

Selling Spree Continues...

It is reported that Maithri – Ranil administration that is immersed in a financial crisis has intensified privatizing state enterprises according to conditions laid down by the IMF and following its neo-liberalist economic policy.

The present government is planning to sell state enterprises on the pretext of freeing the masses from the burden of massive losses incurred due to weak management of such enterprises by earlier governments as

well as the incumbent government and sell other state institutions stating they should be made efficient and their services broadened.

Srilankan Airlines that was under family rule during Mahinda Rajapaksa

regime is immersed in a colossal debt of Rs. 62 billion and the government states their only solution regarding 'Srilankan' is to sell it. According to internal sources in the government the proposal to sell 'Srilankan' has been

put forward by the IMF in May. 3 aircrafts that belong to the Airline have been leased to a foreign air line while steps are being taken to privatize the company owned transport, food and engineering services.

Also, the intention of selling Mihin Lanka, Mattala Airport, Hambantota Harbour, Lanka Hospitals and two other hotels has

been announced. The government is also preparing a programme to privatize Fisheries Corporation while the latest privatization attempt of the government is to sell the East Jetty belonging to Sri Lanka Ports Authority. It is stated that the government, without carrying out necessary developments to the jetty that could bring massive

profits to Colombo Harbour, is attempting to hand it over to an Indian company to make up for the handing over of the Port City project to China.

Also, the IMF has proposed to the government that 'structural reforms' should be carried out in Ceylon Petroleum Corporation, Ceylon Electricity Board,

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Seminar against ETCA & selling of resources in Colombo on September 20, 2016

We know the Conscience of the People in the North

Comrade Tilvin Silva

The JVP vehemently condemns the communalist statement uttered by the Chief Minister for the Northern Provincial Council C. V. Vigneswaran said the General Secretary of the JVP Comrade Tilvin Silva adding that the JVP knows the conscience of the people in the North as the JVP works with them, Comrade Tilvin Silva said Vigneswaran's demand is not the wish of the people in the North.

He said Vigneswaran's statement could never be realized but it is regrettable that such statements give sustenance to communalists in the South who are around Rajapaksa. Comrade Tilvin Silva said Vigneswaran makes such communalist radical statements to conceal his political bankruptcy.

He said this in

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Government picks pockets of the masses but keeps ladders to thieves

Comrade Tilvin Silva

“The government, despite talking about good governance, keeps ladders for thieves. The government works according to western powers and creates loopholes for thieves to wriggle out. These moves of the government must be defeated”, said the General Secretary of the JVP Comrade Tilvin Silva addressing a press conference held at the head office of the JVP on the 27th September.

He said, “The government, while picking pockets of the people, is carrying out unnecessary interference on the Inland Revenue Department and Sri Lanka Customs in order to control them and take them under the Minister. Instead of properly managing the institutions that collect tax incomes, they are being politicized to mess them up. This government moves according to the wishes of imperialist institutions. Last time when obtaining loans the IMF was promised that the financial sector would be opened, state institutions would be privatized and relief for the masses would be slashed. VAT is introduced at the behest of the IMF. The institutions such as Inland Revenue and Customs are weakened to satisfy imperialist bodies.

A cabinet decision has been taken to weaken the Inland Revenue Department. Accordingly, the collection of revenue would be given to a private company. Privatization is carried out on the pretext of making them efficient. When a private company is given to collect revenue they will have to be given a commission. The government that states there is no money in the Treasury gives commissions to private companies. While giving a commission to companies the stalwarts



of the government too get a share of the commissions. Throughout the previous regime their associates were not taxed due to political interferences. Associates were given tax relief. It is due to the state interferences in tax collection that income had gone down. When tax collection is given to a foreign company it would come to know about all tax payers in our country. A foreign company getting to know economic information in our country is a threat to security.

The existing Inland Revenue Act is to be refuted and two Acts to be introduced. The two acts to be introduced are the Tax Administration Act 2016 and Inland Revenue Act 2016. According to the existing Act the Commissioner is appointed by the cabinet. All other officials are appointed by the Public Service Commission. There are less political interferences. From Tax Administration Act 2016 the Minister of Finance gets the authority to appoint all officials. He could appoint his associates. The Minister of Finance in our country

is a businessman. Giving one person the authority is not good governance. The slogan is ‘good governance’. However, practically the government acts against ‘good governance’. There is an attempt to get outsiders involved in Inland Revenue Department. There is also an attempt to recruit 1500 persons violating existing regulations. The UNP is paving a way to provide jobs for its sympathizers. As SLFP in the ‘unity’ government holds power in the Port, CPC and SLTB, the UNP has a crisis in giving jobs to its sympathizers.

On the other hand a new act has been drafted to weaken Customs that brings revenue to the country. There is an attempt to reduce the powers Customs officers have. Fines for offenders are to be relaxed. Customs brings 57% of the country’s income. Customs brought Rs.503 billion in 2014 and Rs.719 billion in 2015. Customs’ duty is not only to collect taxes. It prevents illegal goods from coming in to the country and artefacts and things connected with bio diversity taken away from the country. Hence,

the Customs Act should be a strong one. We have a strong Customs Act adopted in 1969. They are attempting to amend this Act. The highest position in Customs is the Director General. He has five additional officers. According to the new Act six additional director generals are to be appointed and three of them are appointed by the cabinet. This would increase political interventions. The new Act allows the Minister of Finance to release goods without any checking from Customs. Punishments for thieves have been relaxed. According to the existing act if false information is given to the Customs regarding good imported a fine of three times the value of the goods could be imposed when such an attempt is revealed. However, according to the new Act only 50% of the value of goods would be charged. This government supports and helps thieves. If the culprit admits the crime during Customs inspection the goods could be released without a fine but paying only the tax.

