



Wistron iPhone plant violence: Workers say months of pent-up anger behind outburst

Workers, who said that they had been exploited for months with poor pay, refused to condone the damage caused to the plant on Saturday.



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An enraged woman, wearing a face mask and holding a metal rod, destroys glass windows at Wistron's iPhone manufacturing unit in Karnataka's Kolar district. Behind her, several employees can be heard hooting, and within seconds, another young man can be seen joining her. Several such videos of employees vandalising the factory have gone viral on social media since December 12. These videos have led to the government and other political parties condemning the protests, the videos have one common theme – the collective anger of the employees.

The Taiwan headquartered company that manufactures Apple iPhones, and other products for Lenovo and Microsoft, has alleged that the vandalism cost them around Rs 26-52 crore, and the Kolar police have arrested 126 persons in connection with the violence. The Rs 26-52 crore figure was downgraded from Rs 437 crore first mentioned in the police complaint by the company.

The state Industries Department has expressed solidarity with Wistron. "Government of Karnataka is deeply disturbed over the events that happened at the Wistron factory premises recently at Narasapura Industrial Area, Kolar. We strongly condemn the violence that took place in the plant premises. Police investigations are going on and strictest





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While the government has taken a stand that violence of any sort cannot be condoned, employees say it is also imperative to understand why thousands of contract employees went violent that day.

TNM spoke to several employees on condition of anonymity, who stated that the anger among the workforce had been simmering over the last six months as management did not address their grievances as they were struggling with delayed payments and lack of overtime pay.



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that Wistron has contracted to hire workforce in Kolar. When he started his job as a data entry executive, he was getting Rs 11,475 as basic salary per month, working eight hours a day. Gagan maintains that he did not miss a single day of work since joining the company and even worked on festival days. "The company's management said they would pay us Rs 3,500 for two days if we worked on two festival days. Many employees took up this offer," Gagan said.

However, after completing one month, Gagan noticed the pay for three days of work had been deducted. Until September this year, he has lost pay for 20 days in total, and claims the company falsified attendance records and deducted the pay. "I went to them every single month and asked for the money. They kept saying 'we will give it the next month'. I was supposed to get Rs 7,600. This may seem like a small amount to many but for me I could have paid three months worth of chit fund deposit," Gagan adds.

Parmesh*, a 26-year-old employee at Wistron's plant in Kolar complains of a similar issue. He says that the company introduced a 12-hour work day in October, promising to pay overtime for the four hours added to the standard eight-hour day. The company, he says, promised to give each employee Rs 100 per day for the overtime work.

Parmesh says the employees were promised a basic salary of Rs 15,600 per month, as well as a Rs 300 allowance per day if the employees gave up two break periods, as outlined in a management notice. Almost all employees took up the offer as it would mean more money, he notes. "I have to take care of my mother and two younger sisters. Even this money would have helped me a lot," Parmesh says.



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we were promised RS 3,500 for two days. Besides, the company did not pay the RS 500 per day it promised for forgoing breaks," Parmesh says.

Some contract employees allege they were not paid for two months at a stretch, while many saw payments delayed for days, even weeks, over the last six months, said Sandhya, who has worked at the plant for almost a year. "We are supposed to get our pay before the 10th of every month. The company paid us whenever they wanted. Sometimes it was on the 14th and sometimes even on the 20th or 22nd," she says.

Like many other employees, Sandhya's burdens have compounded due to the payment issues. As the sole breadwinner of her family, she has to support her two children and mother on a meagre salary. "I am in deep debt now. I have to pay loans for borrowing money when payments were not made on time," she adds.

Parmesh says that he and over 500 employees had approached the company's HR department and demanded that they be paid appropriately. "They told us to ask the contractors and that it was not the company's fault," Parmesh adds.

In October this year, over 100 employees had approached Kolar DC Sathyabhama and asked her to intervene. DC Sathyabhama said that she had visited the plant and had spoken to the management, who had promised to reduce the work hours to eight hours per day as per the Factories Act. "The company had promised to resolve the issue," she said.

