



Workers on Strike at Auto Parts Factory in Guangzhou over Bonus Reduction

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FOR IMMEDIATE RELEASE

On December 27, the year-end bonus cut triggered another strike, this time in Guangzhou, the biggest city in Guangdong Province in south China. Workers at the Guangzhou Alei Siti Auto Parts Corporation factory (广州阿雷斯提汽车零部件有限公司) walked off their jobs against reductions in their year-end bonuses, even as they have been forced to work longer hours.

That was the state of the factory this Tuesday, when workers at the Guangzhou Alei Siti Auto Parts Company's Guangzhou factory completely stopped production. According to workers on site, factory management requested on Wednesday that workers to return to work, a demand the workers refused. The factory then sent a representative to the strikers in the afternoon asking them to sign leave requests if they were not going back to work. The work stoppage is ongoing. As of yet, there have been no reports of violence in connection with these events and additionally, no worker representatives have raised banners or other visible signs of protest in the factory district.

The proximate cause of the strike was the reduction in year-end bonuses from the previous year's twice the workers' base salaries to 1.5 times the workers' base salaries this year. This, despite the fact that inflation has increased the cost of living everywhere in China. Management claimed that its decision to reduce the bonus was due to the Japanese earthquake reducing demand for production. However, the workers dispute this, as they believe this past year's production orders have been roughly the same as they were in 2010.

However, there was another long-standing grievance that workers had with the factory, and that was their long working hours. Workers are currently working 12-hour workdays, forcing them to work about 50 hours of overtime every month.

The factory experienced another strike this April over low salaries. In the end, the management responded by increasing monthly salaries by 300 RMB (about \$47) and granting the workers who went on strike the ability to return to their jobs. Workers can now expect to make about 3,300 RMB (about \$522) a month.

The factory was founded in August, 2008. The factory started making unsophisticated, partly-finished parts for cars and motorcycles along with molds for motorcycle casings but recently it has branched into making and servicing more technologically sophisticated auto parts. It is currently divided into 5 factory districts, and has approximately 1500 employees. Principal clients of the factory include Honda, Toyota, Dongfeng-Nissan and Suzuki.

Here is a link of a related video clip: <http://www.youtube.com/watch?v=E-IALTKClmo> 



The factory management is trying to negotiate with the striking workers.