

# New Russian Owners 'Squeezing Out' Workers at Former Volkswagen Plant – Trade Union

December 13, 2023



Volkswagen's former plant in central Russia's Kaluga region. **Video grab**

More than one-third of workers furloughed at Volkswagen's former plant in Russia have been "squeezed out" by its new owners, a trade union representing them [said](#) late Tuesday.

In May, Volkswagen [sold](#) its Kaluga plant to the Russian auto dealership Avilon, which renamed the factory to AGR Automotive and has promised to resume production in March 2024.

"Since October 2023, the company's management has been using various dirty tricks to squeeze out personnel," the MPRA trade union wrote in a post on the Russian social network Vkontakte.

"They canceled worker transportation, made employees spend downtime at the plant and have significantly reduced wages since July 2023," MPRA said.

**Related article:** [Why Moscow's Electric Car Revolution Is Doomed to Failure](#)

Around 1,300 of the 3,700 remaining workers have since quit AGR Automotive as a result of Avilon's actions, MPRA added.

An additional 500 employees considered "redundant" by the company's management are currently being called into the plant during downtime, it said.

MPRA accused both AGR Automotive's owners of "misleading" Russia's regional and federal authorities about production figures, as well as the Kremlin and the prime minister's office of giving them the "runaround" in response to written complaints.

"Everything looks beautiful on central television... but, in fact, [the plant] is in ruins and complete despondency," the trade union wrote.

"Is Russia's GDP growth ensured by pseudo-production and the speculative resale of Chinese [vehicles]?"

Germany's Volkswagen and other major car companies halted operations in Russia after Moscow invaded Ukraine in February 2022.

Volkswagen's sale of the Kaluga plant, reportedly valued at [\\$135 million](#), had to receive approval from the Russian government as the company is based in Germany, which the Kremlin calls an "unfriendly country."

In November, MPRA [told](#) Reuters that AGR Automotive's owners were offering the furloughed workers three months' pay if they quit.

Avilon and AGR Automotive did not comment on the report at the time.

Original url:

<https://www.themoscowtimes.com/2023/12/13/new-russian-owners-squeezing-out-workers-at-former-volkswagen-plant-trade-union-a83408>