According to the law in our country if anyone is caught with 2 grams of heroin he or she could be sentenced to death. However, according to the proposed Act the maximum punishment for anyone caught with drugs, heroin, banned medicines, military weapons, bombs, missiles, swords, daggers is six months imprisonment. The maximum fine is Rs. 5 million. The government creates loopholes for thieves to wriggle out through the new Act.

The government, despite talking about good governance, keeps ladders for thieves. The government works according to western powers and creates loopholes for thieves to wriggle out. These moves of the government must be defeated. The JVP totally supports the struggle action begun by employees of Inland Revenue Department and Customs. Also, we will rally masses to carry out a massive agitation against the vicious moves of the government.”

JVP sends message to 67th National Day of People’s Republic of China

“Between 1937 and 1945, as many as 20 million Chinese people perished and 50 million were left homeless. In 1949 average life expectancy was 32 years and 90 % of the population lived outside cities, some in great poverty in rural areas, where purified water and electricity were rarities. The CPC in 1949 started the epic challenge of reconstructing the country’s physical and human capital.

Nearly seven decades later, by 2016 China had emancipated 700 million people out of poverty.

No any country, other than China in the history of mankind, has fulfilled a herculean task of this caliber,” states a message sent by the Political Bureau of the JVP to Chinese Communist Party at its 67th National Day celebrations.

Full text of the message:
Dear Comrades

Allow me, on behalf of the Political Bureau of the Janatha Vimukthi Peramuna (People’s Liberation Front – JVP) to express the Communist Party of China and the people of China the most

cordial and revolutionary greetings on this day the glorious National Day of the People’s Republic of China is celebrated.

We have followed with enthusiasm and great attention the speedy progress of the Chinese people under the able and correct guidance of the Communist Party of China and are proud and enthusiastic about the great achievements the people in China have acquired under the leadership of Communist Party of China.

Between 1937 and

1945, as many as 20 million Chinese people perished and 50 million were left homeless. In 1949 average life expectancy was 32 years and 90 % of the population lived outside cities, some in great poverty in rural areas, where purified water and electricity were rarities. The CPC in 1949, started the epic challenge of reconstructing the country’s physical and human capital.

Nearly seven decades later, by 2016 China had emancipated 700 million people out of poverty. No any country, other

than China in the history of mankind, has fulfilled a herculean task of this caliber. The average life expectancy has been elevated to mid 70s and adult literacy rate is over 97%. Annually 7 million young Chinese are graduated from Chinese universities. Today china is the world’s largest patents holder and it’s far above the combine total of the USA and Japan. Through 13 consecutive 5 years planning schemes China has become the world’s largest economy (in PPP terms). All these and other thousands of examples have shown the correctness and the capacity of the CPC.

We look forward to China lead by the Great Chinese Communist Party to be a beacon to the progressive, left and revolutionary people all over the world who fight against US imperialism and

its lackeys.

We are confident that all progressive, left and revolutionary masses in the world are bound by an unbreakable friendship with the Chinese people and the Chinese Communist Party and immeasurably rejoice at their great victories.

Janatha Vimukthi Peramuna wholeheartedly wishes that the Communist Party of China and the great Chinese people will achieve new and ever greater successes and victories on the bright road of socialism.

Long live the great and glorious Peoples Republic of China!

Long live Friendship between Two peoples! With fraternal greetings, Tilvin Silva, General Secretary, Janatha Vimukthi Peramuna (People’s Liberation Front – JVP)

1st October 2016.

On 4th September the SLFP (Maithri faction) held its convention at Kurunegala. At the convention the President of the SLFP Mr. Maithripala Sirisena said the SLFP would contest future elections under the 'hand' symbol and the party should be prepared to form a SLFP government as his intention is such.

Meanwhile, the UNP that held its party convention at Borella on 10th September told its members to be prepared to form a UNP government next. Both these statements are contradictory and the leaders of both parties are unable to make any explanation regarding the contradictions.

What is this contradiction or the variance? The current administration is a UNP – SLFP alliance. President Maithripala Sirisena always says the government has been formed on a policy foundation, its goal is developing the country, the government will rule the country for five years, no one would be allowed to topple it and is prepared to rule the country as an alliance even after the 5 year period.

Meanwhile Mr. Ranil Wickremesinghe too often states the country would be developed with President Maithripala Sirisena at the helm, the government would not be toppled as it is the best example of uniting on policy objectives to administrate the country. They, who talk about the value of uniting, also, at times, boast that they would go solo and form their own government.

These two types of statements are contradictory to each other. If this is the best administration to build the country and if it exists on the policy agreement to develop the country the crowing by Mr. Maithripala Sirisena that a pure SLFP government would be established at the next general election and bragging by Mr. Ranil

Wickremesinghe that the government formed after the next general election would be solely a UNP administration are indeed contradictory.

