



## **Students & Scholars Against Corporate Misbehaviour**

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# **Sweatshops are good for Apple and Foxconn, but not for workers**

31 May 2012



## **Introduction**

“What’s wrong with sweatshops?” sums up the attitude of Terry Gou Taiming, the Foxconn CEO. In April 2012, when Foxconn organised a trip to Taiwan for selected Mainland workers, Gou explained his views to the Taiwan media, saying “There’s nothing wrong with working hard, with blood and sweat, as long as no laws are broken.” Most of the workers are angry with Terry Gou’s statement. “Of course sweatshops are good for Terry Gou, but not us. Without our blood and sweat, how could Foxconn grow rapidly?” Lin Yong, a male worker from Guanlan campus retorted.

The spate of suicides at Foxconn in 2010 has put the labour practices of the company in the limelight. The company has adopted a series of public measures such as staging an anti-suicide rally, establishing a hotline centre, organising recreational activities for the workers and so on to try to rebuild its image. Yet, Gou’s sweatshop statement speaks for itself. He clearly does not feel that there is any need for structural reform in the labour practices at Foxconn. In the past 2 years, there have been many media exposures of the exploitation of Foxconn’s production workers. Students & Scholars Against Corporate Misbehaviour (SACOM) has issued 5 reports on Foxconn and Apple to reveal the deplorable working conditions of the workers.<sup>1</sup> The efforts from different

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<sup>1</sup> *Apple Owes Workers and Public a Response over the Poisonings* (May 2010); *Workers as Machines: Military Management in Foxconn* (Oct 2010); *More Workers are Poisoned by Apple* (Oct 2010); *Foxconn and Apple Fail to Fulfil Promises: Predicaments of Workers after the Suicides* (May 2011); and *iSlave*

parties generated a public pressure from concerned consumers demanding ethical Apple products. Apple subsequently joined the Fair Labor Association (FLA) in January to cope with the PR crisis. Factory inspections were carried out at Foxconn by the FLA a month later. In late March, the FLA published a report and documented a long list of labour rights abuses at Foxconn. However, FLA is silent towards Apple's unethical buying practice in the supply chain, as their team is funded by Apple. From March to May 2012, SACOM revisited the Foxconn's production sites in Zhengzhou of Henan province in inland China and Shenzhen where most of the interviewees work on Apple production lines. The research shows labour rights violations remain the norm in the factories. The following are the key findings of SACOM's investigations:

- No freedom of speech: In the orientation, workers are warned not to talk to journalists and researchers unless given permission by the management.
- No freedom of association: Workers are ordered to sign up for the company-controlled union without knowing the functions of the unions.
- No transparency in the FLA's inspections: Workers have no access to the FLA's report and the remedial actions.
- Overall salary decreases: The basic payment of workers increases but, overall, the salary of workers decreases because the overtime work is cut down.
- Unpaid overtime and demanding production targets: After the pay rise, overtime hours were reduced but, since then, workers have been set higher production targets and sometimes have to work unpaid overtime.
- Excessive overtime for the iPad workers: In the lead-up to the release of the new iPad, workers could not take leave for family reunions during the Chinese New Year. And overtime work for the iPad workers remained at 80 hours a month in April.
- Inhumane treatment: The frontline management continue to impose humiliating disciplinary measures on workers, including forcing workers to write confession letters, reading out these confession letters, cleaning the toilets and manual labouring work.
- Psychological tests for job applicants: The written test for job applicants includes a section designed to screen out workers who have, or might develop, mental health problems.
- Unsafe working environment: No adequate training for workers on work and safety. Workers do not know what kinds of chemicals they are using. At least 728 cases of industrial injuries at Foxconn's production facilities in Shenzhen have been recorded.

