



**Students & Scholars Against Corporate Misbehaviour**

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## **iSlave behind the iPhone Foxconn Workers in Central China**

24 September 2011



Foxconn's campus in the Airport Zone, Zhengzhou, provincial city of Henan

### **Introduction**

In May 2011, Students & Scholars Against Corporate Misbehaviour (SACOM) released a report, titled *Foxconn and Apple Fail to Fulfill Promises: Predicaments of Workers after the Suicides*<sup>1</sup>, which documented the labour rights conditions at the Foxconn plant in Chengdu, China, a supplier of the iPad. Workers frequently endure excessive and forced overtime in order to gain a higher wage. If they cannot reach the production target, they have to skip dinner or work on unpaid overtime shifts. Even worse, they are threatened by potential harm from occupational diseases in various departments. Additionally, military-style management practices are still in place, characterized by “military training” for new workers. A month later, SACOM released its report, a short video clip, *the Truth of the Apple iPad Behind Foxconn's Lies*<sup>2</sup>, was launched to reveal the poor working conditions at the Foxconn factory in Chengdu. Four months on, SACOM has not heard any response from Apple. Likewise, after the explosion at Foxconn's plant in Chengdu, which caused 3 deaths and 15 injuries, neither Apple nor Foxconn has given any public account of the cause of the explosion. Furthermore, there is no transparency in either company's

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<sup>1</sup> The investigative report is downloadable at [http://sacom.hk/wp-content/uploads/2011/05/2011-05-06\\_foxconn-and-apple-fail-to-fulfill-promises1.pdf](http://sacom.hk/wp-content/uploads/2011/05/2011-05-06_foxconn-and-apple-fail-to-fulfill-promises1.pdf).

<sup>2</sup> The video clip is available on Youtube: <http://www.youtube.com/watch?v=V3YFGixp9Jw>.

process of implementing remedies after the tragedy. To keep up the pressure on Apple and Foxconn, SACOM has investigated another Apple supplier, Futaihua Precision Electronics (Zhengzhou) Company, the Foxconn's subsidiary in Zhengzhou, which produces iPhones. Regrettably, the findings are equally as bad as those found in Chengdu. The following is a summary of the findings:

#### Working on a construction site

- The construction work of the permanent factory in the Airport Zone is still in progress. The environment is messy. Dust flies around the campus on clear days, and flooding occurs when it rains.

#### Miscalculation and withholding wages

- Many interviewees are underpaid because of mistakes in the recording of working hours and attendance. Sometimes the workers receive a few hundred less than what they deserved. There are records of work stoppages even the workers have had full attendance.
- In order to retain workers after the Lunar New Year, Foxconn withheld part of the overtime premium of workers in January. Workers got back the deducted money only after unremitting complaints.

#### Forced and unpaid overtime

- Some workers have to work extra time on the production line till the production target is reached.
- "Comprehensive working hours" deprives overtime premium of workers.
- There are unpaid work meetings before and after work shifts.

#### Workers exposed to irritating chemicals

- Workers in the metal processing department are exposed to "unknown" chemicals that have irritating smell. There is no proper safety sign or illustration label at sight. The ventilation on the shop floor is poor. Some workers reported that they have headaches and suffer from skin allergies.

#### Harsh management

- Supervisors yell at workers with foul language. Workers experience pressure and humiliation. Workers are warned that they may be replaced by robots if they are not efficient enough.
- Apart from scolding by frontline supervisors, other forms of punishment include being required to write confession letters and copying the CEO's quotations.
- A majority of workers have to stand for 10 hours during work shifts. There is no recess as promised by Foxconn. Some workers suffer from leg cramps after work.
- Workers have extra workloads or have to skip the second meal break under the arrangement of "continuous shifts".

#### Dormitory under construction

- There are unreasonable prohibitions against activities such as washing clothes or using hair dryers in the dormitory.
- Water and electricity suspensions occur on regular basis in the dormitory.

