Two forms of labour movements in the transition towards collective labour relations in China – characteristics of current development and prospect

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Abstract

This article analyses the latest development and characteristics of labour relations in China from an angle of the interaction of labour relations and labour movement. It argues that the 2010 summer strike waves signals the beginning of the transition from individual labour relations towards collective labour relations in labour relations in China. In the process of this transition, two kinds of labour movements emerged and are influencing the development of labour relations. One is the government-led top-down union movement within the official system; the other is the spontaneous workers-led bottom-up labour movement. This paper aims to provide a critical analysis of the formation, characteristics, inter-relationships and trends of development of the two forces and two paths, as represented by these two forms of labour movements, in the transition of collective labour relations.

Key words: collective actions, labour movement, self-organising, strikes, trade unions
Introduction

Three decades have gone past since China began its economic system reform in the early 1980s. The promulgation of the Labour Contract Law in 2008 not only marks the establishment of a basic legal system for individual labour relations adjustment, but also provides the legal foundation for the adjustment of collective labour relations. The 2010 summer strike waves, led by the Nanhai Honda strike, indicates that labour relations in China has entered a new phase, marking the beginning of its transitioning from individual towards collectivist labour relations.¹ Here, the transition towards a collective labour relation refers to the fact that the system of individual labour relations and its adjustment is no longer sufficient to resolve labour conflicts and maintain the stability of labour relations. Instead, transition is needed towards a collectivist labour relations system and adjustment. In the process of this transition, two labour movements emerge and are affecting the development of labour relations. One is the government-led top-down union movement within the official system; the other is the spontaneous workers-led bottom-up labour movement. This paper aims to provide a critical analysis of the formation, characteristics, mutual relationships and trends of development of the two forces and two paths, as represented by these two forms of labour movements, in the transition of collective labour relations.

Revisiting collective labour relations and Chinese labour movement in transition

The change from the individual to the collective labour relations is an objective requirement of the labour relations adjustment under market economy conditions. But such a change cannot take place naturally. Rather, it is an ultimate result of gaming amongst the parties in labour relations. The main driving force for the transition towards collective labour relations comes mainly from the demand for self-protection rights from the workers. However, only when the government realises that collective labour relations will contribute to a more stable and sustainable economic and social development, that a more stable and efficient operations will enable employers to be compensated for the rising labour cost as a result of collective bargaining, will the government make the construction of collective labour relations the focus of its labour policy and ultimately establish the collective labour relations system and mechanisms.

Individual labour relations refers to the relationship between individual workers and employers. Collective labour relations refers to social relations formed between the workers as a group or party (usually represented by the trade unions) and employers or employers’ organisation in the process of negotiation of labour conditions, labour standards and other related labour affairs. Individual labour relations are a subordinate and unequal labour relationship. Collective labour relations are a redress of individual labour relations, because the former is a relationship of independent parties with relatively balanced power.  

Workers’ solidarity and organisation are the basic condition of the formation of collective labour relations. Direct involvement and participation of workers is a basic
requirement of the realisation of collective labour relations. And labour movement is the movement in which the workers participate to defend and advance their rights and interests. Therefore, if there is no labor movement, there will be no collective labour relations. Labour movement is the basis and internal driving force of the establishment of collective labour relations.

Until 2010, the basic structure and adjustment mode of the Chinese labour relations was in a state of individual labor relations. This is so because the workers have not really formed collective power. Despite the formal existence of trade unions, unions by and large fail to represent the workers effectively, and therefore did not form any effective labour solidarity. Fragmentation and unorganisation remains one of the basic characteristics of the workers as a party. And this situation is directly related to the decomposition and dilution (被分解被淡化) of labour movements in China.

Historically, the development of the Chinese Communist Party (CCP) has its foundation on the labour movement. Labour movement is the class foundation and social foundation of the CCP. Most of the early leaders of the CCP has led and participated in the workers’ movement. Especially after the establishment and leadership of the All-China Federations of Trade Unions (ACFTU), union movement led by the CCP has become an important part of the revolutionary struggle. It should be noted that political activities have been the main activities of the ACFTU from its birth. By contrast, it has rarely been involved in collective bargaining and economic strikes under the market economy.
After the CCP came into power in 1949, it promulgated the “Trade Union Law” in 1950, making the ACFTU as China's sole legal trade union. The Trade Union Law defined three functions of the union: to serve as the basis of the dictatorship of the proletariat; to act as a bridge and link between the CCP and the mass of workers; and to be the school for workers’ education. And, since then, the concept of “the workers’ movement” was gradually diluted and dissolved into “trade union’s work”. This is because the CCP does not need the ACFTU to organise workers to carry out social movements to maintain and fight for the workers' rights and interests. Instead, what the union needs to do is to fulfil its tasks of facilitating production, workers’ life and education in a top-down approach under the leadership of the CCP. Another motive for diluting and dissolving trade union movement is to prevent the trade union from detaching itself from, and becoming an opposition force to, the CCP through workers movement. Following the CCP's criticism of the then ACFTU chairman Li Lisan’s “unions independence” in 1950, and the criticism of the then ACFTU chairman Lai Ruoyu’s “syndicalism” in 1958, “labour movement” in China has become a historical concept, and only “trade union work” exists in reality. In 2003, the ACFTU sponsored Union Cadres’ School “China labour movement Institute” officially changed its name to “China Institute of Industrial Relations”. From here, “labour movement” as a historical concept is detached from the ACFTU.

3 Fan, J. X. (1999), Disagreements and controversy on trade union issues in the early days of the establishment of China, Trade union theory and practice, (6). (樊济贤: 《建国初期有关工会问题的分歧与争论》《工会理论与实践》1999 年第 6 期)
If mass workers were a “screw” in the state apparatus during the state planned economy period when the society is under the total control of the CCP-state and the workers’ work and wellbeing is fully addressed by the party-state arrangement, thus without the need for the formation of the labour movement, then, labour movement as a social movement for workers to fight for their rights and interests and emancipation becomes an inevitable objective historical phenomenon under the condition of market economy where the state, capital and labour have formed their own self-interests. This is because as a subordinate party in labor relations, workers’ solidarity is necessary in order for workers to form organised power to maintain and fight for their own interests. Only by doing so could workers present a more balanced power base vis-à-vis that of the capital.

China’s labour movement is reopened as a debate and gradually emerged as a social movement precisely as a result of the formation and development of its market economy. Reform and opening up has promoted China’s rapid economic development in which low labour cost is the most important condition. The significant economic development was achieved at the expense of the rights and interests of the workers: more than 30 million workers were laid off from the state-owned enterprises (SOEs), and 200 million rural migrant workers are struggling at the bottom of the society. These workers have made a great contribution to the Chinese economy, but have not received an equitable share of the fruit of economic development. It is because of the inequitable social redistribution and the lack of protection for workers’ rights that serve as the economic and social causes of workers’ protests and workers’ movement.
Starting from the mid-1980s following the reform and opening up, work stoppage and strikes have occurred regularly in China. In the SOEs, strikes occur as a result of workers’ interests being sacrificed; in the private enterprises, workers go on strike in protest of the violation of their labour rights and interests. Strike actions were sporadic, fragmented and lack of collective consciousness then. Strike behaviour was merely a direct reaction to the violation of workers' rights, but has not yet developed into consciousness, organisation, objectives, goals and action strategy for collective actions under the market economy. Strikes were also just isolated incidents of individual enterprises. They did not generate any effect/repercussions for regional and industrial collective actions.

