Labor Conditions in China's

Consumer Electronics Sector

China Labor Watch October 2023



Executive Summary	2
Research Methods	3
Key Findings	4
Recommendations	5
1. Overview of Consumer Electronics Sector in China	7
Labor conditions at consumer electronics factories	8
"Gig Manufacturing": the informalization of electronics manufacturing sector	13
2. A Survey of Social Media Posts across 50 Factories	20
3. Zoom In: Four Factories	38
3.1 BOE (Hefei)	39
3.2 Foxconn (Zhengzhou)	48
3.3 Jabil Circuit (Guangzhou)	53
3.4 Foxconn (Taiyuan)	57
4. On-site Investigation: Foxconn (Chengdu) and Pegatron (Kunshan)	62
4.1 Foxconn (Chengdu)	62
Background	62
Summary	64
4.2 Pegatron (Kunshan) (also named "Pegaglobe")	69
Background	69
Summary	69
Appendix 1. Social media Posts across 50 factories	76
Appendix 2. Supplementary Details of Four Factories	83
BOE (Hefei)	83
Foxconn (Zhengzhou)	84
Jabil (Guangzhou)	87
Foxconn (Taiyuan)	91
Appendix 3. Foxconn Chengdu full report	95
Appendix 4. Kunshan Pegatron full report	124

Executive Summary

From iPhones, to Bose headphones, to HP screens, to Amazon Kindles, it is no secret that parts of your electronics devices and domestic appliances can be manufactured and assembled in factories across coastal and inland China. When these products hit their record sales at the end of each year, workers in China work day and night for over 250 hours a month to complete demanding orders coming from the Global North.

Based on open source information, workers testimonies, and first-hand data from onsite investigations, this report presents an overview of working conditions in the consumer electronics industry in China as well as case studies of several factories that produce popular electronics products for top brands. Particularly, we want to point out how the vast oscillation of order volumes impacts labor conditions. The market boom associated with elevated product demand during peak season legitimizes the massive hiring and layoff of dispatch workers and promotes the use of excessive overtime and harsh working conditions that are left unregulated. This shows how factories and governments have created a labor regime where workers are forced to consent to disposability and give up their ability to demand for better.

For those who have a general knowledge of the working conditions at electronics factories in China, the problems identified in this report are nothing new. Low basic salary, excessive overtime, illegal use of student interns, hiring discrimination, deception from labor brokers, and high labor intensity are all present within this industry. Yet this time, we at China Labor Watch (CLW) witnessed the increasingly important role played by social media in creating and circulating information related to the factories. Factories and brokers use Douyin (Tiktok in domestic China) as a hiring channel, while workers also use Douyin to share first-hand experience working in these factories. Even at brokers' hiring videos that present a factory solely in a positive light, in the comment area, one can see both present and former workers sharing the actual situation they experience that suggest otherwise. In October and November last year when Covid-19 outbreak, worker exodus and protest happened in Zhengzhou Foxconn, it was also through social media posts that the workers documented the incidents and shared with the general public what happened in the closed loop production zone to which outsiders had no access. All these inspired us to survey labor issues self-reported by workers on social media and explore new methods of factory investigation.

Research Methods

This new research is a survey of the working conditions at major manufacturing sites in China that produce parts and assemble products of smartphones, tablets, laptops, TVs, and earphones, among other products, for top technology brands including but not limited to Apple, Amazon, Microsoft, Samsung, HP, Dell, Acer, Bose, and Lenovo. The research also attempts to illustrate how various sales and events in the global north can increase product demand and consequently impact labor conditions within factories in China.

In the United States the start of the Christmas shopping season occurs on Black Friday, a term referring to the Friday after the Thanksgiving holiday that occurs in late November. With stores across the nation offering extensive deals for consumers to kickstart the giving season, this practice understandably creates a strong promotion of various goods, including electronic products. This is swiftly followed by another symbolic day called Cyber Monday, an event occuring the Monday after Thanksgiving which promotes virtual deals for shoppers. A similar pattern exists in Europe. Sales of consumer electronics reach the highest of the year during the Christmas holiday season and also peaks around the week of Black Friday and Cyber Monday. Given this context, it is expected that before this season major brands use the momentum to increase sales. Apple for one usually releases new iPhone series right before this season, with the releases landing primarily in September and October. Although the time for new product releases vary from brand to brand, a look into the market provides important clues for understanding the fluctuation of orders and production pattern.

There are three stages of research: analysis of social media posts related to consumer electronics factories in China, case studies through online research, and in-person factory investigation.

First, CLW documented cases of self-reported labor rights violations and abuses exposed by workers on popular social media platforms, such as Sina Weibo, Baidu Tieba, Wechat, Douyin, Kuaishou, and Zhihu, from 2019-2023. It spans across 50 consumer electronics manufacturers in China and provides a picture of the industry from the perspective of the workers. The information collected was categorized according to the different labor rights violations that occurred. The total number of complaints for each category was then counted to create a tally of the most common

_

¹ In 2022, pre-orders for the iPhone 14 and iPhone 14 Plus began on September 9, one week before the official release. In 2021, iPhone 13 series were released on September 14. In 2020, iPhone 12 series were released on October 13. IPhone 11 series were released in 2019 on September 10.

transgressions. This survey helps to understand the extensive nature of the problems facing workers within this sector.

Second, CLW identified four factories as targets of investigation who are suppliers of popular consumer electronics products: BOE (Hefei), Foxconn (Taiyuan), Jabil Circuit (Guangzhou), and Foxconn (Zhengzhou). We monitored and analyzed social media posting related to these factories and other open-source data of labor complaints over the 8 months period. The open-source data include worker's factory descriptions and working journals, short videos of work experience, a worker's communication records with the management, job posting by the factory and labor agencies, company news and announcements, and journalist interviews. This stage, we also collect clues of labor violations that are not necessarily complained about by workers on social media. We also chatted or interviewed with workers from the four factories. From these, CLW was able to elaborate on the working conditions with supplementary information and workers' narratives.