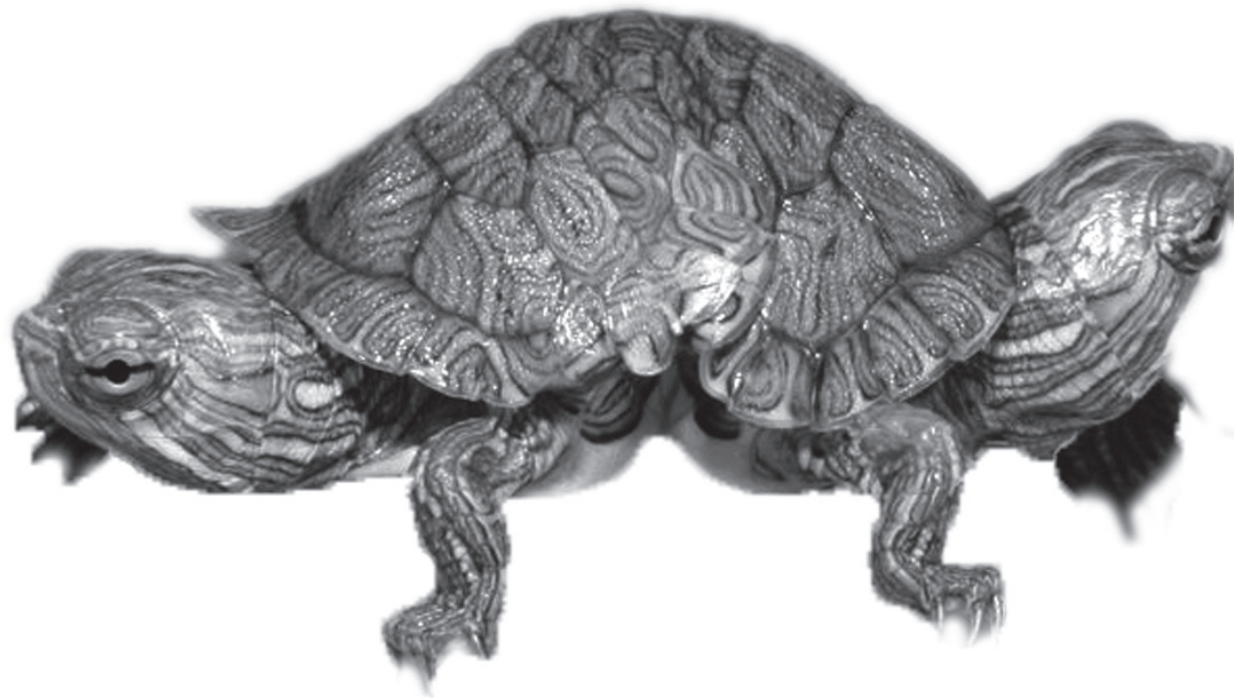
The SLFP or the UNP should attempt to form an own government only if the alliance government is ineffective. If so it means both the President and the Prime Minister agree that the alliance government is an unsuccessful administration. However, they do not admit it. Then why do they want

to form a single party government? There is no answer to that as well. This contradiction of talking about forming a government by each other's party while singing praises of the alliance government and calling others to protect it has become a joke.

The contradiction is connected to the existence of the alliance government. The present government is a collection of contradictions. There are several reasons for forming such an alliance government. What are lacking among them are the features they tell the country as their policy agreements.

This government is a combination of two deficiencies. They exist due to the UNP and the SLFP not getting enough power to form a government of their own. Mr. Ranil Wickremesinghe could not throw away the accidental opportunity

Enigma of 'Yahapalana' Regime



There is a saying that “two foolish moves would not make a wise move”. As such, two deficiencies too wouldn't make something strong. The present alliance government becoming weaker and weaker cannot be prevented. When it breaks down those who contributed to it too would fall down and the way would be paved for a new alternative power.



received at a time when his party was about to splinter and his leadership was being challenged. This is why he agrees for an alliance under the leadership of Mr. Maithripala Sirisena. Maithri too has no other alternative other than heading the alliance government. If he doesn't contribute to the state power his presidential

position would be a powerless one on one hand and on the other he would not be able to hold on to the post of leadership in the SLFP. He holds the leadership of the SLFP and the stalwarts of the SLFP remain with him as he is able to offer ministerial portfolios and other positions to those who are with him in the party. If he had no

power all of them would have left him. Like “The Blind Man and the Lame” story Maithri and Ranil have been forced to get together for an alliance administration to save their leaderships and to be in power. These are the real reasons why the alliance government exists despite various contradictions.

If so, why do they talk about forming their own governments? Both these leaders have to ask their memberships to be prepared to form their own governments in order to please their memberships. Although Mr. Maithripala Sirisena is the official leader of the SLFP, he has not been unable to get the preference of the membership at the grassroots level. The member at grassroots level sees Maithri as the person who joined Ranil to defeat their UPFA government. As Maithri is the head of the

government led by Ranil's UNP, it seems that the SLFP member considers Maithri as the person who betrayed the SLFP to the UNP. This becomes further established as it is continuously reminded to the membership by Rajapaksa clique for its benefit. As such, Mr. Maithripala Sirisena has to reiterate that he is the purest SLFP member and his intention is to form a government of the SLFP. Maithri has to utter this without considering the contradiction it creates as otherwise he would be a leader without a following. It would be like a General without an Army. Mr. Maithripala Sirisena says the SLFP would contest future elections under the 'hand' symbol in order to show that he is the genuine SLFPer. Maithri takes the 'hand' symbol the SLFP member too had forgotten and was used only during by-elections after 1977 to show that he is a better SLFPer than Mahinda. It would not bring the results Maithri expects. However, this crisis has made Mr. Maithripala Sirisena a sort of a jester as he has to appear for the alliance government and also talk about forming a SLFP government.

