

China: Honda workers return to work

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7 June 2010

Workers at Honda's transmission plant in the southern Chinese city of Foshan won another wage rise of 134 yuan a month last Friday, after they threatened further strike action. The Honda workers began taking industrial action on May 17, but intensified their strike after May 23, disrupting production at the company's four assembly plants in China. The strike at Foshan reportedly cost the company \$US5.85 million per day.

A temporary settlement was reached last Monday after the management agreed to a 24 percent rise in the basic monthly wage or an increase by 366 yuan (\$US53.60). However, a full resumption of work did not occur, as a section of workers refused to accept the deal. Honda's assembly plants in Guangzhou and Wuhan were unable to fully restart due to a lack of gearboxes from the Foshan factory.

Following a scuffle between officials of the state-run All China Federation of Trade Unions (ACFTU) and the strikers last Monday, workers decided to bypass the union mediators who had been operating as agents for the company. Fearing it would be further discredited, the local ACFTU branch published an open letter apologising for the incident. But the Honda workers nevertheless elected their own 16-member negotiating committee.

During negotiations last Friday, workers continued to insist on their unanswered demands, including an annual pay rise of 15 percent, the rehiring of workers sacked for leading the strike, payment for the strike period and the right to elect a new union leadership.

Management only agreed to a total pay rise of 500 yuan a month (including the previous increase), which was still below the workers' demand of 800 yuan. A workers' representative involved in the negotiations

told the *South China Morning Post*: "That means we won't go on strike again, at least for a short period of time."

The call by workers for "restructuring the unions" has rung alarm bells in Beijing, which removed the right of strike from the Chinese constitution in 1982 and has always banned independent workers' organisations. The Chinese Communist Party (CCP) regime did not use police to suppress the strike out of concern that it would trigger wider strikes and protests.

The Honda transmission factory is located in a huge industrial park that houses companies producing flat panel computer screens, auto parts, home appliances, semiconductor lights and wind power equipment. Fearing their employees would follow the example of the Honda strike many nearby factory owners have increased wages.

Another strike by auto workers took place in the last week of May. Hundreds of workers protested at the state-owned Qijiang Gear Transmission factory in Chongqing, after a worker died on the factory floor due to physical exhaustion. Workers smashed a factory gate on May 23, staged a full strike on the following day and kept the coffin for several days as a protest against the management.

The incident revealed the deep-seated anger among the Qijiang Gear workers who receive just over 88 US cents an hour for heavy manual labour that involves lifting 9 tonnes of iron each day. A *Baidu* online forum declared that their conditions were worse than garbage collectors. At the same time, workers pointed to serious corruption among executives and CCP officials in the firm who earn hundreds of times more than the employees.

Just days before the Honda strike, senior ACFTU official Zhang Jianguo told the *China Daily* that the share of Gross Domestic Product going to wages had shrunk for 22 consecutive years, from 57 percent in 1983 to just 37 percent in 2005. He warned that the “low pay, long working hours and poor working conditions for millions of workers are triggering conflicts and mass incidents, which pose a grave challenge to social stability”.

An investigative report published on June 2 by the *China Newsweek* on the Honda strike pointed to some of the underlying grievances that are fuelling unrest. It provided some detail on the background of Honda strike leader, Tan Ziqing, who is just 24 years old.

Tan is like many young rural migrant workers. He came from a small farm in Hunan province and was forced to look for work after failing to get into university in 2004. His three pay rises at Honda over the past three years barely added up to 100 yuan in his monthly wage. He earned less than 1,300 yuan a month, after paying taxes and social security insurance. After taking out money for rent and food, Tan sent most of his wage home and “lived almost like a monk”. His only entertainment was online chatting. His wage was higher than most—average pay at Honda was just 1,100 yuan and school interns, who make up half of the workforce, received less than 900 yuan.

Villagers thought Tan had a good job at one of the world’s top 500 corporations. But Tan was not able to repeat the “miracle” of 20 years ago, when migrant workers earning 1,000 yuan a month could help their families build new homes and buy televisions. Factory wages are at the same levels as in the early 1990s.

More educated than many workers, Tan was interested in previous struggles of the working class such as the Hong Kong-Canton strike that led to the 1925-27 Chinese revolution. He told *China Newsweek* that usually workers just left if the wages were too low. But he decided to organise a strike—reviving the methods of class struggle that have been effectively banned since the 1949 Chinese revolution.

Tan and another worker initiated the strike on May 17. Initially the reaction was cool, but mobile phone messaging spread the news quickly and won support from other workers and the school interns. The initial strike ended after the management promised to address workers’ demands, but when negotiations produced a pay rise of 55 yuan for workers and nothing for school interns, the strike erupted again on May 23. This time it was on a far broader scale after management announced that Tan and the other co-leader would be dismissed. Workers rallied on the basketball court grounds and sang the *Internationale* and the revolutionary song *Unity is the Power*.

China Newsweek reported that the most active supporters of the strike were the interns from technical schools. They work at Honda as cheap labour in the hope that they will be signed on as full-time workers later. “This is also the usual way of other enterprises in the Pearl River Delta—using a large number of school interns to lower the cost of production,” the article stated.

Many of these young students at Honda were deeply disappointed by their pay which is just barely above the minimum wage in Guangdong. Although the Chinese government instructed schools to put pressure on their students, one school head “helplessly” told the *China Newsweek* that the new generation of workers would not just accept their lot in the factory. “Kids’ ideas today are much more complex,” he complained.

While the Honda strike may have ended for now, all the underlying issues remain. The company has made some limited concessions on pay, but the demand of workers to organise independently of the state-run unions puts them on a collision course with the government. Ever since it took power in 1949, the CCP has been hostile to any movement of the working class and has not hesitated to use its police-state apparatus against workers.



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