## Factory Profile

Foxconn is a Taiwanese-owned IT manufacturing giant. The workforce of Foxconn in China is over 1 million. Shenzhen is the biggest factory with about half a million workers. In Shenzhen, Longhua and Guanlan are the company's two major production sites. Longhua is known as Foxconn City. It is estimated that the workforce is 350,000. It produces electronic products for many brands, including Apple, HP, Nokia, Amazon, Dell, etc. Guanlan is a smaller campus with about 100,000 workers. The overwhelming majority of workers there produce iPhones. SACOM also visited a small Foxconn factory in Songgang, which produces printed circuit boards for Apple, HP and Nokia, and has about 30,000 workers. Apple is the major client of Foxconn in Songgang according to the respondents.

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*behind the iPhone: Foxconn Workers in Central China* (Sep 2011). The reports are downloadable at Students & Scholars against Corporate Misbehaviour's website at [www.sacom.hk](http://www.sacom.hk).

Since August 2010, the factory in Zhengzhou has been expanding. The current workforce is about 100,000 workers. All the workers in Zhengzhou produce iPhones. Foxconn has three production sites in Zhengzhou. The Airport Zone is still under construction. It is expected that the workforce will grow to 350,000.

*Factory profile:*

	<b>Zhengzhou</b>	<b>Shenzhen</b>
Campus	(1) Airport Zone: new and permanent factory; (2) Processing Zone: temporary factory; and (3) Zhongmou County: smaller factory playing a supportive role	(1) Guanlan: a production site for iPhones; (2) Longhua: a giant factory producing electronic products for multiple brands; and (3) Songgang: a factory that produces printed circuit boards
Estimated Workforce	100,000	500,000
Client	Apple	Apple, HP, Nokia, Amazon, Dell, etc.
Product	iPhone	Computers, laptops, mobile phones, servers, etc.



Safety nets are still hung around the factory buildings in Foxconn's Guanlan campus, Shenzhen.

## Research Methodology

From March to May 2012, SACOM researchers conducted investigations around Foxconn's production sites in Zhengzhou and Shenzhen. Over 170 workers were interviewed. All the respondents in Zhengzhou and Guanlan, Shenzhen, produce the iPhone. Meanwhile, about 50% of interviewees from Longhua and Songgang factories in Shenzhen are on Apple's production lines. Apart from a few frontline supervisors and assistant line leaders, 90% of the interviewees are production workers.

During the off-site interviews, some workers declined to talk to researchers, explaining that they had been warned in their orientation not to talk to journalists and researchers. Furthermore, our research in Zhengzhou was obstructed on several occasions by unknown men carrying Foxconn's work card, believed to be management. On one occasion, an interviewee's name and work card number were noted by the management-like man. The tactics of Foxconn in forbidding workers to speak about their working conditions to the public is a violation of freedom of speech. Apparently, the motive behind this is to prevent workers leaking any negative information about

the company to the public. In order to protect the workers from potential retaliation, SACOM has changed interviewees' names to pseudonyms.

## Findings

SACOM has regularly visited Foxconn's Shenzhen production facilities since 2010. In July and August 2011, researchers carried out investigations in Foxconn's factories in Zhengzhou. When SACOM revisited Foxconn's plants in the two cities, workers explained that wages, unpaid overtime work and harsh management were their main concerns. However, these reveal the structural problem of a lack of genuine representative systems in the factories to monitor and protect workers from labour rights violations.

### **Workers have no access to the FLA's report**

In February and March 2012, the FLA conducted factory inspections and a worker survey at Foxconn's production sites in Shenzhen and Chengdu. An investigative report was published in late March 2012. The FLA's report highlighted

several pressing issues at Foxconn, including working hours, health and safety, industrial relations, compensation and use of interns. However, the problems of harsh management and work pressures were tactfully neglected in the report. Likewise, the problem of forced internships was not addressed in the report at all.<sup>2</sup> Yet, it is commendable that the FLA did list a series of remedial action plan in response to the problems found at Foxconn in the report. While the FLA will verify the implementation of the remedial actions, workers should not be excluded from the monitoring process. Disappointingly, among 170 interviewees, only one-tenth of them know about the FLA. Some of them know it because the management have asked them to prepare for the FLA's inspections. The overwhelming majority of workers have neither heard about the FLA nor have access to the remedial action plan. Keeping workers in the dark suggests that Apple and Foxconn have no intention of implementing the corrective action plan. This should be rectified immediately.