Third, our investigator conducted undercover investigations at two of the most prevalent suppliers within the consumer electronic industry, Foxconn (Chengdu) and Pegatron (Kunshan), to provide a more comprehensive and detailed reporting of working conditions.

Key Findings

The problems identified in this report are deep-rooted and require industry-wide systemic change. Our goal is not to argue that one factory has better conditions than another, but to point out a pattern of production that centers profits while disregarding workers' wellbeing. Major problems include but are not limited to the following:

- Low basic wages and long working hours.
- Dispatch workers are denied the right to rest, lack access to social benefits, and face increasing vulnerability to wage theft.
- Illegal use of student interns who are required to work overtime and do work unrelated to their studies.
- High labor intensity that includes long hours of constant standing at some positions, night shifts, lack of break time during work, short meal breaks, and high assembly speed and production quota.
- Workplace bullying and verbal abuse by line leaders.
- Discrimination in recruitment, especially based on age and ethnicity.

Recommendations

In light of the findings from this report and previous investigation of electronics factories, we provide the following recommendations to the suppliers, brands, the Chinese governments, and workers.

To electronics suppliers and brands:

- Abide by labor laws in China, particularly in regards to working hours, social insurance contributions, and the use of dispatch workers.
- Stop forcing interns to work overtime and cease the coercive use of interns for work unrelated to their professional study.
- Stop recruitment discrimination based on age, gender, ethnicity, and religion.
 Any form of job discrimination is against the Labor Law of the People's Republic of China.
- Factories have the responsibility to clear out deceptive brokers from the labor market and increase transparency on hiring needs and working conditions so that brokers cannot take advantage of information discrepancy to deceive workers. If factories are keen on making a blacklist of undesirable workers, they should put just as much effort in publishing a blacklist of problematic brokers and labor agencies.
- Improve the management ability of line leaders and strictly prohibit workplace bullying and verbal abuses.
- Incorporate break times during working hours and create longer meal breaks.
- Workers both regular and dispatch —should be able to take sick leaves
 without encountering difficulties. The procedure for applying for sick leaves
 should be simplified, and line leaders should be prohibited from blocking workers'
 requests for a sick leave.
- Assembly lines should be re-organized and take workers' feelings into account. No workers have to stand consecutively for their entire shift.
- Health checks should be conducted for both employees and workers who are quitting, particularly those exposed to hazardous substances.

To Chinese governments:

- Raise minimum wages to reflect living costs. No workers should be required to work overtime in order to meet basic costs of living.
- Stop deploying police to harass workers when they defend their rights legally.
- Stop repressing labor rights activists and organizations who stand in solidarity with workers.

To workers:

- Continue to use social media to voice grievances. Meanwhile, we encourage workers to provide clues of labor violations to China Labor Watch and other labor monitoring organizations.
- Know your rights. Read the labor contract carefully to make sure it includes all the promised benefits. Document abusive behaviors and illegal practices at the factory so you have evidence when you need to defend your rights.
- Learn about the grievance mechanisms that exist at the workplace, and try them, before assessing their effectiveness. Report workplace bullying and verbal abuses to the relevant departments and higher rank managers.

It's often said that working in an electronics factory you see no future. The entry-level production jobs require no skills or education. Positions provide you with a bit of money and nothing else. Still, assembly line jobs attract hundreds of thousands of people around the country everyday. Some see these jobs as temporary money solutions during their career transition. Some are young college students wanting to save money during summer or winter holidays. Some are rural youths who come to cities to become independent adults and send money back to their home. Others are mothers wanting to earn more when their children are away at school. Many of them need such a job and require the seasonal flexibility of it. However, the alienating nature of repetitive, unskilled, assembly line jobs does not mean that the factories and labor agencies are free from any responsibilities to provide a decent and healthy working environment. Workers deserve a job where they can have enough rest, can take time to eat, can go to the bathroom when they need to, can ask for a sick leave with ease, can work with dignity without any bullying or verbal abuses, and can earn enough living wage without having to work overtime.

1. Overview of Consumer Electronics Sector in China

With the rise in popularity of consumer electronics in the 21st century —from televisions and smartphones to laptops and tablets— the manufacturing of these devices has quickly become a staple of the global economy. The turn of the century brought about a new age of heightened electronic usage. With internet access increasing to include more than 63.5% of the global population, electronics devices have become involved in daily life in offices, on campuses, and at home.² Combining advancements in manufacturing techniques with steady increases in demands, electronic manufacturers are under more pressure than ever to produce innovative products and to produce them fast. ³ Global market growth rates of the electronics sector are estimated to be at 9% from 2020 to 2022 and have not shown signs of slowing down soon.⁴ Reports predict that this sector will grow at an annual rate of 5.1%, meaning that the market size will exceed \$1.13 trillion by 2030. ⁵

The rising prevalence of the industry and the increase in demand calls more suppliers and manufacturers to compete and accomplish orders with lower costs across global electronics manufacturing hubs, including China. Drawing on the country's huge population and cheap labor cost, many major electronic companies have moved their production to China in the past three decades in order to lower manufacturing costs and increase profitability while also meeting production demands. This has led to prominent corporations such as Apple to have 200 of their top suppliers in China, summing up to over 357 production facilities for production. ⁶ Their top supplier, Hon

² Daniel Ruby, March 20, 2023, "Internet User Statistics In 2023 — (Global Data & Demographics)", available at https://www.demandsage.com/internet-user-statistics/, https://www.census.gov/content/dam/Census/library/publications/2021/acs/acs-49.pdf

