

AITUC
GENERAL COUNCIL MEETING

160

REPORT
&
INFORMATION MATERIALS

NEW DELHI
2, 3, 4 SEPTEMBER 1991

A G E N D A

1. Condolences
2. Setting up of Resolution Committee and Credential Committee.
3. General Secretary's Report on Developments since the Madras Conference.
4. Report on A. F. T. U. Congress.
5. Discussion on the Report of the General Secretary and joint programme of actions.
6. Discussion & Decision on Pension Scheme
7. Discussion & Decision on Organisation.
8. Verification of Membership.
9. Resolutions
10. Any other item with the permission of the Chair.

TIME-TABLE

- On 2nd September '91 - 4 P.M. to 7 P.M.
- On 3rd September '91 - 9.30 A.M. to 1 P.M.
2.30 P.M. to 7 P.M.
- On 4th September '91 - 9.30 A.M. to 7 P.M.

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GENERAL SECRETARY'S REPORT TO THE GENERAL COUNCIL
ON 2nd, 3rd, & 4th SEPTEMBER '91.

The AITUC Conference was held at Madras from 7th to 12th August 1990 successfully. It was attended by 2,852 delegates representing 3339 unions.

MAIN CONCLUSIONS OF THE AITUC CONFERENCE

The main conclusions of the Madras Conference should be recollected as that gives direction to the movement:-

1. Jobs for all and right to work:

We should project alternate development strategy:

- Tiny and Small Industries
- Construction of small irrigation projects
- Universal literacy programme
- Scheme for self employed Engineers and Technicians
- Provide Financial and marketing facilities for small Industries.
- Comprehensive land development Scheme, where land reforms are effectively carried out unearthing Benami land transfers to avoid ceiling loss and land reclamations and similar other measures.

2. Privatisation:-

- a) Agitate against privatisation, Political, Economic and Technical sell out to MNCs.
- b) Commanding heights once occupied by the Public Sector should be retained
- c) Struggle for an Agro-Industrial economy
- d) Campaign for better productivity specially in the Public Sector. There is a move to introduce privatisation in Power and Transport.

3. Closures and Sickness:

The Central Labour Minister should be asked to commence a tripartite Conference with the participation of the industries Minister to work out strategy for reopening of the viable or that can be made viable closed and sick industries.

4. New Technology:

AITUC invites all Trade Union Centres, Federations, Trade Unions, employers with Scientists, Technologists and Economists to conduct discussions and arrive at a consensus regarding introduction of new technology.

New Technology may be introduced after arriving at an agreement with Trade Unions, but it should not lead to retrenchment. The existing work force may be retrained, redeployed and absorbed in expansion.

The gains of modernisation should be shared with the workers and consumers and also a portion should be allotted for unemployment relief. Government and the Corporate Sector should invest more on development of R & D.

Modernisation is an integral part of development. Have a debate on foreign loans or foreign investments.

5. Price Rise

Organise united movement against price rise.

6. Textile

Frame realistic demands and slogans and build up a movement on that basis. Demand a Tripartite meeting at the central level.

7. Jute

Demand a tripartite meeting at the Central level.

8. Engineering

Suitable modernisation, need based Minimum Wage for small sector and Living Wage for large sector.

9. Problem of Closure

Organise Statewide Conventions and Seminars on this issue.

10. Workers Participation in Management at all levels.

Build up a united movement.

11. Industrial Law

Amend the T.O. and the I.D. Acts on the basis of the issues on which there is unanimity.

Introduce joint Negotiating Councils on the basis of Secret Ballot.

12. Contract Workers

Abolish Contract Labour System where there is perennial nature of job.

Contract labour should get the wages and other facilities as for the permanent workers for same and similar nature of job. Supreme Court rulings have laid down the principle wage parity for similar nature of work.

13. Social Security

Expenditure Pension Scheme - Demand Amendments of F.E.S.I. and Gratuity Act as per the resolutions.

14. Women Workers

Constitute women's Cell at the Centre and the State levels of the A.I.L.U.C.

15. Housing

Housing for the unorganised Sector should be taken up by the Government.

Form Housing Cooperatives. Should demand that Housing be accepted as a fundamental right.

16. Banking

Strive for a National Banking Policy.

17. Organisational Tasks

Strive for a united trade union organisation not to be controlled by any Party or Government or the employers and which functions on democratic basis.

ORGANISE THE UNORGANISED

During this period large number of small and medium Industries and new Industrial Centres have developed.

Allot Cadre and build up strong trade unions in these centres.

Besides this following minimum tasks were called for:

1. A week from 9th to 14th September 1990 against Price Rise to be observed by organising Dharnas, Demonstrations, meetings, protest actions etc.
2. A National Convention on Delhi against communalism of September 19th, 1990.
- 3) October 2, 1990 to be observed as Anganwadi Workers' Day by holding solidarity meetings and demonstrations.
- 4) 70th Foundation Day of AIFUC to be observed with the message of National Unity, Integrity, Command Harmony and Socialism.

In pursuance of the decisions of the Workers Conference and for implementing the same the AITUC Centre took steps to implement the outstanding proposals of the workers like revamp of the building on wages, Dearness Allowance of Public Sector undertakings, Pension Scheme, Textile Picketing.

However, during this period there was continuous Governmental change, One Government giving way to another and then again to a third Government. Therefore, it has not been possible to resolve any of these and other outstanding issues.

After the last general elections the AITUC took up the threads again and submitted a detailed memorandum on the outstanding issues of the working class to the new Labour Minister Mr. Ramaswamy. A delegation of the AITUC also met him, the talks were quite positive. However, our Labour Minister resigned over the issue of Kaveri Waters and since then no new Labour Minister have been appointed. The result was seen that these outstanding issues are still pending and naturally the working class is very restive.

PENSION SCHEME

The Employees Provident Fund appointed a Committee to work out a Pension Scheme. Comrade Parthuman Singh was on the Committee as our representative. He worked very hard for the same and the Scheme has been accepted by the Board and is now pending final clearance with the Government. In spite of some inherent weaknesses this Scheme is a good scheme and it would cover more than a crore workers. The report was unanimous and also signed by Comrade Balanathan, President of CITU.

Pension Schemes are also pending in many public sector undertakings, in which in the last agreement there was a clause for working out the Pension Schemes. However, the Government and the B.P.S. have negatived any Scheme which adds new burden on any industry. B.P.S. Circular permits only an additional expenditure of not more than 100 rupees annually for the Pension Scheme. Evidently, with this small amount no worthwhile scheme can be worked out. Therefore, schemes worked out in Coal and Steel have also been held up.

Meanwhile the CITU has taken a position that they would not agree to any Scheme except Pension as a third benefit. With this stand they have even gone back on the scheme under the Employees Provident Fund, which was meant to cover lakhs of workers even in the unorganised sector. This stand of the C.I.T.U. is extremely sectarian. Whereas we can continue to fight for the Pension as a third benefit it would be much more productive, if we reject other schemes which give minimum immediate relief to the workers. The MHO is also working out a Scheme where 40 percent of pay last drawn can be made available to the workers as pension out of some settlements in the payments of Provident Fund and other welfare measures. Oil and steel unions association have also accepted such Schemes. The Employees Provident Fund scheme covering unorganised working class should not be thrown over board. This is a question which requires discussion and the opinion of the General Council. The S.P. Scheme in outline is reproduced at Annexure A.

In the Committee for New Industrial Relations and Trade Unions Act our representatives together with other trade unions succeeded in securing acceptance of many positive provisions like definition of industry and employees was widened to include all employees who work for payment of regard on work and the definition of industry also was widened to include all organised activity. However, differences persisted on the question of setting up a independent Industrial Relations Commission and on the question of mode of determining the representative union for being included in an Negotiating Council. The trade unions with Leftist views gave dissent on these issues and also the approach to the new law. (Details of other provisions are given in annexure B).

OTHER ACTIVITIES

ROADWAYS CONFERENCE

All India Roadways Workers Conference was held at Hubli (Karnataka). The Conference was long overdue and this Conference helped in activating the Federation. Delegates from 5 states were attended the Conference.

RBEL CONFERENCE

The RBEL Association had become defunct. A Conference of RBEL unions was convened at Bhopal. Besides unions affiliated to AIRFEL some independent unions also participated and the Association has been revived.

CONVENTION OF MUNICIPALITY WORKERS FEDERATION was held in Delhi. It dealt with the problems of the power industries and particularly the problem of privatisation.

THE ENGINEERING WORKERS working committee met on 25 December 1990 at Gandhinagar. It has decided to hold the National Conference at Ranchi on 9th and 10th March '91 and before the Conference to organise state level meetings of the cadres working in engineering industries' trade unions.

ALL INDIA TAIL SEWERS' CONFERENCE was held at Bapat from 24th February to 26th Feb. 1991. It was great success. Some non-affiliated unions also attended the Conference.

THE MINE WORKERS FEDERATION held their working committee meeting at Anand and held the seventh Conference of the Federation at Shimla in Uttar Pradesh.

The Conference elected Comrade K.L. Mahendra as President, and Com. Smit Das as General Secretary and Coms. D.K.Rao and Shafigue Khan as joint general Secretaries.

MERGER CONFERENCE OF RAILWAY UNIONS: A "Mazdoor Conference" of Railway Mazdoor Union (RMU) and Southern Railway Mazdoor Union (SRMU) was held at Madras on 19th April 1991. P.V.S.Nambiar president. About 500 workers from both the unions participated. The Conference was addressed by Shri. Srinivas, General Secretary/IRF, Shri. Bhaskar, General Secretary/ATRU sent a message wishing success to the Conference. S. Sankarvelan, K. Gopinathan and K. D. Mahalingam also addressed the Conference.

M. N. Nageshwar, General Secretary, Southern Rly. Mazdoor Union while addressing the Conference welcomed the IRF's initiative for wider unity of railwaymen and expressed confidence that the merger of Railway Mazdoor Union and Southern Railway Mazdoor Union will strengthen the fighting unity of railwaymen on Southern Railway.

CONFERENCE OF STATE ALIENS

The Conference discussed various problems facing the workers in West Bengal. In particular, the Conference discussed problems faced by the trade unions including their programs in view of the late front government. Comrade Homi Daji pointed out that the policy of the A.I.U.C. was clear. A.I.U.C. unions have to act independently of the Government and the political party to defend the interest of working class leadership.

The West Bengal Committee Conference was held at Durgapur. Comrade Homi Daji, General Secretary of the A.I.U.C. attended the Conference.

In order to launch an organization for working women, it is decided to hold a Conference of working women before December 1991.

The Conference has appealed to all the trade unions in the State to actively fight to beat back the offensives of the employers. With this end in view it has decided to hold a T.U. Convention at the earliest.

The Conference decided to hold a Convention of unions of all the State government undertakings in the State preferably in the month of July 1991 to work out a joint approach to fight against privatization.

The 6th Conference of the A.I.U.C. Karnataka State Committee was held at Mysore from 24th to 28th March 1991. Comrade M.S. Krishnaiah President and Comrade Homi Daji, General Secretary of the A.I.U.C. attended the Conference.

The Conference elected Comrade Ram Kishan as President and Comrade G.V. Chitambar as General Secretary.

The Conference decided, inter alia, to increase the membership of the State unit by one lakh in the next three years, to activate the district committees, before May 1992, to collect an organization fund of Rs. 2 lakhs, to regularize the participation of A.I.U.C. Samachar, to organize four education camps every year, etc.

The Conference of the Maharashtra State T.U.C. was held on 24-27 March 1991. Comrade Homi Daji, General Secretary of the A.I.U.C. attended the Conference. The Conference decided to elect one lakh new members within the next conference, organize a two-day workshop for cadres from unorganized sector and lead a 50-thousand strong march to State Assembly which will meet at Nagpur some time in November or December 1991 and a Day Long Dharna to focus attention of Government on the plight of these workers.

MASS WORK AND MOVEMENT

The anti Price Rise Campaign was carried out at various centres during a week called by the Madras Conference. At various centres Dharna and meetings were organised. In Tamilnadu 4,000 workers courted arrest. In Bombay "Rasta Roko" were organised. In Gujarat the week was observed by organising Dharnas. Reports from other centres have not been received.

A National Convention against communalism was organised in Delhi, it was well attended. All the Central Trade Union Organisations participated in the Convention, except the B.M.S. It objected to the mention of R.S.S. and the question of Ram Janambhoomi and were excluded from the Convention. The Convention ended in a procession.

Anti Comunal Conventions are reported to have been held at some industrial centres. AITUC unions also participated in anti-communal conventions held by broad democratic sections in different states and centres.

However, it must be admitted that our Trade Unions' activities on this score is far below the activities of the situation. No sustained mass activity was undertaken. Nearly spordiac holding of conventions and joining conventions convened by the Democratic parties does not meet with the grave situation created by rising communalism. This failure should be urgently corrected.

Reports regarding the observance of October 2, 1950 as Anganwadi Workers' Day and October 31st the 70th Foundation Day of AITUC have not been received.

STRUGGLES

a) 70,000 textile workers of Coimbatore went on a long strike on the question of bonus, they have succeeded to a considerable extent in securing meaningful bonus.

b) In Thompson Press, Faridabad a new union with the blessings' of Haryana Government was formed and forced upon the workers by indulging in violence. H.M.S. had a recognised union there. One day strike was organised by all Central Trade Unions in Faridabad against this hooliganism. Strike action was largely successful.

c) Engineering Workers of Goa conducted a movement against closures and lockouts.

d) The workers of the un-organised industries in Delhi and Ghaziabad went on a 2 days strike on 22nd and 23 January for a rise in the Minimum Wage. The joint action was successful and about a million workers joined the strike. Before the strike they organised a huge demonstration before the Lt. Governor of Delhi and submitted a memorandum.

e) The Rajasthan Roadways (AIFUC) went on a 70 days' strike for their demands which had been agreed to earlier but had not been implemented. The strike was a complete success. IITUC's and BMS's repeated attempts to brake the strike failed completely and isolated them. The Government employees also went on a day's sympathetic strike in support of roadways employees. Many small sector industries also observed a day's sympathetic strike. The strike resulted in winning some of the demands. Though the question of pay for the strike days was referred to the Chief Minister he has given a ruling against the workers and this has caused great discontent. The strike was a glorious action and the Rajasthan Roadways employees deserve warm congratulations for standing upto threats and repressions and conducting a longdrawn action.

f) Comico Binani Zinc Staff & Workers (Kerala) have been on strike for more than 200 days for the demands.

g) Dolhasti Hydro Power Workers working with French Construction Company went on a strike. It lasted for a three days. The workers succeeded in winning the demands for increasing minimum wage and permanency etc.

h) The Coal workers called for a strike on 7 January, 1991. It was a joint call by AITUC, CITU, BMS, and HMS against the unilateral settlement of bonus with the IITUC. The coal India was forced to reopen negotiations and give an extra Rs. 250/- in the bonus agreed to. The strike was thereupon withdrawn.

i) B.C.B. Employees organised Dharna and Hunger strike against retrenchment and for alternate employment

j) The Pallekar Union of Punjab carried on a sustained campaign including Mass Dharna at Delhi.

The problem of engaging contract labour in the godowns of the Food Corporation of India was pursued. As a result the Government accepted the abolition of contract system in the F.C.I. Godowns. A number of godowns have been notified where contract system has been abolished and other centres are being processed for the same. This is an important victory for our Pallekar's' movement.

However, Punjab was left out of this. There upon the Pallekar Unions in Punjab belonging to the AITUC, IITUC, CITU launched a strike action which lasted 60 days. The Government is now assured that the Punjab Godowns will also be covered at an early date for abolishing of the contract system.

k) Anganwadi Workers: The Anganwadi workers on a joint mass to Parliament on 4th of March 1991. A deputation met the Minister. The C.P.I. M.P. Comrade Geetha Mukherjee raised the issue in Parliament and secured an assurance from the Government that despite economic constraints some relief will be given to these workers. After the coming into power of the new Congress Government a deputation met Minister Manita Banerjee who also reiterated the assurance. However, nothing concrete has been achieved so far.

1) Cement Workers Campaign Week

AITUC and CITU gave a call for the observance of a Campaign Week from 5th to 10th November 1990 for the Cement Workers Demands. Their various demands included abolition of Contract system etc.

DALLA MARTYRS IN THE STRUGGLE AGAINST PRIVATISATION.

The Mulayam Singh Government before it faded out sold three production unit of the Cement Corporation and the captive mines over Rupees Seven Hundred crores with the Dalmias for a song -- for merely 5 crores that too be paid in instalment. The workers started a dharna which lasted for over a year. On 2nd June 1991 before the possible change of Government the Dalmia Management accompanied by armed police went to take charge of the factory, the workers were fired upon, killing about 20 and seriously wounding 45 workers. The AITUC of the first champion their cause. A delegation consisting of AITUC Secretary, T.N. Siddhanta, CITU Secretary P.K. Ganguli along with members of Rajya Sabha Comrades Gurudas Das Gupta, Md. Amin and Ashis Sen visited the site and released their report. The N.T.P.C. Workers at the near by Obra, site went one day's protest strike action, plunging half of the Uttar Pradesh in darkness. They extended financial and all types of help to terrorise the workers of Dalia. Their action needs to be especially commended. The U.P.P.U.C. also organised protest action and Dharna at Lucknow. It is reported that the new Government is thinking of taking steps to undo the sale of the factory to Dalmias.

The N.C.C. and C.P.S.T.U. gave a call of observing 2nd July as a protest day against the firing. The protest day was observed at some centres but mostly in a tame way. These underlines one of the major short comings of our trade union movement. While trade unions are alert and active on their own demands there is a serious take of solidarity action. These weakens the fighting capacity of the working class serious.

m) Goa: A massive morcha was held in the city of Panjim. The workers of 250 industrial units and 40 mines were closed on 31st January 1991 participating in the Industrial and Mining Bandh in Goa.

n) The All India Railway Employees Confederation organised a rally on 13th March at Boat Club demanding reinstatement of all removed employees for their trade union activities between 1980 and 1989 and restoration of negotiating facility to AITUC.

Comrade K.L. Mahendra, Comrade Samar Mukherjee, MP Comrade A.K. Roy addressed.

o) One lakh sixty thousand jute workers observed a day's token strike in West Bengal on 10th March 1991 in support of their four point charter of demands including nationalisation of the industry and ban on synthetic packages.

The strike was called jointly by 10 trade unions including the CITU and AITUC.

p) N.P.C. workers win permanency at Indore

Nearly one thousand Padi workers were employed in three N.P.C. mills at Indore on permanent jobs. They had been agitating for being made permanent. Ultimately after five days action apper Labour Commissioner intervened and the N.P.C. management agreed to make such workers permanent as were working continuously on the same job.

q) Victory of Padi Secretaries and Employees of PACs

15,000 padi secretaries and other employees of the primary agricultural cooperative societies (PAC) in Andhra Pradesh were on strike from 11th March '91 and their President P. Nageshwar Rao was on indefinite hunger strike from 15th April.

An agreement was reached on 24th April providing for an increase of Rs. 200/- to Rs. 350/- in emoluments, incentive of Rs. 300/- to Rs. 500/- and adjustment of 118 days old strike period in leaves due or not due.

Bihar

In Bihar number of struggles of various sections of the working class took place during this period. Of particular significance were :-

- The strikes of Palledar in Baraja in Aurangabad which ended after an agreement after wage increase.
- One thousand workers of state leather corporation held demonstration against privatisation.
- The workers of State Sugar Corporation gathered the head quarter on 20th September for demands including payment of wages. They also demonstrated before the Assembly against privatisation.
- AIFUC & CITU jointly demonstrated before Sectt. on 2nd July 1991 against the policy of privatisation.
- The N's Dowell Distillery workers won the wage increment of Rs. 253 after struggles.
- AIFUC & CITU held a joint demonstration on the question of Dalit living.
- The construction workers of Kahalgaon Thermal Power Station are on strike against retrenchment.

THE VICTORY OF NPCC WORKERS

The NPCC workers won the outstanding victory and secured reinstatement of most of the retrenched workers. It must be noticed that they struggled vvarry more than two years and had braved Jail and lathicharged. Their victory was outstanding achievement.

REPORT FROM PUNJAB

During the three and half months since January this year, the Punjab State Committee of the AINIC held mass rallies and demonstrations at Amritsar and Bathinda.

The Amritsar rally was held on February 24 despite a situation of curfew and ban on processions at that time. The rally was attended by thousands of workers and employees. The procession paraded throughout the city which was decorated with garlands and festoons on banners. The Bathinda rally was held on April 9. For preparations of these two rallies, posters, pamphlets and leaflets were brought out, hundreds of public meetings and general body meetings were held. Comrade N. Vinodra attended the Amritsar rally.

During the period, the workers of the I. I. S. Factory at Kapurthala near Ludhiana city won a significant victory after persistent struggle including strike action against the vindictive actions of the management against union activists.