Interviews were conducted around Foxconn's factory compound or in workers living communities. The upper picture is from Guanlan, Shenzhen and the lower picture is from Processing Zone of Zhengzhou.

<sup>2</sup> SACOM's comments on the FLA report, *Apple Concedes Problems in the Supply Chain at Last: FLA Report Omits Work Stress and Forced Internship*, <http://sacom.hk/archives/946>.

## Company-controlled unions

“The factory inspections by the Fair Labor Association prove that unions at Foxconn are useless. If the unions had teeth, why would we need Americans to protect our rights?” Ah Qiang of the Airport Zone campus, Zhengzhou said sarcastically.

SACOM could not agree more with Ah Qiang. In Brazil, where there are democratic unions, workers can enjoy much better working conditions, ranging from wages to fringe benefits. The basic salary of Foxconn workers in Brazil is CNY 3352 (USD 528), which is double that of Foxconn workers in China. The annual leave for Chinese workers is only 5 days per year while Brazilian workers have 30 days annual leave a year. Furthermore, in Brazil, there is a food allowance provided for the workers; the right to 4-month paid maternity leave is guaranteed; and occupational health and safety is seriously addressed.<sup>3</sup>

### Comparison of working conditions at Foxconn factories in China and Brazil<sup>4</sup>

	China	Brazil
<b>Basic Salary</b>	CNY 1550-1800 (USD244-284)	CNY 3352 (USD 528)
<b>Annual leave after 1 year</b>	5 days	30 days
<b>Food allowance</b>	no	CNY 300 (USD 47)

About half of the respondents had heard of the existence of unions at Foxconn in China. They mainly heard about the unions from Foxconn’s newspapers and posters which promote the recreational activities organized by the unions. Nonetheless, none of them knew about the real functions of the unions. Chen Linpeng, a quality control worker from the Zhengzhou factory, believes that individual workers cannot bring changes. Workers can only be organized if they are in a group or unions. Nevertheless, she understands that the union at Foxconn cannot help to resolve labour disputes. She added, “Everyone knows the union here is controlled by the company. In the past two months, I haven’t seen any action from the union.”

Most of the Foxconn workers do not trust the union because they feel that the union and the management are the same group of people. They think the establishment of the unions is just for the image-building of the company. To cope with the legitimacy crisis, the union has tried to expand membership, though workers are not well informed their rights and obligations as union members. In mid March, some workers in Zhengzhou reported that their supervisors asked each worker on their production lines to sign their names to join the union. The supervisors did not explain to them what the union was about. In this way, the union is exactly what the workers described – a window-dressing exercise. While Apple states that it respects freedom of association, it must ensure a genuine representative system at its suppliers. And it should use its leverage to push for democratic elections in the unions at Foxconn in accordance with the standard of the Trade Union Law in China.

## Overall salary decreases

Currently, the basic salaries of Foxconn workers in Zhengzhou and Shenzhen are CNY 1550 (CNY 244) and CNY 1800 (CNY 284) per month respectively. Most of the workers are

<sup>3</sup> Jay Greene, “Could Foxconn's factory in Brazil be a model for Apple production?”, *CNET*, 11 April 2012, [http://news.cnet.com/8301-13579\\_3-57412330-37/could-foxconns-factory-in-brazil-be-a-model-for-apple-production/](http://news.cnet.com/8301-13579_3-57412330-37/could-foxconns-factory-in-brazil-be-a-model-for-apple-production/).

<sup>4</sup> “A Closer Look at Apple and Foxconn: Labor Practices in China and Brazil”, *Economic Policy Institute*, <http://www.epi.org/event/apple-foxconn-labor-practices-china/>

discontented with the so-called pay rise because their overall salary has decreased or remained the same. Workers had high expectations that their living standards would be improved with the pay rise but have been disappointed.

