Workers in the Chinese IT production

Labour Education and Service Network
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Major IT Production Bases

1st wave: Pearl River Delta (Dongguan, Zhongshan, etc.)

2nd wave: Yangtze River Delta (Suzhou, Changzhou, etc.)

3rd wave: Central-West industrial base (Chongqing, Wuhan, etc.)
Who are the IT production workers?

- Majority of factory workers are internal-migrants in China: migrating from rural area to urban area for work.
- *Hukou* (household registration) system denied equal social welfare and civil rights of these de facto migrant workers.
- The system discourages these workers to reside in the cities, therefore workers are drifting in dormitories and temporary rental housings.
Who are the IT production workers?

- The most preferred candidate by factory HRs: age 18-25, female, single
- Now, flexibilized labour (student workers, dispatched workers, out-source) preferred due to: improved wages, and fluctuating orders (special thanks to in-time inventory)
Myth: Chinese Workers Love Overtime?

- Chinese law says 40 hr/week, and regulates OT. Yet factories report that workers will protest if monthly OT goes under 80 hours.
- Long working hour is typical: 10-12 hr/day, 6 day/week, rotating day and night shifts.
- Why? Because the pay is too low!
Myth: Chi. Workers Rejects Social Insurances?

Denied payment of social insurances (Work injuries, medical maternity, unemployment and pension insurances) is common.

Factories report that workers reject paying into social insurances.

Why? Because workers are not earning a living wage, and employers want to shed their share.
What’s the difference of me going directly to work and you going to a vocational school?

I paid tuition fee and management fees!
Students from vocational schools and colleges are considered “labour reservoir” by some local gov’ts desperate for investments.

Student workers in the name of “interns” are not protected by labour laws and employers don’t have to pay legal wages and social insurances.

The problem surfaced after 2009 financial crisis, and spread like disease.
Occupational Health Hazards

- Chemical poisoning is one of the major health hazards
- Preliminary findings of a research in Pearl River Delta 2015: out of 127 occupational disease victims surveyed, 59 are from electronic industry (46.5%).
- 90% of the victims did not know company OSH policies or received chemical usage trainings.
- Only some victims know the brands their employer supply to, most of them do not (59.4%).
- Only 2% of the victims used factory complain mechanism and 59% received NGO support.
The story of G and S

- Worker G and S were recruited to an OGS touch panel factory in May 2013, and they were only 15.
- By Sept 2013, they started to feel weakness in their limbs, and found it difficult to walk or work. Several other workers also had the same symptoms.
- The factory did not initiate OHS examinations and the workers had to file complaints for treatment and compensation. Eventually, 11 workers were hospitalized in early 2014.
The story of G and S

- G and S are diagnosed of moderate hexane poisoning and hospitalized for 8 months.
- They are denied of rehabilitation treatment because under-aged workers are not covered by social insurances. Thus they are now in legal procedures against the factory while other adult workers are admitted to rehabilitation facilities.
- Worker S recalled that she had seen factory audit once. And was interviewed about the quality of canteen food, ironically.
Workers’ freedom of association is denied. While many unions are set up by the management, workers attempts to self-organizing are suppressed.

To workers, the “New Norm” of China means government directed relocation and restructuring of factories. When workers’ try to defend their interests through collective action, their right to collective bargaining is often disregarded.
Problems with CSR

- **Industry audits** are important tools for companies to keep track of their supply chain. But it is by nature a management-to-management communication. Workers are usually unaware and most of their voices concealed.

- Companies various practices in CSR may contradict in the same supplier factory. E.g.: while zero student worker in company A production lines, the factory will put all the student workers to the lines of company B.
If there shall be changes

- Long-term direct support and empowerment to workers;
- Sustainable and overall improvements instead of company-bound and time-bound changes;
- Growing a community of civil society labour groups, to proliferate an ongoing South-North, worker to consumer dialogue for change.