#### Care hotline does not care

- The care hotline is either inaccessible or unhelpful. Many workers do not trust the hotline. Those who have called the hotline report either that it is a void number or that the complaints get back to their supervisors.
- A few respondents shared that there have been unconfirmed cases of strikes. According to them, the workers concerned were dismissed.

This report aims to mark the grand opening of the first Apple Store in Hong Kong. During Steve Jobs' tenure, Apple constantly ignored the NGO and media reports on the social impact of the company. We sincerely hope that the new Apple CEO, Tim Cook, will examine and rectify the labour rights abuses at Apple's suppliers.

## Factory Profile

Foxconn announced its plan for relocation to inland provinces after the spate of suicides in Shenzhen last year. Henan provincial government was the first province to attract such investment from Foxconn after the "13th jump" in 2010. Production commenced in August, 2010, only a month after the conclusion of the contract. The government has provided much assistance to Foxconn, including workers' recruitment and preparation of the production site. The Chinese media reported that about 100,000 vocational school students in Henan province were sent to Foxconn plants in Shenzhen for 3-month internships last year. Some student workers even disclosed that they were forced to work for Foxconn or face punishment by their schools.<sup>3</sup> With the support from the government, the workforce in the factory has reached 52,500 within a year.<sup>4</sup> And it was reported that the production capacity for the iPhone at the Foxconn factory in Zhengzhou soared to 100,000 per day.<sup>5</sup>



The temporary production site of Foxconn in the Economic Processing Zone, Zhengzhou.

### **Futaihua Precision Electronics (Zhengzhou) Company**

Three Campuses	1. Airport Zone: new and permanent factory 2. Processing Zone: temporary factory 3. Zhongmou County: smaller factory playing supportive role
Estimated Workforce	52,500 (as of August 2011)
Client	Apple
Product	iPhone

<sup>3</sup> Hu Yinan, "Students 'forced' to work at Foxconn", *China Daily*, 26 June 2010.

<sup>4</sup> "The workforce of Foxconn in Zhengzhou reached 50,000 within a year", *Takung Pao*, 19 August 2011 (in Chinese).

<sup>5</sup> Liu Rui, "The annual productivity of phone production could reach 200 million in Foxconn in Henan", *Wenwei Po*, 6 Sep 2011 (in Chinese).

## Research Methodology

Foxconn has three production sites in Zhengzhou. From July to August, 2011, SACOM researchers conducted offsite interviews at two Foxconn production facilities, the Airport Zone and the Processing Zone, in Zhengzhou. About 130 workers were interviewed. A majority of the interviews were done individually, but some were done in small groups. Almost all the respondents are local citizens in Henan province, with a few of them deployed by Foxconn from Shenzhen to offer support to the new plants on a temporary basis. The age range of the interviewees is between 17 and 32, with an overwhelming majority of them in their early twenties. About half of the interviewees have worked for Foxconn for over 6 months and have been sent to Guanlan campus in Shenzhen to work because the production facilities in Zhengzhou are still under construction. Apart from a few frontline supervisors, all the other interviewees are production workers. To protect the identities of the workers, SACOM has changed names in the report to pseudonyms.

## Findings

Workers are generating huge revenues for Foxconn and Apple. In return, the two companies do not comply with the labour laws or the code of conduct. A wide range of labour rights abuses are found at Foxconn factories in Zhengzhou.

### Factory environment

The production site in the Processing Zone is a temporary site that was offered by the local government a month after the contract was signed between the government and Foxconn. The permanent site for Foxconn is designated in the Airport Zone. While the construction work on the plants is still in progress, Foxconn has put some of the plants in operation. Basic facilities like canteens and food stores are not ready. Workers can hardly find a place to wash their hands after work. Dust flies around on the construction site and there is flooding during rainy days.



Workers do not have chairs to sit on in the open area of the campus. They can only sit or squat on the floor.