However, since the 2000s, with the completion of the reform of SOEs and the labour market, workers’ market awareness and rights awareness is gradually taking shape. Mobilising strike as the main form of collective action began to have a focal development. A landmark event was the over two-month long strike staged by more than 20,000 workers in the Dalian Development Zone in September 2005. Workers’ demands were more or less met as a result of the strike workers’ persistence. In this regard, I commented at the time that Dalian strike was a landmark event, signaling the awaking of workers’ awareness of their collective rights and collective actions.

However, the strikes in four Taiwanese-owned shoe factories in Guangdong province that took place at the same time were ended in complete failure. In Stella

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1 Phoenix Weekly (2005), Chinese mainland should Adjust and improve labor policies ---- issues reflected from the strikes in Japanese-funded enterprises in Dalian, (34). (《大陆应调整完善劳工政策----大连日资企业罢工事件所反映出的问题》《凤凰周刊》(2005/34 期)).

In order to understand the situation of Dalian strikes, after the incident resolved, the author went to the strike venue to conduct research and listen to the views of all parties involving in the event after the dispute was resolved.
International Ltd., several thousand workers took part in a spontaneous strike because of their dissatisfaction of their employment terms and conditions. The strike went out of control due to the lack of organisation, leading to vandalism and riots, which destroyed production equipment and public property. As a result of workers’ drastic actions; nearly one thousand workers were dismissed, escaped or resigned, and nearly 100 workers were investigated by the police; and a few dozen of workers were arrested and detained by the police for “assembling a crowd to disturb social order crime” and “inciting trouble crime”; and ten workers were prosecuted on suspicion of “intentional destruction of property crime”.5 As Tang observed, in the riots, workers had no leader, no representatives, no organisation, and no specific demands. Nor did they receive any commitment. They formed like a mob and disbanded like a mob out of a spur of moment. It is a collective irrational vent.6 Although workers’ collective consciousness and collective action were germinated, they were relatively preliminary and naïve.

In sum, a close look at the history of reform and opening up since the late 1970s would show us that, with the formation of the labour market and the development of labour-capital conflicts, labour movement has re-emerged and acknowledged. Laid-off SOE workers or farmers of production brigades, after becoming hired labour in the market economy, had vague idea about their position, prospect and rights and obligations within this context. Ex-SOE workers who were thrown into the labour market were nostalgic about their identity under the state-planned economy regime. The once diluted and dissolved labour movement following the founding of the

socialist China reappeared on the ground. This labour movement at its sprouting stage is a rehearsal and prelude of a transition towards collective labour relations.

Strike waves in the summer of 2010 – the rise of a bottom-up labour movement and the beginning of a transition towards collective labour relations

In the summer of 2010, a series of spontaneous strikes took place in China, dubbed the ‘2010 summer strike wave’. This string of events marks the beginning of the Chinese labour movement under the market economy. It demonstrates the bottom-up organising power of the workers and becomes a direct driving force to push the transition towards collective labour relations. It will leave a significant legacy in the history of the development of Chinese labour relations and labour movement.

The 2010 strike wave started in the Suzhou Industrial Park. Five relatively large-scale strikes took place in this park, involving more than 10,000 workers. In February 2010, the strike centre shifted from the Yangzi River Delta area to the Pearl River Delta area in Guangdong province. In May 2010, the Nanhai Honda strike broke out, which attracted world attention due to intensive media coverage. It became the most symbolic event of 2010. A chain of strikes soon followed in more than 100 enterprises in nearby cities, including for example, Zhongshan, Foshan, Shenzhen, Huizhou and Zhuhai.\(^7\) In July 2010, the Dalian Development Zone became the center of strikes, which has led to the third strike wave in the Zone since its establishment. Over 70,000 workers took part in this wave of strikes and 73 enterprises were affected.

\(^7\) The chain of strikes mainly occurred in the Japanese-owned auto parts industry, including for example: Foshan Fengfu, Xiaolan Honda Lock, Tianjin Toyota, Guangzhou Porto Christie, Rizheng Spring, Denso Nansha, Foshan Ards Mitt (佛山丰富、小榄本田制锁、天津丰田、广州阿雷斯提、日正弹簧、南沙电装、佛山阿兹米特)
including 48 Japanese-owned enterprises. In addition, multiple strike actions broke out in Shanghai, Beijing, and Jiangsu, Shandong and other places. According to conservative estimation, some 200,000 workers participated in the 2010 strike wave.

Compared with the workers’ strikes that took place in the mid-1990s, the collective consciousness and capacity for collective action of the workers had a significantly improved. The Nanhai Honda strike is an example that demonstrated this improvement. After the strike started, more than a thousand workers, under the leadership of the representatives elected by the workers, restricted themselves in the workplace. They collectively stopped work but protected the production equipment and other factory properties. They won the understanding and support of the public and negotiated with the management in a reasonable manner with evidence. The strike was a success with the workers being awarded a 34% pay rise. During this strike, workers overcame any anarchical and irrational behaviour, which is typical of spontaneous strikes, in their organising awareness, resistance strategy, internal solidarity and public communication. The Nanhai Honda strike became a flag for other enterprises to model.

Despite the fact that this strike wave involved many enterprises and many regions, both

\[\text{1}^{\text{a}}\] These include: Mabuchi Motor, Yiguang Towel, Nidec, Mattel, Andean Great Precision, Harada, Ryobi, Alice, Toshiba Colour TV, Toshiba Dalian, Maurice Fox, Toto, Canon, YKK, Mitsui Sen, Float Glass, Yamatake Instruments, Fuji Plastic, Zuishang Century, Asahi Keiki, Mitsukoshi, Forrest, Hayakawa, Nakamura Precision, North Electronics, Tongshital Materials, Ryobi and Takachiho (万宝至马达、一广毛巾、日本电产、美泰、斯大精密、原田、利优比、爱丽丝、东芝彩电、东芝大连、莫里克斯、东陶、佳能、YKK、三井森、富法玻璃、山武仪表、富士塑料、最上世纪、旭计器、三越、福雷斯、早川、中村精密、城北电子、通世泰建材，利优比和高千穗等企业).

\[\text{9}^{\text{a}}\] (For 2010 strike data, see Lu, J. (2015) Labour consciousness in collective actions and its molding mechanism, unpublished PhD thesis, Renmin University, China. (关于 2010 年罢工数据参阅路军: 《集体抗争中的劳工意识及其形成机制研究》, (博士论文)).

\[\text{10}^{\text{a}}\] The author and his research project team carried out fieldwork in the summer of 2010 and in 2011 and 2012 in Guangdong, Zhejiang, Jiangsu, Shanghai, Liaoning, Tianjin, Henan, Shandong and other provinces and cities where strikes occurred. We visited more than 30 companies, and interviewed labour officials, business managers, trade unions, and striking workers. We also interviewed officials in the Ministry of Human Resources and Social Security.

\[\text{11}^{\text{a}}\] Chang, K. (2010), Nanhai Honda Scene Kara Su Suites の Report, China Study reports (Japan), August. (常 凱: 《南海本田スト现场からの報告》, 《中国研究报告》 (日本)2010 年 8 月号).
labour and capital were able to state rational and resolved their disputes through consultation and negotiation.