The Agricultural workers held a joint rally at Chandigarh on March 7. Workers of FIC mills were on a day's strike on the demands and the management had to reach an agreement. FCI Ballbatala during this period held demonstrations and Dharnas including one in Delhi and in Chandigarh on their demands against the new system.

Incidents, Comrades' workers, Brick kiln workers, roadway employees and others generalise agitation on their respective demands. The District unit of AINIC organised a big demonstration on April 11th.

Massive Rally at Bathinda

Against price rise, anti-commercialism and 50-60 per cent wage rise, pension and bonus for all, the AINIC state committee of Punjab held a massive rally in Bathinda on April 18.

The colourful rally and procession was participated by the workers and employees from the seven nearby districts, industrial workers, agricultural workers, PCSs, Roadways and Railway employees, FCI workers, PWD and Municipal workers, teachers, bank employees, in other words working people of all walks of life.

The main speaker was Comrade Homi Daji, Provincial Secretary and others who spoke were Comrades Pinner Singh Deosi, Madan Lal Didi and Sant Singh Brar.

DAY OF PROTEST OBSERVED BY TEXTILE MILL WORKERS

Lakhs of textile mill workers throughout the country observed 'Day of Protest' against large scale closures, retrenchment, lay off, etc. in the mill industry as a consequence of continuing implementation of the so-called 'new textile policy' initiated by the Rajiv Gandhi Government in 1985. Forms of protest actions included in response to the call issued jointly by the AITUC and the All-India Textile Workers' Federation, varied from day-long "Charnas" on mill gates to massive demonstrations and meetings in different centres of the industry. Besides scrapping of the 1985 Textile Policy, the other demands highlighted through these protest actions included:

- (i) Statutory ban on closures, retrenchment and lay offs;
- (ii) Winding up of closed textile mills through acquisition by the Government of all vacant/surplus lands of such units;
- (iii) Stringent enforcement of all Labour Laws in the powerloom sector;
- (iv) Immediate disbursement of adequate monetary relief to all workers rendered jobless due to closures or retrenchment;
- (v) Genuine and effective participation of workers' representatives in the management of M.C.C. mills at all levels;
- (vi) Setting up of high-powered tripartite Committees at all levels in the Textile mill industry charged with the responsibility to cause effective pre-emptive measures to be taken to prevent closure of Textile mills besides scrutinising all modernisation projects with a view to safeguarding workers' interest.

The workers' demand for the formation of a special committee to study the implementation of the 1985 Textile Policy and to recommend measures to be taken to prevent closure of Textile mills and to safeguard workers' interest.

ORGANISATIONAL MEETING OF THE AITUC

There has been a long felt need of a meetings of the AITUC where the Organisational position of the AITUC could be discussed and steps taken to improve the same. When we speak of the organisation of the AITUC we should not and cannot mean only the centre. In main the AITUC centre has to function through the State Committees. Therefore evaluation of the position and the functioning of the State Committees assume particular significance.

A meeting of the AITUC officebearers and STSC's Presidents and General Secretaries was held in Delhi 22-23 July 1991. The meeting proved very useful in obtaining an overall view of the organisational position of the states.

The reports showed that on the matter of organisation the position of different states varies considerably and could be categorised as (a) good (b) fair (c) bad (d) crisis ridden.

Under these conditions only broad conclusions and tasks could be arrived at. The decisions are given in Annexure 'C'. They are the minimum first step required to vitalise the functioning of the AITUC. Comrades to discuss the same and give their opinion and guidance in the matter.

PUBLICATIONS

After the Madras Conference the AITUC has brought out three publications. We have published the report and resolutions of the Conference, speech of Comrade Indrajit Gupta at Madras Conference introducing the report in English & Hindi and booklet by Comrade A.B. Bardhan on Energy Industries and Energy Workers, and on Datta Firing.

MEMBERSHIP VERIFICATION

The membership verification will begin soon. The AITUC has submitted its list. Now the unions will have to prepare their Membership Registers, and other papers in good time, so that AITUC is enabled to make a good showing in the on-going verification. The details of the verification procedure and scheme is given in Annexure "D".

G U L F W A R

Detente in the international sphere has been shattered rudely by the events in the Gulf. No doubt Iraqi's seizure of Kuwait was unjustifiable and cynical and with the aim of cornering over 40 per cent of the world oil supply. Using this excuse the U.S.A. built up a huge arm force and later invaded Kuwait. All sane advice was spurned by Iraq leading to Military action against Iraq. The U.S. military action has been ruthless and almost savage. There was a hope for allowing the issue to be settled by peaceful-means and negotiations. There is no justification for not agreeing to settle the Palestinian question simultaneously. The Chandra Sekhar's Government policies had been one of the dithering and greatly damaged the image of India in the world as the leader of Non-aligned movement. Particularly the action of allowing refuelling facilities at Bombay to the American planes being used in the Gulf War has to be strongly condemned. At Bombay Air Terminal AIRUC-CITU & other T.U.s organised a good protest demonstrations.

The Gulf War has led to a new scenario in the International situation. The USA's domineering role was increased and the world has to live in a unipolar world. The third world countries will be affected the most by this development.

U N E M P L O Y M E N T

The employment situation has been growing worse. There were 33.2 million registered job seekers in the country as on February 28, 1990 of whom 27.03 million were males and 6.1 females. A total of 17.51 millions educated unemployed stood on the live register on December 31st 1990. The closed mills and industries remain closed keeping lakhs of workers unemployed. The Government has done nothing to remedy the situation. In fact new placements in the private sector has declined compared to earlier years, and in the public sector it has remained almost stagnant. That means that in addition to the backlog of unemployment, the new entrants have no opportunity of employment. This is an explosive situation. Employment in the organised sector has also been affected by offloading of orders to the private sector and wider introduction of contract system, in many cases, displacing regular employees. There is also a move of privatising sectors of the public sector. The new exist policy of the Government will no doubt lead to a spate of closures and increase in unemployment. They have come out strongly against the attempts of privatising the power sector.

The working class must therefore take up the fight against unemployment in a determined manner. This is necessary not only to save its own employment but it is also necessary that the working class in its wider interests champions the cause of unemployed and draws them into the common struggle for social change. If the working class fails in this tasks it is likely that the unemployed and particularly unemployed youth will be exploited and will fall a prey to the nefarious designs of communalists secessionists and reactionary forces who will not fail to exploit the situation.

THE CRISIS AND THE ECONOMIC POLICIES OF THE
GOVERNMENT.

The new Congress Government at the Centre which was installed in June-end this year following the elections, has within a brief span of about 2 months brought about far-reaching changes in the economic and trade policies. Beginning with devaluation of India rupee by about 20 per cent and secret airlifting of Gold to the Bank of England, the new Government has sought to give an impression and a situation of panic created about the precarious fiscal deficit, trade deficit, dwindling foreign exchange reserves etc. that the crisis is of recent origin. In a swift pace, the Government introduced trade liberalisation policies, followed by the Budget for 1991-92 and the new Industrial policy statement.

The Economic crisis is not a product of overnight development, but a cumulative result of a decade of liberalisation policy pursued since 1980 and its acceleration during the seventh five year plan coinciding with Rajiv Gandhi regime. A decade of profligacy, reckless import and spurt in production of consumer durables boosted the trade deficit, budget deficit, dwindling foreign exchange reserves and mounting up of debts, commercial borrowings with high interest rates regardless of rising debt servicing. Internal debt which was at Rs. 30,864 crore in 1980-81, and Rs. 71,039 crores in 1985-86 jumped upto Rs. 151,352 crores in 1990-91. Similarly, external debt jumped five-fold from Rs. 13,479 crores to Rs. 68,017 crores. (Not counting NRIs deposits) If they are included, the foreign debt stands at ^{Rs.}100040 crores! The trade gap which was fluctuating between 5 and 6 thousand crores of rupees upto 1984-85, jumped to more than 8 thousand crores since 1985-86, and in 1990-91 to Rs.10,644 crore. The budget deficit which was Rs. 3,497 crore in 1984-85, swelled to Rs.13,032 crore in 1990-91 actually. Foreign exchange reserves dwindled to Rs. 2,088.95 crores as on June 28, 1991.

The Economic Advisory Council of the Prime Minister headed by Late Sukhamoy Chakravorty, in its report in December 1989 said: "The pattern of industrial growth also needs to be corrected. As stated earlier, a significant part of the growth has been in consumer durables which cater to a fairly limited segment of the population." The monopolists and MNCs are already reaping the benefits of liberalisation of the 80s with high profits and dividends and boom in share prices.

However the industrial sector has reaped full benefits from the situation as is evident from the chart given below:

GROWTH RATES OF SELECTED 155 INDUSTRIES
(USE BASED INDUSTRIES)

<u>Industry Group</u>	<u>Percentage change over previous year.</u>	
	<u>1988-89</u>	<u>1989-90</u>
1. Basic Industries	5.0	4.5
2. Consumer Durables	1.9	10.9
3. Consumer Non-durables	6.1	5.2
4. Capital Goods	24.9	21.9
5. Intermediate Goods	3.1	5.6
	<u>8.3</u>	<u>8.5</u>

THE CRISIS AND THE ECONOMIC POLICIES OF THE
GOVERNMENT.

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The Economic Survey, 1990-91 admits that "rapid industrial growth during the 1980s has not been associated with a Commensurate Growth in employment and has been characterised by an increase in import intensity." The Growth rate in employment was hardly 1/2 percent as against 4 percent as envisaged by the Seventh Plan. Whatever increase has taken place is in the public sector.

The policies being introduced by the Government are vigorous follow up of the old policy of liberalisation which spelled disaster for the economy.

The worst measure of the economic policy was the devaluation of the Rupee by nearly 20%. This will result in lowering the per unit price of our export, increase the value of our imports and capital goods thus making our indigenous products costlier resulting in negating the expectations of higher exports by making them cheap. It will have a very bad effect on our economy which is import dependent. It has resulted in the increase of about 33 lakh crore rupees in our foreign debt and consequently on its repayments and interests.

