Dealing with Labor Issues in China through Worker-Management Committee

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American executive who was held captive by factory workers for almost a week in June 2013
The bar chart represents the new labor force per year from 1990 to 2020, categorized into different ranges of numbers:

- **1990:** >25 million
- **2000:** 25 - 15 million
- **2010:** 15 - 10 million
- **2020:** <10 million

The x-axis denotes the years (1990, 2000, 2010, 2020), while the y-axis represents the range of new labor force per year, with categories for >25 million, 25 - 15 million, 15 - 10 million, and <10 million.
Honda Workers’ Strikes in Guangzhou in 2010
Foxconn Workers’ Strikes

Terry Guo, Foxconn’s owner, bowed and apologized to Workers
American executive who was held captive by factory workers for almost a week in June 2013
What we workers want? More money!
When we want? Right now!
Workers

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Management

No Communication between Workers and Management
“Worker-Management Committee” as a Two-way Interactive Communication Channel/Bridge/Platform/Tool between Workers and Management
Typical Organization Chart of Worker-Management Committee

Employee representatives
- Workshop employee
- Technician and engineer
- Office personnel

Management Representatives
- Manufacturing manager
- Human resource manager
- Manager of financial department

1:1
Selection of WMC Members

Management representatives
(appointed by the top management)

Workers’ representatives
(elected by workers’ congress/assembly)

Establish “Anti-retaliation Policies” to Protect Workers’ Representatives
Procedures of WMC Meetings

1. Obtain topics
2. Hold a meeting
3. Reach agreement
4. Work out implementation plan
5. Report to top management
6. Approve to implement
7. Evaluate results
Worker-Management Committee Training
Worker-Management Committee Meetings
Before WMC

After WMC
Before WMC

After WMC
Main Products of Guangzhou Dynamic Factory

IRON

MW

PT
Workers’ Representatives were Elected by Workers through Speech Competition
Workers’ Representatives

邓小芳
李娟
李华平

李
娟
姚敦保
Worker-Management Committee Meeting
Is it necessary to increase the payment for lunch?

Workers in a factory nearby went to strike because there is no communication between workers and management.

Workers and management in this factory use MWC to solve this issue without strike.

This is one of examples to reach win-win situation.
Goal of WMC Program

- Prevent and reduce the labor disputes
- Establish stable labor relations
- Act on a company’s goal of social responsibility
- Protect the interests and rights of workers
While worker-management committees do not substitute for traditional labor unions and collective bargaining, the experiences of the WMCs contribute lessons for the development of workers’ voice in China.

How these changes play out and come together will map the next stages of labor relations in China.
WMC Program in China

Worker-Management Committee programs have been conducted in 24 cities in China:

Southeast part of China:
Guangzhou, Shenzhen, Dongguan, Zhuhai, Huizhou, Xianmen, Fuzhou, Wenzhou, Yiwu, Shanghai, Wuxi, and Suzhou

Northeast part of China:
Qingdao, Dalian, Shenyang, and Harbin

Central part of China:
Wuhan, Shijiazhuang, and Baoding

Southwest part of China:
Kunming, Chengdu, and Chongqing

Northwest part of China:
Lanzhou and Datong
WMC Program in China
WMC Program in China

More than four hundred (400) companies participated in WMC programs in these 24 cities, such as Adidas, Dell, Disney, Johnson & Johnson, Nike, Puma, Best Buy, Pfizer, Oricle, Good-Year, Levis, SINOPEC, Tsingtao Beer and etc. These companies have established WMC and improved labor relations, as well as reduced the number of labor disputes.
Some Participating Companies
Thanks for your comments and questions!