### Wages

In early 2011, Foxconn incorporated the food allowance (CNY 240) and housing allowance (CNY 150) into the basic salary of workers across the country. The basic salary at Foxconn factories in Zhengzhou is CNY 1350. Renting of the dormitory and consumption of food is deducted from workers' salaries automatically. Many workers have high expectations about Foxconn. Some of them even resigned from their former jobs for better working conditions. They regretted this after learning the terms at Foxconn.

### Low wages

“We have to pay CNY 150 for dormitory and about CNY 200-300 for food. After these deductions, our basic salary is only CNY 950,” said a female worker who had joined Foxconn 2 months prior.

Many workers have grievances about the low wages at Foxconn. They are particularly disappointed about the false statements in the job advertisements. Zhang De-qiang, who left his former company to join Foxconn, complained, “The labour department made false promises to us about the salary at Foxconn. It claimed we could earn over CNY 2500 per month.” Zhang only knew about the real basic wage when he signed the contract. The Foxconn staff who handled the application sneered at him and asked him to leave immediately if he was not happy with the terms. Zhang felt humiliated but decided to stay at Foxconn. Another male worker said angrily, “On the job advertisement, Foxconn only shows an “inflated” lump-sum of the basic and overtime wages and other subsidies instead of the basic salary. Foxconn just plays on words and cheats us.”

Half of the interviewees have been deployed to work in Shenzhen. They hope to have the same treatment as the Shenzhen workers, which includes basic salary of CNY 1550 for new workers and CNY 2390 after the appraisal. “Foxconn has received lots of concessions from the Henan government. It should raise our salary,” Song Ming, a male worker from the laser department, argued.

### Miscalculation of wages

SACOM’s previous report on Foxconn documented that scores of interviewees complained there was miscalculation of wages. The workers in Zhengzhou report the same. On their pay slips, they have found that the overtime hours are less than the actual hours they have worked, and sometimes they have records of absence for a day or few days even though they have been in attendance at work. “Foxconn determines that a worker has left the factory on his/her own if he/she does not show up at the factory for 3 days. Surprisingly, my wife, who also works at Foxconn, had a record of work stoppage for over 10 days on her pay slip 3 months ago. How can it be possible?” a 27-year-old worker told a SACOM researcher. On principle, Foxconn should return the deducted wages to the workers. Nevertheless, some workers have not received the deducted wages after 2-3 months. Some even state that no one handles the miscalculation of wages if the amount concerned is low. Guan Lei, a male worker at the metal processing department, complained to his supervisor that he has not received the deducted wage. According to him, his supervisor responded, “It’s all because of your bad luck. You cannot blame anyone.”

### Withholding wages before Lunar New Year

Lunar New Year is a time for family reunion and is very important to most of the migrant workers. Owing to the long distance between the workplace and hometown, and because many workers want to spend more time with family, a week of holiday is too short for many workers. As such, many migrant workers choose to resign from the factories and seek new jobs after the Lunar New Year. To maintain the stability of the workforce and to save time training new workers, Foxconn withheld part of the overtime premium of the workers in January. The company promised to return the money to them in February. Withholding wages is illegal. Even worse, some interviewees report that Foxconn did not return the money to them in February. They could only get the deducted wages after unremitting complaints.

### **Working hours**

The investigation was conducted during the low season. On the top of the 174-hour regular shift per month, most of the respondents state that the monthly overtime is 50-80 hours. These working hours exceed the 36-hour legal limit for overtime.

### Forced and unpaid overtime

Overtime control is imposed by Foxconn. Some interviewees point out they occasionally have to stay 20-30 minutes extra on production lines until they have reached the production target. They are not paid for this extra time worked.

Besides unpaid overtime work, workers are required to attend unpaid work meetings. Most of the interviewees in Zhengzhou report that they have to arrive at the factory 20 minutes before the work shift begins. Meetings after work shifts last from 5 to 30 minutes.



The dirty shirt and shoes are resulted from the "cutting fluid" in the metal processing department.

