

## *Global Appeal*

### **Condemn Honda and the AFCTU branch for suppressing the workers' strike! Solidarity with Honda Workers' Struggle for Higher Wages and Reorganization of the Shop Floor Trade Union**

**To brothers and sisters in trade unions and civil society, and all friends who are concerned about the labor situation in China:**

**Please read the BACKGROUND INFORMATION and sign the JOINT STATEMENT below it.**

#### **BACKGROUND INFORMATION**

Workers at Honda Auto Parts Manufacturing Co. Ltd., located in Foshan City Guangdong Province, have begun their 16th day of strike action. This is one of many strikes by Chinese workers, but is among the longest in recent years. While many people have been concerned and greatly moved by the tragedy of Foxconn's workers who committed suicide by jumping from a building, the struggle of Honda workers undoubtedly is very encouraging.

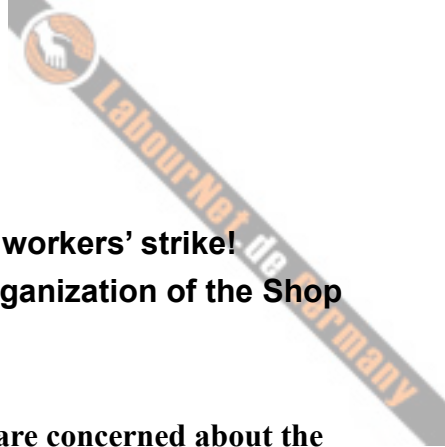
According to the Honda workers, of more than 1,800 employees in the factory, 80 percent are student interns from technical schools. Since they signed an internship contract, they are not protected by the labor law and their wages are as low as 900 Yuan per month. This is lower than the minimum wage level, which since May 2010 has been 920 Yuan in Foshan. In addition to this they are not covered by any social insurance. When these interns were recruited in schools, the company promised free lodging and meals, but they ended up being provided with only one meal a day. After deducting the cost of utilities connected with their lodging, workers only get around 700 Yuan per month. Interns can become regular employees only after they have finished 12 to 16 months of internship and obtained a diploma. Even after these interns have become regular employees, their wages are only 1,000 Yuan per month.

On May 17 all the workers went on a strike and at the general assembly convened by the employers, the workers made 108 demands, and elected 30 representatives at their employer's request. However, the employer not only failed to show good faith in the negotiations, but also dismissed two worker representatives in an attempt scare the others.

On May 24, the company agreed to give 55 Yuan a month for meals allowance, but this was sternly rejected by workers. The regular employees and the interns maintained a high degree of courage and solidarity and insisted on continuing the strike.

On May 26, Honda management proposed a wage increase but this was different for interns and regular workers. While interns would get a wage increase of 477 Yuan per month, the regular staff would only get an increase of 355 Yuan. All workers refused the differentiated wage increase.

On May 27 after discussing the matter collectively, the workers again proposed a few important demands:



- 1) An increase to basic pay of 800 Yuan per month for all the workers. Within three days of the wage increase, allow the workers to re-sign a labor contract. The annual pay rise must not be less than 15% while the year-end bonus and festival subsidies must not be less than the previous year.
- 2) A compensation subsidy for additional years of service --for each year of service there must be an increase of 100 Yuan per year with a 10-year cap.
- 3) Reinstate the dismissed employees and impose no punishment for workers who joined the strikes.
- 4) Reorganize the company's trade union—Re-elect the trade union chairman and trade union-related staff.

On May 28, Honda management again came up with a new proposal:

The interns' wages would be increased by 488 Yuan per month after the first three months of employment, but the regular staff's wage increase would remain the same (355 Yuan per month - as the management had suggested on May 26). At the same time, through various means, Honda began to force the interns to sign a "no more strikes" promise which had to be submitted before 9 am on May 31. **To make sure that workers would resume work as soon as possible, Honda called in some of the interns' teachers and the local government officials to exert pressure on the interns and urged them to go back to work before the deadline.** Throughout the process, the Honda trade union not only failed to provide any assistance for the striking workers, but urged them to resume production as soon as possible.

On May 31, employers continue to refuse negotiations. What is more, the local government, together with the trade union, went to each team of workers and tried to make them go back to work immediately, threatening to dismiss those who refused to resume work. The worker representatives' complained to us and the mainland media (see Caixin website: <http://business.caing.com/2010-05-31/100148761.html>) that about 200 men wearing union badges, who attacked some 40 workers who were insisting on continuing the strike. The assault led to multiple injuries and bleeding. We are shocked and outraged to learn that during the attack, Honda management, local government officials and the police, did nothing to stop the assault on workers. We severely condemn such illegal acts of violence. ACFTU, the official trade union must do investigation into such ridiculous behavior and respond to the public.

On June 1, Honda workers have begun their 16th day of strike action. The "zero inventory" policy under the Honda assembly plant has already forced a number of Honda component factories to stop production. We believe that Honda will continue to force the striking workers to resume work and will take retaliatory actions against those who refused. The young striking workers are now facing strong pressure and they urgently need outside support and solidarity. Globalization Monitor, upon receipt of requests for assistance from the workers, organized a global campaign yesterday to protest against Honda, and to appeal to the world labor movement, NGOs and friends who are concerned about working conditions in China, to support China Honda workers' legitimate struggle, to put pressure on Honda and the ACFTU, to demand that they stop repressing and dividing the workers, to start negotiations, and for Honda to openly accept the legitimate demands of the workers.