The UNP too is confronted with a similar crisis. Despite being the main party of the alliance government, it has no complete control over the government. The Leader of the SLFP is the President. SLFPers form half of the cabinet. UNP doesn't have

“This is not a government. People elect a government to use resources in the country with a good management for the development of the people in the country. However, this government is selling and sacrificing the most important resources that belong to the people. As a political party and trade union movements we would begin a street struggle against government’s policy of selling and sacrificing country’s resources. We would build the broadest force to launch the biggest struggle against the attempt to sell Ceylon Petroleum Corporation, oil tanks at Hambantota, the oil tank farm at Trincomalee, the refinery, Colombo Port,” said the Leader of the JVP Comrade Anura Dissanayaka at a press conference held in Colombo on Oct 3rd.

The President of National Trade Union Center (NTUC) Comrade K.D. Lal Kantha, the General Secretary of All Ceylon Ports General Workers Union Comrade Chandrasiri Mahagama, its Asst. Secretary Comrade D. Niroshan, the President of Ceylon Petroleum General Services Union and Provincial Councillor Comrade Ashoka Ranwala and its Organizing Secretary Comrade Ajith Padmasiri Perera were also present.

Speaking further Comrade Anura Dissanayaka said, “The present government is manipulating the economy towards selling and sacrificing the resources of the country. Before this government came to power a view was spread that it is a UNP government that could take the economy of the country towards prosperity, fill pockets of the people with money, where shops would be filled with customers and generate one million jobs. However, after one and a half years in office the government has shown that they were only fairy tales, it cannot increase production, protect the existing production

Broad Front from JVP against government’s ‘selling spree’



economy, generate jobs or raise the living standard of the people. Besides, even after ten months have gone by this year, there is no definite budget for the country. Neither the Parliament that has fiscal power nor the Ministry of Finance know the income or the expenditure of the country. The economy is manipulated blindly.

The government doesn’t have an economic theory. When the economy of a citizen breaks down he sells the vehicle or the land he owns. This government does the same. Valuable resources of the country are sold to confront the economic crisis. Colombo Port is one such valuable resource. Colombo Port holds the 26th position among harbours in the world. We’re 12th in the list of countries with ports. In all other countries the ports are important on the production and imports of that country. In China Shanghai Harbour has an important place due to the export of its massive loads of products. However, the market in Sri Lanka is small. Import and exports are limited. However,

Colombo Port enjoys an important place through transshipment. Colombo Port has 5 container terminals. 2 of them have been already sold. Queen Elizabeth Jetty and South Jetty have been privatized. By 2001 86% of operations in Colombo Port were carried out by Sri Lanka Ports Authority. It has been brought down to 38% at present. However, container movements in Queen Elizabeth Jetty have been increased from 14% in 2011 to 28% now. Container handling the government possessed has come down to 38%. This was due to the shallowness of terminals owned by the government. It was limited to 15 meters. The jetties managed by the private sector have depths of 18 meters and more so that they could accommodate larger container vessels. Later, the East jetty owned by the government was deepened to 18 meters. What is left to do is to fix cranes. Instead of procuring what is required, the government has decided to sell the East Jetty saying it runs at a loss.

It is true that Port Authority is run at a loss. But this loss is not due to the East terminal. By 2015 Sri Lanka Ports Authority incurred a loss of Rs. 141,560 million. During Mahinda Rajapaksa regime Rs. 144,000 million was spent to build Hambantota Harbour. By now the loss due to Hambantota Harbour is Rs.37,180 million. A Rs. 8000 million loan was obtained to build Oluwil Harbour. This loan too is paid by Sri Lanka Ports Authority. Not a single ship has arrived at Oluwil Harbour since 2013. A Naval training school was built near Oluwil Harbour spending funds from Sri Lanka Ports Authority. Only 5 students sought admission. It was handed over to Eastern University. The loss is to the Ports Authority. Rs. 4200 million was spent to build Sooriyawewa Stadium. As such the loss incurred by Port Authority is not an issue of the East terminal. A main reason for the loss incurred by the Port Authority is spending large amounts of money by the governments that ruled this country

for projects that had no direct connection with the Port Authority. Hence the attempt to sell East terminal of Colombo Harbour should be defeated. At present Prime Minister Ranil Wickremesinghe has presented a cabinet paper to sell 85% of the East terminal. We would guarantee that the JVP together with trade unions and other progressive forces would defeat the attempt by the ‘yahapalana’ government to sell important and sensitive economic centers in the country.

Also, the government has decided to privatize the refinery. The government has planned to establish a private company attached to Ceylon Petroleum Corporation and hand over the refinery to this company and carry out work as a joint venture with a foreign company. The refinery needs modernization. The previous government failed to modernize the refinery for nine years. Various other projects were carried out with funds from CPC. The

important and sensate economic centers were not modernized. Certain foundation stones laid for modernizations are nine years old now. The present government attempts to privatize the refinery. It is a very unfavourable decision for the country. The refinery that was commissioned in 1969 exported refined fuel by 1975 and earned 45% of the cost for importing fuel. However, the refinery was not modernized to produce the necessary volume.