A number of interviewees are frontline supervisors. They all report that they have to stay at least one extra hour at the factory every day, which is also unpaid. One of the frontline supervisors said sometimes he had to attend unpaid work meeting which lasts for 4 hours.

### Comprehensive working hours

Some interviewees suspect their overtime premium is diminished under the system of comprehensive working hours. A comprehensively calculated working-time system, according to the government regulations, can be applied to specific industries, such as the long-distance transportation sector, where a regular work pattern of an 8-hour work day, 40-hour worker week is not practical. Upon governmental approval, the company can take a month, a quarter, a half year, or a year as the calculated period for overtime. Under the flexible system, *if a worker's actual working time is no more than the legal total limit within say a one-year period*, then, even though his/her working time on certain days (or weeks, or

months, or seasons) is in fact more than the statutory standard working time, the excess on the days will not be regarded as overtime. It should be noted, however, Foxconn is engaged in electronics assembly and the factory-based nature of this type of manufacturing work should not be eligible for the flexible, comprehensive working-time system.

A small group of workers, who are responsible for repairing iPhones with defects, have grievances regarding the system. Sometimes, they have a 6-day work week, followed by a 3-day work week. This implies they will not receive the double overtime time premium for work on the weekends. Instead, they will be assigned another holiday the week after.

### **Work safety**

The massive poisoning at the Wintek factory in Suzhou in 2009 and the explosion at the Foxconn factory in Chengdu in May of this year make the public question the occupational safety at Apple suppliers.

Lots of workers from the metal processing department in the Economic Development Zone can be easily identified by the stains on their clothes and shoes. Some of them are machine operators

who produce the silver frames for iPhones, while some others work on cleaning, assembling, and quality control, etc. Most of the workers are male.

Many interviewees report that the shop floor is hot and the ventilation is poor, even though the department has installed air-conditioning. The shop floor is filled with the smell of a chemical they put in the machines during production. The workers call the chemical “cutting fluid”, but they do not know about the substance in the chemical and the potential harm of it. Only surgical masks are offered to workers, and workers do not feel they provide enough protection. The irritating smell of the chemical makes them feel uncomfortable, and a few respondents suffer from skin allergies, which they attribute to the cutting fluid. Some workers have to use n-heptane and alcohol to clean the components. The workers worry that these may harmful to their health.

The Law of the Prevention and Treatment of Occupational Diseases requires employers to ensure work safety in the workplace. Article 20 provides that there should be adequate protective measures, both in facilities and on equipment, for workers against occupational disease. There must be clear indication of the harm from the chemical in use (article 26). In addition, pre-post and on-post occupational health training should be provided to workers (article 31). It is apparent that these provisions have not been honored by Foxconn.

Another interviewee from the metal processing department shows his forearms, which are full of scratches. He plans to leave the factory soon due to the harsh conditions there.



A worker shows scratches on his arms, which resulted from operating a machine a day before. The marks were more obvious when he left the factory, he said.

### **Management methodology**

On one hand, Foxconn boasts that there has been a nation-wide pay rise of 30% in China. On the other hand, Foxconn CEO Terry Gou also announced the introduction of 1 million robots in 3

years to replace workers.<sup>6</sup> Although many workers have not heard of the media reports on Foxconn's new policy, some of them have been warned by the management that they should work hard to stay competitive. "If you do not work hard, you will be replaced by robots," Li Fong, a female worker who works on deburring, reports she was told by her supervisor. Indeed, the workers at Foxconn already feel they resemble machines. They cannot talk during work and have to concentrate intently on their work every moment. There is a common saying among the Foxconn workers: "Women work as hard as men. Men work as hard as machines".

#### Humiliation from supervisors

A male worker recalled his experience of "military training" last summer in Shenzhen. (New workers have to follow the commands of the supervisor to turn right and left or chant slogans in "military trainings". Workers generally believe the rationale of the "military training" is to indoctrinate the idea of absolute obedience among workers.) He and other workers were forced to stand under the hot sun for some hours. Some workers requested to buy water and the supervisor bellowed at them that they could leave immediately if they could not endure this small hardship.

