

Sri Lankan Michelin workers' jobs in danger after JVP trade union leaders' secret deal with the company

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27 May 2025

A powerful protest was held by workers at the Michelin tyre factory in Midigama, Sri Lanka, on Saturday after the transnational company, based in France, announced that it was divesting from the facility and selling it to the Indian CEAT firm. CEAT is to begin running the factory on June 6.

The factory has been in operation since 1984. Currently, more than 1,500 workers are employed.

It has been revealed that the sale occurred on December 6, covering the Midigama Tyre Division and Casting Product Division plants, which manufacture bias tires and tracks for compact construction equipment. "The sale also includes the Camso brand, a renowned brand in these segments, at the end of a three-year licensing period," a Michelin group statement said.

Uncertain about what would happen to them, all employees demonstrated in front of the factory premises on Saturday, demanding job security. They raised slogans such as: "Protect the factory," "The trade union betrayed us," and "If the factory is closed, pay us a fair wage to live on."

Employees have serious doubts as to whether the Indian company will continue to operate the factory as before, continuing to employ them without breaking their service. The outgoing management has provided no clear answers, and has presented the issue as nothing to do with them. There is little doubt that the Indian company will offer existing employees work only as new hands, threatening their pay and conditions.

On Monday, the workers sent their own representatives to the Labour Office in Colombo to discuss their fears. Only then did the workers come to know that the corporation and the Inter-Company

Employees Union (ICEU) leaders had entered into a deal.

The Labour Commissioner informed the workers' representatives that the trade union had reached an agreement with the Michelin Group. Under the deal, workers are to receive a flat rate compensation of just \$US650 (around 200,000 rupees), regardless of their seniority or years of service, as payment for their termination by Michelin.

The ICEU, in other words, has accepted a meagre compensation package, behind workers' backs and is forcibly imposing it, without any guarantee of ongoing job security.

Surprised workers' representatives told the Labour Commissioner that they had not agreed to such a deal. However, the Commissioner refused to talk to the employees' representatives, saying he would deal with the trade union only.

This is an act of treachery by the trade union bureaucracy, which is controlled by the ruling Janatha Vimukthi Peramuna (JVP) and is led by its Minister Samarasinghe.

The right-wing JVP/National People's Power government is committed to an International Monetary Fund (IMF) austerity program and has also welcomed foreign and local investors to establish their companies, promising major concessions to boost profits.

The attack on Michelin workers' jobs and conditions comes as similar assaults are taking place elsewhere in the country.

On May 19, the major apparel company, Next, axed around 1,500 jobs by suddenly closing down its factory in the Katunayake Free Trade Zone.

The JVP/NPP government's Deputy Labour

Minister, Mahinda Jayasinghe, after a meeting with Next management, justified the closure of the facility. He said it has been shut because it registered losses over the past several years. He also falsely claimed that the company would help retrenched workers find jobs.

ICEU Secretary Janaka Adhikari, holding a press conference yesterday, accused “some bankrupt politicians” of organising the protest of “150 workers” at the Midigama factory with the help of the underworld.

He said these employees had been misled and that his union had entered into a memorandum of understanding with Michelin and CEAT to protect jobs. In fact, workers were not consulted in the preparation of this “memorandum of understanding.”

It is a lie that only 150 “misled” workers were protesting. The entire workforce has joined the struggle, accusing the union of betraying them. They also condemned the audio recordings of Adhikari sent to them. Many workers said that they voted for the JVP/NPP in last year’s presidential and parliamentary elections, but did not expect to be let down by the government.

Over the past two days, the Socialist Equality Party in Sri Lanka has intervened among the workers, explaining the need for them to establish their own action committees to defend jobs, pay and conditions.

Such committees must be independent of the unions, which, as the experiences at the Michelin and Next factories graphically demonstrate, function as an arm of the government and the corporations. Their aim must be to unite workers across factories and industries, in a common struggle for basic social rights against the IMF, the capitalist class and its political representative, the JVP/NPP administration.

Along with this article, we publish a speech delivered by a leading member of the SEP to workers at Midigama yesterday.



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