We have more than 100 tanks within the oil tank farm at Trincomalee. These tanks have a capacity of storing one million metric tons of fuel. The British built the oil tank farm during the second world war for their use. The Muthurajawela and Kolonnawa tanks we use at present can store only a month’s need of fuel for the country. However, at the oil tank farm at Troincomalee fuel needed for 4 months could be stored. When the prices of fuel go down in the world market we

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The 58th presidential election of the US is scheduled to be held on the 8th November. At the election the 45th President and the 48th Vice – President of the USA would be elected. The President is not directly elected by the people. The people vote to elect 'Presidential electors' who will elect the President and Vice President of the United States. The majority of the 'electors' elected from states would elect the President.

Twenty-second Amendment to the United States Constitution prevents the incumbent president, Barack Obama of the Democratic Party, from being elected to a third term. Former Secretary of State Hillary Clinton is the candidate of the Democratic Party. Donald Trump, a businessman is the presidential candidate from Republican Party. There are also several independent candidates and a candidate from Green Party who have entered the contest. However, the contest is between the two candidates of the two main parties. The contest between the two main rivals has become intense and various predictions are being published regarding the victory.

Allan Lichtman, a distinguished professor of history at American University, states "Trump is headed for a win." (He has correctly predicted the winner of the popular vote in every presidential election held since 1984.) If this happens Donald Trump would be the oldest person to be elected President of USA.

The higher classes in the USA do not expect a Trump victory but they could not prevent him from becoming the candidate of the Republican Party. He became a controversial figure in his short election campaign. Trump's campaign rallies have attracted public controversy. Some of the events were marked by incidents

Coca Cola or Sprite: US Presidential Election



of violence between Trump supporters and protesters, mistreatment of some journalists, and disruption by a large group of protesters. Many have expressed displeasure at his conduct and statements. However, he has been able to draw world attention through his controversial comments and behaviour.

The wish of the capitalist ruling class is the victory for Hillary Clinton. However, she is an old face and her party has been in power for 8 years. She is also accused of frauds committed while she was the Secretary of State. According to US media Hillary has brought America Emailgate (It became publicly known that Hillary Clinton, during her tenure as United States Secretary of State, had exclusively used her family's private email server for official communications,

rather than official State Department email accounts maintained on federal servers.) and the Benghazi scandal (US ambassador and three other Americans were killed in a terrorist attack in Benghazi in Libya and later it emerged that the state department, led at the time by Hillary Clinton, had rejected appeals for additional security at the consulate where the attack took place.), among others. New developments in the Clinton Foundation scandals emerges almost daily state the media.

Real clear politics polls show that Clinton is in front of Trump. Analysts say the election this time is entirely different from previous ones. According to them in earlier presidential elections the choice was between Pepsi Cola and Coca Cola. However, this time it is between Coca Cola and

Sprite.

The campaigning over the past four months has done little to improve Americans' confidence in the potential presidencies of either major-party candidate. Americans are about as likely to say Hillary Clinton (33%)

and Donald Trump (25%) would be a "great" or "good" president as they were in May. More Americans still think each candidate would make a "poor" or "terrible" president than a "good" or "great" one.

Analysts outside

the US see Trump differently. They oppose his obnoxious and disgusting talk. However, US citizens see him as a new mode. As such, analysts think that the result would be one the world does not expect. As an example they show BREXIT referendum held in the UK. Its result was not expected by many.

According to analysts the presidential election in the US was a maneuver to enhance the legality of capitalist system. It's a referendum regarding the good or bad of the administration at the time. However, the election to be held is not so. It has become a referendum to decide whether the US remains in globalization or moves towards isolation. Internationally, the US election, earlier, is an open event that increases its power and opens space to interfere in internal affairs of other countries. It's the election that draws attention of the whole world. It creates the ground for the US to play the role of the world 'leader'.

However, what is special in this election is it limits to a dialogue whether US could fulfill the role of the world leader or not. Hence, it shows a change in the relationship between the US and other countries in the world. However, the final decision would be with the result of the election.

Dwindling US economy

Despite saying that economic crisis has been overcome, it is reported that the US economy is in a state of long term recession. This information is reported by 'Gallup', a research company.

According to 'Gallup' Americans' satisfaction with the way things are going in the U.S. dropped 12 percentage points in the past month, amid high-profile police killings of black men and mass shootings of police. Currently, only 17% of Americans are satisfied with the state of affairs in the U.S. Gallup states satisfaction is the lowest it has been nationwide since October 2013. It states the level of Americans who believe the national economy is getting better has

fallen sharply.

(Gallup is an American research-based, global performance management consulting company. Founded by George Gallup in 1935, the company became known for its public opinion polls conducted in several countries. Gallup provides research and strategic consulting to large organizations in many countries.)

According to data put forward by 'Gallup' the economy of the USA is in recession. Those who call themselves middle class or higher middle class in the US have dropped from 61% to 51%.

The DOW (stock market index) is going to crash to a degree we haven't seen since the Great Depression warns a

This Government too Cannot Salvage the Economy of the Country

The joint Maithri-Ranil administration too cannot salvage the economy of the country, the tax policy of the government is very unreasonable and the JVP is against the VAT states Information Secretary of the party Comrade Vijitha Herath.

Speaking at a press conference held at the head office of the party at Pelawatta on the 16th Comrade Vijitha Herath said, "The new government proved throughout last year that it, just like the previous government, cannot salvage the economy of our country. As it doesn't have a programme to come out of the economic crisis people are burdened with excessive taxes just like the previous government. It begs for loans and relief given to the masses is slashed. This government too is left with only taking loans, slashing relief and burdening people with taxes.