Almost half of the respondents point out that their supervisors always pressure them and humiliate them with vulgar words. "The pigs can only give birth to the brainless," a male worker a male worker says he was told by his supervisor. Another male worker who had been at Foxconn for 4 months said, "The supervisors despise others as if they are the kings on the production lines." And workers generally agree that the turnover rate at Foxconn is high. And many of the interviewees have considered leaving as well because of low payment and the harsh management style in the factory.

#### Confession letter and copying the CEO quotations

In addition to scolding, supervisors often ask workers to write confession letters to admit their mistakes. A mistake can be anything from being a few minutes late for work to talking to others loudly during work, smoking in the toilet, or having defects on products they work with. About one-tenth of the respondents have had the experience of writing confession letters. A group of young women even shared their experience of copying the CEO Terry Gou's quotations. (Terry Gou's quotations are his wisdom and philosophy of work.) On one occasion, all the workers on the production line had to copy the quotations for 2 hours after work because there were many defective products found. They add that sometimes they have to copy the standard operation procedures instead.

#### Standing during operation and deprived of recess

About two-third of the Foxconn workers have to stand during work, according to the estimation of the interviewed workers. They say it is very tiring. A few workers even say their legs cramp at night. Although Foxconn claims it offers a 10-minute break to workers every 2 hours, many workers say this is just a false promise. For some workers who can have a recess, there is no chair available. Therefore, they have to sit on the floor.

#### Continuous shift adds workload to workers

A continuous shift secures a 24/7-operation on the shop floor. Sometimes, workers have to take turns to have meal breaks. In this case, half of the workers leave for the meal break while the others continue to work. Machine operators are particularly discontented with the continuous shift arrangement. "We have to take care of two to three machines at the same time during continuous shift. And this adds the workload for us and makes us even more exhausted," Guan Lei from the

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<sup>6</sup> Sun Yan-biao, "Foxconn lost USD 18 million in the 1<sup>st</sup> half year, Workers' salary increased by 30%", *China Business News*, 30 August 2011 (in Chinese).



metal department said. Another consequence of continuous shift is workers skipping the second meal break. In other words, the workers have to work continuously for 7-8 hours after the first meal break until the work shift ends. About one-third of the workers state they have continuous shift every day, while some others say it happens occasionally.

#### Workers can hardly receive production bonus

Most of the workers have not received production bonuses. On the job advertisement, it shows that workers can receive monetary rewards during the Dragon Boat Festival and Mid-Autumn Festival. The workers said they got a pack of biscuits and a small pack of drinking yogurt during the Dragon Boat Festival.

#### **Worker Story 1: Yang Jie**

Outside the supermarket of Zaoyuan Dormitory, a SACOM researcher met Yang Jie (pseudonym), an 18-year-old male worker who had started at Foxconn a month prior. Yang Jie was a machine operator in the metal processing department. He produced the silver frame of the iPhone. Foxconn is his second job. He used to be a warehouse worker in another factory before. He had high expectations about Foxconn. He resigned from the former job and subsequently applied for a job at Foxconn. Now, he regrets the decision and plans to resign.

The work shift at Foxconn begins at 8:00am, but we have to punch the work card by 7:40am and sometimes the time card machines may be out of order. It's frustrating. I get up around 6:30am every day. After freshening up, I have to queue up for the coach. There is a big crowd of people in the queue. Every morning, we have to roar "hi to everyone," followed by "fine!" 3 times. This has nothing to do with morale boosting. To me, it is just a measure to please the high ranking management. I don't feel comfortable doing this kind of greeting and am reluctant to shout, indeed.

I heard that the working conditions in other departments are better. In my department, the working conditions are unbearable. I'm a machine operator, producing the silver frame for the iPhone. We have to put some oil into the machines in the production. I don't know what kind of substance it is and the smell is irritating. The frontline management confided to us that we should not stay in the department for over a year because the oil could cause problems to our lungs. Although the shop floor has air conditioning, it is very hot and the ventilation is poor. For me, the installation of the air-conditioners is just a tactic to avoid paying high temperature subsidy to the workers.

