



Don't see unemployed migrant workers as a source of instability"
(Yu Jianrong, in Wei Fuhua 2009)

EU-China Civil Society Dialogue on

中欧对话工作坊

Informal Work and Migration

German Asia Foundation and ICS | Bonn, Germany 12-14 November 2011
Gustav-Stresemann-Institute

非正规工作与移民

READER



German Asia Foundation, Bullmannaue 11, 45327 Essen, www.asienstiftung.de

Link to the English language website:

<http://eu-china.net/english/participatory-public-policy>

Welcome!

The EU-China dialogue¹ on "Informal Work and Migration" is part of the dialogue program "EU-China Civil Society Dialogue on Participatory Public Policy" (2011-2013) which is implemented by the six consortium members shown above and funded by the European Union AND co-funded by the British Foreign and Commonwealth Office. This conference will be a new opportunity for both Chinese and European civil society organizations to become more active.



This conference will provide opportunity for Chinese and European stakeholders to discuss the specific dimensions of informal work in China and Europe, the inter-linkages between the European and Chinese development, and provide proposals on public participatory policy which should help to strengthen decent work and social justice.

The European participants will come from seven different countries (UK, France, Germany, Poland, Czech Republic, The Netherlands and Austria). They will represent NGOs, labour-activists, universities, and governments – therefore, a multi-stakeholder dialogue can be initiated.

We will look for possible solutions especially for the safeguarding of labour rights of migrant workers and informal workers through the creation of joint action, enhancement through knowledge exchange, and strengthening of civil society through networking. We will look more closely the informalisation of labour relations, the legal framework in Europe and China, the interdependencies between the European and Chinese labour market, and the strengthening of ILO-norms in Europe and China. We will also strive for learning from existing experiences and cooperations between enterprises, worker unions, worker associations and governments.

This dialogue will include the joint planning for possible follow-up projects and therefore focus on very concrete policy aspects. With a long history of labour migration European organization started to develop quite early. Exchange of experiences with their Chinese counterparts will help to understand commonalities and differences. The conference can build on former activities of the involved organizations like the Vienna workshop on social security in 2009 by the GAF or the "Research on the Primary Education of Labour Migrants Children" in 2005 by the ICS. The University of Nottingham China Policy Institute organised the "Chinese migration survey and workshop for ILO" in 2009. This conference has the goal, to create also follow-up activities after an exchange between the counterparts.

HOW to use this Reader:

Before we come to action through the follow-up activities, we will have a theoretic discourse, discussion and talk about the different topics of this conference. You can use this reader for self-preparation for the conference. You will find information, provocations and questions, which can lead you in a good way through the discussion. To prepare yourself this reader is an helpful tool to get informed about the different topics. Scroll trough this document and enjoy it.

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¹ Read More about the EU-China Dialog: http://www.eu-china.net/german/Materialien/Fulda-Andreas_2011_Weaving-the-threads-of-civil-society.html

Table of Content

- Welcome! 2
- Table of Content..... 3
- Definitions 4
 - A. Migration..... 4
 - B. Informal work..... 4
- I. Facts and Questions 6
 - I.Ia ILO Fact Sheet - Example China 6
 - II.Ib ILO Fact Sheet – Example Germany 8
- II. Informalisation of Work – a global Phenomenon From where do we start? Informal and atypical work in historical and comparative perspective. 10
 - 1. The role of atypical work and migration for changes in the European labour market..... 10
 - 2. Multinational corporations, global civil society and Chinese labour: Workers solidarity in China in the era of globalisation..... 18
 - 3. Migrants and illegal undocumented work 18
- III. Rights, Regulations and the Role of Workers Unions and NGOs 23
 - 1. Rights and Regulations 23
 - 2. Correlation between state, companies, unions, employees, labour and social rights organisations, social welfare and security, dispatch labour system 24
 - 3. What Kind of labour politics do we need – unions and poorly regulated work..... 30
 - 4. New ways of organizing informal workers in urban and rural area in China 31
 - 5. Occupation of rural migrant workers in the informal sector and its effects 44
 - 6. Change of social Structure: The case of Left behind Children..... 45
 - 7. ILO, wage floor campaign and social protection 48
 - 8. Changes on the Chinese labour market –formalization and informalization 56
- IV. More Links and Information..... 59

Definitions

A. Migration

By wikipedia

Human migration is physical movement by humans from one area to another, sometimes over long distances or in large groups. Historically this movement was nomadic, often causing significant conflict with the indigenous population and their displacement or cultural assimilation. Only a few nomadic people have retained this form of lifestyle in modern times. Migration has continued under the form of both voluntary migration within one's region, country, or beyond and involuntary migration (which includes the slave trade, trafficking in human beings and ethnic cleansing). People who migrate into a territory are called immigrants, while at the departure point they are called emigrants. Small populations migrating to develop a territory considered void of settlement depending on historical setting, circumstances and perspective are referred to as settlers or colonists, while populations displaced by immigration and colonization are called refugees. The rest of this article will cover sense of a "change of residence", rather than the temporary migrations of travel, tourism, pilgrimages, or the commute.

By English dictionary

The noun **MIGRATION** has 4 senses:

1. the movement of persons from one country or locality to another
2. a group of people migrating together (especially in some given time period)
3. (chemistry) the nonrandom movement of an atom or radical from one place to another within a molecule
4. the periodic passage of groups of animals (especially birds or fishes) from one region to another for feeding or breeding

B. Informal work

by ILO (2011)

The **informal economy** comprises half to three-quarters of all non-agricultural employment in developing countries. Although it is hard to generalize concerning the quality of informal employment, it most often means poor employment conditions and is associated with increasing poverty. Some of the **characteristic features** of informal employment are lack of protection in the event of non-payment of wages, compulsory overtime or extra shifts, lay-offs without notice or compensation, unsafe working conditions and the absence of social benefits such as pensions, sick pay and health insurance. Women, migrants and other vulnerable groups of workers who are excluded from other opportunities have little choice but to take informal low-quality jobs. (URL: <http://www.ilo.org/global/topics/employment-promotion/informal-economy/lang--en/index.htm>)

By Karin Pape (2008) :

What is informal work? (translation by authors)² Concerning the informal economy common sense is existing when it comes to what is NOT rather than what it is. Informal means non-documented and not registered activities, working relations which do not correspond to normal working relations meaning not according to the labour law. Generally speaking this means labour relations which do not carry protection of social insurances, but also illegal and criminal activities, which are abstracted from state regulations (...).

Further readings:

- 1) Schneider, Friedrich (2002): Size and Measurement of the informal economy in 110 countries around the world, URL: http://www.amnet.co.il/attachments/informal_economy110.pdf
- 2) Bernabè, Sabine (2002): Informal Employment in Countries in Transition: A conceptual framework, URL: <http://sticerd.lse.ac.uk/dps/case/cp/CASEpaper56.pdf>
- 3) Ram, Monder; Edwards, Paul & Jones, Trevor (2004): Informal Employment, small firms and the national minimum wage, URL: <http://www.lowpay.gov.uk/lowpay/research/pdf/t0NTAVZ4.pdf>
- 4) Flodman Becker, Kristina (2004): The Informal Economy, URL: <http://rru.worldbank.org/Documents/PapersLinks/Sida.pdf>
- 5) OECD (2011): Is Informal Normal?, URL: <http://www.oecd.org/dataoecd/39/52/42528124.pdf>

² (URL:http://www.globallabour.info/de/2008/06/informalitat_globalisierung_ne.html)

I. Facts and Questions

I.1a ILO Fact Sheet - Example China

CHINA			
Source: (E) Official estimates			
Unemployed, Total coverage			
	2006	2007	2008
Total	8470	8300	8860
Rates, total	4.1	4.0	4.2

CHINA			
Outflow of nationals by sex and country of destination. (Data not available)			
	2006	2007	2008
Total men and women			

CHINA			
Hours actually worked, Employees (Example Manufacturing)			
	2006	2007	2008
Manufacturing	50.4	49.4	47.9
Total men and women	47.3		

Economic background

Prior to the initiation of economic reforms and trade liberalization 32 years ago, China maintained policies that kept the economy very poor, stagnant, centrally controlled, vastly inefficient, and relatively isolated from the global economy. Since opening up to foreign trade and investment in 1979, China has been one of the world's fastest-growing economies and has emerged as a major economic and trade power. China's rapid economic growth has sharply improved Chinese living standards and helped raise hundreds of millions of people out of extreme poverty. In 2010, China was the world's second largest economy, largest merchandise exporter, second largest merchandise importer, second largest recipient of foreign direct investment (FDI), and largest

holder of foreign exchange reserves. The global economic crisis that began in 2008 significantly affected China's economy, especially its external sector. China's trade (both exports and imports) and inflows of FDI diminished sharply, and millions of workers reportedly lost their jobs. The Chinese government responded by implementing a \$586 billion economic stimulus package (largely aimed at infrastructure projects), loosening monetary policies to increase bank lending, and providing various incentives to boost domestic consumption. Such policies enabled China to effectively weather the effects of the sharp global fall in demand for Chinese products. While several of the world's leading economies, including the United States, experienced negative or stagnant gross domestic product (GDP) growth in 2008 and 2009, China achieved real GDP growth rates of 9.6% and 9.2%, respectively. In 2010, China's exports recovered to pre-crisis levels, and real GDP grew 10.3%. The International Monetary Fund (IMF) projects that China's real GDP will grow by 9.6% in 2011 and increase at an average rate of 9.5% over the next five years.

Some economic forecasters project that China will overtake the United States as the world's largest economy within a few years, although U.S. per capita GDP levels are expected to remain much larger than that of China for many years to come. Many economists contend that the ability of China to maintain a rapidly growing economy in the long run will depend largely on the ability of the Chinese government to implement comprehensive economic reforms that more quickly hasten China's transition to a free market economy, and to rebalance the Chinese economy by making consumer demand, rather than exporting, the main engine of China's economic growth.

China faces numerous other challenges as well that could affect its future economic growth (as well as internal political stability), such as widespread pollution, growing income disparities, an undeveloped social safety net, poorly enforced economic regulations, and extensive involvement of the state in several economic sectors. China's economic rise has significant implications for the United States and hence is of major interest to Congress. On the one hand, China is a large (and potentially huge) export market for the United States. Many U.S. firms use China as the final point of assembly in their global supply chain networks. China's large holdings of U.S. Treasury securities help the federal government finance its budget deficits and keep U.S. interest rates low. However, some analysts contend that China maintains a number of distortive economic policies (such as an undervalued currency and protectionist industrial policies) that undermine U.S. economic interests. They warn that efforts by the Chinese government to promote the development of indigenous innovation and technology could mean that Chinese firms will increasingly pose a "competitive challenge" to many leading U.S. industries. This report surveys the rise of China's economy, describes major economic challenges facing China, and discusses the implications of China's economic development for the the world.

Part of : <http://www.fas.org/sgp/crs/row/RL33534.pdf>

II.Ib ILO Fact Sheet – Example Germany

GERMANY

Source: (E) Official estimates

Unemployed, Total coverage ^{1 2 3}

	2006	2007	2008
Total	4279	3602	3141
Men	2358	1939	1690
Women	1921	1663	1451
Rates, total	10.3	8.4	7.3
Rates, men	10.3	8.5	7.4
Rates, women	10.2	8.3	7.2

GERMANY

Source: **Administrative records and related sources**

Outflow of nationals by sex and country of destination. (only available for 2006)

	2006	2007	2008
Total men and women	155290		
Men	87313		
Women	67977		
Migrant's country of destination			
United States	29113 ¹		
Italy	26807 ¹		
Poland	112492 ¹		
Turkey	33229 ¹		
Yugoslavia, The former Socialist Fed. Rep. of	1959 ¹		

GERMANY

Hours actually worked, Employees (Example Manufacturing)

	2006	2007	2008
Manufacturing	38,4	38,4	38,4
Total men and women	40,4	40,4	40,4

Economic Background

In Germany, Europe's largest economy, about 68% of all employees worked in the services sector in 2007, which is slightly less than the average of the 15 EU Member States that constituted the EU before the enlargement of 1 May 2004 (EU15). Germany's transformation to a services society has been marked by a growth in personal and business services and a decline in social (state) services. While services add up to 70% of the gross domestic product (GDP), manufacturing and construction have been robust in accounting for 30% of GDP since the early 1990s. The automotive, machinery and chemicals sectors contribute to Germany's worldwide leading export rates. The dependency on exports has caused an above European average downturn of the German economy in the recession: GDP declined by 6.7% between the beginning of 2008 and the first quarter of 2009. The unemployment rate rose to 8.2% in May 2009, corresponding to an increase of 0.4 percentage points compared with the previous year; in May 2009, the unemployment rate stood at 13.3% in west Germany and 6.9% in east Germany. This moderate increase in unemployment is largely attributed to an extensive use of short-time working in Germany. While full-time work has been declining, Germany has the second highest share in part-time employment in the 27 EU Member States (EU27).

II. Informalisation of Work – a global Phenomenon

From where do we start? Informal and atypical work in historical and comparative perspective.

1. The role of atypical work and migration for changes in the European labour market

Legal Activism or Class Action? The political economy of the “no boss” and “no labour relationship” in China’s construction Industry, by PUN NGAI AND XU YI, 2011

ABSTRACT: This article aims to study an issue of “double absence” embedded in the rapidly changing construction industry and to explore how it induces serious collective action among construction workers in post-socialist China. (**) The political economy of the construction industry has shaped a specific labour use system – a labour subcontracting system. The system generates a specific capital-labour relationship in which the legal labour identity and labour relationship are highly subsumed by an “absent” employer. It creates a double absence in legal terms: an “absent” boss and an “absent” labour relationship. This double absence has led to a perpetual process of wage arrears and struggles by construction workers to pursue delayed wages in various ways, usually involving legal action or non-legal collective action. The findings of this study are drawn from case studies conducted between 2008 and 2009 in seven Chinese cities. The labour struggle – the fight for delayed payment – was understood not as a form of legal labour activism, but as incipient class action in a specific context.

Conclusion

The struggle at the construction site – simply to fight for delayed wages – can be understood as a “bottom-line” struggle, as it exposes the nature of the subcontracting system and the failure of the politico-legal regime to protect the basic labour rights of migrant workers. Construction workers are well aware of the exploitative nature of the labour subcontracting system, because it often results in wage arrears and lack of compensation for bodily injury. During their struggles, the situation of “no boss” and hence “no labour relationship” is not a legal issue to them but rather a class issue disguised by legal discourse.

It is crystal clear that while the workers seldom use the word “class,” they replace it with the language of justice and law. In short, the principle of injustice (bu gongdao) refers to unfair treatment by others who violate the minimum moral standards of society at large. A discourse of “rightful resistance” seems to overshadow the discourse of “class action,” in that workers make sense of their suffering in terms of an embedded morality rather than of class exploitation. On deeper examination, however, we find that accusations of injustice lie at the very core of the capital-labour relationship, i.e., the production relation of the construction industry, which has been affected by rapid change in the nature and structure of the industry during the reform period. The political economy of “no boss” and “no labour relationship,” a delinking of capital and industry and of management and labour, is also directly linked with the specific and exploitative nature of the labour subcontracting system. All labour struggles stem from this changing political economy of the construction industry. It is not a “normal” industry for either subcontractors or workers, since there is no boss, and no employer who is directly responsible for their employment. The capital-labour relationship has been entirely disguised: the workers literally do not know the identity of the developers and construction companies who are ultimately responsible for the non-payment of wages owed to them. This mis-recognition has been made possible through a labour subcontracting system that sustains the valorisation of capital without always recompensing subsumed labour: an invisible hand, the market, operating several steps removed from the workforce, enables the dealing out of a rigged losing hand to a transient army of labour.

The specific practices involved in this rapidly changing construction industry induce angry, largely violent actions, sometimes a mixture of legal and non-legal collective action by construction workers. Actions taken by workers usually surface as a fight for legal labour rights, as the violation of their basic rights is legally

sanctioned. This does not mean, however, that the minds of construction workers have been successfully indoctrinated with the hegemonic discourse of “a legalised society” or legalism. Rather, faith in legalism acts as a double-edged sword once workers discover that the law is not on their side. It collapses. Furthermore, workers learn that their basic labour rights are excluded rather than protected by law. In short, the labour subcontracting system is a core problem of the construction industry, generating a series of collective actions acted out not in legal but more in non-legal realms. When trust and faith in the law is lost, delayed payment becomes unacceptable, and the workers’ consent breaks, resulting in militant labour action.

Read complete Article: <http://www.cefc.com.hk/perspectives.php>

Rainer Münz Demographic Change, Labour Force Development and Migration in Europe – Policy Recommendations, By Heinrich-Böll-Stiftung, 2010

Today, demographic change is a global phenomenon resulting from two almost universal trends: declining fertility and increasing life expectancy. All countries in the world experience declining fertility or have stagnating fertility below replacement level. And the majority of countries report increasing life expectancies. As a consequence most parts of the world will witness demographic ageing throughout the 21st century. Large discrepancies, however, will remain.

Europe and Japan have entered the stage of demographic stagnation and will most likely be confronted with some population decline during the first half of the 21st century. As a result most parts of Europe – in particular many EU27 member states and all European CIS countries – are confronted with stagnating or declining working age populations and the prospect of shrinking native labour forces. In China, demographic decrease will start around the year 2025. In contrast to this stagnation or even decline, populations of Europe’s neighbouring regions – Central Asia, the Middle East and North Africa will continue to grow significantly. In the neighbourhood of the EU, the MENA region, Turkey and Central Asia will experience sustained demographic growth and a growing number of people entering the labour force. These regions still have much higher fertility. And their populations are much

younger, with a median age of 20 years or less, compared to 39 in today’s Europe. A few demographic facts about Europe. In 2009, the European Union had 500 million inhabitants – more than ever before. Almost all societies of Western and Central Europe have fewer than 2 children

The paper is based on a related data background paper (Münz 2009) as well as on earlier work that the author carried out together with Robert Holzmann (World Bank). Valuable input was given by Zoltan Bakay (Erste Group), Johannes Koettl (World Bank) and Heidi Kaiser-Muehlecker (Erste Group). On average fewer than 2.1 children per women (Total Fertility Rate = TFR per family. On average women in Europe give birth to 1.5 children. In a parallel development the proportion of women without children is growing. In all countries of Western Europe life expectancy has reached its highest historical levels and continues to increase. In contrast, most countries of Central and Eastern Europe have seen periods of increasing life expectancy as well as periods of stagnation and even decline. Today EU citizens on average have a life expectancy at birth of 75 years for men and of 82 years for women. Life expectancy continues to increase in Western and Central Europe at a pace of 2-3 months per year. Since infant and child mortality have already reached very low levels, this essentially translates into a gain in life expectancy above the age of 50. If this trend would continue throughout the 21st century we could expect a further increase of our life span by some 15-20 years.

The recent past was characterized by the following developments: Labour migrants particularly from countries with lower wage levels (Bulgaria, Latvia Lithuania, Poland and Romania) made use of the freedom of establishment and access to Western European labour markets (in particular to Italy, Ireland, Portugal, Spain, and the UK). Other countries of Western Europe experienced continuous family reunion, reduced flows linked to asylum, ethnic migration, and inflows of irregular migrants from Northern and Western Africa, the Middle East and Asia. Ukraine and Moldova emerged as important new European source countries. Since the year 2000, Italy and Spain recorded by far the largest net inflows; followed by France, Germany, Greece, Ireland, and the UK. Net outflows were largest in Bulgaria, Poland, Romania, and Turkey (2000-2006). Following the general trend, most EU/EEA countries (including several new EU member states) have meanwhile become net immigration countries. It is very likely

that, sooner or later, this will be the case in other new EU member states and candidate countries as well.

DOSSIER Mobility & Inclusion. Main “gates of entry” EU and EEA citizens are more or less free to move within Western and Central Europe, to take residence and to join the work force in any other EU/EEA member states. In the recent past a growing number of EU citizens made use of this freedom. Some restrictions, however, still apply to citizens of new EU member states seeking employment in another EU country. The key gates of entry for people immigrating to the EU are temporary and long-term labour migration, family reunion and family formation, the inflow of asylum seekers (some 240,000 applications in all EU countries in 2008), and the inflow of co-ethnic “return” migrants and their dependent family members. Published data on gates of entry, however, do not account for all relevant migration flows. For example, in several EU countries economic migration takes place to a larger extent in the form of seasonal and temporary labour migration (some 600,000 persons admitted annually in EU27), as well as in the form of irregular labour migration of at least the same magnitude.

Europe’s foreign born population (Today 43 million people residing in the European Union (EU27) and associated countries (other EEA, CH)) are regular international migrants. They represent 8.5% of Western and Central Europe’s total population. Some 14 million of these migrants have come from other EU member states (in some cases prior to the EU accession of their home countries). The remaining 29 million have come from other parts of Europe and other world regions. Among them some 19 million residents of Western and Central Europe are immigrants from Asia, the Middle East and North-Africa, sub-Saharan Africa, Latin America and the Caribbean. During the last decade the main European sending countries were Poland, Romania, Turkey and Ukraine.

A comparison of all EU27 (and associated) countries shows: Germany has by far the largest foreign-born population, followed by France, the UK, Spain and Italy. Relative to population size, two of Europe’s smallest countries – Luxembourg and Liechtenstein – have the largest stock of immigrants, followed by Switzerland, two Baltic states – Latvia and Estonia – and Austria. In the majority of West European countries the foreignborn population accounts for 6-15% of total population.

Population forecasts for Europe

In 2009, the European Union had 500 million inhabitants. According to medium-term population projections published by Eurostat, total population in EU27 will continue to increase until 2035 at a reduced pace to 520 million. During the following period Eurostat expects a subsequent decline to 515 million in 2050, with all new and many old EU member states facing a marked decrease of native-born populations. The projection assumes continuing net gains from international migration in the order of 50 million people during the period 2008-2050.

In the absence of mass migration EU27’s total population would already start to decline after the year 2010. By 2050 the number of people living in EU27 would have dropped to 444 million. Projected demographic change has a significant impact on the future age structure. In the European Union the size of the working age population (age group 15-64) was 330 million in 2005. This group will start to shrink after 2020 reaching 328 million in 2025 and 294 million in 2050. Within this group the momentum will also shift from younger to older people at employable age. The number of younger Europeans entering the labour market (age group 15-24) is already shrinking in a number of EU member states and will decline in EU27 as a whole over the next 45 years. In contrast, the age group 30-54 will continue to grow until 2020. The age group 55-65 is likely to grow until the year 2030 when the largest cohorts of the baby boom have reached (today’s) retirement age.

