

3rd International Automotive Workers Conference November 20-24, 2025 in Pune, India

Country Report Russia

The situation of workers in the automotive industry in Russia

According to the 'Strategy for the Development of the Automotive Industry of the Russian Federation until 2035', the average annual number of employees working in the country's automotive industry in 2017–2021 was 278–290 thousand people. This is worse than during the crisis years of 2008–2010, when about 360,000 people worked in these enterprises, and before that period, the number of employees continued to decline due to downsizing policies.

It is obvious that the situation worsened even further in subsequent years. This could have been influenced by the departure of several foreign companies from Russia after the full-scale invasion of Ukraine and the subsequent international sanctions against the Kremlin and Putin's regime in 2022. However, there is no publicly available official data on the number of employees remaining in the automotive industry in Russia.

Until 24 February 2022, there were 18 factories in Russia assembling passenger cars and light trucks. Nine of these factories were wholly foreign-owned. The rest were either partly owned by foreign companies or assembled their models under licence. More than a year after the start of the war, only six factories were still operating in the country. Until 2022, the closed factories produced about 45% of all cars in Russia.

In 2023, the only wholly foreign-owned enterprise still operating was the Chinese Haval plant in the Tula region. Foreign companies either left the other factories and joint ventures or sought buyers.

In early November 2025, the Russian authorities claimed that virtually all of the car factories abandoned by foreign companies in the country had been restarted, with 11 enterprises resuming operations and two more due to be launched in 2026.

After 2022, workers in the Russian automotive industry faced massive layoffs due to the departure of foreign brands and the closure of factories, but some enterprises are resuming operations, and the market is seeing a growing presence of Chinese manufacturers and so-called 'parallel imports.'

Due to the suspension of official supplies and a shortage of components, many workers were threatened with dismissal or were forced to move to new, often smaller, production facilities.

The departure of Renault, Nissan, Toyota, Mercedes-Benz and other companies led to the closure of their factories and mass layoffs at companies such as Renault Russia, Toyota Motor and Nissan Motor.

Employees who worked on the assembly lines of foreign companies were faced with the need to retrain or look for work in other industries because they could not continue working in their previous jobs.

Factories that had previously closed or suspended operations were able to resume production, but under new management and with a new product range, which created uncertainty for workers.

Some factories, such as AvtoVAZ and Moskvich, resumed production, albeit at a lower volume and using alternative components. However, disturbing news periodically emerges from Russia's largest enterprise, AvtoVAZ. For example, due to reduced production volumes, the plant switched to a four-day working week. In addition, assembly line workers

began to be transferred to cleaning jobs in order to save jobs: skilled specialists clean up shavings, wash basements and paint equipment.

The reason for these innovations is mass layoffs of workers. Employers want to maintain staff salaries and avoid similar unrest. AvtoVAZ employees are resigning en masse due to salary reductions. Management is trying to persuade them to stay.

In the summer of 2025, workers were forced to sign additional agreements on a reduced working week — bonuses and overtime disappeared. As a result, incomes fell by almost half — from \$1,500 to \$550–600 per month.

At the same time, employees complain about poor conditions: the factory has not undergone major repairs for a long time, there are no air extractors in the basement, etc.

As for trade unions, formally there are still several trade unions in Russia that unite automotive workers. These are the Unity trade union, which operates mainly at AvtoVAZ, and the Interregional Trade Union of Automotive Industry Workers (MPRA), which in recent years, due to the fact that it has united workers from other industries, has been renamed the Interregional Trade Union 'Workers' Association'.

The Unity trade union was established in November 1990 in the city of Togliatti. It began by defending the labor rights of car factory workers, while also conducting educational work. In the early stages of the factory's privatization, it ensured that the enterprise's assets did not go to one or several large capitalist owners, but were partially distributed among VAZ workers, who became owners of part of the enterprise's property — shareholders.

