

The Dark Side of the Toy World

Investigation into the Sweatshops of Disney, Mattel, Hasbro, and Walmart



November 26, 2017

Executive Summary

Chinese toy factory workers must distance themselves from their parents and children, leave behind their loved ones to go and work in a place entirely unfamiliar to them and must become accustomed to that area's way of life. Every day workers toil for 12 hours, and if they do not work overtime, can only earn 250 USD a month, leading to workers desperately working overtime to barely maintain their livelihood. While not informing workers of the situation, the factory uses harmful chemical products. Dormitory conditions are extremely poor, with eight or more workers crammed into a small room. The factory makes use of various methods to penalize workers who violate factory regulations. China Labor Watch has been investigating working conditions in toy factories since 1999 and for over 18 years, this kind of tragedy has been constantly occurring.

On August 11, 2017, China Labor Watch dispatched three investigators to the Shaoguan Early Light, Dongguan Changan Mattel, Dongguan Qualidux (Guangda), Shenzhen Winson (Taiqiang) toy factories to conduct a thorough investigation of the working conditions. They interviewed around 400 factory workers. These factories primarily produce toys for Walmart, Disney, Mattel, Hasbro, Target, Big Lots, Costco, Bandai, Infantino, Zoli, Combi, TOMY, Hama, Lanvin, and other companies. Many of these brand companies have promised to uphold the rights of factory workers, and have established codes of conduct. What we discover though, is that these brand companies continue to blatantly violate the rights and interests of workers who manufacture their products.

We have discovered the above-mentioned four toy factories have committed the following violations of Chinese labor law and performed actions that were immoral and resulted in the mistreatment of workers.

Excessive overtime hours remain an issue across all four factories. Chinese labor law stipulates that laborers shall work no more than eight hours a day, and no more than 44 hours a week. Where the employer wishes to extend working hours, total extension cannot exceed 36 hours a month. All four factories had workers putting in over 80 overtime hours a month, with some clocking in around 140 overtime hours.

For workers who are exposed to toxic chemicals, the factory does not provide them with adequate protective equipment. According to Chinese occupational health and safety law, employers are to provide articles of labor protection to employees. At Early Light, workers who used toxic chemicals in their positions were not informed of any protective measures to take, and are only provided with a mask. At Qualidux, only work hats are provided. Without the necessary protective equipment, workers become victims of various occupational diseases.

All four factories lacked an active labor union. Where there was a labor union, workers were unsure of the functions of the union, and regular meetings were not held. Winson had a union present, however, labor representatives were production line managers, which limits the effectiveness of the union.

Dormitory conditions are substandard. Eight or more workers are squeezed into a small dorm room, and ten or more workers share a bathroom. In some dormitories, workers have to sleep in stifling heat during the summer, and the bathrooms are malodorous, with litter everywhere. Many workers choose not to live in the dormitories due to the poor conditions.

According to China’s work safety law, manufacturing areas and living quarters are to have emergency exits, which are kept unobstructed. At Early Light and Winson, piles of products are scattered everywhere, blocking pathways and emergency exits. Fire extinguishers in the dormitory area of Qualidux were last checked in 2016, and have been expired for over a year.

Summary of Rights Violations 2017

	Dongguan ChangAn Mattel	Shaoguan Early Light	Shenzhen Winson Precision	Donguan Qualidax Plastic Products
Hiring discrimination*		X		
Pre-job physical examination not provided to all workers	X		X	X
Overtime is not voluntary*	X	X		
Excessive overtime work*	X	X	X	X
Factory mistreats workers		X		X
Factory does not explain the labor contract to workers		X		X
Factory does not uphold the labor contract*		X		X
Factory does not provide 24 hours of pre-job safety training *	X	X	X	X
Factory does not provide workers with protective equipment*		X		X
Factory lacks sufficient occupational health and safety measures*		X		X
Poor living conditions	X	X	X	X
Fire hazards present in factory workshops*		X	X	X
Failure to purchase social insurance in accordance with the law*		X	X	X
Lack of well-functioning unions	X	X	X	X

Lack of effective complaint channels	x	x	x	x
Lack of transparency regarding actual working conditions		x		x
Factory does not notify workers of emergency measures to take during emergencies*		x		x
Worker must obtain approval for resignation		x		

NOTE: “*” represents a violation of Chinese labor law

Instances of worker mistreatment and actions that violate labor laws are present in all these factories. Of these factories, we have investigated the Changan Mattel, Dongguan Qualidux (Guangda), Winson (Taiqiang) toy factories many times and in the toy industry, these factories have slightly better labor conditions. The three factories have made some improvements over the years, to working conditions. However, in some areas, work conditions have regressed. We did not do a careful and thorough investigation of Shaoguan Early Light in the past and thus, the labor conditions there are comparatively worse.

Improvements in working conditions

We identified improvements in working conditions for the three factories we had investigated in the past. Previously, workers had a work schedule of 6.7 hours a day, 6 days a week, as factories had attempted to reduce the overtime pay of a regular working hour schedule of 5 days a week, 8 hours a day. This has since changed, and with work done on weekends calculated as overtime, workers work the same amount and have around a 100 RMB (\$15.00 USD) increase to their monthly wages.

Occupational safety and health training sessions still fall short of the 24 hours pre-work safety training as stipulated by law. However, ChangAn Mattel and Winson have increased their training sessions in length and are now four hours long, in addition to being more comprehensive. ChangAn Mattel’s training session now covers topics such as occupational safety and environmental monitoring. Winson’s training session covers work safety.

According to Chinese labor law, employers are to provide workers with insurance in five categories and one mandatory housing fund. The insurance categories are work-related injury, unemployment, maternity, medical and pension. ChangAn Mattel and Winson now provide better insurance coverage for workers, purchasing insurance across all five categories.

Workers’ wages at Winson and Qualidux have increased. In 2013, Winson workers earned 3200 RMB (\$482.84 USD) during peak production season. This increased to 3500-4400 RMB (\$528.10-\$663.90 USD) this year. Workers at Qualidux earned a base wage of 1100 RMB (\$165.98 USD) a month in 2013, and this increased to 1510 RMB (\$227.85 USD) a month in 2017. However, wages have not kept up with the increases in commodity prices.

Where working conditions regressed

Despite these improvements, in some areas, work conditions have regressed. ChangAn Mattel and Qualidux no longer require all new workers to conduct a physical examination. Without a physical examination, it would be difficult to prove that an occupational illness or work injury resulted from working at the factory.

Excessive overtime hours remains a major issue across all four factories. This year, ChangAn Mattel workers put in more overtime hours per month. In 2013, ChangAn Mattel workers worked 104 hours of overtime a month. In 2017, they worked 110 overtime hours a month.

Wages have decreased at ChangAn Mattel, from what was previously already, a meager income for workers. In 2015, workers had a base wage of 1560 RMB (\$235.40 USD) a month but in 2017, the base wage is 1507 RMB (\$227.40 USD) a month. The base wage is slightly lower than the local minimum wage standard of 1510 RMB (\$227.86 USD).

Qualidux no longer provides any safety equipment besides work hats for workers. In 2013, workers in certain departments were provided masks and gloves on a weekly basis. In 2017, the only safety equipment provided to workers were hats.

Whilst we must acknowledge there have been some improvements in the factories we have investigated previously, what we are seeking is greater compliance to international labor standards across the toy industry. With brands pushing for lower production costs, higher work intensity and quality products, what we are witnessing in the toy industry is a race to the bottom. This scenario creates breeding grounds for worker rights violations, as factories find various means to slash production costs, and working conditions continue to deteriorate.

Workers even jump to their death

Yang Zongfang, 38 years old. Shaoyang, Hunan resident. Worked at the Guangdong Early Light Toy Factory for 10 years in the B5-1 alloy die cutting department. On August 29, 2017, he jumped from the top of the factory's dormitory building.

Lin Jinhua, 34 years old. Worked at the Guangdong Early Light Toy Factory. On August 30, 2017, he jumped from a building and was in a coma at the ICU of Shaoguan City's Yuebei Hospital. He regained consciousness around the start of November.

These are two tragic cases that have occurred at the Guangdong Early Light Toy Factory. These two tragedies occurred just as our investigator was investigating the Early Light Toy Factory, which allowed us to add these two instances of workers jumping to their deaths to our annual record of the numerous suicides that occur at toy factories. According to our interviews with workers and their families, Yang Zongfang's reason for committing suicide was that he had been fired by the factory. The reason for his termination was that he had violated a factory regulation as he had allowed other workers to use his factory entry card. He had worked at the Early Light Toy Factory for 10 years. When Lin Jinhua arrived for work, he was verbally abused by a manager. In order to cover up the truth, the manager threatened workers that if anyone told the truth, the factory would fire them.

Currently, the information the relatives have received does not clearly specify the reason for the suicide. Lin Jinhua has regained consciousness, however is having trouble speaking, and in a confused state of mind. The factory paid for some of Lin's medical costs incurred at the hospital, prior to November.

Instances of workers jumping to their death is not only limited to the Early Light Toy Factory case. As we were investigating the Shenzhen Winson (Taiqiang) Toy Factory in 2011, a 45 year old female worker, Hu Nianzhen, was told by a manager that she was too old and worked too slowly. The manager yelled at her and asked her to leave the production line, which made the 45 year old female worker choose to commit suicide by jumping off the building. After Hu Nianzhen passed away, her relatives were also severely beaten by the factory and had to be hospitalized. CLW has been working to obtain the family's requested compensation on behalf of Hu Nianzhen, but so far they have yet to receive a fair compensation.

These stories of workers passing away are quickly forgotten by people, not to mention their forgotten names. Outsiders will not even hear of these incidents of toy factory workers jumping to their deaths and this completes the silence. But our children have to seek joy in the midst of these mistreated workers' tragedies. Our children's joyful worlds will be built on top of the tragedies of these Chinese workers and their families. Workers who have been treated unfairly don't have any means to negotiate with the factory, and ultimately choose to end their life.

Supplier(s)	Company	Headquarters	CEO	Total Compensation	Company's Net Income	Fiscal Year
Early Light	Hasbro	USA	Brian Goldner	10,542,242	551,380,000	FY16
Early Light	Li & Fung	Hong Kong	Spencer Fung	2,546,000	258,260,000	FY16
Early Light	Big Lots	USA	David Campisi	9,799,527	152,828,000	FY16
Early Light	Costco	USA	Walter Craig Jelinek	6,503,276	2,679,000,000	FY17
Early Light	Walmart	USA	Carl Douglas McMillon	22,352,143	13,643,000,000	FY17
Early Light	Disney	USA	Robert Iger	43,882,396	9,391,000,000	FY16
Early Light	Target	USA	Brian Cornell	11,281,369	2,737,000,000	FY16
Chang'an Mattel, Early Light, Winson, Qualidux	Mattel	USA	Christopher Sinclair	9,225,193	318,022,000	FY16
Early Light, Qualidux	Bandai	Japan	Masaru Kawaguchi		387,778,000	FY17
Qualidux	Tomy	Japan	Kantaro Tomiyama		47,170,000	FY17

The factories we investigated manufacture for the brand companies listed in the table above. The table contains information on the CEO's total compensation and company's net income.

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Shaoguan Early Light Investigation Report

Factory Profile

Shaoguan Early Light Factory is a toy, travel products and clothing factory owned by Early Light International (Holdings) Ltd. It is the world's largest toy manufacturer based in Hong Kong. The company also has another factory in Shenzhen.

The Shaoguan factory manufactures products for major international brands including Hasbro, Mattel, Li & Fung, Big Lots, Costco, Wal-Mart and Bandai. While it claims to employ 50,000 to 80,000 workers, during the investigation period, there were around 30,000 workers. Around 50,000 temporary student workers were hired in June and July. The ratio between female and male workers is 3:2. The factory covers an area of 3,000 acres.

On June 26, 2009, there was a violent dispute between hundreds of workers at the Shaoguan factory. Before the dispute erupted, there was an online post circulating that claimed two female Han workers had been raped by Uyghur workers. This led to a serious conflict between Han and Uyghur workers and resulted in the deaths of 2 Uyghur workers and the injuries of 118 people injured. This incident is widely considered to be the trigger event for the 2009 Ürümqi riots.



(Outside of factory)

Full Name: Shaoguan Early Light Factory

Address: Muxi Industrial Park, Western Xilian Town, Wujiang Qu, Shaoguan, Guangdong

Contact: +86-0751-8828888

Products: Electronic toys, handbags, travel bags, suitcases, clothing

Brands: Hasbro, Mattel, Li & Fung, Big Lots, Costco, Walmart and Bandai

Number of workers interviewed: Around 200

Male to female ratio of workers interviewed: 1:1

Products manufactured at Early Light



(Left: Rival Nerf Gun; Right: Mega Nerf Gun)



(Left: Barbie; Right: Rival Nerf Gun)



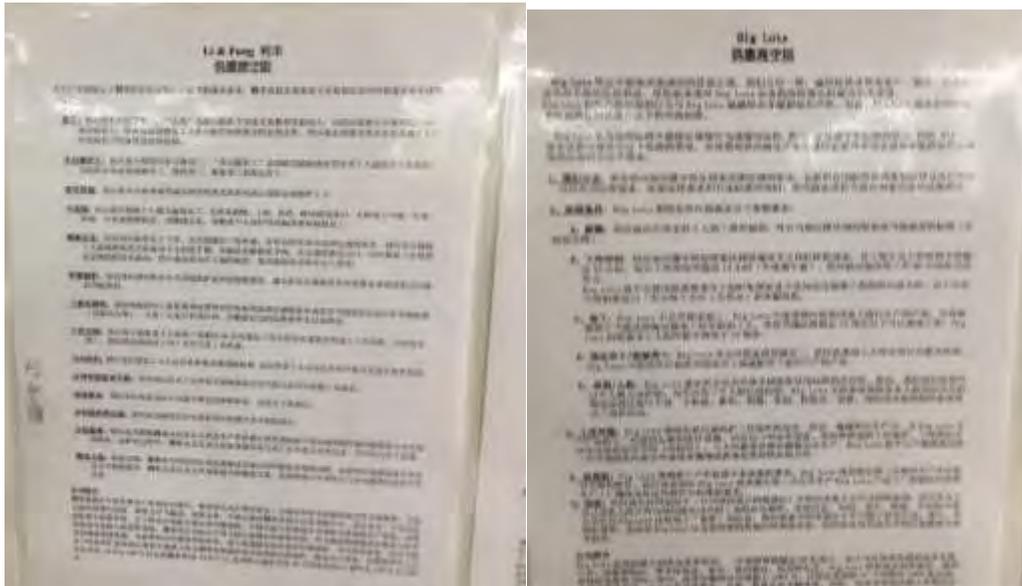
(Olaf from *Frozen* toy)

Brand companies who manufacture from Early Light

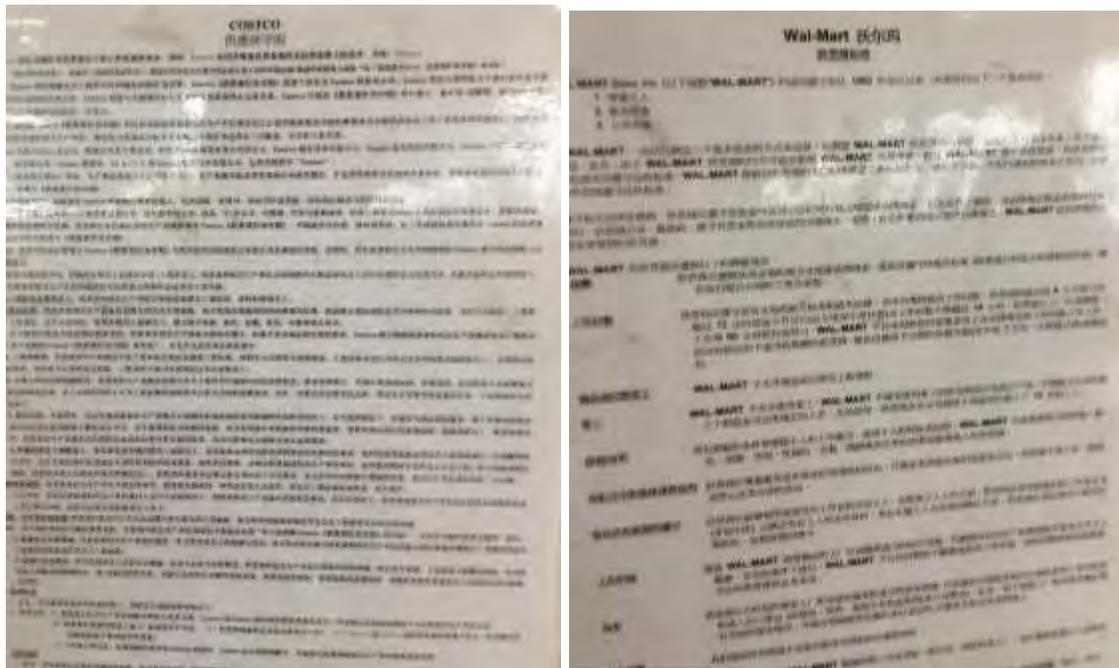


(Left to right: Hasbro, Spin Master, Toys R Us)

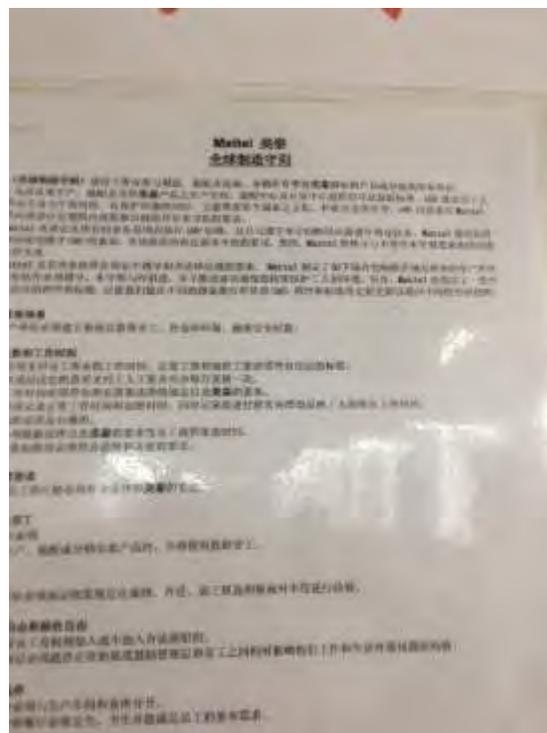
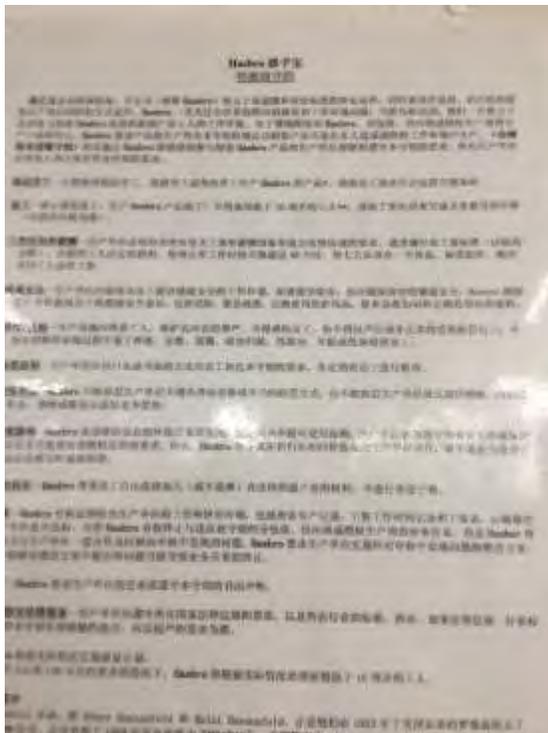
Notice of supplier regulations of brand companies