At constant labour force participation rates the number of economically active people would shrink from 236 to 229 million in 2025 and to 207 million in 2050. In the absence of any international migration this decline would be even larger. Under such – rather unrealistic assumptions – Europe’s working age population would fall to 224 million (2050); and the number of economically active people would drop to 171 million by 2050 if labour force participation would remain constant over time. On the other hand, as a result of an increasing life expectancy and the ageing of the baby boom generation, the age group 65+ will grow from 81 million (2005) to 112 million in 2025; and to 148 million in 2050. This is an increase of some 67 million people. Within this age 22 DOSSIER Mobility & Inclusion group the largest increase is to be expected for people over 80 years of age (2005: 19 million, 2050: 54 million). For Western and Central Europe the demographic process analyzed here can be characterized as shift to

a society in which the older segment of the work force (45+) and the already retired elderly will form a majority. Demographic aging is reflected in the so-called “old age dependency ratio”: Today for every 100 Europeans at working age (15 to 65) there are 25 senior citizens in age group 65+. By 2050 this ratio will “deteriorate” to 50 senior citizens per 100 Europeans at working age. In that year Bulgaria, Italy and Spain are expected to have the highest old age dependency ratios. The development is even more dramatic if we look at the “support ratio” between the actual work force and the older population. Today in EU27 there are 35 senior citizens in the age

group 65+ per 100 Europeans actually working and contributing to the public coffer. Until 2050 (at constant labour force participation rates) this ratio would rise to 73 senior citizens per 100 people in the work force. This would constitute a dramatic old age burden for those still economically active and a threat to future pension systems.

Implications for Europe's work force in the absence of mass migration

Today's labour force of the EU27 comprises 235 million people. Of them some 21 million (=9%) are foreignborn. At current labour force participation rates, demographic aging translates into a shrinking labour force. Based on the assumptions of the Eurostat's 2008 convergence scenario Western and Central Europe's work force would decrease to 229 million (-3%) in 2025 and to 207 million (-10%) in 2050 (at constant labour force participation rates). In the absence of any international migration this decline would be even larger (2025: 214 million; -10%; 2050: 171 million; -20%). Policy Options. For Europe the most obvious strategies coping with demographic ageing and the eventual decline of nativeborn work forces are: Higher retirement age: In ageing societies a considerable potential to increase domestic labour forces and to reduce the number of retirees rests in the reversal of a very common behavioural pattern: We would have to end early retirement. This strategy particularly applies to countries where actual retirement age is well below legal retirement age. In EU27 the average actual retirement age is 61.9 for male workers and 60.5 for female workers. As a result the employment rate in the age group 55-65 is below 45%. Taking into account the prospect of a continuously increasing life expectancy there is room for the prolongation of our working life and an increase of today's actual as well as statutory pension ages. This option, however, demands a shift in attitudes both at employees' and employers' sides as well as pension systems that do not favour early retirement. In this respect current adult education and training programs, salary schemes, and pension systems must be reformed in order to make employment of older workers more attractive. It should also be publicly questioned whether the general attitude of systematically draining the pension systems at individual level is a responsible behaviour.

Higher labour force participation rates of women: In most European societies women do not only enter retirement earlier, but their overall employment rates are (in many countries significantly) lower than those of men. In EU27 women (age 15-64) have an average employment rate of 58.3% while men have a rate of 65.4%. Policies supporting higher female employment have to focus on equal opportunities as well as on child care programs and school systems that help mothers to stay in the work force. In many EU countries – particularly in Southern Europe and in the new EU member states of Central and SouthEastern Europe – current labour force participation rates of women leave room for better utilization of an already available domestic potential.

Higher labour force participation rates of migrants: In many EU member states immigrants have lower employment rates than the native-born population. In North-Western Europe this is particularly true for immigrants from middle and low-income countries – and particularly for migrant women. This also leaves room for considerable improvements.

Active family policy: In the long run, there may be no better strategy than improving domestic fertility rates and eventually reverse current downward trends. The examples of France and some Scandinavian countries show that this is not impossible. This requires a mix of material incentives provided by the state and institutional arrangement that allow mothers to stay in the work force and to secure their DOSSIER Mobility & Inclusion 23 own income and, later on, an independent claim to an old age pension. In the short and medium term, however, shortages in the labour market cannot be met by means of family policy as children born in 2010 will not enter the labour market before 2030-2035. It should also be noted that in many EU countries declining fertility has already led to a smaller number of potential parents – a development which cannot be offset by family policy measures.

Pro-active economic migration policy: This strategy applies to countries with current and future shortages of labour and skills. Such gaps could obviously be solved with significant inflows of young adults from abroad. At the same time many Europeans have not yet realized that there is a global competition for attractive immigrants. Competitors in this race are not only the EU member states themselves.

The main competition is between the EU and traditional countries of immigration such as the US, Canada and Australia, disposing of sound historical experiences in setting up immigration policies. These countries are also characterized by relatively open societies, integrative cultures and – first and foremost – attractive labour markets. As an answer to this, European migration policy must make the EU and its member states a more

attractive destination for qualified and highly motivated potential immigrants and their families. In Europe today only a small number of the newly arriving migrants are selected according to their skills and professional experience. And many ambitious immigrants are employed below their skill levels. The mentioned strategies are not mutually exclusive.

Higher labour force participation or more migration?

Based on the assumptions of the Eurostat convergence scenario (Europop 2008) Western and Central Europe's work force would decrease to 229 million (-3%) in 2025 and to 207 million (-12%) in 2050 (at constant labour force participation rates). In the – unlikely – absence of any international migration this decline would be even larger (2025: 214 million; -10%; 2050: 171 million; -28%). If by 2050 all EU27 countries could match labour force participation rates of the three European countries currently having the highest participation rates, Western and Central Europe's work force would increase slightly (variant with immigration; Scenario I: 246 million in 2025; +4%) and then remain constant until 2050. In the absence of migration (zero migration variant; Scenario I) total labour force would already decrease to 229 million in 2025 (-3%) and then continue to decline to 203 million in 2050 (-11%). If, however, by 2050 EU member states would manage to increase their female labour force participation, Europe's work force would slightly increase (variant with immigration; Scenario II) to 240 million in 2025 (+2%) and only then start to decrease to 231 million in 2050 (-2%). In the absence of migration (zero migration variant; Scenario II) the labour force would slightly decrease to 223 million in 2025 (-5%) and then strongly decline to 191 million in 2050 (-19%). An increase of actual retirement age by 5 years until 2025 and by 10 years until 2050 would lead to a growing European work force (variant with immigration; Scenario III in 2025: 248 million; +5%; in 2050: 253 million; +7%). In the absence of migration (Scenario III) the labour force would decline to 231 million in 2025 (-2%) and then continue to decline to 211 million in 2050 (-11%). In such a scenario the actual labour force participation in age group 55-74 years would gradually increase from 26% today to 52% in 2050.

Pro-active recruitment of migrants: A solution?

At current labour participation rates and in the absence of migration (zero migration variant) Western and Central Europe's labour force would decline by 23 million during the period 2005-2025 and by another 43 million during the period 2025-2050. Labour migration might compensate for the whole "gap". But in this case, between 2005 and 2025, EU27 countries would have to add a net amount of 1.3 million labour migrants annually to their work force. And between 2025 and 2050, this number would have to increase to 1.6 million labour migrants annually. Assuming that at best 65-70 percent of newly arriving immigrants join the work force annual net gain from migration would have to be in the order of 1.9 million annually until 2025 and 2.3 million annually between 2025 and 2050. Under these assumptions, between 2005 and 2050 a net migration gain of 102 million people at working age (15-65) would be required to add 72 million economically active migrants to Western and Central Europe's labour force.

At the same time we have to assume that circular movements between neighbouring regions (Western Balkans, MENA countries, Turkey, Ukraine) and the EU27 will remain an important element of future migration pattern and might even be promoted by EU migration policies. Under this assumption admitting or recruiting a net amount of some 100 million migrants at working age (as discussed above) requires a pool of some 160-200 million potential migrants – depending upon the rate of circularity, return and retention. Such calculations suggest that admitting or recruiting labour migrants can only be part of a policy mix addressing Europe's medium and long-term labour market problems.

Conclusion

International migration is caused by major economic, demographic, labour market and social security gaps between sending and receiving countries. But managed international migration is also a tool with the potential to reduce such gaps. Therefore, sending and receiving countries should explore win-win solutions that allow the countries and economies involved as well as the migrants to gain from geographic mobility of labour and skills. In this context immigration should only be seen as a partial answer to aging and eventually shrinking domestic societies in Europe and growth of working age populations in neighbouring regions. Migration can only play such a role under the following conditions:

- Europe has to be able to attract migrants with needed skill levels. (These migrants have to be given access to formal labour markets and the possibility to establish their own businesses. Availability of people, however, is not enough. Availability of qualifications and skills will matter to a great extent. For the EU27 it is also clear that labour market related reforms leading to higher labour force participation rates – in line with the Lisbon targets

and beyond – should have high priority. At the same time such reforms will probably not be sufficient to fully counterbalance shrinking native work forces.

Europe will have to develop a comprehensive migration policy that balances economic and humanitarian aspects and incorporates selection and admission procedures for people who qualify for economic reasons as temporary migrants or as permanent immigrants. Experiences of traditional countries of immigration – Australia, Canada, and New Zealand in particular – should be analyzed and adapted. In this context, the EU and its member states also have to review and improve integration policies and arrangements regulating claims of migrants to social security benefits (including the portability of acquired rights and benefits in case of remigration) and services such as education and health care.

A permanent dialogue between the EU and neighbouring countries should explore the possibility of cooperation in various migration-related fields. Among them are visa regimes, residence and work permits, living and working conditions of migrant workers and permanent immigrants, brain drain and domestic skill formation, cofinancing of educational systems, transferability and portability of acquired rights/claims toward social security. Such migration-related issues should also become elements of future formal agreements between the EU and its neighbouring regions.

Policy Department Economic and Scientific Policy. The impact of new forms of labour on industrial relations and the evolution of labour law in the European Union, by Christa Kammerhofer-Schlege, 2007

IMPACT OF RECENT CHANGES ON LABOUR MARKETS

An analysis of the European labour markets with regard to the object of our study is presented in Volume III of this report. The latter provides significant findings and investigates the dualism of labour markets as well as the different forms of “insiders” and “outsiders” (including of course the situations of unemployed people).

In this section, we highlight elements showing the links between the forms of labour presented in the previous sections and the segmentation of the labour markets. Fragmentation of the labour market is a reality in all national MS and takes various forms. Even if European statistical averages show an increase of this phenomenon, they also “hide the fact there exists important pockets of precarious work situations, with some group of workers, (as women, youngsters, migrants and older workers) and some MS being hit the most”. The growing number of fixed-term and part-time contracts challenges the standard of the open-ended full-time employment contract. Agency work and self employment is also a growing phenomenon in most of the MS. Labour laws and social security systems have been created on the basis of a standard form of employment, full-time and open-ended. Therefore, workers who are not employed under such a contract are part of a potentially vulnerable group. In addition, a large number of persons exhibit several atypical work characteristics at the same time, such as employees holding a fixed-term contract and working part-time. This of course may make their situation more precarious.

However, segmentation can also consist in the exclusion of some workers from the most basic protective rights. Moreover, so as to better assess the actual segmentation of labour markets, it is worth trying to analyse transitions between different statuses of employment. With respect to these general observations, undeclared work shall be addressed first, taking into account both labour market analysis and the ways this concern is addressed at national

level. The links between atypical forms of employment and segmentation of European labour markets will then be addressed, including data related to transitions experienced by “own-account” workers”.

Read more about Undeclared work in the EU and III.2 Atypical work and segmentation of labour markets:
<http://www.europarl.europa.eu/document/activities/cont/201107/20110718ATT24292/20110718ATT24292E N.pdf>

Immigrants and EU Labor Markets, by Louka T. Katseli, OECD Development Centre, December 2004

Most European countries are experiencing increased immigration. Immigrants are contributing to population growth and helping to meet labor shortages, thereby augmenting growth and competitiveness. In sectors in which foreign and domestic labor can be easily substituted for one another, the employment of immigrants has been accompanied by increased unemployment among native-born workers. Labor rigidities in almost all European countries mean that, paradoxically, new immigrant flows coexist with low labor force participation rates, labor shortages, and unemployment. Migration policies need to take into account not only the commonalities but also the differences among European labor markets, differences that have intensified with successive waves of EU enlargement. The most recent enlargement, in May 2004, expanded the EU from 15 to 25 countries, bringing into the fold eight former Soviet Bloc countries as well as Cyprus and Malta. Distinct migration regimes in northern and southern, as well as Western and Eastern, Europe require differentiated policy approaches. Moreover, migration policies cannot substitute for required changes in domestic economic and social policies. The inherent complexities and the need for coordination across various policy domains require that new institutional mechanisms be created in which policy will be designed with the active participation of all stakeholders. In light of increasing European integration and the recent enlargement to the east, policies concerning the integration of migrants should become a basic component of the EU policy agenda.

Discussion: EU Labor Markets and Immigration

In nearly all the European member countries of the OECD (Organization for Economic Cooperation and Development), populations are expected to fall by about 10 percent in the first half of this century. In addition, the EU's dependency ratio - the population below age 15 and above age 65 divided by the population aged 15-64 - is expected to nearly double. Even considering the effects of immigration and potential changes in labor participation rates, the labor force is expected to decline in most European countries. Labor shortages, which are already apparent in many countries, are likely to persist and become more serious.

Labor market imbalances are attributable largely to structural rigidities. These include, among other things, the lack of interregional geographic mobility aggravated by linguistic barriers, restrictions that reserve access to specific professions only to nationals, mismatches between existing skills and those in high demand, and cultural and socio-economic barriers that preclude the entry of nationals into low-status or low-wage jobs. It is worth noting that in 1999, intra-European migration involved less than 0.2 percent of the total population of the EU, while only 1.2 percent of people in work changed residence. Structural rigidities in European labor markets also imply that labor shortages in most countries are likely to coexist not only with large pools of unemployed and/or inactive people, both nationals and foreigners, but also with continuous inflows of new immigrants. Employer surveys conducted between 2000 and 2002 confirm the appearance of labor shortages for skilled and/or unskilled personnel, even though countries such as France and Germany, which recorded high unemployment rates among both nationals and foreigners, were experiencing high immigration flows. It has been estimated that the size of the "unused or latent labor supply" in Europe varies from 18 to 22 percent in Switzerland and Sweden to 40 percent in Italy.

In view of these trends and characteristics, it is not surprising that foreign workers enter EU countries to cover needs at both ends of the skills spectrum. In the more industrialized countries, which can be considered as traditional immigration countries - Austria, Germany, the Netherlands, Belgium, France, and Sweden - skilled immigrants, mostly on temporary (five-year) visas, fill job openings in the manufacturing and mining sectors or in sectors exhibiting rapid technological change, such as the information and communication technology sector.

At the same time, unskilled immigrants, both legal and illegal, cover vacancies or create demand for new jobs at the lowest social and occupational categories. In the Nordic countries - Denmark, Norway, and Sweden - as well as in Ireland, the education, health, and community-service sectors account for relatively high shares of total foreign employment. State agencies or large firms recruit immigrants, and labor migration remains concentrated among few nationalities. Family reunion inflows are also on the rise as immigrants become integrated into formal economies. Given these trends, the effort to manage migration flows in northern Europe has focused mostly on combating irregular migration and illegal employment, as well as on developing more effective integration policies.

In southern Europe - where agriculture still accounts for a significant share of total employment, including large informal and seasonal sectors - the employment of foreigners tends to be concentrated in the agricultural sectors, the construction industry, the wholesale and retail trade, and in the tourist industry. High rates of employment of foreigners are also observed in household services, even though the female unemployment rates are high and female participation rates are very low, especially in Greece, Italy, and Spain. Regardless of the employment sector, in the south foreigners typically cover seasonal, short-term and/or "atypical" jobs.

Extensive borders with non-EU countries, along with weak border control and administrative structures, contribute to rising illegal entry, residence, and work in these countries, just as they have in Eastern Europe. Legal entrants often overstay their visas. Recruitment by private 'illegal brokers' is prevalent. Even though immigrants from neighboring countries constitute the larger share of immigrants - Albanians in Greece and Italy, Moroccans in Italy and Spain - immigrants exhibit a remarkable diversity of nationalities and educational levels. Given the ease of illegal immigration, asylum seeking in these countries has never been a major issue. Through repeated regularizations, governments have attempted to manage the extended illegality and irregularity of migrants. This policy pattern, however, has prompted new illegal migrant inflows and a tendency toward permanent as opposed to temporary settlement of immigrants. The segmentation of EU labor markets, in conjunction with differences in economic, social, and institutional characteristics, has thus given rise to two distinct "migration regimes" in northern and southern European countries. Migration regimes are further distinguished with respect to immigrant and host country characteristics, labor market and redistribution effects from immigration, and policy content and effectiveness. The policy debate in Europe must take these differences into account.

Recommendations

The globalization of production and the liberalization of commodity trade and capital markets have not so far proven sufficient to equalize standards of living across the world. In the coming decades, there will be increased pressures for greater integration of labor markets through migration. The effective management of migration flows is therefore set to become a top priority for policymakers across Europe.

From the analysis provided so far, the following conclusions can be drawn:

- The presence of diverse migration regimes across Europe requires flexible policy approaches. "Best practices" in some countries can turn out to be "worst practices" in others. For example, targeted immigration programs to meet specific market needs have proven to be relatively successful in northern industrial countries but totally ineffective in southern Europe.

- Given the high propensity for substitution between different kinds of immigrants (i.e., labor immigrants, asylum seekers, refugees) and the considerable scope for substitution between potential immigration routes, migration policy will have to become more integrated across policy domains. It also will have to become more strategic (as opposed to defensive), focusing on the choice of incentives and disincentives for entry, length of stay, work, and degree of mobility of migrants.

In many countries, especially in southern Europe, migration policies should be framed in such a way as to facilitate rather than impede - as they presently do - temporary and recurrent migration flows through the extension of renewable, multiannual visas.

- Rapid technological change and labor market changes require a continuous reevaluation of which skills are needed. The associated information costs of such evaluations are usually prohibitive, however. For this reason, selective and targeted immigration policies, though useful in meeting very specific short-term needs, cannot provide the basis for an effective migration policy in the long-term.

- Policies concerning the integration of migrants could be made more coherent across regulatory areas, involving the EU, national governments, and local administrations. Participation in policy design and implementation by immigrant associations, NGOs, and the wider public is a prerequisite for the sustainability of policies, successful integration, and the better use of both immigrant and domestic labor potential.

- At the European Union level, the creation of a "Task Force for Migration Policy," supported by an appropriate secretariat or policy institute, could provide consistency and help coordination across policy domains, as well as assist regional administrations in the design and implementation of regional policies.

Conclusions

Designing effective migration policies is as much a political as a technical issue. Given the complexities involved, most European governments have tried to keep migration issues at the low end of the political agenda. Their attempts to cope with the issues have taken the form of either crisis management or stop-go defensive tactics, including tightening border controls, implementing selective immigration programs, and undertaking massive regularizations. Strategies for managing international labor flows must become an integral part of the European policy debate, side-by-side with trade and capital-market integration. Against the background of entrenched rigidities and imbalances in labor markets, monetary integration alone cannot promote European competitiveness and growth.

2. Multinational corporations, global civil society and Chinese labour: Workers solidarity in China in the era of globalisation.

Multinational corporations, global civil society and Chinese labour: Workers' solidarity in China in the era of globalization, by Joseph Yu-Shek Cheng a.o.

Abstract

The evolution of international production chains has facilitated the flow of industrial capital from developed countries into China. Multinational corporations in China apparently make huge profits through exploiting cheap labour, but they also exert pressure on their contractors to improve workers' rights. International non-governmental organizations enter into the relationship with their moral force and global networks. The authority of the All-China Federation of Trade Unions was challenged, and new channels were offered in fighting for workers' rights. But within the existing Chinese political system and labour-market system, their roles all remain limited; the protection and promotion of workers' rights in China still demand a reform of the prevalent systems.

Read the full article: <http://sog.sysu.edu.cn/admin/UploadFile/20111017927599.pdf>

3. Migrants and illegal undocumented work

Migrant workers in China, by China Labour Bulletin, 2011

Migrant workers emerged in China in the 1980s as a by-product of two seemingly opposite policies; the household registration system established in the late 1950s to control internal migration, and the economic reforms initiated in the late 1970s to liberalize and boost the economy.

The household registration system was set up in 1958 to serve three purposes: government welfare and resource distribution, migration control and criminal surveillance. Chinese citizens were assigned either a rural or an urban household (hukou) based on their place of residence. Local governments were responsible for providing everyone whose hukou was in its jurisdiction with daily needs and services, such as education, housing and medical care. Urban residents were also entitled to food rations, grain subsidies and job allocation. To prohibit internal migration, residents were not allowed to work or live outside the administrative boundaries of their household registration without approval of the authorities. Once they left their place of

registration, they would also leave behind all of their rights and benefits. For the purpose of surveillance, everyone, including temporary residents in transit, was required to register with the police of their place of residence and their temporary residence. By the 1970s, the system became so rigid that "peasants could be arrested just for entering cities."

Over the last two decades, China has undergone rapid urbanization. The number of cities increased more than three times from 191 in 1978 to 661 in 2005. The proportion of China's urban population increased from 18 percent in 1978 to 46.6 percent in 2009. (See international urbanization rate, and proportion and numbers of urban and rural population). As urbanization expanded, so did the gap between urban and rural incomes. According to a report by the Chinese Academy of Social Sciences, in 1978 urban incomes were 2.57 times those of rural incomes, but by 2005, that gap had widened to 3.22 times, and in 2006 to 3.27 times. The State Council Research Office estimated in 2007 that rural workers could only make 60 to 100 yuan a month in their hometowns, an amount they could barely get by on. The discrepancy between rural and urban incomes spurred rural workers to move to the cities in search of better pay.