In the 1990s, the trade union organized public protests: pickets, rallies and demonstrations. At the beginning of 1992, Russia announced free prices for all goods and services. At the AvtoVAZ plant, a monthly wage indexation of only 72.5% of the inflation rate was established. During the first three months of 1992, the country experienced high inflation, which threatened to turn into hyperinflation. The purchasing power of workers' wages fell rapidly. In these conditions, the Unity trade union initiated a collective labor dispute with the following demands:

- 1) Establish monthly indexation of AvtoVAZ workers' wages at 100% of the inflation rate.
- 2) Compensate workers for three months of lost wages due to incomplete (72.5%) indexation.

After a month of negotiations, the workers obtained the legal right to go on strike. Fearing a strike, the CEO of AvtoVAZ, Kadanikov, issued an order within a week to establish monthly wage indexation for AvtoVAZ employees at 100% of the inflation rate, effective 1 June 1992. Salaries for May were supposed to be indexed by 16%, but were actually increased by 32%. It can be said that our demands were met under the threat of a strike. But each time, the plant's administration honed its methods of fighting the Unity trade union, using its own pocket union against it.

In 1994, wage payments began to be delayed at the AvtoVAZ plant. The Unity trade union tried to fight the wage delays through the courts, but obstacles were put in its way when it tried to file mass claims. The union then began to prepare for a strike, which began in October 1994 in one of the assembly shops. Negotiations moved from the internal factory level to the level of the Russian president's administration. A round table was held in Moscow with the participation of representatives of OAO AVTOVAZ, the Unity trade union and the Russian presidential administration. The authorities called on the conflicting parties to reach an amicable agreement. The employer was to refrain from reprisals, and the workers were to end the strike. When the workers, who had been on strike for two weeks, came to their workplaces but did not start work, the management of OAO AVTOVAZ decided to shut down the plant itself in order to isolate them from Yedinstvo.

During the two weeks they were at home, the workers were subjected to a barrage of slander in the factory and city media, which portrayed them as the worst villains. They were blamed for paralyzing the entire city and country. Representatives of the Unity trade union were allegedly agents of foreign special services and intelligence agencies sent to Russia to undermine its economy. On the day the factory resumed work, Sergei Ershov, the main organizer of the strike, was seized by unknown persons as he left his home. He was driven towards the forest and threatened with murder, then taken to the prosecutor's office of the Avtozavodsky district of Togliatti, where, strangely enough, the prosecutor was already at work. In conversation, he threatened Ershov with legal consequences for the strike, but as it turned out, he was simply stalling for time, detaining the main organizer of the strike until the plant's management started up the conveyor belt. In short, it was not easy, but the trade union prevailed. As a result, from November 1994, AVTOVAZ workers' salaries were no longer delayed, and it was decided to pay the previously unpaid salaries gradually, according to a schedule.

The establishment strongly disliked the active work of the Unity trade union in protecting workers' rights. Anatoly Ivanov, chairman of the Unity trade union committee, received numerous threats, was attacked by criminal elements and beaten up in the street, and in 1996, an attempt was made on his life: a hitman shot him three times near his home. Ivanov survived, and the attempt on his life caused a public outcry in Russia and abroad. In 1999, AvtoVAZ workers nominated Anatoly Ivanov to the Russian parliament, the State Duma, and he won the election. At that time, Russia's ruling class did not resort to mass fraud, so the worker-deputy managed to get the necessary number of votes.

Starting in 2000, information emerged that the Russian government was going to change the country's Labor Code under the guise of updating legal norms, but in reality — to worsen the legal situation of hired workers. Representatives of the Unity trade union actively participated in discussions on this issue at various levels and opposed the repeal of the existing code or the adoption of a new one, but with the expansion of the rights of employees and their associations. Thanks to mass protests, the government's version of the new Labor Code did not pass in the State Duma on the first attempt, and its consideration was postponed to a later date. During this time, the authorities prepared a so-called 'agreed' version of the Labor Code, which significantly curtailed the rights of trade unions and made it more difficult to organize and conduct strikes. Deputy Ivanov presented his alternative draft code. As a result, the obedient majority of State Duma deputies adopted the 'compromise' Labor Code.

