

South Korean Kia workers strike again as GM and union push vote on rejected contract

Ben McGrath**13 December 2020**

Despite the efforts of the trade unions to isolate and end their disputes, autoworkers at KIA and General Motors (GM) in South Korea are still resisting union-company agreements and demanding pay increases, improved conditions and job security.

Workers at Kia Motors launched a partial three day strike on December 9. Workers on both the day and night shifts struck for four hours each at the three Kia plants, located in Gwangmyeong, Hwaseong, and Gwangju.

This is the third industrial action by Kia workers this year, with previous strikes taking place November 25 to 27 and December 1, 2, and 4. Kia and its branch of the Korean Metal Workers Union (KMWU) have held 15 rounds of talks this year.

The Kia workers have demanded a 120,000-won (\$US108) monthly wage increase, 30 percent of the company's operating profit as bonuses, and an extension of the retirement age from 60 to 65.

Kia and the union have reportedly reached agreements on salaries and bonuses, as well as production of electric and hydrogen vehicles in existing Kia plants, rather than at subcontractors like Hyundai Mobis, which are both part of the larger Hyundai Group. However, the two sides have argued over the union's request for an additional 30 minutes of overtime, which the company has rejected as too costly.

The tentative package is similar to that forced on Hyundai workers in September. Kia intends to freeze wages and instead offer "performance-based" bonuses totalling as much as 150 percent of monthly salaries. Management could find numerous "faults" with workers in order to avoid paying such bonuses. Kia would also offer 1.2 million won per worker as part of a COVID-19 package and 200,000 won in gift certificates.

General Motors Korea and its KMWU branch have agreed to a second tentative contract following workers' rejection of the first on December 1. Workers were to vote on the new contract on Monday. Partial and sporadic strikes at the auto manufacturer began on October 30.

Initially, GM Korea offered workers four million won in bonuses for 2020 rather than ending a 2018 wage freeze imposed by the company and the union. With little changed in the new contract, the company and union hope to wear workers down until they ultimately accept company demands. The company said it would drop a lawsuit against the union for damages as a result of strikes and would pay the four million won bonuses by early next year. Workers would also be offered a higher discount rate when purchasing GM cars.

Workers initially demanded a 120,000-won pay increase, 22 million won in bonuses, and guarantees that operations will continue at GM Korea's No. 2 Bupyeong plant beyond 2022, when production of current models is expected to end. The company promised to maintain production of the Trax SUV and the Malibu sedan at this plant for as long as possible, a pledge that is as empty as it is noncommittal.

GM Korea has three plants in South Korea—two in Bupyeong and one in Changwon—following the closure of a fourth plant at Gunsan in May 2018, which was pushed through with the aid of the KMWU. At that time, GM signed an agreement to maintain production in South Korea until 2028. The company had no intention of honouring this agreement, which included a \$750 million government bailout, as it now threatens workers with further plant closures in order to force them to accept an extension of wage freezes. The company has indicated that it is looking to move production to another country, potentially China.

Both GM Korea and Kia clearly feel they are negotiating from positions of power given the complicity of the KMWU, which in September agreed to force through a wage freeze on Hyundai workers for only the third time in the union's history. As the union has consistently done in the past, it has isolated the negotiations and strikes at the three major auto companies, as well as at smaller auto manufacturers like Ssangyong Motors and Renault Samsung. The unions also restrict industrial action to partial strikes in order to reduce the impact on the companies.

The assault on autoworkers is part of a broader attack on the working class. The government of President Moon Jae-in and his ruling Democratic Party of Korea are seeking to push through revisions to the labour union laws that would bar workers from occupying factories during strikes. The amendments would also extend collective bargaining agreements from two to three years. The bill would ostensibly protect the rights of workers who are fired or unemployed by allowing them to join unions.

The Korean Confederation of Trade Unions (KCTU), which includes the KMWU, has come out in opposition to the revisions, staging rallies to allow workers to let off steam and to give the appearance that it is fighting for workers. Despite growing working class anger as companies have slashed jobs and wages, the KCTU only held its first large-scale rally and strike this year on November 25. It held just two rallies last year and did not stage a demonstration against the Moon Jae-in government, which the KCTU helped elect in May 2017, until November 2018.

The KCTU is demanding the passage of the "Jeon Tae-il Act," which includes three reforms: allowing workers at companies with less than five employees to join unions, allowing workers in the gig economy to do the same, and holding companies accountable for industrial accidents.

The KCTU's posturing is entirely fraudulent. It has no problem with laws that would bring an influx of dues-paying members, and it has no intention of waging a genuine struggle against the anti-working class content of the government's bill. Furthermore, by promoting the Jeon Tae-il Act, the KCTU is attempting to convince workers that by applying enough pressure to the government, Moon and the Democrats will act in the interests of the working class.

In contrast, while the conservative Park Geun-hye was in office from 2013 to 2017, the KCTU regularly held demonstrations demanding her resignation, effectively declaring support for the Democrats and promoting illusions that they would be friendlier to workers' interests.

Workers however are experiencing the reality that both sections of the South Korean bourgeoisie are defenders of capitalism. Workers instead must turn to their class brothers and sisters throughout the country and internationally to wage a unified struggle against the capitalist profit system.

The struggles of South Korean autoworkers are part of the broader discontent, anger and unrest among their fellow workers internationally over job losses, deteriorating conditions and the health threats posed by the COVID-19 pandemic.



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