonus Act, Minimum Wages Act, Equal Remuneration Act and so on are designed to be abolished and merged into the Labour Codes.

RETROGRADE CHANGE IN SERVICE CONDITIONS OF CPSUS WORKERS

The Modi Government has issued directive to the Central Public Sector Enterprises (CPSE) through Department of Public Enterprises (DPE) to incorporate punitive provision in their Conduct, Discipline and Appeal (CDA) Rules/Service Rules empowering the management with arbitrary authority to forcibly retire employees from services in the name of "ensuring probity and efficacy". Empowering management with the authoritarian power to unilaterally assess the 'probity and efficiency' of workers will, in effect, impose slavery on workers. And as such this decision of the Government is going to suppress the trade union movement. Moreover, in the midst of the 'Mega Strategic Sale' mission of the Government, this decision amounts to introduction of repressive private sector management practice in CPSUs and also dubiously aimed at miming the opposition of public sector workers to sell out of public sector industries.

ENTRY OF PRIVATE INDUSTRY AGENTS IN MANAGEMENT OF CPSEs

Modi Government has amended the Public Sector Recruitment Rules retrospectively providing appointment of candidates from private sector in very senior management positions in CPSUs and also in the PESB (Public Sector Enterprise Selection Board). The argument from the Government is that this will help CPSUs in getting 'capable and efficient' hands from private sector. A motivated campaign is unleashed that such steps of the Modi Government shall help in achieving better performance in the CPSUs. This is nothing but yet another step by the Government to deploy private sector agents to sabotage public sector from within. The so called efficiency of private sector is by stealing professional secrets and by poaching Executives from public sector.

MENACING SITUATION OF CONTRACT WORKERS

The joint convention expresses serious concern at the alarming increase in number of contract workers and decrease in permanent workers in CPSUs. Contract Work force has already attained extra ordinary numerical and strategic strength in PSUs as a whole. This situation calls for more close cooperation between regular and contract workers. Despite huge contribution of contract workers in the production, productivity and profitability of the PSUs concerned, they, (the contract workers) are victims of despicable exploitation in the matter of terms and conditions of employment including wages and benefits, social security and safety. Their wages are atrociously low compared to regular workers doing the same and similar nature of job. It is, therefore, very much essential that regular workers and contract workers join together in the struggle to defeat the anti-public sector policies of the Government.

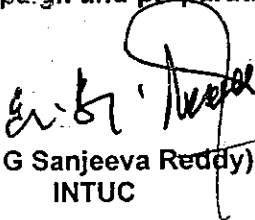
NEXT ROUND OF WAGE REVISION IN CPSUS

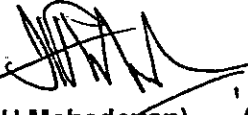
It is noted that the Government has appointed 3rd Pay Revision Committee (3rd PRC) for CPSU Executives with Justice Satish Chandra as Chairman. In line with the 'mega strategic sale' programme of the Modi Government, the terms of reference of the Committee have been loaded with anti-employee repressive private sector attitude. Moreover the 7th Central Pay Commission Recommendations are far away from genuine expectation of the Government employees and contain many negative measures. DA merger has been denied to Government employees and so too the public sector employees despite the fact that amount of DA has exceeded the Basic Pay of the employees. These developments are bound to influence the forthcoming wage negotiations for CPSU workers. Without protracted united struggles by CPSU workers, desired and satisfactory wage revision settlement will be rather impossible. Therefore the 2nd September 2016 strike has additional importance and significance for the CPSU workers.

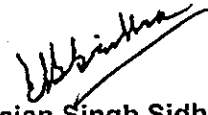
LAUNCH MASSIVE CAMPAIGN AND MAKE 2ND SEPTEMBER STRIKE GRAND SUCCESS


Today's joint national convention of the CPSU workers while reaffirming full support to the decision of one day countrywide General Strike on 2nd September, 2016 appeals to all permanent and contract workers in all the CPSUs irrespective of affiliations to join in the strike and make the strike a total success in due reflection of the total unity of CPSU workers demonstrated in today's historic joint national convention at Hyderabad.

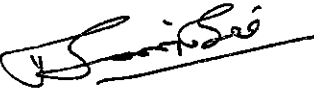
The convention also urges upon the unions in CPSUs to submit joint strike notice and conduct joint massive campaign through agitation and propaganda to mobilize the workers to take part in the strike on 2nd September 2016. More over joint industry/sector/PSU specific joint conventions/meetings should be organised at Local, Regional and National level towards campaign and preparation of the strike.


(Dr. G Sanjeeva Reddy)
INTUC


(H Mahadevan)
AITUC


(Harbhajan Singh Sidhu)
HMS


(Tapan Sen)
CITU


(M. Shanmugam)
LPF


(Meenakshi Sunderam)
Convener JAF, Bengaluru


(D. Narayan Rao)
CPSU TU Cordin. Committee, Hyderabad