In a letter to the Karnataka government, Wistron Managing Director Sudipto Gupta said that the company is distressed by recent events and is supporting the police investigation. "We are deeply distressed by the recent incidents that took place at our Narasapura Industrial Area, Kolar. In this difficult hour, we appreciate the support we have got from the Government of Karnataka. We are working closely with State Government to ensure such incidents do not recur and support the police investigations," read the letter.

Though Wistron has not officially reacted to the wage dispute, 'sources' from the company have been quoted in the media claiming that they have made timely payments. Karnataka government ministers too have said that Wistron paid contractors, who may have in turn caused delays. Labour Commissioner Akram Pasha also told the media in his initial reaction that the company has paid salaries to the contracting companies. However, an inspection report by officials of the Director of Factories Boilers and Industrial Safety, submitted on December 13 says that there was a difference in the payment that the company did to contractors and the company has agreed to rectify it. It also added that the housekeeping staff have not been paid and that contract employees were paid only by 12th of every month.



days present shown in the salary statement, which had been brought to the knowledge of the HR and the Contractors.

2. The HR team had assured that the same would be rectified and the difference payment would be paid along with the next month salary.
3. However, this difference was not paid along with the salary for the month of November 2020
4. The salary to the contract workers are paid on either 9th, 10th, 11th or 12th of the subsequent month.
5. The salary of the housekeeping contract workers are not paid till date, and are required to work for 12 hours a day for six days a week, and are being paid the same salary which they were being paid when they were working for 8 hours a day.
6. The change in working hours of the factory from 8 hours shift to 12 hours shift on continuous basis has not been brought to the knowledge of the department.
7. Necessary Exemptions under the Factories Act 1948 has not been taken to carry out overtime work from the workers and hence the working hours of the factory from 6am to 6pm and from 6pm to 6am is in violation of the provisions of Section 51 and 54 of the Factories Act, 1948.
8. Similarly there is no provision under the law to engage women workers on overtime work. However women workers have been allowed to carry out over time work in the factory.
9. Permission is not taken to employ 13,500 workers in the factory from the department.
10. Additional construction of huge buildings and other facilities have been started and work is in progress without obtaining the previous permission of the department for extension of the factory building.
11. The Statutory compliance pertaining to requisite number of safety Officers, Welfare Officers and Medical Officers as stipulated under the Factories Act, 1948 are found not complied with in the factory.



What happened in the wee hours of December 12?

At around 6 am on Saturday, around 500 employees who had finished the night shift, went to handover a letter to the Human Resources Department. The employees had listed their grievances including delayed payments, faulty attendance reports and outstanding payments for overtime work hours.

Employees of Wistron's factory in Kolar vandalise building alleging delayed payment of wages



Sandhya, who was among the employees who approached the HR on December 12, says that officials refused to engage in a conversation and allegedly shut the door, locking themselves inside. "They told us that we have to take this up with the contracting company as Wistron had made regular payments. We informed them that the contracting company had placed the blame on Wistron," Sandhya recounts.

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outstanding salary amounts would be deposited into their accounts the following month. However, the delays never really stopped.

“When Wistron said they can’t do anything, this made everyone angry. I don’t know how it started but people started throwing items. Some of the employees went outside, snatched the steel bollards near the security checkpoint and began smashing the windows. A lot of employees were angry for many months and it looked like they had had enough. As soon as the violence began, a lot more employees began pelting jelly stones and broke windows with steel bollards,” Sandhya recounts.

