

# Striking Shenzhen Workers at Japanese-owned Wal-Mart Supplier Firm Demand Right to Unionize [Updated]

## China Labor Bulletin

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by *China Labor Bulletin*

[In recent weeks, a number of protests directed against Japan have erupted throughout China. The most widely reported have been sparked by anger at new Japanese school textbooks that elide discussion of World War II atrocities, by territorial conflicts over the Diaoyutai/Senkaku islands, and by the Japanese bid for a permanent Security Council seat. Participants in those protests appear to have been overwhelmingly from the ranks of students and intellectuals. The strike at the Japanese-owned Uniden factory in Shenzhen, Guangdong carries the protest movement to a new level. It is significant as one of the first actions by workers in opposition to Japanese labor practices, as well as being an action that could simultaneously impact on the American giant firm Wal-Mart that has thus far resisted Chinese government pressures to permit a union. This is an unusual example of a strike whose principal demand is the right guaranteed by Chinese law to form a union. The 12,000 workers at the plant in the heart of China's export zone, mainly women migrants from poor interior provinces, make telephones most of which end up on Wal-Mart shelves. According to a New York Times report, Uniden workers typically work eleven hour days (three

hours of compulsory overtime) to earn salaries of 484 yuan (US\$58) a week. The present strike, following on the heels of walkouts on November 29 and December 10, 2004, contains echoes of the strikes directed at Japanese enterprises that exploded in the 1920s fueling nationalist and revolutionary movements. It also evokes the Chinese government's worst fears during the 1989 movement upsurge: that workers might join the protests on the side of students and intellectuals. Japan Focus.]

Over 10,000 workers of the Japanese-invested Uniden Electronics factory in Fuyong Town, Shenzhen, have been staging a massive strike action since 17 April 2005 in an effort to win the right to set up their own trade union in the factory. This is a rare strike by Chinese workers specifically in order to form a trade union.



On 20 April, riot police sealed off the factory entrance to prevent the protesting workers, mostly women, from marching out of the factory, apparently reflecting official fear that their strike action could trigger anti-Japanese protests elsewhere in the city. According to media reports, this is the fourth or fifth such strike to have occurred at the factory since it was first opened in 1987.

### **Uniden and Wal-Mart**

The workers are striking in protest against the Uniden management's refusal to allow them to establish a trade union. According to a message posted on a mainland online bulletin board, the strike began after managers at the cordless phone firm, which is a large supplier to the giant American retailer Wal-Mart, issued a statement to the Chinese workforce containing "threatening and insulting language."

In December 2004, following reports that a

Japanese supervisor had beaten up several Uniden workers, several thousand workers staged a similar strike protest. At that time, the workers sent a collective petition to the factory management listing a total of fifteen demands. Among them: 1) workers should be allowed to set up a trade union at the factory, as agreed to by Uniden management in the year 2000; 2) 60 percent of normal wages should be paid during sick leave and maternity leave (currently, the workers receive no pay at these times, indeed they reportedly have to pay the company "living allowance" fines); 3) in accordance with China's Labour Law, workers with ten or more years of seniority should be offered permanent contracts and no arbitrary dismissals should take place; and 4) the quality of meals and the water supply in the workers' hostel should be improved.

After the December 2004 strike, Uniden management promised to raise the workers' salaries and said it would permit a trade union. But a new Japanese manager was appointed at the factory shortly thereafter, and he broke all the company's promises. Several strike leaders were subsequently sacked, and instead of providing the workers with one-year contracts as it had agreed, the company downgraded many contracts to just three months. Moreover, Uniden's promise to let the workers form their own trade union was withdrawn without explanation. The one positive outcome of the December strike, ^workers' wages were raised to the Shenzhen legal minimum of around 480 Yuan per month^, was quickly undermined by management demands for excessive periods of overtime.

### **Sorry ^It's the Law!"**

The Uniden workers' demand to establish a trade union at the factory is fully in accordance with China's existing laws. In fact, Article 10 of the PRC Trade Union Law positively requires that a union branch be set up in any workplace employing twenty-five or more workers. In

addition, shortly before Wal-Mart's announcement last winter that it would finally allow trade unions to be established in its stores in China, following weeks of high-profile criticism by mainland authorities against multinational companies for resisting any such moves, the Guangdong Provincial People's Congress passed a local law, "Implementing Regulations for the Trade Union Law", which added teeth to the existing legislation in this area. According to Article 5 of the new regulations, which came into force on 1 November 2004, ten or more workers employed at factories in Guangdong Province that currently have no official trade union branch

are guaranteed the legal right to establish a trade union on their own.

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*For an update on the Wal-Mart struggle see "[Promising Wal-Mart Trade Union Chair Resigns on Collective Contract Negotiations](#)." Translation provided by China Labor News Translations.*