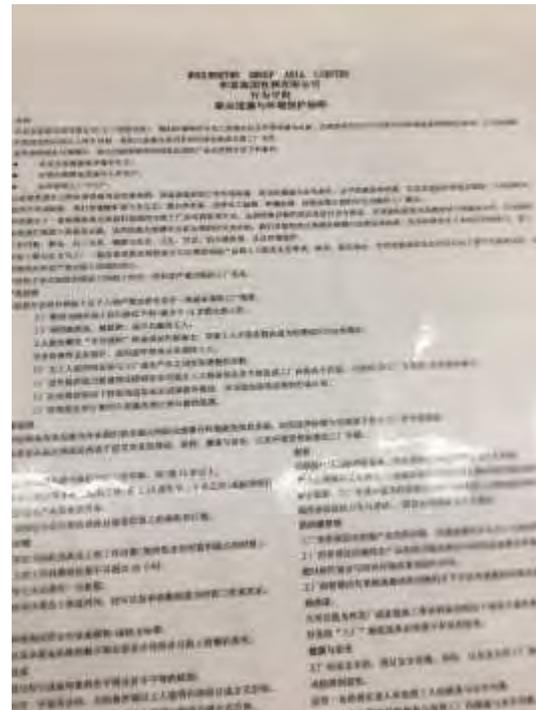
(Left: Li & Fung; Right: Big Lots)



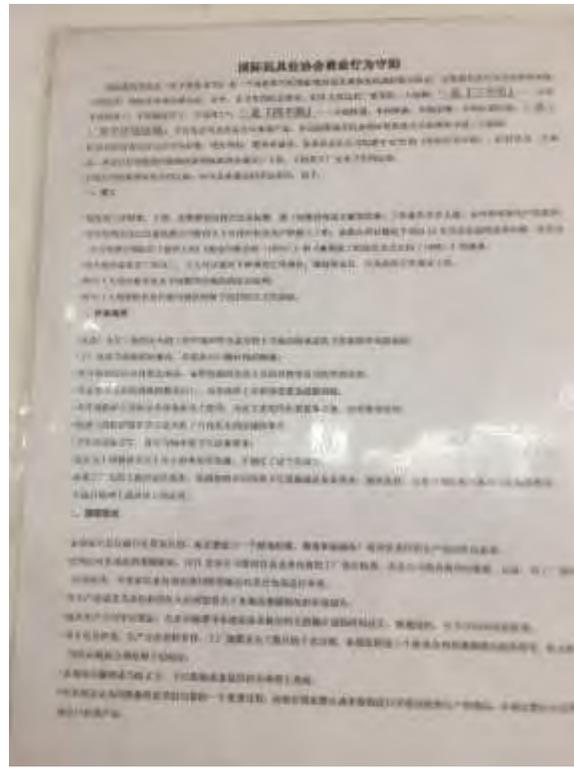
(Left: Costco; Right: Wal-Mart)



(Left: Hasbro; Right: Mattel)



(Left: Bandai; Right: Woolworths Group Asia Limited)



(Left: Walt Disney; Right: ICTI Regulations)

Section 1: Recruitment

General Policy

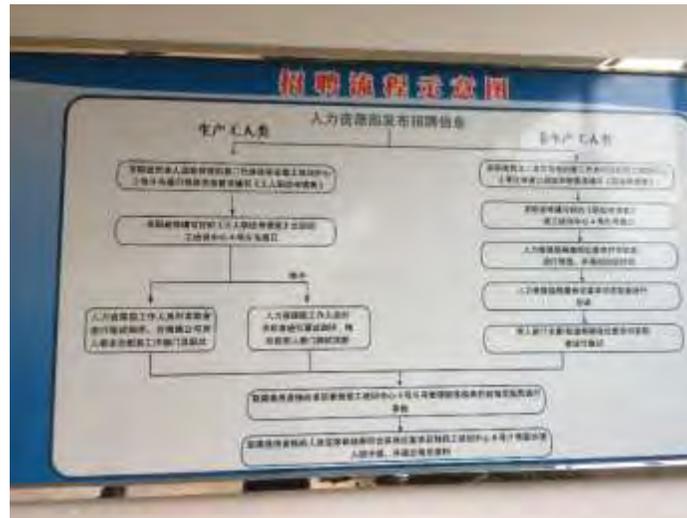
Hiring Requirements: The factory, on paper, requires workers to be healthy and be adults between 18 to 45 years old; however in practice, it hires 16 to 17-year-olds as well. It does not have a gender requirement. Previous workers who were fired from the factory for misconduct or other reasons will not be hired again. In addition, the factory stopped accepting applicants from Xinjiang after the 2009 Shaoguan incident.

Recruiting Channels: The factory often begins its large-scale recruiting process in August. Workers are generally hired from the factory's public announcements, online job listings, internal reference, labor dispatch, school internships, etc.

Position Assignment:

Workers are divided into long-term workers, temporary workers, and student workers. There is no difference in hiring requirements amongst the three position categories. New workers hired through an internal reference may be assigned to easier positions or departments. Most workers are assigned according to the factory's production needs, and do not have the option to choose a position or indicate their preferences. There are no gender differences amongst different positions.

Workers who are assigned to positions with occupational hazards are asked to sign a supplementary agreement about occupational hazards prior to starting the position.



(Recruitment procedures)

Underage Student Workers:

According to our investigation, the factory also employs minors. The investigation started during the summer vacation period, when the factory began hiring large numbers of student workers. Students aged 16 or 17 are sent down by their vocational high schools in provinces like Hunan and Guangxi. Most of them work in the factory during the school vacation, and then resign when classes resume.

The wage for student workers is 10 RMB/hour (\$1.50 USD/hour), for both regular hours and overtime work. This is significantly lower than regular contract workers’ wages, although there is no difference between their work hours and the workload.

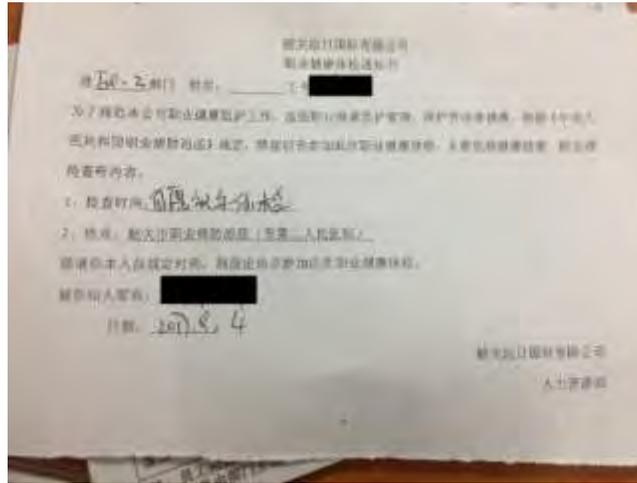
Student workers are assigned to all departments, with most of them working on regular manufacturing posts. They are not provided with any special protection, and work in the same conditions and are given the same production targets as other workers.

Physical Examination:

Workers are subject to two rounds of physical examination, the first one upon taking up the position and the second one after entering into the factory. The examinations consist of a general health check and workers will also be checked for any occupational diseases they may have. Specifically, workers are tested for their height, weight, blood pressure, blood count, vision, hearing, color vision, etc.

Costs for the pre-entry examination are 40 RMB (\$6 USD), and covered by workers themselves. Examinations are conducted at a hospital chosen by the factory. Workers can request for the results of their physical examinations.

Costs for the post-entry examination are covered by the factory.

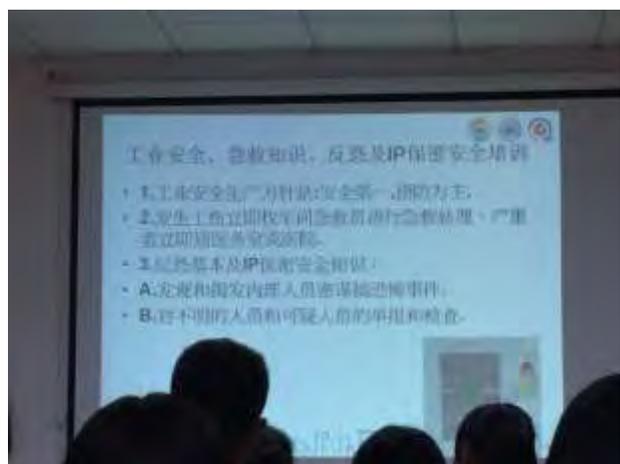
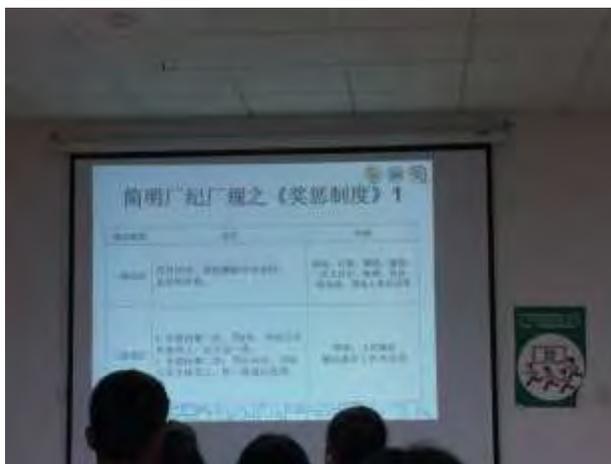


(Pre-entry examination notice)

Training and Orientation

After completing the hiring procedures, new workers attend a three-hour group training session arranged by the factory. The training falls short of the 24 hour pre-job safety training as required by law. During the training, workers sign labor contracts and Nondisclosure Agreements for the factory products. They learn about fire safety, industrial safety, first aid, anti-terrorism and intellectual property confidentiality. The training also introduces the factory's regulations concerning attendance, dining and accommodation, as well as employment benefits and facilities. Working hours, wage distribution arrangements, disciplinary regulations (rewards and punishments) are also covered.

The training is free, but the three hours do not count as work hours, and workers are not paid.



(Left: Information on rewards and punishments; Right: Information on work safety)

Probation

The contract stipulates that the factory's probationary period is six months.

Resignation

Within the six-month probationary period, workers who wish to resign must give a three-day to seven-day notice. After probation, workers who wish to resign must give a month's notice.

Generally, workers who wish to resign must obtain their supervisor's signature. Without the signature, resignation requests will not be approved.

Workers who have resigned can receive outstanding wages, which will be settled the day after resignation and will appear in workers' accounts around a week later. However, pay stubs are not available for workers who have resigned. Workers are only able to briefly view a statement of the wages cleared, and must sign it in order to receive their wages.



(Workers attend training)

Section 2: Labor Contract

General Policy:

Workers sign two copies of the labor contract during the training sessions for new workers. However, the factory does not provide workers with a copy of the contract until two weeks after they start working. Signing the contract takes about 10 minutes.

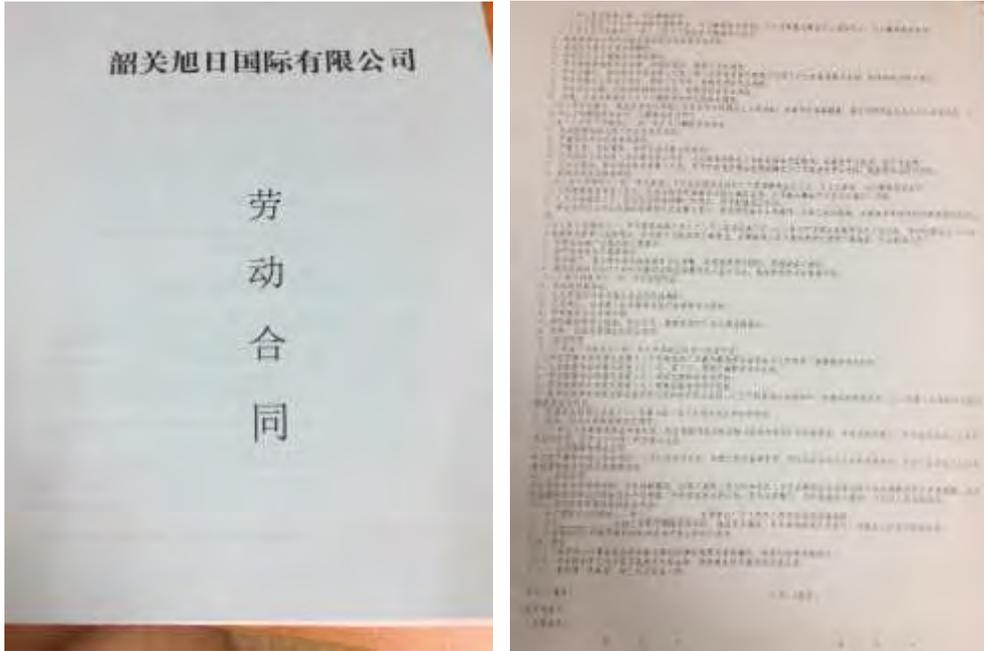
The contract is for a period of three years, and requires information such as the worker's full name, employee number, identity card number, address of birthplace, contact number, working period, and the department they have been assigned to.

Training staff demand workers to sign a clause of voluntary overtime: "I hereby agree for the factory to arrange overtime work for me". However, specific information such as the length of probation, wages, working hours, vacation, social insurance and welfare, are not filled out.

Workers are asked to hand in the contracts after filling them out and signing them.

Contract Terms:

Specific terms include (1) Contract Period; (2) Job Content and Workplace; (3) Working Hours and Vacation Time; (4) Remuneration; (5) Social Insurance and Welfare; (6) Labor Protection, Labor Conditions and Occupational Hazards Protection; (7) Rules and Regulation; (8) Contract Changes; (9) Contract Termination; (10) Compensation; (11) Dispute Handling; (12) Other terms on which the two sides agree on; (13) Other.



(Labor Contract)

Section 3: Working Hours



(Workers on the production line)

The factory adopts a standard working hour system. Normal work hours are eight hours a day, five days a week, and around 26 days a month. Anytime outside of these work hours is counted as overtime.

Below is the work schedule for the printing department and the plastic molding department:

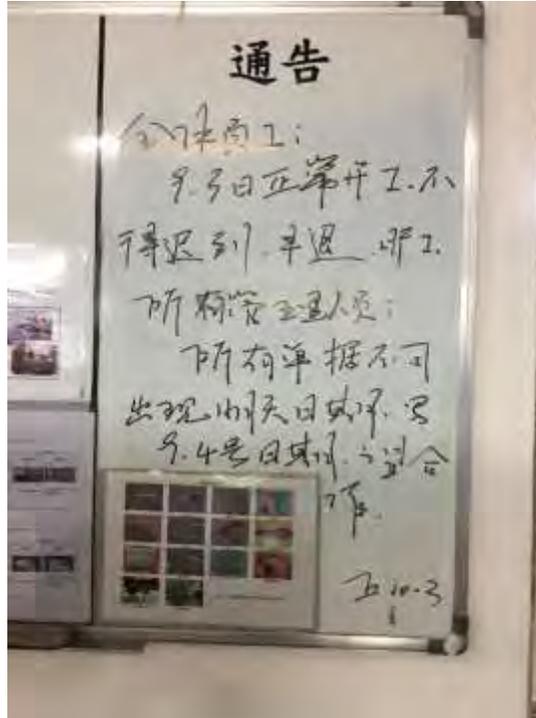
Department	Morning	Afternoon	Overtime
Printing Department	07:45-12:45	13:45-16:45	16:45-19:15 or 19:45
Plastic Molding Department	07:45-12:45	13:45-16:45	16:45-19:45
Plastic Molding Department - Night Shift	19:45-23:45	1:45-4:45	4:45-7:45

Normally, workers work overtime for two and a half hours a day, and an additional day (11 hours) on the weekends; six days a week. Average monthly overtime is 110 hours.

During peak production periods, workers work overtime for three hours a day, and one to two days (11 hours/day) on the weekends. Average monthly overtime in this case is 140 hours.

Workers who do not wish to work overtime must submit a written application and obtain consent from the workshop manager. Workers can choose not to work overtime without a penalty, though they would receive less pay. But since the factory's standard wages are relatively low, many workers have chosen to work overtime.

However, in September, the factory used the upcoming National Day as an excuse to force workers to work overtime. On September 2017, workers were forced to work consecutively for as long as 13 days. Many had only two days of rest for the entire month. For this month, workers are prohibited from leaving early, and must show up to work. On September 3rd, a Sunday, workers were forced to work, and have the hours recorded on September 4th.



(The above notice says that workers must come to work on time on September 3rd, which is a Sunday and workers will be recorded as having worked on September 4th)

The factory forces workers to work overtime and work intensity is high. Workers often need to work while sitting or standing for long periods of time to meet production targets

The factory records workers' hours with attendance machines. If an error occurs with the machine, each worker has the opportunity to correct his or her timesheet twice a month.



(Workers line up to swipe in for attendance)

In many circumstances, workers have to work overtime to achieve production targets. For example, workers at the printing department are required to produce 6,000 items per day. For workers who put in 11 hours of work a day, that means they must make 545 items/hour, and around 70% of workers meet the production target of 6,000 items a day. Workers consequently have no option but to work overtime.

When workers start work early or leave late in order to meet the production target, the extra time spent working is often unpaid. For instance, workers are supposed to arrive at 7:45 AM, but must check in at the attendance machine between 7:31 AM and 7:45 AM. The time spent clocking in is not calculated into the wages.



(Work intensity is high, workers sleeping on the factory floor)

Section 4: Labor Remuneration and Benefits

Wages:

The official payday is the 20th day of each month. Payment is made to workers' personal bank accounts at China Central Bank. New workers have to work without pay for 20 days before they receive their wages.



(Inside the workshop)

The average monthly wages of a worker is around 3,000 RMB (\$450 USD), which includes a base wage of 64 RMB/day (\$9.60 USD/day), food subsidies at 12 RMB/day (\$1.80 USD/day) on working days, and overtime wages.

A standard working day is eight hours and workers are paid 8 RMB/hour (\$1.20 USD/hour). Overtime wages are 12 RMB/hour (\$1.80 USD/hour) for weekdays and 16 RMB/hour (\$2.40 USD/hour) on weekends.

Sick leave:

Workers say that the factory only allows sick leave in the case of work injuries. The factory pays workers the base wage of 64 RMB/day (\$9.60 USD/day) during sick leave.

To apply for sick leave, workers must provide a report and documentation from a hospital, submit a written application, and obtain a signature from the supervisor.

Vacation Time:

Based on CLW's investigation, workers need to have worked at the factory for a full year or more to enjoy a five-day annual vacation time during the month of the Spring Festival. Except for statutory holidays and annual vacation time, the factory fails to provide workers with paid marriage leave, maternity leave and funeral leave as required by the contract.