The present government took loans from the IMF by promising that people would be taxed to increase the state revenue through taxation. It is due to this promise that a tax bill is presented by the government creating a state of chaos in the country. There is a principle that is adopted to implement the tax policy. According to it the taxation in a country should be definite. It should be simple and convenient for the masses. Also, it should be fair. Initially this government stated that direct taxes would be increased so that indirect taxes for the masses would be brought down. Ranil Wickremesinghe said this clearly in Parliament. Indirect taxes are levied from the masses while

direct taxes are levied from those who earn very high incomes. The government that stated direct taxes would be increased has gone back on their words the rate of direct taxes brought down increasing the rate of indirect taxes. The direct taxes have been brought down from 35% to 17%. However, the taxes levied for ordinary folk have been increased. It is the ordinary folk who are tormented by the increase of VAT and Nation building tax.

The government could not implement VAT properly. When the budget was presented last December VAT was included. Later, the Prime Minister, making a special statement, increased VAT from 11% to 15%. When VAT of certain goods increased by 4% certain other areas which were not levied any taxes were brought under VAT with a rate of 15%. The letter sent to the Commissioner of Inland Revenue by the Ministry of Finance indicates this clearly. The Nation Building Tax of 2% was levied for electric bills and telephone services. As a result not only VAT increased by 4% but also certain items and services that were not taxed earlier were taxed anew. The Parliamentary approval was not sought for the VAT Bill earlier. As such, Supreme Court stating that the due constitutional procedure and the parliamentary Standing Orders had not been followed when presenting the Value Added Tax (Amendment) Bill nullified it. However, already the people were paying VAT. The Bill was properly presented to parliament only at the third time.

There were no big changes in the amended bill. Small shop owners closed their shops,

agitated against the Bill to pressurize the government. This brought about a conflict within the government. The government has amended only the annual income of Rs.50 million needed for registration. Accordingly, only those who earn above Rs. 103800000 could register for VAT. There are other taxes that have been added. VAT has been introduced for air tickets.

Rs.50 million. The taxes for mobile phones and fixed telephones remain the same. When VAT, NBT, Telecommunication levies are added a re-load of Rs.100 would be taxed 49.73%, About 2 million Sri Lankan foreign employees have to pay 'International Telecommunication Operators Levy (ITOL)'. Mobile phones are no longer luxury items. They are a service directly

of Rs.647,500 million included Rs.171,510 million received as VAT which was 26.48% of the income. In 2013 this rate was 24.05% and in it was 24.8%. It is the ordinary people who have to pay the large portion of this tax. This is contrary to the tax policy of a country.

The manner the VAT Bill was presented was wrong. However, people have paid the

and we opposed it. Hence, even with amendments we would vote against it. SLFP ministers despite expressing their opposition outside the parliament, they voted for it in the cabinet. They opposed outside Parliament to deceive masses. The VAT is presented jointly by the UNP and the SLFP. We ask the SLFP to vote against the Bill if they are really against it. The VAT Bill would be adopted expecting IMF loan before the budget is presented. As such, it is very evident that this 'joint' government has no answer for the economic crisis in our country. Both the UNP that commemorated its 70th anniversary and the SLFP that celebrated its 65th anniversary stated government formed in 2020 would be from either of their parties. However,



Milk products that include sugar have been taxed. There are many areas in health sector that have been taxed. Only a few amendments have been made due to protests by the people.

Parliamentarians of the SLFP said there were many defects in the Bill and they would bring in many amendments. What are the new proposals put forward by the SLFP? They brought in only the proposal to increase turnover of Rs.30 million to

utilized for production and trade. Hence levying a tax for such services is not justifiable. The vegetable farmer harvests, transports and finds out prices through mobile phones. Hence, telephone services are directly linked to production. When it is so, Minister Rajitha Senarathna says to off mobile phones if they the services are too expensive.

According to statistics the government earns 25% of its revenue from VAT. Government's income

VAT. According to this tax the charges for channel services have increased by 25%. Despite levying this tax was later abandoned as it was not legal, there is no process for the people who had already paid these taxes for health services, goods and services to get back what they had paid as taxes. The people have a right to get back this money. The government must prepare a structure for it. The JVP, even then, stated that the process of increasing taxes was unfair

they say they are jointly developing the country now. If they could develop the country jointly, why would they want to form a government by one of their parties? These are gimmicks to deceive their party men. Hence, we ask the people in this country to oppose the unfair tax policy of the government and its anti-peoples policies. Also, we invite the masses to come forward to build a just administration with a production economy."

Broad Front from JVP..

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could store 4 months need of fuel in these tanks. It is a very valuable oil tank farm. Earlier a MoU was signed and the farm was handed over to an Indian company. Now this MoU has expired. The government owns the oil tank farm now. With the expiring of the MoU Indian Oil Company has to pay the government US\$1 million monthly. Instead of collecting this money Ranil Wickremesinghe is preparing to hand over the oil tank farm to IOC. If we use this oil tank farm all fuel tankers could be brought to Trincomalee Harbour. For, a situation has developed at Kolonnawa where the pipe lines cannot be repaired. Fuel can be appropriately

stored in oil tank farm. Despite Minister Chandima Weerakkody getting a cabinet paper approved for 17 of the oil tanks to be used, Prime Minister Ranil Wickremesinghe is attempting to give the oil tank farm to IOC. The oil tank farm could be made a storing place as well as the distribution center for fuel in our country. Fuel could be distributed to other parts of the island by rail. It is such a resource that is to be sold.