In 2001, the management of OAO AVTOVAZ decided to remove the seat assembly shop and its equipment from the enterprise and transfer the workers to the neighboring enterprise Avtovazagregat. The workers of this workshop turned to the Unity trade union for help in preventing the transfer. It was not possible to reach an agreement with the plant's management immediately, so the trade union organized a one-hour warning strike. As a result, the entire plant area was filled with cars without seats. Management agreed to retain all social benefits and guarantees for employees who wished to transfer to Avtovazagregat, as enjoyed by Avtovaz employees, and to provide jobs at VAZ for those who did not wish to transfer.

In early 2004, the Unity trade union decided to participate in the Togliatti mayoral election. One of the eight candidates was Pyotr Zolotaryov, chairman of the Unity trade union committee. Despite the use of dirty tactics and administrative resources against the union candidate, he made it to the second round. For the first time in Togliatti, the mayoral election was held in two rounds. In the end, Zolotaryov's rival was elected mayor, but with a margin of only 6% of the vote. The authorities were frightened by the growing authority of

the Unity trade union. The media under their control launched a propaganda campaign against it.

In order to strengthen its capabilities, the Unity trade union decided to help workers at other enterprises in the city and country to create their own trade union organisations based on the same principles that underpin its work.

In October 2005, bus drivers at the Togliatti transport company ATP-1, which mainly transports VAZ workers, went on a mass but spontaneous strike. This action caused a great public outcry. The city authorities decided to crack down on the strikers. The company's management proposed that the official, pro-government trade union committee of ATP-1 agree to the dismissal of 32 bus drivers. The trade union committee agreed to the dismissal of 25 of them.

As noted by the Unity trade union, it seems to be in the tradition of the old pro-government trade unions to agree to everything the director proposes. Since this was a public reprisal not only against the workers, but also against the right of all workers to strike, the Unity trade union committee decided to help defend the drivers' rights. After four months of legal proceedings, it helped to reinstate all those who had been dismissed to their former jobs. They were paid compensation for forced absenteeism. Subsequently, the bus drivers created their own trade union organization.

In 2006, the Unity trade union contributed to the development of the Ford Motors Company trade union organization in the city of Vsevolozhsk near St. Petersburg. In June 2006, based on two trade union organizations — Unity and the Ford trade union — the Interregional Trade Union of Automotive Industry Workers (MPRA) was created, which will be discussed separately.

In August 2007, AvtoVAZ workers held a semi-spontaneous strike demanding higher wages. More than 3,000 workers from various production departments out of a total workforce of 120,000 took part. The employer's representative promised to resolve the issue by paying bonuses for professional skills. However, this poorly organized strike did not bring the desired result.

At the end of 2008, the global economic crisis broke out. AVTOVAZ significantly reduced its car production. There was a threat of mass layoffs. In January 2009, the united trade union organizations in the MPRA sent a demand to the Russian Government to take measures to prevent mass layoffs and a decline in the living standards of workers. However, by that time, the ruling oligarchic regime in Russia had consolidated its power and refused to engage in dialogue with the trade union, and the full brunt of the crisis fell on the workers.

In August 2009, the management shut down OAO AVTOVAZ and announced that 27,600 workers would be laid off in October 2009. However, the Unity trade union committee disagreed with the management's decision and decided to organize a rally on 6 August 2009. During the preparations for the rally, the authorities, in order to prevent it from becoming a mass event, intensively spread misinformation, intimidating the residents of Togliatti, while the special services carried out preventive work and tore down announcements about the rally. Rumors were spread that troops were concentrated around the city and that on that day people should not leave their homes or let their children out. About 5,000 people gathered at the rally, including AvtoVAZ workers and employees of related enterprises.