To apply for a leave of absence, workers must apply to the Department Manager and cannot leave work without approval.

Social Insurance:

The factory does not voluntarily pay social insurance for the workers. The factory has never mentioned any insurance-related matters since the investigator started working there. Upon the investigator's inquiry, a factory clerk said that workers can buy insurance for themselves from the bank at the cost of 291 RMB (\$43.80 USD) per month.

Since most workers do not expect to stay at the factory long term, they choose not to purchase insurance for themselves.

Recreation and Facilities:

The factory provides workers with a library, a billiard room, a karaoke room, a computer room a basketball court, as well as equipment for badminton, table tennis, etc.

Section 5: Food and Accommodation

The factory provides dining and accommodation options to workers at their own expense. Workers say that they believe it is unfair, since this means that if they want better food, they must spend more.



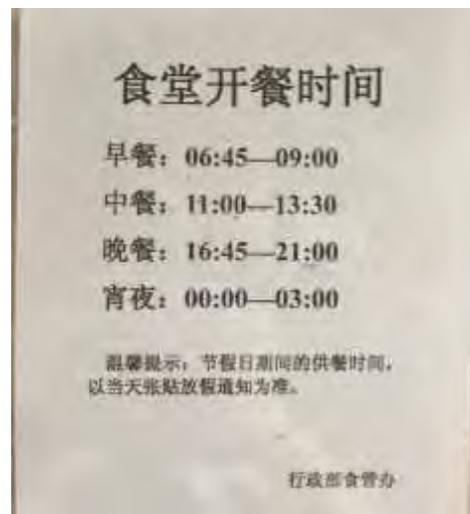
(Left: Cafeteria food; Right: Workers eating at the cafeteria)

Food Conditions:

Workers need to pay for themselves to eat at the factory cafeterias. The factory has a total of six cafeterias, with one exclusively for management personnel and is said to have much better food such as shrimp and meat. Regular workers are prohibited from entering.

The food quality at other cafeterias is very poor. Workers told the investigators that there is often pig hair in the meat dishes, and the food is not tasty at all. The food is not filling and the prices are quite high.

The cafeterias serve four meals a day: breakfast, lunch, dinner, and late night snacks. Breakfast offerings are mainly noodles, rice noodles, bread and soy milk, normally costing around two to five RMB (\$0.30 to \$0.75 USD). Lunch and dinner offerings are mainly white rice with sautéed dishes. Vegetarian options include bean sprouts, Chinese cabbage, tofu, potatoes, eggplant, etc.; meat dishes include pork with green peppers, duck with soy beans, fish balls, etc. A meal normally costs around 4.5 to 10 RMB (\$0.68 to \$1.50 USD). According to some workers, one worker's monthly food cost is normally around 600-700 RMB (\$90 - \$105 USD). The subsidy provided by the factory at 12 RMB / day (\$1.80 USD/day) can only cover half the cost.



(Schedule for meals at cafeteria)



(Workers lining up for food at the cafeteria)



(Workers eating outside on the staircase)

Accommodation Conditions:

The factory has two living areas on the left and right sides of the factory campus. Workers can choose to stay in the factory dorms or live off-site.

The factory dormitories cost 50 RMB (\$7.50 USD) per month including utilities and electricity fees. Each room can accommodate eight people, with four bunk beds, a bathroom, a balcony, and an empty bathroom of about one square meter. But there is no water or anywhere to shower. Workers take a shower on the balcony.

Given the poor conditions of the dormitories, many workers choose to live off-site. An apartment of 30-50 square meters costs around 300 to 500 RMB (\$45 - \$75 USD) per month including rent and utility fees. The factory does not provide a housing subsidy.



(Bathroom)



(Left: Bathroom; Right: Accommodation)

Section 6: Occupational Safety and Labor Protection

The investigator did not find any Committee on Environmental, Health and Safety at the factory. No specific training is provided on work safety and protection, as there is no other training other than the new worker training. Furthermore, the factory only provides workers with masks but no protective uniforms. During the production process, many workers will come into contact with acetone or other toxic chemicals; however, they are not provided with any protective equipment nor are they informed of any protective measures to take. The factory also does not provide any information regarding the use of toxic chemicals.



(Notice on occupational hazards)

The factory assigns underage workers to posts with occupational hazards. Workers in these posts are easily exposed to toxic substances and chemicals, such as acetone (chemical name: T-010, is a highly flammable liquid, which is lethal when inhaled). Moreover, the factory does not provide necessary labor protection equipment to workers as required by the contract.

For workers who are in positions with occupational hazards, the factory will pay for a mandatory medical examination. The investigator was in the printing department, and workers there generally wouldn't switch work positions. Workers in positions where they are in contact with toxic chemicals also do not switch positions. No first aid kit was found in workshops and dormitories.

Workshops at the factory are not air-conditioned. Temperature is adjusted through ventilation equipment and fans. Workshops are cleaned by janitors, but stacks of goods and products are always piled up in the hallways. Certain ventilation equipment and machineries are not subject to regular inspection.

Work Injury:

According to workers, work injuries frequently occur. The investigator visited Liu Chunbo, a senior worker from Nanyang, Henan who previously worked in the A11-2 Assembly department. During the time he was working at the factory, he accidentally slipped and fell, and fractured his left leg. The hospital advised that he rest for three months or more. The factory paid 8000 RMB (\$1,200 USD) in medical expenses; however, the factory only approved one month of paid work injury leave. With a factory that was indifferent to his injury, and because Liu was unable to continue working, he decided to resign. According to workers, work injuries are usually because of work or personal accidents, and the factory handles each scenario differently.

Section 7: Fire Safety

Emergency exits within the factory are labelled and equipped with sufficient lighting. Most emergency exits inside the workshops are blocked with piles of products and other items. During lunch breaks, some workers would nap or rest at the emergency exits or inside the staircase due to the overwhelming workload.



(Rubbish)

Emergency exits in the dorm areas are labeled, equipped with sufficient lighting, and remained clear. The emergency exits were unlocked.

During the investigation period, no fire drills were conducted. Workers were unsure about fire drills when asked.

The factory and dorm areas contain large amounts of flammable substances. The investigator could not confirm whether the fire extinguisher was actually working.



(Notice on how to dispose hazardous waste items)

Section 8: Rewards and Penalties

Every worker has 10 points upon taking up employment. Rules and regulations on point deductions and accumulation are shown in the table below.

Discipline level	Punishment	Examples
Level 1	1. Deduct 10 points, immediate termination of labor contract, no compensation	Fighting, gambling, stealing, swiping in for others, smoking, connecting wires without approval, borrowing ID cards from others
Level 2	1. First violation of the year: Deduct 6 points, written announcement to all workers, violation would be on the record 2. Second violation of the year: Deduct 10 points, written announcement to all workers, treated as level 1 violation	Sleeping during the shift, leaving work position without approval
Level 3	1. First violation of the year: Deduct 3 points, written announcement to all workers, violation would be on the record. 2. Second violation of the year: Deduct 6 points, written announcement to all workers, treated as level 2 violation 3. Third violation of the year: Deduct 10 points, written announcement to all workers, treated as a level 1 violation	Spitting, damage public plants, refusing security checks, wearing flip flops to work
Level 4	1. First violation of the year: Deduct 1 point, written warning 2. Second violation of the year: Deduct 3 points, written announcement to all workers, violation would be on the record. 3. Third violation of the year: Deduct 6 points, written announcement to all workers, treated as second degree violation, violation would be on the record	Cutting lines when swiping in, absent from training sessions

During the investigation period, no cases of rewards were observed.

Workers swipe ID cards to record attendance, and if for some reason, they come late to work or leave early, they can re-swipe their card up to twice a month. If this occurs more than twice a month, then wages will only be paid according to the actual attendance recorded. Arriving more

than five minutes late to work will be counted as being absent from work for one hour. If workers are absent for three days in a month, this would be considered as the worker having chosen to give up their employment, and no compensation will be given.

Bathroom breaks and taking a break to drink water are allowed, but workers would be told off if they take too long. After work, workers are allowed to freely move in and out of the dorm.

Section 9: Labor Union and Grievance Procedures

Labor Union:

During the investigation, no labor union or representatives were found at the factory. The union did not provide any information to workers, and most workers were not aware of the functions of a union.

Based on the investigation so far, no regular meetings are being held between the management and workers. The most recent meeting was September 4th at 8 AM, and the duration was around 10 minutes. The content of the meeting was mostly the management talking to the workers, announcing regulations and requirements, including no running around during work, ensuring there are sufficient workers on the production line, and no smoking. Any violations in labor regulations would result in complete deduction of reward points and dismissal.

Grievance Procedures:

The labor hotline was briefly mentioned during the training session, but the number, 8807024 (1234), was not provided to workers. The investigators tried calling the number multiple times but none of the calls were answered.

Complaint/opinion boxes were set up inside the factory workshops. However, the boxes were covered in dust and displayed no signs of use.

Section 10: Other

Verbal Abuse:

When our investigator first started working at the factory, they witnessed a worker from the assembly department finish up dismissal procedures. The worker was fired, as the supervisors thought the worker was working very slowly and inefficiently. He was also verbally abused by his supervisors. (“Are you a pig?” “Can’t do anything except eat”) According to other workers, similar instances of verbal abuse occur in the other departments.

Client Visits and Audits:

When clients and auditors come in to evaluate, the factory would be fully prepared in advance. For example, during the investigation, some clients had come in to evaluate the factory and workers were used to this. Some claimed that the visiting clients or officials would notify factory supervisors on when they would be arriving; giving time for the factory to get rid of products

that were not up to standard so as to ensure the evaluation would go smoothly. Some extra measures taken include: forbidding workers from stepping away from their positions, keeping the workshop and equipment clean.

Work Environment:

Security Checks: Upon leaving the factory, workers will have their personal belongings checked when going through security.

Details of victims

During the investigation period at Early Light, there were two workers who attempted suicide by jumping from the factory building.

Name of victim: Yang Zongfang (male, age 38, divorced, from the Chengbu Miao Autonomous County in Hunan, B5-1 alloy die-cutting department)

Current condition: Deceased

Yang Zongfang was a disabled worker whose 70 year old father has many illnesses. Yang was divorced, and had to make child support payments for the upbringing of his 9 year old daughter. His younger sister was also disabled and had a mental illness, and his younger brother is 30 years old and unmarried. At the start of this year, Yang's house was burnt down. Because of these various reasons, Yang valued his job, and facing all kinds of pressure due to his family situation, he was especially hard working.

Yang had worked at Early Light for over 10 years, and was in the B5-1 alloy die-cutting department. One day, the factory security discovered Yang giving his work ID to a colleague who was working the day shift to swipe in for him, so that he could leave the factory grounds during work hours. According to factory regulations, three points would be deducted each time a worker lent his work ID. A deduction of over 10 points would result in the worker being fired. The factory security checked surveillance videos and saw that Yang had given his work ID to colleagues to clock in for him on numerous occasions, which resulted in over 10 points being deducted. Because of this, the factory terminated Yang's employment.

Although Yang earned only a meager income for his work at Early Light, it was enough to cover the family expenses. Once he lost his job, there was no other source of income. He pleaded to the factory not to fire him, and attempted to ask the company executives to give him a chance since he had been working at the factory for around 10 years and was also disabled. He spoke to many of the shift leaders; however they did not give him a chance to appeal.



(Note on attendance machine:
"Swiping in on behalf of others is
strictly forbidden")

As Yang was brushed aside by the factory, and was facing pressure from the reality of his family's situation, he felt helpless. On August 29, 2017, after seeing no progress in his request for another chance at working at the factory, he ended his precious life by jumping from the top of the factory's dormitory building.

Since Yang's death, his family members have consulted with the factory for compensation. As the family members lacked the capacity to negotiate, and the factory took a hard line, the family ultimately received only 130,000 RMB (\$19,500 USD) in compensation.

Name of victim: Lin Jinhua (male, age 34, divorced, from Qujia Shaoguan)
Physical condition: Was in a coma at the ICU of Shaoguan Yuebei Hospital, and regained consciousness around the start of November. Lin is having trouble speaking, and in a confused state of mind.

Lin Jinhua jumped from a building on August 30, 2017, and the factory has not provided a reason for the suicide. The factory paid for Lin's medical costs incurred at the hospital, prior to November.



(Investigator discussing the two incidents with workers)



(Photos above were provided by workers)

Investigator's Diary

Day 1

August 25th

I received an admission letter from Xuri International Co. Ltd yesterday informing me that I had passed the physical examination and had been granted an offer to work in their factories. I arrived at the recruiting center for a training session this morning at 8 AM. The training was rather straightforward, introducing the basics of the factories, some important details, the reward system and etc. During the training session, we were told to sign a long term employment contract. I also learned that the factory was recruiting temporary workers as well.

The training session finished at 11 AM. We were led into the workshops by the supervisors and I was assigned to the printing department E10-3. After arriving at the workshop, the supervisor informed us on the working schedule: 7:45 to 12:45, an hour lunch break then 13:45 to 19:15. Afterwards, the workshop leader assigned me to production line C. The workshop had three production lines: A, B, and C.

Upon starting my shift, I was taught how to use the printing machine and learned how to print small toy parts. We were allowed to use the bathrooms during our shifts. In the afternoon we had a production quota of 4 bags of toy parts with 500 units each. Workers were permitted to use the bathroom during work hours. During the process, I became familiar with the printing techniques. I was handed an ID card by the supervisor close to the end of my shift. I was told to swipe the ID

on my own starting tomorrow. I went back to the dorm at night and met my roommates. We all worked in different workshops.

That was my first day working at the factory.

Day 2

August 26th

Today is my second day working at the factory. I woke up in the dorm and headed to the workshop early in order to arrive by 7:45. The staircase was used as a storage space, with products blocking our way to the workshop.

By the time I arrived at the workshop, people were already lining up to swipe in. The official arrival time is 7:45 AM but we needed to arrive prior to that due to the lack of swiping machines, resulting in long lines.

The workshop leader assigned me with today's task after I swiped in. My task was to categorize the products. The products were essentially the same but labeled differently with the numbers 1, 2, 3, and 4. I was to separate the products based on their numbers. I did the same job the entire day. Our supervisor assigned us interim tasks according to production needs. If nothing specific was assigned, we continued the work we did yesterday.

I was talking to some colleagues in the same production line and learned that our base wage was 1650 RMB (\$250 USD) per month. Except for the eight hour shifts on weekdays, the rest was considered overtime with wages of 12 RMB/hour (\$1.80 USD). On Saturday, we are paid 16 RMB/hour (\$2.40 USD).

I asked around to see if there was a labor union within the factory and people were completely unaware of the existence of any union. Insurance is purchased on a voluntary basis but most workers were unwilling to have insurance fees deducted from their paychecks.

Dongguan Qualidux (Guangda) Plastic Products Ltd. Co. Investigation Report

Factory Profile

Dongguan Guangda Plastic Products Ltd. Co. was founded in 1995 and is situated in the Changtang Community of Dalang Town. The company occupies a total area of 70,000 square meters and presently has over 900 employees. Company headquarters are in Hong Kong. The company is one of Hong Kong's largest enterprises in the sector of plastic products, and is a comprehensive distributor integrating design, manufacturing, and processing into one. The company implements advanced and modernized large enterprise management models as well as fully implements computer information networks. The company passed the ISO9001:2008 quality management system certification and has also obtained the C-TPAT and ICTI certifications.

The factory's production capabilities include: pad printing machine, blister packaging machine, high frequency wave soldering, vacuum plating device, electrostatic sprayer, mist blower, pipe bending machine and other equipment. The company has an assembly department, fuel injection department, sewing department, hardware department, electronics department, compression department, etc.

The factory profile states they have approximately 900 employees. In September, the factory recruited 300 temporary workers. An actual visit revealed the factory has over 800 factory workers, with a third being long-term workers and two thirds being short-term workers. Male to female ratio of employees is approximately 2:3.



(Factory sign)

Factory Name: Dongguan Qualidux (Guangda) Plastic Products Limited Company

Address: Meijing Avenue No. 638, Changtang Administrative District, Dalang Town, Dongguan City (Note: Diagonally across from the RT-Mart / Traffic light next to the Royal Garden Hotel / Changsheng Park Station)

Contact Information: 0769-88601222

Primary Products: Plastic household products, plastic toys, children's cars, children's beds, fitness equipment and sports equipment. Products are exported to Europe, the United States and other countries.

Main Clients: BANDAI, COMBI, TOMY, Zoli, Hama, Lanvin, Sente, Blue Box, Infantino, etc.

Number of people interviewed: Around 150 people

Male to female ratio of interviewees: 1:1

Products Manufactured at the factory



(Left to right: Fisher-Price high chair, bounce & spin zebra, Play Day push 'n' bubble mower)



(Left: Infantino's Lights & Music Learning Fish; Right: Combi Sensor Merry)



(Play Day Push Bubble Mower)

Section 1: Recruitment

General Policy

Hiring Requirements: Must be at least 18 years of age and have valid ID. Must be healthy, have no criminal record, be diligent and honest, be willing to work hard, comply with work arrangements, accept transfers, and obey commands. No restrictions on gender.



(Hiring Poster)

Interviews are held every Monday to Saturday, from 9 AM to 5 PM at the recruitment center by the factory's main gates. Applicants must provide their original resident identity card, fill out a personal information form (name, place of origin, ID number, education, contact information, which department they are applying for, etc.) and an employee information form. On the final blank space of the employee form, employees fill out their China Merchant bank information as wages are paid via bank transfers according to company procedure. Applicants have their photos taken by staff members with their cellphones and afterwards, are provided with a factory

applicant receipt. ID cards are returned after 4 hours. Staff members say they photocopy applicants' IDs in order to create personnel files and factory IDs. During recruitment, the factory does not take any fees.

Recruiting Channels: The factory has been constantly recruiting a large number of workers. (Job positions include: finishing assembly workers, injection molding operators, skilled sewers, oil injector workers, electronic soldering assembly workers, etc.) The paths to enter the company are: company advertisements, online recruitment, internal referrals, and labor dispatch companies.

Position Assignments: Positions are divided into long-term and temporary work. After being hired, workers are placed into their departments' respective workshop according to the factory's production needs so workers do not have any opportunity to choose or offer their suggestions. They can only unconditionally accept their placement.

Underage Student Workers

Job applicants must be over 18 years old.

Physical Examination

Workers do not undergo a physical examination at the time of recruitment. After workers are hired, the factory schedules physical examinations. Factory higher ups decide which workers are to undergo a physical examination and the workers go have their physical when it is their turn. The factory covers physical examination fees. After their physical examination, workers can pick up their results.