**Wage levels at Foxconn in Zhengzhou and Shenzhen**

	<b>Zhengzhou (CNY)</b>	<b>Shenzhen (CNY)</b>
<b>Basic payment</b>	1550 (USD 244)	1800 (USD 284)
<b>Basic payment after appraisal*</b>	1800 (USD 284)	2200 (USD 347)
<b>Deduction for dormitory</b>	150 (USD 24)	110 (USD 17)
<b>Deduction for social insurance</b>	124 (USD 20)	144 (USD 23)
<b>Deduction for mandatory housing provident fund</b>	77.5 (USD 12)	90 (USD 14)
<b>Estimated deduction for food consumed in factory canteen during the normal working days #</b>	300 (USD 47)	300 (USD 47)

\* Workers are eligible for a pay rise after working in the factory for 9 months. If they have passed the appraisal, they can receive a higher salary.

# The deduction depends on how much food a worker consumes in the canteen.

In the peak season, the workers always have 70-80 hours overtime work per month in Zhengzhou. At present, the overtime work is greatly reduced. Some workers' monthly overtime work is as low as 10 hours. After deducting the money for food at the canteen, dormitory and social insurance and housing insurance, their disposable income is about CNY 1000-1500 (USD 158-236) a month. Some workers with low overtime hours even get less than CNY 1000 a month after all the deductions. Workers can hardly live on these wages. About 30% of respondents are considering resigning from Foxconn. As a result, after the workers receive their salary of the previous month, a high number of them will leave the factory without formally resigning. They would rather forsake the salary of the first week of the next month and seek jobs with a higher salary. Likewise, the disposable income for the Shenzhen workers is also lower compared with previous months because of less overtime work.

**Less overtime hours, higher productivity and unpaid overtime work**

In early 2011, Foxconn promised to cut down the overtime to no more than 36 hours per month within the year.<sup>5</sup> One year on, Foxconn has not realized its promise. In the FLA's report, Foxconn made another promise that it would fully comply with the legal requirement on working hours by 1 July 2013.

It is observed that most of the workers SACOM interviewed have less overtime work since February 2012. Yet, many workers complained that the productivity per hour was increased subsequently. Liu Ping, a female worker from Longhua campus, examines the surface of the iPads and packs them into the plastic bags. She said the production target in March was 120 iPads per hour; in May, the production target rose to 135 pieces. She is exhausted due to the increased workload.

The production targets of the production lines in Guanlan and Zhengzhou have not been increased significantly because it was the low season. Nevertheless, the workers grumbled that they had more work to do because of the high turnover rate in the factories. "With the same production target, but fewer people on the line, we are very tired everyday," Zhang He, a worker on the

<sup>5</sup> Finnwatch, SACOM and SOMO, *Game Console and Music Player Production in China*, February 2011, p.29. <http://makeitfair.org/en/the-facts/reports/game-console-and-music-player-production-in-china>.

Guanlan campus, explained. “Sometimes, if we have not met the production target, we have to stay until the work is finished,” he added. Besides Zhang, about 30% of respondents reported that they have unpaid overtime work occasionally.

Besides the unpaid overtime work, workers have to attend compulsory work meetings everyday. Workers have to arrive in the factory 10-20 minutes earlier for the work meeting. The time concerned is not treated as working time. The frontline supervisors will lecture them about low productivity, the high number of defective products or the disciplinary problems. Some workers say that the main function of the assembly is to scold people.



Assembly of new Foxconn workers in Zhengzhou.

About 10% of the interviewees are supervisors or assistant supervisors. They often have unpaid overtime work for 1 hour a day. Sometimes, the overtime work is up to 4-5 hours a day. After the work shift, they always have a work meeting. The nature of the work meeting is similar to the one experienced by the production workers. The frontline supervisors will be scolded by their superiors. Because of this pressure, they unconsciously vent their anger on the production workers. Besides work meetings, the supervisors also have to do the administrative work after the work shift.