In 1989, there were already about 30 million migrant workers in China. In 1993, the number increased to 62 million and by the end of 2006 to 131.8 million. By the end of 2010, there were an estimated 242 rural migrant workers in China, accounting for about one third of the rural workforce. As more farmers became city workers, the proportion of wages in all rural incomes rose from 25 percent in 1997 to 34 percent in 2004, and on the other hand, the proportion of primary industries in GDP decreased from 33 percent in 1982 to 10.3 percent in 2009 (statistics: composition of employment by types of industry; and GDP). An estimated 153 million migrant workers are employed outside their home county (statistics: proportion of migrant workers working in other provinces), usually moving from the less economically developed central and western regions to the well off coastal regions (see migrant worker exporting and importing provinces map). The six provinces of Henan, Anhui, Hunan, Jiangxi, Sichuan and Hubei contribute just under 60 percent of migrant workers nationally, While the Six municipalities and provinces of Beijing Shanghai, Zhejiang, Jiangsu, Guangdong and Fujian have absorbed almost 70 percent of cross-province migrant workers. (statistics: major migrant exporting charts)

In Beijing in 2011, about 40 percent of the total population are migrant workers, while in Shenzhen, which grew from a small town in the late 1970s to become a vast metropolis three decades later, nearly 12 million of the total 14 million population are migrants. According to a 2006 national survey on migrant workers, 64 percent were males, and half of migrant workers were aged between 16 and 30. Only 10 percent of migrant workers had gone on to any form of further education after middle school, with migrants from the northeastern and western regions having the poorest educational background. (statistics: demographics of migrant workers) Migrant workers are usually given labour-intensive, low-skill jobs; they make up 58 percent of all workers in secondary industries, and 52 percent in the tertiary industries. The proportion of migrant workers in manufacturing industries and in construction reached as high as 68 percent and 80 percent respectively.

Read more, Found in: <http://www.clb.org.hk/en/node/100259>

European perspective: “Irregular migration”- Personal Destinies of Illegal Migrants³, by Antonio Cruz, 2010

NGOs in favour of open borders are firm believers of the theory of equating supply and demand. When it comes to labour migration they argue that when demand ceases, in particular for candidates of “dirty jobs”, so will supply. This excessively simplified presentation of reality does not take push factors into account and only considers pull factors partially. Rare are the irregular migrants who write home to express their profound regret for leaving. On the contrary, even those with a miserable existence and uncertain future will write to friends and relatives and say that all is well and those with a job will give an idea of earnings without giving details of the cost of living. Just like two centuries ago the motives for emigrating can vary considerably from fear of danger, be it imminent or foreseeable, over fleeing poverty, to seeking a better life. However, today, potential migrants in developing countries neither have the “New World” to flock to, nor other “discovered” territories.

Since legal migration is limited to family reunion and highly skilled workers, those not in these two categories generally have three options: enter as a tourist and overstay, cross the frontier clandestinely or apply for political asylum upon arrival. These three options are not exclusive and can overlap, with the persons concerned possibly ending up in the asylum procedure.

The unpleasant reality

There is no insinuation here that most asylum-seekers are not “genuine” refugees. However, given the ever increasing gap between rich and poor nations, a person fleeing to a poor country would be regarded as a “genuine” refugee whereas the same person fleeing to a rich nation would be accused of “asylum shopping”. The search and acquisition of protection through spontaneous arrival has, in fact, turned into a sort of “game” in which refugee status is often not awarded to those most in need, but to those with imagination and funds to overcome the obstacles placed in their way, such as entry visas, carrier sanctions, airport liaison officials, having the best and most convincing stories of persecution to tell.

The reality, however unpleasant, is that for an irregular migrant seeking a better life due to a lack of economic opportunities, poverty, persecution and/or discrimination in the home country his or her best chances of eventually securing a residence permit is through the asylum channel. Remaining a clandestine immigrant for years hoping for an “amnesty” is rather futile. In the event of an amnesty, those in or having been in the asylum procedure stand a better chance. This is especially true for families who are often offered accommodation, be they in an asylum procedure or under an expulsion order. As for childless couples or single persons, they are literally “parked” in small places by unscrupulous proprietors, paying exorbitant rents but lacking the most basic facilities of comfort and sanitation. Aptly described as “merchants of sleep” in the French language, such profiteers have also included an official of the EU’s Commission who happened to work for the division on Justice and Home Affairs, responsible for putting forward proposals on, inter alia, combating irregular migration. This official, arrested in May 2003, was, in addition to his full-time job at the Commission, attending to no less than 58 tenants, all irregular migrants, in five buildings which he owned. Since facilities such as heating, electricity, running water were rather rudimentary and, in some cases, non-existent, his additional “job” probably consisted of no more than collecting monthly rents for the cubicle dwellings.

Exemplary cases

The following four examples provide an insight into the experiences of irregular migrants, all of whom headed for Belgium for economic reasons. There were probably some merits in the allegations of discrimination made by those who claimed asylum, but not enough to amount to persecution that puts their lives and/or physical integrity at risk. The Jakupovićs are a seven-member family of Roma origin with Yugoslav nationality who arrived in Belgium more than 10 years ago and applied for political asylum. Hasadur is an unmarried Turkish national of Armenian 70 DOSSIER Mobility & Inclusion origin, who also applied for asylum more than eight years ago, claiming to be a victim of Turkish persecution.

Marcus was a Brazilian youth aspiring to play professional football in Belgium, but had to content himself as an unskilled labourer. He never applied for political asylum. And Omar is an unmarried Columbian national who

³ Found in Mobility & Inclusion. Managing Labour Migration in Europe , Heinrich-Böll-Stiftung. April 2010 http://www.migration-boell.de/downloads/migration/DOSSIER_Mobility_and_Inclusion.pdf

arrived in Belgium in the mid-1990s. He is father of a child who is a Belgian national, and also never applied for political asylum during all the years he spent living here, as an irregular migrant.

The Jakupovics

Upon their arrival in Belgium in 1999, the Jakupović family claimed to be victims of discrimination in exYugoslavia, which was not entirely true. Before coming to Belgium, they had lived in Italy for a number of years where all five children were born and in fact, hold Italian birth certificates. Their application for asylum was turned down within a year, which was relatively rapid at that time when the refugee-status determination procedure could drag on for many years. Like most rejected asylum-seekers, they appealed all the way to the Supreme Administrative Court (Conseil d'État) which has been overburdened by the flood of asylum cases for decades. The ulterior motive was to buy time in the hope that they would eventually be allowed to remain on humanitarian grounds. Forced repatriation would, in any case, be difficult since not one of the children had ever had an official Yugoslav document. The children do have some notion of Serbo-Croat, but they are now predominantly francophone and their second language is Italian. An appeal pending before the "Conseil d'État" does not have suspensory effect. However, after the dismissal of the first appeal (second instance), social welfare payments stopped. For a number of years, they lived in a 50 m² apartment of the mother's cousin whose wife had passed away. By Western European standards, eight persons squeezed into such a small space seem unimaginable, but for the Jakupović family, it meant a roof over their heads in a heated apartment. In a country with at least six months of cold weather, what they had amounted to comfort. Without social welfare allowances, the family managed to survive through the Roma information and solidarity network, and the sale of new and second-hand goods in flea markets, which are numerous in Belgium, particularly Brussels. Urgent medical care expenses were covered by the local social welfare office which has a budget to assist the destitute. The family's fortune appeared to take a turn for the worse when the mother's cousin, with his temperamental and arbitrary moods, decided that he had had enough of so much company in his home and threatened to call the police if they did not leave voluntarily within a month. By a strange twist of irony, what could have been a bad development for the family led to a very substantial improvement of their living conditions. Destitute and homeless, the Jakupović family thus came under the responsibility of a government agency, Fedasil, which, by law, had to offer them accommodation. In a 2003 ruling, the Court of Arbitration in Belgium pointed out that depriving under-aged "illegal migrants" of social welfare is a violation of the UN Convention on the Rights of the Child.

Whilst the choice of the reception centre was not to their liking since the family wanted to remain in Brussels for various reasons – friends, flea markets, casual jobs opportunities, the centre to which they were assigned, located near a small town in Southern Belgium offered them the kind of comfort they had never known, such as spacious rooms, recreational hall, hot meals. Moreover, after more than 10 years in Belgium, the Jakupović family fulfilled most of the criteria of a onemonth regularisation scheme for asylum-seekers and irregular migrants, which ended on 15 December 2009.

Let's turn to Hasadur, the Turkish asylum-seeker who claims to be able to speak only Armenian and not Turkish and has no official documentation to prove his identity or nationality. His application was lodged in 2000, at a time when the Belgian authorities were still overwhelmed by a strong influx of asylum-seekers. He managed to slip through the admissibility procedure, but not the one examining the merits of his claims, which were subsequently dismissed for lack of credibility. Hasadur filed an appeal and, fortunately for him, his appeal's process dragged on for a few years, during which he was entitled to social welfare allowances. During all those years, Hasadur, a skilled construction worker, had no difficulties at all in finding temporary jobs that largely supplemented his social welfare benefits. He was also able to count on the support of members of the Turkish Armenian community who supplied him with the tools of the trade.

Hasadur's appeal was eventually turned down, but as he had sufficient financial means thanks to his activities in construction, he took his case to the "Conseil d'État" which declared his application admissible pending a more detailed examination of its merits. The time passed and by spring 2005, Hasadur had satisfied the conditions for regularisation under a certain provision of the Aliens Act favouring asylum-seekers still in the refugee-status determination procedure after five years.

Today, Hasadur is doing rather well in Brussels. With his skills in construction work, he has had no difficulties in remaining in regular employment, in spite of the sharp economic downturn. The disadvantage for him is that he is now paying taxes and his net income is thus lower than what he earned in undeclared work. He is nevertheless aware that to ensure security of residence in Belgium, he would have to stay off social security, all the more since he has skills in demand and is young (in his late 20s).

Marcus was a Brazilian youth, who arrived in Belgium in 2004 when he was 20 years old, hoping that his talents as a footballer would one day be recognised by a Belgium club. While waiting for such a day to come, he took on poorly paid undeclared jobs in construction, in restaurants and as a cleaner. Marcus' dream never came true. Not because he was not talented or no football clubs paid any attention to him, but because he simply could not stand by idly one cold day in March 2006 when he saw a Belgium woman jump into a canal in central Brussels, so heavily polluted and filthy that there has not been a single fish alive in those waters for decades. Ignoring the filth and the freezing temperatures, the young Brazilian jumped into the canal and was quickly overcome by the cold water. Seeing two persons in the canal, a passing street cleaner, well-built and strong jumped into the canal and gave priority to saving the woman, who wanted to die. By the time he reached Marcus, the youth was already unconscious and in a critical state of hypothermia. He never regained consciousness. The worst was yet to come and Marcus' surviving parents learnt shortly afterwards that he could not have chosen a more callous place for his act of bravery.

Whereas the street cleaner's act of heroism was rightly recognised and rewarded, Marcus received nothing, not even a bouquet of flowers at his funeral from the local council of Brussels-Centre where he died. There were only three Belgians at his funeral, all journalists, scandalised and indignant at the indifference of the Brussels authorities. The parents' pain would have been far greater had they known that exactly five months after their son's death, a Honduran woman, residing unlawfully in Italy, died in similar circumstances, after saving an 11-year old Italian girl from drowning off the Tuscany coast. Unlike Marcus, the 27-year old Honduran woman was granted a hero's funeral and large crowds, among them many local politicians, attended. President Giorgio Napolitano awarded her the gold medal of honour, the highest for a civilian. Moreover, her mother, also an irregular migrant in Italy, and her three brothers in Honduras were offered the right of residence in Italy. Marcus' ultimate sacrifice was not fully in vain. At the time of his death, the law granting compensation to those who died on Belgian territory while assisting others was limited to those who were "financially dependent on the victim" (surviving spouse and children). Thanks to the tireless efforts of an Ecologist politician, the Minister of Justice agreed before the end of 2006 to amend the law with retroactive effect so as to enable the parents to receive financial compensation.⁷² DOSSIER Mobility & Inclusion

III. Rights, Regulations and the Role of Workers Unions and NGOs

1. Rights and Regulations

From Individual to Collective –Characteristics and Conditions of the Collectivisation of Chinese Labour Relations, by Chang Kai (Renmin University, Beijing, China), 2011

After the implementation of the “Labour Contract Law” in China, workers’ awareness of association and action is significantly enhanced. Rights dispute is transforming to interests dispute. The strike wave in the summer of 2010 is an important sign of Chinese labour relations transforming from the form of individual to collective. During this transformation, there are two kinds of labour movements: institutional trade unions and spontaneous workers’ actions. Additionally, the state’s labour policy is correspondingly adjusted. This presentation will narrative and analyse above points.

A CULTURE OF VIOLENCE: THE LABOR SUBCONTRACTING SYSTEM AND COLLECTIVE ACTION BY CONSTRUCTION WORKERS IN POST-SOCIALIST CHINA, by PUN Ngai and LU Huilin, 2010⁴

The glamorous skylines of Shanghai and Beijing today seem to crystallize Chinese dreams of modernity and global status. 1 These modern cityscapes, however, are underpinned by a construction industry steeped in a culture of violence. This culture arises from the political economy of the industry and the politics of labor resistance among migrant construction workers.

The rapid development of the industry has enabled a highly exploitative labor subcontracting system to emerge.² This labor system includes two processes: the rapid commodification of labor through non-industrial social relations organized by a *quasi*-labor market in the rural villages; and the expropriation of labor during the production process of the construction sector in urban areas. These two processes shape a labor subcontracting system that is specific to reform-era China, resulting in a never-ending process of wage arrears and the struggle of construction workers to pursue delayed wages in various ways, often involving violent collective actions. Practically no other industry has experienced a boom comparable to construction.³ The Chinese construction industry has been consuming half of the world’s concrete and a third of its steel and employing more than 40 million people, most of them rural workers coming from all over the country. About 30 per cent of all migrant workers from the countryside work in the industry.⁴ In order to build Beijing and Shanghai into China’s global cities and speed up the process of urbanization, since the Tenth Five Year Plan (2001–05) China has invested about 376 billion yuan in construction each year. Construction is now the fourth largest industry in the country. At the turn of the 21st century, this industry accounted for 6.6 per cent of China’s GDP; by the end of 2007, its total income had risen by 25.9 per cent to 5.1 trillion yuan, and gross profits had risen 42.2 per cent to 156 billion yuan.⁵ The total output value reached 2.27 trillion yuan in the first half of 2008, showing a further 24.4 per cent increase on the previous year.

⁴ THE CHINA JOURNAL, NO. 64, JULY 2010

We conducted research at four construction sites on the outskirts of Beijing, interviewing more than 200 workers at these sites. Because we conducted this research in the year of the Olympics,⁶ our research team retreated from the intense media attention on the center of the capital to focus on a suburban town to the northwest of Beijing, where huge construction projects owned by well-known property developers were being undertaken. In January 2009 we followed some of the workers back to their rural village in Tang County, Hebei, where, among a population of 6,000, more than 1,500 of the working adults were construction workers. In the village, we began to understand the daily practices of the labor subcontracting system and its relationship to the culture of violence among the migrant construction workers.

Despite the enormous gross profits and output value of the construction industry, construction workers are poorly protected as regards physical and financial risks, compared to most other workers.⁷ The working lives of construction workers are also deeply affected by quarrels, individual and collective fighting, attempts to damage buildings, bodily abuse and even suicidal behaviors. At the construction site, we observed a variety of violent actions taken by construction workers which were no doubt caused by the political economy of the construction industry.

Conclusion

Construction is not a “normal” industry, for either subcontractors or workers. There is no boss, no employer directly responsible for employment practices. The capital–labor relationship has been entirely disguised: workers literally do not know the identity of the developers and the construction companies who are ultimately responsible for the non-payment of the wages owed to them. This mis-recognition has been made possible through the labor subcontracting system; an invisible hand, the market, operating several steps removed from the workforce, enables a rigged losing hand to be dealt out to a transient army of labor. The exceptional practices involved in the rapidly changing construction industry induce angry, largely impotent collective actions by construction workers. The political economy of the industry shapes a specific labor subcontracting system that embodies two processes: the rapid commodification of labor in the rural villages and the expropriation of labor in the production process of the construction sector in the urban areas. Rural non-industrial social relationships have been manipulated to serve the process of labor expropriation, which in turn has destroyed social trust and intensified the labor conflicts at the construction site. Today the construction workers are the “invisible” subjects of the city that they have built. They were present when what is now prime land in the city was still wasteland, having no economic value to society. They disappear once the buildings have been constructed with their toil, and the value of the land has increased. The workers are absent in the space that they have created and too frequently are not paid the wages that they have worked for. In short, the labor subcontracting system is a core problem of the construction industry, generating a culture of violence that gets acted out in both destructive and self-destructive forms. At times of anger and despair, the workers enact the logic of *nao*, which shapes collective actions among China’s construction workers and informs their class consciousness.

2. Correlation between state, companies, unions, employees, labour and social rights organisations, social welfare and security, dispatch labour system

An Investigation of the Dispatch Labor System China News Weekly, 30 June 2011⁵

In recent years, the use of dispatch labor has caused a surge in social conflicts. A system which exploits relatively cheap labor at the cost of social justice and equality is simply unsustainable. After the implementation of the "Labor Contract Law", the dispatch labor system caused a plethora of social problems. This was the impetus for the national-wide investigation led by the trade union organisation in an effort to understand the current state of affairs of dispatch labor.

⁵ Translated by China Labor News Translations <http://www.clntranslations.org>

Frequent Labor Disputes

"I've appealed to the Court! What else can I do?" exclaimed Huang Canhui, a former representative of JDB Beverage and Food Co., Ltd. of Guangdong province, who spoke with "China News Weekly" by phone on June 20th, sounding quite helpless. On January 8th 2011, because of dissatisfaction with JDB Beverage and Food Co., Ltd.'s illegal use of dispatch labor, Huang Canhui was forced to resign. Soon after, Huang Canhui filed for labor dispute arbitration with the Dongguan Labor and Personnel Arbitration Tribunal against JDB Beverage and Food Co., Ltd and Yingtan Lantuo Human Resources Company. Huang Canhui sought to collect a total of 3,106 yuan for lost overtime pay and economic compensation. Unhappy with the ruling, on May 11th Huang Canhui filed suit again with the city of Dongguan 2nd Court against the aforementioned defendants.

According to Huang Canhui's description, JDB Beverage and Food Co., Ltd. uses three types of employees: formal employees, dispatch laborers, and employees hired by the distributor. These three types of employees all receive different treatment. Formal employees have social security and a housing accumulation fund. Dispatch laborers make social security payments, but they have no housing accumulation fund. Employees hired by the distributor are paid by the distributor, have no benefits, and are under the management of the JDB Beverage office. Beginning last year, the disputes over dispatch laborers like those at JDB Beverage Company began to increase across the country. On June 20th, JDB Beverage Company's human resources manager confirmed that the company had begun to end its use of dispatch labor.

In fact, since the implementation of the "Labor Contract Law" in 2008, layoffs have been frequent. First, there was the large scale dismissal over 1800 "temporary workers" from a TV station; then, the "collective resignation" incident at Huawei; at the same time, LG, Wal-mart, and other foreign enterprises dismissed workers, causing disputes. The conflicts caused by dispatch labor have become gradually more noticeable over the past few years. In March of this year, the Shanghai Huangpu district court published "2010 White Paper on the Situation of Labor Dispute Lawsuits", which showed that dispatch labor, collective contracts, and special forms of employment had gradually led to numerous conflicts.

Of the 78 cases of dispatch labor-type disputes heard by the Huangpu district court, 40 of them concluded with a verdict. Of these 40 cases, the employer sent back the employee (to the dispatch company) in 24 cases, accounting for a total of 60% of the rulings. Obviously, the sending back of a worker has become the most important cause of dispute for dispatch laborers. The court believes that dispatch labor as a form of employment could undergo further regulation. In October of 2009, labor dispatch workers at a beer company in Guangzhou came into conflict with their labor dispatch company over a compensation dispute. Ten of the labor service workers, dressed in the beer company's work uniforms, climbed upon the Haizhu bridge, threatening to leap off.

Official Investigation

In March of this year, a joint investigation team in Shanghai with representatives from labor, the union, the business association, and others showed that over the past two to three years, there are now nearly one thousand dispatch labor service companies, forty thousand workplaces that employ dispatch workers, and the number of dispatch laborers in the city has reached one million. These numbers are all substantially larger than figures from 2008.

The investigation found that the major problems for dispatch labor include: the proportion of dispatch laborers in some fields of work, workplaces, and jobs is too high; unequal pay for equal work has created a two-tiered wage structure; 40% of dispatch laborers are not union members. In reality, the number of dispatch laborers at some firms is already equal to that of the formal employees; in some cases, they even outnumber them. During this year's "Two Congresses" meeting, Ni Xiaoting, Chairman of the State-owned Assets Supervision and Administration Commission of the State Council, presented these figures: in 1998, there were 30 million full employees on the books at central state-owned enterprises. Following the intensification of reform of these enterprises, this number had been reduced to 10 million. In the words of Ni Xiaoting, "On the surface, it appeared that the number of employees at state-owned enterprises had been reduced. But behind the scenes, these enterprises were actually using vast amounts of dispatch laborers." Ni Xiaoting continued his analysis, explaining the decrease from 30 million full employees to 10 million. If over the course of a year an enterprise can pay one employee

Labor Dispatch System in Reform, Window on the South, 17 March 2011⁶

The implementation of the “Labor Contract Law” in 2008 ensured the rights of labor dispatch workers were protected. Clause 63 of the “Labor Contract Law” clearly states: “Labor dispatch workers enjoy the same right of equal pay for equal work as other employees in the work unit.” Clause 66 stipulates: “labor dispatch is generally for filling temporary, auxiliary or substitute job positions”. But in practice these legal clauses are frequently not complied with. Many labor dispatch workers work for more than two years with the longest actually for up to ten years. Moreover, most jobs they take are long term and essential rather than temporary or support positions.

