

# **Committee of Public Sector Trade Unions**

## **Extended Session**

Kochi: 27<sup>th</sup> June 2009

### **Declaration**

The extended session of CPSTU held on 27<sup>th</sup> June 2009 at Kochi expressed grave concern at the renewed move on the part of the Govt at the Centre for disinvestment of shares in CPSUs in order to set in motion the process of creeping privatization of profit making CPSUs. Following the announcement of the policy-declaration in the President's address to the joint session of Parliament on 4<sup>th</sup> June 2009, Government has prepared a list of over 40 companies in which it is planning to divest part of its share-holding through the stock market. The list includes BSNL, RINL-Vizag, Coal India Ltd, BHEL, HUDCO, Export Credit Guarantee Corporation, RITES, Indian Railway Finance Corporation and North East Electric Power Corporation Ltd etc.

CPSTU is also seriously concerned over the alarming spate of contractisation and casualisation of workforce which has already assumed disastrous dimension. Number of regular workers is declining every day owing to retirements, both normal and premature, and stoppage of fresh recruitment, thereby creating serious imbalance amongst the three components of the workforce – Regular Workers, Contract Workers and Executives.

CPSTU also noted with concern the virtual inaction of the Govt on the revival of sick but potentially viable PSUs which has also put the workers of the concerned CPSUs in the midst of immense sufferings, denied them regular payment of wages and other benefits besides depriving them of the regular wage revision for consecutive rounds.

It is also a matter of concern that the seventh round of wage revision for the PSU workers, though have commenced in some PSUs, have been moving at a very slow pace owing to negative approach of the PSU management despite passage of almost two and half years after the expiry of the tenure of the sixth round.

The public sector unions unitedly fought and compelled the Government finally to agree for five year tenure of the wage settlement. However, some CPSU managements are conspiring to exploit the workers in the matter of tenure or quantum of fitment benefit or on both. They are trying to take a stand that fitment benefit similar to Executive category can be considered if the workers agree for ten years settlement. In Defence-PSUs like BEL, HAL, BEML, Midhani, BDL etc, the respective managements are insisting for exclusion of a substantial part of basic pay in the form of additional increments earned by the workers from December 2006 for the purpose of calculating minimum guaranteed / fitment benefits, which has been totally rejected by the workers.

It has been proved from our experience of the last round wage negotiations that a two five year agreement is always beneficial than one ten year agreement. CPSTU wants five year periodicity for all. But for the workers wage revision, there cannot be any compromise on the issue of five year periodicity, the issue of minimum guaranteed benefit as recommended by the Rao Committee and mentioned in DPE Circular and restoring proper relativity between the workers and the supervisors and executives. Both are achievable if the CPSU workers and their unions remain firm and united.

Taking serious note of the development concerning declining regular employees and increasing contract workers in CPSUs, this time, in all CPSU based bipartite forums, the trade unions must jointly

move to ensure simultaneous wage rise for the contract workers in respective CPSUs and set a minimum wage for the contract workers based on the minimum wages for the regular workers in the concerned CPSUs in line with the demand formulated in successive declarations of CPSTU meetings.

The Kochi session of CPSTU, therefore calls upon the CPSU unions and workers irrespective of affiliations to unitedly assert the following stance in their respective negotiating forums and also to close the ranks to fight for the same:

- **No to disinvestment / privatization and contractorisation / outsourcing in PSUs.**
- **Tenure of the wage agreement not more than five years.**
- **Relativity between Workers and Executives in pay and benefits turned widely adverse during last round of wage negotiations, must be restored.**
- **Annual increment system as percentage of basic pay to be calculated cumulatively every year.**
- **Wage rise for the contract workers to ensure at least the minimum wage and benefits available to the permanent workers in all the respective PSUs.**
- **Financial and policy support for revival of sick CPSUs and Wage revision for the concerned employees.**
- **Filling up of all vacancies for workman category in CPSUs through fresh recruitment of regular workers.**

The CPSTU also calls upon the CPSU workers and unions all over the country to prepare for united struggle for realization of above both in respective industries and in the PSU as a whole.

The CPSTU extends solidarity to the struggle of the Air-India employees for regular salary payment and against curtailment of existing benefits.

As a general line of action, CPSTU adopts the following programmes unanimously:

- **Observance of “Anti-Disinvestment Day” in the form of Joint demonstration of 22<sup>nd</sup> July 2009. In all the PSUs all over the country opposing disinvestment of shares in the PSUs and telegram to the Prime Minister and the concerned Minister conveying such opposition.**
- **Joint protest through demonstrations and sending telegram to Prime Minister and also the concerned Minister by the unions in the concerned PSU whenever disinvestment decision is announced.**
- **Joint agitation in at the PSU level on the issue of wage-negotiation both for regular and contract workers-date and time to be decided by the concerned PSU level unions basing on the situation in wage negotiation in the concerned industry.**
- **Joint conventions at the state capitals or PSU centers of the PSU unions on the issue of disinvestment, revival of sick PSUs and also on issues pertaining to wage negotiations to be completed by August 2009.**
- **National Convention of PSU workers and next course of programmes- to be decided by the Core Group of CPSTU.**

CPSTU calls upon all constituent units in particular and the PSU workers in general to unite and campaign among the mass of the workers and their surroundings the just stand of CPSTU on the wage revision of the PSU workforce including the contract workers and also against disinvestment / privatization and prepare for countrywide struggle including strike to defend both the public sector and the rights of the public sector workers.

# COMMITTEE OF PUBLIC SECTOR TRADE UNIONS

27<sup>th</sup> June, 2009

To

**Dr. Manmohan Singh,  
Prime Minister of India,  
New Delhi.**

Dear Sir,

The Committee of Public Sector Trade Unions (CPSTU) comprising the trade unions of the employees and workers of Central Public Sector Enterprises affiliated to AITUC, CITU, HMS, Joint Action Front of PSUs, Bangalore and Coordination Committee of PSU Trade Unions, Hyderabad and several independent trade unions which met in its extended session at Kochi on 27<sup>th</sup> June, 2009, hereby conveys its serious concern over the renewed move of the Govt. to disinvest shares of Central Public Sector Enterprises.

The CPSTU opines that all notwithstanding commitments on maintaining Govt. equity in the CPSEs at 51% as of now, the disinvestment of shares in CPSEs will ultimately pave the way for creeping privatization in the days to come and that is not in the interest of the country's economy. Instead of selling shares of CPSEs in phases, CPSTU considers it to be better option to productively utilize the huge reserve of surpluses with them to the tune of Rs.4,85,000 crore for revival of sick and potentially viable CPSEs through an appropriate mechanism and also for supplementing the social sector expenditure through "corporate social responsibility" route.

The CPSTU maintains that peoples' ownership on the CPSEs can be better ensured through total Govt. ownership of their equity and through Parliamentary control on them and disinvestment of shares in the CPSEs will in reality set in the process of gradual dilution of the peoples' ownership which may kindly be taken note of.


The CPSTU urges upon you kindly not to go in for further disinvestment of shares of CPSEs.

With regards,

Yours sincerely,



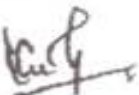
**H Mahadevan  
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**T Maruti  
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