



China Needs Factory Workers, Not Drivers: NPC Delegate

Factory bosses blame food delivery platforms for taking away labor, asking the government to help them raise wages.

Wu Peiyue

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At the annual meeting of China’s legislature, factory bosses said that the food delivery industry is taking too many of their workers — and asked the government to help them hire them back.

Zhang Xinghai, a National People’s Congress delegate and chairman of Chongqing’s Xiaokang Group, an automaker, [proposed](#) Saturday that the government subsidize factory wages to help the industry compete with large tech platforms.

In February, the Ministry of Human Resources and Social Security [released](#) a list of the 100 occupations with the most job shortages. Forty-three of the trades listed belong to manufacturing.

“This situation is caused by low wages in the manufacturing industry,” Zhang said, adding that an average of 1.5 million laborers left the manufacturing industry annually for the past five years.

Who will work in a factory except those over 40 years old? The working hours are long — one or two days a month of rest — the wages are low, and the food is disgusting.

- Anonymous Weibo user

Zhang's suggestion has attracted enormous attention on Chinese social media, with a [related hashtag](#) becoming one of the top trending topics on the Twitter-like social platform Weibo on Wednesday. Most netizens said drivers enjoy more freedom than factory workers.

“Who will work in a factory except those over 40 years old? The working hours are long — one or two days a month of rest — the wages are low, and the food is disgusting. Most work is not good for your health,” a Weibo user [wrote](#). “When delivering food, I can at least take a day off if I don't want to work.”

Drivers' wages have risen rapidly in recent years, with some even surpassing the salary of the white-collar workers they deliver food to. Factory owners say they can't compete.

According to a [report](#) released by the Guangzhou Federation of Trade Union on March 2, the annual income of delivery drivers in the city is more than 100,000 yuan (\$15,831), a 17% increase from the previous year. Over 10% earned more than 10,000 yuan per month, the report showed.

In contrast, excluding room and board, the typical monthly salary for a factory worker in Guangzhou was around 6,000 yuan last year, including social benefits, Zhao Yunhai, a garment factory owner in Guangzhou, told Sixth Tone.

“There is no room to raise workers' wages,” Zhao said. “While the price of the product hasn't risen much, rent has been rising.”

Zhang suggested the government provide factories with employment subsidies for new employees, and certain income subsidies and insurance subsidies for temporary employees who are hired to work on individual orders. He also suggested special policies to support wages in China's “strategic emerging industries.”

Gig economy platforms offer workers high pay and quick money, Jenny Chan, assistant professor of Sociology at the Hong Kong Polytechnic University, told Sixth Tone.

“Informal drivers are not employed in accordance with the law. They are not entitled to social insurance and the housing fund,” Chan said.

That means drivers' take-home pay is even higher, at least in the short term. Zhang suggested that food delivery is a low-skill job and those who earn quick money from it are mainly “eating spring rice,” leaving themselves unprepared for the future.

Fast money is also an advantage. Food delivery drivers with industry leaders like Meituan and Ele.me can draw earnings from the app at any time and see money in their bank account within

48 hours, Chan said. Chan did field research in Beijing between fall 2017 and summer 2018, conducting interviews with 32 food delivery workers.

Factories pay workers once a month, according to Zhao.

Driving certainly has its downsides.

Only if migrant laborers are guaranteed higher wages and greater employee protection in factories, then it would make sense to encourage them to return.

- Jenny Chan, sociologist

“The piece rate for food delivery is very low,” Chan said. “Yet, drivers may work extremely long hours to increase their incomes.”

The report released by the Guangzhou Federation of Trade Union showed that over 90% work over 10 hours a day.

Meanwhile, the [shady labor practices](#) underpinning the food delivery industry worry Chan.

“When compared to their previous manufacturing or construction jobs, some delivery workers do earn more money, but they are not even classified as employees,” Chan said. “Delivery workers do not necessarily have written employment contracts. In case of disputes, they find it difficult to defend their rights and interests.”

But for factories to compete in terms of working conditions, they’ll need to address their own issues, Chan added.

“If only migrant laborers are guaranteed higher wages and greater employee protection in factories, then it would make sense to encourage them to return,” Chan said. “Otherwise, for a bit of freedom to log on or log off from apps, they may still choose to go with delivery services.”

Editor: David Cohen.

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