History of the Development of China’s Labor Dispatch System

Put simply, the labor dispatch system means workers sign contracts with labor dispatch agencies to form employment relations, and labor dispatch agencies then dispatch workers to employers. The most salient point of this system is separating the hiring from the use of labor. A close look at history shows that with the development of a market economy and employment system reforms, China’s labor dispatch experience could be divided into four periods: foreign labor dispatch, labor dispatch during state-owned enterprise reform, labor dispatch under marketisation and labor dispatch after promulgation of the “Labor Contract Law”. The origin and the initial form of China’s labor dispatch system were in services to foreign businesses. There were two major types in the late 1970’s and early 1980’s: the first was dispatching staff to foreign enterprises and to the representative offices of foreign non-government and international organisations; the second was dispatching staff for employers overseas. There are strong parallels between these two types. First, both involve an overseas element linked to the labor force requirements of foreign enterprises or other organisations. Second, both are characteristic of government action being mainly for non-profit purposes. With the deepening of state-owned enterprise reforms, labor dispatch became significant in dealing with laid-off state workers. After 2002 many state-owned enterprises and public-sector organisations began to use large numbers of labor dispatch workers. First, they made their existing workers sign contracts with labor dispatch agencies, who were then dispatched again to the same enterprises. Second, labor dispatch was used to sign on new workers to fill the positions of large numbers of laid-off workers. This way, enterprises tossed aside “the bundle” of lifelong employment security and high welfare benefits that workers had originally had. Companies used cheap labor dispatch workers to replace expensive traditional workers holding “iron rice bowls”.

Soon the reach of the labor dispatch system underwent unprecedented expansion. It was no longer confined to state-owned enterprises and public-sector organisations, but extended to enterprises of all ownership types. The Suzhou Industrial Park Labor and Social Security Bureau statistics show that in 2005 85% of wholly foreign-owned enterprises used labor dispatch workers, totaling 90.4% of all labor dispatch workers. The number of labor dispatch workers rose rapidly in this period and a blinding array of labor dispatch agencies were established one after another. As of 2005 there were 26,158 labor dispatch agencies in China and almost 70% of them were processed or approved by labor protection departments. However no government agency could now accurately say how many labor dispatch agencies or labor dispatch workers exist in China.

The labor dispatch provisions of the “Labor Contract Law” are vague and lacking in operational detail.

Implementation of the law did not constrain the labor dispatch system which remained the norm of labor system. It is worrying that “reverse labor dispatch” has already become the “magic weapon” that allows some enterprises to evade the “Labor Contracts Law” and escape their social responsibilities. In a normal labor dispatch situation, workers should sign contracts with the labor dispatch agency and become their staff. They should then be sent to the actual employers to work. Labor dispatch agencies should provide workers with the legally stipulated wage and social security protection. In “reverse labor dispatch”, workers are already working at the employing enterprises with which they already have a legal employment relationship. The employing enterprises then force these workers to sign labor contracts with labor dispatch agencies. By turning them into workers of labor dispatch agencies they offload their legal and social responsibilities.

In a nutshell, now that China’s labor dispatch system has passed through three stages (foreign related labor dispatch, labor dispatch during state-owned enterprise reform and marketised labor dispatch), many organisations are now going down the enormously popular road of “reverse labor dispatch”. Why is labor dispatch so attractive to many enterprises? One important reason is that enterprises can cut labor costs as well as management costs while reducing industrial disputes by offloading legal liability and risk in order to maximise profit. Under this employment model, factories can use labor dispatch workers at a far lower cost

⁶ Found: <http://news.sina.com.cn/c/sd/2011-03-17/173522133927.shtml>

than formal wage workers. They can dismiss them whenever they like without bearing any responsibility, and get rid of the burden of non-fixed term labor contracts. In addition, using labor dispatch, employers can completely offload to labor dispatch companies the responsibility for industrial accidents, together with the management and risk of such things as the collective rights of workers and collective contracts.

Not only does the labor dispatch system profit enterprises, it also allows labor dispatch agencies to rake in considerable labor dispatch management fees. With labor dispatch itself becoming a profitable industry and much capital pouring into the sector, the number of labor dispatch agencies is exploding. But China is clearly dragging behind in managing labor dispatch agencies. The "Labor Contracts Law" stipulates that labor dispatch agencies must have registered capital of 500,000 Yuan and be limited liability companies. There are no other requirements. The legal threshold for entry is clearly too low. Sometimes a single labor dispatch agency covers thousands or tens of thousands of workers. As soon as there is an industrial injury, an occupational disease, wage arrears or other incident, the labor dispatch agency is very reluctant to take responsibility. Moreover, there is currently no government agency which clearly examines and approves the business capacity of labor dispatch agencies. This leads to a mixed bag of labor dispatch agencies and makes it very difficult to protect the legal rights of labor dispatch workers.

As far as workers are concerned, as soon as their rights are infringed they will find that their labor relationship is ill-defined and that their legal rights have become a football kicked back and forth between employers and labor dispatch agencies. The path for protecting their rights has gone from bad to worse. Even more unreasonable is the frequent rejection of labor dispatch workers by trade unions in the enterprise in which work where which makes it for them difficult to become formal members of a trade union and thus their rights are not effectively protected. For these workers, employment is unstable and the future uncertain. Their fate is bound to the inadequate protection provided by labor dispatch agencies and it will be difficult to weather the mishaps that may come their way.

Rights of 60 Million Labor Dispatch Workers Hard to Protect, by Jinan Daily on 28 February 2011⁷

"Labor Contract Law" after Three Years May Undergo its First Revision

The "Economic Observer" newspaper reports that the All-China Federation of Trade Unions has presented its "Research Report on Domestic Labor Dispatch" to the Legislative Working Committee of the National People's Congress. The report proposes to amend the "Labor Contract Law" as related to "labor dispatch". The report notes that the national total of labor dispatch workers has already reached 60 million, more than double the previous figure of 27 million published by the Ministry of Human Resources and Social Security. Most are concentrated in state-owned enterprises, government organisations and public-sector institutions. There are even some central-government enterprises with more than two thirds of their workforce being labor dispatch worker. Insiders have revealed that as early as the first half of 2009 the Ministry of Human Resources and Social Security had started formulating "Labor Dispatch Regulations" (hereafter: "Regulations") in order to remove "deficiencies" in the "Labor Contract Law". But widespread pressure from interest groups, especially from large state-owned enterprises, meant that by the end of last year after many revisions and calls for opinion, the "Regulations" were basically "dead in the water". After the disappointing "Regulations" appeared, the All-China Federation of Trade Unions presented the above mentioned Report to the Legislative Working Committee, proposing to amend the "Labor Contract Law". The Legislative Working Committee of the National People's Congress has communicated several times with the Ministry of Human Resources and Social Security and the All-China Federation of Trade Unions but there is still no clear timetable.

Difficulties in Promulgating the "Labor Dispatch Regulations"

On January 1, 2008 the "Labor Contract Law" came into effect leading within a short time to unprecedented tension in industrial relations. Many employers cited economic reasons to lay off staff illegally or they unilaterally terminated staff labor contracts and then demanded that the same staff sign contracts with labor dispatch agencies to return anew to the same employment. Personnel sent by labor dispatch agencies had no protection of wages, insurance or many other rights. By the end of 2010, data obtained by the All-China

⁷ Found in: <http://news.163.com/11/0228/10/6TVN8SE300014AED.html>

Federation of Trade Unions via extensive statistical surveys showed the number of domestic labor dispatch workers had reached 60 million. Based on a total of about 300 million domestic workers, the number of labor dispatch workers had reached 20%. However, the Ministry of Human Resources and Social Security does not recognise the statistical results provided by the All-China Federation of Trade Unions. At the end of October last year at an international forum on "Labor Contract Law", Wang Zhenlin, Deputy Director of the Department for Managing Mediation and Arbitration in the Ministry of Human Resources and Social Security said that the current proportion of domestic labor dispatch workers was about 7-8% and that of labor dispatch workers in foreign countries is usually about 2-3%. Wang Zhenlin based this on the figure of 27 million but at the same time said the figure was too large and was "questionable".

Wang Zhenlin also revealed that the Ministry of Human Resources and Social Security was now formulating the "Regulations" after many opinions had been gathered and "may be released shortly". However, the "Regulations" have still not appeared. Insiders told journalists that during the process of the Ministry of Human Resources and Social Security gathering opinions, there was loud opposition, particularly from large state-owned enterprises. Enormous labor dispatch interest groups were also a factor.

"The overwhelming majority of labor dispatch agencies are run by family and friends of local labor security department officials. Local labor security departments were both players and referees."

Labor Dispatch Becomes "Abnormally Prosperous"

Before the promulgation of the "Labor Contract Law", domestic labor dispatch agencies were basically managed by labor security departments. County and municipal level labor security departments had the power to examine and approve labor dispatch agencies and issue them with "Employment Agency Permits". The entry threshold for labor dispatch agencies was 30,000 Yuan. To redress this low threshold, the "Labor Contract Law" had specifically established a section on "labor dispatch". This clause was clear: labor dispatch work agencies "must not have a registered capital below 500,000 Yuan." The new law also stipulated that labor dispatch requests "generally be for filling temporary, auxiliary or substitute job positions".

In fact the government's legislative intent is that by raising the entry threshold for labor dispatch agencies to such a large margin, "skirting the line" by such agencies and employers would be prevented and that "equal pay for equal work" would be the end result. Unfortunately since the implementation of the "Labor Contract Law" the labor dispatch system appears to have become "abnormally prosperous". An official of the All-China Federation of Trade Unions says that from the point of view of registered capital although the entry threshold for labor dispatch agencies was raised to a large margin, the reality was that many labor dispatch agencies had relied on capital borrowings and then registered at the Industry and Commerce Department. As soon as the agency was established some simply returned the funds and became an empty shell. The local Industry and Commerce Department is only concerned with registration and does not investigate subsequent activities of labor dispatch agencies. Because their interests are not at stake, local labor departments are largely lax in their management of this. The overwhelming majority of dispatch workers are migrant workers from the countryside, laid-off workers, unemployed urban workers, and secondary school and college graduates. On the one hand, because many employers do not directly sign contracts with staff, they use this excuse to avoid the regulations of the "Labor Contract Law", docking normal wages and benefits as they please. Some employers even "cut staff" and "drop their bundle" whenever it suits them. On the other hand, the record of service of dispatch workers to the enterprise is completely obliterated. Their length of service is forever starting anew. They go back to square one. The report pointed out that this labor dispatch tidal wave was most serious in sectors such as petroleum, chemical, telecommunications, finance, banking, aviation, and railways.

The Dispatch Labor System in China Questioned, September 2011⁸

This issue of China Labor News Translations (CLNT) features three excerpts from published Chinese-language articles on the labor dispatch system in China. In the past several years, the use of dispatch labor has become a contentious issue in Chinese labor relations. Under the labor dispatch system, workers sign labor contracts with labor dispatch agencies and are then “dispatched” to enterprises that are recruiting new workers. These enterprises therefore have fewer responsibilities associated with labor contracts such as for social security payments and workplace injuries to dispatch workers. Dispatch workers are also often paid less than contract workers for the same work. When dispatch workers are no longer needed, they are easily “returned” to labor dispatch agencies receiving no severance compensation. As the labor dispatch system exists in a legal grey area, companies have exploited the loopholes to not only continue but expand the employment of dispatch workers unabated in recent years.

The first article, *Labor Dispatch System in Reform*, provides the background on the history and development of the labor dispatch system in China. What has become the labor dispatch system, the article points out, emerged from the use of workers in foreign enterprises in the late 1970s and early 1980s. But the use of labor dispatch has become particularly widespread and part of a trend of generalised casualisation in the past decade. The article highlights its extensive use by state-owned enterprises since the early 2000s to replace laid-off workers formerly holding long-term and non-fixed term contracts offloading their traditional welfare obligations in the process. Privately-owned enterprises during the same period have also widely adopted the use of dispatch labor to take on new workers in expanding industries like the auto industry.

The Labor Contract Law (2008) stipulated that dispatch labor is to fill “temporary, auxiliary or substitute job positions”. But this not only failed to constrain the widespread employment of dispatch labor for positions that are neither temporary, auxiliary or substitute jobs. Rather, it has had an opposite effect, acknowledged by trade union officials, of accelerating the systematic use of dispatch labor by employers. Often in response to the more stringent labor regulation of the Labor Contract Law, employers in both state-owned and privately-owned enterprises recruited new workers via labor dispatch agencies and terminated and replaced existing labor contracts with dispatch labor contracts to avoid taking on employment costs and responsibilities associated with formal labor contracts.

The second article, *Rights of 60 Million Labor Dispatch Workers Hard to Protect*, brings attention to a new report by the All-China Federation of Trade Unions on the dispatch labor system in China. The report notes that the total number of dispatch workers nationally has reached 60 million, more than twice the previous figure of 27 million released by the Ministry of Human Resources and Social Security. The article further points out that given China’s total number of workers of 300 million, the proportion of labor dispatch workers has reached 20%. Most of the labor dispatch has been concentrated in state-owned enterprises, government organisations and public-sector institutions; in some state-owned enterprises over two thirds of the workforce is occupied by dispatch workers. Furthermore, dispatch labor is not only confined to manufacturing industries but also state-owned petroleum, chemical-engineering, telecommunication, finance, banking, aviation and railway industries, replacing formerly white-collar jobs with dispatch labor who are often recent college graduates.

There are inadequate legal requirements in the Labor Contract Law for setting up a labor dispatch agency. The law simply requires initial capital of 500,000 and registration as a limited liability company. While the number of labor dispatch agencies has been increased dramatically, there is a general lack of oversight over these agencies and protection of dispatch workers. Large numbers of labor dispatch agencies are operated by family and friends of local labor security department officials, making them both “players and referees”, according to an official from the Ministry of Human Resources and Social Security cited in the article.

The third article, *An Investigation of the Dispatch Labor System*, points to the growing labor conflicts caused by the expansion of dispatch labor system. The article mentions a number of incidents since the implementation of the Labor Contract Law, such as the dismissal of 1,800 “temporary workers” from a TV station, the “collective resignation” incident at Huawei, and dismissals of employees by LG, Wal-Mart, and other foreign

⁸ The Author acknowledge the significant contributions our volunteer translators make to CLNT. In particular, we would like to thank Kevin and Keegan for their superb translations in this issue of CLNT. Found in: <http://www.clntranslations.org/article/64/dispatch-labor-questioned>

enterprises that have led to labor conflicts. Workers sometimes resort to desperate measures in order to draw attention to their plight, as was the case of dispatch workers from a Guangzhou beer company who threatened to jump off a bridge in a compensation dispute with the company.

In the past, CLNT has covered a number of issues and incidents related to dispatch labor. In the July 2009 issue of CLNT, we discussed labor dispatch in the case of a widely acclaimed labor dispatch agency called Quanshun Labor Dispatch Company that claims to produce a win-win situation for both workers and employers. As the use of dispatch labor became the target of criticism by labor scholars and advocacy groups in China, the September 2009 issue of CLNT focused on an investigative report by Chinese college student group, the Student Coca-Cola Campaign Team, on the use of dispatch labor in a Coca Cola bottling plant, and the subsequent international campaign launched by Hong Kong-based NGO Students and Scholars Against Misbehavior (SACOM) in support of the students. Despite such criticisms, there has not been any clear sign yet that this trend may be reversed.

As in other countries, the use of dispatch labour constitutes a profound threat to building or maintaining a strong labour movement. Moreover, the murky relationship between labor dispatch agency and the actually employing enterprise on the one hand, and dispatch workers on the other not only complicates efforts by workers to establish their employment relations and claim their legal rights, but also creates barriers to effective trade union activities, especially organising, at the enterprise level.

Growing Labor Disputes in China: A Comparison of Workers' Protests in Different Sectors, by Chih-Jou Jay Chen (Institute of Sociology, Academia Sinica, Taiwan, 2011

Based on a news database the author collected and constructed, with more than 2,000 mass protest events in 2000-10, this paper describes the trend and characteristics of workers' protests in China over the past decade. So far no public quantitative data exists on the frequency, intensity, or types of popular protests in China, but sporadic media reports with remarkable patterns of anecdotal evidence still provides useful information that calls for further analyses. This paper compares labor protests among different sectors – state, private, and the FDI sector. Among blue-collar workers' protests, SOE (state-owned enterprise) workers were the pioneers and major force of China's collective protests since the 1990s, while FDI peasant workers were latecomers who had not joined their protesting ranks till the mid-2000s. However, since 2004, there has been an unprecedented surge of mass protests by disgruntled peasant workers in FDI firms, mainly protesting against their foreign employers' underpayment of wages or bad working conditions. Relying on the quantitative news events data, this paper examines key features of workers' protests, including their claims (issues), targets, scales (number of participants), forms (tactics), policing and socio-economic indicators of protest localities. It analyzes the trend and characteristics of these labor-dispute features across different sectors, and highlights the associations between these features and socio-economic indicators of protest localities across China. This project provides a clear picture by collecting together the most compelling evidence about labor disputes and labor rights in China, and thus paves the way for future comparative studies between China and Europe.

3. What Kind of labour politics do we need – unions and poorly regulated work

The World Bank and the ILO: Two Visions of Employment Regulation, by Yaroslau Kryvoi, 2009⁹

Abstract:

The World Bank's Doing Business report has become one of the most influential, yet the most controversial instruments which affect labour law reforms around the world. This study discusses the controversy between the World Bank's and the International Labour Organization's approaches towards flexibility of employment regulation with special emphasis on fixed-term contracts.

The ILO employment regulation targets are balanced to harmonize the interests of all three stakeholders - employers, employees and governments, while the Doing Business targets clearly favour the interests of employers. What is more important, the Doing Business targets on fixed-term contracts and dismissals seem to contradict the international labour standards as reflected in the ILO conventions and recommendations.

Although both organizations ultimately have the same goal - to help economies and people prosper, their visions of the proper mixture of flexibility and security are clearly different. It is hardly possible to expect that Doing Business reports would lobby for the interests of employees because this will not necessarily stimulate more favourable businesses environments. However, as this study suggests, there are ways to reduce tensions between these two visions.

4. New ways of organizing informal workers in urban and rural area in China

Unity is Strength: The Workers' Movement in China 2009-2011

The workers' movement in China has been galvanized and invigorated over the last three years by a new generation of migrant workers. They are demanding better pay and working conditions, and are refusing to tolerate the exploitation and discrimination their parents had to endure. These young activists have not only won noticeable concessions from their employers, they have also forced the government and trade unions to reassess their labour and social policies. However the movement remains fragmented and unstable because these young workers are denied the opportunity to put the experience and knowledge gained from organizing strikes and negotiating settlements with management to long-term use. China Labour Bulletin's fourth in-depth report on the workers' movement examines the current trends and developments in worker activism in China, both in the private sector and in state-owned enterprises (SOEs), and documents the responses of employers, government and trade unions. The report concludes that:

- *Workers are becoming more proactive.* They are taking the initiative and not waiting for the government or anyone else to improve their pay and working conditions.

⁹ London School of Economics - Law Department. *FIXED-TERM EMPLOYMENT CONTRACTS*, R. Blanpain & C. Grant, eds., p. 47-59, 2009. Found in Found in: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1152331

- *Their ability to organize is improving.* A growing sense of unity among factory workers, combined with the use of mobile phones and social networking tools, has made it easier for workers to initiate, organize and sustain protests.
- *Worker protests are becoming more successful.* Recent protests have secured substantial pay increases, forced managements to abandon unpopular and exploitative work practices, and even stalled the proposed take-over and privatization of SOEs.
- *The protests have created an embryonic collective bargaining system in China.* The challenge now is to develop that basic model into an effective and sustainable system of collective bargaining that benefits workers, improves overall labour relations and helps achieve the Chinese government's goals of boosting domestic consumption and reducing social disparity.

The report argues that the workers' movement is now a key driving force for social and economic justice in China and that it is clearly in the Chinese government's interest to encourage and empower it further. Unity is Strength: The Workers' Movement in China 2009-2011 is now available on our website as downloadable PDF and will soon be available in a printed bound edition. CLB's previous three reports on the workers' movement can be found in the research report section of our website.

Found in: <http://www.clb.org.hk/en/node/101134>

Breaking the Impasse: Promoting Worker Involvement in the Collective Bargaining and Contracts Process, by CLB, November 2007¹⁰

Introduction

Collective contracts, directly negotiated between representatives of labour and management, via a process of collective bargaining, are a well-established and globally recognized means of addressing workers' demands and ensuring healthy labour relations. The collective contract system is a cooperative and consensual mechanism that can help improve working conditions, as well as communication and understanding between labour and management. Such a system is urgently needed in China today. Violations of workers' rights are widespread and increasingly commonplace, and over the last decade there has been a commensurate rise in the number of workers' protests, to the extent that labour disputes are now the single most significant cause of social unrest in the country. China Labour Bulletin believes the collective contract system, if implemented correctly with genuine workers' representation, can act as a powerful tool to improve workers' lives and reduce the evident tensions between labour and management in China today. Indeed, the new *Labour Contract Law*, which comes into effect on 1 January, although limited in scope, should provide a favourable environment and stimulus to the future development of collective contracts. Collective contracts were used in the early days of the People's Republic of China (PRC), but they gradually disappeared with the establishment of state-owned enterprises (SOEs) in the late 1950s. Collective contracts were deemed unnecessary in SOEs because the Communist Party controlled All-China Federation of Trade Unions (ACFTU) acted as a "bridge" between workers and management that could in theory mediate any disputes. In reality, the ACFTU simply relayed management dictates to the workers.

With the introduction of economic reforms in the 1980s, and the growth of the private sector, the ACFTU's previously solid enterprise-level powerbase began to erode. By the early 1990s, the ACFTU was a shadow of its former self, and its leaders sought to use the collective contract provisions in the PRC's *Trade Union Law* (1992) and *Labour Law* (1994) as a means of regaining some of the prestige and influence the union had lost. Both laws gave trade unions the right to engage in collective consultations with management, and in the mid-1990s the government, in conjunction with the ACFTU, launched a major drive to implement collective contracts in the SOE sector. At the turn of the century, this drive was extended to the rapidly growing private sector as well. The collective contract system has been in place for over a decade now, but, because of the continued lack of genuine collective bargaining, collective contracts have so far failed to make a significant impact on labour-management relations in China. China's collective contract system is more formally known as the "equal

¹⁰ Found in: www.clb.org.hk

consultation and collective contract system.” However, the term “equal consultation” should not be confused with “collective bargaining” as it is internationally understood. Because of the lack of elected workers’ representatives and the equivocal nature of the ACFTU as both an agency of government and the designated representative of labour, “equal consultation” does not emphasize a bargaining process in which labour and management are able to confront each other as formal equals. Rather it is a process designed, in the parlance of the current government, to create “harmony” in the workplace, and in a wider sense ensure “stability” in society as a whole. In recent decades, the latter term in particular has often been a by-word for repression rather than dialogue. However, China’s existing legislation does at least provide a legal foundation for genuine collective bargaining, and this report will examine that legal framework, the extent to which collective contracts have been implemented thus far, the protection they provide for workers’ rights and the prospects for future development, especially in the context of the corporate social responsibility (CSR) movement that has gained considerable momentum among global companies doing business in China over the last decade.