³ Michael Martin, April 2021, "Computer and Internet Use in the United States: 2018", available at https://www.nae.edu/19579/19582/21020/7296/7600/TheTransformationofManufacturinginthe21stCentury

⁴ Stastista, "Estimated growth rates for the global electronics industry from 2020 to 2022", by region, available at https://www.statista.com/statistics/268396/estimated-growth-rates-for-the-electronics-industry-by-region/

⁵ Precedence Research, March 2022, "Consumer Electronics Market (By Product: Smartphones, Desktops, Tablets, Laptops & Notebooks, Digital Cameras, Air Conditioners, Others; By Distribution Channel: Online, Offline; By Application: Personal, Professional; By Technology: NFC, MST, AI, VR Technology, Generation PCL Technology, Others) - Global Industry Analysis, Size, Share, Growth, Trends, Regional Outlook, and Forecast 2022 – 2030", available at https://www.precedenceresearch.com/consumer-electronics-market Jingyue Hsiao, May 25, 2023, "Apple expanding supplier base in China, Southeast Asia, and India", *DIGITIMES Asia*, available at https://www.digitimes.com/news/a20230525VL203/apple-supply-chain-china-india-southeast-asia-taiwan.html

Hai Precision Industry Company, or Foxconn, reportedly employs over more than 1 million employees across the globe and has over 40 industrial centers in China alone, showcasing the sheer size of this industry.⁷ This makes up a large portion of the consumer supply chain and allows for more than half of the world's electronic manufacturing capacity to be present in China.⁸

China has now become the largest manufacturer of electronic parts and products in the world, and produces more smartphones, laptops, tablets, and monitors than Vietnam, Mexico, and other countries who are gaining prominence in this labor intensive industry. This sector has become the largest contributor to the Chinese economy, with the annual revenue of consumer electronic devices reaching \$898.96B billion USD as of 2021. This only measures complete consumer electronic devices and equipment, and other significant components of this market such as integrated circuits have produced export revenues of around \$120 billion in one year. These consumer products and parts are primarily exported to large consumers such as the United States, Japan, Germany, and South Korea.

Labor conditions at consumer electronics factories

As prominent tech companies attempt to keep up with the rising industry standard of innovation and convenience, the burden has been placed primarily on manufacturing workers to produce cheaper and better quality products. This demand has motivated companies to ignore labor standards in the electronic production industry and create unsafe and unjust working conditions. Previous reports by China Labor Watch (CLW) of electronics factories within China showcase a multitude of violations of Chinese labor

https://oec.world/en/profile/country/chn?viztypeSelector=trendsType1#:~:text=In%202020%2C%20China%20exported%20a%20total%20of%20%242.65T%2C,from%20%242.35T%20in%202015%20to%20%242.65T%20in%202020

⁷ See https://www.foxconn.com.cn/footprint

⁸ Intrepid Sourcing, Consumer Electronics Industry Report, <a href="https://intrepidsourcing.com/industry-reports/consumer-electronics-industry-

report/#:~:text=China%20is%20the%20world%E2%80%99s%20largest%20consumer%20electronics%20producer%2C,force%20of%20manufacturing%20workers%20close%20to%20150%20million

⁹ Semiconductor Industry Association, July 2021, "SIA Whitepaper: Taking Stock of China's Semiconductor Industry", available at https://www.semiconductors.org/wp-

content/uploads/2021/07/Taking-Stock-of-China%E2%80%99s-Semiconductor-Industry_final.pdf

¹⁰ See https://tradingeconomics.com/china/exports-by-category

¹¹ See

¹² See https://www.statista.com/forecasts/1240303/china-consumer-electronics-market-revenue#:~:text=Published%20by%20Statista%20Research%20Department%2C%20Aug%205%2C%20201,fourth%20year%20of%20significant%20increase%20in%20this%20sector

laws, including excessive illegal use of dispatch workers, mandatory excessive overtime, illegal use of student interns, inadequate pre-job training, discriminatory hiring practices, workplace bullying and verbal abuse, and poor living conditions.

China Labor Watch electronics factory reports 2013 - 2023

Year	Factory	Supplies/ supplied to	Rights violations
2018, 2019, 2023	Hengyang Foxconn	Amazon	Discriminatory hiring practices; illegal use of dispatch workers and interns; excessive overtime hours; forced overtime; inadequate pre-job training
2019	Zhengzhou Foxconn	Apple	illegal use of dispatch workers and interns; excessive overtime hours; Workplace bullying and verbal abuses; inadequate PPE; lack of social insurances for dispatch workers;
2019	Dongguan Dongwon	Samsung	illegal use of dispatch workers; inadequate PPE; excessive overtime hours; poor living conditions; wage underpayment; inadequate pre-job training
2012, 2014, 2015, 2018	HEG Technology	Samsung And Xiaomi	Discriminatory hiring practices; excessive overtime hours; inadequate pre-job training
2014, 2018	Catcher Technology (Suqian)	Apple, IBM, Dell, HP, and Sony	Discriminatory hiring policies; Exposure to hazardous materials and inadequate PPE; inadequate pre-job training; poor living and food conditions;
2013, 2015, 2016	Pegatron Shanghai	Apple	Excessive overtime hours; inadequate PPE; illegal use of student interns; inadequate pre-job training; lack of social insurance contribution; poor living conditions
2016	Tianjin Zhonghuan	Samsung	Excessive overtime hours; lack of social insurance contribution;