In October 2009, the Unity trade union committee initiated a round table discussion to discuss its position in the context of the crisis, with the participation of scientists, sociologists and workers. Through joint efforts, we managed to understand the situation we were in, who was to blame and what to do. Since there was no proper response to the

demands of the 6 August rally resolution, the Unity trade union committee decided to hold a rally on 17 October 2009 with tougher demands. The Minister of Industry and Energy of the Samara Region, Kapustin, offered to meet with trade union representatives. At the meeting, the minister asked that the rally not be held. This was followed by another proposal to meet, this time from the vice-president of OAO AVTOVAZ, Bortova. None of these officials were able to meet the demands of the Unity trade union. The threat of a mass rally remained. Soon, First Deputy Prime Minister Igor Shuvalov arrived in Togliatti and announced that there would be no layoffs at AVTOVAZ OJSC, and that what the plant's management had previously stated was a lie. Indeed, there were no mass layoffs at the plant. It was decided to remove divisions not related to car production from the enterprise. Two subsidiaries were created and about 14,000 people were transferred there. The Russian government allocated billions in financial aid to OAO AVTOVAZ to ease social tensions in the city and at the plant. On the initiative of the Russian Ministry of Industry and Trade, a meeting was held in December 2009 between the Yedinstvo trade union committee and Deputy Minister Stanislav Naumov. He reported on the Russian government's plans to pull OAO AVTOVAZ and the entire city of Togliatti out of the economic crisis. He assured the members of the trade union committee that the plans were highly realistic and promised that AVTOVAZ and the city of Togliatti would experience rapid economic growth in the near future.

Currently, the Unity trade union exists at Avtovaz, but it does not hold protests; instead, it helps employees resolve labor rights issues by providing legal assistance.

The MPRA trade union was created with the participation of the Unity trade union in 2006. Its emergence and initial formation were due to several factors. First, there were the strikes at the Vsevolozhsk Ford plant in 2005-2007. secondly, the rise in social movements following mass protests against the monetization of benefits in 2005, and thirdly, the active reception by Russian trade unionists of foreign and domestic experience, ideology and methods of trade union building.

The collective actions of Ford workers in Vsevolozhsk became an 'information bomb' and an inspiring precedent for trade union and left-wing activists across the country. For many reasons, they were seen as a new type of labor dispute. Indeed, in a number of respects, the Ford strikes, especially the longest one, which took place from 20 November to 14 December 2007, were strikingly different from the labor protests typical of the 1990s and 2000s. According to sociologist Boris Maximov, 90 to 98 per cent of all labour protests during that period were caused by non-payment of wages. All other economic demands, such as improved working conditions, higher wages, opposition to layoffs, and others, took a back seat. Typical forms of protest included hunger strikes, rallies and road blockades.

The Ford case was unusual for post-Soviet Russia: the strike did not take place at a depressed enterprise, but at a modern factory owned by a transnational corporation. Its participants were not 'desperate people' who could conveniently be portrayed as outsiders who did not fit into market realities, but relatively well-paid workers whose demands were positive in nature; the collective actions were well organized and carried out in a 'Western style'. Finally, the traditional image of Russian trade unions (focus on 'social partnership' and paternalism towards ordinary members, bureaucracy and lack of creativity) was shaken. Observers were surprised by the lively, informal democracy that arose from the need to secure the active support of the majority of workers at the time of the strike. One of the most famous documents of the strike was a photograph capturing the moment of voting in the workshop.

The most resonant Ford strike of 2007 struck a blow to the myths of the dominant liberal ideology, which proclaimed the advent of a post-industrial society, the demise of the working class, the irrelevance of class struggle, and so on. That is why the Ford strike

became an important argument in the arsenal of left-wing forces and gave impetus to numerous attempts to spread this experience.

Subsequently, union cells appeared at other automotive enterprises, including Nokian Tyres (Vsevolozhsk), Renault-Avtoframos (Moscow), the Taganrog Automobile Plant (Taganrog), Centrosvarmash (Tver), and a number of others. After amendments to the Charter were made at the fourth and fifth MPRA conferences in July 2008 and March 2010, workers from industries related to the automotive industry were allowed to join the union. After that, a number of new trade union organizations joined the association, in particular the employees of the Tikkurila paint and varnish company in St. Petersburg. Since its inception, the MPRA has been a member of the All-Russian Confederation of Labor (VKT). In March 2010, the MPRA joined the Confederation of Labor of Russia (KTR) as part of the merger process between the VKT and the KTR. Since November 2007, the MPRA has been a member of the International Metalworkers' Federation.