Conclusion

Since the 1990s, China has acquired a basic legal, regulatory and administrative framework for promoting the collective labour contract system. The implementation of the new *Labour Contract Law* from January 2008 onwards will further strengthen the legal framework and create a generally beneficial policy environment for undertaking both individual and collective contract negotiations. The challenge now for China’s labour movement is to give real substance to this process by gradually introducing collective bargaining into the process. With the overall level of labour unrest rising steadily around the country nowadays, there is clearly an urgent need for direct channels of dialogue and dispute resolution to be opened up between workers and employers. Although the Chinese government and the official trade union are united in supporting the collective contracts project, thus far implementation has been of the top-downwards variety, with such contracts being imposed on the state-owned, private and foreign invested sectors in a largely pro forma manner. The very limited success and effectiveness of this project in reducing the number and seriousness of labour disputes in the country has been a direct result of the lack of any meaningful worker involvement in the process. If democratically elected workers’ representatives can be brought into the collective bargaining process as equal negotiating partners with management, the resultant labour contracts will more accurately reflect the wishes of both sides, understanding between workers and management will be enhanced, and the prospects for normal and healthy industrial relations at the enterprise will rise. In this process, from being mere bystanders to negotiations between employers and buyers, the workers would instead be given a direct voice as co-negotiator of the collective contract, a legally binding document.

Of equal importance, this would refocus efforts to protect labour rights on to the legal labour relationship between employer and worker – the only place where they can be truly effective. An agreement between employer and buyer, such as a corporate code of conduct, can exert only a moral force at best; it has no direct bearing or impact on the legal labour relationship itself, and neither can it be invoked in court.

While such initiatives can certainly play a useful secondary role, in this core sense they are peripheral to the main task and problem of advancing labour rights in China. The central vehicle for the realization of the country’s labour law standards must, by definition, be the labour contract – and above all its collective variant. China Labour Bulletin believes the best way forward now, if the authorities wish to address the problem of growing industrial unrest and neglect of labour rights at the fundamental level, is for them to permit and encourage a genuine level of worker involvement in the collective-contract negotiation process. China is currently at the very beginning stage of this initiative, and much work needs to be done in terms of education, training and advocacy on the subject of collective bargaining. However if the opportunity can be seized by all sides – government, labour and management – the collective contract system could serve as a much-needed catalyst to improve the lives and working conditions of ordinary workers across China. If the opportunity is missed, the likelihood is that workers will increasingly take matters into their own hands, and the wave of strikes and protests seen in recent years will continue to worsen. If government and management in China can, if not embrace, then at least learn to live with genuine worker participation in the collective “consultation” or bargaining process, the example of other countries suggests that labour disputes would gradually decline in scale and intensity and overall relations between labour and management would steadily improve. Moreover, an equitable and productive tripartite system of labour relations would have been created that could continue to benefit China’s workers and employers for decades to come.

And finally, it is arguable that – across the much broader range of social injustice issues that the country is presently grappling with as it strives to maintain breakneck economic growth – the single most conspicuously absent factor today is the spirit of peaceful and constructive social dialogue. What better place to start fostering this urgently needed spirit than in factories and workplaces around the country?

Getting the boss to talk – worker activists initiate collective bargaining at Shenzhen factory, by Liu Dechang¹¹

Determination, patience and considerable ingenuity were required by a group of workers at a sports equipment manufacturer in Shenzhen just to get their boss to the negotiating table. Getting the boss to honour his promises thereafter was even more difficult.

The workers at Jiasheng Sports Equipment had an extensive list of longstanding grievances and, in August 2009, they staged a strike demanding the payment of wages and benefits in arrears. The following year, a small group of workers at the factory sought to resolve their outstanding issues through face to face negotiations with management but came up against a brick wall. After the boss refused to talk, and after the local government and trade union declined to help, the workers approached the American buyer company K2 and asked for its support. K2 put pressure on the factory and negotiations eventually got underway in April 2011. Management agreed to about 80 percent of the workers' demands but during the subsequent trade union elections it became clear that the boss wanted to keep his own people in place, effectively side-lining the activists. One of the key activists, Liu Dechang was eventually persuaded to leave the factory, highlighting once again quite how difficult it is for employees to remain involved in workers' rights once they have been identified as a "troublemaker" by management. Moreover, K2 reportedly later switched to another supplier after costs at Jiasheng increased. Liu's account of his experiences at the factory was published in the July edition of *Collective Bargaining Systems Research* and is translated in full below.

My personal experiences of labour/management negotiations at the Jiasheng factory

In August 2009, I got a job as a general technician at Jiasheng Sports Equipment in Shenzhen, an original equipment manufacturer (OEM) supplying the US ski and sports goods company K2. The general manager was from Taiwan, and there were about 800 workers. All orders were shipped directly to customers in Europe and the United States.

In order to ensure growth in sales and boost earnings, we had to put in six days a week in the busy season. And in order to meet extremely tight production deadlines, we had to work 10 or 12 hour days, doing overtime on top of regular work hours. We were fined 30 yuan per hour if we took breaks without asking permission. At my workstation, there were potential safety risks; some parts of the equipment were missing, and ventilation in the workshop was inadequate. The air in some workshops reeked of irritants given off by chemicals. And because there was no adequate cooling or ventilation equipment, it was always really muggy inside the workshop.

Sometimes, when you were really tired and your attention wandered, you would get abuse from the factory managers. But there was nowhere the workers could take their complaints. The union chairman was an administrative manager of the plant, in cahoots with the boss, and paid no heed to worker grievances. Of course, K2 carried out regular inspections at the factory, but before each visit, they gave us warning, and so the factory "briefed" us on what to do. We were supposed to say that everything was just fine, the equipment was state-of-the-art, production standards were being met, production processes were all safe, workers never did overtime, and we were all one big happy family; and when they came, everything was properly locked or stored away, the factory was clean as a whistle, and the fans that were usually turned off were humming away. If you toed the line and told the inspectors what management wanted them to hear, you could get a 50 or 100 yuan bonus. But if you didn't, you could be sacked.

Conditions in the living quarters were even worse than the factory floor, but during their probation period, workers had no choice but to use the communal dormitory and canteen. Wages were always very low, and each month you had to pay between 330 and 490 yuan out of your own pocket for use of the dormitory and canteen facilities. After you had settled in, wages were further eaten up by unwarranted fines and deductions. The most blatant illegal deduction was for the health check, for which new employees had to fork out 35 yuan. Work uniforms were also paid for by the workers themselves, and this came to yuan 20 in summer and 30 yuan in winter. If you lost your work card, you had to pay 50 yuan to get another one, and if you didn't get a

¹¹ Found in: <http://www.clb.org.hk/en/node/101138>

replacement you had to pay another fine.

There was no storage inside the dormitory, so we had nowhere to keep our personal things, and property was not secure. There was no power supply, so there was no way of recharging mobile phones. Some doors could not be locked and windows could not be shut properly. Many of the lights in the dormitory were broken. Most of the time, nobody came to fix these problems. The dormitory also lacked brooms and other cleaning equipment. The factory did not arrange for cleaners to come in and we had very little spare time so we didn't really get around to that either. The place teemed with cockroaches and mice.

Collecting a long list of complaints

The workers resented all of this. I repeatedly discussed things with them during breaks and everybody had a list of complaints. In August 2010, I got together with a colleague named Wu and we collected the signatures of 42 fellow workers who accepted us as worker representatives. We presented our wage and benefit recommendations and proposed changes to the system of fines that the management used. But in the end, we achieved nothing, and, to my consternation, Wu was sacked. I myself was lucky to keep my job. But we did not give up. Even though management ignored our demands, the more we workers exchanged information and discussed things amongst ourselves, the more colleagues were drawn to our cause. At the same time, I found three other workers with a strong interest in legal matters and workers' rights who also had the necessary qualities of commitment and confidence. The four of us formed a caucus of worker activists.

By the beginning of 2011, we felt that to remain working at such a plant would be to invite victimisation, but if we resisted, the worst we had to fear was being sacked. So we fought back. We stuck our necks out and declared our willingness to take on the factory management as worker representatives. We made a complaint to the labour authorities and to the Songgang township trade union in Bao'an district about the litany of legal violations and the lousy working environment we had to put up with at Jiasheng. But the labour authorities would not accept our complaints, and the union and the factory management likewise paid us no heed. After thinking things over, we came up with what promised to be a more effective way of applying pressure - going through the American company, K2 and holding them to their corporate social responsibility pledges. After discussions, we thrashed out a list of 35 issues that we had identified at the factory. Through a range of channels, we relayed our grievances to K2 and asked them to support us and put pressure on the plant. This approach proved highly effective. On 12 April, K2 commissioned a third party investigation. After wide-ranging discussions with the workers, they gained a good idea of how things were, and the factory management also acknowledged that our complaints were 90 percent justified. Under these circumstances, the factory management posted an online notice that same day announcing the abolition of the plant's system of fines and deductions, including deductions made for worker uniforms and health inspections.

Initiating negotiations

At the same time, management suggested that the workers could send representatives to formally negotiate a settlement of outstanding issues. So the four of us asked a wide range of colleagues what most concerned them and what they most wanted resolved, and prepared a package of demands. On 14 and 15 April, we were confirmed as the negotiating representatives of the workers. Finally, we drafted a list of demands, bearing nearly 30 percent of the workers' signatures, and submitted this to representatives of K2. The three key and most urgent issues were:

- (1) All workers at the factory should get a 20 percent pay raise, in line with the Shenzhen municipal government minimum wage increase in April 2011. General workers should get at least the minimum wage and skilled workers should have their basic pay increased by a further 20 percent.
- (2) Management should reduce or abolish dormitory and spousal accommodation rentals, increase the daily living allowance for each worker to cover factory canteen costs, and make the management system more attuned to employee needs.
- (3) Select factory union and labour arbitration committee members through fair, just and democratic elections, strengthen occupational health and safety measures, improve the working and living environment, and pay allowances for jobs that entail the handling of toxic and harmful materials or exposure to high temperatures, as required by law.

After the representatives of K2 received our list of demands, they were very supportive and agreed to chair a meeting between workers and management. So on 21 April, the four of us worker representatives sat down

with seven executives of the factory and discussed the above three points face to face, with the representatives of K2 mediating. After some haggling, the factory management accepted 80 percent of our demands, and promised to raise wages by the margins proposed in our statement and carry out improvements as we suggested to welfare benefits and equipment. They also promised that they would not retaliate in any way against us worker representatives. All of these decisions were made public.

Rigged elections

On the afternoon of the 22nd, the factory management began to arrange a new election for the union committee, meeting the terms of our third demand. But, unfortunately, the head of the preparatory team was both a former union chairman and a section chief in the administrative department, and the workers involved in the election process were hand-picked by management. The workforce was required to accept this in silence. Some workers claimed the election was illegal, but the section chief merely replied “objection overruled.” In the end, the nominations were carried out illegally, and the attempt to arrange free union elections ended in failure. Later, we four worker representatives were unhappy with the implementation of the other two announced measures. We continued to send reports, complaints and demands to K2, seeking the payment of wages in arrears. The factory management responded with threats and intimidation. On 6 May or thereabouts, they had to make a third announcement, with K2, to the effect that wages and benefits unreasonably withheld between January and May would be paid. We had now obtained satisfaction in all matters where we had sought improvement. On 11 May, the union chairman visited me, for the third time since the negotiations started, and advised me to quit. Because the workers’ demands had basically all been met, plant operating costs had risen, he said, undermining competitiveness. He expected the number of orders to decline in the future, and said that this was not fair as far as the company was concerned. K2 had two other local OEM suppliers, he said, in Zhongshan and Dongguan, and working conditions there were worse than at Jiasheng. “Since you’re such a capable person,” he said, “why don’t you try and work your reforming wonders at the other two companies?” I gave this some thought, and concluded that workers’ interests at Jiasheng were safeguarded now. Another worker representative called Long had already made the compromise gesture of quitting, and the other two representatives had received pledges from the management that they would not be pressured. Management had also agreed to let them join the union as representatives. I too felt as an employee of the company that I ought to put the interests of the plant and workers first, and so I agreed to management’s request. In the end, I agreed to terminate my employment contract with the plant, took the statutory amount of compensation, and left Jiasheng Sports Equipment.

Suicide as Protest for the New Generation of Chinese Migrant Workers: Foxconn, Global Capital, and the State, by Jenny Chan and Ngai Pun¹²

Abstract

A startling 13 young workers attempted or committed suicide at the two Foxconn production facilities in southern China between January and May 2010. We can interpret their acts as protest against a global labor regime that is widely practiced in China. Their defiant deaths demand that society reflect upon the costs of a state-promoted development model that sacrifices dignity for corporate profit in the name of economic growth. Chinese migrant labor conditions as articulated by the state, are shaped by these intertwined forces: First, *leading international brands* have adopted unethical purchasing practices, resulting in substandard conditions in their global electronics supply chains. Second, *management* has used abusive and illegal methods to raise worker efficiency, generating widespread grievances and resistance at the workplace level. Third, *local Chinese officials* in collusion with enterprise management, systematically neglect workers’ rights, resulting in widespread misery and deepened social inequalities. The Foxconn human tragedy raises profound concerns about the working lives of the new generation of Chinese migrant workers. It also challenges the state-driven policy based on the use of internal rural migrant workers, whose labor and citizenship rights have been violated.

Read more: Dying Young: Suicide & China’s booming economy. http://sacom.hk/wp-content/uploads/2010/05/dying-young_suicide-chinas-booming-economy.pdf

¹² Found in Found in: <http://japanfocus.org/-Jenny-Chan/3408>

Patterns of migrant community formation in China's megaurban Pearl River Delta (PRD) – linking informal dynamics, governability and global change¹³

Project of Priority Programme (SPP) 1233 of German Research Foundation (DFG) “Megacities – Megachallenge, Informal Dynamics of Global Change” der Deutschen Forschungsgemeinschaft (DFG), Beginn 2011

Migrant community formation in megaurban agglomerations may be a one-way road to poverty enclaves and exclusion or it may provide the necessary protection for outsiders to integrate smoothly into the new destination place. After looking into the informal dynamics of migrant community formation of internal and international “blue-collar” migrants in the Pearl River Delta in the first and second phase of the project, during the third phase the project will start by investigating internal and international “white collar” migrant communities to establish a broader variety of case studies. In addition, examples of resettlement communities and of transnational qiaoxiang villages (native places of the Chinese diaspora) in the PRD should also be included as these are characteristic features of the megaurban development process and social landscape in the PRD. The main research question will be: What do the informal dynamics of migrant community formation in the PRD tell us about the needs and challenges of megaurban development (regarding the core themes of the SPP), and how do governments (at different levels) and civil society react? Government policies and practises regarding urbanisation and migration will be examined at different levels with a focus on governability of migration processes, including the analysis of spaces of experimental informality as their particular tools. Based on a comparative analysis of the widely differing examples of migrant communities in the PRD a hypothesis will be generated regarding the permanent increased mobility – spatial as well as social mobility - as a common feature of the megaurban PRD landscape and the challenges of this finding for realizing a sustainable megaurban development in the future. Based on our findings we will work on a process oriented model starting from the highly complex informal dynamics of migrant community formation in a megaurban setting to elaborate on possibilities and constraints of sustainable solutions on the side of relevant urban infrastructures. (Project Chair: Dr. Bettina Gransow (FU Berlin))

Decoding the New Generation of Chinese Migrant Workers, Staphany Wong¹⁴

May 2010 has been dubbed as “the month of strikes and suicides of workers” by the Chinese media. More than 20 strikes within a month has been recorded, from taxi drivers in Dongguan city against the police’s unfair prosecutions, strike of workers at ex-state owned enterprises’ (Henan Pingmian Textile Company) for better compensation package, to Japanese automobile producer Honda’s Chinese factories for pay-rise and reelection of trade union. At the same time, a string of suicides broke out in the Taiwanese-owned iPhone producer Foxconn, with 13 cases of suicides (two attempted) happening in its Shenzhen factory since the beginning of the year.

Comments such as “sweatshop-like factories”, “evil foreign investors”, “the young generation of migrant workers cannot survive the hardship of factory life”, are almost found spontaneously in all media. However, if we try to study the whole situation closely, we would find that the factories are indeed not looking exactly like

¹³ Found n <http://www.geschkult.fu-berlin.de/e/oas/sinologie/forschung/projekte/megacities3/index.html>
More Information: <http://www.megacities-megachallenge.org/>

¹⁴ Staphany Wong has been a researcher of Werkstatt Ökonomie since October 2008, for its project of “EU-China Civil Society Forum”, with a focus on labour and human rights, Sino-EU trade policies, socio-economic issues. Before moving to Germany, she was a researcher of the International Trade Union Confederation’s Hong Kong Liaison Office, monitoring the labour movement in China. Some bloggers have listed the strikes since January 2010. The numbers in May and June are significantly higher than the previous months, see <http://info.wenweipo.com/?actionviewnews-itemid-27788>. According to a report from IHLO, “The (Honda) strike has shifted the paradigm of wage regulation from legislation to industrial actions. Strikes and demands for higher wages were cried for in more than a hundred enterprises in Guangdong after the Honda strike”, see <http://www.ihlo.org/LRC/W/000710.pdf>. workers and the world they are living in. The brave new world style “sweatshop” Found in: http://www.eu-china.net/web/cms/upload/pdf/materialien/eu-china-hintergrundinformation8-10_10-09-02.pdf

the traditional sweatshops, the hardship of factory life is beyond physical labour, and the subject matter, i.e. young migrant workers, are no longer the same group of people who have been used to be described by the western (or even Chinese) media as “obedient, hardworking, can endure hardship” in the past two decades. This article, by taking the Foxconn and Honda cases as background, attempts to offer some more understandings of the new generation of migrant.

After the string of suicides broke out, Foxconn, finally opened its formerly-tightly guarded factory gate to journalists, to defend itself against criticism that its 450,000 workers in the Shenzhen factory are working and living in sweatshop-like conditions. Clean and tidy plants, spacious outdoor playgrounds, recreational facilities, wages are in line with the legal minimum wages, free psychological consultation provided and even a total of 60% or above pay-rise promised, appear on the media. Yet, they failed to keep workers from committing suicide (up to 14 cases by 6 August 2010). What has gone wrong? Or is such a suicide rate simply normal for a community of 450,000 people?

Is it a copycat effect? Or is the rumour that workers trying to secure a better livelihood for their families (as compensation per suicide is reported at 100,000 yuan) by killing themselves, true? If yes, what make them so desperate for money? Many workers at Foxconn have pointed out that loneliness and isolation, regardless there are some 450,000 workers being employed in Foxconn’s Shenzhen plant, is what they find hard to endure. Most of the young workers come from rural areas, where inter-personal relationship plays an important role in their social life. However, interpersonal relationship, or even communications, is not encouraged at Foxconn. Workers say that they are not allowed to talk at work. While most of them live in the factory dormitory, workers from the same shift, or the same department, would not be assigned into the same room. Some call it as military management, while some suspect, such an arrangement is to avoid workers building up friendship or further more, getting organized.

The discipline at Foxconn is also reportedly very tight. “We have to arrive 10 minutes before our shift starts, to meet up for evaluation. We are not allowed to speak to our colleagues at work. The supervisors can yell at us in public if we make any mistake. I have been a worker for 3 years and have never been so tired. What is wrong with talking with others? It helps me relieve stress. Foxconn is treating us like robots.”, a young worker said. To make the situation worse, the security guards at Foxconn are the nightmare of workers. Foxconn employs veterans as security guards and they have the right to search, interrogate and punish workers. Bullying at workplace is not uncommon. Foxconn says that it is in line with the legal minimum wages and intends to increase it. However, workers are not impressed. They know what comes with the “high wages”. “Our daily output quota has been increased. Previously we had to press 3,500 computer casings every shift. Now the quota has been increased to 3,750 for the day shift, and 3,900 for night shift,” “And we have heard rumours the quota is likely to be raised even further in the future.”, as a worker told the newspaper.

What does it mean for such a quota? An 8-hour shift has 480 minutes. After deducting one meal time of 30 minutes and a 20-minute break per shift, it means a worker has to press 9 to 10 computer casings per minute, so it won’t surprise us that the Foxconn workers are so tired and feel that they are treated like robots. In order to achieve such a high output quota, so that they are entitled to the pay scale, workers have to do overtime, often up to 12 hours per day. The legal minimum wages is set so low that they must work overtimes to reach 2,000 yuan per month, an amount which is barely “survivable” in the prosperous city like Shenzhen. Many workers said they have never used the recreational facilities provided by the factory, because they do not have time or they are too tired after a long day of work. In a way, Foxconn resembles to “a modern concentration camp which gives you basic food. Therefore, there is a rumour that some workers are asking about the “price” (the compensation of each suicide) and some might kill themselves for money. “The math works like this: the average employee earns about 2,000 yuan per month (after overtime), but the company pays 100,000 yuan compensation to the family of anyone dying on site. To an unstable 20 year-old, the thought of that much money going to their parents could be attractive.” Overtired, loneliness, lack of respect and desperation are closely linked with these young people’s choice to end their lives.

The strategy of Honda strike

The situation is quite the same in another foreign invested company, Japanese Honda’s subsidiaries, apart from the disciplinary control is not as tight there. Two workers, Xiao Tan and Xiao Xiao, who do not want to use their real names, decided to resign after realizing that there would not be any prospect for them in Honda. But they said they wanted to do “something meaningful” before they leave.

On 17th May, instead of operating the machines as usual, they turn off the machines and shouted to their fellow workmates, “with such a low wages, we shouldn’t work.” Quickly, they were joined by their co-workers

and started a peaceful sit-in on a basketball court of the factory, a basketball court which they had no time to play at. Xiao Tan and Xiao Xian initiated the strike in one factory, and it spread to all four subsidiaries of Honda in the region. The key of its success is on the use of sms and online forum. The workers wrote down the date they intended for strike (calling it "the date for a walk") and send sms to other departments when their own has entered the strike.