Training and Orientation

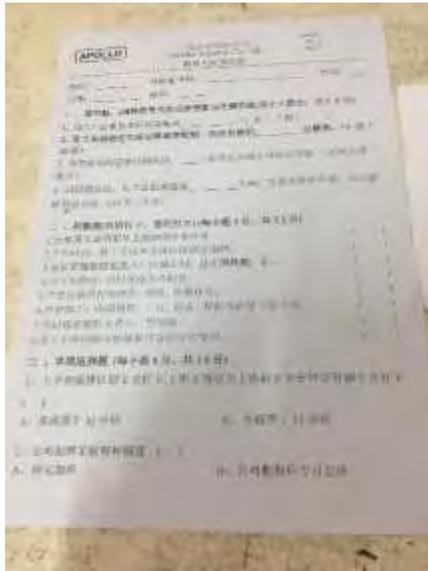
After the hiring paperwork is completed, the factory arranges an orientation. The orientation is held by the factory's backdoors in the dorm library. During orientation, workers first sign the registration sheet and then fill out two forms: the first is a new employee (temporary worker) onboarding form, the second is a new employee training test (the trainer first tells them the answers and then they fill out the test). The trainers verbally explain to workers they must sign in when they go to work and if they forget to sign in, there is no opportunity to make up their time card and will result in no wages. Sign in time is during the 15 minutes before work starts and the 15 minutes after work ends. Additionally, if a worker asks another worker about how their wages are calculated, they must say it is calculated according to the labor laws. Finally, there is a simple explanation for how to use a fire extinguisher.



(Trainer explaining how to use the fire extinguisher)

The orientation lasts for an hour. Training time is not calculated in the attendance card.

After recruitment, the factory does not provide work uniforms. The factory only provides a work hat to workers (It is up to the individual to safeguard. If it is damaged or lost, they must pay the full price) and with only that the workers begin work. They do not attend any pre-employment training.



(Workers take a test after the training session)

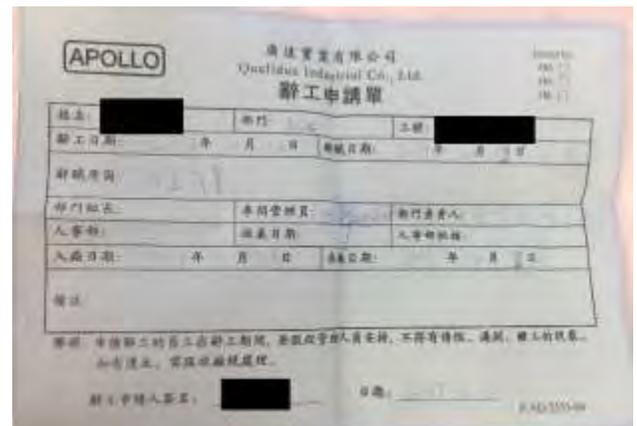
Probation

There is a two month probation period.

Resignation

Workers who resign within the probationary period must first tell the group leader they want to resign and then they must go to the workshop's clerical office to sign their name and leave a comment regarding their resignation. Three days after the clerk has reported it and the workshop director has agreed, only then can the worker sign a resignation application. Starting from the day the worker submitted their resignation application, they must continue working for another week before being allowed to leave the factory. If the probationary period has ended, the resignation process is the same as above but the resignation application must be filled out a month in advance. If the regular resignation process is not followed, there is no other method of resignation.

The factory regulations state resignations are processed on the following Monday or Thursday of submitting the resignation application; resignations are not processed at any other time. Wages are settled the day after quitting. Based on the resignation application form, the investigator came to the understanding that during the period of time starting from when the worker applies for resignation up until they leave, the worker cannot ask for leave, arrive late for work or miss work. If there are any violations, the worker must comply with the penalties stipulated in the factory regulations.



(Resignation form)



(“Bluebox Production area” and “Tomy Production area”)

Section 2: Labor Contract

General Policy:

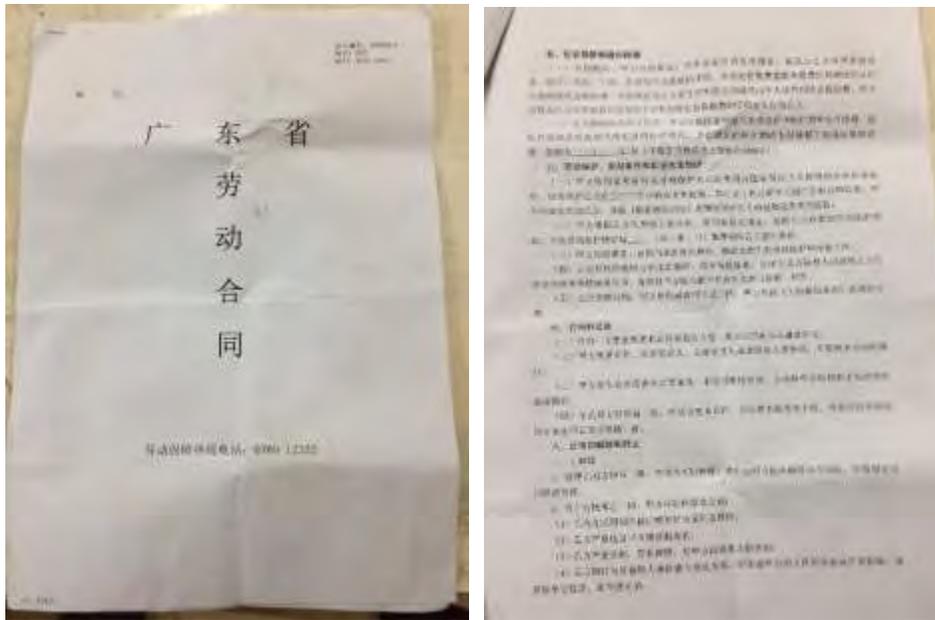
The factory prints out the contract ahead of time. The contract includes three types of working hour systems: standard working hours, unscheduled hours, and total work hours. Employees only need to sign and fingerprint the contract. When signing the contract, there are no specialized personnel who will explain the contents of the contract to the employee. Contracts are simply passed out to the employees who must then read it themselves.

The factory will sign a labor contract with the worker half a month after hiring. Two copies of the contract are signed and on the day of signing, workers are given a copy of the labor contract.

Temporary workers’ contract: The contract is valid up until the work task is completed. It is up to the factory to designate a date. Both sides must agree and sign. The remaining parts of the contract are the same as the long-term worker contract.

Contract Terms:

Contract information includes: 1. Labor contract validity; 2. Work description and address; 3. Working hours, time off and vacation time; 4. Wages; 5. Social insurance and benefits; 6. Labor protection, working conditions and occupational hazards; 7. Changes in the contract; 8. Release and termination of the contract; 9. Mediation and arbitration; 10. Service period and non-competition regulations; 11. Other.



(Labor Contract)

Section 3: Working Hours

The factory's standard work schedule is 8 hours per day, 5 days a week, and 26 days a month. Any work done outside of these times is calculated as overtime.

The following table is the assembly and compression departments actual work hours:

Department	Morning	Afternoon	Overtime
Assembly department	8:00-12:00	13:30-17:30	18:30-21:30
Compression department	8:00-12:00	13:30-17:30	18:30-21:30

The first half of the year is off-peak season for the factory and generally there is 2-3 hours of overtime a day and work 6 days a week. On weekends, there are 8 hours of overtime a day. On average, there is 110 hours of overtime a month.



(Notice on work hours)



(Workers on the production line)

The second half of the year is peak season for the factory and from Monday to Friday there is 3 hours of overtime. There are 6 to 7 days of work a week. On weekends, there is 8 hours of overtime a day. On average, there is 140 hours of overtime a month.

If the worker chooses not to work overtime, they must verbally notify the present production line leader and supervisor. However, if the worker does not work overtime more than once a week, they will be fired. As the factory pays low wages, many workers choose to work overtime.

Workers are forced to work overtime. There is aggressive labor intensity at work. Workers are required to sit for a very long time and to speed up their production.

The factory uses a time card system to record working hours. An attendance machine records hours and if an error occurs, the worker does not have an opportunity

to correct it and will not be paid.

Factory regulations state workers must rest one day out of the week. However, based on conversations with workers, there have been instances at the factory when they had to work overtime on Sundays and their wages were not doubled.

During the visit, the investigator learned that all the overtime resulted in not fulfilling the required 24 hours rest time. On October 2017, a worker in the maintenance department fainted due to lack of sleep and overwork.

Assembly workers have a production quota of 6600 units a day. If the quota is not fulfilled during regular working hours, the worker must work overtime to meet it.

The factory requires workers in the morning to finish signing in 15 minutes before 8:00 and to hold a morning meeting 5 to 10 minutes before work starts.

On average every production line has 25 or so workers and a majority of workers are around 45 years of age. There are very few young workers. Once workers enter the workshop, they first line up and sign in. During work, workers are required to wear their work hats and factory IDs. Under regular circumstances, a morning meeting is held every day. Workers give in their time cards to the group leader who holds onto all of them for safekeeping. After work, workers must go to the group leader to pick up their time card in order to sign out. During the signing out process, the factory's internal leader, big group leader or supervisor can freely redeploy workers and, if production requires it, can transfer workers to different departments.



(Workers on the production line)

Section 4: Labor Remuneration and Benefits

Wages:

Salaries are paid on the 30th of every month. If it falls on a legal holiday or a rest day, then salaries will be paid on the closest business day.



(Inside a workshop)

Wages after resigning: According to the factory's contract regulations, wages are direct deposited to all workers' personal China Merchants bank card on the 30th of the month.

If the worker is fired then wages are settled that day, but when the factory settles wages they do not provide the worker with a pay stub. The worker can only look over the invoice, sign their name and leave. The factory's accountant says wages are given within three days via bank transfers to the person's China Merchant bank card.

Temporary workers' wage: Temporary workers that were introduced by dispatch companies earn 14 RMB (\$2 USD) an hour, while workers recruited by the factory earn 12 RMB (\$1.80 USD) an hour. Overtime pay follows the same corresponding hourly pay rate.

Long-term workers' wage: In general, wages are 1510 RMB (\$230 USD) a month, 8.68 RMB (\$1.30 USD) an hour. Regular overtime is 1.5 times regular wages which is 13.02 RMB (\$1.95 USD) an hour. Weekend overtime is twice regular wages which is 17.36 RMB (\$2.60 USD) an hour. Overtime on holidays is three times regular wages which is 26.04 RMB (\$3.90 USD) an hour.

After new employees are hired, their first month of wages is held onto and not paid until the end of the second month. All wages are direct deposited to workers' personal China Merchants bank card on the 30th of the month.



(Workers line up to swipe their cards to leave)

On average, workers can earn around 3000 RMB (\$450 USD) a month (including regular overtime and weekend overtime). Long-term workers generally earn 58 RMB (\$8.75 USD) a day, perfect attendance award and overtime fees.

The factory calculates wages by the hour; a regular work day follows an 8 hour structure. Production quota standards are 825 units an hour. 70% of workers are unable to fulfill the 6600 units an hour quota within the regular work hours and must work an 11 hour work day to meet their production quota. Workers need to finish 600 units an hour.

Workers have wage statements, which list out attendance, overtime, attendance bonuses, work allowances and other details regarding owed or deducted wages. However workers have said the statements are different from their actual wages, for example attendance bonuses are frequently deducted.

Wage statements have a portion for deducted wages; deducted fees include housing provident fund, taxes, insurance fees, electricity bills, compensations, flat fees, meal fees, dorm fees, etc.



(Pavstubs)

Sick leave:

According to interviewed workers, it is difficult to obtain sick leave. If the factory is coming up on a production deadline, it is not easy to take time off. Sick leave is only granted for work-related injuries and wages are given according to base wage standards. Requesting sick leave requires a hospital’s certification and report, and a written sick leave request must be given to the factory, which the supervisor must sign and agree.

Vacation Time:

According to interviewed workers, the factory requires workers to work for at least a year before they can be granted annual leave. Annual leave is 10 days long and wages given during an annual leave follow the factory’s lowest wage standard. The department supervisor must approve of any requests for time off.



(Workers sleeping in the library)

Long-term workers reported that when the factory is on break during legal holidays, wages are paid according to the factory’s lowest wage standards. Temporary workers do not have paid holidays or vacation time and are only paid when they go to work.

Social Insurance:

The factory does not actively pay employees’ social insurance. During the entirety of the investigation period, the factory did not bring up the matter of insurance. Temporary workers chose not to buy insurance as they would not be working at the factory for very long. Long-term workers who want to buy insurance must work at the factory long-term in order to apply. Workers must pay 216.73 RMB (\$32.69 USD) a month for their insurance. The insurance was mainly a pension plan.

Recreation and Facilities:

The factory had a basketball court, television room, movie theater, book room, free Internet, ping pong room, pool room, karaoke room and other entertainment facilities. However after talking with workers, the investigator discovered the dormitories only had a basketball court, library and television room for workers to enjoy. Of these amenities, the basketball frame was mottled with rust but workers would occasionally go there after work. The library served as an employee lounge during the afternoons and after work or during holidays, workers would sometimes visit to play chess, read books and a very small number of workers would use the computers to go online. After work or during weekends and holidays, workers would visit the television room to watch TV. The other amenities, movie theater, ping pong room, pool room, karaoke room were all in an abandoned state and situated in the three floors of an empty building. Additionally, all of the doors were locked, preventing workers from making use of the facilities.



(Left: Basketball Court; Right: Karaoke room)

Section 5: Food and Accommodation

Food Conditions:

Food provided by the factory includes: breakfast is primarily comprised of flour based dishes such as stuffed buns, steamed buns, scallion buns, sautéed rice noodles, and soymilk. Lunch and dinner centered on rice and contained dishes like: stir-fried green peppers and pork, fried loach, twice-cooked pork, stir-fried green pepper and chicken gizzards, mutton boiled potatoes, lettuce and stir-fried pork, fried chicken leg, pork, ribs and stewed taro, noodles and carp, pork with cauliflower, stir-fried potato slivers, fried lotus root, leek and scrambled eggs, tomatoes with scrambled eggs, stir-fried mushrooms, sautéed green beans, fried spinach, fried lotus, cold cucumber salad, bean curd, vegetarian cowpea, and so on.

The cafeteria had two methods for serving lunch and dinner. The first was choosing from the cafeteria's pre-prepared lunchboxes, which cost 5 RMB (\$0.75 USD) and contain two meat dishes and one vegetable dish. However, the food is extremely disgusting and lacks even a drop of oil. The second option was to take a lunch tray and serve yourself and then weigh your food on the scale. Costs were calculated by weight, with 500 grams costing 16 RMB (\$2.40 USD) or 50 grams for 1.6 RMB (\$0.24 USD). There were 20 dishes available. While the flavor was acceptable but when workers were serving themselves, they were

all unwilling to take too much as they considered the food to be too expensive. They only took a little bit of food to eat. When food was weighed, it was weighed along with the food tray and it was also unknown if the scale was fake as placing even a small amount of food resulted in a cost of 7 or 8 RMB (\$1.05 or \$1.20 USD) or more. The investigator often saw workers placing one winged bean at a time on their tray as winged beans are light and therefore cheap. Rice and soup were complimentary. Steamed buns offered at breakfast had dead mosquitoes covering the surface. When pork was an option, the pork often still had fur on it. The cafeteria had many flies. The entire factory only had one cafeteria servicing it and the cafeteria could only serve 300 people at a time.

When the cafeteria's kitchen was preparing food, the entire floor would be covered with scraps of food and grease. The hygiene situation was extremely poor. Due to the high temperatures, there were many flies.



(Workers at the cafeteria)



(Workers eating at the cafeteria)

According to conversations with workers, on average a worker spent around 15 RMB (\$2.24 USD) per day on meals. The factory does not provide any sort of subsidy.

The factory's night shift went from 20:00 to 8:00 the following morning. The cafeteria only provided breakfast, lunch and dinner and did not provide post-dinner meals. Workers must bring their own meals to eat during night shifts.



(Left: Kitchen; Right: Workers lining up to weigh their food)

Accommodation Conditions:

The dormitory area contained four buildings: A, B, C, D. However, only the B and C buildings had residents. The B building was the female workers dormitory and the C building was the male workers dormitory. The investigator was placed into the C building. The entire building consisted of 6 floors, with floors 1-4 containing residents. The rooms had 4 bunk beds, providing space for 8 people to sleep (in actuality, each dorm room only contained 4 people), 2 ceiling fans, and 1 lamppost. Upon entry into the room, there were even a few cockroaches playing on the floor. The showers and bathroom were communal use and the filth became very apparent just upon entering. The pipes in the showers were made of iron and were mottled with rust. The dorm environment was extremely poor and the hallway lighting was very dim. Litter was everywhere and a foul smell permeated the area.



The factory provides 3 months of dormitory for new employees (working for a full three months relieves workers from paying dorm fees) after 3 months, the employee needs to move out of the

dorm. Workers who do not work at the factory for three months are deducted around 45 RMB (\$6.80 USD) a month for dorm fees. Due to the poor dorm conditions, many workers choose to rent a room elsewhere. Workers who rent a room outside of the factory are not provided a housing subsidy. Workers who rent a 30 to 50 square meter room pay between 300 – 500 RMB (\$45 - \$75 USD) a month for rent, water and electricity fees.





(Dormitory)

Section 6: Occupational Safety and Labor Protection

The factory does not have a Committee on Environmental, Health and Safety, and there is no professional training. Newly hired employees were uninformed about the harmful chemical products they would come in contact with during their work as well as factory rules and regulations. Workers are not even provided work uniforms. The workshop interiors are very noisy as well as very dusty. Except for work hats, the factory did not provide workers with any other protective equipment.

The workshops do not have air conditioners and as it can get very hot in Guangdong, the workshops can also become very hot, reaching temperatures of 38° Celsius and above. Working inside for a long time resulted in clothes becoming soaked through with sweat. The workshops only have electric fans to lower the temperature but this type of cooling method is completely ineffectual. As for hygiene, there was janitorial staff that cleaned up. At any given point, passageways were filled with products.



(Workers on the production line)

During the manufacturing process, workers would encounter toxic and dangerous chemicals but many workers did not wear any protective equipment while working. When they were working with toxic chemicals, they used their bare hands and did not wear any type of gloves or protective equipment. There were no explanations for how to correctly use toxic chemicals. The factory did not care about the protection of workers' health. While manufacturing products in the workshops, workers in many departments would encounter toxic or chemicals, for example paint thinner, TT-545 sol, TT-565 face wash, AK-35 silicone oil, etc.



(Workers on the production line)

Work Injury

On October 6, 2017, around 8 AM, a maintenance worker fainted during work hours. According to the investigator's understanding, the worker had worked the night shift the previous night and fainted due to inadequate rest and overwork. The worker was ultimately sent to the hospital.

Workshops and dorms have first aid boxes but they are all locked and do not display any signs of use. When workers are injured during work hours, they would not make use of the medicine in the first aid box.

Section 7: Fire Safety

Workshop passageways and emergency exits are labelled and equipped with sufficient lighting. Employee passageways are filled with scattered dyes from the compression department, with the dyes placed right in the middle of the passageways and affecting every worker's regular movement.

Dormitory passageways and emergency exits are labelled and equipped with sufficient lighting. Garbage can be seen everywhere. Emergency exits are not locked.

A poster posted in the factory. One of the item's contents from 2016 is:

Fire Drill

In order to strengthen every employee's fire safety knowledge and to accumulate experience, and to continue to improve the company's fire safety system, the company conducts a regularly scheduled fire drill every year. The fire drill content is as follows:

1. Fire Drill Schedule

1. A factory area fire drill will be conducted October 27, 11:30 AM
2. A living area fire drill will be conducted December 1, 21:00

2. Fire Drill Content

1. When a fire alarm occurs in the dormitory area, how do all employees safely evacuate?
2. How can the company's fire department timely and effectively respond to a fire alarm?
3. After a fire alarm is resolved, how do all employees orderly return to the dormitories and factory?