### **Overtime work is subject to clients' needs**

Public pressure and the increase in basic salary have resulted in less overtime work at Foxconn recently. Nonetheless, overtime work is still always subject to the delivery time requested by the clients.

In Guanlan and Zhengzhou, the overtime work of workers was always less than 40 hours per month because it was the low season when the investigation took place. In contrast, the workers who produce the iPad in Longhua campus are busy. In the lead-up to the release of the new iPad in March, the monthly overtime work of Apple production line workers in Longhua campus was about 80 hours per month. Even worse, some workers complained that they could not go back to their hometowns for the traditional family reunion during the Chinese New Year in January. In

fact, they were only permitted to have a 5-day vacation. Given that most of the workers are internal migrants, such a short holiday is barely enough time for them to travel to their hometowns. This definitely deprived them of their only opportunity to visit their family members. Recently, in March and April, many workers on Apple production lines in Longhua campus told SACOM researchers that the overtime work remained 60-80 hours per month. In addition, in Songgang campus, which produces printed circuit boards for Apple, HP and Nokia, workers often have more than 60 hours overtime work per month. These examples show that the overtime work on Apple production lines is still excessive, far exceeding the Chinese legal limit. And the problem of excessive overtime work is always caused by the short delivery time required by Apple.

富士康科技集團 iDPBG 事業群 薪資單										
部門:	鄭州		姓名:	[redacted]		工號:	[redacted]		入廠日期:	[redacted]
正常工作天數		21.00	天	補項1		50.00	元	減項1/減項2		元
標準	正常工作時間工資	1303.45	元	補項2			元	社保代繳款		元
薪資	考核崗位津貼(適用員級)		元	簽約獎金			元	住房公積金代繳款		元
職務津貼(適用員級)			元	提案改善獎金			元	個人所得稅代扣		元
地區津貼			元	征文稿酬			元	伙食費消費代扣		元
歷練津貼			元	講師費			元	住宿水電物業費代扣		元
建廠津貼			元	保險賠付款			元	費用住宿費代扣		元
崗位津貼			元	曠工天數/減項			天	實發薪資		元
夜宵津貼			元	事假天數/減項			天	應發獎金		元
平時加班時數/工資	20.00	小時	232.80	元	病假天數/減項			獎金缺勤扣款/其他減項		元
法定假日上班時數/工資	10.00	小時	232.80	元	遲到/早退時數/減項			獎金稅		元
休息日上班未補休時數/工資	54.00	小時	838.08	元	應付總額		28	實發獎金		元

A pay slip of a Zhengzhou worker in January 2012 recorded the total overtime work was 84 hours.

富士康科技集團 iDSB 事業群 薪資單										
部門:	iPad		姓名:	[redacted]		工號:	[redacted]		入廠日期:	[redacted]
正常工作天數		21.75	天	補項1/補項2			元	減項1/減項2		元
標準	正常工作時間工資	1800.00	元	其他獎金			元	伙食費消費代扣		元
薪資	考核崗位津貼(適用員級)		元	建廠津貼			元	社保代繳款		144.00
職務津貼(適用員級)			元	簽約獎金			元	住房公積金代繳款		90.00
地區津貼			元	提案改善獎金			元	住宿水電物業費代扣		80.00
實習技術津貼			元	保險賠付款			元	費用住宿費代扣		50.00
學習獎勵金			元	鐘點費			元	個人所得稅代扣		元
崗位津貼			元	曠工天數/減項			天	實發薪資		元
夜班津貼			85.50	元	事假天數/減項			應發獎金		元
平時加班時數/工資	39.50	小時	613.00	元	病假天數/減項			獎金缺勤扣款/其他減項		元
法定假日上班時數/工資(原G3)	10.00	小時	310.00	元	遲到/早退時數/減項			獎金稅		元
休息日上班未補休時數/工資(原G2)	29.00	小時	600.00	元	應付總額		34	實發獎金		元

A pay slip of a Longhua worker on Apple production line in April 2012. The total overtime work was 78.5 hours.