The new Industrial Policy is a complete reversal of the past policy of industrialisation based on public sector, self-reliance and balanced Growth. The new policy seeks to handover the reins of the economy to monopolies and multinationals. The MRTP Act is being dismantled with no restriction of investment in any industry or region. The Multinationals will be allowed 51% investment with hardly any restriction. The ceiling of 51% will also be relaxed to 100% in some cases. The policy is tailor-made for big business houses with contacts in international business world. While import of foreign capital is understandable if it brings technology required for our country, uncontrolled and unrestricted in-flow of foreign capital and technology is likely to adversely affect the employment oriented small-scale and traditional sectors of our economy. Experience of other countries show that foreign capital and multinationals seldom bring state of art technology nor do they care for the priority requirements of the host country. What is urgently required is a code for introduction of technology decided upon by a body of workers-employers and experts to monitor the necessity and effects of the introduction of the particular technology. The aforesaid policies is liable to hurt our indigenous capital goods and engineering industry in particular. There will be virtually complete deregulation and delicensing. Planning will remain a shadow as it will not have any scope to regulate and direct investment to fulfil social objective. Even in the small-scale sector monopolies and MNCs will be able to hold 24 percent share and thus use the small scale sector to the advantage of big business. The small scale sector has also been burdened with increased interest rate, which will harm its working.

Public Sector will ultimately be confined to eight industry groups. Privatising public sector is on the agenda. It is admitted that instead of generation of new employment, the new policy will usher in a period of large-scale closures, lay-off and retrenchments both in public and private sectors.

These policies are clearly the bankrupt policies of a bankrupt government for the rich and the foreign capital. Whether the government has acted on the dictates of the IMF or not it is clear that the policy as a whole meets the conditionality of the IMF.

These policies are posing a grave danger to our independent and self-reliant economic growth to fulfil the minimum obligations to the deprived millions of our people.

Policies of Thatcherism and Reaganomics has today plunged these countries into recession.

The United States and Britain have specifically difficult situations at present, which are greatly reflected in figures of declining Industrial Production: from the OECD, for the United States 1% in 1990 and 0.9% in 1991, for Britain 1.6% in 1990 and 0.7% in 1991.

Reforms in the economy are essential. But these need not and should not be along IMF dictated lines. The main means to bring down the fiscal deficit should be direct taxation and the reduction in inessential and wasteful Government expenditure. There has to be an increase in direct taxation, a curtailment of overt and covert subsidies to big business and more effective tax enforcement measures to realise tax revenues. Loopholes in the tax laws should be plugged and black money generation curbed through punitive measures. Further, there is no reason whatsoever for not imposing wealth taxes and the large monopoly houses that have built up huge assets should be brought into this net. The adoption of measures of this kind will not only help reduce the revenue and the fiscal deficit but also reverse the trend of relying on indirect taxes and administered price hikes to garner additional revenues at the expense of the common people.

On the industrial front, the disciplining of capital, which has a range of freedoms shrouded by the chorus against state intervention, is crucial. Those responsible for rendering industrial units sick through mismanagement, conscious or otherwise, should be penalised and their personal assets seized. The proposal that workers should be handed over the concern with adequate credit should be seriously considered.

Government must intervene actively to ensure that private industry makes appropriate technological choices, maintains capital equipment, invests in R & D, upgrades technology, and modernises and competes in the international market. The policy of indiscriminate imports of capital goods and technology for luxury goods production must end, while imports of technology in vital sectors in which modernisation is essential must be given priority.

The public sector must continue to be given prominence in the key strategic industries. Steps must be taken to eliminate inefficiency and bureaucratic management. Allocations to the public sector must be governed by an order of priorities which will enable it to play a key role in the economy, while avoiding non-essential sectors. The intensified privatisation drive should be halted, as it would only have the effect of demoralising the management of the public sector.

In the medium term, the focus should be on implementation of land reforms. The conspiracy of silence regarding implementation of land reforms must therefore end. This together with rural employment guaranteed schemes, that offer employment to the rural masses, while mobilising their labour to strengthen rural infrastructure and raise agricultural growth, are the basic steps needed to expand the home market.

In the urban areas also, we need a lot of construction work to improve urban facilities, to help process agricultural produce from the neighbouring villages, to improve drainage and sanitation, for new construction which may help to house the homeless.

While austerity is called for in the face of the serious economic situation, the burden of this austerity must be primarily borne by big business, the landlords and the affluent sections of society. The measures to provide relief to the poor in this period of economic difficulty must be emphasised. The public distribution system covering essential commodities of daily life must be expanded and targeted particularly for the rural poor. There has to be a sizeable expansion of schemes for employment generation and poverty alleviation. Programmes for expanding primary education, literacy and health for the people are a priority. These measures can be effectively put into action only by greater decentralisation of powers - from the centre to the states, and down below upto the panchayat level - so that the people become active participants in bettering their living standards.

Pressures will build up, such as the threat of Super 301 clause by the USA, to open new sectors to foreign capital - banking, insurance, service sector, and surrender on patents and intellectual property rights at the GATT negotiations.

Trade Unions: efforts to meet the challenge of the New Economic Policy.

Immediately after the declaration by the Government's new Economic Policy the N.C.C. met to discuss the same and chalk out a programme of action. However the B.M.S. expressed its reservations in many points. Only after four rounds of discussion a toned down statement could be issued. However, the B.M.S. disassociated itself from any action programme - even a Convention.

The Left Trade Unions

There upon the left trade unions met separately and decided to hold an immediate demonstration after the Budget. The demonstration was held on 26th July before the Parliament. However for sake of representations it was only a token affair. Our Delhi State Committee totally failed to mobilise the workers, putting the AITUC in awkward situation. They need to be strongly criticised for the same.

The left trade unions invited a broader meeting on 13th August 1991. The meeting decided to

1. Observe September 6, 1991 a Day of Protest and support to the strike call of the Bank Employees.
2. To convene an all India Convention
3. To convene an all India Convention of Public Sector Unions. etc.

It called upon the workers to prepare for a general strike to fight against the new Economic Policy.

The meeting also called for organising statewide and regional Convention against the New Economic Policy of the Government.

It is for the General Council to discuss and decide the possibilities of all India Industrial Action.

MEETING WITH THE FINANCE MINISTER

The Finance Minister held the meeting of Trade Unions to discuss the new Economic Policies of the Government. AITUC was represented by Comrade Nomi Daji & Comrade P.N. Siddhanta. The AITUC view point was put forward forcefully. The trade unions generally expressed concern over the possibility of closures as a result of the Government policies. Trade Unions were also critical of offering 51% equity participation to foreign companies. However, on the question of privatisation, deinvestment and delistences there were differences.

The Finance Minister reiterated the stand of Government that it was necessary to open up our industries to competition. He justified the revaluation as a necessary adjustment as per the realities of the situation. He stressed that the modernisation will take place and accepted that it would result in redundancy. The possibility of closures of unviable units in the public sector also could not be ruled out. He, however, tried to assuage the feelings of the workers by stressing that there would be a programme of retraining and rehabilitation and that workers will not be made to bear the burden. Though how this could be achieved was not clearly spelt out. He only assured that trade unions will be associated in any such scheme.

He agreed to revive the Committee on public sector undertakings including the representative of trade unions to monitor the functioning of public sector undertakings. He also promised more frequent interaction in the trade unions.

Later the Prime Minister also met the representatives of trade unions and reiterated the above.

PROFILE OF THE ECONOMYAgricultural Production

a) The average annual growth in agricultural production during the Seventh Plan period was 4.1 percent against 6 percent during the Sixth Plan period.

b) Foodgrains production increased from 169.9 million tonnes in 1988-89 to 170.6 million tonnes in 1989-90 and further to 176.5 million tonnes in 1990-91.

Five lakh tonnes of sugar, five lakh tonnes of rice and 10 lakh tonnes of wheat were exported during 190-91. Buffer stock of 19 lakh metric tonnes of rice and wheat as on July 1, 1991 as against the country's requirement of about 17 lakh tonnes.

Industrial Production

Despite some fluctuations the annual Growth rates in major sectors of industry varied between 8 and 9 percent and in 1990-91 the Growth rate was at 8.4 percent.

But during the Seventh Plan period following accelerated liberalisation in mid-eighties, consumer durables production predominated as the following indicates:

Growth Rates of Selected 155 Industries

<u>Industry Groups</u>	<u>percentage change over previous year</u>	
	<u>1989-90</u>	<u>1990-91</u>
Basic Industries	5.0	4.3
Consumer Durables	1.9	10.9
Consumer Non-durables	6.1	5.2
Capital Goods	24.9	21.9
Intermediate Goods	3.1	5.6
All Industries	8.3	8.5

The Economic Advisory Council of the Government of India headed by late Sukhamoy Chakravarty in its report released in December 1989 said:

"The pattern of industrial Growth also needs to be corrected. As stated earlier, a significant part of the Growth has been in Consumer durables which cater to a fairly limited segment of the population".
The Report further says:

"With regard to industrial production a significant and perhaps worrisome feature in the present decade has been the variation in growth performance recorded by the different groups of industries..... the growth of intermediate goods and consumer non-durables have averaged significantly lower than the growth of consumer durables. This may reflect an industrial production pattern skewed in favour of the richer

section of society'

There are also reasons for supposing that the production of certain consumer durables is quite import intensive." Accordingly to the Reserve Bank of India study, during the period 1980-81 to 1987-88, production of Consumer durables grew at a rate of 14.6 percent, compared to the Growth rate of only 8.1 percent and 5.5 percent per annum registered by basic goods and consumer non-durables respectively.

		reckless Commercial Borrowings	Mounting External Debt (including borrowings)
		(Rs. Crores)	(Rs. Crores)
1985-86	-	7,547	39,691
1986-87	-	10,321	48,348
1987-88	-	12,876	54,650
1988-89	-	18,034	60,383
1989-90	-	22,065	80,135
1990-91	-	26,706	99,458(*)

(*) Adding FRI Deposits it would add upto Rs. 1,20,000 crores.

TOTAL DEBT SERVICING
(Rs. Crores)

1985-86	-	3162
1986-87	-	4552
1987-88	-	5861
1988-89	-	6919
1989-90	-	8402
1990-91	-	9630

Internal Debt increased from Rs. 30,864 crore in 1980-81 to Rs. 151,352 crores in 1990-91 a five-fold increase.

Total outstanding LIABILITIES of the Government increased from Rs. 59,749 crores in 1980-81 to Rs. 3,11,359 crores in 1990-91.

Interest Payments rose from Rs. 7,512 crores in 1985-86 to a budgeted amount of Rs. 27,450 crores in 1991-92.