The 2010 strike wave demonstrates, for the first time in China, the influence of labour movement on the labour market. Evidence of the power of this influence is a 20-30% wage rise across the striking enterprises – such a large increase was unprecedented. In addition, some enterprises that did not have strike voluntarily increase their wages in order to prevent or pre-empt strikes. This strike wave also led to the increase of wage standard of some enterprises and industries and affected the labour market price index: In 2011, 24 provinces adjusted their minimum wage standards, leading to an average increase of 22%. It was the highest growth rate over the past years.12 The collective bargaining power of the workers is thus demonstrated in the most symbolic index of labour price – increase in the minimum wage.

The primary function of labour movement stemmed from the demands for economic interests in the market economy is to impact the labour market price. And the ability to affect the labor market is directly related to the nature and demands of the labour movement. One of the most prominent features of the 2010 strikes is that the workers’ demands have shifted from the rights disputes towards interests disputes.13

In previous collective labour disputes, rights disputes were more related to the violation

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13 A rights dispute refers to the dispute between the parties concerning whether or not the legal rights or rights defined in the collective agreement or employment contract have been violated or not fulfilled by the parties. An interests dispute refers to the dispute between the parties concerning whether or not the labour conditions that constitute the future mutual rights and obligations of the parties should remain unchanged or be adjusted. Rights disputes can be individual disputes or collective disputes. But interests disputes often take the form of collective disputes. See “British Labour Relations Act Implementation Rules” (1972): Article No. 126, “Selected Foreign Labour Laws and Regulations”, the ACFTU (ed.), 1997, Volume 1, internal edition, p. 73.
of workers’ rights. In this strike wave, although some of the disputes involved rights disputes, the bulk of the disputes hinged on interests, that workers demanded wage rise, improvement of working conditions and fairer treatment. In general, rights disputes may take place on an individual basis or collective basis. But the improvement of interest can only be achieved by forming the collective power by the workers and then engaging in collective negotiation and action. The growth of interests disputes indicates that that the Chinese workers began to acquire the ability of self-organising and collective action. The 2010 strike wave also shows the most important nature of labour movement in marketisation. And the development of the labour movement characterised by interests disputes is an important symbol of the operation of collective labour relations.

The shift from rights disputes to interests disputes in workers’ collective actions is directly linked to their growing labour consciousness in the context of marketisation. Labour consciousness in the market economy refers to the awareness of the collective group of workers of their own positions as hired labour in particular form of labour and labour process. Labour consciousness of the Chinese workers is gradually formed in the process of marketisation. The self-identification of hired labour’s social identity is the prerequisite for the generation of labour consciousness. The promulgation of the Labour Contract Law (2008) legally recognises the changed identity of urban workers from the state-owned regime to hired labour. It also confirmed the change of rural

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workers (农村工人) from rural labour (农民工) to hired labour (雇佣劳动者). Labour starts to find their ‘self’ in the market economy, that is, I am a ‘hired worker’ hired by the boss.

The substantive structural layers of labour consciousness in the labour movement may include: legal awareness, rights awareness, solidarity awareness, action awareness and so forth. These contents may be deepened and enhanced gradually as labour consciousness continues to improve. Amongst these, collective consciousness is the core content of labour consciousness under the market economy. The awakening of labour’s collective consciousness is the innate power that initiates labour movement. The development of labour relations and labour conflicts, the experience and lessons from workers struggles in various parts of the country, the promotion and implementation of the Labour Contract Law and other labour regulations have significantly enhanced the workers’ self-consciousness. They began to realise their identity and position in the social relationship, particularly labour relations. The “Masters consciousness” of state-planned economy has been replaced by the “labour consciousness” of the market economy. They follow the rule of the market economy to defend and fight for their rights and interest through self-solidarity and action.

In sum, the transition towards collective labour relations in China is initiated by the force of workers’ collective actions. The occurrence and consequence of the 2010 strike wave is a direct result of the development of its labour relations and labour

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15 The “Labour Contract Law” does not differentiate SOE workers and rural migrant workers, and label them as “workers”. This signals that there is no longer any difference in the legal status between the urban workers and rural workers, in that they are all workers in the labour (employment) relationship.

16 The author has interviewed dozens of workers in the striking enterprises. On the issue of work-related personal identity, all the workers in non-state-owned enterprises perceive themselves as workers (打工仔). Only one or two workers in the SOEs believed that they still enjoyed the status as the “Master” of the enterprise.
movement. Its significance lies not only in the demonstration of the enormous bottom-up organising power of the Chinese labour, but also in showing that this power has a unique function in balancing labour relations and regulating the labour market. Finally, this power substantiates the content of collective labour relations in transition.

**Top-down: the Chinese trade union and the construction of collective labour relations**

Workers’ collective actions constitute labour movement. It is the impetus for the transition to collective labour relations. However, the construction and adjustment of collective labour relations is premised on the recognition of these changes by the IR institutions and having them institutionalised. While workers are spontaneously pushing for collective labour relations, the construction of collective labour relations led by the CCP-government is also taking place. Different from the bottom-up labour movement self-organised by labour, this is a top-down administration and the construction process.

Based on its own experience and international experience, the Chinese government is well aware of the necessity of construction and adjustment of collectivised labour relations. The key issue is how to achieve the collectivised labour relations in China. In addition, how to deal with workers’ collective actions that is inevitable in the process of developing collective labour relations is a rather sensitive issue. Since the economic reform that started in the late 1970s, the CCP-government’s
labour policy has been mainly adopted in a top-down approach, using administrative power to build collective labour relations. At the same time, it tries hard to prevent workers’ collective actions, disperse and dissolve workers’ spontaneous power. It is a so-called “CCP-government led power governance” thinking. In this thinking, the government mobilises its public authority resources to exert influence over labour relations. Its main intention is to make labour relations fit with the government’s short, medium and long-term goals of political security, economic development and social stability. The main executor of this policy is the trade union within the official system. In other words, the trade union is the other force in the transition towards collective labour relations.

