



Chengdu Steel Factory Workers Strike for More Pay

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FOR IMMEDIATE RELEASE

Workers from Pangang Group Chengdu Steel & Vanadium Co., Ltd ("Chengdu Steel"), locating in Qingbaijing District, Chengdu, went on strike on January 4 to protest their low salaries. The workers were blocked by the police when marching to one crossroad of Chengdu-Mianyang Highway from the factory. Over several hours, the confrontation paralyzed traffic and the police dispelled the crowd by use of pepper spray. Several workers were injured in the ensuing clashes. According to one source, more than 2000 workers participated in the strike.

According to the workers, the police arrested five strikers on the highway. After some negotiations, the management told the police to release the strikers. As of now, the workers and management are still negotiating over the workers' demands.

Foremost among these demands is a higher salary. During the strike, workers held signs reading, "We Want a Salary Increase," and others that called for the factory to disclose its managers' salaries. The workers say they work long and hard for extremely low pay, while their managers reap the benefits. According to the workers, their average monthly salary is only 1,200 RMB -- or 14,400 RMB annually -- while their managers earn an average annual salary of over 100,000 RMB. By contrast, the minimum wage for workers in the Qingbaijiang District in Chengdu is RMB 850 per month as of 2011.

The workers also said that their salary had increased very slowly despite high inflation, and that their labor contracts weren't very stable. Additionally, workers complained that there were many lazy, redundant personnel that could be let go in order to increase the productivity and wages of better workers.

Only five days ago, on December 30, 2011, workers from the Sichuan Chemical Industry Factory also walked off the job to protest their low salaries. Management later agreed to their demands with a 400 RMB increase in their monthly salaries and a 3000 RMB year-end bonus. Many workers at Chengdu Steel said that this victory encouraged them to strike.

Chengdu Steel is an important subsidiary of Pangang Group Steel and Vanadium Co. Ltd., with more than 14,000 employees. According to its website, Chengdu Steel produces and sells seamless steel pipes, wire and rod materials and other metallurgical products, with many different industrial applications. Its products are not only sold domestically, but are also exported to more than 50 different countries around the world.

Executive Director of China Labor Watch Li Qiang thinks that the workers know that they have contributed greatly to China's economic progress and deserve a bigger piece of the pie than they are currently getting. As workers see collective action as an effective means to get their fair share, they will take action more frequently to get what they deserve. Therefore, as news of successful strikes becomes easier and easier to find over the internet, this will encourage more and more workers to take action to defend their own rights to fair pay and decent working conditions.

China Labor Watch urges both Chinese businesses and local governments to establish a more collaborative relationship with workers and establish a process to take their input into account when making decisions about pay, hours, working conditions and benefits. In this way, the workers'



Workers marched from their factory to one crossroad of Chengdu-Mianyang Highway.



The police blocked the main road.



The confrontation between the striking workers and the police.

interests would be better served, and the management would decrease the amount of strikes by disaffected workers, helping them as well.

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