FOREIGN EXCHANGES RESERVE

End of		Rupees Crores
1980-81	-	5544
1981-82	-	4024
1982-83	-	4782
1983-84	-	5972
1984-85	-	7243
1985-86	-	7820
1986-87	-	8151
1987-88	-	7687
1988-89	-	7040
1989-90	-	5507
March 90	-	5787
December end 1990	-	2152
June 28, 1991	-	2088.95

<u>DEBT</u>		<u>Rs. Crores</u>
<u>Internal Debt</u>		
Beginning of Seventh plan (1985-86)		96,505
At the end of the Seventh Plan (1989-90)		2,98,096
<u>External Debt</u>		
1985-86		35,725
End of Seventh Plan (1989-90)		80,152

<u>year</u>	<u>CHRONIC TRADE DEFICIT</u>	<u>(Crores of Rs.)</u>
1980-81	-	5838
1981-82	-	5802
1984-85	-	5390
1985-86	-	8763
1986-87	-	7644
1987-88	-	6570
1988-89	-	8003
1989-90	-	7735
1990-91(p)	-	10644

<u>Fiscal Deficit</u>		
	<u>As % of GDP</u>	<u>Rs. Crores</u>
1980-81 -	6.91	8,299
1990-91 -	8.36	43,331
1991-92 -		37,727

Budget Deficit (RE)

Actual budget deficit during seventh Plan period was 29,503 crores as against the deficit of Rs. 14,000 crore envisaged by the Seventh plan.

<u>Year</u>	<u>Budget Deficit</u> <u>(Rs. Crores)</u>
1980-81	- 2,477
1985-86	- 5,315
1986-87	- 8,261
1987-88	- 5,816
1988-89	- 5,642
1989-90	- 10,592
1990-91	- 10,772 (RE)
1991-92	- 7,719 (RE)

GROWTH IN EMPLOYMENT

The ECONOMIC SURVEY, 1990-91 admits that "rapid industrial growth during 7th plan was not associated with commensurate employment growth and has been characterised by an increase in import intensity."

Although the Seventh Plan envisage a Growth rate of 4 percent, the actual Growth rate hardly exceeded 1/2 percent. Even this Growth is confined to the public sector, the private sector having contributed nothing in the generation of employment.

Sl. No.	Sector	EMPLOYMENT BY	MAJOR SECTORS		
			G r o w t h R a t e		
			1972-73 to 1977-78	1977-78 to 1983	1983 to 1987-88
1.	Agriculture	-	2.32	1.20	0.65
2.	Mining	-	4.68	5.85	6.16
3.	Manufacturing	-	5.10	3.75	2.10
4.	Construction	-	1.59	7.45	13.69
5.	Electricity, Gas and Water Supply	-	2.23	5.07	4.64
6.	Transport, Storage and Communication	-	4.85	6.35	2.07
7.	Services	-	3.67	4.69	2.50
Total		-	2.82	2.22	1.55

LIVE REGISTER OF JOB SEEKERS

		(Lakhs)
1980	-	162.00
1981	-	178.38
1982	-	197.53
1983	-	219.53
1984	-	235.47
1985	-	261.34
1986	-	301.31
1987	-	302.47
1988	-	306.50
1989	-	321.27
1990	-	342.86
January 1991	-	347.87

	<u>Vacancies Notified</u>	<u>Placements</u>
	('000)	
1986	623	351
1987	621	360
1988	543	329
1989	600	289
1990	530	284

THE UNEMPLOYMENT RATE (IN %)

<u>Age Group</u>	<u>Rural</u>	<u>Urban</u>	<u>All</u>
15-29	4.54	13.30	6.54
30-44	0.66	1.55	0.86
45-59	0.40	1.03	0.53
All ages	2.15	6.35	3.04

(AIIE Labour News, July 1990)

Industrial Sickness

At the end of December 199, there were more than 2.4 lakh identified sick industrial units on the rolls of all-India financial institutions and commercial banks involving an outstanding bank credit of Rs. 7705 crores which was about 9.8 percent of the total bank credit. The trend is still continuing. The Lok Sabha was told on July 29, 1991, that 103 industrial units employing 99,067 workers had been closed down between January and June this year in the country.

Public Sector

Investment in central public enterprises stood at Rs. 99,315.31 crores in 1989-90.

During the Seventh Plan period the gross internal resources generated by the public enterprises amounted to Rs. 37,677.71 crores against the target of Rs. 31,500 crores.

While the total contribution to central exchequer during the Sixth Plan period amounted to Rs. 27,570 crores, the contribution during the Seventh Plan period increased to Rs. 70,881 crore.

In 1989-90, out of 257 public enterprises, capacity utilisation of more than 75% took place in 136 enterprises, between 50-75% capacity utilisation in 58 enterprises and in 63 enterprises the capacity utilisation was less than 50%.

From 1986-87, Growth of employment has sharply declined from 2.65, to 0.01 in 1987-88, (-) 0.23 in 1988-89 and 1.22 in 1989-90.

SURGE IN SALES AND PROFITS OF PRIVATE SECTOR
INDUSTRIES.

The policy of liberalisation accelerated during the Seventh Plan period with more and more dependence on the big business and private sector has its impact on the performance of the private sector industries which are reaping the benefit by way of increasing profits and unprecedentedly high dividend payments. Companies in different industries are declaring dividend of 40, 50 percent, Tata Tea has declared a dividend of 101 percent, Assam Frontier Tea 105 percent. For the year ended 31 March 1991, the net profit of 1000 companies has jumped by surveyed 35 percent.

The stock market is passing through a boom condition. Compared to 1984-85, the ECONOMIC TIMES share index for All-India climbed as on August 21, 1991 to 778.2, Delhi 590.1, Bombay 899.9, Calcutta 653.9, and the uptrend continued with some industrial scrips rising to dizzy heights.

Although big business industry and trade are the largest beneficiaries of the liberalisation policy introduced in the eighties, they are almost completely let off from any new burden by way of taxes and levies.

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CONTINUED UPTREND IN CONSUMER PRICE INDEX

<u>1990</u>		<u>1982 Base</u>		<u>1960 Base</u>
January	-	174	-	858
February	-	175	-	863
March	-	177	-	873
April	-	180	-	887
May	-	182	-	897
June	-	185	-	912
July	-	189	-	932
August	-	190	-	937
September	-	191	-	942
October	-	195	-	961
November	-	198	-	976
December	-	199	-	981

<u>1991</u>				
January	-	202	-	996
February	-	202	-	996
March	-	201	-	991
April	-	202	-	996
May	-	204	-	1006
June	-	209	-	1030

ANNUAL RATES

(% Rise of C P I)

1985-86	-	8.3
1986-87	-	6.2
87-88	-	10.9
88-89	-	8.5
89-90	-	6.6
90-91	-	13.6

(AVERAGE ANNUAL RATE OF INCREASE IN WHOLESALE
PRICE INDEX)

<u>Period</u>		<u>(In %)</u>
1971-72 & 1972-73	-	7.6
1973-74 & 1974-75	-	20.0
1975-76 to 1978-79	-	2.0
1979-80 & 1980-81	-	19.0
1981-82 to 1989-90	-	6.5
1990-91	-	12.1

SKY-BOUND PRICES

The trend that was indicated in the ECONOMIC SURVEY, 1990-91 about inflation in 1990-91 that the sharp increase in prices was concentrated in essential commodities such as foodgrains, vegetables, pulses and edible oils, has continued in the post-budget period.

The wholesale price index as on August 3, 1991 at 203.4 reveals an annualised rate of inflation of 12.9 percent, which was 10.8 percent on July 20.

Primary articles have taken the major brunt of the price rise and within this category, food articles have risen the most.

The annualised increase in the price of primary articles works out to 16.4 percent and that of food articles 18.3 percent.

During the course of one week vegetable prices have gone up by 6.9 percent.

The full impact on prices of devaluation of the rupee which will make imports costlier, and other measures of liberalisation, will inevitably unfold in the coming period.

.....

TOP 20 INDUSTRIAL HOUSES

Industrial House	Value of assets	No. of undertakings	Value of assets (Rs. crores)	No. of undertakings	Value of assets (Rs. crores)
	(Rs.)	()	(Rs. crores)	()	(Rs. crores)
	Dec. 1984.	(31-3-89)		(31-3-90)	
1. Birla	2551.6	169	5564	170	6974
2. Tata	2449.3	82	5559	83	6621
3. Reliance	369.2	14	2033	14	3241
4. J.K. Singhania	692.3	53	1566	59	1829
5. Thapar	572.1	47	1317	45	1763
6. Mafatlal	712.2	41	1131	42	1297
7. Bajaj	286.2	30	954	27	1228
8. Modi	322.0	38	903	43	1192
9. Larsen & Toubro	292.3	7	931	7	1130
10. M.A. Chidambaram	-	33	866	34	1032
11. T.V.S. Iyengar	301.9	33	767	35	929
12. Hindustan Lever	329.0	13	775	16	925
13. A.C.C.	456.2	5	759	7	909
14. Shri Ram	358.6	25	685	25	800
15. I.P.C.	--	17	567	17	742
16. United Breweries	---	31	489	34	716
17. I.C.I.	449.7	5	537	5	674
18. Bangur	373.7	65	652	65	657
19. Kirloskar	370.2	21	518	24	633
20. Walchand	--	18	592	17	626
Other houses	--	810	13894	673	15336
Single large undertakings	--	19	3501	25	5034
Total		1576	44560	1467	54288

TURNOVER OF THE TOP 20 BUSINESS HOUSES
Sales (Crores Rs.)

	<u>1988-89</u>	<u>1989-90</u>
1. Tata	8413.42	10,094
2. BK-AV Birla	3121.42	4433.39
3. Ambani	2018.58	2517.25
4. Bajaj	1642.10	2047.02
5. RPG Enterprises	1703.12	1937.00
6. Thapar	1571.81	1724.15
7. Chhabria	1160.23	1502.94
8. Mallya	1049.83	1455.00
9. G M Modi	1112.58	1439.67
10. GP - CK Birla	1240.76	1421.81
11. Mahindra	1070.81	1371.99
12. Arvind Mafatlal	1059.74	1177.04
13. Nanda	820.25	1012.10
14. K.K. Birla	728.00	958.73
15. Godrej	775.00	952.00
16. J.K. North	879.57	882.23
17. Kirloskar	748.22	862.24
18. Walchand	760.10	846.86
19. M P Birla	Not there in the year	800.00
20. Hinduja	"	753.35

(Company Reports)

RATIO OF DIRECT AND INDIRECT TAXES COLLECTED IN
BY THE CENTRE
(percentage to total tax revenue)

	<u>Direct Tax</u>			<u>Indirect Tax</u>		
	<u>Income</u>	<u>Corporation</u>	<u>Total</u>	<u>Excise</u>	<u>Custom</u>	<u>Total</u>
1970-71 to 1974-75 (Av)	14.2	11.8	27.2	52.4	18.8	72.8
1980-81 to 1984-85 (Av)	9.1	11.6	22.6	47.6	27.8	77.4
1991-92 (BE)	9.2	10.1	19.3	41.4	39.2	80.6

SOURCE: Long Term Fiscal Policy, GOI and Budget, 1991-92.

