

Tamil Nadu Government bats for capital again - Auto component sector is the new 'public utility'.

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The Tamil Nadu government has issued a notification granting 'public utility' status to manufacturers of auto components. This amendment to the rules of the Industrial Disputes (ID) Act, gives suppliers of auto spare parts the same status attributed to essential commodities and services like water, electricity and public transport.

With this notification coming to effect, workers in these companies will not be able to call for a strike without a long notice period and will have to submit compulsorily to the conciliation process mandated by the ID Act, barring which the strikes will be considered illegal. Recent months had seen a spate of protests and strikes in auto spare parts suppliers, such as Pricol, Asahi, Chowel, MSI and Dongsan.

These, along with a rise in trade unionism in these companies, might have prompted this response from the state government. Auto manufacturers such as Hyundai, Renault Nissan, Ford and others granted similar status even earlier. Factories in SEZs had also been granted such a status

In a shocking move, Tamil Nadu Government has brought auto component manufacturing units under 'Public Utility Service' via Government Order, according to several news reports. This GO, yet to be notified in the Gazette, has been termed as a surgical strike on strikes by the news media.

This provision, already provided for auto manufacturers (Original Equipment Manufacturers) will now be extended to supply chains also for a period of 6 months.

What does this mean for workers?

Under provision of Industrial Disputes Act, if an industry is deemed 'Public Utility Service', then

1. Workers cannot go on strike without giving a 6 week notice to the management.
2. Strike will be deemed illegal if workers go on strike within 2 weeks of giving such notice or the date specified.
3. If a conciliation is started during the strike period, then workers cannot strike during the conciliation process or within 7 days of the conclusion of conciliation.
4. However, conciliation would be deemed to have started (as the conciliation officer is mandated to hold conciliation in public utility services) as soon as the notice is delivered to the labour department and management.

These provisions make any strike illegal for workers of the sectors which are deemed 'Public Utility Service'.

Unions' Response

Comrade A. Soundararajan, State President of CITU and Comrade Kumarasami, National President of AICCTU, speaking to Thozhilalar Koodam, condemned the move by the State to limit the strikes of the workers. Workers in auto sector, both in OEM factories and supply chains, have been organizing to demand various rights in Tamil Nadu in the past 15 years and this move is to curtail the unionism in this sector, according to these leaders.

“Conflicts between the management and workers in Hyundai from 2009, pushed the State to declare the OEM companies under the ambit of ‘public utility service’. If auto sector is deemed ‘public sector’, then what is non public utility?”

- Comrade A Soundararajan, State President, CITU

He said that auto manufacturing has been operating in Tamil Nadu for decades and companies such as Royal Enfield, Ashok Leyland, and MRF etc are having factories here. It was only with the establishment of Korean, Japanese multinationals that this trend has started.

Comrade S.Kumarasami said that the State is signing away the rights of workers in the MOUs that it signs with multinational companies.

“Even though there is a statutory limit to declaration of an industry as public utility service (a period of six months and an extension of six months), the State Government has been extending this provision to auto sectors, which in itself is a violation of law.”

- Comrade S. Kumarasami, National President, AICCTU

Comrade S.K asked if the Government can explain how the strikes are affecting public interest or what is the public emergency.

If the state limits the options of workers to fight legally, then the workers will indulge in illegal strikes, as strikes are expressions of their deplorable working conditions, said Comrade A.S. He said that this has not deterred workers from fighting for their rights, citing the recent example of Yamaha, Royal Enfield and the transport workers struggles.

Comrade A.S pointed out that the transport workers continued their strike even after the judiciary had called their strike illegal. He said that it will ultimately the strength and resolve of the workers that will determine if the State will use this against them.

Workers' response

Several workers with experience in the industry, agreed that this was a move by the State which was becoming more pro corporate brazenly. How they said that these do not deter workers from striking when needs arise. A worker from auto component manufacturing unit said the management had claimed the ‘public utility service’ when workers went on strike in 2011 (At that time, SEZs were given public utility service status). The management had declared the strike to be illegal on this basis. This was also the view of a worker from tire industry which also enjoys the public utility service status.

For some of the workers, the issues faced in the workplace was more paramount and had to be challenged. Foremost, they said was increased automation and use of NEEM trainees in production.

Only a strengthened movement towards same wage for same work (as NEEM workers are paid pittance compared to permanent workers in these factories) and increased employment by reducing the hours of work for all workers is the need of the hour.

The workers said that the unions (both central trade unions and others) must work on increasing the wage and conditions of the most precarious workers in factories.

‘The unions should stop going to OPS and EPS and work to strengthen the movement on the ground’.

- Worker in Auto Components Manufacturing Unit

The workers suggested more interactions and discussions among factory level union leaders and more coordinated action between workers in different factories.

Struggles in the time of pro corporate governance

While the trade union leaders are pointing to the multi nationals for the deterioration of rights, the timing of the announcement should be seen, as it comes when the Pricol workers have successfully pushed the State to declare a 10B order on Pricol and the District Collectorate had to intervene in Asahi workers’ case . The line between local and multinational companies are blurred, as the local companies are dependent on the multinationals for their own survival and also that the local businesses such as Pricol are on their way to become multi national.

This is clearly a move by Tamil Nadu Government to show that it will protect the interests of the capital. The unions have not been consulted before this GO has been announced, even when the unions have been petitioning the Labour Minister and the Deputy Chief Minister and Chief Minister.

Several ways by which workers rights are being curtailed by State and Judiciary -

1. Public Utility Service - Several industries such as Auto Sector, Soap manufacturing have been deemed public utility service, severely curtailing the rights of workers. No effort is made to justify how these products and services are critical to the public.
2. Allowing CCTV Cameras - Tamil Nadu Municipal Authority has mandated that CCTV cameras be installed in factories and work sites, a move that will be used to penalise workers, according to the union.
3. Judiciary has been giving injunction limiting the workers to strike or protest within 200-500 meters. Workers protesting in the factory have been evicted forcibly by Police using these injunctions
4. Fixed Term Employment - Central Government has allowed contract work to be legalised by allowing workers be employed for a specified duration without providing for permanent employment.
5. NEEM Trainees - Central Government has provided for apprentices to be used in direct production under the garb of training for a minimum wage of unskilled worker in the industry and with no benefits whatsoever.

And with the judiciary taking clearly anti worker stand in its recent judgments, an appeal to the judiciary may be adversarial to workers. And as workers have rightly pointed out, that auto sector workers are facing multitude of problems which are hampering the workers from uniting both in the factory and outside.

It is important that workers and the unions take a more comprehensive approach towards solving

these problems rather than operating within the confines of the corporate democracy.

This includes among other things, more outreach among workers of all categories on the issues, more in-depth explanation of demands (such as same wage for same work, decreased work hours), facilitation of discussion among factory level union leaders and workers and more concerted campaigns towards these issues.

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