Scholars have different views regarding the nature and identity of the Chinese trade unions in labour relations. One view is that the official trade unions and their movement is no more than an administrative power and administrative action. It cannot be recognised as a “trade union”. I believe that the Chinese official union movement has legal basis and social foundation. It is the official representative of China in the international union movement. This “trade union with Chinese characteristics” is a kind of unique trade union and union movement in the post state-planned economy. The ACFTU operates in accordance to the CCP-government thinking and its own characteristics.

17 Li, Q. and Duan, Y. (unpublished manuscript), Challenges and Strategies of collective labour relations faced in harmonious operation - based action-oriented analysis of collective labour disputes. (李琪 段毅: 《我国集体劳动关系和谐运行面临的挑战与对策——基于行动型集体劳动争议的分析》(未刊)).
First, on the understanding of the nature and characteristics of China’s labour relations, the ACFTU believes that labour relations in China are different from that in the Western countries. For example, in its statements, the ACFTU maintains that “no change has been made to the status of the working class and all workers are masters of the country and society; and no change has been made to the socialist nature of labour relations”. Labour-capital conflicts in the current stage are “conflicts of deriving from differences in substantive interests based on the broad alignment of fundamental interest. These kinds of conflicts of substantive interests are “internal conflicts amongst people”.

Based on this understanding, the enterprise union principle designed by the union is a working principle of “promoting enterprise development and safeguarding workers’ rights and interests’, despite the fact that the “Trade Union Law” stipulates that “safeguarding workers’ legitimate rights and interests is the fundamental duty of the union”. This prioritises the enterprise’s interest before that of the workers.

During the 16th Representative Congress of the ACFTU in 2013, the theme of its working report is: unite and mobilise millions of workers to fulfil the China dream.

On the road and direction of the Chinese trade union movement, the ACFTU proposed in 2005 the “socialist union development road with Chinese characteristics”. Its content covers the guiding ideology, political guarantee, the fundamental task, functions, organisational structure, foreign relations, internal driving force and so on.

19 Workers Daily (2015), Developing theoretical innovation in promoting harmonious labour relations with Chinese characteristics, 21st April. (《推进中国特色和諧劳动关系的理论创新》, 《工人日报》2015-04-21).
There are eight “adherences” (坚持): “adherence to the leadership of the Party; adherence to the socialist nature of the trade unions; adherence to the development of the advanced nature of the working class; adherence to harmonious labor relations; adherence to safeguarding the legitimate rights and interests of workers; adherence to improving the socialist legal system work; adherence to promoting the formation of a new order in the international labour movement; adherence to the spirit of reform and innovation to strengthen trade unions' own construction”. These eight principles are essentially a political statement that expresses the ACFTU’s political loyalty to the CCP. As for the identity and duty of the union under the market economy, this has been left deliberately vague or silent. This excessive politicalisation of the unions and even treating them as a political organisation not only lacks legal basis, but also deviates from the unions’ nature of duties as prescribed by the law. It increases the distance between the unions and the mass workers and negatively affect the unions’ legislated functions.

Adherence to building harmonious labour relation has only one component of the unions in its pursuit of a union with Chinese characteristics. The involvement of the Chinese trade unions in labour relations is only to carry out specific work under the principle of “CCP-government led power governance”. These tasks include: establishing “Workers’ Home” (职工之家); promoting enterprise democratic management; developing transparency of factory affairs, delivering “warmth” (welfare

21 Workers Daily (2013), The basic connotation of the path of developing socialist trade unions with Chinese characteristics, 6th October.《中国特色社会主义工会发展道路的基本内涵》《工人日报》2013-10-06
22 The author participated in the discussion during the drafting of “The Trade Union Law” (1992). In the initial draft on the nature of the Chinese trade unions, there was the statement: “union is an important social and political organisation”. This statement caused controversy. After repeated deliberation, the CCP Central Committee decided to delete this statement.
and care); participating in the drafting of labour legislation; effecting legal aids;
promoting the tripartite consultation mechanism; organising to safeguard rights in a
lawful manner, establishing grassroots unions, and promoting collective consultation
and so forth. It should be said that these union activities have a positive role in
regulating labour relations. It also represents and safeguards workers’ rights and
interests to a certain extent. The ACFTU treats the construction of collective labour
relations as its most important work after 2010, with the promotion of “two universals”
(两个普遍) as its specific measures.

The “two universals” are: “to promote the establishment of enterprise union
organisations universally in a lawful manner; and to promote enterprise collective wage
negotiation universally”. It requires that at least 90% of the registered enterprises in the
country should set up a union within three years and that at least 80% of those
enterprises that have set up a union to establish a wage collective negotiation system.23
Through the efforts of local trade unions, as of the end of June 2013, there were 280
million trade union members, 2.75 million grassroots union organisations, covering
6.38 million enterprise units and a union membership rate of 81.1% in these unionised
units.24 “By the end of 2013, a total of 2.42 million collective contracts were signed in
the whole country, covering 6.33 million enterprises and 287 million workers. The
three-year planned goals were thus smoothly accomplished”.25 An important indicator

23 Wang Z. G. (2010), Speech in the 4th meeting in the 15th ACFTU Executive Committee Session, Chinese Labour
movement, (8). (王兆国《在全总十五届四次执委会议上的讲话》《中国工运》, 2010年第 8 期)。
24 Xinhua Net (2013), Chinese trade union membership reached 280 million in total, Xinhua Net, 2013-10/11
25 People’s Daily (2014), Collective contract signing in the whole country reached 2.42 million copies, covering
287 million workers, 14th October. (《全国签订集体合同 242 万份覆盖职工 2.87 亿人》，《人民日报》2014 年
10 月 15 日).
of the formation of collective labour relations is the unionisation rate and collective contract signing rate. The ACFTU has made a positive impact in its work in building a collective labour relations framework; expanding the social impact of the unions; enhancing the awareness of labour relations amongst workers and enterprises; and defending the rights and interests of the workers.

However, this CCP-government led administrative method of promoting the establishment of grassroots union and collective consultation carries with it a serious problem of pursuing formality and quantity. The main problem in establishing the enterprise union organisation is that the task of achieving unionisation rate is handed over to the enterprise bosses. Many new trade unions are “listing unions” or “shell unions” with no substance. What is more important is that some of the new unions are controlled by the employer and became the “boss unions” (老板工会). On the signing of collective contracts, due to the high level of attention and involvement of the CCP-government, and the inclusion of the contract signing rate as part of its performance evaluation, there has been a rapid increase in the number of collective contracts signed, with broadening coverage. However, the collective contract signing suffers from a common problem of focusing on formality, quantity and political performance, with little attention to contractual content, quality, and real achievement.

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26 About this, Deng Weilong, the Union Chairman of Guangdong province clearly pointed out: “In the eyes of the workers, many enterprise unions are just attached agencies of the boss. They usually carry out activities such as supporting workers in hardship, hosting contests, and motivating employees so that they will create more value for the boss. But when labour-capital conflicts intensify, the unions will represent the interests of the boss” (see the Chairman of the Trade Union in Guangdong province: enterprise union chairman are mostly not democratically elected, Yangcheng Evening News, July 3, 2010, version A02 (见《广东省总工会主席：企业工会主席多不是民主选举》、《羊城晚报》2010 年 7 月 3 日, 第 A02 版).

The biggest problem of these kinds of union organisation establishment and collective contract signing as a formality and number game is that these union activities are not stemmed from workers’ requests and have little involvement from the workers. Therefore, although the three-year goals have been achieved, the new unions have not managed to organise the workers. Nor have the signed collective contracts played any role in regulating labour relations. More importantly, not only are the “boss-nisation” (老板化) and “formalisation” (形式化) of the enterprise unions not able to unite the workers to play a coordinating role in labour relations; but also the involvement of “boss unions” damages workers’ solidarity right, exacerbating the power imbalance in labour relations. As a result, instead of eliminate and substitute workers’ self-organising collective actions, these new enterprise unions have expanded the difference and distance between the union and the workers, further provoking workers’ self-organising determination and actions.

Conflict and cooperation: the interaction and gaming of two labour forces

The summer 2010 strike wave is not only a landmark for the beginning of the transition of collectivised labour relations, but also the emerging manifestation of two forces and two paths of the Chinese labour movement.

The relationship problem between the unions and workers’ spontaneous forces involves the interrelationship issue between the two labour forces and the labour movement at a deeper level. The two “labour forces” (劳工力量) refer to the union force within the official system that is represented by the ACFTU, and the labour
movement formed spontaneously by the workers outside the official system. The former carries out union activities in a top-down approach and in an administrative mode. The latter is a bottom-up force existed mainly in the form of spontaneous strikes as collective actions to defend and advance workers’ rights and interests. The emergence of these two separated labour forces and distinct paths of labour movement is mainly caused by the separation of labour as a main institutional actor (劳方主体的分离). In the legal sense, labour as an institutional actor is composed of the union and the workers. That is, workers are the “body of will” (意志主体) of the labour side, and the union is the “body of form” (形式主体). However, in reality, due to the growing phenomenon of the “administrativisation of the local unions (led by the local government)” (地方工会行政化) and the “boss-nisation of the enterprise” (企业工会老板化), the detachment between union and labour is becoming more and more serious. If trade unions within the official system are unable to effectively represent and safeguard the rights and interests of workers, then workers will naturally choose the path of self-help, thus resulting in the formation of “two labour forces and two labour movements” as a unique Chinese phenomenon.

In the process of the transition towards collective labour relations, the advancement mode of the two paths shows the interactive effects and impacts of the two forces and movements. The CCP-government led trade union movement has its legal basis and the practical needs. Its existence and activities are an institutional set up in order to balance the labour-capital power and to safeguard workers’ rights and

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interests. Although the administrativisation and bureaucratisation of its nature and activities of serious affect its role, the existence of the union is in itself a balance the pressure to the capital. Moreover, the ACFTU, because of its political status, has played a highly active role in labour legislation and policy making. This power is currently indispensable and irreplaceable in China.

The spontaneous power of labour is an implicit force inherent in the society. Strikes are just the manifestation of workers’ power. However, since this part of the force lacks the stability derived from legal support as well as organisational form, it is not sustainable or solidified. Currently, this force is dispersed as soon as the strike or other temporary organising for rights defense is over. Nevertheless, the occurrence of the large number of strikes will become “the military academy for workers, in which they will be trained and be ready to be involved in this inevitable great struggle”, as Engels said.\(^2^9\) For the numerous collective actions in recent years, their significance rests in not only defending the workers’ rights and interests, but also training up many leaders and backbones of labour movement.\(^3^0\) In line with the early stage in the history of the Chinese market economy development, the development of the labour movement and the self-development of workers will also repeat the historic path of their predecessors.


\(^{3^0}\) What is worth noting is that some of the striking workers have realised how to actively promote the dissemination and exchange of labour action consciousness and experience. Engels’ analysis about the strike functions cited in this paper was first discovered by the author in a Honda strikers’ communication in their QQ group. After the Li De Shoe Factory strike, the striking workers self-organised a “Li De workers’ Speech Team” (“利得工人宣讲团”) to disseminate strike ideology and experience to their workmates. Till now, this team has carried out five speeches in Guangzhou and Shenzhen, with 20 to 50 workmates participating in each time. In June 2015, the author interviewed members of the Speech Team.
The mutual influence and effect of the two labour forces first exhibits itself in the struggle with the capital. Safeguarding and fighting for the workers’ rights and interests should be the common goal of struggle for both the workers and the union. They therefore have shared interests and are interdependent. This is demonstrated in the platform built by the trade union for collective consultation and negotiation and its social impact. This platform provides a systemic guarantee for workers to engage in wage negotiation. The union gets involved in resolving the strike as the workers’ representative, as stipulated in the law, after the strike takes place. This is in itself a support to the striking workers. Workers’ spontaneous strikes provide a social mass foundation for the union to carry out its work on the one hand, and accentuate the necessity of the existence of the union on the other. Some successful cases of strike resolutions shows that, in the current system, if the two forces are handled properly, they can support each other and cooperate.  

In the summer 2010 strike wave, some local unions, such as the Dalian Development Zone Federation of trade Unions and the Guangzhou Municipal Federation of Trade Unions, were able to stand on the side of the workers to resolve the disputes and won workers’ support. However, the vast majority of the enterprise unions were abandoned by the workers in the strike. Some unions even helped the boss to suppress the workers and became the object of workers’ condemnation and object to be

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31 In the successful work stoppage cases in Guangzhou and Dalian in 2010, many union officials believe that it is the workers’ collective actions that raised the status and impact of the trade union. Workers have is the foundational force in supporting the union. The workers also confirmed that owing to the active involvement of the union and workers’ representatives, this mass action ended with a good outcome.
guarded against. This situation has an enormous impact on official unions, and the impact and pressure experienced by the ACFTU, which is supposed to “organise and lead the worker mass”, is self-evident. Nevertheless, the pressure exerted on the official unions is also a driving force for them to improve. In July 2010, the ACFTU proposed that the focus of union work be placed on the “two universals” in regulating labour relations. This proposal is a response to the impact and pressure deriving from the 2010 strike wave that had already gone on for six months.

However, a pre-condition for the mutual support and cooperation of the two forces is the recognition of the justification and legitimacy of each other. The justification and legitimacy of the unions are unquestionable in spite of workers’ questioning of their validity. However, views differ significantly as to the justification and legitimacy of the existence of spontaneous workers’ force and their activities. The workers believe that because the unions are unable to protect their rights and interests effectively, it is up to the workers to self-salve and be justified. My research project team has conducted dozens of striking workers. One of the workers gave a representative statement: “Now the union does not represent us, they need to be responsible for the leadership. They are in the same camp as the company. We workers

32 On 31st May 2010, ‘over 100 personnel in yellow hats who wore the “Lion Hill Trade Union” work identity cards came up and surrounded the workers. Physical confrontation occurred between the two parties. Three workers were injured, with blood flowing down their face. The wounded included two males and one female. After the physical conflict, many workers declared “definitely not returning to work today”, with stronger strike determination (see “The Lion Hill Township Federation of Trade Unions in Nanhai District assaulted Honda employees which caused physical confrontation” (“南海狮山镇总工会人员殴本田员工发生肢体冲突”), http://bbs.tiexue.net/bbs68-0-1.html). In the afternoon of 1st June, The Lion Hill Town Federation of Trade Unions issued a public apology letter to Honda workers, the letter was put up in every department of Nanhai Honda plant. They also comforted the employees who had been assaulted (see “A Public Letter of Nanhai District Federation of Trade Unions, Lion Hill Township Federation of Trade Unions to Honda Employees” (“南海区总工会、的狮山镇总工会致本田员工公开信”), (http://business.sohu.com/20100603/n272552380.shtml).
can only use our own power to maintain our own interests”.33 From the legitimacy point of view, workers’ collective action, including work stoppage, does not violate the law. “Everything which is not prohibited is allowed”. Therefore, workers can use strike to defend their rights.34

But for the workers’ strike action, the ACFTU publicly expressed that it “does not approve”. The Secretary General of the ACFTU Li Binsheng said, “We are not in favour of the saying that strike is the last resort to labour dispute resolution. After all, using aggressive means to resolve conflicts in labour relations is not suitable to China’s national conditions. Nor is it in line with the nature of labour relations at the present stage and fundamental interests of the masses of workers”.35 As for the spontaneous labour movement, the ACFTU is taking a more vigilant and exclusionist attitude. The ACFTU vice-chairman and Party Secretary Li Yubin declared: “Labour relations conflicts have entered a period of high confrontation and frequent occurrence. Collective work stoppages and mass events occur regularly. The penetration of foreign hostile forces has increased. They attempt to use labour relations as a breakthrough point. By organising illegal “rights defending” organisations, these “rights defending” personnel are competing with the union for the workers, and undermine the solidarity

33 The Research Project Team: Interview Notes in Nanhai District of Foshan city, Guangdong province, 23rd April 2011.

34 To a certain extent, the local governments tacitly acknowledge the legitimacy of spontaneous strikes. This is the premise of the local governments when dealing with the strike time (see Chang K. (2010), A Legal Analysis of the Legitimacy of Strikes – A Case Study of Nanhai Honda Strike, Strategy and Management, 8. (常凯：《关于罢工合法性的法律分析—以南海本田罢工为案例的研究》, 《战略与管理》2010年第8期).

35 Strong China Forum of People’s Daily Online (人民网强国论坛)(2011), “Li Binsheng, the Secretary of the Secretariat of the ACFTU, talking about promoting harmonious labor relations” (“《全国总工会书记处书记李滨生谈促进和谐劳动关系》”, 10th March,
of the working class and the unity of trade union organizations”. This attitude of the ACFTU indicates that there remain significant differences between the trade unions within the official system and the spontaneous labour movement.

These differences derive from differences in political ideology as well as the need to maintain self-interest. On the political front, the ACFTU and its affiliated unions is the only legal union organisation. As a mass organisation founded and led by the CCP, accepting the party’s leadership is its most basic principle and characteristic. As the CCP’s mass work department, the most basic task of trade unions is to organise, unite and control the masses of workers to prevent workers from forming an additional force of social organisations. Workers’ self-organising and spontaneous actions are seen as some kind of threat to the union. Thus, preventing the emergence of “independent unions” or “second union” is the utmost important task for the ACFTU. And politicising the spontaneous labour movement is the cleverest choice of political strategy. From the interest status quo point of view, the current system defines the official union as the sole representative of labour. The emergence of self-organising labour movement breaks the monopoly of the ACFTU in the handling of labour relations affairs. It creates different voices and generates competition in labour movement. It is understandable that this situation makes stakeholders unhappy.

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36 “The Party secretary of the ACFTU: Foreign hostile forces competing with the trade unions for workers through rights protection” (“全总党组书记：境外敌对势力通过“维权”与工会争夺职工”), 28th February 2011 (see http://www.guancha.cn/society/2015_02_28_310576.shtml). The speech by Li Yubin, representing the ACFTU, caused wild reviews online. “From the first blog comment at 0:42 early this morning, commentary was already restricted by 17:00 this afternoon. A total 5,843 comments were submitted on line, and another 6,793 net users forwarded comments. Up to 99% of the netizens were critical of the ACFTU Secretary’s remarks. There were more than 16,000 thumb-up messages to the criticism messages”. 39 Li Yubin’s speech and online commentaries were effectively an online inspection and vote, clearly demonstrating the difference between the ACFTU and the workers.
Under the current political and legal framework, the co-existence of the two labour forces is a reality. A characteristic of the official union movement is that there is organisation but no mass. By contrast, for the labour movement outside the official system, there are masses but no organisation. At present, the goals and demands of the two labour forces are basically the same. That is to protect and improve workers’ status and terms and conditions through legal mechanism. What differ are the specific paths and methods, but it can be adjusted. If mutual support and complement can be achieved between the two forces, then this will be beneficial to the formation of unified collective labour power and the adjustment of collective labour relations. To achieve this goal, the key is that the ACFTU must fulfil their duties according to the law. It must overcome “the administrativisation” and "Boss-nisation" tendency and absorb the external force organisation into its system. However, judging from the present situation, the two forces not only diverge in their understanding and values, but also the face conflicts in interests. Meanwhile, the existing union system and the real-time political situation directly impact the relationship of the two. How to deal with this relationship is still a trial and experiment.

The development and prospect of two labour movements

Some of the local union leaders adopt an understanding and cooperative attitude towards workers’ collective actions and labour NGOs. For example, in Guangzhou, where workers’ self-organising force and labour NGOs are the most vigorous, the Municipal Federation of Trade Unions Chairman Chen Weiguang remarked: “the labour NGOs are undertaking activities to protect the interests of the rural migrant workers. They can work as a supplement to the union system and help union organisations to better connect with the masses”. The Guangzhou Municipal Federation of Trade Union also keeps in touch and has a certain degree of cooperation with the labour self-organising force (see Chen W. G. (2012), Worry and Thoughts – Reflections of Thirty Years of Trade Union Work, China Social Sciences Press, pp.72-82 and pp.103-106).
Since 2010, the two labour forces and labour movements have been developing further. The basic situation is that spontaneous labour movement has deepened and becoming more orderly; whereas the unions’ work within the official system has been experiencing adjustment.

The spontaneous labour movement is developing in the following ways.

First, the number of spontaneous collective action of workers continues to rise. Amongst the 2,831 incidents of workers’ collective actions during January 2011 and January 2015 collected from the Internet by the China Labour Bulletin database website, 185 incidents occurred in 2011, 382 in 2012, 656 in 2013 to 656, and 1,378 in 2014. This represents an increase of 106.5% 71.7% and 110.1% increase in each year. Especially since 2014, major collective labour disputes broke out frequently. For example, in March 2014, over 40,000 workers in Yu Yuan Shoe Factory in Panyu, Guangdong province went on strike to fight for their social security. During May and August 2014, workers in Wal-Mart Changde Store protested against the capital on ground of unfair dismissal of workers as a result of store closure. In addition, in May 2014, Ge Shi Bi Shoe Factory went on strike; in June, the Guangdong Foshan Souvenir General Factory went on strike; in August, sanitation workers in Guangzhou University City went on strike; in May 2015, over 10,000 workers from the China No.2 Heavy Machinery Group Corporation went on strike. All these strikes had national impact.

Workers’ self-organising and strategy capability has improved substantially. In particular, the Li De Shoe Factory workers strike was the most representative case. In

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August 2015, in order to recover the arrears of social security and pension funds from the company and to seek company relocation compensation, more than 2,700 workers started the strike. After the strike broke out, the workers’ Representative Congress was held, representatives for collective bargaining was elected by the workers, fund raising and management method was determined, a spokesperson was selected to liaise with the media, and a leader of the picketing team was elected. The strikers were confronted with a variety of obstruction and pressure. They united without retreating, they carried out three strikes (10 days), guarded the plant for five nights, and held six rounds of collective bargaining. The battle was finally won after eight months: employers paid the workers more than 120 million yuan in compensation and damage.\(^{39}\) The Li De case not only created an unprecedented, huge amount of compensation and damage in the Chinese labour disputes and bargaining history, more importantly, the use of worker representatives, strike fund, external liaison, workers picketing and so forth already show the basic elements and the basic ability of workers’ collective action in market economy.

In addition, workers’ organising awareness has greatly improved. They clearly requested the establishment of workers’ unions, and opposed the “boss union”. In the Nanhai Honda strike, workers only requested “restructuring the union”. In the last two years, there have been numerous cases where workers clearly denied the “yellow union” controlled by the boss and requested the higher level ACFTU to support workers to set up their own union. In April 2014, Guangzhou Sumida female workers

proposed to set up their own union in opposition to the boss union. This request failed vis-à-vis the opposition of the co-opted higher level union and the enterprise owner.\textsuperscript{40}

In May 2015, Wal-Mart workers complained to the Shenzhen Federation of Trade Unions, pointing out that Wal-Mart’s union president at the time and collective consultation representatives were all representatives of the employer in senior management positions, whom the workers did not elect or entrust. According to the law, these executives were not qualified to be the representatives of labour in negotiation. The workers requested that the “yellow union” be abolished and replaced by directly elected union.\textsuperscript{41} In the collective bargaining process, De Li workers through their representatives, proposed that “it is agreed by both the labour and capital that no third party agency or personnel would be invited to participate in the collective bargaining site the next morning”, thus rejecting the involvement of union in the collective bargaining. \textsuperscript{42} The union was completely marginalised in the De Li event.

Overall, spontaneous labour movement continues to develop, and workers’ organisation and strategy are becoming mature in the movement. However, due to the lack of clear legal protection of labour movement, workers’ organisations exist only

\textsuperscript{40} Wang J. S. (2014), Form being-in-itself to being-for-itself: A case study on Sumida Union Election in Panyu, Guangzhou, (王江松：《从自在到自为：广州番禺胜美达工会选举案例研究》), http://www.gdlaowei.com/a/opinion/jthot/201410/12973.html.

\textsuperscript{41} “Refuse the yellow puppet union! The employees of Wal-Mart Xinhua Store Rise Together!” (“拒绝黄色傀儡工会! 沃尔玛新化店员工雄起!”). In 2006, with the consultation between the ACFTU and the senior management of Wal-Mart, all 63 stores of Wal-Mart established a trade union within two months. As a benchmark model of the ACFTU’s grassroots union establishment, this case was claimed to be a great achievement for putting to an end of Wal-Mart’s no union recognition history of more than 40 years. Some workers believe “claiming that Wal-Mart has up the so-called union in all the stores in China is in fact no more than setting up a large number of yellow unions in Wal-Mart in China”, http://56fix001.blog.rednet.cn/thread-44236881-1-1.html.

\textsuperscript{42} See “Li De Workers Rights protection Bulletin 3” (利得工人维权简报之三). During author’s interview with the negotiating representatives in the Li De strike, the representatives stated clearly: “the reason why we propose not to invite a third party is because we don’t want the union to be involved in the negotiation, because we don’t trust them. Their involvement will make the issue more complex. The employer agreed to the proposal, because the third party also includes our negotiation adviser. But even without the adviser being present, we still have the ability to negotiate” (Interview notes of Li De Strike Case, 16\textsuperscript{th} June 2015, Guangzhou). http://wenku.baidu.com/link?url=8yXqzt5HLkpeBEs7j7bbsNHlWOCWn1j9f0xTbzsaf4bYODcX4n9DkMCBbr8cIpBLGqwsIBm9iyhu3rAQZu1cmNou9rZeEjiQ13-rN5RFVTTF_q
temporarily during the strike. Coupled with the need to “maintain stability” by the Chinese political situation, spontaneous labour movement not only is still relatively weak in its strength, but also survives in a difficult condition. Although the government has slightly loosened its criminal punishment of strike leaders, strikers and, in particular, core strikers and leaders, still face various risks in their career wise, politically and legally. Nevertheless, the CCP Central Committee and the State Council issued a high level document – “Opinions from the State Council of China on Building Harmonious Labour Relations” (“中共中央国务院关于构建和谐劳动关系的意见”) (hereafter “Opinions”) on 21st March 2015. If effectively implemented, there may be improvement in the way strikes are dealt with as they are at the moment – strikes are treated as a “labour relations mass incidents” and dealt with by the government through the “Emergency Response Disposal Mechanism” (应急联动处置机制) with strong suppression. For the first time, the “Opinion” clearly differentiates ‘work stoppages” from ‘labour relations mass events”. It requests that “collective work stoppage events” be dealt with by applying the “tripartite mechanism of coordinating labour relations” (协调劳动关系三方机制) and that “labour relations mass events” be dealt with by applying “Emergency Response Disposal Mechanism”. 45 According to the “Opinions”, strikes are no longer seen as “labour relations mass events”. The nature

43 In May 2013, Wu Guijun, the negotiating representative of Shenzhen Diweixin (深圳迪威信) strike, was detained for “organising a mob to disturb traffic order”. He was announced free by the authority on 18th June 2014, and awarded a state compensation of 74,000 yuan. This case has important demonstrative significance in preventing punishing strikers and protecting the striker representatives.

