

Lockout at Bosch plant in Bangalore, India now two weeks old

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For the past two weeks, the German-based engineering firm Bosch Limited has locked out 2,500 unionized workers at its plant at Adugodi in Bangalore, so as to break resistance to the contracting-out of the jobs of workers employed in 19 different departments.

Bosch management imposed the lockout on September 29, the day after the workers had launched a “tools down strike,” which consisted in their punching-in for work but refusing to perform their regular functions. The “tools down strike” was the workers’ response to the company’s unannounced contracting out of the work of an entire department. On Monday, September 25, when workers in this department showed up for work, they found that the company had removed all the machinery and were informed that they would be losing their jobs.

Bosch, the Indian unit of the German engineering conglomerate Robert Bosch GmbH, is India’s largest manufacturer of diesel fuel injection equipment. It employs over 25,000 employees and had revenues of over 92.70 billion rupees (US\$188.5 million) in 2010.

Representatives of management and the union, the MICO Employees Association (MEA), met October 4 with Gurudas Bhat, the Karnataka state government’s additional labour commissioner, but the talks soon collapsed. This past Monday there was a further tripartite meeting, but the result was the same.

While locking out the permanent workers, who are affiliated with the MEA, Bosch has continued production of certain components, using about a thousand administrative staff and trainees.

Throughout the dispute, Bosch has been adamant that it must have the unfettered right to contract out work. A company statement declared, “The decision of ancillarisation and outsourcing of non-core manufacturing processes [is] imperative for modernisation in order to stay globally competitive.”

The MEA says that the company’s outsourcing moves violate an agreement the two sides signed last October, which included a clause saying that there would be no further outsourcing until December 2012. The company cavalierly dismisses this, claiming that the clause was only a statement of intent and that, in any event, it is the workers who have broken the 2010 agreement:

“This act [strike] by MEA is a gross violation of terms of agreement signed between the

company and the union in the last wage settlement in October 2010 which protects continuity of all rights, obligations and

privileges of either party signed in previous agreements.” According to Bosch, “all rights, obligations and privileges of either party ... in previous agreements” include management’s right to outsource work.

Over the past year there has been increasing labour unrest at domestic and foreign-owned modern manufacturing facilities across India, as employers seek to compensate for an economic slowdown and profit squeeze, through speed-up and job cuts, and workers push for pay increases to compensate for rapid food and energy price increases.

Bosch is no exception. Last year the company declared a lockout at its Naganathapura plant, on the outskirts of Bangalore, after workers walked off the job. The lockout was lifted a week later following a compromise deal with the MEA. This March, workers at the Adugodi plant went on strike for a couple of days to press their demand for a pay increase.

In resorting to outsourcing, Bosch is employing a by now very familiar method to slash labour costs in India’s auto industry—an industry that owes its rapid rise over the past decade in part to its role as a cheap-labour producer for the world market.

The fortunes of India’s auto ancillary sector are closely linked to those of the car manufacturers. Any fluctuations in production and demand for two-wheelers, cars and commercial vehicles impact on the output of the auto parts makers. Production at Bosch’s Adugodi plant was, for instance, reduced last month due to the lockout at Maruti Suzuki’s car assembly plant in Manesar, Haryana.

The MEA is dominated by the Indian National Trade Union Centre (INTUC), the labour federation of the Congress Party, the Indian bourgeoisie’s traditional party of government and the dominant partner in the current big business United Progressive Alliance coalition government. Of the seven office bearers of the MEA, six belong to the INTUC and one to the Centre of Indian Trade Unions (CITU), which is affiliated to the Stalinist Communist Party of India (Marxist) or CPM. There are 20 committee members, 10 belong to the CITU, 8 to the INTUC and 2 to the All India Trades Union Congress (AITUC), the labour federation aligned with the other Stalinist parliamentary party, the Communist Party of India (CPI).