EMPLOYMENT TRENDS (Organised Sector)

1.	Rate of growth of Employment between 1980 and 1988	}	1.8 percent compound per annum
2.	Rate of growth of jobs seekers	}	8.1 percent compound per annum
3.	Placements declined	}	@ 5.4 percent compound per annum
4.			
a)	Total Employment (in lakh)	}	<u>1980</u> <u>1988</u> <u>1989</u> 223.05 275.11 260
b)	Number of job seekers(in lakh)	}	162 - 327.76
c)	Placements made(in thousands)	}	477.7 - 289.2
5.	<u>Sectors</u>		<u>Shares in increase of Employment</u> (period: 1980-89)
A)	Community, Social & Personal service sector	}	39%
b)	Manufacturing Sector	}	24.4%
c)	Transport, Storage & Communication	}	11.9%
d)	Agriculture	}	5.4%
e)	Financing, Insurance & Real estate	}	5.2%
f)	Construction	}	4.9%
g)	Mining & Quarrying	}	4.1%
h)	Electricity	}	3.5%
i)	Whole Sale & Retail trade	}	1.6%
6.	Share of Employment (in percent)		<u>1980</u> <u>1988</u>
	Public Sector	}	67.6 71.3
	Private Sector	}	32.4 28.7
7.	a) Factories with Capital investment above Rs. 2.5 million account for bulk of employment (64.4 percent).		
	b) Largest increase in employment was reported by factories with Capital investment between 1.0-2.0 million in 1980s.		
8.	<u>Industry</u>		<u>Share of Employment</u>
1.	Engineering	}	29.7%
2.	Food products	}	12.5%
3.	Cotton Textiles	}	12.0%
4.	Electricity	}	11.0%
5.	Chemicals & Chemical Products	}	7.0%

Above 5 sectors accounted for 72.2% of total Employment

- Source Confederation of Engineering Industry.

LABOUR COST & VALUE ADDED
MANUFACTURING GROUPS OF INDUSTRIES.
(PUBLIC SECTOR)

Industry Group	Per cent of Manpower Cost in Cost of Production		Value Added per man- month (%)	
	1989-90	1988-89	1989-90	1988-89
Steel	14.03	13.83	12,140	11,683
Minerals & Metals	15.02	14.98	14,371	9,827
Coal & Lignite	34.72	32.81	6,179	5,933
Power	4.52	5.11	27,807	23,134
Petroleum	1.44	1.40	69,609	63,258
Fertilizers	6.56	5.19	19,616	20,205
Chemicals & Pharmaceu- ticals	9.68	9.62	13,672	12,174
Heavy Engineering	17.91	17.38	9,387	8,219
Medium & Light Engg.	17.63	17.92	8,999	7,559
Transportation Equipment	15.41	15.36	9,699	8,398
Consumer Goods	12.45	12.67	4,089	3,628
Agro-based Industries	25.63	29.50	5,788	5,258
Textiles	23.11	27.35	1,735	1,279

(Compiled from Public Enterprises Survey-89-90)

AVERAGE ANNUAL INCOME PER WORKERS (IN RUPEES)

Organised Sector	(R.)
a) Public	- 10,643
b) Private	- 11,239
Unorganised Sector	
a) Agricultural Workers-	1703
b) Non-agricultural Workers	- 4871
Self-Employed	
a) Cultivators	- 3095
b) Non-Cultivators	- 5065

Source: Centre for Monitoring Indian Economy Report, August 1990 (Based on CMIE Statistics of 1960-61).

MAIN PROVISIONS OF EMPLOYEES PENSION SCHEME INCLUDING
OLD AGE, INVALIDITY AND SURVIVORS' PENSIONS.

The Scheme was approved by the Central Board of Trustees, EPF on March 7, 1991.

1. COVERAGE: All members of the Employees Family Pension Scheme and all future members of the EPF Scheme.
2. ADMINISTRATION: Central Board of Trustees of Employees Provident Fund.
3. BENEFITS: 1) Provision for Superannuation/Retirement Pension for those who are already members of Family Pension Scheme (under the EPF Act).

Retiring at the age of	Age at the time of joining the new scheme	Superannuation/ Retirement Pension	Minimum
58 years	Less than 50 years	1/75 of pensionable salary per year of pensionable service provided that if service exceeds 20 years, A bonus service of 2 years will be added	Rs.533/- per month for past service of 19 years or proportionately less pension for lesser years of service plus past service pension as in the table attached.
58 years	Between 50 & 55 years.	-	Rs.500/- per month fixed for past service of 19 years and proportionate less for lesser years of service with a minimum of Rs. 250/- p.m.
58 years	Over 55 years.	-	Rs.400/- per month fixed for a past service of 19 years. Proportionately less pension for lesser years of service with a minimum of Rs.200/- per month.

The Pension as above is payable at the age of 58 years.

The calculation of Minimum Pension for existing members of Family Pension Scheme has been made on the assumption that the Pension Scheme will be introduced on 1.4.1990.

II. PROVISION FOR SUPERANNUATION/RETIREMENT PENSION FOR NEW ENTRANTS.

Age of leaving service on Superannuation/Retirement	Period of eligible service	Scale of Benefits	Minimum Pension
58 years (superannuation)	20 years	1/75 of pensionable salary per year of pensionable service with 2 years as Bonus service.	Not less than 0.75% of the employees' past accumulated contribution in the pension scheme at the time of exit.
58 years (Retirement)	20 years	1/75 of Pensionable salary per year of pensionable service	- do -
58 years	More than 10 years of pensionable eligible service but less than 20 years.	1/90 of Pensionable salary per year of Pensionable service.	- do -

Note:

If the member desires to receive pension after attaining the age of 50 years, the quantum of pension will be reduced by an age reduction factor per year falling short of 58 years. Reduced pension will in no case be less than 25% of full pension. No Pension is payable before the age of 50 years. No person who does not have the required qualifying period of 10 years of pensionable service will be eligible for pension.

III. WIDOW PENSION

(a) Death while in Service

The monthly widow pension will be equal to 1/75 pensionable salary at the date of death. Pensionable service upto date of death computed assuming the deceased pensioner retired at the date of death but not less than Rs.400/- per month provided that such pension in case of existing member (i.e. Members of Family Pension Scheme 1971) will not be less than that payable under the Family Pension Scheme. This benefit will be admissible if the first month's contribution has been paid to the fund.

(b) Death after Cessation/Death after Short Service Pension and Death after Retirement.

In case of death after cessation/after short service pension/after retirement but before monthly members' pension has vested and before return of contributions widow pension will be equal 1/75 pensionable salary at the date of exit. Pensionable service upto date of exit but not less than Rs.200/- per month. Such pension in case of existing member will not be less than that payable under Family Pension Scheme.

(c) Death after Retirement/Supernuation/Permanent Disablement.

provided monthly members' pension has vested, widow pension will be equal to 50% of pension drawn by the member at the time of death.

(d) Death of Bachelor

In case of death of a Bachelor while in service or after Cessation/Retirement/or Short Service Pension of the person has not been vested, his eligible recipient will be entitled to residual benefit i.e. return of contribution as desired by him.

IV. DEPENDENT PENSION

(a) 25% of member's pension to each child limited to two children below the age of 25 years. No pension if he gets employment. In case of girls upto the age of 25 years if remains unmarried and unemployed. It shall not be less Rs.100/- per month.

This is in addition to the Family Pension being paid to the widow. Children's pension will run from the eldest to youngest children in that order.

(b) In case of full orphans i.e. both the parents are dead or if the mother remarries, 75% of widow pension to each child upto two - Age as above, with a minimum of Rs. 150/-p.m. In this case also pension will run from the eldest to the youngest in this order.

NOTE: No Pension to a child if he/she is legally adopted by somebody.

V. DISABLEMENT PENSION:

On permanent total Disablement; Disablement Pension will be available to those who are totally and permanently incapacitated for future work as certified by the Medical Board. The rate of Pension will be equal to that of monthly member's pension.

VI. RESIDUAL BENEFIT

If the member leaves service before completing 10 years of pensionable service he will be entitled to refund of the aggregate of total contribution paid by him upto the date of exit with interest (2% less than the S.P.F. rate) provided that an existing member will receive return of contribution for his past service under Family Pension Scheme

according to tables attached to the scheme. Alternatively a member may opt to remain in the scheme when he will be covered for widow/children/orphan pension being actuarial equivalent of refund of his benefit under the scheme as in table attached to Scheme with a minimum of Rs. 200/- per month as Widow Pension.

VII. GENERAL PROVISIONS

(a) On change of employment or on leaving service, he will be provided with a scheme certificate specifying accrued service, total contribution paid, interest accrued on total contribution upto the date of exit. This certificate should be produced if he joins a new employer.

(b) Any member of the Employees Provident Fund who was entitled to join Employees Family Pension Scheme as on the scheme date, but did not do so, will join the new entrant without the benefit of past service for the purpose of pension. An option to be exercised by first joining the family pension scheme by diverting from their Provident Fund or by payment in case the past contribution to the family pension scheme so that he/she can get benefit of past service, is available at present.

(c) Pensionable Salary shall be the average salary for 36 months preceding the date of exit. 'Past Service' in case of existing members means the service during which he has been a member of Family Pension Scheme. Actual service is the aggregate of periods of service under different employers.

'Eligible Service' in case of new entrants is the actual service. But in case of existing members (i.e. members of Family Pension Scheme). It will be aggregate of actual service rendered during Family Pension Scheme and the new pension scheme.

'Contributory Service' is the period of actual service for which contributions have been received. 'Pensionable Service' is the contributory service provided that the member has rendered. Eligible Service required for payment of benefit under the scheme.

(d) Funding the new Pension Scheme

The recommendation is to take over employers' share equivalent to 8.33% from the Provident Fund. The Government will continue to pay 1.17%.

(e) Exemption can be granted from this scheme if the establishment has a scheme which is better than the new scheme. Such exemption will be for a period not exceeding 3 years and under certain condition to be prescribed by the Board.