Foxconn claims that overtime work is voluntary. In reality, if we do not attend the overtime shift, we will not be assigned any overtime work for a month. This is a kind of punishment. Basically, we can accomplish the production target. However, the frontline supervisor usually pressures us to work faster at around 7:00pm, an hour before the work shift ends. We have to stand for the whole day during work. The company promises that we can have a 10-minute break every 2 hours. It's a lie. When I go back to the dormitory, my legs shiver due to exhaustion.

The turnover rate is quite high. There are many people who resign within the first month. And I've just applied for the resignation, but I'm not sure if it has been approved. I've called the care hotline but could not reach anyone. Apparently, the hotline is just another hypocrisy at Foxconn.

I've never seen an iPhone. Not to mention having a chance to use one. I'm not proud of producing iPhones at all. All I want to tell the Apple CEO is not to exploit the workers anymore.

#### **Food and dormitory**

Workers have many grievances regarding the food and the dormitory, especially those who live in Yu Kang Dorm. Most of the workers said they were deceived by the job advertisement. They

only realized that food and accommodation were not free when they arrived at Foxconn. The food at Foxconn costs a worker CNY 200-300 per month depending on the food consumption of the individual. The dormitory costs CNY 150 per month.

### Unreasonable rules

Discipline and control extend beyond the workplace to the dormitory. When the workers first arrive at the dormitory, they have to line up and keep silent for the announcement from the frontline management. At the entrance of each building, there is a worker station to check the identities of the workers. Also, “ten prohibited items” are listed on the ground floor of the building. For example, no gambling, smoking and fighting in the dormitory. However, are also prohibited from washing clothes and using electrical appliances that exceed 200w. As such, hair dryers and electric kettles are not allowed in the dorm. Some workers complained that there are lots of flies and mosquitoes in their rooms. Lighting incense to repel insects is forbidden, though it is not included in the official rules.

### Water and electricity suspension

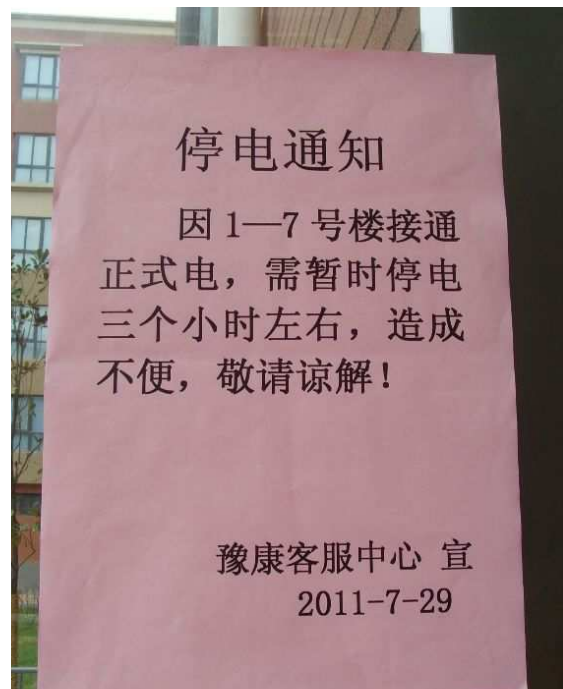
Yu Kang is the permanent dormitory. It can house 140,000 people. Construction is still going on, and water and electricity suspension frequently occur. “Every two days there is water suspension, and every three days there is electricity suspension,” a female worker said. She was sitting near the dormitory entrance with her friends because it was too hot to stay inside the room during an electricity suspension. Some workers complained they had to collect water from buckets on the ground floor due to water suspension. Water suspension can last for half a day, so they have to go to a public bathroom to take baths.