(Fire extinguisher)

The factory and dormitory areas have a large amount of highly flammable substances. There are many fire extinguishers that due to a long period of disuse appear to be corroded by rust. In addition, the fire extinguishers in the dormitory areas were last checked in 2016, and have been expired for over a year. This presents a definite risk as it cannot be determined if the extinguishers are still usable.

Section 8: Rewards and Penalties

The factory has four methods of punishment to penalize workers who have made a mistake: verbally issue a warning, small fault warning, large fault warning, and a severe warning. It was not discovered which mistakes would result in which punishment.

The factory implements a time card system to record attendance. If a worker is 5 minutes late for work, it is calculated as having missed half an hour of work. If a worker is half an hour late, then

it is calculated as having missed an hour of work. If a worker arrives a minute late for work or leaves a minute early, they will not receive the attendance bonus.

Missing work: Missing a day of work for no reason results in a deduction of three days' worth of wages. Missing work for over three days results in the factory automatically dismissing the worker.

Employees that smoke outside of the designated smoking area in the living area will be dismissed.

After working at the factory, the investigator's understanding is that besides the perfect attendance bonus, there are no other rewards.

Workers can go to the bathroom and drink water during work hours; however, they cannot spend too much time because if the group leader sees, they will reprimand the worker. After work, workers are free to enter and exit their dorms.

(Notice on penalties)



(Work intensity is high, workers sleep in the library or computer rooms)

Section 9: Labor Union and Grievance Procedures

Labor Union

During the investigation period, the investigator discovered a labor union department but the labor union door was always locked and displayed no signs of use. When workers were asked about the labor union, they were all unclear about what a labor union does. The labor union representative and management do not have set meetings.

Grievance Procedures

During workers' orientation, they will fill out a personnel file and this form contains information on if a worker's rights are violated, they can make use of A) suggestion box B) Union personnel department phone number 0769-88601222 internal line 450; report to management via WeChat, but this phone number was never used. This complaint telephone line was called three times but no calls ever made it through.



(Left: Opinion Box; Right: Labor Union Office)

Section 10: Other

Verbal Abuse

Workers are commonly talked to in an aggressive tone of voice and, if they do their work poorly, are threatened to quit. Workers carry a resentful attitude while they work. After asking many of the workers, they said employees are often reprimanded in this manner and that they already consider it normal.

Client Visits and Audits

In order to prepare for a client's arrival, workshops will be cleaned ahead of time.

Workers that regularly do not wear earplugs when operating machinery will be provided earplugs and requested to wear them. Workshop production lines will hang up their production quotas. In order to prevent clients from seeing the actual state of the workshop bathrooms, the corridor leading to the bathroom will be closed. (This is because the quality of the bathrooms is so poor. The overhead area in the bathroom is completely covered with spider webs. The wood



(Rubbish dumped outside factory)

of the bathroom doors is in tatters. The ground is covered in water. When workers use the bathroom, water will even drip down onto their head.)

Work Environment



(Rubbish dumped outside factory)

Interviewed Workers' wishes: A large number of workers complained that the wages they earn at the factory are too low, work hours are too long and production demands are too high. They hope the factory can raise wages so they can earn around 3500 RMB (\$5.25 USD) a month. They also hope the factory dormitories' sanitary conditions can be improved. Additionally, they hope for air conditioners to be installed and to have individual bathrooms. Working at the factory for a long time easily results in depression as the management system is very strict.

Investigator's Diary

September 29, Friday. During work, an electric drill must be used. If not properly used, it was easy to get injured. Under these conditions where there are absolutely no safety measures, we had to rely on our sense of feel to operate machinery.

September 30, Saturday. After work, around 6:30 PM, I met a person near the doors of the dorm area. Through my conversation with them, I learned that this youth had been working at the factory for around 20 days and was also working in the C workshop of the assembly finishing department. It had been half a month since he had quit. He explained to me that when he quit, the factory said all wages are deposited to workers' bank cards at the end of every month. However, today was already the very last day of the month but he still had not received his wages so he came to the factory to discuss with them. In the end, as the factory was closed for the holiday, security said to come by another day and he left in a hurry.



(Workers on the production line)



Workstation

October 7, Saturday. There were two other workers packaging with me. During our chat, one said that their hand had blisters and the other said their hands had been cut many times and that I wouldn't be much better off. The paper case used for packaging was like a knife. I also got cut a few times but I endured it and kept working. The workshop interiors are very noisy as well as very dusty. Except for work hats, the factory did not provide workers with any other protective equipment. When I got off work in the afternoon, I went to the library and saw quite a few employees resting inside. There were

approximately 50 people because the library had air conditioning. The workers did not have any place to rest and could only rest in the library.

October 11, Wednesday. Ever since I worked in this position, my hands have been in severe pain. Even so, the factory refuses to provide any gloves and I had to work with my bare hands. I never take a break during my shifts; sometimes even when I badly felt like going to the bathroom I could only hold it. We could only meet the production quota if all of us worked harder. The machines are constantly kept running and there is no opportunity for the workers to take a break. Most workers felt exhausted but no matter how much they wanted to take a break, they could not since if they stopped working, there would be simply no wages.



(Workers outside the factory)

Dongguan Chang'An Mattel Second Factory Investigation Report

Factory Profile

Chang'an Mattel Second Factory is a factory that is an export-oriented enterprise managed by the Guangdong Changan Group Co. and Mattel, Inc., a large multinational corporation based in the United States. Established in 1986, the factory has a manufacturing complex of over 35,000 square meters, and living quarters of over 32,000 square meters. The factory employs more than 5,000 workers, and specializes in manufacturing Barbie dolls, which are sold worldwide.

The factory has seven buildings, and the departments and workshops include: molding, soft plastics, painting, printing, assembly, cutting, hair curling, sewing departments; the first, second and third assembly departments; distribution center, AG workshop, quality control, material, maintenance department, as well as the human resources, general affairs and finance department.



(Outside of Factory)

Full name: Chang'An Mattel Second Factory

Address: 51 Changdong Road, Zhenxiaobian Industrial Park No.1, Dongguan, Guangdong

Contact: 0769-5539209 JinXia.Yi@Mattel.com Yi Jinxia

Products: Barbie dolls

Brands: Mattel

Male to female ratio: 6:4



(Barbie products manufactured by the factory)

Section 1. Recruitment

General Policy

Hiring Requirement: the factory does not hire minors or individuals who are older than 45 years. When applying, applicants must provide their ID, which the human resources officer will make a copy of before returning it. The applicant does not need to pay any fees, and the factory does not withhold new employees' IDs.

Recruiting Channels: Workers are mainly recruited through direct factory announcements, some workers are recruited through internal references, labor dispatch companies, and some are student workers.

Position Assignment: Some positions require higher work intensity, so only male workers are assigned to these positions. Both female and male workers work positions that are more relaxed. There is both male and female staff in management.

Underage Student Workers

Investigator is uncertain if there are underage student workers.

Physical Examination

A majority of the recruited workers are assigned to the assembly department, and no physical examination is required. However, in specialty departments such as the soft plastic and painting departments, individuals are required to take a physical examination. The factory covers the cost of the examination. Results of the physical examination are given to the factory.



(Recruitment schedule)

Training and Orientation

While filling in an application form and signing the labor contract, workers will also participate in a paid four-hour factory orientation and training session. The session will introduce new workers to basic information about the factory, workshop administrative framework, different departments in the manufacturing area and overall processes of product assembly. Workers will also learn about their working hours, wage calculation, setting up payroll accounts, room and board, shift arrangements, professional training and promotion, holidays and vacation, attendance regulations, factory disciplines, reward system, various subsidies and their calculation, payment methods for social insurance, employee health care system, workers' service center, and factory recreational facilities. In addition, the session covers technical knowledge on subjects like products' quality and safety control, 6S, protection of IP rights, environmental safety, fire alarm usage, first aid for hazardous substances, waste management and anti-terrorism amongst others. The content for the health and safety training is very general, and does not cover specific work positions.



(Workers attending training, photos from left to right: Toxic chemicals signs; labor discipline; first aid; social insurance)

Upon taking up employment, workers will receive a yellow vest provided by the factory, which must be worn whilst working. After working for a month, the factory will provide workers with an official uniform for free. If the worker loses the uniform, they must pay for the manufacturing cost, which is 20 RMB (\$3 USD) for summer uniforms and 40 RMB (\$6 USD) for winter ones.

Probation

The probation period is seven days.

Resignation

Workers who wish to resign during the probationary period must apply three days in advance; after probation, workers who wish to resign must apply a month in advance. Under normal circumstances, workers will be allowed to leave. Wages are cleared on the same day of resignation.

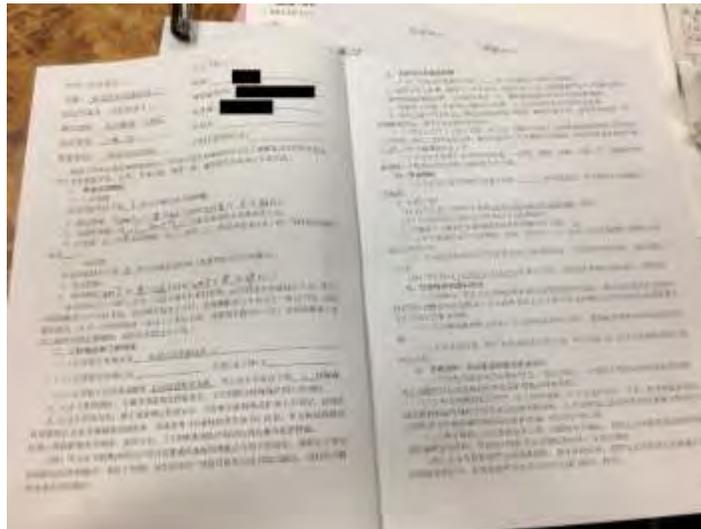
Section 2. Labor Contract

General Policy:

Upon the first day of employment, workers and the factory will sign two copies of the labor contract. The factory and the worker will each have a copy. Workers are guided by an HR officer to first fill in their names, Identity Card number, current address, phone number and family contacts. They are then asked to sign their names together with the date. Only after filling out this information and signing do workers fill in the contract period and probation time as required by the HR officer.

Contract Terms:

Terms of the contract mainly include the following: 1. Labor contract period, 2. Workplace address and primary duties, 3. Working hours and vacation time, 4. Labor remuneration, 5. Social insurance and welfare, 6. Labor protection, working conditions and occupational hazard protection, 7. Change and renewal of contract, 8. Contract termination, 9. Mediation and arbitration, 10. Service and business competition, 11. Other.



(Labor contract)

Section 3. Working Hours

The normal working hours are 8 hours a day, 5 days a week, and an average of 21.75 days per month.

Overtime is normally 3 hours a day. During peak season, workers work 6 days a week and take Sundays off. Average overtime per month is 110 hours.

Workers have a 30-minute lunch time every day. There is a total of two shifts - daytime and nighttime, and workers switch shifts every two months.

The table below is an example of specific working hours at the assembly workshop on the second floor of building number 5:

	Morning Hours	Afternoon Hours	Overtime
Daytime	07:30-12:30	13:00-16:00	16:00-19:00
Nighttime	19:30-+00:30	+1:00-4:00	4:00-7:00

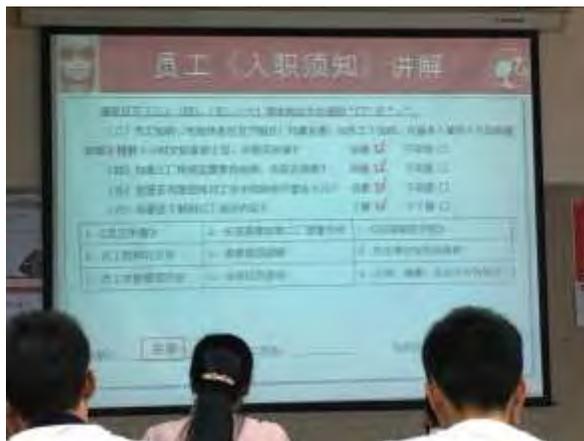
Workers work the most overtime hours in July, with a total of 118 hours of overtime. Peak season occurs during the months of June, July, August and September.

Overtime is not voluntary. The factory requires workers who do not wish to work overtime to submit a written “No Overtime Notice” three hours in advance. However, during peak season where there is a higher production demand, applications will not be approved, and if the worker leaves without approval, she or he will be scolded and rebuked by managers



(Workers lining up to swipe cards for attendance)

Workers check in on the attendance machine four times a day: at the beginning of the morning, at the start of lunch break, after the lunch break, and at the end of the day. If an error occurs on the machine, workers need to report this to the group leader and apply for a signed handwritten record. Each worker may have up to 5 handwritten records per month.



(The above is a slide, which specifies how workers should fill in the “Notice of employment”. Workers are to tick “Agree”, for the question “Agree for the factory to arrange overtime according to regulations”)

Each assembly line has a certain production target. Depending on the type of product, some lines have a target of 2000 items and some 1500 items. Normally workers are able to meet the target but it is laborious. According to long-term employees, they work very fast on the line because they are worried that if the production target is not met they will have to stay after work to finish it.



(Inside the workshop)

Section 4: Labor Remuneration and Benefits

Wages:

The factory's payroll days are the 15th, 16th and 17th of each month. Payment is for last month's work and made through a bank deposit. If there is a holiday on these days, payday will be postponed accordingly. Workers need to set up an account at the Postal Savings Bank of China within the city of Dongguan. Workers can also set up a bank account with the factory, which takes longer and can be inconvenient. Thus, most workers choose to set up a personal account at the bank.

A pay stub will be sent out along with wages, which specifies details about all payments and deductions.

Workers are paid an hourly wage at 8.97 RMB/hour (\$1.35 USD/hour), with a certain production target every day. Overtime on work days are paid 1.5 times the hourly wage; overtime on weekends are 2 times the hourly wage; overtime on legally required holidays are 3 times the hourly wage.

The image shows a Chinese pay stub from Dongguan Chang'an Meitai Toys Factory for July 2017. The document is titled "东莞长安美泰玩具二厂 2017-07工资单". It contains a detailed table of earnings and deductions for an employee. The table includes columns for various types of wages (e.g., basic wage, overtime), deductions (e.g., social security, housing fund), and a final net pay amount. The employee's name and ID are partially visible but redacted with black boxes.

The image shows a Chinese pay stub from Dongguan Chang'an Meitai Toys Factory for August 2017. The document is titled "东莞长安美泰玩具二厂 2017-08工资单". It contains a detailed table of earnings and deductions for an employee. The table includes columns for various types of wages (e.g., basic wage, overtime), deductions (e.g., social security, housing fund), and a final net pay amount. The employee's name and ID are partially visible but redacted with black boxes.

(Paystubs)

Sick Leave:

Sick leave is paid. To apply for sick leave, employees must provide a written application, doctor's note, receipts of medical expenses, etc.

Vacation Time:

Workers can have annual vacation, maternity leave and marriage leave. Workers who have worked for more than a year can apply for annual leave, or the factory may arrange annual leave based on production needs. To apply for annual leave, workers must first fill out an application form for paid leave, and obtain approval from supervisors. To apply for marriage leave, workers

must have passed the probation period and provide valid supporting documents such as a marriage certificate.

Statutory holidays are paid.



(Workers at the training session)

Social Insurance:

The factory pays for workers' social insurance as required by *The Social Insurance Law*. Social insurance is calculated according to each employee's actual wages on a monthly basis. The employer pays 14.86% of the employee's monthly wage (which goes towards the employee's pension and insurance for work injury, unemployment and maternity), as well as 1.8% of Dongguan's average monthly wage of the first two quarters of the year (which goes towards health insurance). The worker pays 8.2% of the employee's monthly wage (which goes towards the worker's pension and unemployment insurance), as well as 0.5% of Dongguan's average monthly wage of the first two quarters of the year (which goes towards health insurance).

In addition, the factory deposits money to employees' personal Housing Provident Fund accounts. The employer deposits 5% of the worker's monthly wage and the worker deposits another 5%.

Take for an example the monthly wages in June 2017 of a worker who has worked in an assembly workshop for more than a year. The wages are a total of 3069 RMB (\$460 USD), including normal hourly wages of 1507 RMB (\$227 USD), overtime pay of 1834 RMB (\$275 USD), performance awards of 130 RMB (\$20 USD), subsidies of 150 RMB (\$22.60 USD), night shift subsidies of 5 RMB (\$0.75 USD), attendance awards of 50 RMB (\$7.50 USD), growth subsidies of 100 RMB (\$15 USD), meal subsidies of 204 RMB (\$30.77 USD). Deductions include a pension deposit of 307.68 RMB (\$46.40 USD), unemployment insurance of 7.69 RMB (\$1.15 USD), medical insurance of 19.27 RMB (\$2.90 USD), provident fund of 171 RMB (\$25.79 USD), food expenses of 249.6 RMB (\$37.64 USD), accommodation, utility and electricity fees of 53.63 RMB (\$8.09 USD), and medical expenses of 2 RMB (\$0.30 USD).

Recreation and Facilities:

The factory provides workers with computer training rooms, a library, basketball courts, as well as equipment for karaoke and table tennis.

Section 5: Food and Accommodation

Food Conditions:

The factory provides accommodation for workers, and workers may choose whether they wish to live on site and which meal plan they wish to purchase. Breakfast is 2 RMB (\$0.30 USD); lunch and dinner each have one option at 3.8 RMB (\$0.57 USD) and another at 5 RMB (\$0.75 USD). Workers can choose whether to have three meals a day or two meals a day. Once the meal plan is selected, workers need to make changes during a specified



(Food provided at the cafeteria)



(Cafeteria)

time period; otherwise workers will have to pay for the meal even if they do not have it at the cafeteria. If a worker was or will be on leave, she or he can cancel the meal plan for the days they are on leave by submitting a leave notice.

Breakfast options include noodles, buns, meat buns, rice noodles and free porridge or soy milk; lunch and dinner options include meals with one meat dish and two vegetables, or two meat dishes and one vegetable. The food quality is satisfactory and the amount is adequate. Workers need to line up for meals. Different workshops

have different schedules, but workers still need to wait in line for a few minutes.

The factory provides a meal subsidy of 4 RMB/day (\$0.60 USD/day).

During peak season, new workers can have free meals during their first month. Since male dormitories are quite full during peak seasons, new employees can choose to live off-site, with a housing subsidy of 250 RMB/month (\$37.70 USD) for two months.

Accommodation Conditions:

Factory housing cost 1.73 RMB/day (\$0.25 USD/day). Eight people share one room with bunk beds, closets, an electric fan, stools, a shoe rack, a balcony and mirrors. Each closet has a USB socket in it to charge cell phones. There are 12 rooms on each floor, and all 12 rooms share one bathroom and one shower room. There are coin-operated washers near the bathroom. Opposite to the bathroom is a smoking area marked with yellow tape. The dorm rooms are not locked, and thus there is no guarantee that workers' personal items will be safe.