Though the strike ended with only a partial success, i.e. 11% of pay-rise and 33% increase on meals and lodging subsidies, this strike is considered as a long lasting and well organized one in the recent years, which exposed the problems in the automobile industry and the abusive use of interns. The mass and abusive use of interns Among a total of more than 1,800 employees in the factory, 80% of them are student interns from technical schools with an internship contract. They are not protected by the labour law and their basic wages is as low as 560 yuan per month, which is lower than the minimum wage level, and they are not covered by any social insurance. They work long overtimes to boost their wages, but after deducting lodging and food, they get around 700 yuan per month. At the same time, they have to pay tuition fees to their schools, from 2,500 yuan to 5,000 yuan per semester, while they are working at the factories, which means what they earn would not even able to cover the tuition fee. Interns can become regular employees only after they finished one year internship and obtained a diploma. Even these interns become regular employees the wages is only 1,000 Yuan per month. The schools and factories work along as a supply chain of cheap labour. The schools advertise that they have good linkage with famous foreign invested companies, such as Honda and Panasonic, and could secure employment for their graduates. Attracted by the promise of becoming technicians and skilled workers in those famous plants, many farmers save up and borrow money to send their children to technical schools. After arriving at the plants, young workers are very frustrated as they discover they learn nothing new in the Honda subsidiaries, "we absolutely agree that it (Honda) is an advanced sweatshop. Our biggest regret is, we are here for nothing, we learnt nothing here. The so-called training is some tedious tasks which anyone can learn and be good at, in a day or two." workers told the journalists. Technical schools, internship and employment, the educational institutes and factories have become the same interest group, at the expense of these young workers and their families' hope.

Apart from pay-rise, another demand from the Honda workers is that they want to re-elect the trade union. The current union is reportedly not representing the workers, especially the interns, i.e. the majority, to fight for their rights and was at some point, beating up workers during the strike. However, the demand was not met at the end of the strike.

Jumping for a quick conclusion to explain the deaths at Foxconn and the frequent strikes, many factory owners would claim that the young people do not treasure their lives and could not endure hardship as their parents, the previous generation of migrant workers did. One has to realize that more than 20 years have passed, since the first generation of migrant workers arrived at the cities. Recent statistics shares that among the 150 million migrant workers, some 60% of them are born after 1980s, in many coastal cities, post-1980s and post-1990s migrant workers make up 80% of the migrant workers' population. Even the Beijing government started to address them as "the new generation of migrant workers", a term first appeared in the official document in February 2010. The Chinese Academy of Social Sciences called them "better educated, with higher career expectation, more demanding on material and spiritual life, lower endurance at work". Professor Chang Kai from Renmin University described them as "tend to pursuit justice determinately", Professor Guo Yuhua of Beijing University also said, "this generation knows how to use modern communication technology; they are very sensitive of social justice, much more sensitive than their parents used to be." The young migrant workers are also being described as "rootless". Most of them change their identity from students directly to workers and are not familiar with farm work. The majority of them would not consider returning to their villages to settle down as farmers, as an option. They expect to become citizens and get disappointed, and even desperate, when they realize they could not, by working in the de-skilled positions (even in the IT sector, like in Foxconn or automobile industry, like in Honda) and earning such low wages. By committing suicide, or taking part in a strike, the young workers are voicing out their anger, against the systems at factories, as well as the social injustice, the general low wages and impotent trade union.

This will inevitably have an impact on China's development, on foreign investment (as reportedly in August 2010, Foxconn plans to cut down a workforce of 150,000 in Shenzhen), as well as on the labour movement. The All-China Federation of Trade Unions, the only legal trade union recognised by the Beijing Government, is often described by workers as the "yellow union", will it be able to change, and change fast enough, to represent the workers better, or will the Chinese workers have to defend themselves with their bare hands?

With better knowledge on their rights and the use of technology, the young Chinese workers would definitely continue to surprise the world, if not shock, with their actions and struggles. Yet, hopefully, it is not paid by the high price of their freedom and lives.

The New Working Class Renews the Repertoire of Social Conflict, by JEAN-PHILIPPE BÉJA, 2009

ABSTRACT:

The strikes that shook the factories of the Pearl River Delta in 2010 revealed the emergence of a new generation of workers of peasant origin. Better educated and more demanding than their parents, they used new communication techniques to launch a movement that borrowed from the protest repertoire developed over the last decade. Despite this, it cannot really be said that a social movement has emerged.

In the spring of 2010, strikes that broke out in the Honda factory in Foshan and the Toyota factory in Nanhai, and the growing number of suicides at the Foxconn factory in Shenzhen, attracted the attention of the international press. These were not the first strikes to take place in factories situated in the Pearl River Delta, however. Since the arrival of foreign companies that transformed the region into the “world’s workshop,” a number of labour disputes have taken place. These are a fairly rare occurrence in the People’s Republic, all the more so since the right to strike, which had been legalised at the request of Mao Zedong, was removed from the 1982 Constitution. Despite this, as early as 2004-2005, a wave of strikes occurred in factories in Shenzhen, and most observers agree that these disputes played an important role in the local government’s decision to increase the minimum wage.

Similarly, on the eve of the 2008 financial crisis, many labour disputes occurred in factories making goods for export, and these were settled by fairly discreet concessions on the part of management. Things were very different last year. The 17 suicides that took place between January and August 2010 in a Foxconn factory in Shenzhen employing 400,000 workers made the front page of Guangdong newspapers and the international press, which heaped opprobrium on the Taiwanese managers of the plant that makes the famous iPhones. Following the scandal arising from these events, the management announced three salary increases within a month, with the pay of assembly line workers almost doubling to reach 2,000 yuan a month.

Similarly, the wave of strikes that shook Japanese and Taiwanese factories in the Pearl River Delta last spring also attracted the attention of the world’s press. Unrest that began at a Honda factory in Foshan spread to another Honda factory in Zhongshan and then to a Toyota factory in Nanhai and to many factories working for the automobile industry. These movements resonated throughout the region as well as throughout the country and the world. The Internet propagated the grievances of the workers, expressions of support for their struggle multiplied, the international press published innumerable articles on the subject, and the Prime Minister himself reproached Japanese bosses for paying salaries that were too low. Could it be that a workers’ movement had appeared in China? A year after the events, the answer is ambivalent.

A new working class?

Belonging to a new generation of workers (most of them aged between 18 and 30), the *dagong mei* and the *dagong zai* born after 1980 (known in China as the *baling hou*) are different from their elders. Those earlier workers (mostly young women) could not find jobs in the country and were forced to leave their native Hunan or Sichuan to escape poverty and support their parents or send a young brother to school, and the monetary rewards they received from factory work were so disproportionate to anything they could have hoped for back in their villages that they were satisfied with very little. The same is not true of today’s young workers. Born into much smaller families than their parents as a result of the one-child policy, they benefited from the attention of their entire family during childhood. This means they received a secondary education, and most have a high-school diploma. For example, of the workers born after 1980, 67.2 percent have a high school diploma, that is to say, 18.2 percent more than the preceding generation. Although born in the countryside, they are familiar with “modern life” through television, and like many of their peers they are Internet fanatics. Many of them went to vocational schools (*Zhongzhuan*) during their studies and they are not satisfied with the unskilled assembly-line work that is their lot – all the more so since this type of work is very badly paid (around 800 yuan a month in the Delta before last year’s labour movement). Contact with the realities of factory life is, for most of them, a great disappointment: long days (ten hours a day, six days a week, to which is added overtime that is not always paid at the legal rate), salaries that are very low compared to ever-increasing living costs, life in a hostel with seven to ten to a room, the absence of leisure activities, etc. This situation is all the more difficult to bear since these young workers have different aspirations from their parents and hope to rise in the hierarchy. They have different attitudes as well as different lifestyles. They often have mobile phones and are able to access the Internet, and whilst their parents had very little contact with their townspeople when they left to work in other regions, these young people keep in touch with their friends through QQ and

other social networks. As they have friends in many of the industrial regions of the People's Republic, they are immediately aware of differences in working conditions and pay in the various factories, and they do not hesitate to leave their jobs to go elsewhere when they learn of better conditions. We are therefore dealing with a more educated and adventurous working class with no affective attachment to its employer. The turnover rate in the workforce is therefore extremely high. This tendency to leave a job when conditions are unsatisfactory is reinforced by demographic development. Indeed, it has been calculated that by 2015, the working population will begin to decline, in particular the number of 15-to-24-year-olds who make up the core of the workforce in factories producing goods for export. Naturally, manpower will remain plentiful, but it is likely that this relative reduction will allow workers to defend their interests better against management. Already, the entrepreneurs of the Pearl River Delta, faced with difficulties of recruitment after the 2011 Chinese New Year, have begun offering perks to newcomers in the employment market.

New militant workers

In these companies, most workers live in hostels belonging to the factory, where they are often grouped by place of origin. Here, young workers have an opportunity to discuss their working conditions and pay and to express their indignation at the petty attitude of bosses and the injustices that occur. Housing conditions such as these provide excellent breeding grounds for collective movements of discontent.

In addition, the addiction of young workers to modern methods of communication allows them to exchange information on the situation in other factories and to be aware of protest methods developing in them. All this has allowed them to emerge from the isolation that characterised their parents' situation. These conditions explain the emergence of new activists and new forms of action. The wave of strikes that took place last spring in foreign companies in various regions of China is a consequence of the emergence of this new working class, which possesses new characteristics:

- Movement outside of official unions

In the Honda factory in Foshan where the unrest began on 17 May 2010, the workers who started the protest did not consult their trade unions, which they knew well to be a mouthpiece of the Party and always on the side of management. Indeed, the Party and local government cadres are keen to attract foreign investment, since promotions are linked to increases in the domestic product of the region they govern. When the women workers went to the factory to present their demands on 31 May, they were clubbed by municipal union thugs (wearing yellow helmets, ironically). A worker described it thus: At this critical moment, our great trade union did nothing for us. Instead they just wanted us to go back to the production line! Is this what a union should be doing? You take 5 yuan from our monthly wages for union dues, but look what you've done for us! The workers elected representatives to negotiate wage increases with the bosses. At Honda, for example, in the Foshan factory where spare parts for automobiles are made, they elected 16 representatives (including many young women), who succeeded in obtaining a raise of 35 percent. In state factories, striking workers were also seen confronting members of official unions. At a cotton garment factory in Pingdingshan, Henan Province, a fairly traditional state company, workers who went on strike to demand wage increases became embroiled in violent clashes with union members who had come to subdue them.

- Taking the official discourse literally Similarly, the Foshan strikers and the organisers of the movements that shook China last year took care not to exceed the limits imposed by the authorities. They refrained, for example, from creating autonomous unions, since they knew the fate that awaited those who tried to do so. In their open letter, the strikers' representatives expressed themselves thus: "And lastly, [we demand] the restructuring of the union branch of the company manufacturing Honda vehicle parts." On the contrary, therefore, they were demanding the "reconstruction of the unions," and referenced official discourse on the need to defend one's rights. Similarly, taking the Communist Party discourse quite literally, they used it to defend their interests: Honda is a Japanese company and Japan is a capitalist country. But China is supposed to be a socialist country! The Japanese companies investing in China must follow the rules of China. Implement socialism! Do not give us capitalism!

A new protest repertoire

The repertoire chosen by the workers who led the spring strike movements shows that they are very much in touch with the latest developments in protest movements launched by other social categories in recent years. For example, at Foshan, they called on people to join a "collective walk" (□□□□ - jiti sanbu), an order evidently inspired by the protest movement by members of the Xiamen middle classes against the PX chemical factory in 2007, and by Shanghai residents against the extension of the Maglev, the high-speed magnetic train, in 2008. At the time, to avoid being accused of organizing illegal demonstrations (in China, all requests to

organise protests in accordance with the law are systematically refused), the protesters called on the inhabitants to “walk” near the municipal council offices in Xiamen, and near the Maglev site in Shanghai. In other cases, workers called for a “sleep-in” (□□□□ - jiti shuijiao) on the assembly lines, a new form of go-slow against which foremen could do very little.

Others learnt “collective tourism” (□□□□ - jiti lüyou), a form of action adopted by angry peasants in Hebei in 2006. On 10 May 2010, a group of women workers from a factory belonging to the Baobai Group in Baoding all wore T-shirts of the same colour and went “sightseeing” in Peking to protest against pressures put on them to resign. The choice of this new repertoire shows that strikers had for many years been observing the protest methods of discontented people all over the country. They knew quite well that the Party never stops repeating that “stability is paramount” and that any request to organise a protest meets with refusal from Public Security and often brings trouble to the person making the request. They therefore use “the weapons of the weak” – weapons that have already proved their worth in other circumstances – and remain within the boundaries of official discourse, as James C. Scott has observed, to put forward their demands. This self imposed restriction can, of course, originate with the players themselves, but it is also the result of observing past labour movements. Of course, the description of these movements is not found in a press that is supposed to obey the injunctions of the Party; it is because they regularly surf the Internet that the new activists have become aware of these types of action.

The role of new technologies

One of the characteristics of last year’s wave of strikes was that it was contagious. It was a contagion that affected not only the Pearl River Delta, but also spread to other regions with a concentration of factories working on goods for export. For example, whilst May and June brought a total of 27 strikes in Guangdong, 73 broke out in the industrial zone of Dalian. The movements occurred mainly in Japanese-owned companies and spread via Internet and SMS. The strike on 17 May at Honda was called through the sending of text messages. It was also through SMS that certain workers persuaded their co-workers not to go back to work until their demands were met. At the same time, workers launched discussions on sites such as www.workers.cn where they exchanged information on strikes. The movement then spread to other factories in the group. Workers at the lock factory in Zhongshan, for example, followed events on the Net and used this means of communication to publicise their struggle: “We videotaped the strike with our cell phones and decided to post the video online to let other people know how unfairly we were treated.”

They also described the brutality of thugs in the pay of bosses, which led to strikes by other workers in other factories belonging to other groups. Exchanges via Internet, weibo (the Chinese Twitter), and SMS make up for the absence of organisational resources. Modern communication techniques allow information to circulate between players, and the victory of the Delta strikes has led many workers in other regions to launch social movements as well. The use of such techniques makes contagion easier.

The Nanhai workers, for example, who called a strike in the factory where they make locks for Honda, created a QQ account called “Union is Strength” through which they circulated information on the strike. This account was consulted by journalists, lawyers, and rights defenders and made a major contribution to publicising their action and putting pressure on both management and government. The remarkable victory of the 2,000 Foshan workers led other workers to strike at Honda, Toyota, and other companies. The movements developed by sector and by region. From 17 May until the month of July 2010, there were 20 strikes in the automobile spare parts factories of the Pearl River Delta. However, the Internet also enabled this movement to reach other regions such as the industrial zone of Dalian in Liaoning, at the other end of the country. It is important to note that out of 73 strikes occurring between May and August 2010, 48 involved Japanese companies. Although waves of strikes have occurred several times in this zone (mainly in 1994 and in 2004-2005), last year’s was the biggest since its creation. The strikes lasted between half a day and 14 days, and on average workers obtained salary increases of 34.5 percent (around 300 yuan). It is clear that workers decided to down tools because they learnt of the victory of workers in Nanhai and Foshan on weibo, the Net, or by mobile phone. The elected representatives of the Foshan workers indicated their awareness in their open letter: We must maintain a high degree of unity and not let the representatives of Capital divide us. This factory’s profits are the fruits of our bitter toil . . . This struggle is not just about the interests of our 1,800 workers. We also care about the rights and interests of all Chinese workers. This wave of strikes may be considered part of the new generation of social movements.

Methods influenced by the rights defence movement

The use of the Net to denounce abuses is characteristic of the rights defence movement that arose in 2003. But last year's strike movement also borrowed other elements from this movement. From the very outset of their action, for example, the activists appealed to Chinese and foreign media, and the former indeed covered events at the beginning. On the other hand, they sought to impose respect for the law. Many activists studied labour law on the Internet and used it to back up demands that payment for overtime should be respected, for example. Like their counterparts in the rights defence movement, the Honda strikers also turned to researchers and university professors. Li Xiaojuan, a 19-year-old worker who was one of the 16 representatives elected to negotiate with the Honda management, telephoned Chang Kai, Director of the Centre for Research on Labour Relations at the People's University of Beijing to ask him for help negotiating with the bosses. The following day, Chang Kai flew to Foshan and agreed to advise them free of charge. After six hours of negotiations, they obtained a salary increase of 35 percent.

A social movement?

The wave of strikes that hit China last year undoubtedly represents a milestone in the history of labour relations in the People's Republic. The fact that these events made the front page of newspapers the world over does not, however, constitute sufficient grounds for announcing the birth of a labour movement in the People's Republic. Indeed, if one applies Charles Tilly's criteria, by which a social movement is "a sustained challenge to state authorities in the name of a population living under the jurisdiction of those power holders, by means of repeated public displays of the numbers, commitment, unity, and worthiness of that population," last year's strikes did not fulfil all these conditions. Although, as we have seen, the strikes effectively challenged the holders of power in the factories, and the organisers did not hesitate to show several times over that a significant proportion of the population living under the domination of these power-holders was determined to fight for its demands, it is unclear whether they would have been able to extend a sustained challenge to these power-holders. Indeed, for Tilly, a campaign extends beyond a single event.

Despite the effectiveness of the mobilisation, and the tactical and strategic intelligence of the movement, it would seem that not much remains today of the movement that caught the imagination of the Chinese and unionists the world over last spring. The protests that spread rapidly to most of the country were short-lived, and a year later it does not appear that they resulted in the establishment of a permanent power struggle between workers and bosses. The organisers of last year's strikes became ordinary workers again or left their factories, and no organisation capable of defending the workers or of expressing their demands seems to have been created. Despite a certain propensity for self-criticism after the events, the All-China Federation of Trade Unions has not altered its position. There are no autonomous organisations and there have been no changes in behaviour by official organisations. We are very far from the birth of a social movement.

The power of a spectre

Nevertheless, the history of opposition in China shows that ideas and collective behaviours can sometimes influence government policies even though they are not structured into organisations capable of representing a sustained challenge to those in power. In addition to Tilly's criteria, we can define a social movement by the effect it has on the policies of the power holders. In this case, it is more than likely that the fear of a challenge taking the form of the emergence of an interest group or union has led the authorities to anticipate the demands of potential protesters. If we analyse what has happened in the field of relationships between labour and capital over the last year, we realise that a certain number of attitudes have changed and that this cannot be explained other than by last year's movement.

We have seen that the right to strike has been denied by the law in China since 1982, and that as a result, the waves of strikes that have shaken the country over the last decade have led to severe repression. Generally speaking, the CCP does not tolerate collective protests and does not hesitate to take tough measures to "restore harmony." The arrests and deployment of police that followed calls for a "jasmine revolution" in China showed that the authorities were ready to mobilise considerable resources to crush the least sign of opposition. The hefty increase in the proportion of the budget allocated to "maintaining stability" (维稳 – weiwen) is another example of this.

Nevertheless, police did not intervene during the social conflicts that broke out in the Delta factories last year. Better still, officials spoke in favour of the strikers. The former vice-president of the Guangdong Federation of Unions, Kong Xianghong, for example, judged that striking was not an illegal act but that it is "a means for workers to express their demands." He also criticised the attitude of the union whose members beat strikers during the strike at the Honda Nanhai factory. The changes are not limited to the declarations of one

Guangdong union leader. Last year, for example, Prime Minister Wen Jiabao stated that salaries should be increased. This does not perhaps signify a real change of direction, but how are we to understand the announcement by the authorities in 27 provinces that they would increase the minimum wage at the beginning of this year when the situation seemed calm? One might put forward the hypothesis that the Communist Party is using anticipation to arm itself against the emergence of an organised social movement. This is suggested by the organisation of collective negotiations at the Nanhai Honda factory at the end of 2010, negotiations that resulted in the announcement of substantial increases in wages for 2011 (560 yuan + 50 yuan).

Of course, we do not have any declarations that would allow us to confirm this hypothesis, but the fact that no increase on this scale was decided in previous years seems to show that the Spring 2010 movements played a part. One might well conclude that the threat of a strike represents a form of sustainable challenge for the power holders. Similarly, in July 2010, at the 15th meeting of its executive committee, the All-China Federation of Trade Unions adopted a decision according to which “the development of trade unions in companies in accordance with the law should be encouraged, as should collective bargaining over salaries in accordance with the law.” Similarly, following the strike at Honda, workers were able to directly elect the head of the trade union, the members of the committee of the union, and the vice-president of the union. Admittedly, this is an exceptional case, and workers elsewhere are not allowed to choose their representatives. It does show, however, that the organisation, which, it will be remembered, had sent out its strong men to crush the strikers, was forced to change its attitude.

Conclusion

A year after the strikes that shook the factories of the “world’s workshop,” tensions seem to have lessened. The concessions granted last year by the management and the government in response to the spontaneous actions of the workers have not led to the introduction of a collective bargaining system in factories. Minimum wages have been increased, but this is simply a question of making up for lost ground, since they had remained unchanged for almost a decade. The government has repeated its wish to improve the situation of workers of peasant origin, and intervenes more willingly in cases where management does not pay wages that are due. Unlike what happened in nineteenth-century Europe or during the 1980s in South Korea, however, new trade unions capable of representing workers’ demands have not been created. Despite several changes, the declarations of those at the head of official unions that from now on they would defend the interests of those they represent has proved a damp squib. It cannot therefore be said that a workers’ movement has emerged. It should be observed, however, that the protest repertoire is now common to all forms of resistance, whether on the part of workers, peasants, or the middle-classes. Similarities in repertoire can be seen between the workers’ resistance and the rights defence movement. The use of the Internet to publicise abuses and to appeal to lawyers, the media, and finally to researchers and university professors, are common elements in the protest repertoires of these movements. Despite the absence of an organised movement, this unity of repertoire constitutes a specific characteristic of the socio-political situation in China, the influence of which cannot yet be determined. However, when unity of discourse, action, and mobilisation can be found in all social classes, we are in the presence of a significant phenomenon and may well ask ourselves if it will not ultimately have an influence on political debate and on the discourse of those in power. For there will come a time when the authorities will have to take account of this form of expression that is becoming increasingly widespread throughout society.

