

# Toyota locks out auto workers in India

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Over 4,200 workers have been locked out of their jobs since March 16 at two Toyota Motors majority owned car assembly plants in Bidadi, about 50 kms from Bengaluru (formerly Bangalore), the capital of the southern Indian state of Karnataka. Four days after locking out the workers over their wage and benefit demands, the company suspended 17 workers to “discipline” them.

To enforce the lockout management has erected barriers in front of the factory gates and posted security guards to prevent unionized workers from entering the facility. In an effort to divide the workforce, the lockout does not apply 1,300 contract workers and 800 apprentices at the plant who are paid abysmal wages. Nevertheless, production at the plants has come to a complete stop.

The Toyota Motors Employees Union (TMEU), which is not formally affiliated with any existing trade union federations, has been negotiating for a small wage increase of Rupees (Rs.) 4,000 per month (\$65) for Fiscal Year 2014 (April 2014 to March 2015) over the past 10 months. This is the same increase the company granted workers in FY 2013, which ends at the end of this month.

Despite its claims to be independent of the reactionary union federations in India, the TKMU has adopted the same tactics at the federations. Instead of mobilizing workers for a determined struggle to win these minimal demands, the TKMU has appealed to the state labor department and a former corrupt chief minister to intervene on their behalf.

The company, however, has adamantly stuck to its “final offer” of Rs. 3,050 (\$50) and has made it clear that it will go to extraordinary lengths for a monthly savings of \$15 per worker. In 2006 management locked out workers for 15 days over wage demands.

The ostensible reason given by the management for the lockout, widely reported in the Indian press, was

that a “section of the workers, instigated by the union, has resorted to deliberate stoppage of the production line, and threatened supervisors and continuously disrupted business for the past 25 days.”

TKMU General Secretary Satish told the *World Socialist Web Site*, “Negotiations began way back on March 7 last year for an increase of Rs. 8,500 per month. So far 48 rounds of talks have been held with the management, which include 7-8 talks in the presence of state labor department. The union lowered our demand to a pay raise of Rs. 4,000 per month but the management was still adamant on Rs. 3050.” Satish insisted, however, “production was never interrupted despite the grievances.”

This is despite the fact that there is widespread sympathy for a struggle not only by Toyota workers but workers at the supplier companies. Satish continued, “We had submitted notice for a one day token strike on February 10, 2014. Besides the mother plants, the dispute with 15 suppliers units (with 1,500 workers) were also not resolved. We have formed All India Toyota and Ancillary Employees Federation and registration is in process. Also we had a token strike on February 28, 2014. Labor department assured us of resolving the issue, but the workers were shocked by the lockout on March 16.”

In addition to the wage demand the workers are also demanding housing facilities, medical benefits and other service benefits.

These auto plants are 89 percent owned by the Japanese auto giant while Kirloskar Group, an Indian conglomerate, owns the remaining 11 percent. The plants have a combined annual capacity of 310,000 vehicles and manufactures an MPV (Multi-Purpose Vehicle) Innova, Fortuner SUV and cars, including Corolla and Camry for the Indian market.

The long and fruitless negotiations have made the workers edgy and angry. Due to raging inflation

workers' wages have continuously eroded over the past decade with many daily necessities doubling or even tripling in price.

The pay for a new regular employee is just Rs.16,000 (\$262) per month with small annual increases. Contract workers are paid half of that amount—Rs.8,000 or \$131—and apprentices make even less at Rs. 6,000 (\$98) per month.

The company is insisting it will lift the lockout by Monday, March 24, if workers sign a “good-conduct” bond pledging they will not engage in any slowdowns, strikes or other job actions that would hamper production. The workers rejected the demand at a meeting on Saturday and the lockout continues as of this writing.

Despite India being a small portion of the world car markets for Japanese and other foreign automakers, they have increased investment in India to exploit cheap labor. These investments come as major auto companies including Toyota have decided to shut down car production in Australia and are imposing a brutal wage-cutting strategy from the United States to Europe.

Indian workers are waging a bitter struggle against the brutal working conditions and paltry wages, which the Japanese auto giants have become known for in India. Such opposition is exemplified by the bitter years-long struggle of the Maruti-Suzuki workers in the northern Indian state of Haryana. One hundred fifty of those workers have been jailed and tortured by the police on behalf of the Maruti-Suzuki management. They are now being prosecuted in courts after being framed up for killing a plant manager during a management-instigated incident in July 2012. (See “India: Frame-up trial of Maruti Suzuki auto workers continues”)

The trade unions offer workers no way forward. Tied to the Stalinist parties, the Congress Party and other capitalist parties, the unions are committed to maintaining India as a low-wage haven to attract foreign investment.

Toyota workers cannot win their wage and benefit demands by appealing to the Karnataka state government, which will inevitably take the side of the management. To take forward their struggle workers need new organizations and a new industrial and political strategy. The lockout should be transformed

into an open ended strike of regular, contract and apprentice workers at the Toyota plants and extended to include workers in parts industries.

The fight against multinational corporations like Toyota requires a rejection of the nationalism of the trade unions and fight to unify Indian workers with their brothers and sisters in Australia, Japan, the US and Europe in a common fight to defend jobs and living standards and oppose the capitalist system, which pits workers in each country against each other in a race to the bottom.



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