Year	Factory	Supplies/ supplied to	Rights violations
2016	Tianjin Samsung	Samsung	Excessive overtime hours;
2013, 2014	Jabil Wuxi	Apple	Discriminatory hiring practices; Excessive overtime hours; Exposure to hazardous materials; inadequate pre-job training; mandatory overtime; disapproval of sick leave; poor living conditions;
2014	Shinyang Electronics	Samsung	Child labor; inadequate pre-job training; inadequate PPE; Discriminatory hiring practices; Excessive overtime hours;
2014	Quanta Shanghai	Apple, Sony, Dell, HP	Discriminatory hiring practices; Mandatory excessive overtime; poor living conditions; Workplace bullying and verbal abuse; illegal use of dispatch workers
2013	Samkwang Science & Technology	Samsung	Discriminatory hiring practices; Excessive overtime hours; Workplace bullying and verbal abuse; poor living conditions; exposure to hazardous materials and inadequate PPE; inadequate pre-job training;
2013	AVY Precision Electroplating (Suzhou)	Apple	Illegal use of dispatch workers; ID detention; Discriminatory hiring practices; Mandatory excessive overtime hours; poor living conditions; inadequate pre-job training;
2013	Riteng Computer Components (Shanghai)	Apple	Illegal use of dispatch workers; illegal use of student interns; Discriminatory hiring practices; Mandatory excessive overtime hours; poor living conditions; wage underpayment; inadequate pre-job training

One of the most rampant problems within the sector is excessive overtime of production line workers. Combined with long 12-13 hour shifts and few days off, the

conditions in almost all these factories are unjust and push workers to work long hours in order to meet deadlines.

The problem of excessive overtime cannot be separated from the low basic salary that a worker receives should they not work overtime. While the minimum wage in 2023 ranges from 1,420 yuan to 2,690 yuan depending on the region, this is far lower than a living wage for a single adult, let alone for those who want to save money or have a family to feed. In Chengdu, for example, while the monthly minimum wage in 2022 was 2,100 yuan, a living wage per month was estimated at 2736 yuan, and the cost of decent standard of living for a family was estimated at 4,364 yuan. The lack of adequate pay therefore pushes workers to work more hours in order to support themselves.

Another major problem present in this sector is wage theft. With the rise in popularity of labor brokers in recent years, the extensive use of these third party recruiters have been associated with increased labor violations such as wage deception. Past reports by China Labor Watch show that dispatch workers are particularly vulnerable. Not only are they subject to demanding terms and conditions in order for them to gain promised bonuses or additional hourly rates, these workers can also end up not receiving the promised bonus due to various excuses and tricks used by the brokers.¹⁴

Occupational safety and health is another problem associated with consumer electronics manufacturing. There are often inadequate safety provisions and training, a lack of access to protective gear to combat exposure to hazardous materials, and no evacuation plans or fire drills in many factories. Additionally there are several harmful chemicals linked to consumer electronic production including lead, hexavalent chromium, phthalates, or brominated flame retardants. These are connected to serious health risks such as cancer and therefore are extremely dangerous for workers who are consistently exposed.¹⁵

https://www.globallivingwage.org/wp-

content/uploads/2018/05/Updatereport China Chengdu 2022 7July2022.pdf

¹³ Anker Living Wage and Income Research Institute, April 20, 2022, "Living Wage Update Report: Chengdu, China, 2022" available at

¹⁴ See China Labor Watch, November 16, 2020, "Foxconn Dispatch Workers Stage Protest Over Owed Wages And Rewards By Dispatch Companies" https://chinalaborwatch.org/foxconn-dispatch-workers-stage-protest-over-owed-wages-and-rewards-by-dispatch-companies/

¹⁵ Vox, January 31, 2016, "The toxics in our electronics are a huge problem. But there may be a fix." https://www.vox.com/2016/1/31/10872666/e-waste-solutions

Poor living or food conditions are also conventionally a realm of concern given the prevalent dormitory labor regime present in the sector. Under this system, workers are arranged to stay in dorm rooms proximate to the worksites in order to maximize efficiency and working hours. Problems with these accommodations can accelerate in the time of crisis, as seen with the unsafe living conditions that led workers in Zhengzhou Foxconn to flee and protest the lack of health protections and hygienic practices in Zhengzhou Foxconn in 2022. In addition to these physical harms, workers also face immense stress from production demands and tension with supervisors while they have few resources for help or leverage for change. This has led to high rates of suicide along with several deaths due to overwork within the electronic industry over the last few decades. ¹⁶

A list of suicides at Foxconn Zhengzhou alone since 2013

March 2, 2020	38-year-old male dispatch worker who worked for three months
January 6, 2018	31-year-old dispatch worker
August 18, 2016	31-year-old male worker who worked for a month
August 7, 2015	A female worker
August 4, 2015	A 28-year-old male worker
May 14, 2013	30-year-old male worker
April 27, 2013	23-year-old female worker who worked for half a year
April 24, 2013	24-year-old male worker who worked for one day

For years there have also been reports of many factories illegally utilizing student interns, giving them strenuous work under the guise of completing academic requirements. This includes using these students in positions that are similar to regular workers in order to supplement labor shortages, arranging them to work overtime, and expecting them to work on weekends. Our latest factory report finds that an Amazon supplier has continued to overwork large numbers of interns and forced them to take on night shifts, despite the problems first being identified 5 years ago.