(Clockwise from top left: Dormitory; bathroom; sink; toilet; entrance to male bathroom)



(Showers)

Section 6: Occupational Safety and Labor Protection

There is a committee on environmental health and safety. Before starting the job, there are training sessions on environmental health and safety. Workers in special posts are provided with masks, gloves, shoes and other labor protection equipment.

The only air adjusting equipment in the workshops is electric fans. The workshop temperature in the summer is around 30 degrees Celsius, and can get quite warm while working. Machines are regularly inspected.



(Inside a workshop)

Workers who come in contact with dangerous chemicals, high levels of noise, and dust have regular physical examinations, which occur before and after employment as well as annually during employment.

Work Injury:

During the period of this investigation, no occupational injuries or illnesses were witnessed

Section 7: Fire Safety

The factory conducts more than two fire drills every year in both the manufacturing and living areas. However, the investigator is unsure whether fire drills are actually conducted.

Section 8: Rewards and Penalties

Investigator did not find out the factory's rewards and penalties policies.

Workers can use the bathroom, drink water, and freely go to and from the dormitories during work.

Section 9: Labor Union and Grievance Procedures

Labor Union:

The factory has a union, but no one knows what the union is for. The investigator is not aware of whether the union meets regularly. At the new employee training session, workers are asked to sign an application to join the union.

Grievance Procedures:

There are counselors and a counseling hotline, but workers do not use these services.



(Left to right: ICTI phone number; ICTI information; Application to join union)

Section 10: Other

Verbal Abuse:

The work environment is tiring and somewhat depressing. There was a case of a female worker who jumped off the building during the investigation. Workers may be subject to insults and abusive language from the management.

Client Visits and Audits:

There were no client visits or audits during the time of the investigation.

Work Environment:

Several workers who were interviewed said that they chose to work at this factory because it is always hiring, and puts up well-written recruiting advertisements. It is one of the larger factories in the neighborhood and the scale means that it can be relied upon to always pay wages on time. But most workers complained that the working hours are too long and the workshops are too hot. They also noted out that they sometimes have to stay after work to either meet the production target or clean up.

Investigator’s Diary

I started working the night shift today. After waiting with a few other new employees at the designated location for more than 10 minutes, a few management staff from the workshops came out and assigned us to the workshops. I was assigned to a production line. They call the production line here “La”, instead of “line”, or “group” like in other factories. My position was the final procedure of the producing process, which is to use the heat gluing machine to attach the Barbie into the plastic cases covered with paper. My task was to take the Barbie which has been attached to paper by the worker before me, and glue it onto the plastic case. Specifically, I was to apply glue onto one side of the paper case, put it into position, and turn on the hot glue machine to glue the plastic and paper cases together.

My supervisor introduced me to the specific procedures and what to do when something abnormal happens. Three minutes later, I started working. I was the only one in charge of this procedure and every Barbie was processed by me. According to the senior employees, today's production quota is 2000 which is the usual quota. When applying the glue, I needed to hold the brush with my hand, dip it into the glue and apply it to the edges of the paper cases. I was not told to wear a mask or gloves. I needed to flatten the paper case using my hands and therefore, glue got onto my hands. After a while, the glue on my hands looked like a layer of skin. Most employees here are able to sit whilst working, taking their time with the work. I was given a chair too, but I had no time at all to sit down.



(Worker's hand covered in glue)

I was working non-stop and still couldn't catch up with the workers before me, and unprocessed products started to accumulate in front of me. It's not that I'm a slow worker, the task was just time consuming. I felt so tired, my hands did not stop working and I had no time to rest. The guy I came with who was working across from me had a good task. He was also gluing the parts, but he did not have to apply the glue or align the plastic and paper cases together himself. So it was an easy job for him and he could sit down to work. For some reason, this station was moving quite slowly. A senior employee came to help. He was in charge of applying the glue and I only had to glue the parts together. This way, I could catch up with the workers in front of me. But the senior employee had his own task too and after helping me for a while, he went back to his position. He told me there was one time the production quota was not met and the workers had to stay back after their shifts till after 7 PM. As a result, the workers in front of me work quite fast now and that's why I had a lot of unprocessed toys since I couldn't keep up. In the end, my supervisor came to help apply the glue. My task is impossible to complete with just one worker, an additional worker is needed to apply the glue. I was exhausted today. I did not stop working except during lunch, dinner and also during the two breaks. There was a four hour training session yesterday. Today's training session was to hand our training card to the supervisors. That was it, and we started working after. Work finally finished at 6:30 PM and I could finally sit down. At 7 PM, I swiped my ID card to finish today's shift. Today I worked overtime for three hours.

Shenzhen Winson (Tai Qiang) Precision Manufacturing Investigation Report

Factory Profile

Winson (Tai Qiang) Precision Manufacturing Co., Ltd was founded in 1989 and is located in the Second Industrial District, Xi Xiang Street, Bao An District, Shenzhen, and is a subsidiary of Winson Group, a Hong Kong enterprise. The factory mainly produces plastic children toys, electronic toys and is currently an original equipment manufacturer for Mattel's Hot Wheel brand. Winson presently has more than 3500 employees with a male to female ratio of 4:6. The factories have an area spanning over 80,000 square meters and their products are sold in Southeast Asia, Europe, the United States, among other countries.



(Outside the factory)

Full Name: Shenzhen Winson (Tai Qiang) Precision Manufacturing Company Co.,Ltd

Address: Second Industrial District, Xi Xiang Street, Bao An District, Shenzhen

Contact: 075529771288

Products: Plastic children toys and electronic toys

Brands: Mattel's Hot Wheel

Products manufactured at Winson



(Left: Hot Wheels; Right: Minecraft Hot Wheels)



(Hot Wheels)

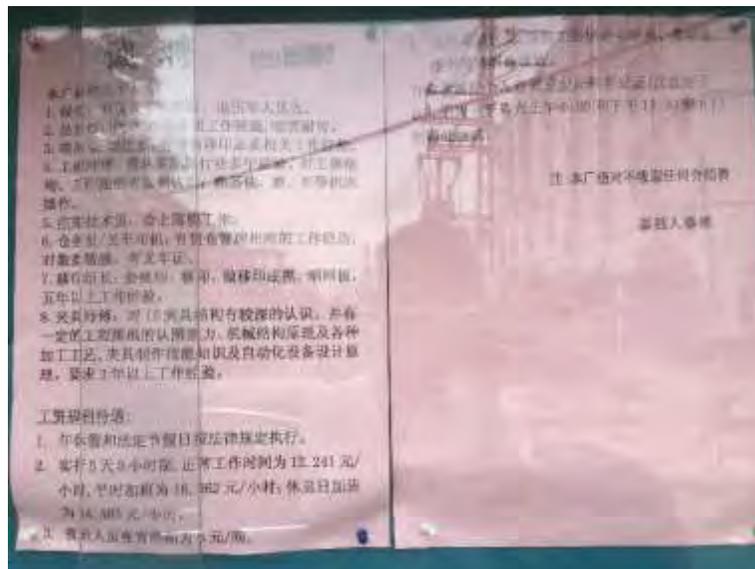
Section 1: Recruitment

General Policy

Hiring Requirements: Job applicants must be over 18 years old. During hiring, applicants must provide the original copy of their resident identity card, a photocopy of their ID, and two one-inch photos. There is no application fee or deposit required, and documents are returned in a timely manner. After completing a basic interview, everyone is taken to the employee lounge and asked to complete a personnel file as well as submit the photocopy of their ID along with their photos. The following morning, human resource personnel distributed factory IDs, meal cards, and employment contracts to the employees in the employee lounge before conducting a new employee orientation.

Recruiting Channels: During peak seasons, Winson recruits a large number of workers. Workers are directly recruited by the factory.

Position Assignment: For positions that have higher work intensity, only male workers are able to work in these. Both female and male workers are assigned to positions that are more relaxed. There is both male and female staff in management.



(Hiring notice)

Underage Student Workers

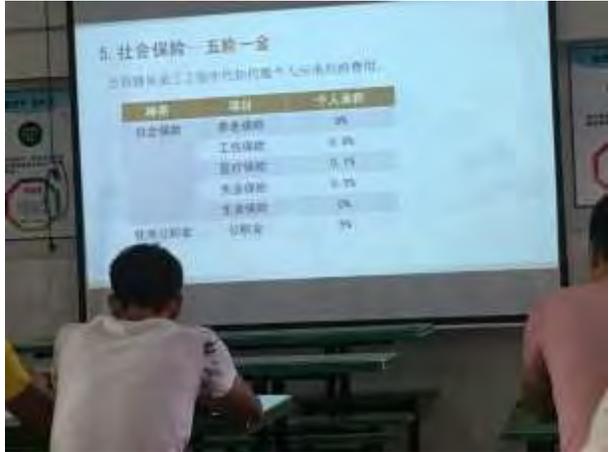
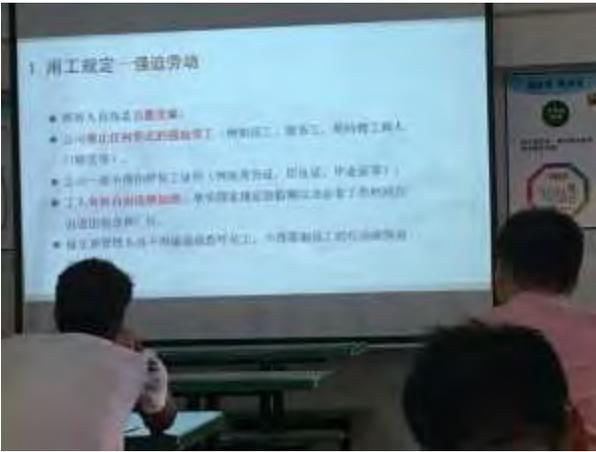
Job applicants must be over 18 years old.

Physical Examination

Except for some unique positions, most workers are not required to undergo a physical examination. The cost of physical examinations is covered by the company, with physical examinations occurring before, during and after employment. Workers must hand in the results of the physical examination to the factory.

Training and Orientation

In the morning, there is a four hour factory-level training session, covering topics such as: employment requirements, trial work period and labor contract, termination of the labor contract, anti-discrimination, anti-harassment and anti-abuse, anti-forced labor, working hours, time off and overtime, attendance policy, wages, allowances and the different types of merit bonuses, social insurance, holiday policy, meals and accommodation, and safety. The health and safety training is very general and does not cover specific positions in the workshops. After training, workers are required to sign a new employee form and to take a simple pre-employment exam. In the afternoon, there is an hour-long training in the workshops, covering topics of safety, discipline, request for leave, and time cards etc. After training, production line leaders bring the new employees to the production lines. The factory provides uniforms at no cost to the workers, but if at the time of resignation, the worker has lost their uniform then the uniform cost is deducted from their paycheck.



(Factory prohibits forced overtime; Information on insurance)

Probation

The contract stipulates a 6 month probationary period.

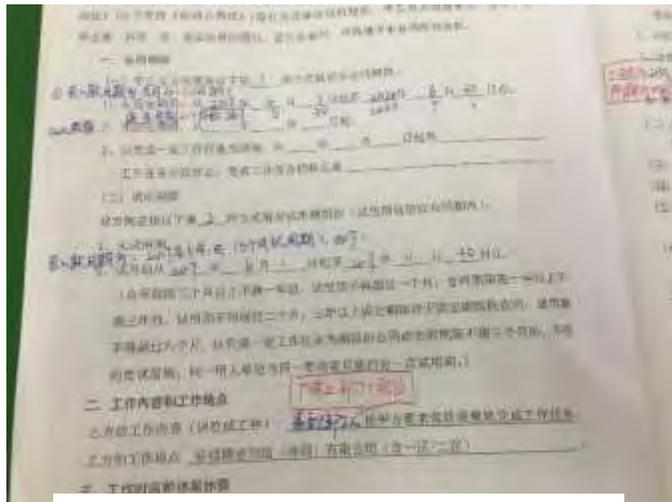
Resignation

Workers that resign within the 6 month trial work period must fill out a resignation request form and submit it to their superiors three days in advance. Formal employees need to fill out their resignation request form and submit it to their superiors a month in advance. If it is the off season, resignation can be granted within one day. The resignation request forms are available to pick up at the clock in location. Upon resigning, workers need to hand in the three sets of work uniforms and the one that they received. If the items were lost, the corresponding fees would be deducted from their paychecks. If workers resign within the contract period, their wages would be settled on the day of their resignation.

Section 2: Labor Contract

General Policy

The labor contract is signed during the training session. Human resource clerks first hand out a sample contract to the new employees, which has the contract period, trial work period, work description, work address, and wages filled in along with explanations. Human resource clerks will only go over these filled in portions and do not explain the remaining parts, leaving it to the employees to interpret them on their



(Labor contract)

own. After training, human resource clerks give out two copies of the official contracts to the employees. Employees are required to sign on the back of the contract, leave a thumbprint, and write the date.

Contract Terms

The content of the contract includes: 1) Contract period, 2) Work description and location, 3) Working hours, rest and leave, 4) Wages, 5) Labor protection, working conditions and protection against occupational hazards, 6) Social insurance and benefits, 7) Rules and regulations, 8) Changes in the contract, release and termination, 9) Financial and medical subsidies, 10) Procedures for release and termination of the contract, 11) Conflict resolution, 12) Other matters that both parties believe require prior agreement (Based on the needs of work, employees should cooperate with the factory portion of Winson (Taiqiang) Precision Manufacturing Co., Ltd and undergo regular transfers). After signing the contract, one copy is handed in and the other copy is given to the employee to retain. The contract is valid for six months.

Section 3. Working Hours

The factory runs on a schedule of 8 hours per day, 5 days per week. During off seasons, normally no overtime is required. During peak seasons, employees are required to work 3 hours of overtime each day and work 6 days a week. On Saturdays, employees work 8 or 11 hours of overtime, with a monthly average of 85 hours of overtime. The working schedule is as follows:

Shift	Standard Time	Sign In Grace Period	Sign Out Grace Period	Specified Hours	Time Categories
Day Shift	07:30-12:30	07:16-07:30	12:30-12:44	5	Regular attendance
	13:30-16:30	13:16-13:30	16:30-16:44	3	Regular attendance
	16:30-19:30		19:30-19:44	3	Regular Overtime
Night Shift	19:30-+00:30	19:16-19:30	+00:30-+00:44	5	Regular attendance
	+1:30-+4:30	+1:16-+1:30	+04:30-+04:44	3	Regular attendance
	+4:30-+7:30		+07:30-+07:44	3	Regular attendance



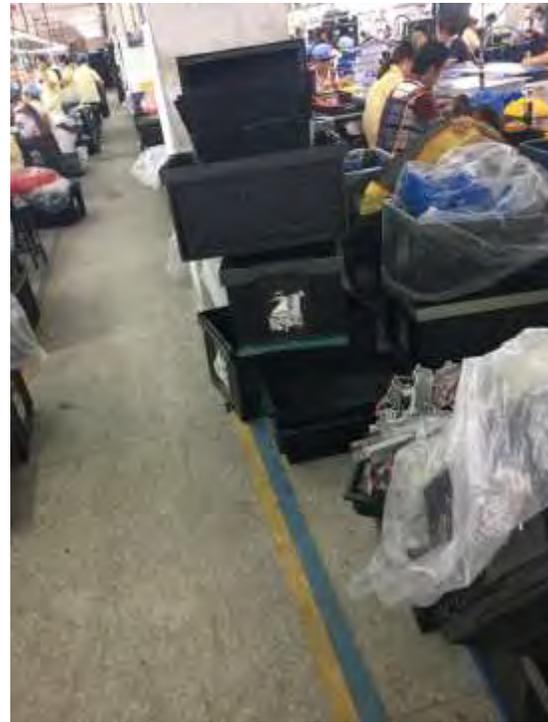
(Workers line up to swipe in for work)

The most overtime occurs in the month of July, with how much overtime depending on the amount of orders the factory receives. If a worker decides not to work overtime, he or she needs to verbally notify the production line leader ahead of time, and there is no punishment for not working overtime. There is a 10 minute break in the middle of the morning and afternoon shifts, and workers have an hour-long meal break for each shift. Workers are allowed to freely go to the restroom and drink water during their shifts. The production quota is 200 units per hour, which is achievable under regular circumstances. Workers have at least one day off every 14 days. Attendance is recorded via fingerprinting and signing in.

If there are any abnormalities in attendance, the department assistant will post an irregular attendance form on a wall and workers with irregular attendance must fill in and return to their superiors a replacement time card within three days.



(Workers on the production line)



(Photos inside the workshop)

Section 4: Labor Remuneration and Benefits

Wages



(Paystubs)

On the 17th to 22nd of each month, the factory hands out pay stubs before paying salaries. Factories pay salaries via bank transfers. During off seasons, average wages are 2200-3000 RMB (\$330 - \$450 USD), and during peak seasons it is 3500-4400 RMB (\$530 - \$660 USD). Wages include a base wage, overtime pay, and compensation. Additionally, individual income tax, social insurance, accommodation fee, water and electricity fees are deducted from wages. The factory calculates wages by hours worked. Standard pay is 12.24 RMB (\$1.84 USD) an hour, regular overtime is 18.36 RMB (\$2.77 USD) an hour, and overtime on weekends is 24.48 RMB (\$3.69 USD) an hour. Accommodation fee is 40 RMB (\$6 USD) a month, with water and electricity bills split equally among residents and averaging to 20 RMB (\$3 USD) per person. 10 or so RMB (\$1.50 USD) is also deducted for all incurred income tax. The cost of meals is approximately 400 RMB (\$60 USD) per month. Some positions like fuel injection and injection molding technicians have labor insurance of 1-4 RMB (\$0.15 - \$0.60 USD) per day. Most production lines have day shifts, but a very small number of production lines have night shifts. For night shifts, workers are given a 6 RMB (\$0.90 USD) meal allowance as factories do not provide evening meals, so night shift workers must leave the factory to eat.

時間	項目	數量	效率	備註
1
2
3
4
5
6
7
8
9
10
11

(Production targets)

Workers are not satisfied with their salaries. They expect a monthly income of 4000 RMB (\$603.46 USD) or more. However, during off seasons, there is normally no overtime and workers do not earn much money.

Sick Leave

Paid sick leave is available and requesting sick leave is not difficult. The process of applying for sick leave is as follows: the worker fills out the request for leave form, submits documentation

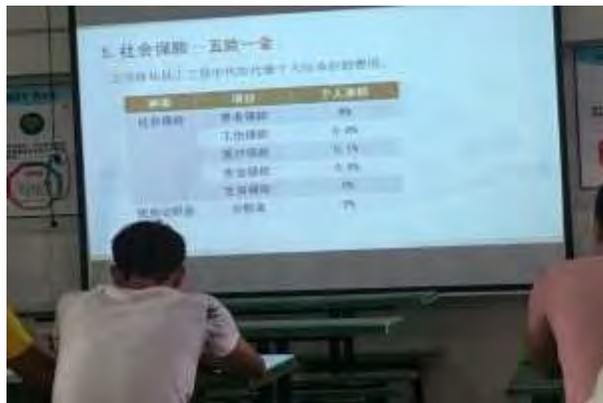
from the hospital (including diagnosis and request for leave documentation), medical record, and receipts (original copies are submitted for verification and photocopies are kept on record).