### Lack of basic facilities

At the entrance of Yu Kang Dormitory, researchers observed workers bringing electric fans to the dorm. Despite the basic facilities not being ready, Foxconn is having workers live in Yu Kang Dormitory. The rooms are supposed to have air-conditioners. However, the air-conditioners have not been installed yet. Therefore, workers have to buy fans with their own money. “A number of



10 rules are listed at the entrance of the dormitory building.



Electricity suspension announcement in Yu Kang Dormitory. “There will be a 3-hour electricity suspension in Blocks 1-7”.

times, I wake up in the middle of the night because it is too hot. I have to cool myself with a wet towel,” said Yang Jie, a male worker at metal processing department.

“It was quite cold for some days because of rain. There was no hot water for a bath and I got a cold after taking a shower with the cold water,” said Chen Jia-hui, a female worker from the repairing department. She added, “It is very difficult to take leave, even if we are sick.”

#### Long queue in canteen

A majority of the workers are not satisfied with the quality of the food. “I can hardly find the meat in the dishes. Even if I order a chicken leg, it is as small as the leg of a sparrow,” a male worker said. “It seems that there are many dishes provided in the canteen that are tasteless, and the portions are quite small,” another male worker said. In the Airport Zone, the capacity of the canteen cannot meet the demands of workers. Some workers have to queue up for 20-30 minutes in the canteen. If they arrive at the canteen late, they can only get a very small portion of food. It makes them frustrated.



New workers line up for the announcement from a supervisor in Yu Kang Dormitory.



Yu Kang Dormitory is still under construction.

#### **Transportation**

In the Airport Zone in particular, both the factory and the dormitories are situated in a remote area. The bus service does not have the capacity to serve tens of thousands workers. Bus service is provided by Foxconn in order to transport workers from the dormitory to the factory. In Area K

of the Airport Zone, there is no bus service available. Workers have to walk for 20-30 minutes from the factory to the dormitory, and vice versa. It is dangerous, especially in early morning or at night, because there is no proper pavement and workers can only walk on the road side, with trucks and cars running at high speeds.

There are limited company buses, and they have strict schedules. Sometimes when workers do not have overtime work, they have to wait an hour for the bus. On rainy days, the workers even have to queue up outdoors under heavy rain.



Night shift workers queue up for buses back to the dormitory. Sometimes, they have to wait under the hot sun or heavy rain.

### **Trade union and care hotline**

The trade union is the most essential institute to safeguard the rights of workers. According to the Trade Union Law in China, a trade union should be democratically elected by workers. In Foxconn, workers know the existence of the union but have no idea how it is formed. And workers do not feel the workers can defend their interests. To cope with public pressure during the spate of suicides, Foxconn set up a care hotline for workers. Many workers believe it is simply a window-dressing tactic to show the public rather than something to help workers in need.

#### Inaction of the trade union

Many interviewees know the existence of the trade union at Foxconn. However, they cannot see how the trade union is related to them. And none of the respondents knew the location of the union office. "I saw that the trade union raised a banner in the plant. This doesn't mean anything to me. I cannot feel that the union works for our well-being," a male worker from the laser department said.

#### Care hotline does not care

After the spate of suicides in Foxconn's Shenzhen factories, the company launched a hotline to handle grievances of workers. Most of the workers are familiar with the hotline number, 78585. Some of them do not trust that the hotline can help them, while some others have called but found it useless in their cases. A few workers even disclosed that their supervisor warned them not to call the hotline. "If I know you lodged a complaint against me, you have to face the consequences," Li Zhi-qing reported his supervisor having said.

“There was about a few hundred yuan deduction in my salary last month. I didn’t call the hotline. If I had confidence in the hotline, I would seek help from it immediately”, said Ma Da-jun, a male worker from the logistic department.

“One day, we finished work at 4:00am, as there was on overtime shift. We waited a long time, but there was no company bus to bring us to the dormitory. Therefore, I called the hotline and could not reach anyone,” a female worker complained. Ultimately, she could only walk back to the dormitory in the early morning. Chen Jia-hui from repairing department cannot stand the frequent water and electricity suspensions, and she once dialed the hotline to complain. A woman who answered the phone mocked her, saying, “You can leave the factory immediately if you are unhappy with the living conditions here.”