Furthermore, a number of labor organizations from Hong Kong decided to raise their level of action and protested at the Honda showroom in Hong Kong, demanding that Honda, Chinese local government and the ACFTU stop repressing the striking Honda workers, start negotiations with the workers' representatives, and

openly accept their legitimate demands, which are as follows:

- 1) Apologize for their attack on workers on May 31 which resulted in casualty.
- 2) Accept workers' demands for higher wages: a wage increase of 800 Yuan per month for all workers and a compensation subsidy of 100 Yuan for each additional year of service.
- 3) Reorganization of the Honda company union – organize a re-election of the trade union chairman and officers so that workers may elect representatives who act in accordance with their interests.
- 4) **Reinstate the dismissed employees and impose no punishment for workers who joined the strikes.**
- 5) No retaliation against workers after the settlement of dispute.

We will continue to maintain contacts with Honda workers, closely monitor the situation, and further raise our level of solidarity action when necessary.

We call upon friends and allies who are concerned about the situation of Chinese workers to continue monitoring the developments of the incident and support the workers' demands and actions when they are in need.

Online Petition: <http://www.gopetition.com/online/36742.html>

Globalization Monitor website: [www.globalmon.org.hk/en](http://www.globalmon.org.hk/en)

Contact us: [info@globalmon.org.hk](mailto:info@globalmon.org.hk)

1<sup>st</sup> June 2010

**Now you can do the following to support the striking Honda workers:**

**Please add your name or organization's name to this JOINT STATEMENT addressed to the HONDA CEO. It will be posted on our websites including [www.globalmon.org.hk/en](http://www.globalmon.org.hk/en) and [www.atnc.org](http://www.atnc.org), and you are welcome to share widely.**

Attention:

Honda Motor Co., Ltd.

President & CEO

Mr. Takanobu Ito

本田技研工業株式会社

〒107-8556

東京都港区南青山 2-1-1  
TEL.03-3423-1111 (代表)

Dear Mr. Ito,

We have received information about the strike by workers at the Honda Auto Parts Manufacturing Co. in Foshan, China. We are informed that of more than 1,800 employees in the factory, 80 percent are student interns from technical schools, who are not protected by the labor law and whose wages are as low as 900 Yuan per month – below the minimum wage for the city. The interns are provided with only one meal a day and are charged for the cost of utilities connected with their lodging, reducing their earnings to only around 700 Yuan per month. Even after interns become regular employees, their wages are only 1,000 Yuan per month.

The workers went on strike to demand increased wages, yet during the negotiations the management has not shown good faith. The management has begun to force the interns to sign a “no more strikes” promise and has even mobilized some of the interns’ teachers and local government officials to exert pressure on the interns to go back to work on May 31. Throughout the process, the Honda official trade union has not provided any assistance for the striking workers, but urged them to resume production as soon as possible without regard for the resolution of the workers’ grievances and demands.

On May 31, your company in China continued to refuse negotiations. What is more, the local government together with the trade union, went to each team of workers and threatened with dismissal if they didn’t go back to work immediately. The worker representatives’ complained to us that about 200 men wearing union badges, attacked some 40 workers who insisted on continuing the strike. The assault led to multiple injuries and bleeding. We are shocked and outraged to learn that during the attack China Honda management did nothing to stop the assault on workers. We severely condemn such illegal acts of violence and Honda owes an apology to their workers.

You yourself reported in April 2010 that last year Honda’s sales achieved an all-time record of 580,000 units in China, the world’s largest automobile market. The workers of the factory are never able to afford one of the cars, which they are helping to produce by making auto parts. As the producing workers, they have a right to bargain for a greater share in the profits of the firm, and as management of a company originating in Japan, the management should respect the workers’ rights to free association and collective bargaining. The management should not shame itself by threatening and dismissing workers when they justly demand a greater share of the huge profits reaped by the company.

Rather, we hope that Honda management will lead the way in showing ‘harmonious relations’ with its workers, and we join the striking workers of Honda Auto Parts Manufacturing Co., Ltd. in demanding the following:

- 1) Take responsibility for failing to ensure the workers' safety by allowing the union men to attack the workers on May 31 which resulted in casualty, and paying for their medical treatment and recovery.
- 2) Accept workers' demands for higher wages: a wage increase of 800 Yuan per month for all workers and a compensation subsidy of 100 Yuan for each additional year of service.
- 3) Reorganization of the Honda company union – organize a re-election of the trade union chairman and officers so that workers may elect representatives who act in accordance with their interests.
- 4) Reinstatement of the dismissed employees and impose no punishment for workers who joined the strikes.
- 5) No retaliation against workers after the settlement of dispute.

Regards

The undersigned:

Globalization Monitor, Hong Kong

Asia Monitor Resource Centre, Hong Kong

Hong Kong Confederation of Trade Unions, Hong Kong

Students and Scholars Against Corporate Misbehavior, Hong Kong

Justice and Peace Commission of the Hong Kong Catholic Diocese, Hong Kong

Cambodian Tourism and Service Workers Federation (CTSWF), Cambodia

Persatuan Sahabat Wanita Selangor, Malaysia

Workers Assistance Center, Inc., Philippines

Solidarity of Cavite Workers, Philippines

National Coalition for the Protection of Workers' Rights – Southern Tagalog, Philippines

Labor Education Advocacy Development and Services and Research Institute, Philippines

Committee for Asian Women

and

ATNC Monitoring Network

China Labour Net, Hong Kong

June 1, 2010