Vacation Time

The factory provides paid time off on official holidays, paid annual leave, maternity leave, and marital leave. These paid leaves need to be applied for in advance, and maternity and marital leaves also require providing relevant documentation (including original documents and photocopies).

Social Insurance

For the social insurance, 7.46 RMB (\$1.13 USD) is deducted for medical insurance fees, 10.65 RMB (\$1.60 USD) is deducted for unemployment insurance and, if the worker is enrolled in a pension fund, an additional 170 RMB (\$25 USD) is deducted.



(Social insurance explanation during training)

Recreation and Facilities

The factories do not provide libraries, basketball courts or other amenities for the workers. The only amenity is an air conditioned employee lounge, which also functions as part of the cafeteria and at times, used as new employees' training room. The factory offers free WIFI in the dormitory areas; however, most of the time, workers are unable to access the Internet while connected to the WIFI. Workers who frequently go online must purchase a data card.

Section 5: Food and Accommodation

Food Conditions

The cost of lunch and dinner averages to 5-10 RMB (\$0.75- \$1.50 USD) per meal or 400 RMB (\$60 USD) a month. Most workers think the prices



(Food at the cafeteria)

are unfair and on the expensive side. The employee cafeteria provides breakfast, lunch and dinner. Workers are free to choose to eat in the cafeteria. Rice porridge, steam buns etc., are available during breakfast, with the meal costing on average 3-5 RMB (\$0.45 - \$0.75 USD). During lunch and dinner, rice and a selection of dishes are available as well as complimentary soup. Depending on the different dishes available, meals cost on average 6-10 RMB (\$0.90 - \$1.50 USD). Meals are paid by swiping meal cards and fees are deducted from that month's wages. The food tastes mediocre. The factory does not provide meal allowances.



(Left: Cafeteria; Right: Workers ordering food)



(Workers line up for food at the cafeteria)

Accommodation Conditions

Workers can choose to room and board outside of the factory. Workers who do not room and board at the factory are not deducted pay but also offered no allowances.

Workers' dormitories are equipped with beds, closets, electric fans, and water heaters. The accommodation fee is 40 RMB (\$6 USD) per month, with water and electricity bills split equally between residents. Each dorm room has 10 beds for 9 people, with the empty bed serving as storage space. Dorms are equipped with a shower, bathroom, electric fans, lockers, and sinks.

At night, workers get off work and return to the dorms to shower and to wash their sweat-soaked clothes. Workers generally return to the dorms between 8:00-8:30 after eating, so by the time everyone finishes washing, it would already be 11 PM. There is no soundproofing between the showers and dorm rooms; as a result, it is difficult to fall asleep with the constant noise of other people showering and washing their clothes.



(Room)



(Toilet)

Since the dorms are small, the sinks are completely surrounded by workers' washbasins and buckets. The dorm interiors are entirely filled with workers' personal belongings.

The dorms do not have air conditioning and there is only two rotating electric fans hanging from the ceiling. During hot summer days, the dorms are still very hot as the fans blow on each person for only a brief moment. Because of this, each person sweats profusely, resulting in each person having to purchase a large bottle of water to store under their bed. If a bottle of water is consumed every two days, the cost of water adds up to 45 RMB (\$6.80 USD) a month.

Electricity use is limited in the dorms as there are only 8 USB outlets provided for 9 people, and the only way to charge devices is via USB outlets.

For the six floor dormitory, there is essentially no building management.

The lockers inside the dorms are not labeled. At times workers will have gone but will leave behind their personal belongings in the lockers and no one will know who they belong to, which results in a further accumulation of things.

The dorm does not have elevators, and workers who live on the 5th and 6th floors have to climb many flights of stairs each day.



(Bathroom)

The bathrooms are malodorous but there are no cleaning supplies available or a flushing system in place. People need to fill a basin with water to manually flush the toilet after use. The shower faucet produces only a small amount of water, so most workers instead fill up a basin with water to take their showers.



(Left : Laundry Room; Right: Dormitory Room)



(Dormitory Room)

Section 6: Occupational Safety and Labor Protection

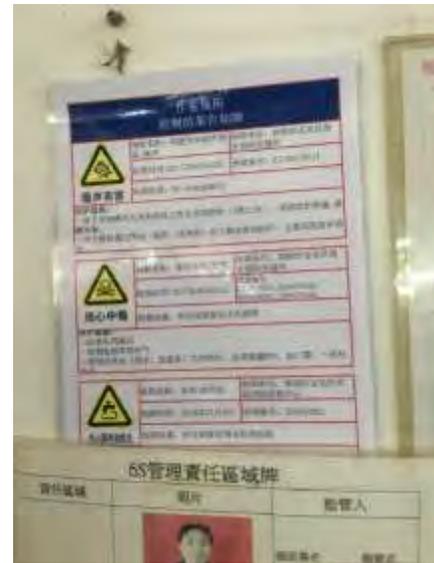
The factory does not have an environmental health and safety commission. There has been some training on environmental health and safety. Some workers are exposed to toxic chemicals like acetone during work. Workshops and dorms are equipped with first-aid boxes, and toxic waste products are sealed, labeled, and equipped with a fire extinguisher.

Work Injury

During the period of this investigation, no occupational injuries or illnesses were witnessed

Section 7: Fire Safety

Temperatures in the workshops reach approximately 30 degrees Celsius. Some areas are overflowing with boxes of materials, which blocks the exit for workers. The main pedestrian passageways are kept clear. Emergency exits and pedestrian passageways are clearly labeled, with sufficient lighting, and kept clear of obstructions. The fire extinguishers are ensured to be fully functional and are checked every month. A fire drill is organized in June, and the investigator saw a fire drill notice affixed to the walls. The entrance to the production area of the factory is always kept open, and fire extinguishers can be found everywhere around the factory.



(Inspection results of work safety issues)



(Fire extinguisher)

Section 8: Reward and Penalties

The factory's penalty system includes: warning, severe warning, and dismissal. For example, missing work, late arrival and early leave would result in a warning and a severe warning. Engaging in fights would result in a severe warning. Borrowing another person's ID card would result in dismissal. When workers violate factory regulations or improperly perform their responsibilities, they will be warned. Three warnings add up to a severe warning and three severe warning results in dismissal. If property is damaged, the worker will be asked for compensation.

Possible rewards for workers include public praise, bonuses, and promotions.

Section 9: Labor Union and Grievance Procedures

Labor Union:

In the factory, there is a labor union and labor representatives. Labor representatives are usually production line managers. Workers' understanding of the labor union is limited to the training they received as new employees. Workers are not clear on the functions of a labor union and whether or not there are regular meetings. When workers encounter problems, they usually do not think of going to the labor union.

Grievance Procedures:

Workers are unaware of the worker hotline.



(Opinion box)

Section 10: Other

Verbal Abuse

Investigator did not witness any instances of verbal abuse.

Client Visits and Audit

At the time of the investigation, no clients visited and no audits were conducted.



(Toy components)

Investigator's Diary

I woke up to my alarm clock at 7 AM at the internet bar, went to the factory gate and got a 3 RMB (\$0.45 USD) order of pork and egg congee, swiped back into the factory, climbed six floors with my congee, and returned to my dorm. It was around 7:12. There were still a few roommates sleeping in the dorm, who were scheduled to work at 8 AM. The rest, who started work at 7:30 like me, had already left. By the time I washed my face, brushed my teeth, and hurriedly finished my breakfast, it was already 7:22. I rushed downstairs and swiped out of the factory to get a bottle of water. I then walked for a minute to where I work and swiped into the factory again. I rushed to the 4th floor, taking the stairs and went through the fingerprint recognition. It was 7:27; I took a few sips of my water, put the bottle in the tea room, and went to my position in the production line. A few minutes later, everyone arrived. We switched on the fan attached to the wall, and began preparing our materials for work.

The alarm went off at 7:30, the production line began moving and everyone was ready to work. My task was to apply electrodes to the base of the battery case on each toy, using the press machine to attach the electrodes and springs to the battery case. A layer of anti-oxidizing oil is applied to the surface of the battery, so new workers might find it slippery to pick up the electrodes and springs. Some springs are tangled together and hard to separate. It took a lot of time. However, as I had been doing this a lot, I was becoming more familiar with the components and was able to put them together quickly. The press machine needs to be pressed

with two fingers. When the infrared detectors in the machine detects anything, it would stop automatically, which makes the machine rather safe to use. But the machine I'm currently using is not working very well. Normally, the machine would start working with one press, but mine needs 2-3 presses. Sometimes, the pressure from the press machine would work at varying strengths, and when this happens I would just restart the machine.

There's one more minor problem. Usually, the iron sheet is put into place by pressing once, but sometimes the sheet would not affix properly, possibly due to flaws in the models. Another worker taught me a solution: curl the sheet beforehand. This means I need to curl every sheet. The required production rate is 200 pieces per hour, and the supervisor would come and urge the workers to work faster if the unprocessed items were piling up. Luckily, I move fairly quickly now.

At 10 AM, the production line stopped and we had a break. During the break, workers are allowed to drink water, go to the bathroom, or check their phones. At 10:10, the production line starts again. The production rate is strictly 200 pieces per hour, which is a huge workload. As a result, we rarely have breaks or have a chance to talk when we're working. At noon, some workers start to glance at their phones impatiently. Maybe they were hungry. At 12:30, the alarm in the factory goes off, and the morning shift finishes. We begin swiping our card for attendance. There are three attendance machines but everyone favors the one on the far left, since it's the only one that works consistently. It usually takes 5 minutes to line up and swipe our cards, after which, we go to the cafeteria for lunch. I lined up for 2 minutes and order two dishes which cost 7 RMB (\$1.06 USD), along with a complimentary bowl of soup. After eating at around 12:55, I



(Workers sleeping in the cafeteria)

went to the recess room next door. The recess room is air conditioned, so I took a nap.

At 13:22, I woke up for work, and swiped my card again for attendance. At 13:30, the alarm in the factory went off and everyone started working again. One position behind me was empty. The worker in that position wanted to resign, so they missed work that day. A backup worker took his place, who was very strict with new employees. At the start of the afternoon shift, she asked me to work faster. As she was now working behind me, I

wanted to show her my skills. I worked faster, so that the items would pile up for her, but she was a fast worker. Unprocessed items started to accumulate behind her as people failed to catch up with us. When there were no items to process in front of her, she urged the workers in front of her to work faster, which I thought was ridiculous since the people behind us were already struggling to catch up and already had a large amount of items accumulated in front of them. Around 14:30, the production line ran out of battery cases. There was no stock left in the storage room either, so we all happily took a break. Around 14:50, more battery cases arrived. My supervisor asked me and the man in front of me to carry a few boxes of battery cases so we could

begin work again. The rest of the supply would arrive soon. We began the intense work again. I worked really fast to make the backup worker behind me tired. Who let her talk to us like that?

At 17:00, the production line stopped and it was time to take a break again. I made some casual conversation with the guy working behind me and checked my phone. At 17:10, the production line started again. The screws for the backup worker and some other workers ran out, and the backup worker went looking for some more. A woman working next to me started complaining about the backup worker and how she rushes everyone all the time. She seemed very angry. 20 minutes later, more screws arrived and everyone started working again. It was only one hour away from the end of the shift, so I was in a fairly good mood. Since I continued working whilst others were waiting for screws, the people behind me already had a lot of work to catch up on. Therefore, I didn't have to worry about working faster, and worked at a comfortable pace. At 19:00, it's time to clean up. Everyone took turns to clean the floor with a broom. At 19:30, the end of shift alarm went off, and everyone started to line up to swipe their cards. I checked the whiteboard for production record and the production rate exceeded 200 pieces per hour at many points. It was 195 pieces per hour on average which was very impressive. Towards the end of the line, the two swiping machines on the right were empty and people were all lining up behind the far left one. It was 8 minutes past the shift and the supervisor was upset about the wait. He asked people to move to the other two machines, but no one moved, knowing that the other two machines did not work.



(Workers producing “hot wheels”)

After swiping my card at 19:40, I went to eat at the cafeteria and then returned to the dorm to take a shower. I was working all day and had been sweating a lot. By the time I returned to the dorm, 3-4 people were already there. I went to shower first and there were two people waiting behind me. After taking a shower, I washed my clothes. I wanted to go for a walk and asked the guy sleeping above me to come along, but he preferred to stay in bed and play with his phone. I decided it was better for me to go on a walk by myself. I did not get bedding for my dorm and none of the outlets worked, so I couldn't charge my phone. Plus my bed had been taken by someone else's stuff, so I never intended to sleep in the dorm. Looks like I'm sleeping at the internet bar again. At 20:20, I finished washing my clothes and went for a walk. The factory is located at

Caowei district which is very commercial. The night was pleasantly cool. I stopped by the Caowei park and found a temporary shelter. There were a couple of uniformed guards standing at the side. I went in and saw a portrait of Guan Yu, which reminded me of the Guan Yu portrait I saw in the Winson factory. Looks like Guan Yu is very popular in this part of the country. There were older ladies dancing in the playground in front of me, and I sat down on a bench nearby. Around me, people were relaxing in the shade. I played with my phone and listened to music. Time passed by quickly and I got into bed to sleep at 22:00.

Comparing working conditions over the years

Dongguan Chang'an Mattel Toy Second Factory Comparison 2014 - 2017

	2014	2016	2017
Recruitment	The original report does not specify.	Instances of geographical and gender discrimination exist. (For instance, the factory does not accept male applicants from Zhaotong, Yunan due to a previous brawling incident between workers from this area.)	The factory accepts student workers.
Physical Examination	All new employees must undergo a physical examination during recruitment. Special positions undergo more exams.	The original report does not specify.	Only employees in special positions need to undergo a physical examination. Fees are covered by the factory.
Training and Orientation	It lasts for less than half an hour and there is no training related to occupational safety. Training time is not calculated in wages.	Training lasts for 1 hour 10 minutes. The training is calculated as 4 hours of work and included in wages.	Training is four hours long and includes information on occupational safety and environmental monitoring. Training time is included in wages.
If an ID card is submitted	It is necessary to submit the original ID document.	The original report does not specify.	Providing a photocopy is enough.
Resignation	Resigning within the 7 day probationary period is straightforward. Once the probationary period has passed, the worker needs to apply	Worker must apply three days in advance if resigning within the 7 day probationary period. After the probationary period is	Worker must apply three days in advance if resigning within the 7 day probationary period. After the probationary period is

	one month in advance but there is difficulty. Workers who immediately quit can also obtain their previously earned wages.	over, the worker must apply one month in advance. Resigning is generally successful.	over, the worker must apply one month in advance. Resigning is generally successful.
Labor Contract	Labor contract information (such as position, work information, wages, etc.) is incomplete. No one explains the contents of the contract to the workers.	A large number of workers do not understand the various parts of the contract.	The factory's human resource department requests new employees to first sign the contract and then fill out the contract duration and probationary period.
Work Hours	Regular hours are 6 days a week, 8 hours a day. On average there is 3 hours of overtime a day and around 104 hours a month. There is half an hour for lunch each day. There is a lot of pressure to produce.	Regular hours are 5 days a week, 8 hours a day. On average, there are 2 hours of overtime and around 104 hours of overtime a month. There is half an hour for lunch each day. There is a lot of pressure to produce.	Regular hours are 5 days a week, 8 hours a day. On average, there is 3 hours of overtime a day and full day of overtime on Saturdays. There is around 110 hours of overtime a month. There is half an hour for lunch each day. There is a lot of pressure to produce. Workers who do not want to work overtime must give advance notice but is often not approved.
Vacation	The original report does not specify.	Excluding the 11 days for legal holidays, the factory claims workers can have maternity leave, sick leave (requires hospital verification), martial leave and bereavement leave. During the	Wages paid on legal holidays follow regular wages. Paid leaves include sick leave (requires a hospital verification, receipts, etc.), annual

		actual investigation, the investigator did not find the person in charge of the above requests of leave. Requesting a leave of absence or missing work results in a deduction of that day's wages.	leave, maternity leave and marital leave. Each type of leave has a specific requesting process.
Wages	The base wage is 1360 RMB a month (\$205.50 USD), 7.82 RMB (\$1.18 USD) an hour. The factory gives out the previous month's wages on the 19th to 22nd of each month.	The base wage is 1560 RMB a month (\$235.73 USD), 8.97 RMB an hour (\$1.35 USD). The previous month's wages are given out the 15th to the 17th of each month.	The base wage is 1507 RMB a month (\$227.37 USD), 8.97 RMB an hour (\$1.35 USD). The previous month's wages are given out the 15th to 17th of each month.
Social Insurance	After the 7 day probationary period is over, the factory purchases five categories of social insurance for the worker. They do not contribute to the workers' housing provident fund.	After the 7 day probationary period is over, the factory purchases five categories of social insurance for the worker but does not contribute to the housing provident fund.	After the probationary period is over, the factory purchases five categories of social insurance for the worker and contributes to the housing provident fund.
Food and Accommodations	The dorm room doors cannot be locked, which is a safety risk. Day and night shift workers live together and this affects their rest.	Food is especially poor. Workers express their inability to satisfy their hunger.	The dorm room doors cannot be locked, which is a safety risk. Day and night shift workers living arrangement (?) Food conditions are comparably good.
Occupational Safety	There is no occupational safety and health commission. Special job positions	During orientation, no one goes over information related to labor protection.	There is an environmental monitoring and safety commission. Before

	<p>have safety equipment but it is not strictly used or managed. A large number of workers did not have a during or pre-employment physical examination. The production equipment and machinery are not regularly inspected and maintained.</p>	<p>Inside the workshop there are very few workers who use safety equipment. Use of chemicals does not follow regulations. Special positions have mid-employment physical examinations to check for illnesses.</p>	<p>assuming the job position, workers have a training relating to occupational safety. Workers in special positions are provided safety equipment and have to undergo a physical examination mid-employment as well as pre-employment. Production equipment and machinery are regularly inspected.</p>
Fire Safety	<p>Fully equipped with fire safety equipment and there are fire drills. However, in the workshop and dorms there is no strict enforcement of fire safety measures (some workers bring lighters into the workshop or dorms to smoke).</p>	<p>Fully equipped with fire safety equipment but during the period of the investigation, the investigator did not witness any fire drills.</p>	<p>Two or more fire drills are hosted each year.</p>
Labor Union	<p>There is a labor union but workers do not understand it nor do they participate.</p>	<p>There is a labor union but workers do not understand it nor participate.</p>	<p>There is a labor union but workers do not understand it nor participate.</p>
Complaints Channel	<p>There is a complaints department and hotline but many of the numbers are unable to be dialed. Resolutions to complaints are also difficult to obtain.</p>	<p>The original report does not specify.</p>	<p>There is a complaints and inquiry hotline but workers do not use it.</p>
Amenities	<p>The computer room is locked and making a reservation for the karaoke room is difficult.</p>	<p>The factory has a billiards room, badminton court, library, and computer room. During the</p>	<p>The factory provides workers with computer training room, library, karaoke room, ping pong court</p>

		investigation period, the investigator did not discover any workers making use of the badminton court.	and basketball court. The original report did not point out the actual usage..
Other	When workers use the bathroom, they must ask the group leader for permission. In the workshop, there are instances of workers being berated.	The original report does not specify.	Workers can use the bathroom. In the workshop, there are instances of workers being berated.

