

# China Labor Issue & Discussion

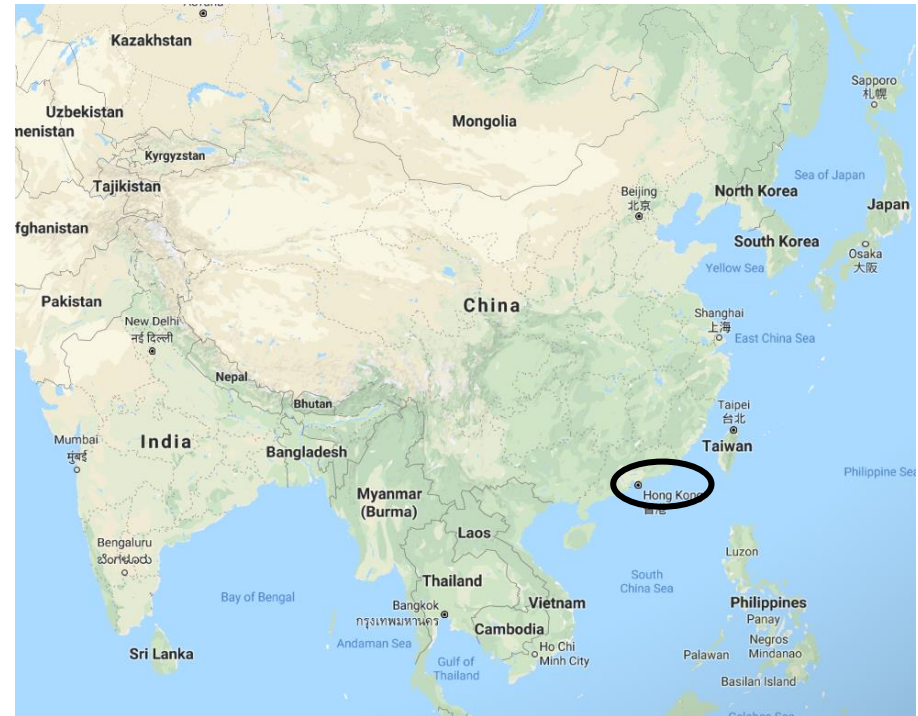
Labor Education and Service Network

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# Why Hong Kong is working on China labour issues?

- Two main events
  - 1993 ZL fire accident in toy factory
  - 1995 The United Nations' World Conference on Women in Beijing



- Why is Hong Kong so important to understand the situation in China?
  - In Mainland there are NO independent official organisations on Labour Rights
  - Similar culture
  - Same language
  - Location (I am going by metro to China to talk to workers)
  - Historical factor

# LESN

“Labour Education and Service Network”

- Hong Kong NGO;
- Established in 2001;
- The first Hong Kong labor NGOs setting up a program and a center in mainland China;
- After **the crack-down (2012)** and the **Foreign NGO law (2017)** has been released, the role of LESN has changed;
- We do not support partners directly- indirect through connections, trainings, consulting.



# Work of LESN

- 1. Right-based services and capacity building for workers in Pearl River Delta;
- 2. Support community worker groups and campaigns for social insurances;
- 3. Capacity building for labor activists and organizers;
- 4. Capacity building for grassroots NGOs to fully localize;
- 5. Support of Social enterprises
- 6. Research on specific industry
- 7. Supporting collective action

# Sharing – Samsung in Xian

- The 1<sup>st</sup> plan has started in 2013, and the 2<sup>nd</sup> plan started in 2017. In the expectation, the whole plan will cover 10 km<sup>2</sup> land space.
- The biggest foreign investment of Samsung.
- Located in “Xian Hi-tech Industries Development Zone” which is far from city center (1 hours taxi from high speed railway station)
- Phase 2 plan is also located in the industry zone, but there is a separated area for Samsung, a taxed free area. It is not allowed to enter if someone does not have a pass.
- Korean shops, restaurant and signs are inside the area.
- The salary is good for Xian level, about 4000 RMB (480 Euro) per month for a security post.
- Recruit workers from the whole country though the internet apply, not only employing Xian residents.