12

¹⁶ Electronics Watch, November 2018, *The Link Between Employment Conditions and Suicide: A Study of the Electronics Sector in China* https://electronicswatch.org/eri-suicide 2531322.pdf

"Gig Manufacturing": the informalization of electronics

manufacturing sector

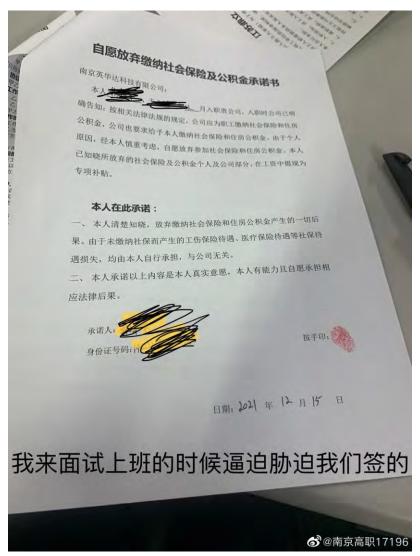
We want to particularly highlight the movement of the electronics manufacturing sector into informal employment and the subsequent impact on workers. In electronics factories, there exists two types of workers: regular workers and dispatch workers. The increased preference for hiring dispatch workers in these informal positions has exacerbated many of the labor violations occurring within the industry.

Regular workers (正式工)

Regular workers are employees of the factory. They earn a basic salary, often close to the municipality's minimum wage, along with overtime salaries and several stipends. The factory usually covers social insurance and provides basic employee benefits for regular workers.

Dispatch workers (派遣工)

A dispatch worker is a worker recruited by a labor dispatch agency partnered with the factory and dispatched to the factory to work. Dispatch workers do not have an employment relation with the factory; they are temporary and only work for a few months during the factory's peak production season. Dispatch workers usually do not receive contributions of social insurance from their employer, although as dispatch workers they also enjoy legally-protected rights to social insurance. Often before starting work, workers are asked to sign an agreement as a prerequisite stating that they give up social insurance.



A former worker posted on Weibo the "Commitment Letter of Voluntarily Giving up Social Insurances and Housing Fund" he was asked to sign at Inventec (Nanjing).¹⁷

The majority of workers, however, are attracted to be dispatch workers because they can earn more compared to regular workers. But in exchange for higher income, they need to meet the requirements set by the labor agency for working hours and days. They are also often assigned to positions that are highly intensive and exhausting.

When peak season is over, the factory does not have to lay off these temporary workers and pay them layoff compensation. The contract for dispatch workers typically only lasts several months, making the turnover rate extremely high. Furthermore, many dispatch workers may choose to quit themselves when there are less overtime hours and thus less opportunities to earn wages.

¹⁷ See https://archive.ph/Rv4Wd

There are two types of additional compensations for dispatch workers: a one-off bonus and extra hour rates.

Bonus workers (返费工)

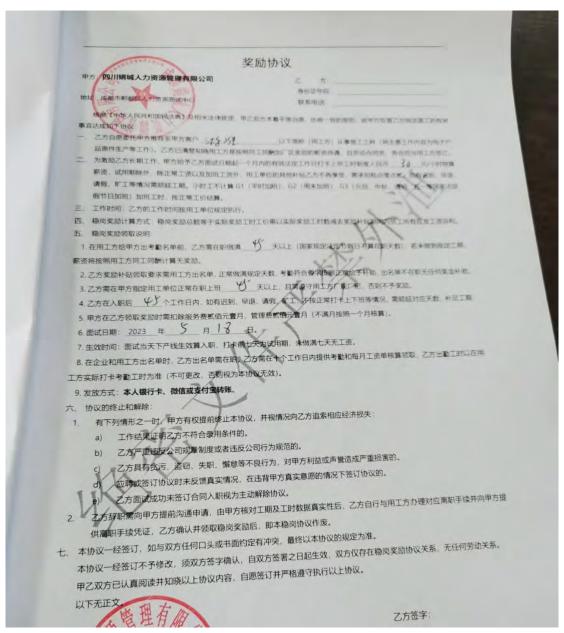
When a factory needs workers in a short amount of time, dispatch companies are paid to hire additional workers. Dispatch companies use part of the money they receive from the factory to attract workers by offering a "bonus" (fanfei 返 费). The bonus is a one-off amount and workers receive different bonus amounts for working 30, 45, 55, or 70 days. Workers who choose to accept the bonus must adhere to rules set by the dispatch company and factory. For example, if a bonus worker's leave or absenteeism exceeds a certain limit, the worker will either not get the promised bonus or they will need to prolong their stay in the factory to meet the necessary target. Bonus amounts will fluctuate depending on the factory's demand for workers. The bonus can increase or decrease multiple times a month, depending on the fluctuating need for additional workers. 18 A former bonus worker at Foxconn described the process as the following, "Everyday at this factory tens of thousands of people come and go. The purpose of the bonus is to stabilize the workers; it's like a rope tied around your neck to make you work for three months." Another worker at Pegatron Kunshan said, "This is wage withholding in essence."

Hourly workers (小村工)

There are also dispatch workers who, instead of receiving a bulk bonus, receive extra hourly wages. Some dispatch companies request workers to sign a contract where they will receive the minimum hourly pay just like regular workers. They then promise workers that they will be paid an additional wage difference per hour, or hourly subsidies (chajia, 差价). Each month on the first pay day, workers are paid the minimum hourly rate for their work of the previous month. Then on another date later that month, dispatch companies will make up the wage difference, paying them the extra owed wages for every hour worked (buchajia 补差价). If a worker only works one or two weeks, they can only earn the same amount as regular workers and do not receive the extra hourly rate. Companies may also pay workers the owed wages in bulk, similar to how bonuses are paid to bonus workers, in order to keep them in the factory

¹⁸ This frequent change of bonus rate also reflects the high turnover nature of production jobs where a large number of workers come and leave everyday, making the company adjust their recruitment tactics on a daily basis.

for longer. Like for bonus workers, there are strict rules on attendance for hourly workers.