In November 2013, the third congress of the MPRA was held, at which amendments were made to the MPRA Charter and the name of the trade union was changed to the Interregional Trade Union 'Workers' Association'.

The trade union organizations that are members of the MPRA have organised a number of strikes, work stoppages, 'work-to-rule' actions, and have used other active methods to defend labor rights in enterprises. The most notable were the strikes at the Ford plant in 2005, 2006 and 2007, especially the 25-day strike in November-December 2007. The strikes at Ford resulted in higher wages and better working conditions for workers. On the other hand, the creation of MPRA trade union organizations at some enterprises, as well as their active campaigns to defend labor rights, led to pressure from employers and law enforcement agencies on trade union activists.

The MPRA regularly held seminars to share trade union experience, including experience in collective labor disputes and strikes. In particular, such seminars were held in St. Petersburg, Kaluga, Tutaev (Yaroslavl Region) and other cities. The seminars were attended by both activists from MPRA trade union organizations and representatives of work collectives from enterprises where such trade unions do not exist. After the seminars in Kaluga, workers at the Volkswagen Group Rus, where the MPRA trade union is active, carried out an 'Italian strike' and suspended work for several days in the summer of 2009 due to violations of working conditions, and held a warning one-hour strike in the summer of 2010.

The MPRA initiated several public campaigns in the field of social and labor rights. In particular, in August 2007, a campaign was launched to increase the wages of workers in the automotive industry, which received widespread media coverage. The statement announcing the start of the campaign was signed by the leaders of five MPRA union cells operating at that time: Ford and Nokian Tyres LLC (Vsevolozhsk), Avtoframos OJSC (Moscow), the AvtoVAZ Unity trade union and GM AvtoVAZ CJSC (Tolyatti). In January 2009, the launch of a campaign to expand the rights of trade unions and workers in the context of the crisis was announced. The MPRA proposed that the Russian government establish trade union control over the expenditure of state support funds allocated to car manufacturers as part of the 'anti-crisis program'. Then, in February of the same year, the MPRA initiated a campaign under the slogan 'Workers should not pay for the crisis.' A series of demonstrations in defence of workers' rights during the financial crisis were held in a number of Russian cities.

Another public campaign was announced by the MPRA in November 2010 in connection with Russian billionaire Mikhail Prokhorov's initiative to amend the Labor Code, including the introduction of a 60-hour working week, the transfer of workers to civil law contracts,

the possibility of dismissing an employee at the employer's initiative for economic reasons, and others. The MPRA launched a campaign to introduce its own amendments to the Labor Code with the aim of protecting the rights and interests of workers and trade unions. Unfortunately, however, it was not successful.

In January 2018, the St. Petersburg City Court ruled to liquidate the MPRA at the request of the prosecutor's office. The formal basis for the lawsuit was the fact that the MPRA receives foreign funding (160,000 roubles from the international trade union federation IndustriALL Global Union). The prosecutor's office considered the MPRA to be a structural subdivision of the international trade union association IndustriALL Global Union. Another reason for filing the lawsuit was the MPRA's political activities. The prosecutor's office considered the MPRA's collection of signatures for changes to Russian legislation to be a political activity. An MPRA representative stated that the money received from IndustriALL Global Union was paid by the MPRA to IndustriALL Global Union for training. The union returned these funds because it had not fulfilled its obligations to the MPRA.

As of 2018, the MPRA comprised 16 primary trade union cells, each of which was registered as a separate legal entity. For this reason, the ban on the organization in 2018 did not prevent its members from reconvening and forming a new association.

However, the general tightening of the regime in power in the Russian Federation and the intensification of repression against the backdrop of the invasion of Ukraine leave little room for collective forms of protection of the rights of employees and public policy that is not controlled by the authorities in general. Despite this, independent trade union organizations in those industries that have remained in Russia continue to do their best to defend social and labor rights and improve the working conditions of employees.