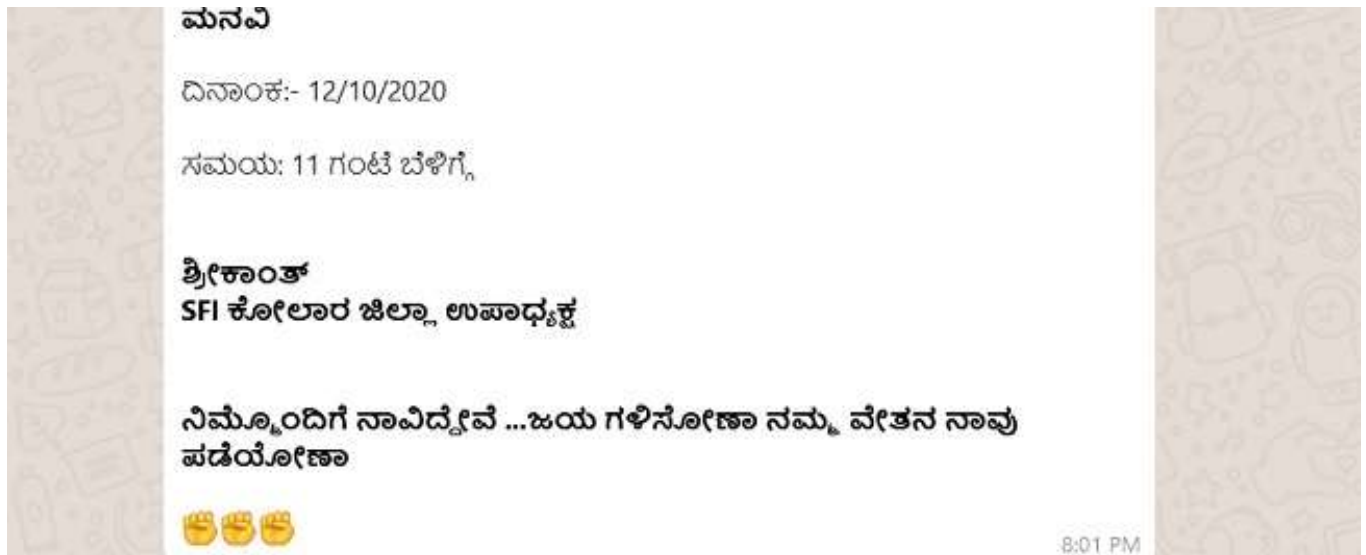
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Muniraju, a police officer in Kolar, who was among the officers called in to diffuse the situation on December 12, said that around 300-400 women employees, who were exiting the building after the night shift, were “cornered by protesters” near the locker room. “There was a manager named Malini, who rushed them into a room as the protesters, who were entering the building for the morning shift began rushing into the building. They pushed and pulled at some of the women employees,” Muniraju said. This incident has been mentioned in a police complaint filed by Wistron’s factory manager.

However, employees that TNM spoke to said that as many protesters were entering and leaving the building, there



they were not paid for months on end. Of government officials: Parmesh, another employee of Wistron questioned.

What action will the Labour Department take?

On Tuesday, Additional Chief Secretary of the Industries Department, Gaurav Gupta met with the Labour Commissioner Akram Pasha and officials with the Industries Department to discuss the issue. The Labour Department, in its report to Gaurav Gupta, said that it has asked Wistron to provide records of employees' attendance. Besides, the Labour Department's report submitted Tuesday states that Wistron was not directly involved in making payments to 8,490 contract employees but the employment of these persons was contracted to five different firms: Randstad India Pvt Ltd, Adecco India Pvt Ltd, Needs Manpower Ltd, Creative Engineerings and Quest Corp Ltd. Another company called United was providing the housekeeping staff.

The Labour Department has also noted many employees were not paid on time, attendance reports were incorrect and employees were not paid for overtime. The report also stated that 126 employees have been arrested so far. "We have noted that the company hired people through employment agencies without checking whether they suited the role. We have also observed that without detailing the criteria, the company hired them as contract employees. It was also observed that the 1,343 permanent employees enjoyed more benefits than the contract employees, leading to the discord," the Labour Department's report to the Additional Chief Secretary reads.

The Labour Department in its report said that based on its preliminary investigation it has recommended sending out notices to Wistron and the employment contracting companies under relevant sections of the Conditions of Employment Act 1936.

"Clauses under the Contract Labour (Regulation & Abolition) Act 1970 and Minimum Wages Act 1948 seem to have been violated as action pertaining to these violations are recommended," the report adds.

The Department has also recommended that Wistron take employees demands into consideration. "We have also recommended that the company resolve the issue internally," the report added.

*Names changed

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