An agreement, signed between an hourly worker and their dispatch company, specifies the attendance requirements for the worker to be able to receive the extra hourly rate. According to Article 5, the worker needs to work for 45 days (weekends and holidays excluded); the worker needs to remain at the factory until the day when the factory sends the labor agency the list of workers and their attendance records; the worker needs to abide by the factory's rules, otherwise there's no bonus; if the worker arrives late, leaves early, ask for a leave, play truant, or fails to punch in and out properly, then these days are not counted and the worker needs to

prolong their attendance days to meet the 45-day requirement. (Image provided by the investigator)

Type	Regular worker	Dispatch workers				
31	7	Bonus worker Hourly worker				
Employment relation	With the factory	With a labor dispatch agency				
Income instructure	Basic income + overtime income + subsidies and employee benefits	Basic income + overtime income + One-off bonus paid after working a period of time (1 - 4 months)	Basic income + overtime income + Additional hourly wages paid each month or after a period of time			
Social insurance	covered	not covered				

This unique phenomenon is coined as "gig manufacturing" by labor scholar Yige Doing (2022), highlighting the fact that workers voluntarily choose a more precarious employment status, despite being offered the option of long-term employment.¹⁹

The harsh working conditions present in electronic factories and the lack of upward mobility leads to the high turnover of entry-level production workers. But it was only in recent years that such rapid turnover rates in the assembly line workforce was institutionalized by partnerships between factories and labor dispatch agencies to incorporate a large number of dispatch workers in their workforce.

The rise of gig manufacturing is contributed by a production cycle that caters to the sales patterns of electronics products. Take Foxconn (Zhengzhou), the major producer of the iPhone series, as an example. Before the release of a new series in September or October, Foxconn starts to recruit a large number of dispatch workers in July and August. Following the release of new iPhones, Foxconn sees an increase in orders and recruits even more dispatch workers with promises of high bonuses. The high bonuses can last until January of the following year. In February and March, there is usually little

17

¹⁹ Dong, Y. (2022). The Dilemma of Foxconn Moms: Social Reproduction and the Rise of 'Gig Manufacturing' in China. Critical Sociology, 08969205221140927.

need for the dispatch workers and employment rates decline. In April, Foxcoon recruits dispatch workers again, but starts them off with a low bonus. Then the hourly rate increases gradually, fluctuating depending on the needs of the factory. This cycle is repeated annually. In 2022, the hourly rate in April was 19-20 yuan per hour while in August it reached 31 yuan per hour.

This labor regime transition has had significant impacts on working conditions and rights protection for both formal and informal workers in several aspects.

1. **Dispatch workers' denied rights to rest, lack of social benefits, and** increasing vulnerability to wage theft

As stated earlier, dispatch workers are subject to extremely strict rules around attendance and working hours. If they fail to meet requirements, they face the loss or delay of the bonus promised to them. This refrains workers from asking for leave, even when they need to. When workers do ask for sick leave or personal leave, they do not enjoy flexibility and their requests are often rejected. Labor agencies also do not usually pay for the social insurances of dispatch workers. Rather, they require the workers to sign a commitment letter to give up social insurances as a prerequisite for hiring. As dispatch workers are "not" factory employees, factories do not need to take any legal accountability for harms caused by the intense work it imposes on workers.

Because of the inhumane nature of assembly line work, many workers fail to complete the whole contract period and decide to leave early. In this case, they do not receive the bonus, and sometimes they do not even receive the wages for the days they worked depending on the factory. When the contract period is finished, dispatch workers are often required to stay on working additional days until the pay day. This is due to some agencies' policies which stipulate that the bonus can only be paid when the worker is still employed on the pay day. The extra days worked, however, do not qualify for any hourly subsidies or bonuses and are therefore only compensated based on a regular rate. These tricks show how factories and labor agencies work together to extract as much labor as possible with as low cost as possible from the flexible workers.

When peak season is over, the factory does not have to lay off workers and pay them layoff compensation due to the short contracts. Furthermore, many dispatch workers are pushed to quitting by themselves during these slow seasons as there are less overtime hours available.

Moreover, dispatch workers are repeatedly deceived by labor brokers and agencies. They often do not receive promised bonuses or hourly subsidies after months of harsh

work. Sometimes the bonus is even only promised verbally without being mentioned in the written agreement, making deceptions even more frequent.

2. Same work, different pay

Another consequence of the extensive use of the dispatch system is that regular workers, dispatch workers, and student workers can all receive different salaries despite working in the same position. Even dispatch workers who come on different days can be promised different bonuses or hourly subsidies. If the factory simply increased wages to attract more workers during peak season, they would have to increase the wages of every worker in the factory. By maintaining a dual labor system of regular workers and dispatch workers, factories get to avoid increasing the wages of regular workers to the same level of dispatch workers. The factory does not control the promised extra bonuses or hourly subsidies of dispatch workers, so they can claim that these higher wages are none of their business.

3. Vast difference between working hours in peak and off season "When there's work you work to death, and when there's no work you rest to death. When there's work you work 30 days a month, and when there's no work you rest for half a month," posted a worker working in Inventec Nanjing in February 2022 on Baidu Tieba. The quote also shows how workers are made to work in different production seasons. But for the time spent in the factory when a worker cannot work, there is not any compensation for the waste of workers' time. The use of flexible workers gives the factories an excuse to not arrange work properly and frees them from layoff compensation.

2. A Survey of Social Media Posts across 50 Factories

CLW collected over 120 records of self-reported labor rights violations and abuses exposed by workers on popular social media platforms (such as Zhihu, Douyin, Kuaishou, Weibo, Bilibili, and Baidu Tieba, etc.) in the past six years between 2018 and 2023. The uncovered data spans across 50 consumer electronics manufacturers in China. Workers' complaints take various forms: short posts, long articles, videos, comments under other users' posts, and their presence in news reports.