5. Occupation of rural migrant workers in the informal sector and its effects

Read more in http://www.ilo.org/wcmstp5/groups/public/---dgreports/---integration/documents/publication/wcms_097744.pdf

6. Change of social Structure: The case of Left behind Children

The Children of Migrant Workers in China¹⁵

There are an estimated 110 million migrant workers in China aged between 16 and 40 years old. They left home in the hope of building a better life for themselves and their family, yet when they start a family of their own, they are faced with a stark choice; either take their children to the cities and subject them to institutionalized discrimination, or leave them behind in the countryside in the uncertain care of relatives. Recent research has shown that the number of children left behind is about 58 million, three times higher than previously estimated. Moreover, compared with other children, those left behind are more likely to be victims of crime, and a significantly higher proportion suffers from psychological and behavioral problems caused by long-term separation from their parents. In the cities, the children of migrant workers usually attend sub-standard schools and illegal clinics because of their “inferior” status and low household income. As their parents have to work excessively long hours in arduous jobs leaving little or no time for their families, migrant children in cities consequently develop psychological problems disturbingly similar to those left behind.

The central government in Beijing began to acknowledge the seriousness of the problem in the early 2000s and introduced a wide range of directives and initiatives to deal with it. Many of these initiatives could have been effective if they had been implemented in full. However many efforts were stymied at the local level. Rural governments could not afford better schools, healthcare and social welfare services, while better resourced urban governments were extremely reluctant to give migrants and their children full and unfettered access to their services. The only long-term solution is wide-ranging and systemic reform of the social welfare system and the abolition of China’s antiquated and discriminatory household registration (*hukou*) system. In the interim, CLB argues, the link between *hukou* and social services for children should be eliminated and urban governments should be made wholly responsible for the provision of social welfare to migrant children.

Read more: <http://www.clb.org.hk/en/node/100316>

China: End Child Labor in State Schools, by Human Rights Watch, December 2007

The Chinese government should abolish the use of income-generating child labor schemes in middle and junior high schools because of their chronic abuses, Human Rights Watch said today. Many programs interfere with children’s education, lack basic health and safety guarantees, and involve long hours and dangerous work. “China claims that it is fighting child labor, and repeatedly cites its legal prohibition against the practice as proof,” said Sophie Richardson, Asia advocacy director at Human Rights Watch. “But the government actively violates its own prohibitions by running large programs through the school system that use child labor, lack sufficient health and safety guarantees, and exploit loopholes in domestic labor laws.” Under “Work and Study” programs regulated by the Ministry of Education, schools in impoverished areas are encouraged to set up income-generating activities to make up for budgetary shortfalls. According to official statistical material from the Ministry of Education seen by Human Rights Watch, more than 400,000 middle and junior high schools, which are for children ages 12 to 16, nationwide are running agricultural and manufacturing schemes. In 2004, proceeds from Work and Study programs generated over 10 billion yuan (US\$1.25 billion), the statistics show.

Chinese law prohibits the use of child of labor under age 16 but stipulates that children may be employed under special circumstances, such as in sports or in the arts, or if their “occupational training” and “educational

¹⁵ China Labour Bulletin. <http://www.clb.org.hk/en/node/100316>

labor” does not adversely affect their personal health and safety. Regulations that govern Work and Study programs in middle and junior high schools prohibit hazardous work and stress that “education must come first,” but fail to provide a clear definition of the acceptable kind, intensity, and overall time duration of this special category of work.

The majority of schools limit these schemes to seasonal agricultural work (such as growing and harvesting crops), improving school facilities, or producing small handicrafts over summer breaks, either independently or through contract with outside employers. But overly vague Work and Study regulations and poor supervision have led to widespread abuse of the system by schools and employers alike. Children as young as 12 have been employed in heavy agricultural and hazardous construction work. Others have been dispatched to local factories for weeks or months of “summer employment.” Some schools have turned into full-fledged workshops to produce local handiwork or foodstuff while relegating teaching to a few hours a week. In recent years, numerous cases of children working in abusive conditions under the guise of Work and Study programs have been documented, with problems ranging from long working hours, dangerous working conditions, low salaries, and a range of health and safety hazards.

In July 2007, more than 100 middle and junior high school children were found in a factory making cardboard boxes in Panyu district, near Guangzhou. They worked eight-hour days in different shifts, the first starting at 8 a.m. and the last finishing at 11 p.m. The children were housed in the factory’s dormitory and paid 2.4 yuan per hour (US\$0.30). In June 2007, 500 children from a middle school in the western province of Sichuan were discovered working 14-hour shifts in a factory in Dongguan, Guangdong Province. Their school had contracted them to the company for summer employment. The children complained of poor living conditions, including crowded dormitories and insufficient food, and an array of work-induced health problems. Children were fined for production mistakes. And in August 2006, local media reported that local school authorities in Maoming Municipality, Guangdong province, had arranged for 200 schoolchildren from poor families to work over the summer in factories in the neighboring manufacturing centers of Dongguan and Shenzhen. The children were working 11-hour days, with no rest on the weekend. Many complained of health problems, such as flu-like syndromes, persistent headaches, and fevers. A 16-year-old girl reportedly died as a result of untreated encephalitis. She had been complaining of high fever for three days but was not allowed to rest.

Budgetary pressures at the local level may account for worsening practices, with local government often slashing education and health budgets when revenues decline. Chinese law mandates that the state provide all children with nine years of free and compulsory education, but in practice most schools, especially in poor areas, cannot function without collecting tuition fees. The Ministry of Education says the Work and Study system is designed to generate revenue that enables schools from poverty-stricken areas to operate, and to subsidize children from poor families who cannot afford school-related fees. Local education departments at the prefectural or district level routinely fix revenue targets that must be met by individual schools, even though doing so is banned by the central government. In recent years, increasing budgetary pressures on schools have contributed to their “out-contracting” of students to employers looking for a cheap and easily manipulated workforce.

Hard labor, low pay, and hazardous work conditions are more prevalent in poor and remote rural areas. Schools, often with the encouragement of local education authorities, have sent children from poor areas in Sichuan, Hunan, Anhui, Guangxi, Guizhou, and Shaanxi to factories in the coastal regions for “summer employment.” In remote areas such as Yunnan, Gansu, and Xinjiang, local employers have hired children for heavy agricultural work during the harvests. In December 2006, the Chinese media reported “severe violations” of Work and Study regulations in Minqin county, near Wuwei municipality (Gansu Province), including hazardous work conditions, unsafe transportation, and long working hours. In one incident, a middle school pupil died after falling from the truck used by the school to bring the children to the work fields. In April 2006, primary schoolchildren from Luoshan, Henan Province, were dispatched to a local tea farm to pick tea. A local teacher explained that it was the only way for the school to meet operating costs. “Inequalities in China’s education system are out of control,” Richardson said. “Children from poor areas not only face vastly inferior resources, now they must also engage in heavy work to finance the schools they attend. The responsibility for adequately funding compulsory education should not fall on the shoulders of the children themselves.”

The State Council, China’s cabinet, has acknowledged the existence of severe defects in the Work and Study system in primary and middle schools. In 2006, prompted by an accident in which 131 children were poisoned after ingesting oil made from castor-oil seeds their school was making under contract from a local company, the central government issued a set of detailed instructions urging greater compliance with educational,

health, and safety standards in Work and Study programs. "Labor that exceeds the bodily strength of children, involves toxic or dangerous material, or harms the development of the child are strictly prohibited," the instructions said. Other unauthorized practices detailed by the document include: the imposition of revenue targets by education departments on schools, and by schools on individual classes and schoolchildren; fining children who fall short of work quotas; children working overlong hours; and companies' manipulation of the Work and Study label to employ underage workers.

Yet these new instructions have so-far failed to remove the potential for abuse. In 2006, authorities in the northwestern province of Xinjiang banned the employment of elementary and middle school children to pick cotton because it is excessively physically demanding. However, children were then redirected to other types of work that press reports describe as only marginally less taxing, such as picking beetroots, tomatoes, and other vegetables in state-run farms, and collecting recycling material. In summer 2007, factories in Guangdong, Jiangxi, and Fujian provinces were found using child labor under bogus Work and Study schemes, prompting domestic experts to urge the government to close this loophole in the legal prohibition of child labor.

Human Rights Watch said that little information about Work and Study schemes was publicly available, making it difficult to precisely assess the extent of unsafe forms of child labor in the education system. Most statistical information published by the government aggregates data for middle and junior high schools with figures for high school vocational training and student employment schemes for university students, which all fall under the same qingong jianxue (Work and Study) appellation. The results of a nationwide survey about middle and junior high school Work and Study programs conducted by the Ministry of Education from October 2006 to February 2007 have not been made public. State censorship of the media has also contributed to the problem. The Ministry of Labor continues to classify statistics and details about child labor cases as "state secrets." In September 2006, reporters from CCTV, China's national TV network, documented the employment of children as young as 8 to harvest corn for a local employer. Children were shown carrying heavy loads and working in fields for the entire day. The broadcast sparked public outcry, but, rather than encouraging public debate of the problem, the story was instead removed from the CCTV's website.

Human Rights Watch said the government should immediately stop programs that put children at risk, release all the information and data about these programs in view of reforming the labor laws, and publicly announce how it will phase out the system. China is a party to the United Nation Convention on the Rights of the Child and the International Labor Organization (ILO) Convention 182, which prohibit work that is hazardous or interferes with a child's education. "China's own laws and international obligations recognize that children shouldn't be working," said Richardson. "But the government allows dangerous work by underage children if their schools organize it. This really raises doubts about China's commitment to eliminating child labor."

Report: Failings of China's School System is The Root of Child Labour, by China Labour Bulletin, 2007

Small Hands: A survey report on Child Labour in China provides a timely, detailed and insightful analysis of the growing problem of child labour in China. Based on research carried out on the ground in 2005, the report explores both the demand for child labour in China and the supply of child labour stemming from serious failings in the rural school system.

Our researchers talked to government labour officials, school teachers and administrators, factory owners, child workers and their parents to build up a picture of the living and working conditions of child labourers and explore the reasons why these children drop out of school early and go into work. Because child workers have no ability to protect themselves, they are generally paid less, work longer hours and live in poorer conditions than adult workers. Moreover, because child labour is illegal, very often workers and their employers will develop covert alliances to avoid detection by government and law enforcement agencies, thus driving the problem further underground.

While poverty is clearly an important factor in the creation of child labour, the report identifies the failings of China's school system as the root cause of the problem. China's investment in education is only 2.7 per cent of its GDP, less than half the United Nations' recommended level of funding. Primary and secondary schools in poor rural counties receive minimal, if any, government funding, and students' parents have for many years provided the bulk of the funding through the payment of various "miscellaneous fees." This forces parents to

make a cost/benefit analysis between the cost of their child's education, the potential benefits of further education and the immediate benefits of dropping out of school early finding work. Our researchers discovered the drop out rate for middle school students in some areas was around 40 per cent or even higher.

The problem is exacerbated by a school curriculum at both primary and secondary levels that emphasizes academic excellence over broad-based vocational training. Many students drop out simply because they cannot keep-up; while others are weeded out by schools anxious to show off high examination pass rates. And even if rural students do make it all the way to university, they now have very little chance of a good job on graduation, making the benefits of continuing education even more questionable and remote. In the final section of the report, China Labour Bulletin recommends that the laws on child labour be simplified and clarified and that officials are both equipped and encouraged to effectively implement the law. In order to limit and eventually eliminate the supply of child labour, CLB recommends that the government provide sufficient funding to ensure that the compulsory stages of education in China are genuinely free to all, and that a much greater role be given to non-governmental organizations and social groups in tackling and eroding the socio-economic foundations of child labour supply.

To read the report in full click [here](#) (in .PDF).

7. ILO, wage floor campaign and social protection

ILO-UN Social Protection Floor Initiative: The role of social security in crisis response and recovery, and beyond, by ILO - International Labour Office (Organismo Internacional), 2010

The crisis has reinforced the perception that the extension of social security should be a high priority. While in many developing countries social security systems were previously considered unaffordable, they are now regarded as important investments to support sustainable economic growth. Furthermore, in times of crisis, social security systems are playing an essential role as economic stabilizers. Interview with Michael Cichon, Director of the ILO's Social Security Department, about the UN Social Protection Floor Initiative and social security in times of crisis.

What is the objective of the Social Protection Floor Initiative?

At present four out of five people worldwide do not benefit from a level of social protection that allows them to realize their human right to social security. Ensuring a basic level of social protection and thus a decent life for these people – many of whom are struggling just to survive – is a necessity and an obligation under the Human Rights Instruments. Such is the objective of the joint SPF Initiative.

What do you consider a “basic level of social protection” to consist of?

For the SPF-Initiative a basic level of social protection means access to essential services and social transfers for the poor and vulnerable. Within the scope of its mandate, the ILO is in charge of promoting the social transfer component of the social floor, i.e. a basic set of essential social guarantees realized through transfers in cash that could ensure universal access to essential health services, income support and income or subsistence security.

Who are the initiators?

The SPF-I was adopted by the Chief Executives Board of the United Nations in April 2009 as response to the crisis. The ILO and the World Health Organization (WHO) are leading the Initiative. It is supported by 19 UN agencies and other partners such as development banks, bilateral organizations and NGOs. The improved coordination between these partners is at the core of the Program. The Social Protection Floor was

subsequently integrated as a key element of the [Global Jobs Pact](#) adopted by the International Labour Conference 2009. The Pact provides an internationally agreed set of policy measures to build an employment-oriented framework for future economic growth.

Which role do social security systems play in national crisis management?

The [ILO report](#) to the G20 summit in Pittsburgh found that the employment effects of the so-called ‘automatic stabilizers’, including social assistance and social security benefits, were just as important as the effect of the stimulus packages. Governments that already had social protection schemes in place were much better able to cope with the crisis. The impact of the crisis at household level was softened and the drop in aggregate demand alleviated.

Did the crisis change the perception regarding the need of social security systems?

Given the stabilizing role that social security systems have played, they have become universally accepted instruments. Governments were able to use existing social transfer systems for the delivery of stimulus packages to respond to the heightened need for protection. The crisis acted as an accelerator in the social security debate. Social security systems not only respond to social needs, they are an economic necessity. We need a new understanding of the importance of social security. It is a condition to growth rather than a burden to society.

What are the main challenges to the existing social security systems?

Besides the direct impact of the crisis on social security financing and increased demand on social security systems, the latter face a number of long-term systemic challenges. The overall challenge to social security systems in particular in industrialized countries is the changing demographic environment. Developing countries will also face these challenges at some stage. However, their main challenge today is to extend social security coverage by putting in place sustainable social security systems – starting with a basic level of protection for all and gradually building on that base to provide higher levels of protection.

But can countries afford comprehensive social security systems?

Sound financing is a key concern for implementing sustainable social security systems. ILO studies found that it is possible to finance the Social Protection Floor or some of its components even in low-income countries. For a comprehensive approach, a national social security strategy and a diagnosis of priority needs can help to sequence the implementation of social security schemes. As countries achieve higher levels of economic development, their social security systems should also, in parallel, extend the scope, level and quality of benefits and services provided. This can be done within the framework of ILO Conventions, particularly a wider ratification of the ILO’s flagship [Convention No. 102](#).

How does the SPF-I contribute to overcoming these challenges?

The SPF-I has set up a Global SPF Advisory Network to deliver technical assistance to countries that are committed to building, expanding, or reorienting their social protection systems. The Initiative provides support along every step in the process including policy design, awareness raising, fiscal space analysis, legislation and evaluation. We are supporting a South-South exchange on SPF experiences and we are offering training courses in collaboration with the [ILO’s International Training Centre](#) (ILO-ITC) in Turin.

Are there countries that have already implemented the Social Protection Floor or some of its components?

Many developing countries have already successfully taken measures. Among these, Mexico, Brazil and Chile. Argentina, China, India, Thailand, Ghana, Mozambique and South Africa, have introduced important elements such as family benefits, access to education and health services. Cambodia, Equator, Burkina Faso, Togo and Benin have recently committed to start building their own Social Protection Floors.

Social protection floor for a fair and inclusive globalization, by by Michelle Bachelet, 2011¹⁶

Concerning migration, the United Nations Population Division estimates that the number of international migrants worldwide totals at least 214 million (UN POP, 2008). The access of migrant workers to formal social protection, and hence their ability to adequately manage their risks, is very limited (Avato, Koettl and Sabates-Wheeler, 2009). There is a pressing need to enhance their social protection, as well as ease the strains between sending and host countries (ILO, 2011d). While incorporating migrants into formal social security systems is already under way in some countries, there remains much progress to be made.¹³ Nonetheless, provided that migrants are legally registered in the host country, they should be able to access the elements of social protection making up the floor. The situation for undocumented migrants is more complicated and special efforts are needed to reach these groups, who are particularly vulnerable. Migration between countries remains a natural response to poverty, environmental disasters, political oppression and war, even though it can be fraught with dangers. Social protection systems need to adapt so that these particularly vulnerable groups can be protected and accommodated in their host countries and upon return home.

In addition, there is the rural–urban population shift, reflecting the steady flow of migrants from rural areas in search of socio-economic opportunities. At the global level, the population living in urban areas will shortly, if it does not already, exceed the rural population.¹⁴ This shift brings with it considerable challenges for social protection systems. In part these reflect issues of a society divided both within the urban areas themselves – where large numbers live in slums or shanty towns or *favelas* with little or no prospect for escape – and between rural and urban residents, as noted for example, by UN -HABITAT (2008). These phenomena may threaten the traditional mechanisms of solidarity, not only family- based, but which also underpin the social insurance model of social security.

Thus the floor has a role to play in easing the rural-to-urban transition, both in its direct function of providing income security and through its potential influence in developing basic infrastructure, services and jobs.

Financial Crisis and Wage Policy: Interview with Pierre Laliberté, May 2011

ACTRAV INFO: ACTRAV has just held a seminar on wages, the crisis and the recovery. What's your assessment of this meeting, which took place on 6 May?

Pierre Laliberté: The seminar provided the opportunity for a very informative exchange of views between researchers, trade unionists and ILO colleagues on the role of wages. On the one hand, participants highlighted the downward trend in earned incomes within the economy over the past 30 years and the growth in inequality, and on the other hand their role in the birth of the financial crisis in 2007. It was also a chance to examine wage-based recovery strategies. All in all, given the drop in wages, two exit strategies were developed to drive growth: exports (China, German, Japan) and indebtedness (US, UK, Spain). These strategies were mutually supportive. Following the crisis, these complementary strategies are clearly no longer possible. The more indebted countries will experience the relative stagnation of their domestic economies, so forcing the countries with trade surpluses to develop other markets. But where? The answer is for the countries in surplus to develop their domestic markets, in order to boost not only domestic demand but also imports from abroad. The main way chosen to achieve this should be to increase wages in the surplus countries, in line with

¹⁶ Social protection floor for a fair and inclusive globalization, Report of the Advisory Group chaired by Michelle Bachelet, Convened by the ILO with the collaboration of the WHO, Geneva 2011, pp. 63-64.
http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_165750.pdf

productivity gains (or even more if wages have been lagging substantially behind). The delinking of wages from productivity gains was one of the most important consequences of globalization. So for the trade union movement, correcting this state of affairs is a priority. But in fact, what we're seeing now is a revival of unhealthy competition among countries – a tug of war in which each tries to increase market share by pushing wages down and/or manipulating the exchange rate of its currency. Obviously, a “neo-mercantilist” strategy won't work at the global level. In an economic context where the emphasis is being placed on depressing wages, it's crucial for the trade union movement to tackle this strategy head-on. But it's also important for governments not only to facilitate the exercise of collective bargaining but also to be proactive, notably as regards minimum wages and the fight against precarious work.

ACTRAV INFO: Could a revision of pay policies at the enterprise level help to promote a recovery, after the financial crisis of 2008?

Pierre Laliberté: It most certainly could, but there are few signs of such a revision so far. The good news is that in certain so-called emergent countries, workers are indeed managing to secure better rates of pay. But this is still not enough. We're still patiently awaiting similar developments in countries with strong trade union movements – such as Germany, for instance. Without getting too “personal”, it's obvious that the trade union movement has to start thinking about ways of coordinating at the regional level. That doesn't mean that everyone has to table the same demands, but those demands should be coherent with each other and should not encourage downward competition on wages. The same thing could be envisaged for the minimum wage, with multinational standards setting a floor so that people can earn a decent living – and, once again, as a way of preventing a leveling down. The *Asian Wage Floor* initiative is interesting in this respect, as are the discussions around the setting of a minimum wage in Europe.

ACTRAV INFO: in the present context, marked as it is by crises at the national level, what steps do you advocate to protect workers' rights, and particularly their wages?

Pierre Laliberté: For States facing major budget constraints, economic reflation via wages could indeed provide an alternative strategy, complementing other measures such as the strengthening of the social safety net. Such a strategy is perfectly compatible with raising industrial productivity, which in turn is the precondition for improvements in living standards. But in reality, this kind of strategy will, rather predictably, run into opposition from the employers. Above all, it runs counter to the dominant economic logic, which sees wage growth as a direct threat to inflation control and the competitiveness of national economies. States have to break out of that logic and adopt concerted strategies to grow domestic demand while managing exchange rates in order to prevent destructive competition. Here too, the unions have got some persuading to do, as regards both public opinion and governments.

ACTRAV INFO: Has another meeting been scheduled soon to continue the reflections on this issue?

Pierre Laliberté: The presentations made at this meeting will appear in the next issue of the International Journal of Labour Research. Quite clearly, this reflection must continue, in order to gain a better understanding of the consequences of a wage-led recovery, but also of the strategies to be pursued in order to achieve it.

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ECONOMIC RECESSION, EMPLOYMENT AND WORKING CONDITIONS OF CHINESE MIGRANT WORKERS IN THE UK, by Wu Bin (University of Nottingham)

Read more at: <http://www.nottingham.ac.uk/cpi/documents/briefings/briefing-62-ilo-migrant-workers.pdf>

Questions and Answers on the Convention Concerning Decent Work for Domestic Workers, by ILO, June 2011¹⁷

The landmark treaty setting standards for the treatment of domestic workers that was adopted at the International Labour Conference in Geneva has been widely hailed as a milestone. The Convention and accompanying Recommendation on decent work for domestic workers aim at protecting and improving the working and living conditions of domestic workers worldwide - estimated to number anywhere between 53 million and 100 million. ILO Online spoke to Manuela Tomei, Director of the ILO's Conditions of Work and Employment Programme.

Why is this Convention needed?

Decent work deficits among domestic workers are huge. For over 56 per cent of domestic workers the law does not establish a limit on how long a working week can be. About 45 per cent of all domestic workers are not entitled to at least one day off per week. About 36 per cent of female domestic workers have no legal entitlement to maternity leave. Domestic workers are amongst the most vulnerable categories of workers, those who are already at the margin and least equipped to face the consequences of economic upturns. They comprise mainly women and girls who, to a large extent, work informally. Decent work for domestic workers means affording them respect and dignity and contributing towards their transition from informality to formality.

