Sri Lankan unions launch campaign for minimum wage rise

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Twelve unions across Sri Lanka have launched a joint campaign to demand a rise of 10,000 rupees (US \$49) in the monthly minimum wage of private sector employees, and to oppose the government's decision to exclude private sector employees from a scheme that grants a monthly allowance of 5,000 rupees (US \$25) to public sector employees and pensioners.

IndustriALL Global Union affiliates the Free Trade Zones & General Services Employees' Union, Sri Lanka Nidahas Sevaka Sangamaya and Ceylon Mercantile Industrial and General Workers Union are part of the campaign.

With the high cost of living hitting Sri Lankans hard, the announcement by the government on 3 January 2022 granting an allowance of 5,000 Sri Lankan Rupees (LKR - US \$25) to government employees came as a disappointment, as only public servants and pensioners benefit and private sector employees are excluded. The government refuses to extend the allowance under the pretext of economic crisis. Private sector employees get just 16,000 rupees (US \$80) per month as the minimum wage.

Anticipating the situation ahead of the budget, unions – including IndustriALL affiliates - which are members of the National Labour Advisory Council (NLAC), submitted a proposal to the Ministry of Finance in October 2021 to increase the minimum wage of private sector employees to 26,000 rupees (US \$129), and for a 50 per cent reduction in the price of essential goods in the 2022 budget.

Following this, the cabinet instructed the Minister of Labour to make the necessary arrangements to pay the 5,000 rupees allowance for the private sector employees. The Minister of Labour called a meeting with the members of the NLAC on 7 January, followed by a meeting with the employers' associations on 10 January.

Employers refused to pay the 5,000 rupees proposed by the unions, citing economic losses due to COVID. On the issue of minimum wages, employers claim that they already pay the minimum wage of 26,000 rupees, which unions know to be untrue. NLAC has asked unions to provide evidence, and IndustriALL affiliates are engaged in a campaign to collect pay slips from employees in order to show the truth about wages.

The unions held a joint conference on 19 January, followed by an island-wide protest on 21 January. Currently the unions are also campaigning with parliamentarians to introduce a private member's bill on the minimum wage in Parliament.

Anton Marcus, joint secretary of the Free Trade Zones & General Services Employees' Union, said:

"Unions have resolved to convene and establish provincial and village committees of social activists across the country to mobilise citizens to demand from the government to pay 5,000 rupees as monthly allowance to all categories of workers, to increase the minimum wage of private sector employees to 26, 000 rupees and to reduce the prices of essential food items by 50 per cent."

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