## The other side story of Xian Samsung

- After the plan is approved, Xian government removes **13 urban village in only 3 months**. It has influenced **over hundred thousand families** who need to move out from their homes.
- **Free tax** - “10 years free and 10 years half”;
- **Free land and factories building cost**;
- Provide **allowances and discounts** for the cost of water and electricity;
- Build the **infrastructural** to connect city and Samsung area, including high speed road and Metro;
- Provided **public housing estate** nearby Samsung area;
- **Flat price** in Xian **doubled** within past 3 years
- Samsung Security has the **absolute power** in the facility over probably more than 100.000 workers (collaboration with government)

# Sharing – Electronic industry in China

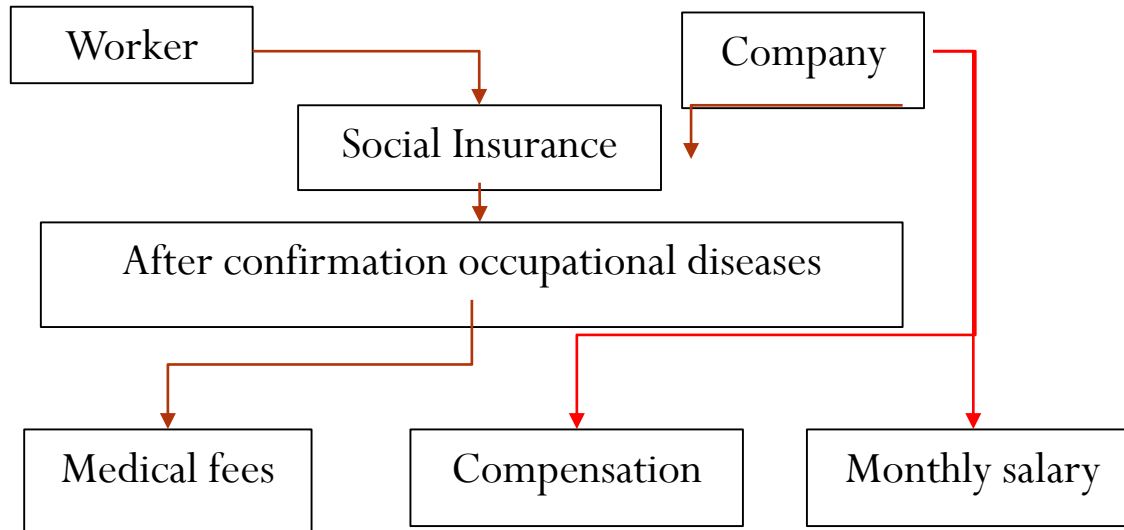
- Two types factory in China
  - Received order from brands to producing parts (Foxconn, Flextronics and Lens)
  - Established own factory by the brands (Samsung, BYD)
  - The scale from 300 – over 100 thousands workers in one factory
  - All procedure can be produced in China, from the chips to the frame
- Working condition within electronic factory
  - Minimum wage as basic salary
  - Rely on overtime salary (however, it is not following the law as 1.5 times.)
  - From 3000 – 5000 (360– 600 EURO) in Wuhan, or 4000 – 6000 (480– 720 EURO) in Shenzhen
- Some Problems in the electronic industry
  - Heavy workload – nonstop working
  - Harsh management (rest time, toilet time)
  - Illegal treatment (deduction salary, refusing giving salary)
  - High turnover rate
  - Unclear chemicals make the fear of getting occupational disease
  - Hard to know what brand of the product



# Sharing – Electronic industry in China

## Case of occupational diseases

### Social Protection of occupational disease system



Two workers are working at the same factory W which produces mobile phone touch glasses including iPhone 3 and iPhone 5.

The production process is: grinding and polishing → wash the glass → glue the glass to plastic frame → wash the product with organic chemicals (the most toxic procedure)

One worker's parts of body was paralysed after working in the factory for **JUST 7 MONTHS** (hands and legs)

The other worker worked there for 4 years with nothing happened. She was also suffering same situation after the factory has changed into using a new chemical

Both of them have stayed in the hospital for 2 years with occupational diseases confirmation.

The boss asked how much compensation they want, in exchange of cancelling the lawsuit and leave the hospital.

They said it is no use even if the boss offers 2 million RMB because they will suffer and maybe die after stopping the daily treatment, and it is impossible for them to get back to work . **They have already lost their ability to work.**

## Main demand from China workers

- Decent living
- Safety works
- SELF-ESTEEM

## Main demand in China labor right

- Right to association
- Censorship from government
- International support