

IFTU HAILS THE STRUGGLE OF THE VSP WORKERS AND EMPLOYEES AGAINST PRIVATISATION

The Visakhapatnam Steel Plant, established as a result of a protracted and militant huge mass movement in the sixties in which 32 persons lost lives, is for sale now to private corporate players. Every public asset in the country is up for sale to the big domestic and foreign corporate companies. From the largest transporter in the world to the biggest insurer-the Railways and LIC-the axe of privatization and divestment hangs over almost all the public sector companies. Many such companies have been given the tag of Navaratnas and Maharatnas. But the Central government, the Finance Minister seem to say, "So what,we decided to sell them and we will sell them even if they are making profits and giving us revenues in the form of taxes and dividends." But Why? The government says it loves privatization as a policy. The IMF,World Bank have been prescribing "privatization" as a mantra for economic development of the country. Business or the economic reins should not be in the hands of the government but in the hands of the big private corporate players. We have been hearing very often from the representatives of the government that government has no business to be in business. The government wants the coffers of the corporate like the Ambanis,Adanis and POSCO to be brimming with unlimited treasure.

The VSP, declared open in 1971 by the then Prime Minister,Indira Gandhi is housed in some 26000 acres of land in the port city of Visakhapatnam.It has a workforce of 16000 regular workers and employees and around 17500 contract workers. With a huge township, around a lakh depend on the plant indirectly. It is an integrated plant and is one of the biggest in the government sector receiving various awards ever since production began in 1990. While the establishment of this plant was a result of the massive agitation in the second half of the sixties, it also entailed large scale displacement of thousands of people from lands in 68 villages. These people sold lands at dirt cheap prices with the assurance that their lost livelihood will be compensated by employment in the plant. But this assurance did not fructify with that they are fighting through a platform of displaced persons and struggling for employment, alongwith handover of surplus land to them. The contract workforce comprises mainly of these people.

The Union Minister for Steel made a statement on the floor of the parliament that the steel units under the government-owned SAIL and RINL are not sick units and are money-churning units. The Finance Minister on the other hand recently asserted that there will be hundred percent privatization of VSP making it clear that no camouflage like " company running in losses" is needed to invoke the mantra of privatization. Debunking the PSUs and hailing the so-called virtues of privatization have been the hallmarks of the BJP-led government at the centre. Why should the VSP and other PSUs,that are profitable or profit-making units be sold off to the corporate players. The Finance Minister would say that the government needs revenues and one of the means is disinvestment and sale of PSUs. This is plain loot of the VSP and other PSUs. The government says this policy of privatization is to make the economy "atma nirbhar" or self-reliant. Dependence on FDI , on corporate capital and self-reliance are synonymous in the eyes of the government.

Since the last five months all sections of workers and employees of this PSU have been agitating against the decision of the union government to privatise the company. This is not merely an agitation of the workers,employees of the plant but an agitation encompassing the displaced, the ordinary hawker,the small traders. In a word it is a peoples agitation. In a situation when the

government is aggressively pushing the policy of privatization in the service of corporate players, this agitation assumes immense significance in challenging this policy. Privatisation entails loss of jobs and intensifies contractisation. It takes away the benefits of reservations thus denying the principle of social justice. The environmental friendly measures in place today will be in danger. This struggle is not only a struggle to protect the right to jobs but also a struggle defend public assets from being robbed by the corporate players. The National Committee of IFTU hails this struggle and declares its strong support to it.

National Committee

Indian Federation of Trade Unions(IFTU)