China: Honda Lock strike continues

John Chan 15 June 2010

Workers at Honda Lock (Guangdong) Co. in the southern Chinese city of Zhongshan are continuing to strike, defying management threats to replace them. Most workers have turned down a second pay rise of just 200 yuan (\$US29) a month, far less than their demand. Only a small section of the workforce has returned to work.

An employee told the *South China Morning Post* that no more than 100 of the 1,400 frontline workers resumed work on Monday. She insisted that the representatives elected by strikers would continue to demand a pay rise to 1,600 yuan a month, plus 400-500 yuan in housing subsidies and 50 yuan in commuting expenses. Currently, workers receive a base wage of 939 yuan and just 300 yuan in housing subsidies.

Most workers re-entered the plant yesterday after management threatened to sack them, but simply registered their name and refused to work. Honda is taking an increasingly hard-line stance against the strike that erupted last Wednesday, following strikes in its transmission and auto parts plants in Foshan city. Honda ended those disputes with significant pay rises, prompting Honda Lock workers to take industrial action.

The situation at the plant is tense. After failing to pressure workers to accept a pay rise of 100 yuan last Thursday, the authorities deployed riot police to block a march by 500 strikers on Friday. Angry workers denounced the 100-yuan offer as "an insult". A worker, originally from Sichuan, told the *South China Morning Post*: "We are very determined and united. We are workers, low-income earners and a disadvantaged community. Government officials are not concerned about our well-being."

The following day, senior Honda executives were sent to negotiate with workers, but the strikers refused to enter the plant. They feared being locked in by security guards, as Honda management had done last week. Workers were then forced to sign a document accepting a 10 percent wage rise. They later forced their way out and continued to strike.

Wanting to calm nervous shareholders, Honda claimed that production had resumed. But striking workers told the *South China Morning Post* last weekend that a few managers turned on machines to give the impression that the factory was operating. A Honda spokesman in Beijing admitted the company had run out of the inventories produced by Honda Lock. Honda's Chinese operation accounts for one fifth of its global output.

On Sunday, Honda resorted to a recruitment campaign via television and employment agents, offering wages of 2,000 yuan a month. Riot police protected the recruitment tent outside the factory. Strikers attempted to convince applicants not to undermine their action, but faced a flood of younger job seekers.

On Monday, management ratcheted up the pressure. The *New York Times* reported yesterday: "A factory manager with the voice of an auctioneer counted off the minutes until the morning shift started and exhorted the strikers to return to work, using lines like, 'We won't give your job to the new workers if you come in now."

Having concluded, wrongly, that the dispute was over, the newspaper offered the following assessment: "The crumbling of the strike shows that employers and the authorities retain powerful options in the face of rising labor unrest. Honda's ability to find replacement workers by offering only somewhat higher wages shows that many in China are still earning the minimum wage—which is set locally and is around \$130 to \$150 a month in big coastal cities—and are happy to change jobs for a little more money."

The strikes at Honda and other factories are provoking fears in ruling circles in China and internationally of a far broader eruption of the Chinese working class. Nervous about provoking wider protests, the Chinese Communist Party (CCP) has not directly intervened in most of the disputes. But the regime would not hesitate to act to use its police-state apparatus to suppress workers if it felt the situation could spiral out of control. The CCP's central propaganda department issued an order on May 28 that media outlets must stop reporting on strikes.

Local authorities have already sent dozens of uniformed and plainclothes police to seal off the area near the factory. They have blocked foreign journalists, and taken photos and video footage of reporters. The *South China Morning Post* reported yesterday that a Honda Lock official had threatened a female worker who complained about the low pay. "Don't spread any rumours here, or I'll certainly have the police officers take you away," he said.

The *Nanfang Daily* reported on Sunday that Guangdong CCP secretary Wang Yang called a teleconference of officials, highlighting the importance of "maintaining harmonious labour relations". Wang called for the establishment of a provincial mechanism to handle labour disputes as soon as possible. He urged officials to set up functioning unions to serve as workers' representatives.

Wang's aim is to create some credibility in the staterun All-China Federation of Trade Unions (ACFTU), which functions as an industrial police force for the government and corporations. The latest round of strikes has emerged in open opposition to ACFTU officials, who, in the words of one Honda Lock worker, are not only "useless", but also "traitors" to the working class. As the US think tank Stratfor warned last week, the strikes have broad implications for the Chinese and global economy: "As strikes occur across Guangdong province and spread to interior provinces like Jiangxi and Shaanxi, workers from different kinds of factories across the manufacturing sector could be inspired to join the protests. Wage increases may be able to allay their concerns, but so far, such concessions seem only to have emboldened other protesters. The possibility of organised strikes nationwide is becoming a serious concern for Beijing—and any company whose supply chain involves Chinese workers."

A strike wave would disrupt major global corporations, which are now heavily dependent on cheap Chinese labour. Beijing also fears that workers might begin to raise political demands. The last time that started to take place was in 1989 when workers joined protesting students who were demanding democratic rights. The response of the CCP regime was to massacre protesters in Tiananmen Square and launch a ruthless police crackdown on workers throughout the country.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact