Europe Solidaire Sans Frontières > English > Asia > China: Hong Kong SAR > **Hong Kong Dockworkers Strike Attracts Huge Solidarity - Report and interview**

Hong Kong Dockworkers Strike Attracts Huge Solidarity - Report and interview

Tuesday 13 February 2018, by <u>FRIEDMAN Ellen David</u>, <u>PHILION Stephen</u>, <u>WU Yong Loy</u> (Date first published: 5 May 2013).



Striking Hong Kong dockworkers and supporters march at the world's third-busiest port. The two-week old strike has bottlenecked cargo and gained enormous public sympathy. Photo: Left 21.

UPDATE, MAY 7: After 40 days, the dockworkers have ended their strike with a settlement including a 9.8 percent wage increase. More details and an interview with a strike leader reproduced below.

Five hundred dockworkers are facing down the richest man in Hong Kong (and, according to Forbes, eighth-richest in the world) in a strike that has entered its third week and brought transport in the world's third-busiest port to a virtual halt.

Li Ka-shing, the billionaire behind Hongkong International Terminals (HIT), controls more than 70 percent of Hong Kong's port container traffic and oversees a vast transnational network of enterprises including the oil and gas giant Husky.

Arrayed against this financial titan often referred to as "Superman" are dockworkers exhausted by 12-hours shifts lacking even toilet breaks, surviving in one of the world's most expensive cities on wages that haven't risen in 15 years, and now waging a labor battle that observers are calling pivotal.

The confrontation appears to have tapped a vein of indignation against the "greed economy" and its glaring inequalities, bringing the workers broad public support.

Strikes are rare in Hong Kong, and strikes that gain this much solidarity are unprecedented in recent memory. The dockworkers represent a new level of action among the fastest growing segment of workers: subcontracted, not yet unionized, hyper-exploited.

Fifteen days into the strike, union spokespeople say not more than 20 dockers have returned to work while 120,000 containers sit untouched, ships experience delays of up to 60 hours, and daily losses of half a million U.S. dollars mount.

On the other side of the fulcrum, thousands of Hong Kong citizens have rallied to "occupy" the Kwai Tsing Port, bringing vast quantities of food, water, and funds (\$800,000 so far) [1] to ease the strain on strikers.

Solidarity Sick-Out, Boycott

The dockers are holding firm in their demand for recognition of their newly formed Hong Kong Dockworkers Union, humane working hours, safety measures, and wage hikes of 15-20 percent. Under immense public pressure, Hong Kong's pro-business government has had to intervene to make management negotiate.

A court injunction initially limiting strikers' access to the docks was later amended, providing the right for 80 to picket at a time. But the sustained presence of hundreds of strikers and supporters camping out on surrounding streets has disrupted all normal flow of work, and a sympathy "sick-out" earlier in the week by port truck drivers reinforced the strike.

Meanwhile an activist student group, Left 21, has begun organizing a boycott of Li Kai-shing's megasupermarket chain Park and Shop, and the president of the International Federation of Transport Workers, the global organization of transport unions, traveled to Hong Kong for a solidarity event. The AFL-CIO's Solidarity Center is donating \$5,000.

While support floods in from students, other unionists, and citizens, buoying up the strikers, the solid commitment of the dockworkers themselves is driving this piece of history. The workers organized despite differences in craft and employer (at least four major contractors supply staffing to the Kwai Tsing Port), divisions between subcontracted workers and permanent port employees, lack of formal recognition of their union, and no precedent of collective bargaining.

The dockers have no illusions about the concentrated wealth and power of their ultimate boss Li Kashing, but they realize that they have in their hands something no one else controls: the ability to withhold their labor.

Repercussions on the Mainland

The colonial history of Hong Kong left little in the way of labor rights, and unions are rather weak, operating with limited legal rights to bargain or represent workers. Still, both of Hong Kong's two major union federations are playing roles in this strike.

The larger, the HKFTU, has ties to mainland China's official labor federation, the ACFTU, and is considered pro-business and politically conservative. In this strike its lack of legitimacy among workers was further weakened by revelations that one of its leaders holds a management position in Global Stevedoring Service, one of the contractors that employ dockworkers.

HKFTU tried to funnel management's offer of a 5 percent wage increase to a subgroup of workers, but was shamed and now seems to have retreated entirely.

The smaller federation, the HKCTU, is considered a pillar in the pro-democracy movement in Hong Kong, and has taken the lead in supporting the strike: raising funds, organizing logistics, doing PR and outreach, making demands on politicians.

The conflicts between the two Hong Kong labor federations point to implications of this strike for mainland China. Though total reintegration of Hong Kong into China is still 35 years in the future, the two economies are already thoroughly enmeshed. Because of the strike, some portion of Hong Kong ship traffic will almost certainly be re-routed to the southern mainland ports at Shenzhen or Guangzhou, where labor conditions are way below those in Hong Kong.

A strike of crane operators at the Shenzhen port several years ago was met with swift government intervention and rapid agreement to workers' demands, in an incident believed to show the government's determination to prevent a spread of worker militancy—not through repression but through accommodation.

Given that there are already tens of thousands of wildcat strikes annually on the mainland, rising on 30 years of wage repression and an absence of union representation, the potential for this spark of Hong Kong labor militancy to jump the straits and ignite a prairie fire on the mainland may be on the minds of China's leaders.

Ellen David Friedman

Interview: Hong Kong Dockers Claim Victory

May 07, 2013 / Ellen David Friedman (Strike Settlement) & Stephen Philion (Interview with Strike Leader Wu Yong Loy)



More than 500 dockworkers at the Port of Hong Kong ended their 40-day strike yesterday with a settlement that included a 9.8 percent wage increase. The strike, closely followed by mainland China labor activists and sympathizers, is a much-needed sign that resistance to global capital remains not only relevant but also possible. Photo: Left 21.

A 40-day strike of more than 500 dockworkers at the Port of Hong Kong ended yesterday with a settlement that included a 9.8 percent wage increase, non-retaliation against strikers, and a written agreement, all of which had been fiercely resisted by the four contractors targeted in the strike.

Strikers accepted the offer by a 90 percent vote.

The four contractors also agreed to work through the port manager Hong Kong International Terminal (HIT) to provide meal and toilet breaks, which had been lacking even for workers on 12- or 24-hour shifts. The union has started a campaign demanding the rehiring of 100 crane operators who were laid off when their contractor closed down during the strike.

Workers see HIT—owned by Li Ka-shing, one of the world's wealthiest capitalists—as the real power at play, as the interview below demonstrates.

Though members of the Union of Hong Kong Dock Workers (UHKDW) had been holding to their demand for a double-digit wage increase, they had growing concerns about contractors' use of scabs and the relative ease with which shippers could reroute from Hong Kong to the nearby mainland China port of Shenzhen. After the breakthrough accomplishment of forcing the contractors to negotiate, and clearly winning the battle of public opinion, strikers were ready to return to work.

The strike was notable in that dockworkers across multiple sub-contractors first self-organized, from the bottom up, before seeking affiliation for their union with the Hong Kong Confederation of Trade Unions (HKCTU).

The political environment in Hong Kong allows inter-union competition between HKCTU and the pro-Beijing Hong Kong Federation of Trade Unions (HKFTU). Workers have the chance to see the differences between the HKFTU's pro-corporate brand of unionism and the HKCTU's anti-corporate stand—but are also caught between the antagonistic interests. During the strike, HKFTU carried to workers the employers' low-ball wage-increase offer (5 percent). These negotiations exposed HKFTU's relative illegitimacy.

The support of students, particularly through the group Left 21, was critical to engaging Hong Kong society as a whole. More than HK\$8.5 million (US\$1,105,000) was raised for a strike support fund which stood at only HK\$30,000 (US\$3,900) at the outset. Financial contributions and solidarity resolutions came from the West Coast longshore union in the U.S. (ILWU), the International Federation of Transport Workers, and transport workers unions in Japan, Australia, and the Netherlands.

Solidarity actions such as informational pickets, slow-downs, or rallies didn't materialize, however—although in the U.S. and Canada, the Steelworkers were considering action at facilities owned by Husky Energy, a subsidiary of Li Ka-shing's vast empire.

Interview with Hong Kong Dockworkers Leader

Stephen Philion, associate professor of sociology at St. Cloud State University in Minnesota, conducted this interview with the dockworkers union Secretary Wong Yu Loy last week in Hong Kong. Philion also translated.

The battle of the Hong Kong dockers, as union Secretary Wong Yu Loy reveals, was important not only because of the rarity of strikes in Hong Kong, or because it was a pitched battle with Hong Kong's wealthiest corporate magnate, but also because of the way corporate globalization set up the terms of the battle and the importance unions around the globe attached to it.

As Wong suggests in the interview, the strike was followed closely and supported by labor activists and sympathizers in mainland China. The strike thus has potentially powerful implications for a global labor movement much in need of a sign that resistance to global capital remains not only relevant but possible.

Q: To start with, what are the key issues that that have brought about the Hong Kong International Terminal (HIT) dockworkers' strike?

Wong Yu Loy: Wages and workplace conditions. From 1995 to 2011 wages for stevedores had been constantly cut to the point where the wages were less than in 1995. In 2011 the union finally succeeded in securing a HK\$200/day (US\$26) wage increase, which still meant daily wages were HK\$150 less per 24-hour shift than in 1995. As for crane drivers, they are paid much less if they are hired by subcontractors than by HIT directly.

This current conflict started brewing around March of last year. We attempted collective bargaining, sending a letter to all the terminals demanding a salary adjustment for workers across the industry, but this was met with rejection. We were basically ignored by the dock owner (Hong Kong International Terminals), a unit of multibillionaire and Asia's wealthiest person Li Ka-shing' s Hutchison Port Holdings Trust.

Subcontractors used various measures to repress the union, most notably insisting on direct negotiations with individual groups of workers. But from the outset dockworkers had insisted that negotiations be conducted with union representatives. These negotiations met with no success. Now,

for the 10 years prior to 2011 there had been no wage adjustments, and it's in the last year that the conflict reached a boiling point. Workers had waited a long time for changes and were frustrated with attempts by subcontractors' strategy of negotiating with groups of 100, 200 workers. How do you conduct such negotiations?

Q: But isn't the union the representative of the workers?

Wong: Sure, but the subcontractors wouldn't acknowledge this. Instead, they just regard workers as their hired help and repress the union where possible.

Q: How many dockworkers does HKCTU represent?

Wong: About 700 altogether who are our members. HIT employs about 3,000 and total dockworkers comes to about 5,000.

Q: And other unions represent them?

Wong: Yes, the Hong Kong Federation of Trade Unions, which historically is close to the Chinese government. Now, of course, they've been around much longer than us (HKCTU was only established in 2006). However, many of its leaders have become "small bosses," i.e., subcontractors. There is a subcontractor who is an FTU dockworkers union executive council member. So their approach is often to put forth what seem to be very appealing demands, but the results are always far less. So the mass of workers don't have much faith in FTU.

Our union is only seven years old, organizationally growing step by step.

Q: Are there members of HKCTU that have left HKFTU?

Wong: Yes. A fair number of our members have worked on the docks for 10 to 20 years, or even longer. Mind you at that time HKFTU was the only union they could join. Some workers began to lose faith in FTU, not believing they represented dockworkers' interests.

Q: What is the difference between how HKCTU and HKFTU approach organizing?

Wong: I think the biggest difference is that we organize from bottom up. As many of their cadres have been promoted to management level, they have considerable power to get dockworkers to join the FTU. A worker might feel they have little choice in the matter. But such union cadre can't really represent the interests of dockworkers. Our union works from below persuading worker by worker to join and get organized, with the effect of enabling rank-and-file workers to make their voices heard.

Q: Have dockworkers who are not in the HKCTU shown support for this strike?

Wong: Yes, there have been examples of that in the form of dockworkers working to rule (slowdowns), and refusing overtime, having an impact on dock productivity. From what we've heard, roughly 80 percent of crane drivers are carrying out such actions, in all perhaps 500.

Q: Is the fact that perhaps only about a fifth of the dockworker workforce is on strike a challenge or barrier to this strike's success?

Wong: The members involved in this strike occupy key skilled positions on the docks, as crane drivers or stevedores. This kind of skilled worker is hard to replace. Of those still working are truck drivers, who are all subcontracted out. You can imagine how easy it is to divide and conquer them.

Interestingly, in 1990s this was the most advanced group of workers in terms of organizational power. HIT took note of this significance and broke them up via subcontracting.

Q: Yet there remain crane drivers at HIT working who are not members of HKCTU and not engaging in work to rule, right?

Wong: Yes, but keep in mind it's not a sustainable situation since they have to work overtime, in some instances up to 48 and even 72 hours straight. The pressure on them is great!

Q: Work hours is also an issue in this strike, right? Which is tied to workplace injuries?

Wong: Yes.

Q: How do you explain that these issues have become so serious over the past decade? Main factors?

Wong: For one, the unemployment rate in Hong Kong has been pretty low, hovering around 3.1 percent, combined with a very high rate of inflation. Dockworkers look around and compare their situation with other workers in Hong Kong and in other countries. For example, in construction, bar benders, whose level of work intensity is roughly equivalent to dockworkers and who also are members of one of the more strongly organized HKCTU unions, recently reached a collectively bargained agreement that won them 50 percent pay increases that in three years will give them HK\$1,800 (US\$230) per day. That's for workers who work only eight hours a day, with one hour for meal breaks and an additional half hour regular break. That is, they are only working 6.5 hours! So the dockers compare, "How come I work for 24 hours straight?"

Q: I have not worked on docks before—how do they last for 24 hours straight?

Wong: Well, they don't work straight through, there are periods where they are not working for 5, 10 minutes. But during peak season, I've heard of extreme cases of workers working for one straight week. And they are working for 24 hours straight for \$HK 1,300 (US\$169). It's terrible. This of course makes them unhappy, thinking, what was the point of exhausting myself so and getting so little in return?

Q: Is this kind of work-hours arrangement common in other countries?

Wong: No, I've seen the collectively bargained agreement of the ILWU [the West Coast Longshore union in the U.S.]. They work three shifts and have overtime pay. Medical care, pension, and children's educational benefits are included. But in Hong Kong, we don't see any of these.

Q: These workers are hired through subcontractors, right?

Wong: Yes, crane operators' jobs in the 1990s were subcontracted out. Stevedores have been subcontracted out for even longer. The terminal owner (HIT) claims that they are not the direct employers of these workers, instead the ship owners are. The terminal operators hire dockworkers through the contract agent to work for the ship owners! For the stevedore workers, there are two main hiring subcontractors and three for the crane operators.

Q: Originally, were there more subcontractors? What about the role of subcontracting as a factor in pushing down dockworkers' wages? We see competition between subcontractors as having this race-to-the-bottom effect in many industrial sectors in the U.S. and throughout the world.

Wong: Oh, this is one of the more amazing features of this industry. Why do I say so? In Hong Kong, though these subcontractors have a contract with the terminal operator, actually the terminal operators control the whole hiring system. The biggest difference of daily pay among subcontractors is all of HK\$10-20 (US\$1.30-\$2.60), very minimal. Something funny is going on here—why is the difference so small? Isn't there some preexisting agreement reached behind closed doors?

Q: So the purpose is not so much to push down wages as to enable the terminal operator to avoid responsibility for the low wages and work conditions?

Wong: Exactly. We researched the background of these "subcontractors" and it turns out they are nearly all registered shareholders in British Isles offshore tax havens. We suspect that they are controlled by the terminal operators who have worked out kickback arrangements with these contractors.

Q: How is globalization a factor in this strike's occurrence?

Wong: Oh, I think it's a big one. Globalization intensifies the degree that workers from different parts of the world need to compete with each other in a race to the bottom. Just a few decades ago Hong Kong was an important manufacturing center. As China underwent market-based restructuring, Hong Kong's textile and electronics companies all relocated to China because workers there are cheaper. Now even Mainland China faces such problems, as manufacturers move to Cambodia, Burma, and Laos.

You know, dockworkers are a vital cog in the corporate supply chain. Any knots that emerge in that chain block movement to the next link. If the dockworkers were all to go on strike, this would cause many factories in China's Pearl River Delta region to experience stoppages. If the containers can't move, their commodities have nowhere to go. Major shippers might need to skip Hong Kong, going to Taiwan or Singapore instead. The effects will be felt around the globe. It is a very real form of resistance to globalization.

Cross-national solidarity during this strike is very important, therefore. For example, the Maritime Union of Australia has sent representatives here to express support. The ILWU has raised funds for the strikers and might also send a representative to the strike line. Even though they are not themselves on strike, their donations are greatly appreciated. These donations let Hong Kong's dockworkers know they are not alone. We are brothers and sisters across the globe. This leaves a big impression on Hong Kong's working class.

Q: What do you see as the significance of this strike for Hong Kong's working class?

Wong: I think Hong Kong's workers are very happy to see this group of some 500 ordinary workers coming together in solidarity as a formidable force able to stand up to the wealthiest man in Hong Kong and eighth richest man in the world. This is very encouraging to Hong Kong's working class. Of course, we don't have a tradition of socialism or social democracy in Hong Kong.

Q: So seeing so many ordinary Hong Kong citizens donating so much to the strike fund is really quite remarkable.

Wong: Yes it is. I believe that Hong Kong's people see Li Ka-shin as up to too many nasty tricks. He's got hands in everything, retail, shipping, manufacturing...so many businesses. Many are just worn down by his accumulation of power via monopolistic ownership. Concretely, we can see this from the strike fundraising results, which to date have approached US\$ 1 million. We've never seen a strike receive so much in the way of financial donations from the general public.

Q: So how much was your strike fund before the strike started?

Wong: Wow, this is shameful! You know, union dues are very cheap, all of HK\$10 per month. Almost nothing! Before the strike we had barely HK\$30,000 (US\$3,900), an evening meal for Li Ka-shin!

Q: So then the support from the general public in Hong Kong has been very critical.

Wong: Hugely important. I think their support is absolute crucial in enabling us to sustain the victory and achieving a victory. I hope that we don't let them down.

Q: Your success would mean what to Hong Kong's workers?

Wong: It would mean a great deal in terms of collective memory. Every donor will have a memory that they donated to the strike fund and a victory, and this would contribute to the gradual development of a new collective consciousness in Hong Kong.

Q: Likewise what is the significance of this strike for China's working class?

Wong: Wow, it's massive. And why? On the second day of the strike, I asked a friend who was more familiar with China's internet discussions if there was much information about our strike. He responded that the strike has already become a "hot topic" in internet chat rooms. Mainlander students and visitors have come to our strike line and donated to our strike fund.

Q: Has the strike received any media coverage in China?

Wong: Actually, Xinhua.net, China's official media station, reported on it and it was pretty fair in its coverage. I've been pleasantly surprised by the level of support from within China. It's partly a reflection of the hopes that Chinese labor supporters or activists have for our strike. They're paying attention to the developments in the strike. They've sent several thousand \$HK to our strike. They might not have a great amount of money, but it's a way of expressing their belief in us.

A Chinese labor activist has also written up an analysis of the significance of the strike for Chinese workers. It's quite well written, from a class struggle perspective. He argues that the Chinese working class movement also needs to develop similar types of strikes through an organizing process in lieu of the present trend of spontaneous short-lived strikes that don't develop organizational power.

I also know that we have friends in Taiwan who have sent donations, along with Korea and Japan. In fact, the All Japan Dockworkers Union was the first to publicly show support for our strike with a public letter of solidarity. The ILWU has also sent a donation to the strike fund. Around the world Hutchison is known as a major terminal operator, so dockworkers internationally understand the significance of this strike.

Q: What is the likelihood of a success for this strike?

Wong: Well, to begin, in any negotiations, you know you're not going to get everything you originally demanded. At this time (April 26) I can't say with any certainty what the final result of the strike will be in terms of who will gain the most. But at the very least, the strike will show to the world that Hong Kong's dockworkers have the ability to carry out a strike and are able to secure from the terminal operators fairer wages and work conditions.

Q: One of the subcontractors that is an employer of the striking workers has announced it is closing up shop. Will that affect the strikers' ability to retrieve their jobs?

Wong: It shouldn't. I am confident that the other subcontractors will look to hire them since in this industry there is a shortage of labor. It's very hard labor and not many people are willing to do it. So I'm not worried about getting their jobs back.

Q: So far the negotiations have broken down several times. Do you anticipate that HIT and the subcontractors will finally negotiate seriously with you?

Wong: I think that they will get to a point where they have no choice but to seriously negotiate. As ports remain unable to get back to normal due to lack of enough skilled dockworkers, the need for more serious negotiations will be apparent.

Q: Do you anticipate the strike lasting through to (winter, pre-Christmas) peak season?

Wong: I think the striking dockworkers would like to settle this issue as soon as possible. It's my own hope that after May 1, we could resume work. The terminal operators will also want to get this over with and get back to normal operations.

Q: For this strike you've chosen the non-peak season. Why not the peak season?

Wong: Hong Kong's workers are very disciplined. They want to show the terminal operators that they are sincere and have integrity. And if the strike went for too long, that's not something that would benefit us. But I also believe that after this strike we will reconsider our tactics and look at pursuing strikes in the future during peak season, as that would result in a greater likelihood that the terminal operators would respond to and meet our demands more quickly.

We would have the support of the public too. We can say that we already tried a softer approach to the strike by choosing the non-peak season and that wasn't effective. We can gradually win over a Hong Kong public, that is not accustomed to accept future strikes, to a strike during peak season.

Q: What about the reaction of the Hong Kong government?

Wong: Really, it's a handicapped government, impotent. They can't do anything about Li Ka-shin. Only deep into the process did the Labor Bureau Secretary finally call for mediation, but that went nowhere. Of course he's the richest man in Hong Kong and the government doesn't have a mandate. It puts the government in a weak position. It has no popularly elected leaders.

I'm not saying U.S. elections are the ideal; they are contests between different wings of capital. But even the bare minimum of free elections in Hong Kong we don't enjoy. The executive is chosen by 1,200 representatives. As a result, it's a government with no real power to confine or restrict the power of capital. So I always say Hong Kong is a capitalist heaven!

Q: HIT has been placing quite expensive ads in many of Hong Kong's newspapers attacking the union for this strike. How do you respond to those quite public broadsides?

Wong: Yes, it's quite something. On the one hand we are not having any effect, according to HIT, but they are spending a fortune to buy up full-page ads in Hong Kong's newspapers to smear us for "class struggle" (!). And it's a real shame they're willing to spend all this money on ads, but won't put out for a fair wage increase. This is really ridiculous.

We respond with facts about the wage system, the fact that we are just seeking a reasonable pay, showing how our wages lag behind where they were in 1995. They say our demands will hurt the Hong Kong economy. We say the real economic predators in Hong Kong are the real estate speculators constantly causing the price of housing to increase. They claim that working 24 straight

hours is something we volunteer to do. We ask whether HIT management is willing to work for 24 hours straight. In fact workers don't have that freedom to reject such work hours.

Q: Actually, it's understandable why they're willing to put out money for ads instead of a fair wage settlement. If their strategy is long-term-oriented, it is to prevent future strikes and organization from below via breaking this dockworkers union.

Wong: Well, true, but Hong Kong's citizenry feels the impact at the everyday level of corporate control and exploitation. So, the more ads they place in the newspapers, the more we respond with the truth and the public sees that we're in the right.

Q: What means do you have to rebut them since you don't have the resources of this global corporate giant?

Wong: We only bought a one-day ad in two newspapers, whereas they placed their ads in every newspaper for three separate days. But I think that the mass media in Hong Kong, with the exception of a handful who have sided with HIT, have shown their sympathy for us. That is a reflection of just how serious the level of inequality that exists in Hong Kong's society is. In most countries, usually the mass media is pro-corporation. So this is a pretty exceptional situation.

The introduction has been corrected to reflect that it is not yet certain whether laid-off crane operators will get their jobs back. Labor Notes stands by the content of this article.

P.S.

* April 12, 2013, May 5:

 $\frac{http://www.labornotes.org/2013/04/hong-kong-dockworkers-strike-attracts-huge-solidarity}{http://www.labornotes.org/2013/05/hong-kong-dockers-claim-victory}$

* Ellen David Friedman is a retired union organizer, on the Policy Committee of Labor Notes, and a Visiting Scholar at Sun Yat-sen University in Guangzhou.

Footnotes

[1] https://hkstrikes.wordpress.com/support-the-strike/