## **Workers are insulted in front of other colleagues**

When asked what are the most pressing issues for the workers, management methods always figure as one of the top-three issues. Although many workers said that the use of foul language on production lines is less common, the words from the supervisors are equally insulting. Usually, when a supervisor yells at a worker, dozens of workers around can hear it clearly. The supervisors always bellow, “If you do not want to do your work properly, get out of here immediately.” Su Bingbing, a female worker on Longhua campus, recalled the insulting words from her supervisor that “If you were smart, you would have a job in an office. It is because you are stupid that you have to work on the production line!”

Many respondents have had experience of having to write confession letters, no matter whether they have made mistakes or not. Moreover, the name, work card number and fault will be posted in the work unit. This is clearly intended to insult the workers concerned in public. The following are a few examples:

Xiao Gao, a female worker on Longhua campus, reported that a worker on the next production line was ordered to write a 500 word statement to admit her fault and read it aloud in front of other colleagues.

Chen Meifang, a female worker on Longhua campus who joined Foxconn in November 2011, wanted to decline overtime work on a Saturday. Her supervisor did not approve it, but Chen did not go to work on that day. She was asked to move 3000 boxes a day during the work shift as punishment. The punishment lasted for 10 days. On the first day, she suffered from backache and could not sleep at all.

Seven workers of the Processing Zone campus in Zhengzhou were ordered to sweep the lawn because they did not have good performance on the production line. A male worker said his supervisor did not like him and always sent him to work on different production lines and even told him to clean the toilets.

Liu Jingjing, a worker in Zhengzhou, had a conflict with her supervisor. She was asked to write a confession letter for defying an order from a superior. Her confession letter was posted in public. She felt very embarrassed and worried that this would affect the annual bonus that she would receive.

In the past, most of the workers had to stand throughout the work shift. Recently, more workers have been given seating. However, workers can only sit on one-third of the stool to remain nimble for the work. Ah Xin who works in the quality checking unit for the iPhone components in Zhengzhou, was punished by having to write a statement to admit her mistake only because she did not sit in a standardized way.

## **Psychological tests for job applicants**

In its job advertisements, Foxconn requires job seekers to be healthy physically and psychologically. Foxconn insisted none of the suicide cases was work-related but company practice contradicts this. Besides safety nets, other anti-suicide measures include a CARE hotline and counseling services for the workers. In other words, Foxconn believes mental illness and psychological problems are major causes of suicide. Job applicants have to undergo written tests, one section of which is a psychological test. Workers have to answer dozens of questions,

including: Do you always feel nervous? Do you feel there is someone haunting you? Would you blame yourself if you made some minor mistakes? It is pathetic that Foxconn does not review the harsh management methods in the factory and to what extent these have an adverse impact on the mental health of workers. Instead, they blame the workers for having mental illness problems in the first place.

### **Workers do not know what kind of chemicals they are using**

In its code of conduct, Apple claims, “Suppliers must be committed to creating safe working conditions and a healthy work environment for all of their workers”. Regrettably, workers at Foxconn are constantly exposed to unsafe working environments and are at risk of being poisoned or injured due to Apple’s negligence in ensuring compliance with its own standards.

In the previous reports, SACOM criticized the fact that workers at metal-working and parts-processing workshops had to handle the unknown chemicals. This problem remains the same. Machine operators always have to use “cutting fluid” or “oil” in production. The smell of the chemical is irritating. Although workers have masks, the surface of the masks and the clothes of the workers are always stained by the chemical. Respondents worry about their health because they believed the chemical is harmful. Similar to the machine operators, workers on production lines do not know the chemicals that they use.

In Shenzhen, there were 728 cases of industrial injuries at Foxconn production facilities between May 2011 and April 2012. This is just the tip of the iceberg because many workers complained that their injuries have not been reported. The management simply negotiate with the injured workers for a settlement. According to the respondents, cases of industrial injuries have an impact on the annual bonus received by the middle-management. Therefore, the management are very reluctant to report all the cases, at the sacrifice of the interests of injured workers.