A male worker from the metal department encountered difficulties with resignation. He has called the hotline, but the compliant was channeled to his supervisor. He was very frustrated about that.

#### Unconfirmed reports of strike

A number of workers said there were strikes in the factories that involved a hundred to a thousand of workers. The interviewees also said those who participated in the strike were dismissed. One of the alleged strikes happened in June, in Area K of the Airport Zone. Workers were discontented about the low wages.

#### **Worker Story 2: Feng Mei-lan**

Feng Mei-lan (pseudonym) is 19 years old. Before joining Foxconn, she worked in a factory in Jiangsu province for a few months. Like many other Foxconn workers, she joined the company because she wants to work near her hometown. A SACOM researcher met her outside the Yue Kang Dormitory one morning.

I used to work in a factory in Jiangsu province. The working conditions there were quite good. My gross income at that time was over CNY 2000. Foxconn is my second job. In my village, there was a Foxconn recruitment point. The staff told me the salary was good and they would reimburse my health examination fee and transportation cost. So far, I haven’t received the money and don’t know who should be responsible.

Foxconn has imposed control on overtime work. The maximum overtime is 80 hours per month. I usually have a 2-hour overtime shift on weekdays and an 8-hour overtime shift on Saturdays. I can only get about CNY 1700-1800 per month after deductions for food, accommodation, social insurance and tax. I have worked at Foxconn for 4 months. On the rest day, I usually hang out with my friends near the dormitory. There is no place for entertainment. It takes me an hour to travel to the city and I do not have money. Therefore, I’d better stay here.

The management at Foxconn is quite rigid. We cannot talk during work. If we are late for a minute only, our supervisor will mark it as being late or even as work stoppage. No metal can be brought into the department. We have to pass the metal detector. If there is a metal button on your jeans, it must be taken out before you enter the shop floor. I have heard of a case where a female worker had undergone surgery. There was a small piece of metal inside her body. She could not go out for lunch because she could not pass the metal detector. She skipped meals that day. She could leave the shop floor only after her supervisor communicated with the security guard.

It is difficult to take leave. Only if there is something very serious, like if a family member is very ill, will the application for leave will be approved. If you ask for leave because you have to pick up a friend from the train station, it is very unlikely that the request will be approved.

## **Conclusion**

The global supply chain in electronics industry is particularly complex. A manufacturer usually has multiple clients and a brand always have scores of suppliers. When rampant labour rights violations are found in a factory, the brands may water down their responsibility. All the Foxconn workers in Zhengzhou produce the iPhone. Apple can hardly evade its corporate social responsibility. The findings in Foxconn factories in Chengdu and Zhengzhou prove that social audits fail to ensure Foxconn will comply with the minimum legal standards. And the care hotline at Foxconn, especially in Chengdu and Zhengzhou, aims to ease the pressure from the public rather than helping the workers.

SACOM categorically demands that both Foxconn and Apple to:

1. Provide a living wage for all the workers, one that will enable workers to live in the city;
2. Reform management methodology, including setting a reasonable production target;
3. Abolish standing-operation and ensure workers can have recess and meal break regularly;
4. Provide, with regard to occupational health and safety, adequate training, protection, and health examinations to workers;
5. Reform the existing unions and enable workers to select their representatives in accordance with the Trade Union Law;
6. Provide remedies, including additional compensation for the workers, when rights violations occur; and
7. Publicize the remedial actions for worker and public scrutiny.

Apple and Foxconn are the world's leading brand and leading manufacturer in the electronics industry, respectively. The structural reform at Apple and Foxconn can be the impetus for improvements in labour conditions across the electronics industry. Apparently, pressure from consumers is the main incentive for the brands to carry out reforms. SACOM continues to call on the concerned consumer to denounce the brands that grow at the cost of the predicaments of workers.

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