(f) Pension payable under the scheme will be for the life of pensioner. Before the date of exit the member may exercise an option according to which he may accept his usual pension as per rule or may exercise option for obtaining pensionary benefit in one of the following four ways assuming that the admissible pension is Rs. 100/- per month, the following four options are available:-

<u>OPTION</u>	<u>Admissible revised pension p.m.</u>	<u>Return of capital</u>
i) Revised pension during life time of pensioner with return of capital on his death to his widow/nominee.	Rs. 875/-	Rs. 96,000/-
ii) Pension guaranteed for a fixed period of 10 years and for life thereafter (in other words if a pensioner dies within 10 years. His widow/nominee will also get guaranteed pension of Rs. 960/- p.m. during guaranteed period.	Rs. 960/-	nil
iii) Revised pension guaranteed for a fixed period of 10 years and for life thereafter. Return of capital at the end of guaranteed period or on death of pensioner whichever is later to his widow/nominee.	Rs. 940/-	Rs. 96,000/-
iv) Revised pension during his life time. Reduced pension during the widow's life time and return of capital thereafter to his nominee.	Rs. 850/- Rs. 840/-	Rs. 96,000/-

(g) In the case of workers employed in seasonal Industries or workers employed seasonally in any establishment, the period of employment in a year for the purpose of eligibility only.

(h) Wherever the employer's share (family pension fund contribution) is not paid by the defaulting employers, such periods would also be construed as pensionable service to avoid hardships to the subscribers.

(i) To ensure that claim for pension is not jeopardised on account of default of employer, provision for contingency fund from the corpus of the pension fund will be made pending recovery of the amount outstanding against the employer. This means that in case the employer is in default regarding payment of contribution, the worker will receive pension from the contingency fund.

(j) The Pension Fund will be actuarially valued every three years. Any surplus arising on such valuation will be partly/fully utilized to improve the benefits payable from the fund as per advice of the actuary.

However, pension under no circumstances will be less than 0.75% of the employers' part of accumulated contribution in the Pension Scheme at the date of exit.

IMPORTANT POINTS IN THE REPORT OF THE RAMANUJAM
COMMITTEE TRADE UNION ACT

1. REGISTRATION:

Minimum strength for registration should be 10% of the employees or 100 whichever is less.

In case of application for registration, it will be enough if any seven persons out of the membership pass the test in the process of verification.

2. Trade Union Rights should be available to all the employees regardless of their status, salary, wage or the character of their employers.

3. MEMBERSHIP FEE:

Minimum rates of subscription

Re. 1/- per annum for rural workers

Rs. 3/- per annum for workers under the Minimum Wages Act.

Rs. 12/- per annum in the case of others.

4. ELECTIONS:

Elections of office bearers and the executive shall be held atleast once in every three years.

5. DUAL:

No trade union shall be registered if its membership is restricted to a particular craft, occupation, caste, creed, community, race, religion or persons originating from a particular region.

6. TIME LIMIT:

Registration of a Trade Union should be made within 45 days from the date of receipt of the application.

7. INTRAUNION DISPUTES:

Intra-union disputes should be referred to international centre.

8. OUTSIDERS:

Not more than 1/3rd can be outsiders as office bearers of members of the executive.

9. JURISDICTION:

No Civil Court shall have jurisdiction over matters connected with the working of a registered Trade Union.

10. MINISTERS:

Ministers in the Centre or the State are ineligible to be officebearers of a Trade Union.

RAMANUJAM COMMITTEE ON INDUSTRIAL RELATIONS

The dissent note has already been circulated

Here are given the unanimous decisions:

1. Labour-side: Industry means any systematic activity carried by cooperation between an employer and his employees (whether such employees are employed directly or by or through any Agency, including contractor) for the production, supply or distribution of goods or services with a view to satisfy human wants or wishes whether or not

- i) Any capital has been invested for the purpose of carrying on such activity;
- ii) Such activity is carried on with a motive to make any gain or profit and includes

Port and Dock, agricultural operations, hospitals, educational, scientific, research or training, institutions owned by charitable institutions etc.

The employers wanted that for certain employments separate machinery should be provided.

2. Employee: The Labour side:

"any persons (including an apprentice, a casual or contract worker) employed in any industry operating any manual, unskilled, skilled, technical operations, teaching, sales promotion, clerical supervisory, administrative or managerial work for hire or reward, whether employed directly or indirectly through contractors, whether the terms of employment are express or implied and for the purpose of this act in relation to the industrial dispute any such person who has been dismissed or discharged or retrenched -----

but does not include those under
Armed Force Act or Police.

The employers wanted the definition of workmen as given in 1982 amendment act be retained.

3. Employers and the I.N.T.U.C. wanted B.I.R. Act etc. to be exempted. All other centres wanted that no exemption should be given.

4. The INTUC, HMS, and N.L.O. agreed to granting of exemption to the employees covered by the joint consultative machinery scheme, but wanted that all issues of dispute be referred to arbitration and its decisions to be binding.

Grievance Procedure:

Individual grievances - Two stages with second stage being appellate authority. Then there shall be grievance arbitrators.

Employees shall have the option of approaching the negotiating committee to take up his case and/or adjudication.

For general grievances, unions in the Negotiating Council can resort to conciliation negotiating councils, arbitration, adjudication or strike.

Union Recognition:

Direct negotiations should play a pivotal role.

The employers, I.N.F.U.C. and N.L.O. wanted membership verification to be the method for identifying the negotiating agent.

The B.M.S. wants Secret Ballot by the unionised workers.

The A.I.P.U.C., C.F.P.U., H.M.S., U.T.U.C., U.T.U.C.(L.S) and T.U.C.C. want Secret Ballot by all the workers.

Negotiating Council:

Main thrust should be on bipartism.

Where only one union exists it shall nominate all members on the Negotiating Council.

INFUC and NLO held that in case of multiple union with more than 50 percent membership to be the sole negotiating agent.

In case no union has more than 50 percent membership - the top two or more unions covering 75 percent in that establishment shall be represented on the Negotiating Council in proportion to their strength.

The Unions with less than 10 percent membership shall be ignored.

The other Trade Union representatives held.

Union which polls 65 percent of the votes polled shall be recognised as sole negotiating agent.

If there is no such Union top two or more unions to be represented so that 85 percent of the votes polled are covered. Unions with less than 10 percent membership shall be ignored.

The Chairmanship of the negotiating Council shall be by rotation between employers and workers representatives.

The Council once set up shall have a tenure of three years.

In case of composite negotiating Council the Union with largest membership will be recognised as the principal negotiating agent.

Wherever the parties desire there can be Industrywise negotiating Councils.

INDUSTRIAL RELATIONS COMMISSION

The A.I.T.U.C., C.I.P.U., U.T.U.C., U.F.U.C.(L.S) and T.U.C.C. opposed the concept of I.R.C. and wanted the continuation of conciliation and adjudication machinery under the Government, with more teeth and more judges for speedy disposal of cases.

The others favoured the setting up of an independent Industrial Relations Commission with overall power of Registration, deciding the question of recognition for Negotiating Council, Conciliation, Arbitration and Adjudication, as recommended by the National Commission of Labour and the Santh Mehta Committee.

STRIKES & LOCKOUTS

The labour side wanted that prior permission should be obtained before a lockout from the appropriate authority. Strikes and lock-outs cannot be equated.

The employers insisted that lockout is the right of the employers.

In essential services one month's notice should be mandatory both for strikes and lockouts. In case of strike or lockout essential services such as safety, water supply, electricity, medical shall be exempted.

Strike should be preceded by strike ballot in which atleast two-third of the workers employed in the establishment should vote for the strike.

AIFUC, CITU, UNIC and UTUC(LS) opposed strike ballot.

The B.N.S. and R.N.S. held that if unions representing more than 51 percent of the workers agree for strike, no ballot is needed. In case ballot the unions should themselves conduct the same.

In case of illegal lockout workers shall be entitled to full wages and benefits. Labour Court to decide whether lockout was legal or illegal.

Regarding 33-C(2) it was agreed that the time limit for filling claims shall be three years.

Lay off:

Lay off compensation should be paid by establishment employing more than 20 workers.

The employers wanted exemption upto 50 workers.

Lay off compensation to be paid to the Casual and Baidi workers too.

For lay off due to factors within the control of the management, full wages should be paid.

If the contractor does not pay lay off compensation principal employer shall pay.

Retrenchment

The employers agreed that there should be no retrenchment for reorganisation but workers should agree for retraining or transfer. This was agreed.

In case the negotiating Council agrees that after all efforts there are some surplus and identities then they may be retrenched but should be paid one month's wages for each year of service.

But in respect of establishments employing less than 250 employees or with a turnover of Rs.5 crores the existing rate of compensation be paid.

Closure

To avoid closure steps should be taken in case as an industry shows signs of sickness.

On non-payment of legal dues it shall be construed that sickness has commenced. The negotiating Council shall discuss it and may appoint such consultants as deemed necessary and if no agreement is reached it shall be sent for adjudication. The award of adjudication should be given within thirty days.

The compensation of the workers should have precedence over other payments, and no permission should be given unless such payment is made.

Unfair practice:

The unfair practices scheduled in the I.D. Act be deleted. A single illustrative list as contained in the Code of Discipline and Code of Conduct be added.

Any unfair practice by either party may be referred to a Labour Court.

Penalties:

Penalties should be deterrent and their enforcement should be meaningful.

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ALL INDIA TRADE UNION CONGRESS
24 Canning Lane, New Delhi-1.

President: M.S. Krishnan
General Secretary: Hoad Daji

Tele: 387320
386427

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To
All Officebearers and State Committees
of the AITUC.

27 July '91.

DECISIONS OF THE MEETING OF AITUC OFFICEBEARERS
AND STUC PRESIDENTS AND GENERAL SECRETARIES

Dear Comrade,

The meeting of the AITUC officebearers and STUC Presidents and General Secretaries was held at Delhi on 22nd and 23rd July 1991. Except from Kerala, Goa, Rajasthan, Himachal Pradesh, Orissa and Kashmir all states attended the meeting. The meeting was first of its kind and helped to appraise the organisational position of the States.

The STUC General Secretaries reported in details on the organisational situation prevailing in the states.

AITUC General Secretary placed before the meeting on the position at the centre.

The reports showed that on the matter of the organisations the position of different states varied considerably and could be categorised as:

a) good b) fair c) bad d) crisis ridden.
The meeting appreciated that under these conditions uniform directions and decisions regarding the improvement in the organisational set up cannot be reached. Different STUCs will have to decide concrete steps according to the situation prevailing in their states.

However, the following broad conclusions were agreed to:

- 1) The meeting reiterated the decision of the working committee that every state should send MONTHLY reports to the centre and also reports of major developments and struggles in their states immediately.
- 2) The STUCs should have an independent office or arrangement with any affiliated union where the necessary facilities are available.
- 3) As far as possible the General Secretary of the State Committee of the AITUC should be a full-time functionary. However, if that is not practicable, then at least one Secretary should be made available as a full-time functionary of the State TUC.
- 4) The reports showed that where District Councils of the AITUC unions had been formed there was a general improvement in the working of the unions. It was decided that all districts where AITUC unions exist, District Council of the AITUC should be formed before 31st DECEMBER 1991.

