

Samsung workers begin three-day general strike over pay

July 8 2024, by Hieun Shin with Kang Jin-kyu in Seoul



The Samsung strike follows a one-day walkout in June, the first such collective action at the company, which went decades without unionisation.

Workers at South Korean tech giant Samsung began a three-day general

strike over pay and benefits on Monday, the head of a union representing tens of thousands of employees told AFP, warning the action could impact memory chip production.

Samsung Electronics is the world's largest memory chip maker and accounts for a significant chunk of global output of the high-end chips.

Wearing rain jackets and ribbons saying "fight with solidarity", thousands of workers gathered outside the company's foundry and semiconductor factory in Hwaseong, Gyeonggi, an hour south of Seoul.

Samsung management has been locked in negotiations with the union since January, with the two sides failing to narrow differences on benefits and a rejected 5.1 percent pay raise offer from the firm.

"The strike has started from today," Son Woo-mok, head of the National Samsung Electronics Union, told AFP.

"Today's general strike is just the beginning," he added.

"Recalling why we are here, please do not come to work until July 10th and do not receive any business calls," he told the crowd of workers.

The union said about 5,200 people from factory facility, manufacturing and development had joined the protest.

"Do they still not think this will affect their production line?" said Lee Hyun-kuk, vice president of the union.

The union, which has more than 30,000 members, or more than a fifth of the company's total workforce, announced the three-day general strike last week, saying it was a last resort after talks broke down.

The move follows a one-day walkout in June, the first such collective action at the company, which went decades without unionization.

"We are now at critical crossroads," the union said in an appeal sent out to members last week, urging them to support the strike.

"This strike is the last card we can use," it said, saying that workers at the company needed to "act as one".



Samsung Electronics semiconductor factory at Hwaseong, south of Seoul. The firm is world's largest memory chip maker, and accounts for a significant chunk of global output of the high-end chips.

"I'm really excited," one union member and protester told AFP. "We're making history."

Workers rejected the offer of a 5.1 percent pay hike in March, with the union having previously outlined demands including improvements to annual leave and transparent performance-based bonuses.

Samsung declined a request for comment.

"While the ongoing [strike](#) is only scheduled for three days, the participating members include those working in chip assembly lines," business professor Kim Dae-jong at Sejong University told AFP.

"Given that the union could carry out additional strikes in case the gridlock continues, it could pose a great risk to Samsung management amid its race for dominance in the competitive chips market."

Avoided unions

Samsung Electronics avoided its employees unionizing for almost 50 years—sometimes adopting ferocious tactics, according to critics—while rising to become the world's largest smartphone and semiconductor manufacturer.

Company founder Lee Byung-chul, who died in 1987, was adamantly opposed to unions, saying he would never allow them "until I have dirt over my eyes".

The first labor [union](#) at Samsung Electronics was formed in the late 2010s.

The firm is the flagship subsidiary of South Korean giant Samsung Group, by far the largest of the family-controlled conglomerates that

dominate business in Asia's fourth-largest economy.

It recently predicted a 15-fold increase in its on-year [second quarter](#) operating profits, thanks to growing demand for generative AI.

Semiconductors are the lifeblood of the global economy, used in everything from kitchen appliances and mobile phones to cars and weapons.

And demand for the advanced chips that power artificial intelligence systems has skyrocketed thanks to the success of ChatGPT and other generative AI products.

Semiconductors are South Korea's leading export and hit \$11.7 billion in March, their highest level in almost two years, accounting for a fifth of South Korea's total exports, according to figures released by the trade ministry.

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