Hambantota Harbour was first proposed as a bunkering, ship repair, ship building, and crew change facilities port. It is near an old sea route. About 500 ships sail along this route. The

first proposal was for bunkering. For that a project composed of five up right tanks with dome in 10,000m³, three up right tanks with dome in 5,000m³, three up right tanks with dome in 3,000m³, three spherical LPG tanks with 2,000m³ and all necessary auxiliary facilities were built. A ship could pump fuel to the oil terminal in one day. Ships take 7 days to unload fuel to Muthurajawela and Kolonnawa tanks. Hence unloading fuel at Troncomalee is seven times faster. This would bring in larger profits. The government, instead of handing over the bunkering service at Hambantota to the Ports

Authority, called for tenders. IOC, a Chinese company and Ports Authority applied. Ports Authority won the tender. However, the government is preparing to hand over the tanks at Hambantota to a Chinese company. Government's attempt to sell and sacrifice the oil tank farm at Trincomalee is to be repeated at Hambantota as well.

Maithri – Ranil administration is like public auctioneers. This is not a government. People elect a government to use resources in the country with a good management for the development of the people in the country. However, this government is selling and sacrificing the

most important resources that belong to the people. As a political party and trade union movements we would begin a street struggle against government's policy of selling and sacrificing country's resources. We would build the broadest force to launch the biggest struggle against the attempt to sell Ceylon Petroleum Corporation, oil tanks at Hambantota, the oil tank farm at Trincomalee, the refinery and the East terminal at Colombo Port.

If bunkering service at Hambantota is privatized the government will lose the returns. We would not be able to get it back. The East Jetty

in Colombo Harbour is to be given to a private company for 35 years. The government will not gain anything for 35 years. If the refinery owned by CPC is privatized the country wouldn't get any profits. These are very important economic centers of our country. Hence, the destruction Maithri – Ranil administration is going to do to the country should be stopped. We, as a political movement and important trade unions in the country, call upon all trade unions, people and journalists to come forward to prevent the government from selling important and precious centers of the economy of our country."

Dwindling US..

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renowned US economist.

He warns, "Unemployment will soar to 15% or higher as the work pool continues to shrink and companies lean towards employing people with experience, something students entering the workforce obviously lack.

Housing prices will fall again, by as much as 40%... the so-called "recovery" of 2013/14 will diminish faster than an ice on a hot summer day as mortgage rates rise and the wrong group of investors – a.k.a. speculators - lose their taste for the market.

Faced with huge revenue shortages, the federal deficit will balloon from \$1.3 trillion to as much as \$3 trillion."

Meanwhile, other economists warn that American Participation in the workforce is dwindling. They point out that employment has been slow to recover to pre-recession levels, and the nation's economy continues to limp along at

an anaemic rate of growth. It has been revealed that for the last sixteen years, the labour force participation rate, which reflects the percentage of the population that is either working or looking for work, has been falling steadily. Low labour force participation rates can have serious consequences for the fiscal health of a nation and can drive governments closer to bankruptcy they point out.

According to US labour statistics the number of full time employed adults has fallen and remains at 48% since 2010. It is eh lowest ratio since 1983.

According to 'Gallup' surveys the number of businesses that trade in US stock market has come down by 50% within the last 20 years. The number has fallen from 7300 to 3700. Also, launching of new businesses too has dropped.

Selling Spree..

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National Water Supply and Drainage Board, the Airport & Aviation Services and Port Authority. The 'structural reforms' is nothing but opening the door to privatize those institutions.

Ranil – Maithri administration that has no solutions for the breakdown of the economy, like earlier administrations, has turned to neo-liberalist economic policy that has proved its failure internationally as well as locally. These still-born, unproductive economic experiments not only deprive the masses of their resources but would drag the country and the people towards an economic abyss. Hence, the time has come for the people in this country to rally with the working masses to defeat this situation.

We know the Conscience..

>>> Page 01

response to a question posed to him at a media conference held at the head office of the JVP at Pelawatta on the 27th.

Speaking further Comrade Tilvin Silva said, "Making such revolting statements at a time when All Sinhalese, Tamil, Muslim, Burgher and other people strive to achieve national unity should be condemned. According to the law of the country any person has the right to live anywhere in the island. Doesn't a serious situation arise if Sinhalese

people say Tamils cannot live in the South? Also, various religions are followed by people in our country. People who follow Buddhism, Hinduism, Islam, Christianity building their religious places cannot be prevented. If temples are not allowed to be built in the North, it would be possible to argue that Hindu temples would not be allowed to be built in the South. All should condemn and repulse such statements."

Enigma of...

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any provincial council. All local government councils have been dissolved. UNP doesn't have power at grassroots level. While UNP leaders enjoy power at the top, the UNP member at grassroots level doesn't have any power. The member at grassroots level is not happy as the power machinery that spreads from top to grassroots levels when the UNP formed its own governments in the past doesn't exist now. They have started thinking that despite Ranil becoming the Prime Minister; the UNP has not been able to get jobs for UNP members. The SLTB, Port, CPC, Samurdhi – the institutions that are filled with UNPers looking for jobs when the UNP formed its own governments are now with the SLFP ministers. This is why the UNP members at grassroots level do not feel that their party has formed a government. Now UNP leaders are beginning to feel the discord at grassroots level. A convention is held and Ranil promises to form UNP's own government to dampen this heat. However, it contradicts the statements he himself makes for the survival of the government. There is no other solution for their crisis.