It needs to be noted that the social media posts, while serving as clues for further investigation, reflect what workers perceive as violations and abuses. Uncovering no virtual complaints on excessive overtime hours at a factory, for example, does not mean that the overtime problem is non-existent at that location. Some problems are not necessarily considered as a problem, such as the lack of social security benefits and inadequate pre-job training. Other problems are not always something that one wants to share on social media, such as sexual harassment. In other words, the results reflect workers' perspective of what counts as a concern and what is acceptable versus what is not.

Workers' social media posts over 50 factories 2018-2023

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
1	Pegatron Digitek Chongqing 重庆旭硕	Laptops	Dell	Excessive working hours; High labor intensity; Wage theft and wage arrear; Poor food and/or living conditions; Deception
2	Haier (Shandong) 山东海尔	Refrigerators , air conditioner, laundry machine	Haier	Excessive working hours; Wage theft and wage arrear; High labor intensity; Workplace bullying and verbal abuse; Mandatory overtime;
3	Gree Electric Appliances	Refrigerators , air	Gree	Excessive working hours; Wage theft and wage arrear;

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
	(Zhuhai) 珠海格力电器	conditioner, laundry machine		Mandatory overtime;
4	Xingke Electronics (Dongguan) 东莞兴科电子	Electronic parts made of silicone rubber, plastic and metal	Motorola, Siemens. Kyocera, PHILIPS, Foxconn, Flextronic s,HUAWEI , Xiaomi	Excessive working hours; Mandatory overtime; Poor food and/or living conditions; Deception; Workplace bullying and verbal abuse; child labor
5	ASUS Technology (Suzhou) 苏州华硕科技	Laptops, computer parts, smartphones	Asus	Excessive working hours; Mandatory overtime; Wage theft and wage arrear; High labor intensity; Poor food and/or living conditions; Retention of identity document
6	Darfon Electronics (Suzhou) 苏州达方电子	Keyboards, LCD TV Inverters, mouses	Logitech, SteelSerie s	Excessive working hours; Deception; Workplace bullying and verbal abuse; Inadequate PPE and exposure to hazards
7	Oisda Electronics (Suzhou) 苏州佳世达电通	Computer monitors, projectors	Asus, Acer, Benq, Polaroid, Lexmark	Excessive working hours; Illegal use of student interns; Wage theft and wage arrear; Poor food and/or living conditions; High labor intensity; Workplace bullying and verbal abuse; Mandatory overtime;
8	Wingtech (Kunming) 昆明闻泰	Tablets, phones, earphones, laptops, TVs	Apple.	High labor intensity; Wage theft and wage arrear; Deception;
9	TCL Tongli	TVs,	JBL, Bose,	Excessive working hours;

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
	Electronics (Huizhou) 惠州TCL	speakers	Samsung, Tonly Acoustic, Harman, Sony	Mandatory overtime; High labor intensity; Illegal use of student interns; Wage theft and wage arrear; Poor food and/or living conditions
10	Tech-Front (Shanghai) Computer 上海达丰	personal computers, servers and main boards	Microsoft	Excessive working hours; High labor intensity; Wage theft and wage arrear; Poor food and/or living conditions; Deception; Workplace bullying and verbal abuse
11	Pegatron Technology (Shanghai) 上海昌硕	Phones	Apple	Wage theft and wage arrear; Deception; Workplace bullying and verbal abuse
12	Inventec Appliances (Shanghai) Technology 上海英华达	Calculators, payment systems	Verifone, Vontier	Excessive working hours; Wage theft and wage arrear; Workplace bullying and verbal abuse
13	Quanta Chongqing Manufacturing City 重庆广达(达丰)	Laptops	Dell	Wage theft and wage arrear; Poor food and/or living conditions; Workplace bullying and verbal abuse; High labor intensity; Mandatory overtime;
14	Pegaglobe (Kunshan) 昆山世硕	phones	Apple	Excessive working hours; High labor intensity; Wage theft and wage arrear; Deception; Workplace bullying and verbal abuse
15	Foxconn (Chengdu)	iPad, iPhone, Apple watch	Apple	Deception; Wage theft and wage arrear;

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
	成都富士康			
16	Huawei (Dongguan) 华为东莞厂	Phones, 5g communicati on devices	Huawei	High labor intensity
17	Luxshare(Ji An)吉安立讯	Bluetooth earphones	Apple, Huawei	Excessive working hours; Workplace bullying and verbal abuse; Wage theft and wage arrear;
18	LCFC (Hefei) Electronics Technology 合肥联宝电子(联想集团)	Laptops	Lenovo	Illegal use of student interns Excessive working hours; High labor intensity; Poor food and/or living conditions; Wage theft and wage arrear;
19	Lenovo (Wuhan) 武汉联想	laptops	Lenovo	Poor food and/or living conditions; Workplace bullying and verbal abuse; Wage theft and wage arrear; Retention of identity documents
20	Merry Electronics Shenzhen 深圳美律	Headphones, earphones,	Bose	High labor intensity; Illegal use of student interns
21	Maintek Computer (Pegatron) Suzhou 苏州名硕	computer parts, keyboards, tablets	Microsoft, Dell, Google, Sony	Excessive working hours; Mandatory overtime; High labor intensity; Deception; Poor food and/or living conditions; Illegal use of student interns
22	TPV Electronics (Fujian) 福建冠捷	Computer monitors	Asus, Sharp, Lenovo,	High labor intensity;
23	Foxconn (Hengyang) 衡阳富士康	Kindles, tablets	Amazon, Xiaomi, Huawei	Discrimination; Illegal use of student interns; Deception; Wage theft and wage arrear