44 The “Emergency Response Disposal Mechanism” (应急联动处置机制) is the mechanism that is used to deal with sudden events or mass events by gathering the relevant government departments to take joint actions. In dealing with “labour relations mass events”, party and government organisations participating in the resolution of the events include: Stability Maintenance Office (维稳办), the Bureau of Human Resource and Social Security, Public Security Bureau, National Security Bureau, Federation of Trade unions, and so forth.

45 See http://news.xinhuanet.com/politics/2015-04/08/c_1114906835.htm
of workers’ collective actions is regarded as “labour disputes” and not “stability maintaining events” (维稳事件). This classification has significant meaning to those local governments that used to handle workers’ collective actions by suppression in the name of “maintaining stability”.

The work and strategy adjustment of the ACFTU is primarily related to issues concerning how enterprise unions can represent the worker mass, and how to standardise collective contracts and make them valid.

The ACFTU declares: “The ACFTU will promote the direct election of grassroots unions proactively and steadily to gradually replace the traditional procedure of union members electing grassroots committee and committee electing chairperson”. In order to promote this task, the ACFTU drafted the “Enterprise Union chairperson Procedures” (“企业工会主席之选条例”). The Procedures provide specific regulation on the guiding ideology of direct election, basic procedure, criteria of the candidates and so forth.46 Prior to the issue of the “Procedures”, Shenzhen Trade Union already started to adopt direct election in 165 enterprise unions. Some scholars hold the view that workers’ actionism is the driving force of union reform. In order to prevent the emergence of radical workers’ movement, the union must self-reform to respond to this pressure”.47 The reason that Shenzhen could be the pioneer of union direct election is because of the “more and more radical actionism of the workers” and the

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46 “ACFTU: Grassroots union chairman direct election procedures being drafted” 《全国总工会: 基层工会主席直选条例正在起草中》 (2003-09-25 16:54:08)  
pressure brought about by the “prosperous development of labour NGOs”.

Trade unions desire to win the workers’ trust through direct election. At the same time, targeting at the issue of focusing on quantity instead of quality in the establishment of unions, the ACFTU proposed to raise the quality of union establishment by “stressing both quantity and quality, and developing scientifically” (“量质并重，科学发展”). Local trade unions also promote this task by organising various training courses that are aimed at raising the quality of union establishment. However, due to institutional constraints and parochial interests (利益格局), union direct election has not yet been really promoted in the country. While activities that are aimed at enhancing the quality of union establishment can promote activities from the newly established unions, they cannot alter the situation of employers controlling the enterprise unions.

Targeting at the existing problems in collective contract, in March 2014, the ACFTU put forward the “Opinions Regarding the Enhancement of the Quality of Collective Consultation and the Effect of Collective Contract” (“关于提升集体协商质量增强集体合同实效的意见”). In this document, the ACFTU admitted that:

There are still some prominent and pressing problems to be solved in collective consultations. For example, workers’ participation level is low in some collective consultations; the consultation process is a mere formality; and some collective contracts lack substantive contents and have limited effect. In order to address these issues effectively, really raise the quality of collective consultation, and increase the effect of collective contracts, the following opinions are put forward…

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The document provides specifications on the guiding ideology, goals and tasks, working principles and measures for raising the quality of collective consultation and increasing the effect of collective contracts. For the overall goals, the document mandates:

From 2014 onwards, within a five-year period, on the basis of maintaining an 80% collective consultation mechanism establishment rate, 90% of the workers covered by collective contracts should have developed an awareness of collective consultation, and there should be a steady increase in the workers’ overall satisfaction rate regarding the (union’s) work on collective consultation and collective contract signing.\(^\text{49}\)

It can be foreseen that if the five-year goal is to make 90% of the workers aware that there is a collective agreement, then it is not difficult to achieve this goal.

The ACFTU acknowledges the problems that exist in the establishment of grassroots union organisations and collective contracts and takes action to adjust and improve. This is a very positive step. However, it still adopts the administrative and superficial working style, and does not touch upon the real issues. To what extent can the ACFTU improve is perhaps still a question. As a deep-rooted problem of the ACFTU, being detached from the mass is not only a long-term disease of the society, but also attracting a high level of attention from the central government. In July 2014, the Central Government Deepening the Reform Leadership Group requested that the ACFTU and other mass organisations carry out reform, and clearly stated that the key

to reform is to “determinedly prevent and overcome ‘apparatusation, administrativisation, aristocratisation, and entertainmentisation’” (“坚决防止和克服‘机关化、行政化、贵族化、娱乐化’”).

It was the first time for a Central Government document to point out so sharply the existing “four isations” problem of the union and other mass organisations. The Central Government requested that the Shanghai Trade Union Reform Experiment Base to produce a plan within two months, indicating the urgency of the union reform in the view of the Central Government. If the Shanghai Union can produce a reform plan based on the union’s “organisational design, management mode, working style and union officer management”, then perhaps there may be improvement on the “four isations” problem. However, because union problems involve the system, one cannot be optimistic about this reform experiment.

Conclusions

The co-existence of two forces and two paths in the transition towards collectivised labour relations has occurred in the marketisation process in some post-socialist countries, such as Russia and Vietnam. However, because of the “one-party rule” and “one union” political system of China, this phenomenon will exhibit itself in a more complex manner. Under the market economy, the regulation of labour relations must be realised through collective labour relations. Workers must form collective

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30 (“Central Government Deepening Reform Office requesting Shanghai to carry out mass organisations reform trial sites, and come up with solutions within two months” (“中央深改办要求上海开展地方群团改革试点，2个月内拿出方案”), 31st July 2015, see http://m.thepaper.cn/newsDetail_forward_1359199?from=groupmessage&isappinstalled=0.

31 See Pringle, T. and Clarke, S. (2011), The challenge of Transition: Trade unions in Russia, China and Vietnam, Basingstoke: Palgrave Macmillan. The author was one of the research team members of the research project from which the book derived.
power and have formal labour organisations that truly represent their interests. This is an objective requirement for standardising and legitimising labour relations under the market economy. At present, China has yet to develop standardised and marketised labour organisations. The emergence of the two labour forces and labour movements in two paths is precisely a direct reflection of the status quo and development of this kind of workers’ organisation.

Judging from the development trend, this problem cannot be solved in the near future in China, but will become the most critical issue in regulating labour relations. As the workers’ solidarity awareness and action awareness continues to grow, the impact of this problem will become more prominent. The elimination of this problem requires the reform of the Chinese political system. But even within the framework of the current political system, the CCP as the lead party and its official union can still, via the adjustment of their policy and strategy, reduce the conflicts and tensions between the two forces, enable them to play a positive role and thus form a unity and support of labour power in order to make the regulation of labour relations more standardised. However, as it involves political and interests relationship, what direction will the two forces and two paths take and how they will evolve in the future remains to be seen.