Dongguan Qualidux (Guangda) Plastic Products Ltd. Co. Comparison

2010 - 2017

	2010	2013	2017
Recruitment	Applicant must be at least 16 years of age and possess a valid ID card. There appears to be no discrimination based on geography, race or religion.	Recruitment has no age limit. The applicant needs only to select a job position and fill out a new employee information form to apply. There are a large number of student workers the factory is looking to replace as the students return to school.	Applicant must be at least 18 years of age, possess a valid ID card and be healthy. There are no restrictions on gender. After hiring, workers are placed into their department's workshop based on the factory's production needs and the worker can only unconditionally accept the placement.
Physical Examination	Workers undergo a simple physical examination and the factory covers associated fees. The examination is very simple. Workers are only asked for their	The original report does not specify.	At the time of hiring, there is no need for a physical examination. After hiring, the factory schedules physicals, with higher ups who determine which workers have an

	basic information such as height and weight. They also take a few simple vision tests.		opportunity to do a physical. Examination fees are paid by the factory.
Training and Orientation	The original report does not specify the length of the orientation and whether or not the orientation time is included in wage calculations. The orientation explains workshop safety but there is no health or work environment training.	Orientation lasts around 40 minutes and includes topics like factory rules and regulations, occupation safety, wages, benefits, vacation and amenities. The original report does not specify if the orientation time is included in wage calculations.	Orientation is one hour. There is no training related to occupational safety. Orientation time is not calculated as part of the attendance card.
If an ID card is submitted	Yes, the original ID document must be submitted.	Yes, the factory holds onto the ID card for one day.	Yes, the original ID document must be submitted and is returned within 4 hours.
Resignation	The worker must apply a month in advance but workers say it is very difficult to resign.	If resigning within the contract period, the worker must apply 30 days in advance but there is difficulty in resigning.	If is within the two month probationary period, the worker must apply 3 days in advance. If the probationary period is over, the worker must apply one month in advance.
Labor Contract	The factory will already have filled out the labor contract. The employee only needs to write their name, ID number, home address and sign their name. After working at the factory for a week, the worker signs a labor contract with the factory.	The worker only needs to write their personal information in the corresponding places on the contract and sign their name on the final page. The factory does not have a specified time for when they sign a labor contract with the employee. Employees	The factory prints out the labor contract and workers only need to sign and fingerprint. The factory will only sign a contract with the worker half a month after being hiring. There is no specialized person to explain the contents of the contract to the worker.

		can also choose not to sign.	
Working Hours	Regular work hours are 6 days a week, 8 hours a day, with 2 hours of overtime a day. Each week has at least one rest day. There is one hour for lunch every day.	The factory implements a 5 day, 8 hour structure. On regular work days there is 3 hours of overtime. On Saturdays, there is 10 hours of overtime. There is an average of 100 hours of overtime a month. There is an hour of time for lunch and dinner.	The factory's standard work hour structure is 8 hours a day, 5 days a week. On average there is 26 days of work a month. Any work done outside of these hours is calculated as overtime.
Vacation	Workers are paid their regular wages on legal holidays. There is paid sick leave (requires hospital certification, receipts, etc.), annual leave, maternity leave and marital leave. Requesting a vacation is very difficult.	There is paid vacation and paid time off according to legal regulations, including annual leave, sick leave, maternity leave, etc. Regardless of what type of leave the worker is requesting, the worker must follow the relevant factory regulations and procedures to request leave.	Wages paid on legal holidays are paid according to the lowest base wages. Temporary workers do not have paid holidays. The factory requires workers to work for a year or more in order to enjoy paid annual leave. Only work injuries qualify for sick leave.
Wages	Base wage is 1100 RMB a month (\$165.97 USD). Average monthly wages are 1600 RMB (\$241.40 USD). During regular working hours, overtime is 9.48 RMB an hour (\$1.43 USD) and overtime on weekends is 12.46	Wages during regular working hours is 7.6 RMB an hour (\$1.15 USD). Wages for overtime done during regular hours is 11.4 RMB an hour (\$1.72 USD); wages for overtime done during weekends is 15.2 RMB an hour (\$2.29 USD). Average wages	Long term workers' wages: Base wage is 1510 RMB a month (\$227.85 USD), regular wage is 8.68 RMB an hour (\$1.31 USD), wages for overtime worked during regular hours is 1.5 times regular wage or 13.02 RMB an hour (\$1.96 USD); wages for

	RMB an hour (\$1.88 USD).	are 2800 RMB (\$422.52 USD).	overtime worked during weekends is 3 times regular wage or 26.04 RMB an hour (\$3.93 USD). Temporary workers' wage: Workers introduced by intermediaries earn 14 RMB an hour (\$2.11 USD), while workers recruited by the factory earn 12 RMB an hour (\$1.81 USD). Overtime wages follow the corresponding hourly pay.
Social Insurance	Workers who have worked at the factory for a year can purchase social insurance. Workers can choose to purchase illness and accident insurance. Insurance fees are 67 RMB a month (\$10.11 USD).	The factory purchases insurance for workers after a year of work. Some workers have also said the factory only purchases insurance after working two or three years.	The factory does not proactively pay workers' social insurance. Temporary workers choose not to buy insurance. Long term workers who want to purchase insurance must work at the factory for a long time and then apply. Insurance fees are 216.73 RMB a month (\$32.71 USD). Insurance is primarily a pension fund.
Food and Accommodation	There is not enough food for the workers. Skilled technical workers sleep 4 people to a room and each person has their own bathroom. Regular workers sleep 8 people to a room.	Food conditions are very poor. Workers express they are unable to eat their fill. Except for a bed, the dorms have no other furniture.	Food conditions are especially poor. Workers express the cafeteria fees are expensive. Dorm environments are substandard. The hallway lighting is poor and garbage can be seen everywhere.

<p>Occupational Safety</p>	<p>There is no occupational safety and health commission. Workers must complete a workshop on safety training. Once a week, the factory provides fuel injection workers with a mask and gloves. Workers in the sewing department must wear a work hat and a mask. However, if they lose the safety equipment then the worker must buy their own replacements.</p>	<p>The factory provides protective equipment for the compression and fuel injection departments' workers but the workers do not use them.</p>	<p>The factory does not have an environment, health and safety commission. There is no occupational training or even work clothes. The noise in the workshop is very loud and there is a lot of dust. Except for a work hat, workers are provided with no other protective equipment.</p>
<p>Fire Safety</p>	<p>The factory regularly inspects the fire hydrants and fire extinguishers. A fire drill is conducted every March and June. Workshop and dorms appear to not have any noticeably flammable items.</p>	<p>Every month the factory inspects the fire safety equipment. The factory has fire extinguishers. The investigator did not discover any broken or otherwise not compliant fire safety equipment.</p>	<p>Every year the company hosts a fire drill. The workshop hallways and emergency exits have signs and sufficient lighting. Workshop passageways and emergency exits are labelled and equipped with sufficient lighting. Employee passageways are filled with scattered dyes from the compression department, with the dyes placed right in the middle of the passageways and affects every worker's regular movement.</p>
<p>Labor Union</p>	<p>The factory does not have a labor union, any type of labor representative or worker hotline.</p>	<p>The investigator did not discover any labor union organization or labor representative during the time of the investigation.</p>	<p>There is a labor union but workers generally do not understand it and do not participate. Moreover, the labor union door was always</p>

			locked and did not display any signs of use.
Complaints channels	If workers have any problems, they must contact the production line manager or the supervisor, or make use of the suggestion box.	If workers have any problems, they can contact the human resources department for help or make use of the suggestion box. However, the suggestion box has not been used in a long time.	If workers' have their rights violated, they can make use of A) comments box B) call the human resource department or WeChat management. However, it was impossible to get a call through the complaints line.
Rewards and penalties	The factory implements a performance based points system. Activities that result in a point deduction include: arriving late for work, leaving work early, smoking in the workshop and fighting in the dormitories. The factory's attendance bonus was originally 100 RMB a month (\$15 USD) but they are changing it to 100 RMB a year (\$15 USD). If a worker recruits someone who then works at the factory for a year, the worker can earn a 100 RMB (\$15 USD) bonus.	The factory uses the following penalty methods: warning, severe warning, verbal warning, etc. If a worker violates a factory regulation, the worker will be deducted the corresponding number of points. If a worker loses all of their factory specified points within a year, they will be fired.	The factory has four methods of punishment to penalize workers who have made a mistake: verbally issue a warning, small fault warning, large fault warning, and a severe warning. It was not discovered which mistakes would result in which punishment.
Amenities	The factory's amenities include basketball court, library, computer room, ping pong room and a pool table. Workers do not	The factory's amenities include a basketball court, ping pong room, pool table, library, computer room, television room and theater room.	The factory had a basketball court, television room, movie theater, book room, free Internet, ping pong room, pool room, karaoke room and other

	commonly use these facilities.	These facilities are regularly used. As there are many workers who live outside of the factory, the A building of the employee dorms has a floor with many employee rest areas.	entertainment facilities. However, only the basketball court, library and television room were available for workers to enjoy. The other amenities were all in an abandoned state. Additionally, all of the doors were locked.
Other	Workers in the plastic molding department believed their wages were lower than other workers and because of this were preparing to strike in October. When the factory director learned of this situation, he issued a warning and asked them to quit. The workers believed a strike would be useless and many of them applied for resignation. Female workers say supervisors and managers commonly criticize and verbally insult them, which has caused them psychological trauma.	During the investigation, the investigator discovered wages for student workers were different from the wages earned by regular workers in the compression department.	Workers are commonly talked to in an aggressive tone of voice and, if they do their work poorly, are threatened to quit. Workers carry a resentful attitude while they work. After asking many of the workers, they said employees are often reprimanded in this manner and that they already consider it normal.

Shenzhen Winson (Taiqiang) Precision Manufacturing Comparison

2013 - 2017

	2013	2015	2017
Recruitment	Applicant must be between 18 to 40 years old. Have received a middle school education or higher. Must not have tattoos.	There is gender and age discrimination present in the hiring process. New employees must be under 30 years old. Some work positions reject hiring female or male applicants.	Applicant must be at least 18 years old.
Physical Examination	Applicant must have a valid ID card and health certificate. Student workers do not need to provide a health certificate.	Winson requires only a health certificate at hiring. During recruitment, no physical examinations are scheduled.	Except for some unique positions, most workers do not need to undergo a physical examination. The cost of physical examinations is covered by the company, with physical examinations occurring before, during and after employment.
Training and Orientation	Orientation is just a formality. Employees generally only need to fill out a form.	Orientation only consists of playing the factory's promotional DVD. The DVD plays for approximately 25 minutes and that is considered the training. After workers have assumed their job positions, they do not receive any department (workshop) and factory group training.	There is a four hour factory level training. Contents include: labor contract, anti-discrimination, anti-harassment and abuse, no forced labor, allowances, social insurance, meals and dorming, safety, etc. There is also a one hour workshop level training, which mainly explains safety, discipline, requests for leave, etc.

<p>If an ID card is submitted</p>	<p>It is necessary to submit the original ID document</p>	<p>The worker must give their health certificate and ID card to the human resources department who check and verify it before giving it back two hours later.</p>	<p>It is necessary to submit the original ID document</p>
<p>Resignation</p>	<p>If resigning within the probationary period, the employee must notify the factory three days in advance. If resigning after becoming a formal employee, workers must notify the factory a month in advance. Winson’s workers have a 6 month probationary period.</p>	<p>It is very difficult for workers to resign. Workers must first fill out a resignation form before they can begin the resignation process. They must go to the production line leader to pick up a resignation form, which is very difficult.</p>	<p>If resigning within the 6 month probationary period, the employee must notify the factory three days in advance. If a formal employee wants to resign, they must notify the factory a month in advance. If it is off-peak season, a resignation can be approved in a day.</p>
<p>Labor contract</p>	<p>During the orientation, the company will sign two copies of the labor contract with all employees. The company and the laborer each hold onto one copy. However, Winson factory does not sign a labor contract with their employees in a timely fashion. The factory will sign a contract with the</p>	<p>The worker signs two copies of the labor contract. The worker keeps one copy and only needs to sign their name and fingerprint in the party B locations. When the worker is signing the contract, they do not have time to look over the contents of the contract and do not</p>	<p>The human resource clerk first hands out a sample of the contract to new employees for them to look over. The human resource clerk will have already filled in the sample contract with the contract duration, probationary period, work description, work location, and wages along with explanations. The human resource clerk goes over the filled in portions and employees must go over the remaining portions on their own.</p>

	laborer within a month.	understand the exact contents.	
Working Hours	The factory implements a 5 day 6.67 hour work schedule, with one rest day a week. During peak season, there is 3 hours of overtime. Including peak season, there is 130 hours of overtime. Workers in the assembly department have 90 minutes of rest midday and an hour rest in the afternoon.	Winson factory follows a 6.67 hour work day; a workweek is 40 hours and 6 days. The 6.67 hours worked on Saturday is not paid double the standard wage. Workers are forced to work overtime every day and so work 11 hours a day.	The factory implements a 5 day 8 hour work schedule. In the off-peak season, there is generally no overtime. During peak production season, there is 3 hours of overtime each day, 6 days of work a week and 8 or 11 hours of overtime on Saturdays. On average there is 85 hours of overtime a month.
Vacation	The original report does not specify.	The contract stipulates the factory provides paid annual leave and maternity leave. However, according to interviewed workers, it is difficult for workers' to make use of the vacation policy as the factory has a high turnover rate. Production line workers only work	The factory has paid holidays, annual leave, maternity leave and marital leave.

		one or two months or half a year.	
Wages	Wages are paid on the 20th of every month. Workers earn a minimum of 1600 RMB a month (\$241.56 USD). During peak season, wages are 3200 RMB (\$482.91 USD) and during off-peak seasons, workers generally can earn 1800 RMB (\$271.65 USD).	Winson factory gives out the previous month's wages on the 20th of every month. The factory calculates wages on an hourly basis, and wages are 11.667 RMB an hour (\$1.76 USD). On Saturdays there is 4.33 hours of overtime and is paid twice the regular wage.	The factory gives out wages on the 17th to 22nd of every month. During off-peak season, average wages are 2200-3000 RMB (\$332.04-\$452.79 USD). During peak season, average wages are 3500-4400 RMB (\$528.25-\$664.13 USD). Hourly wages are 12.241 RMB (\$1.85 USD). Hourly wages for regular overtime is 18.36 RMB (\$2.77 USD). Hourly wages for weekend overtime is 24.48 RMB (\$3.70 USD).
Social Insurance	The factory has a mandatory requirement that workers purchase two forms of insurance, work injury and health insurance. Other forms of insurance are up to the worker to decide whether or not to purchase.	Upon hiring, Winson factory purchases health, work injury and unemployment insurance for workers. Workers pay 4 RMB a month (\$0.60 USD) for the health insurance and 18 RMB a month (\$2.71 USD) for the unemployment insurance. The factory coerces workers to sign an agreement stating they voluntarily do not want to purchase pension	For social insurance, 7.46 RMB (\$1.12 USD) is deducted for health insurance; 10.65 RMB (\$1.60 USD) is deducted for unemployment insurance and 170 RMB (\$25.65 USD) is deducted for pension insurance.

		insurance. If a worker chooses to buy a pension insurance, they can do so after working for two months and will be deducted 145 RMB a month (\$21.88 USD).	
Food and Accommodations	Every dorm room has 8 beds, with individual bathrooms and air conditioners. However, the dorm rooms do not have outlets. If a worker needs to charge a cellphone, they must go to the first floor security room to charge their phone.	A dorm room has 12 beds and has an area of only 10 square meters. The dorm has no hot water. When workers shower they need to go downstairs to carry up hot water. Workers express the cafeteria food to be unappetizing and unclear.	Food at the factory tastes average. The dorms are crowded and cluttered. The bathrooms are very smelly. There are no cleaning supplies or flushing system in place. After using the bathroom, the worker must use a bucket of water to flush the toilet.
Occupational Safety	During the worker's recruitment period, the factory does not provide workers with any form of occupational safety training. After workers enter the workshop, they do not receive any relevant work training. A regular assembly worker is only required to wear a work hat when they work. Most of the other departments	During recruitment, workers do not undergo any occupational safety training. Workers are also not clear if the factory has an occupational safety commission. Workers will make contact with chemicals but workers do not wear any protective equipment.	The factory does not have an environment, health and safety commission. There has been environment/health/safety related training. The workshop and dorms are equipped with first aid boxes. Hazardous waste products are all sealed and labelled.

	provide workers the required safety equipment like work uniforms, work hats, masks, etc.		
Fire Safety	The fire exits in the factory are labelled and relevant workers fill out an inspection form every form. The factory also has safety passageways established for workers. The factory only has a few fire safety notices posted on an announcement board but a fire safety training was not witnessed.	The safety passageways in the Winson factory were not clear and were often blocked with products. The safety exit doors are not allowed to be open. The stairs in the workshop and dorm buildings are very narrow.	In some places, there is a large amount of product boxes built up, which obstructs the path for workers. The main passageways are clear. The passageways and the emergency exits in the workshop are all clearly labelled, equipped with sufficient lighting and there are no obstructions. The fire extinguishers are ensured to be filled with gas and are checked every month.
Labor Union	The original report does not specify.	Workers do not know if the factory has a labor union or a labor representative.	The factory has a labor union and a labor representative. The labor representative is available online and is generally a manager. Workers' understanding of the labor union is limited to the content covered in the new employee training. Workers do not know what the labor union does.

<p>Complaint Channels</p>	<p>The original report does not specify.</p>	<p>During orientation, no one informs the workers if they have complaint channels. If the worker has questions, they can directly ask the production line leader or the office clerk but they are completely incapable of resolving problems. The factory has the ICTI worker hotline poster put up but workers do not understand how to use the hotline and do not call the hotline.</p>	<p>Workers do not know about the worker hotline. Generally, when workers have problems, they do not think of asking the labor union.</p>
<p>Amenities</p>	<p>The original report does not specify.</p>	<p>The factory has a basketball court but it is obstructed with products and is unable to be used. There are many internet cafes in the vicinity of the factory dorms, which workers use to access the Internet for 2.5 RMB an hour (\$0.38 USD).</p>	<p>The factory does not provide workers with a library, basketball court or other amenities. There is only one air conditioned employee lounge. This employee lounge also functions as part of the cafeteria as well as a training room used for new employees.</p>
<p>Other</p>	<p>The factory recruits a large number of summer workers and student workers. Of the group of 120 workers who started at the same</p>	<p>Workers express that during off-peak seasons, the Winson factory does not schedule overtime. After dorm and social insurance fees are</p>	<p>Workers are not satisfied with their income. They hope they can earn 4000 or more RMB a month (\$603.63 USD). When it is off-peak season and there is generally no overtime, they earn little money.</p>

	<p>time as the investigator, 110 were students.</p>	<p>deducted from each month's wages, the final amount is less than the lowest base wage.</p> <p>Workers who were about to retire said that Winson factory did not purchase social insurance for them in a timely fashion and they are unable to retire.</p>	
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