### **Cramped Dormitories**

Most of the time, a dormitory room is shared by 8 workers. In the Processing Zone campus of Zhengzhou, workers are staying in temporary dormitories which are designed as apartments. There are 3 bedrooms and 1 living room in each apartment. The space, including the living room, is occupied by double-deck beds. About 20-30 people are housed in each apartment. The living conditions are cramped and unpleasant. Conflict among the roommates in such a cramped living place is not unusual. Using electrical appliances with high energy consumption, including hair-dryer, electrical kettle and laptop, is prohibited. If the workers concerned do not cooperate with the management of the dormitory, the management can confiscate workers’ electrical appliances and will only return them when they resign. Yet, the workers have to pay CNY 150 (USD 24) per month for a bed space in Zhengzhou, which is even more expensive than the dorm of Foxconn in Shenzhen. The dormitory fee in Shenzhen is CNY 110 (USD 17) per month. The fact that many interviewees in Shenzhen prefer to spend CNY 400-500 (USD 63-79) per month to rent a single room outside the factory clearly shows that the living conditions in the dormitories are not acceptable.

### **Un-care Hotline**

The care hotline was introduced in response to the spate of suicides. It aims to provide counseling services for the workers. It also collects the grievances of the workers. Most of the interviewees have no confidence in the hotline because the cases will be reported to the management. About

95% of the workers have never used the hotline. For those who have tried, the experiences are negative. The following are two examples of the failure of the hotline.

Lu Jiaming is a worker in the logistic department of Guanlan factory. He had some conflict with his supervisor and called the hotline. The line operator advised him to resign if he is unhappy with the working conditions at Foxconn.

Li Lin is a former Foxconn worker in Zhengzhou. He used to produce frames for the iPhones. After leaving Foxconn, he works at a recruitment agency which supplies job applicants to Foxconn. Li called the hotline because of a wage issue. His overtime work on a Saturday had not been recorded. Thus, he received about CNY 120 (USD 19) less than what he deserved. He called the hotline and the complaint was diverted to his supervisor. His supervisor was furious about the complaint and scolded him. Li left the factory after he got his salary of the previous month.



The workers are right to pinpoint that the hotline is not independent. A hotline is not a meaningful substitute for a union to handle workers' grievances in the workplace. A democratic union should be established without delay.

## Conclusion

The above findings demonstrate that Apple and Foxconn have not turned over a new leaf. Every time labour rights groups, like SACOM, or the media, uncover the social cost of Apple products, Apple and Foxconn either ignore or deny the accusations. After the FLA's report, Apple and Foxconn agreed to carry out remedial actions to rectify some of the problems. However, they never pledged to compensate the workers for the labour laws violations and failure to fulfill the code of conduct over the years. In this way, Apple and Foxconn avoid all costs for the labour rights violations. SACOM is deeply worried that Apple and Foxconn may continue these violations because that reduces labour costs.

In the past two years, SACOM has repeatedly demanded that Apple and Foxconn should correct their labour practices. No matter the arrogance that Apple and Foxconn show towards the NGOs, SACOM once again raises our demands on the two companies:

1. Facilitate the formation of genuine trade unions through democratic elections;
2. Provide a living wage for all workers which enables workers to support themselves and their families;
3. Review management methods and ensure workers are treated with respect and dignity;

4. Conduct labour rights training for workers, including training on occupational health and safety; and
5. Compensate victims of non-compliance with the Apple code of conduct.

When SACOM asked the workers if they had any message for the consumers, a 16-year-old Foxconn worker at Zhengzhou factory responded that, “We are exhausted every day, not only physically but psychologically. I hope that Foxconn can look into the management practice and stop asking us to do unpaid overtime work.” Without a genuine trade union, workers are always afraid to speak up as individuals. To amplify our voice, support from consumers is paramount in the campaign for ethical Apple products. SACOM calls on concerned consumers all over the world to keep up the pressure on Apple and Foxconn until the companies end the exploitation of the production workers.

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