With China launching the market economy, all types of enterprises, in particular the privately owned ones, unabashedly go after profits and squeeze whatever they can from the workers. Infringements of workers’ rights have become rampant, and newspapers such as Workers Daily or South Workers Newspaper have been reporting on workers’ petitions to the authorities or even workers’ actions. The following is based on these reports.

Infringements on workers’ rights are mostly manifested in the following:

1. Irregularities in the employment system. The Labour Law stipulates that labour contracts in black and white should be drawn up between the employer and the employees, with clauses clearly stipulated as to the term of service, nature of work, labour safeguards and conditions, remuneration, and conditions for termination of contract. However, many enterprises now lay off large numbers of workers but at the same time employ labourers coming from the countryside or casual workers. They seldom enter into any labour contract with these workers, and if any labour disputes arise, the workers have no way to safeguard their legitimate rights. Even in cases where contracts have been drawn up, the management refuse to comply with the conditions.

2. Deprivation of the right to employment of large numbers of workers. The "iron bowl" of the past has now turned into "clay bowl" under the Reform. The management has the powers to impose dismissals or retirements in the name of increasing efficiency. State-owned enterprises are no exception. For example, the Geophysical Explorations Institute, a subsidiary of the Heilongjiang Provincial Geological Bureau, ordered 260 staff to "collective resignation". Each person was given a one-off compensation of RMB 20,000 (USD 2,500) which meant to release the management of any ties with or insurance responsibilities for the staff. The Institute actually earned profits of RMB hundreds of thousands and even up to a million during 1995-98. After the 260 staff members were sacked, new staff members were recruited.

3. No guarantee of wages. Deferred payment or non payment of wages are common and grave. The Workers Daily of 1 Nov 1999 commented that "it is really 'news' to hear that anyone can now receive their wages regularly every month. Whether they are state owned or privately owned enterprises, the prevalent phenomenon is delayed payment of wages. The amount involved is startling." Investigations made by the Workers Daily show that even if the enterprises are not running on a deficit, they still defer wage payments and divert the funds to other usages. Some enterprises pay wages in kind - whatever stocks that cannot get sold and stay in the warehouse, so some workers are "paid" clothes or charcoal. Some issue the workers with a blank piece of paper making promises of compensation. Some enterprises, in the name of putting workers on "probation", employ workers at a cheap rate for a short term and then dismiss them when the "probation" period is over.

4. Arbitrary prolongation of unpaid working hours. Many enterprises force workers to overtime work violating the maximum number of overtime working hours allowed by the Labour Law. For example, a big shoe factory in Zhongshan, Guangdong Province, which is run on joint capital from Chinese and foreign investments, had for six months been compelling workers to over time work until midnight, and not even did workers get a holiday on May Day. In Panyu in Guangdong Province, the Xingtai Shoe Factory, also run on joint investments, had workers do over time work for a minimum of four hours every day for over six months. Some enterprises operate on paying the workers not by their hours of work but by tasks, and the standards set by the management force workers to be able to finish them only by over time work.

5. Compulsory deposits, shares or loans. Many enterprises force workers to pay several thousand yuan of deposit or
Chinese working class counter infringements on their rights

shares, or else they will not get the job or the remuneration. In 1999 alone, in Jilin Province, the Labour Department, with its inspections and interventions, managed to recover for 200,000 workers illegal deposits amounting to 55 million yuan. The newspaper report said that the phenomenon was prevalent and was not specific to any place, and the reasons were that the enterprises used this as a means to amass capital, and their employees, in order to retain their jobs, failed to fight back.

6. Industrial hazards and lack of safety precautions. Labour casualties are high, since the management does not care for safety measures and workers are prone to accidents due to their fatigue after long hours of intensive work. Though required by law, most enterprises are reluctant to buy labour insurance for the workers. As at the end of 1999, only an average of 37.5% of workers were insured.

7. Violation of personal safety of the workers. There have been occasional reports on how enterprises conduct illegal body search, abuse and assault on workers. In Guangzhou, one enterprise had a wounded worker put under illegal detention for over a month for fear that the worker would complain against his industrial accident.

Why are such phenomena so rampant? The reasons include:

1. The enterprise management hold absolute power over employment or dismissal of workers, and the large “reserve army” causes workers to tolerate harsh working conditions and remuneration.

2. The government laws are inadequate and are more protective of the management than of the workers.

3. Many officials are keen on developing their local economies and are prejudiced towards the investors.

4. Many enterprise unions compromise with the situation, and workers do not get support from the union.

Yet, compelled by the worsening situations, workers have no choice but to fight back, either by strikes or protests, or by taking the management to court. For example, in Beijing, 5,234 such court cases for 1999 increased by 64.2% over 1998. Of these, collective labour dispute cases numbered 242, an increase of 78.5% over the preceding year. A suburban county of the Beijing District witnessed an increase of labour disputes of 5.7 times from 1995 to 1999. The Shanghai Labour Bureau statistics also yield similar trends, that labour disputes were increasing by an annual rate of about 30%. The labour disputes in Beijing in 2000 also sounded alarm: the first six months saw dispute cases and involved workers around delayed wage payments increase by 120.37% and 118.1% respectively over the same period in the preceding year.

Due to censorship, newspaper reports of workers' strikes and protest actions are limited. According to China Labour Bulletin, there had been increased strikes and sit-ins since 1999. Some recent actions in 2000 included a sit-in strike of 1,000 workers of Arsenal Factory 3508 in Chengdu starting from July 10, 2000, demanding satisfactory dismissal terms for the workers when the factory closed down. On August 5-6, over 1,000 workers and family from the state-owned coal mining company blocked the traffic and demanded sufficient livelihood subsidies. 6 organisers were arrested. On September 25, 500 workers from a state owned steel factory in Yunnan Province blocked the railway linking Chengdu and Kunming, in protest of a rumoured dismissal of workers. The waves of worker protests are prompted by the worsening conditions, and they cannot be simply contained by high-handed measures.

October Review Vol.27 Issue 5/6 2000.12.31