

As Chinese steel giant HeSteel increases production at the Smederevo Steel Mill in Serbia, its 5,000 workers are feeling more confident of the future and believe their families will improve their living standards once the factory starts working at full capacity.

As blast furnaces melt ore into liquid iron, these are cast at the steel shop into blocks and later hot and cold rolled to get the final product. New Chinese managers witness how hard-working employees complete their tasks with diligence and precision, respecting strict procedures and orders of their superiors.

For most of these 5,000 people coming from the city of Smederevo or nearby towns, production of steel has become a family tradition, while working at the factory is the only way of living they can imagine. Here, some 60 km south-east of the capital Belgrade where HeSteel bought the factory, men and steel became one over the course of history.

There is even one popular joke in the city that if a group of people stay together, even if only two of them work in the steel mill, topics will only be the mill. And the same goes for local families.

For them, it's not just personal feelings they attach to the factory, it is a common sense of belonging and hope the factory bears for the city of Smederevo and even Serbia.

One month after HeSteel took over the factory by paying the amount of 46 million euro to the Serbian government on July 2, sales of the factory's products — cold and hot rolled steel — increased monthly from 81,000 tons of steel in June 2016 to 102,000 in July this year.

Both managers and workers rejoice that the expected sales in August are estimated at 126,000 tons. Workers will finally feel "safe" and relieved as long as production continues to increase.

The goal of HeSteel is to reach annual output of 1.8 million tons in 2017 and 2 million tons in 2018, and workers hope that this might mean a chance to earn more money and contribute to their home budget.

Wang Lianxi, general director of Legal, HR and general affairs committee at HeSteel Serbia Iron & Steel, told Xinhua that the Belt and Road initiative provided HeSteel with a precious opportunity.

"In response to the Initiative, HeSteel came to Serbia to acquire Smederevo Steel Mill, using its experience and techniques accumulated over years in China and trying to build a base of manufacturing industry in Europe," he said.

Quoting the president of Chinese HeSteel Group Yu Yong, he said the aim will be to help the factory to regain its vitality and turn Smederevo into one of the most competitive steel mills

in Europe.

He said that the obligation to keep the factory's 5,000 employees will not pose a problem to HeSteel because all of them are needed to run the steel mill at full capacity.

Moreover, these workers have received a rise in their salary, according to Wang, "in order to increase workers' income and improve their living standards."

He added that the factory will maybe employ more workers because "this is an old factory and every year around 100 workers retire."

By talking to workers, Xinhua learned that many of them are second or even third generation workers in this steel mill which was first opened in 1913. Most of these were married men whose wives are often unemployed and their income is the only support for them and their children.

However, their fathers, mothers and other relatives spent their whole lives working for the factory, and they are determined to continue this tradition.

For example, Ivan Milosavljevic, 29-year-old operator, who applies finishing touches to the white sheet metal, has a father that has been working at the factory for 37 years and still hasn't retired. He can count some 10 of his extended family members who are working for the factory.

"I hope that everything will go as planned for HeSteel. It is important for all of us that people keep their jobs and to be able to work," he told Xinhua.

Stevic Bojan, 36, and shift manager at the blast furnace in charge of some dozen people, is the second generation of workers at the factory with his father and uncle having worked here for 36 years.

"We had gone through a period of crisis, and our future was under question," he said, recalling the moment in 2012 where US Steel, the previous owner, sold back the company to Serbian government and many workers were put on paid leave.

After HeSteel Iron and Steel Group Serbia took over the factory in July, they announced investments of at least 300 million euros in turning the steel mill.

"I think that HeSteel is a great and experienced company. I expect that investments to lead the factory towards higher production, and we hope this will reflect on our living standards," Stevic said.

Another employee Sasa Colic says that workers see China as a friendly nation and a country that supports Serbian projects while expanding China's own business possibilities at the same time.

"China develops quickly. China managed to develop itself and we believe that it can implement this here as well. We are hardworking people, and we have broken many records

in production in the past decade so we can exploit this opportunity and I am sure that this will bring us a brighter future," he said.

Most of the workers agree that for now it is most important that the steel mill continues to work under the new owner. Workers have started dreaming of technological innovations, construction of new production lines, and expansion of the factory's port on the Danube River.

"Workers are increasingly satisfied because now they have steady employment, increased income, and the possibility to plan their life for their families, education for their children, health services as well as travels and other normal things that were not possible to count on in past four years," said Colic, president of Association of Independent Union, one of three workers' unions within HeSteel Serbia.

Workers agree that the purchase of Smederevo steel mill by HeSteel is a huge step both for the city of some 70,000 people as well as for the whole Serbia. Five days a week in eight-hour shifts, they come to work with hope that Chinese company will turn the factory they lived for into one of most profitable in Europe.

However, the very look at the rust on pipes and machinery is telling. Tiny steel particles shine in the sunlight in air that fall like rain on the ground all over the factories courtyard and park. One can easily see that this factory hasn't been invested in for a long period of time, and craves a financial injection.

Workers believe that HeSteel is the right partner for that and that their production and investments plans will come to life. They hope that more Chinese companies will come to Serbia as the Road and Belt Initiative continues to develop, which will influence the domestic economy while at the same time connect China with Europe.

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