

Workers at BYD's Xi'an plant in China strike over poverty wages

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On February 5, workers at BYD's high-voltage electrical equipment factory in the Jixian Industrial Park of Xi'an's High-tech Zone walked off the job in a collective strike against savage cuts to their piece-rate bonuses. Under BYD's ongoing cost-reduction drive, the maximum monthly piece-rate bonus—a critical component of workers' meagre incomes—was slashed from 2,400 yuan to as little as 300-600 yuan.

After mandatory deductions for social insurance and housing fund contributions, many workers reported that their monthly take-home pay had fallen below 2,000 yuan (approximately \$US290). To put this figure in perspective: 2,000 yuan per month amounts to roughly \$3,480 per year.

Meanwhile, BYD founder, chairman and CEO Wang Chuanfu commands an estimated personal fortune of \$28.5 billion, according to *Forbes* last year. A single BYD factory worker earning 2,000 yuan per month would have to work for more than 8.2 million years to accumulate the wealth that Wang possesses today.

This huge disparity is not an aberration but the very foundation of BYD's business model, in which base wages are deliberately set barely above—and sometimes scarcely at—local minimum wage levels, forcing workers to depend on overtime, bonuses, and performance supplements that can be withdrawn at management's discretion.

The Xi'an strike is far from an isolated event. It is the latest eruption in a pattern of escalating labour unrest across BYD's vast manufacturing empire that stretches back years and spans multiple countries and Chinese provinces.

In May 2024, workers at BYD's Wuxi factory—formerly owned by the US-based electronics manufacturer Jabil—struck after the company imposed a new schedule that eliminated overtime, the primary

mechanism through which workers had supplemented their poverty-level base wages. BYD's base pay in Wuxi was set at just 2,490 yuan, barely above the legal minimum. The elimination of overtime—which Chinese labour law requires to be compensated at 1.5 to 2 times the regular rate—caused actual monthly incomes to plummet.

The situation intensified dramatically in late March and early April 2025, when more than 1,000 workers at the Wuxi plant walked out on March 28–29, followed by their counterparts at BYD's Chengdu factory from March 31 to April 1. The grievances were similar: performance-based wage deductions, elimination of even token benefits such as a 30-yuan birthday subsidy, arbitrary position transfers and demotions.

Above all, anger at the Wuxi plant was directed at BYD's flagrant violation of promises made during its 15.8 billion yuan acquisition of Jabil's Green Point operations in December 2023, when management pledged that wages and conditions would remain unchanged for at least 18 months.

Police were deployed to the Wuxi factory, where cloth screens were erected to block the protesters from public view. In Chengdu, riot police and SWAT teams forcibly dismantled the strike on April 2 last year, with arrests reported. One worker had already been detained for five days in mid-March merely for protesting a demotion.

The pattern of exploitation extends beyond China's borders. In December 2024, Brazilian authorities rescued at least 163 Chinese workers from what prosecutors described as “conditions analogous to slavery” at a construction site for a new BYD plant in Camaçari, Bahia. The site was shut down, delaying the opening of the facility—the company's first passenger car plant outside Asia—last year.

According to HK Labour Rights Monitor website, “The investigation revealed shocking abuses: some workers slept on bare beds, with 31 people sharing a single toilet. Food and personal items were stored in unsanitary conditions. Workers were reportedly forced to wake as early as 4 am, endured excessive work hours without rest days, and in some cases worked for 25 days straight.”

Workers had their passports confiscated, up to 60 percent of wages withheld and were forced to work shifts of up to 12 hours a day, seven days a week, for as many as 25 consecutive days. Federal prosecutors subsequently filed a lawsuit seeking 257 million reais (approximately \$US45 million) in damages, which has since been settled for just 40 million reais.

For 17 years, from 2008 to 2025, BYD’s labour regime has been tacitly backed by multi-billionaire speculator, Warren Buffett, one of the richest men in the world. Berkshire Hathaway, Buffett’s investment vehicle, held a major stake in BYD, originally acquired for \$230 million in 2008 at the urging of his late partner Charlie Munger, who described Wang Chuanfu as “a combination of Thomas Edison and Jack Welch.”

At its peak, Berkshire’s BYD stake was worth over \$9 billion—a roughly 40-fold return. The investment generated an estimated \$7 billion in profit. Throughout this period, as BYD workers endured poverty wages, police crackdowns on strikes, passport confiscations abroad, and systematically broken promises, Berkshire Hathaway remained a prominent shareholder, lending its prestige and that of Buffett personally to the company.

Berkshire began selling in August 2022 and completed its full exit by early 2025. Buffett offered no criticism of BYD’s highly exploitative labour practices. His only public comment in 2023 was that BYD was “an extraordinary company” run by an “extraordinary person,” but that he would “find things to do with the money that I’ll feel better about.”

The recurring strikes at BYD expose the character of capitalist exploitation in China and BYD’s rise as the world’s dominant electric vehicle manufacturer. BYD reported revenue of 777.1 billion yuan in 2024 and net profit of over 40 billion yuan. Wang Chuanfu’s personal fortune places him among the wealthiest individuals on the planet—he was listed by Forbes last year as the 9th wealthiest of China’s billionaires.

Yet the workers who produce this wealth—now numbering over 900,000, making BYD the largest publicly traded employer in China—are paid wages that, in many factories, leave them unable to meet basic living costs without gruelling overtime.

The All-China Federation of Trade Unions, the only legally permitted union body, functions not as a representative of workers but an arm of management and the state, suppressing independent organisation and channelling discontent into harmless outlets. Workers who attempt to organise or protest rapidly face police repression, dismissal, and detention.

The Xi’an strike, like those before it in Wuxi, Chengdu, and Changsha, demonstrates that the Chinese working class is not prepared to accept these conditions. While the Chinese state media and bureaucracy provide no statistics publicly on industrial action, wildcat strikes and protests have markedly increased since 2023, particularly over unpaid wages and wage cuts, according to organisations that attempt to monitor strike activity from outside China.



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