

(Memorandum submitted to the Prime Minister through Shri Pranab Mukherjee)

Dt: 18.2.2009

To

The Prime Minister of India
South Block
New Delhi

Dear Sir,

The grievous fall out of the global financial crisis and accompanying recession on the Indian economy and Indian workers in the form of massive lay offs, closures, retrenchment, wage cuts, attack on the workers rights including trade union rights is causing deep concern to the trade unions. More than 30 lakh workers are reported to have lost their jobs during last few months. Massive job losses are taking place at a time when unemployment in the country is very high. Those who are still in jobs are facing wage cuts, reduced working days, and other forms of attacks. The impact of these developments on the working masses and their living conditions are very grave. The worst hit are workers of Construction Industry, Manufacturing Industry, Export related Industries, particularly garments, textile, gems and jewelry information technology, etc. The medium and small scale industries are also worst affected. The recession has affected agro based industry and agriculture too.

The Govt. is announcing one after another concession totaling to lakhs of crores of rupees to the benefit of the industrial houses without any precondition that the labour will not be retrenched or laid off, there will be no wage cuts or reduced working days. Besides this, the Government is further pursuing its reform agenda to help corporates and MNCs. In fact, Govt. seems to be colluding with the employers while the entire burden of economic crisis and recession is being passed on to the working masses.

The Prime Minister has found time to meet industrialists and employers and know their demands but he has not found time to meet the representatives of working class who are the worst victims of the crisis through which the country is passing. The former Finance Minister while replying in Parliament on behalf of the Govt. on the economic crisis did not even refer to ordeal and deep sufferings through which working masses are passing.

We demand that the government must make heavy investment running into lakhs of crores of rupees in agriculture, for building up of social infrastructure, for creating jobs, for expanding the domestic market, for reversing the trend of decline of the economy. Any concession to the capitalists in the form of bank loan, subsidy and tax concession must be preceded by clear assurance from them that there will be no retrenchment, no postponement of new recruitment, no lay offs, no wage cuts, forced reduced working hours etc. Instead of looking for expanding export, the full potentiality of the domestic demand in the national economy should be explored and cultivated. India is a huge country of more than 100 crore people. If the purchasing power of the people can be increased by

giving them jobs, improving their quality of life, then, India can build its own self-reliant economy without much dependence on the foreign market. Labour laws must be enforced. Job opportunity in the rural economy must be created. National Employment Guarantee Scheme must be implemented with more vigour in entire country, both rural and urban and it must be universalized. The agricultural workers must be given more benefits.

The attack must be halted; situation must be changed; government policy must be reversed. With that end in view the Sponsoring Committee of Trade Unions demands:

1. Stop retrenchment / lay off and wage cuts, closures on the pretext of financial crisis.
2. Prioritise on relief to common people. Any relief or concessions granted to industry, domestic or foreign, must ensure and guarantee protection of jobs and additional employment generation.
3. Halt proposed Reforms of financial sector, strengthen public sector including banks, general and life insurance companies, impose embargo on non banking and speculative activities by the banks and financial institutions including foreign banks.
4. Revise upward the minimum wages rates based on the 15th ILC norms for both urban and agricultural workers.
5. Ensure strictest implementation of all labour laws.
6. Universalise public distribution system (PDS) bringing within its purview all the essential commodities.
7. Scrap PFRDA Bill; stop handing over provident fund accumulations to private fund managers.
8. Increase public investment in agriculture and social infrastructure projects with specific thrust on education, health, power, road, irrigation and waterways.
9. Credit flow from financial institutions to target agriculture and small-scale sector with top most priority, followed by industrial sector and not for stock market operation.
10. Ban speculation, participatory notes transactions and impose higher capital gains tax, both long term and short term.
11. Protection to domestic industries through increase in import tariff against possible dumping of industrial commodities in the background of falling prices in the international market owing to recession; India should not agree to any further cut in import tariff in the ongoing talks at WTO level.
12. Provide universal coverage to NREGS by removing Rural Urban divide. Create more jobs in labour intensive sector.
13. Improve the Unorganised Workers' Social Security Act recently passed by the Parliament based on the recommendations of the Parliamentary Standing Committee of Labour.

AITUC

CITU

HMS

AICCTU

AIUTUC

UTUC

TUCC

and All India Federations of Banks, Insurance, State and Central Govt. Employees, Railways, Defence, Civil Aviation, Telecommunications