The contradiction within the government doesn't limit to contradictions in the UNP and the SLFP. There are several other contradictions within the government. There are those who advocate a devolution package that goes beyond the 13th amendment (such as the UNP and Dilan Perera etc.) and those who oppose devolution such as Hela Urumaya in the government. When the government moves according to western and Indian influences and getting prepared to adopt a new constitution the existence of Hela Urumaya too is challenged. They too will have to contribute to everything the government does but use their portfolios to bring people to Colombo and hold summits and shriek out patriotism.

All of them rule together but hold summits separately to make the membership of their parties that question and try to leave them linger a little longer by unfolding dreams before them.

However, all these weaken the existence of the government, create disorganization and broaden the objective environment for a new alternative power and political opportunity against the existing government. The UNP, the SLFP or any small group would not be able to grasp this opportunity. Only a progressive force based on the left politics could make use of this advantage. It was mentioned earlier that the alliance government is the combination of two deficiencies that exist due to the UNP and the SLFP not getting enough power to form a government of their own. There is a saying that "two foolish moves would not make a wise move". As such, two deficiencies too wouldn't make something strong. The present alliance government becoming weaker and weaker cannot be prevented. When it breaks down those who contributed to it too would fall down and the way would be paved for a new alternative power.

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VAT for deathbed

According to a Sri Lankan expression “Although the patient is dead, his guts have been cleaned”. However, this will have to be changed now to “Although the patient is dead, taxes have to be paid”. For, the ‘yahapalana’ government has decided to tax the patient on the death bed.

The government imposed an unfair tax on the masses by increasing VAT to 15% from May this year. It was on health, education, goods and services. A massive agitation campaign against this move erupted and the government was unable to confront it. Meanwhile, a certain group went to Court. The Court declared that the process VAT was introduced was erroneous and instructed to use correct procedure and the government was asked to withdraw VAT until then. This was a blessing in disguise for the government that was nonplussed due to the opposition of the masses. Agitations stopped. However, the increase in the VAT did not cease. It would be introduced with a ‘correct procedure’.

The government states the tax amendment that is to be presented in Parliament and adopted does not include VAT for health services. The government knows stating that health services do not come under VAT would diminish mass opposition to the taxes. However, this is a total deception of the masses.

The government does not levy VAT only for various tests the outpatients get done from private hospitals. They do not cost much either. However, VAT has not been taken away from tests, treatments and medications for inpatients in private hospitals which cost colossal amounts. VAT for them is 15%. This is a very serious situation.

In our country the number of patients who need serious surgeries, who suffer from heart diseases, kidney ailments, neurological disorders, brain diseases and cancers is increasing. The increase in elderly population, wrong eating habits and poisonous substances in our food are the causes for the increase in non infectious diseases in our country. The elderly population in Sri Lanka was 8.9% in a census taken in 1990. It increased to 9.6% in 2000, 12.2% in 2010 and 13.4 in 2014. It is assumed it will increase to 18.9% in 2026. In such an environment and due to the failure of the state health sector to expand sufficiently and due to lack of facilities in government hospitals many patients have to get treatment from private hospitals. As such, the number of private hospitals is increasing and the number seeking medical treatment from them too is increasing.

Patients have to wait for months to get their heart, kidney and neuro surgeries done in government hospitals as there are long waiting lists for such surgeries. When a person's turn comes for the surgery he may be dead. As such, people, whether they have money or not, come to private hospitals for treatment. Most of these patients are not very rich people. There are many who belong to the middle class or the poor. Some find money for the surgery by pawning or selling their assets. They get into debt. Some others beg for donations on the roads. Those who come to the private hospital after finding money by pawning their lands and other assets, begging for contributions, immersed in debt to save the life of their loved one who is fighting a life and death struggle are levied a 15% tax. Is this justifiable? Does it agree with any social ethics?

The government levies an income tax of 17.5% for private hospitals. It is paid by hospital owners. However, it is the patient who pays the VAT. It is not a small amount either.

Normally, a heart surgery in our country costs about Rs.6,98,000. Then Rs.1,04,000 has to be paid to the government as taxes. The government grabs Rs.100,000 from those who collect money for the surgeries. A brain surgery would cost about Rs. 1 million. Then the government would collect Rs.150,000 as taxes. A patient, who gets a CT scan done in a private hospital, as there are no facilities in many government hospitals, will have to pay Rs.2500 as taxes. This is very unjustifiable. A government that collects hundreds of thousands of rupees from patients who have to pawn their assets to come out of dangers to their lives cannot be humane. The government that levies 17.5% income tax from private hospitals charges another tax from patients who get treatment from such hospitals. In many other countries the health services are tax free. However, the government in our country levies tax for the health services to add to its coffers. A portion of the money given from President's fund for surgeries is taken back as taxes. The taxation by the government is not fair. If the government and those who govern have hearts they wouldn't think of taxing patients who struggle to save themselves from death. However, capitalist governments and its rulers do not have a conscience. Talking to them about justice and fairness is ineffective. For, a capitalist government is one that doesn't have a heart, a brutish administration.

As such, people in this country should rise up against the unfair tax burden on the people. The patient on deathbed or his loved ones need not pay taxes for the wasteful spending of the government. While strengthening the struggle to stop VAT levy, the struggle to defeat the existing social system that doesn't have a heart, compassion or morality should be heightened. There is no other way for the masses.



With masses in the North



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