Current Structure and Future Change of All China Federation of Trade Unions (ACFTU)

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Two demands raised by workers:

1. Increase wages
2. Establish their own trade union
Local ACFTU team tried to block Honda Workers
The Current Structure of All China Federation of Trade Unions (ACFTU)

Central Communist Party Committee → Central ACFTU

Local Communist Party Committees (Provinces, Cities, Districts, and Townships) → Local ACFTU (Provinces, Cities, Districts, and Townships)

Management of the Company → Company ACFTU
• Leaders of ACFTU at central level are assigned by central Communist Party Committee. They have to follow the party’s guidelines to control members of ACFTU.

• Leaders of ACFTU at local level are assigned by local Communist Party Committee. They have to follow local governments’ guidelines to control members of ACFTU at local level.
• Leaders of ACFTU at company level are assigned by company’s management. They have to follow the company’s guidelines to control members of ACFTU at the company.

• It’s a common practice that the director of Human Resources Department of the company is also the chairperson of ACFTU at the company.
Director of Human Resources Department

Chairperson of ACFTU at Company
China’s Trade Union Law was established in 1950 and was amended twice in 1992 and 2001 respectively.

The newly proposed amendments will be passed by People’s Congress late next year (2011).
Proposed Amendments to China’s Trade Union Law

• The managers above middle management level cannot be the head of ACFTU in the company

• The relatives of these managers also cannot be the head of ACFTU in the company
Proposed Amendments to China’s Trade Union Law

• Local ACFTU can send its representatives to be the head of ACFTU in the company

• Local ACFTU will take the lead for collective bargaining and collective contract with the company’s management

• Establishing industrial ACFTU, such as automobile industry, like UAW
The Future Structure of All China Federation of Trade Unions (ACFTU)
The Future Change of ACFTU at Company Level

- Companies will lose control of ACFTU at the company level

- It’s still not an independent union, but will become local government controlled union (ACFTU).
Director of Human Resources Department

Chairperson of ACFTU at Company
The Future Change of ACFTU at Company Level

- Companies have to deal with the local ACFTU for collective bargaining and contract

- As the results, the wages of workers will increase between 30 to 50% by the end of 2012, but the average wage will be still less than $2 dollars per hour
The Future Structure of
All China Federation of Trade Unions (ACFTU)

Central Communist Party Committee → Central ACFTU

Local Communist Party Committees (Provinces, Cities, Districts, and Townships) → Local ACFTU (Provinces, Cities, Districts, and Townships)

Management of the Company → Company ACFTU

Central Communist Party Committee

Local Communist Party Committees (Provinces, Cities, Districts, and Townships)

Management of the Company

Central ACFTU

Local ACFTU (Provinces, Cities, Districts, and Townships)

Company ACFTU
What do we Chinese workers want? More money!

When do we want? Right now!
New Generation of Chinese Workers

• They were born after 1980

• They have middle or high school education

• They don’t want to go back to their hometown at the rural areas

• They don’t need to send money back home
New Generation of Chinese Workers

• They want to visit big cities as many as possible

• They change work place quite often

• They are the frequent users of internet with Chinese version of MSN – QQ

• They are more confident about their bargaining power for higher pay
Comments and Questions

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