How does the Convention impact the status of domestic workers?

This instrument sends a very strong political signal. It constitutes an international commitment to work on improving the living and working conditions of a very large segment of the work force which has been historically excluded, either totally or in part, from the protection of labour law. When it ratifies the Convention, a country opens itself to international scrutiny and this puts pressure on member States to ensure that their laws and policies are in conformity with the Convention. The accompanying Recommendation, which is a non-binding instrument, provides practical and useful guidance on how to give effect to the obligations embedded in the Convention. The new standards on domestic workers are both robust and flexible. They guarantee minimum protections to domestic workers, while allowing for considerable flexibility and wide ratification and continuous improvement of their working and living conditions.

What concrete changes will it bring for domestic workers?

The very first one is that they are recognized as workers and are entitled to the minimum protections that all other categories of workers enjoy, at least legally. The Convention establishes the right of domestic workers to be informed, in a manner they could understand, of what the terms and conditions of their employment are: what is the work they need to carry out, how long they are expected to work, and how much, when and in what manner will they be paid. It also establishes limits to the proportion of remuneration that can be paid in kind, and provides for a weekly rest of at least 24 consecutive hours. The Convention also provides for special measures to address the vulnerability of particular groups of domestic workers: young domestic workers –

¹⁷ Read more : http://www.ilo.org/ilc/ILCSessions/100thSession/media-centre/articles/WCMS_158371/lang--en/index.htm

those above the minimum age of employment and below 18 years of age – live-in domestic workers, as well as migrant domestic workers. For live-in workers, it sets minimum requirements in terms of accommodation and privacy. It requires member States to set a minimum age of employment for admission to domestic work, and to adopt measures so that child domestic workers can finish compulsory schooling, if they have not been able to do so because they engaged in domestic work at a very young age, and to facilitate their further education and vocational training.

For migrant domestic workers the Convention requires that they be provided with a written job offer or contract of employment before crossing the boundaries to take up the new job in the country of employment. Member States are also requested to take measures geared towards affording progressively domestic workers with minimum protections in respect of social security, including maternity benefits, on par with other categories of workers. Another important provision relates to private employment agencies, which play a very important role in the domestic work labour market. The Convention requires states to have clear rules and procedures to prevent the type of fraudulent or abusive practices that unfortunately some unscrupulous private employment agencies have engaged in. The Convention recognizes the specific context in which domestic work takes place, namely the home, and strikes a balance between the right to workers' protection and the right to privacy of household members.

What is the impact on gender equality?

The impact is tremendous. The mere fact of stating unambiguously that domestic work is work is a very important step toward gender equality in the world of work, because domestic work mainly employs women. Everywhere in the world, regardless of the degree of socio-economic development, the vast majority of domestic workers are women: 90 to 92 per cent of the domestic work force comprises women and girls. The new instruments, by establishing the principle that domestic workers, like any other workers, are entitled to a minimum set of protections under the labour law, re-dress the historic undervaluation of domestic work. The mere fact of regulating this form of work is an acknowledgment of the crucial social and economic contribution of care work.

What are the next steps before the Convention comes into force?

There must be two ratifications. Before they can ratify, governments have to verify to what extent their current legislation and practices are in conformity with the obligations laid down in the Convention, and if this is not the case, to work to align them with the Convention. We have received encouraging signals from some member States that have expressed willingness to study very carefully the possibility of ratifying. Brazil, for instance, has indicated that it would like to be the first country to ratify this important Convention.

Will it have an impact on those that don't ratify it?

I definitely think the reply is yes. The impact of any ILO Convention goes beyond ratification. It becomes a framework of reference that can help member states lay the ground for ratification in cases where socio-economic conditions and realities might not be ripe for an immediate ratification. The impact also will be significant because the standard-setting process has been followed very closely beyond the ILO constituency. There has been a very strong mobilization from human rights activists, NGOs, domestic workers associations and women activists, so this instrument will be a very lively document that will lend legitimacy to the vindication of domestic workers.

How much work has the ILO put into bringing about this Convention?

It was the ILO that embarked on this standard-setting project. There had been a lot of research in order to get a more accurate picture of the numbers and profiles of domestic workers around the world, of the extent of legal protection they are afforded in different countries and of the type of legal protection that would help make a difference in their lives. ILO colleagues in the field have also played an important role in bringing this standard-setting process to the attention of the ILO's constituents and assisting them in contributing to it.

ILO concern about domestic workers dates back to the early 1930s. In the thirties there was recognition that domestic workers were a category of workers subject to considerable abuse, but there was the belief that this category of workers was doomed to disappear as a result of socio-economic progress and technological innovation; that vacuum cleaners, washing machines would replace them. History has proven this assumption wrong. Not only are there large numbers of domestic workers across the world, but they have been growing very significantly in the past decade.

Domestic Work conventions

Read about the Domestic work conventions

<http://www.respectnetworkeu.org/ilo-domestic-work-convention>

Editorial from Chinas Perspective The Changing World of Chinese Labour, by Jean-François Huchet, 2011¹⁸

The wave of strikes that hit Taiwanese and Japanese companies in Guangdong Province in June 2010 demonstrated to the world that Chinese workers are no longer the docile labour force of “the world’s workshop.” Braving the hostility of corporate management and the official Chinese trade union, they showed that they are now capable of organising themselves to demand salary increases and better working conditions. The fact that the strikes produced concrete results for the workers without massive repression on the part of the government has raised many fundamental questions concerning the way in which the realm of salaried employment is evolving in China. Certain questions, such as the rapid fall in the population aged 16 to 30 and its impact on the labour market, have already been the subject of analysis by demographers for several years. Others, such as the possible organisation of a workers’ movement at the national level and the potential implications of this for the political regime, have suddenly taken a new turn after thirty years of domination of capital over labour. As is sometimes the case, it is through news items that radical developments in society come to light. These events were the starting point of the present special feature. We have tried to analyse the influence of the June 2010 strikes and to discover whether they really reflect a major change in the relationships between Chinese employees and capital holders on the one hand, and the state on the other (even though the two overlap fairly often in China on account of the importance of public companies in the economy). As always, China Perspectives has called upon specialists from a variety of different disciplines to respond to this crucial yet complex question.

The answers put forward by the authors are ultimately fairly cautious and some even contradict the idea of a significant radical development in the relationships between the salaried workforce and management on the one hand, and the state on the other. A notable exception, however, and not the least important, is demography. Michel Cartier, in his analysis of the evolution of the working population over the last thirty years, reveals the major, irreversible changes that demography is bringing about in the labour market, in particular with regard to the rural labour force aged under thirty on which a portion of the Chinese economic miracle rests. Although it is difficult to match up the different series of available statistics on the working population, China is about to pass the “Lewisian Turning Point” (named for the English development economist Arthur Lewis, who conceptualised this phenomenon) beyond which cheap labour is no longer available in sufficient quantity to meet the demands of production. No dramatic demographic development (massive immigration or increase in the birth rate) seems likely to reverse this silent evolution, which will necessarily have a profound impact on the labour market in the medium and long-term. To varying degrees and at different periods of time, all industrialised nations have experienced this process of demographic transition. The repercussions on the balance of power between capital and labour have always been considerable in the long-term, whether in post-war Japan and South Korea, England in the mid-nineteenth century, or the United States at the end of the nineteenth century. Nonetheless, this impact can take a certain time to make itself felt, and may be weaker or stronger depending on the political regime in question. Indeed, the great majority of authors in this feature emphasise that many obstacles remain to real change in this area. Although Jean-Philippe Béja underlines the importance of the June 2010 strikes on a political level, he indicates that they represent a tentative advance that will certainly go down in the history of the workers’ movement in China, but which is far from heralding the arrival of a real capacity on the part of the salaried workforce to organise itself at national level for the

¹⁸ Found in <http://www.cefc.com.hk/uf/file/download/edito.pdf>
<http://www.cefc.com.hk/perspectives.php?cat=1>

defence and progress of economic and social rights. The same is true of Pun Ngai's analysis. Her study of the production relationship between big companies and migrant workers in the construction industry demonstrates the extent to which the situation of the latter remains precarious despite advances in labour laws.

The segmentation of production operations and the externalisation to subcontractors of construction phases perpetuates the precarious situation of migrant workers, who have to wait until the work is finished to be (badly) paid. This type of production relationship also means that migrants have no direct relationship with the big contractors who initiate property projects and who in any case do not feel responsible for the rights of migrant workers. The same analysis can be applied to other industrial and service sectors in China where subcontracting is the dominant mode of production. On another level, Chloé Froissart's analysis on the work of non-governmental organisations (NGOs) runs along the same lines. Although progress is noted in the work of Chinese NGOs with regard to information and the defence of employees' rights, the author also shows how the state manipulates them in order to limit the emergence of a real civil society and of an autonomous workers' rights defence movement. Similarly, William Hurst, in his analysis of developments in social security for employees, shows that despite unquestionable progress, the communist regime has preferred to maintain a highly decentralised form of governance that limits progress in employees' rights. In its construction of a social protection system, the Communist Party has sought to maintain social and political stability by advancing without democratic principles, reacting on an ad hoc basis to the needs of workers hit by the restructuring of the country's industrial fabric. In conclusion, this special feature takes a rather measured and prudent view of the influence of the June 2010 strikes. Without revealing more of its contents, the CEFC team hope you enjoy reading this new issue of China Perspectives.

Workers' Rights Group Accuses China Toy Factories of Labor Abuses, by JEAN-FRANÇOIS HUCHET, 2007¹⁹

A workers' rights group in the United States released a report on Tuesday detailing what it called brutal conditions and illegal practices in Chinese toy factories, many of which supply some of the world's biggest brand-name toy makers, including Walt Disney and Hasbro. China Labor Watch, which is based in New York, said that it had investigated eight Chinese factories over the last year and discovered widespread labor violations, including the hiring of under-age workers, mandatory overtime, unsafe working conditions and managers who engaged in verbal abuse and sexual harassment. In one instance, the group said, a toy factory in the impoverished Guangxi Province hired 1,000 junior high school students. Chinese law forbids employers to hire children under the age of 16. "Shortsighted policies drive corporations like Hasbro to turn a blind eye to safety — and to ignore the labor conditions in their supplier factories," the group said in its report. The report is being issued at a time of growing concern about the quality and safety of Chinese exports, and after a series of large toy recalls involving Chinese-made goods. The Chinese government, however, has insisted that most Chinese exports are safe and of good quality, and multinational corporations say they have stepped up the monitoring and auditing of Chinese factories. But some workers' rights groups say tainted and defective products are a result of a factory system that allows big corporations to outsource to contractors here who routinely violate Chinese labor laws and cheat workers to reduce costs and increase profits. China Labor Watch assigned part of the blame to multinational corporations that focus on keeping costs low. Hasbro said in a statement that it would conduct a thorough investigation into the issues raised in the report and would "act swiftly and decisively in making any necessary changes."

"Hasbro has an excellent record in the arena of product safety and, in light of the recent news from China, we have increased the intensity of our ongoing safety review efforts when it comes to any of our products manufactured both here and overseas," the statement said. Disney said in a statement that it and its affiliates take allegations of unfair labor practices seriously, investigate them thoroughly and take remedial action. "We have a firm commitment to the safety and well-being of workers, and fair and just labor standards," a

¹⁹ <http://chinaview.wordpress.com/category/social/employment/child-labour/>

spokeswoman, Alannah Goss, said in an e-mail statement, according to Reuters. The report by China Labor Watch is only the latest in a series of reports issued by nongovernmental organizations over the last few years detailing worker abuse in Chinese factories. Last June, a group of trade unions and nongovernmental organizations accused several Chinese companies that make merchandise for the 2008 Beijing Olympic Games of using under-age workers and forcing many to work overtime in unsafe conditions.

The Beijing Olympic organizing committee later revoked the license of at least one company that made Olympic merchandise, saying the company had hired some under-age workers and did not have employee contracts. Many other companies, including Apple and McDonald's, have also been the subject of reports by Chinese journalists and workers' rights groups here that accuse the companies of violating Chinese labor laws. The companies have denied violating the law and said that if they are alerted to violations, they will act. In response to China Labor Watch's report, the International Council of Toy Industries issued a statement Tuesday saying that it is working with factory management in countries like China to ensure workers are treated fairly. "Our objective is to alleviate working conditions like those described in the report in order to make sure that workers don't bear the brunt of poor factory management practices and keep their jobs," Alan Hassenfeld, a spokesman for the organization, said in the statement.

Many companies, particularly toy companies, have independent auditors who make unannounced visits to factories with contracts from the companies. But critics say auditors are sometimes fooled by factory managers, who are coached in how to deal with them.

- Original report from New York Times : [U.S. Group Accuses Chinese Toy Factories of Labor Abuses](#)

Read more about Wages in China: <http://www.clb.org.hk/en/node/100206>

8. Changes on the Chinese labour market –formalization and informalization

On road to a balanced society, By Li Peilin (China Daily), Updated 2011

China has to take measures to raise its social management to the level of its economic and political development. China has seen rapid economic development and political stability over the past three decades, but with them have come a variety of social contradictions. Compared to China's fast and profound economic and social changes, its social management system has been tardy, and that among other things, is the leading cause of the social problems. The profound changes that have taken place in China's long-established social structure call for suitable innovations in its social management system. The ever-deepening reform and opening-up, together with the continuous development of the socialist market economy, has accelerated China's development into a diversified society - in economic composition, organization and employment, and in the pattern of interests and income distribution. These changes have created huge challenges for the country's existing social management system.

The country has taken giant strides toward economic and social development. This has expedited its transformation from the previous class structure of workers, farmers, cadres and intellectuals to a more complicated one that comprises more classes and groups. To find the best way to handle and coordinate the interests of all classes and groups in today's changed and pluralistic society and form a vigorous and harmonious social order remains the top priority for the country's social managers. The high rate of urbanization has prompted an increasing number of farmers to move from rural to urban areas. This too poses a major challenge to the government, which has to decide whether such a big army of rural laborers can be

integrated into an alien urban neighborhood where they work and live. Despite its rapid economic development over the past three decades, China's Gini coefficient, which measures the wealth gap between the rich and the poor, has kept rising and the income gap between its urban and rural areas and among different regions and groups has been widening. The uneven income distribution is an important cause of public grievance. Under such circumstances, a key but thorny issue for the government is to find how it can change the income distribution pattern, reverse the widening income gap and set up a reasonable income distribution model to maintain social harmony and stability. The decades-long family planning policy in urban areas, along with a free flow of the population, has aggravated some social problems and poses a new challenge for China's slow-progressing social management system. The country's aging society complicates this problem further.

Market-oriented reform has greatly boosted China's economic development over the past three decades and substantially improved people's livelihood. But they have brought about some radical changes in people's behavioral code and values, too. Though the government has been protecting people's legitimate and justified pursuit of personal interests, it still does not have enough well-regulated rules and standards to supervise and manage such individual activities. The country has not made substantial progress in building an ethical and credibility system to adapt to the radical changes in people's belief and values. To build an innovative social management system, the country should expedite the setting up of a socialist core value system, update its concepts on social management and try to improve its ethical order, credibility system and standards of behaviors that are compatible with its new social management system. To build a better social management system, the government should try to improve its social management capability and efficiency. It should make more efforts to speed up selfcultivation of non-governmental organizations (NGOs), enhance their self-management capability and expand their scope of self-management. Given that NGOs have played only a minor role in the country's social management process, the government should create conditions that will give full play to NGOs such as self-managing community organizations, civil groups and industrial associations, and encourage them to participate extensively in social management. Building a good social management system is a huge project that needs heavy input of resources from the entire society. China is poised to use more resources to improve its social management. To facilitate this process, it should take more effective measures to promote more equitable distribution of national resources, and mobilize non-governmental resources and expedite the cultivation and development of national human resources on a large scale to improve social management.

Public money is the most important financial guarantee for a country's social management work. The government should allocate more funds to promote a balanced and reasonable distribution of the country's social management resources among different regions. It should take more measures to divert public resources to lower-level governments and increase the funds of grassroots governments to raise their ability to offer social management and services to people and shift their focus to social management and public services. Besides, the government has to take more effective measures to mobilize more NGOs to participate in social management work. Apart from measures to encourage more organizations, enterprises and nonprofit groups to contribute more resources, the government should also try to improve its charity system by perfecting taxation laws and charity rules.

An increased sense of social responsibility among enterprises and an extensive participation of NGOs will greatly boost the development and innovation of the country's social management system. Moreover, an army of professionals, specialists and volunteers should be cultivated to promote further development of the social management work.

Changes in the World's Workshop. The Demographic, Social, and Political Factors Behind China's Labor Movement, by Mary Gallagher (Department of Political Studies, University of Michigan, USA) and Kan Wang (China Institute of Industrial Relations, China)

Since the beginning of Chinese labour legislation and reformist labour regulation in the 1980s, Chinese industrial relations have relied on regulation and legalization of individual labour relations. Contractual labour relations between an individual worker and a firm are at the heart of current Chinese labour law and are the source of most labour disputes. Collective contracts and collective bargaining have been marginalized, though legislation in these areas has increased recently.

The state's focus on individual labour relations was not accidental, but rather was a strategy to limit collective mobilization of workers during a time of fundamental transformation of Chinese workers' lives, political status, and welfare entitlements. The focus on individual labour relations is reproduced at various levels of the dispute resolution process, from the workplace to arbitration and then, finally, at the courts. Labour disputes that begin as a collective action against an employer are often broken down and "individualized" by the state apparatus. The focus on the individual at this level tends to weaken the power of workers' legal mobilization.

In 2010, a large number of strikes in Chinese factories occurred and seemed to signal a new era in the Chinese labour movement. Collective mobilization of workers is increasing and workers are now more adept at linking individual grievances to broader, systemic problems. In this paper, we use interview data, case records, and focus group interviews with workers to piece together how individual workers with labour disputes are or are not mobilized to act collectively. We focus on several possible causal explanations for patterns of mobilization including individual worker characteristics, workplace institutions, and administrative/judicial institutions that affect the "collective mobilization" decision.

→ Read more: <http://www.imf.org/external/pubs/ft/wp/2003/wp03210.pdf>

→ Read more about Labor Rights Why China Matters: Labor Rights in the Era of Globalization

http://laborstrategies.blogs.com/global_labor_strategies/files/why_china_matters_gls_report.pdf

IV. More Links and Information

1)

Sandra Siebenhüter: „Integrationshemmnis Leiharbeit- Auswirkungen von Leiharbeit auf Menschen mit Migrationshintergrund“ Eine Studie der Otto Brenner Stiftung Frankfurt/Main 2011

<http://www.otto-brenner-stiftung.de/otto-brenner-stiftung/aktuelles/integrationshemmnis-leiharbeit-auswirkungen-von-leiharbeit-auf-menschen-mit-migrationshintergrund.html>

2)

Andrea Komlosy, Christof Parnreiter, Irene Stacher, Susan Zimmermann „Der informelle Sektor: Konzepte, Widersprüche und Debatten“

Quelle: *HSK 11: Ungeregelt und unterbezahlt. Der informelle Sektor in der Weltwirtschaft. Frankfurt am Main: Brandes und Apsel, Wien: Südwind 1997 (Historische Sozialkunde 11). Herausgegeben von Andrea Komlosy, Christof Parnreiter, Irene Stacher, Susan Zimmermann. S. 9 - 30.*

Found in: http://vgs.univie.ac.at/VGS_alt/HSK11ein.html

3)

Ram, Monder; Edwards, Paul & Jones, Trevor (2004): Informal Employment, small firms and the national minimum wage, URL: <http://www.lowpay.gov.uk/lowpay/research/pdf/t0NTAVZ4.pdf>

4)

Flodman Becker, Kristina (2004): The Informal Economy, URL: <http://rru.worldbank.org/Documents/PapersLinks/Sida.pdf>

5)

OECD (2011): Is Informal Normal?, URL: <http://www.oecd.org/dataoecd/39/52/42528124.pdf> (kostenpflichtig)

6)

Daza; Jose Luis (2005): Informal Economy, Undeclared Work and Labour Administration, URL: <http://www.ilo.org/public/english/dialogue/ifpdial/downloads/informal.pdf>

7)

Huitfeldt, Hendrik; Jütting, Johannes; u.a.(2009): Informality and Informal Employment, URL: <http://www.oecd.org/dataoecd/27/6/43280298.pdf>, S.97ff.

8)

ASIEN GARMENT Workers demand on Floor Floor wage. What began as an Asia-based process has now expanded to become an international alliance for Asia Floor Wage.

<http://www.asiafloorwage.org/asiafloorwage-aboutus.htm>

9)

Wages in China: <http://www.clb.org.hk/en/node/100206>

10)

Food Ethics Working fpr Food. Migrant Work in the food industry of UK

<http://www.foodethicscouncil.org/system/files/FoodEthicsSpring07.pdf>

11) Gewerkschaftliche Anlaufstelle für Migranten

http://www.ngg-rhein-main.de/w/files/region_rheinmain/veranstaltungen/2010/migra.pdf

12)

The role of NGOs in China General

<http://www.lsus.edu/Documents/Offices%20and%20Services/CommunityOutreach/JournalOfIdeology/NGOsInChinaarticle.pdf>

13)

undocumented Migrants in Europe a paper.

http://picum.org/picum.org/uploads/file /UM_workers_in_europe.pdf

14)

Migrant Forum in Asia: Mobilizing Migrant Community and Civil Society Voices for the Second Global Forum on Migration and Development (GFMD): The Migrant Forum in Asia Experience mobilizing migrant work

<http://www.mfasia.org/pga/resources/GFMD2008Report.pdf>

15) Atypische Beschäftigung auf Deutsch <http://library.fes.de/pdf-files/wiso/08526.pdf>

16)

Liebert „No Social Justice without Social Protection. What Can International Development Cooperation Do to Make the Social Protection Floor Initiative Work?“ <http://library.fes.de/pdf-files/iez/08519.pdf>

17)

Evans “**Moving from Precarious Employment to Decent Work**“ <http://www.gurn.info/en/discussion-papers/no13-dec09-moving-from-precarious-employment-to-decent-work>

18)

Liebig „The Labour Market Integration of Immigrants in Germany.

<http://www.oecd.org/dataoecd/28/5/38163889.pdf>