5) It was also decided that METROPOLITAN COUNCILS of AITUC unions should be set up at Delhi, Calcutta, Madras, Bombay, Bangalore, Hyderabad and such other big cities, consisting of trade unions, in these cities as well as trade unions that are coming up in the surrounding areas. This work also should be completed BY 31st DECEMBER 1991.

6) For the proper functioning of the STUCs, they must discuss and regularise their funds. Various states reported on various methods adopted by them for collecting funds for STUC. A special drive should be made to see that funds are made available to the STUCs for their necessary functioning.

7) Emphasis to organise the un-organised sector should continue with greater attention. Similarly, NEW INDUSTRIAL COMPLEXES have come up in many states. The STUC must discuss and decide to allot necessary cadres to organise the workers in this complexes immediately. Otherwise, the AITUC will be a late comer on the scene. Special emphasis to be given on building trade unions in PUBLIC UTILITY INDUSTRIES, like Electricity, Municipal Workers, Transport ~~etc~~ etc.

8) STUC must undertake the task of educating the trade union cadres more intensively and broadly speaking, these should be of 2 levels:

- a) For leading cadres in the organised sectors.
- b) For cadres in the unorganised sectors.

9) The AITUC will organise 2 schools, one in English and one in Hindi for leading cadres. In these schools eminent economics and social scientists shall also to be invited to discuss the new problems facing the trade unions.

10) The Centre will prepare a new curriculum for trade union schools.

11) All India Secretaries should go more often to the states. For this purpose the Secretariat has given specific responsibilities to the Secretaries which includes not only visits to the States but also continuous contact with them.

12) The Secretaries of all the trade union Federations be asked to give a report on the State of their Federations to be discussed with the Working Committee/General Council.

13) The Madras Conference has put forward the concept of the trade union unity. But it is not limited to the question of unity with one or another trade union centre. It also includes the understanding that it is not desirable for the AITUC to start their own union with handful of workers where functioning independent unions exist. Wherever independent trade unions have sizeable workers support and are not managements dummy unions we should work inside such unions.

14) The AITUC General Secretary reported of the continuous efforts and talks going on with the HMS Leadership regarding the unity of AITUC and HMS. He also reported of efforts being made to secure land or house for the AITUC.

15) The meeting opined that it is advisable that our old stereo-typed thinking on economic matters needs to be updated. Broadly, the Madras Conference made a beginning in this direction as can be seen from the slogans evolved and mentioned at the end of the report. New developments and new thinking by our trade unions.

16) It was decided to hold the next meeting of the General Council of the AITUC at NEW DELHI ON 4th, 5th and 6th SEPTEMBER 1991.

With greetings,

Yours fraternally,

Homi Daji

(HOMI DAJI)
General Secretary

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MEMBERSHIP VERIFICATION OF
CENTRAL TRADE UNIONS.

ANNEXURE 'D'

It has now been decided that fresh verification will be undertaken on the basis of membership as on 31 December 1989. The ALPUC has submitted its claim to CLC.

The revised procedure of verification is reproduced below for attention of all unions:

AGREEMENT ON THE IMPROVED PROCEDURE FOR VERIFICATION
WITH THE REPRESENTATIVES OF THE CENTRAL TRADE UNION
ORGANISATIONS ON 29.12.1986.

1. Periodicity: Verification shall be undertaken once in 4 years. CLC(C) shall make all possible efforts to complete the process of verification within a period of one to 1/2 years. The final verified membership results shall be in force till these are replaced by next verification results.

The verification shall cover such trade unions as have been registered under the Trade Unions Act and are affiliated to Central Trade Union Organisations participating in the verification.

2. Submission of claims: The membership should be submitted by the Central Trade Union Organisations in the manner hitherto followed and as far as possible on the basis of the annual returns submitted to the Registrar of Trade Unions.

3. Spot Verifications: (a) Spot verification shall be conducted by the Verification Officer after informing the unions concerned the period of spot verification at least a fortnight in advance.

(b) The sampling figures for spot verification should be 2% to 10% depending on the size of the physically verified membership of union. In order to maintain uniformity in selection of sample for spot verification the following criteria shall be followed:

(i) Unions with a physically verified membership of upto 1000-10 per cent of such physically verified membership shall form the sample for spot verification.

(ii) Unions with a physically verified membership of above 1000 and upto 10,000-5 per cent of such physically verified membership, subject to a minimum of 100 members, shall form the sample for spot verification.

(iii) The union with a physically verified membership of above 10,000-2 per cent of such physically verified membership subject to a minimum of 1000 members, shall form the sample for spot verification.

NOTE: The selection of members for spot verification i.e for personal interrogation shall be made from among those members who were found to have paid their subscription during the course of physical verification of 15% of names among the members of the union.

(c) The concerned worker should himself/herself sign his/her membership of a union as recorded by the verifying officer. In case the worker is not conversant with the language in which the verification officer is recording the outcome of interrogation, such worker may bring a co-worker of his choice to ensure that findings are recorded correctly. Only in the case of an illiterate worker, thumb impression will be countersigned by a co-worker of his/her choice.

The spot verification should not be conducted in the presence of any representative of the management.

4. Physical Verification: Physical verification should be simplified and restricted only to the checking of membership register, receipt book containing counter foils of receipts for membership subscriptions and constitution of union, audited statement of accounts, Registration Certificate, affiliation certificate and receipt of payment of affiliation fee. The sampling figure should be raised from present 10% to 15%.

5. Inter-State Unions: The membership of inter-state unions should be verified on the basis of the annual returns submitted to the Registrar of Trade Unions in the State where the union is registered.

6. Raising of objections: In raising objections, the Central Trade Unions Organisations should raise specific objections with appropriate grounds for the objections.

7. Notice to Unions: The notice should be issued to the unions to produce records giving them 21 days time from the date of issue of the notice.

The verification officer shall issue the second notice on the next working day after the expiry date of the first notice giving the same notice period.

If the union fails to produce records even on the expiry of the second notice period, a 3rd and final notice shall be issued by the Verification Officer giving 25 days notice period.

The Verification Officer shall endorse copies of all the notices to the state committee and the Central Trade Union Organisations to which the union is affiliated.

All the notice shall be sent by registered post with A.D.

8. Rectification: Before finalising the verification results, the CLC(C) will intimate all the Central Trade Union Organisations about the provisional results being ready and requesting the organisations to collect on any of the 2 specified dates the results in quintuplicate. The organisations may bring to CLC(C)'s notice any errors/omissions for rectification one month from the date when the provisional results are collected.

9. Authorised representatives: In view of the difficulties being faced by the representatives of Central Trade Union Organisations in the process of verification with the Registrars of Trade Unions, they shall send a list of such representatives for issuing an authorisation letter by CLC(C) to them asking the RTU's to render necessary assistance/cooperation in the instant process.

10. De-registration: Registrars of Trade Unions should be instructed to send a list of unions which have been de-registered to the respective Central Trade Union Organisations half-yearly. CLC(C) will take up this matter with the Ministry of Labour.

11. Records of Registrars of Trade Unions: In order to facilitate the process of verification and obviate any delays it is requested that Registrars of Trade Unions be asked to keep their records on a uniform basis, on the basis of the list of industries on which verification procedure takes place.

CLC (C) shall be taking up with the Ministry of Labour to address all respective State/Union Territory/ Governments in this regard.

12. Membership of unions in concerns which are locked out, closed units or where a prolonged strike may be taking place:

In all cases where lockouts, closures or strikes have been continuing for a period of upto 3 years affecting the keeping of records in the year of recounting, the annual returns submitted to the Registrars of Trade Unions of the previous calendar year should be accepted as a basis for the purpose of verification. No spot verification can take place in all such cases and the process should be confined to physical verification only. In special circumstances exemption may be granted from spot verification by a joint committee of all Central Trade Union Organisations participating in the verification process.

13. Stamp System: The authorised representative of CLC(C) will hold discussions with the representatives of the NFITU and the decision taken in these discussions regarding acceptance of the system shall be agreeable to all the Central Trade Union Organisations for the current verification.

14. Date of reckoning: The date of reckoning for the verification has been accepted as 31 December, 1986.

15. Procedure of verification in the case of agricultural workers/rural workers' Union and related matters:

Taking into consideration the views communicated by the Central Trade Union Organisations, the Government shall take appropriate decision in this regard.

16. Miscellaneous: A Standing Committee of all Central Trade Union Organisations may be set up to advise on matters concerning verification which are not covered by the above agreement.

ABOUT VERIFICATION OF MEMBERSHIP OF
AGRICULTURAL WORKERS' UNION

The consensus arrived at in the meeting taken by Labour Minister with the representatives of all the Central Trade Union Organisations on 15.5.1990.

(1) Only those organisations which had a verified membership of 5000 and above spread over 4 castes and 4 industries including Agriculture could be recognised as a Central Trade Union Organisation. It was further agreed that the figures of membership in agricultural sector will however be shown separately.

(2) In giving representation to C.F.U.Os in various committees the Government will examine each case on merits.

(3) A standing Committee of representatives of all the C.F.U.Os will be constituted to advise the Government from time to time on various issues arising out of verification process. The Chief Labour Commissioner(Central) will be the Chairman of the Committee.

(4) The method of verification being followed for the organised sector will be followed for the agricultural/rural sector also, though the size of the spot verification could be appropriately determined on the merits of each case in consultation with the above Standing Committee. This could be further modified by the Standing Committee as and when necessary.

(5) The C.UOs will submit their membership figures regarding agricultural/rural sector district/Taluka wise so as to facilitate verification. Assistance of State Government machinery will be taken up for carrying out verification in this sector.

(6) Regarding the classification of industries, C.UOs will submit their suggestions within a week's time which will be taken into account by the Government before finalising the schedule of industries.

UNIONS TO PREPARE FOR VERIFICATION

Unions getting notice for verification of membership must be ready with

- (a) Registration Certificate of the Union;
- (b) Affiliation Certificate;
- (c) Receipt for payment of affiliation fee for the year ending December 1989;
- (d) Membership Register showing name, department, token No., membership fee receipt number and date;
- (e) Account Book and Audited statement of Accounts for 1989;
- (f) Receipt Book Counterfoils;
- (g) Annual Return for the year ending December '89.