For a long time, the MEA, consisting of these three rival unions, has been complicit in implementing Bosch’s outsourcing and

ancillarization strategy. According to a company press release dated September 29: "In fact a settlement to formalize modernization, automation, ancillarisation and outsourcing, etc., was first signed between Bosch management and the union way back on 14.10.1992..." In 2003 following a five-day strike, the MEA agreed to a settlement package that included a pledge to increase productivity by 13 percent.

The MEA is doing nothing to mobilise support from other sections of workers in Bangalore and other parts of Karnataka and India to defend the Bosch workers at the Agugodi plant. Instead, it has urged the workers to pressure the Congress Party-led national government and the Karnataka state government, which is formed by the Hindu supremacist Baharatiya Janata Party (BJP), to intervene directly in the dispute.

According to MEA Executive Committee Member Raghavendra, a union delegation recently met Union Labour Minister Mallikarjun Kharge and apprised him of the outsourcing issue and the "illegal" shutdown by the company. Raghavendra also has met with Karnataka Law Minister S. Suresh Kumar and Labour Minister B.N. Bache Gowda. "Both ministers and Kharge," he claims, "have promised to look into the matter."

The Congress and BJP are the big-business parties principally responsible for implementing the past two decades' of pro-investor neo-liberal "reforms" and have systematically mobilized the power of the state to repress all worker resistance. The most recent example of this is the full support the Haryana state Congress Party government has given to Maruti Suzuki management in opposing the demand of workers at its Manesar assembly plant to be represented by the union of their choice. The Haryana government has twice declared job action by the workers illegal, denied the workers union recognition, mobilized hundreds of police to support the company's imposition of a lockout, and is now conspiring with the company to use police violence to end a worker occupation of the plant.

The MEA's corporatist policies flow from those parties whose affiliated union federations are represented among its office bearers and committee members. The Stalinist CPM and CPI have also supported and implemented the bourgeoisie's program for making India a cheap-labor haven for global capital. Their Left Front propped up the Congress-led United Progressive Alliance government for four years, from May 2004 through June 2008. And the Left Front unabashedly implemented pro-investor policies when they held power in West Bengal and Kerala.

Last week WSWs correspondents visited the site, opposite Bosch's Adugodi plant, where the locked out workers are conducting a "relay" fast. About a hundred workers were present. Many were reluctant to talk, saying that the unions have instructed them not to speak to the media. Nevertheless, a few workers did speak to the WSWs. One declared, "So many media people are coming here, but they are not publishing the grievances of the workers. They only publish reports in favour of management."

The workers said they fear Bosch management plans to outsource most of the work currently done at the Adugodi plant. "The management," explained one worker, "has plans to shift 19 departments for outsourcing. Each department consists of 30 to 40 employees."

Several of the workers expressed anger over the fact that while the same unions function in two other Bosch plants in Bangalore, they have not urged workers at those plants to take action to support their strike.

A young worker told the WSWs: "Due to slowdown in production, the Bosch management doesn't require us now. The lockout at the Maruti Suzuki plant in Mansesar has also affected production in the plant here because Maruti Suzuki is one of Bosch's major customers."

"The outsourcing process," he explained, "has been going on for some time in small quantity. The management spoke to union people about this, but we didn't know about it."

He said that on September 25, a Sunday, Bosch vacated one of the 19 departments: "When the workers came to work the following day, they were shocked to see the entire machinery had been shifted from that department. When workers protested, management claimed to have the MEA's approval for outsourcing and ancillarisation."

The young worker understands that global companies have been heavily investing in India and China because of these countries' low labour costs. Yet companies "like Bosch want more profit through outsourcing" so as to exploit "even cheaper labour!" Moreover, even inside their own plants, management denies many workers full-time status and benefits so as to lower corporate costs and divide the workers.

He continued, "We are struggling against that here. In this plant 2,200 are regular employees. Nearly 800 are On Job Trainees (OJT). After three years they will be converted into the Temporary workers category.

"The owners of the companies are living extravagant posh lives whereas workers who work hard are living in appalling conditions. The management never want to share their profits with workers, but when they make a loss they want workers to share their loss!"



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