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
24	Sunrex Technology (Jiangsu) 江苏精元	Keyboards, mouses	Sunrex	Wage theft and wage arrear
25	Compal (Kunshan) 昆山仁宝	Laptops, tablets	Dell, Lenovo, Acer	Illegal use of student interns; Discrimination; Wage theft and wage arrear; Deception; Mandatory overtime;
26	Wistron Infocomm (Kunshan) 昆山纬创资通	Laptops	Dell, HP, IBM, Acer	Excessive working hours; Wage theft and wage arrear; Workplace bullying and verbal abuse; Mandatory overtime; Illegal use of student interns;
27	Inventec (Nanjing) 南京英华达	Phones	Xiaomi	Excessive working hours; Deception; Illegal use of student interns; Poor food conditions; Wage theft and wage arrear; Mandatory overtime;
28	Foxconn (Zhengzhou) 郑州富士康	Phones	Apple	Workplace bullying and verbal abuse; Deception; Wage theft and wage arrear; Excessive working hours; High labor intensity; Illegal use of student interns;
29	Inventec (Chongqing) 重庆英业达	Computers, laptops	HP, Asus, Acer	Illegal use of student interns; Wage theft and wage arrear; Workplace bullying and verbal abuse; Excessive working hours; High labor intensity; Mandatory overtime;

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
30	Foxconn (Taiyuan) 太原富士康	Manufacture parts for Phones and vehicles	Apple, BMW	Workplace bullying and verbal abuse; High labor intensity;
31	Midea (Foshan). 佛山美的	ACs, dishwashers, rice cookers	Midea, Aroma,	Excessive working hours; High labor intensity; Mandatory overtime; Wage theft and wage arrear;
32	Compal Computer (Chengdu) 成都仁宝电脑	Laptops	Dell, Acer	Poor living conditions; Illegal use of student interns; Workplace bullying and verbal abuse; Deception;
33	Hisense Information Industry Park (Qingdao) 青岛海信	ACs	Hisense	Illegal use of student interns; High labor intensity; Poor food and living conditions;
34	Foxconn (Yantai) 烟台富 士康	Monitors	Sharp	Excessive working hours; High labor intensity; Mandatory overtime;
35	Dongguan Samsung Vision 东莞三星视界	Displayer	Samsung	High labor intensity;
36	Chongqing vivo Industrial Park 重庆vivo工业园	Phones	Vivo	Poor living conditions; Workplace bullying and verbal abuse;
37	Guangdong OPPO 广东OPPO	Phones	Орро	Excessive working hours; High labor intensity
38	Jabil Circuit (Guangzhou) Ltd. 广州捷普电子	Printers, cameras, keys,	HP, GoPro, BMW,	Deception; Excessive working hours; Wage theft and wage arrear; Sexual harassment;

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
			Tesla	High labor intensity; Workplace bullying and verbal abuse;
39	BOE (Chongqing) 重庆京东方	Screen panel and touch panel	LG	Excessive working hours; Illegal use of student interns; High labor intensity
40	Compal Computer (Chongqing) 重庆仁宝电脑	computers	Acer	Deception; High labor intensity; Excessive working hours;
41	Sichuan Changhong (CHiQ) 四川长虹电器	TVs, ACs, nickel-iron batteries	CHiQ	Illegal use of student interns; Wage theft and wage arrear;
42	LG Electronics (Tianjin) 天津LG乐金电子	TVs, ACs, washers, refrigerators, vacuums, ovens	LG	Poor living conditions; Inadequate PPE and exposure to health hazards; Deception;
43	Wuxi Murata Electronics 无锡村田电子	Lithium ion storage battery, ceramic capacitors	Mikata, Sonnen, Stihl	High labor intensity;
44	Wuxi Sharp Electronics 无锡夏普	TVs	Sharp	Deception; High labor intensity; Workplace bullying and verbal abuse; Poor food and/or living conditions;
45	BYD Electronic (Shenzhen) 深圳比亚迪电子	Phones, laptops	Samsung, Vivo, Dell	Excessive working hours; Wage theft and wage arrear; High labor intensity; Inadequate PPE and exposure to health hazards

No	Factory Name	Produces	Supplies to	Labor Issues identified on social media
46	Compal SMART Device (Chongqing) 重庆翊宝智慧电 子装置	Wearable devices; tablets, phones	Apple	Wage theft and wage arrear; Poor food and/or living conditions; Deception;
47	BOE (Hefei) 合肥京东方	LCD (and OLED screens	Dell, HP, Asus, Acer, Huawei, Lenovo	Hiring discrimination; Illegal use of student interns; Excessive working hours; High labor intensity
48	Skyworth (Shenzhen) 深圳创维	LCD	Skyworth	Excessive working hours; Mandatory overtime; High labor intensity; Poor food and/or living conditions;
49	Huizhou HEG Technology 惠州海格科技	cellphones	Samsung, OPPO, Xiaomi, TCL	Excessive working hours; Deception; High labor intensity; Wage theft and wage arrear; Retention of identity documents
50	Nanchang Longcheer Technology 南昌龙旗	Phones, tablets	Xiaomi, OPPO, Lenovo, Huawei, Samsung, LG	Illegal use of student interns; High labor intensity; Excessive working hours; Workplace bullying and verbal abuse; Sexual harassment

Excessive working hours. The Labor Laws of the People's Republic of China stipulates that overtime hours shall not exceed 36 hours per month. A majority of factories are found to be in direct violation of this standard. For example, at ASUS Technology (Suzhou), the monthly overtime hours can be as high as 96 hours. At BYD (Pingshan), an assembly line worker working on tightening screws once hit 105 overtime hours in a month, approximating three times more than the legal overtime

²⁰ See 2020年苏州华硕科技(苏州)电子厂打工日记 https://zhuanlan.zhihu.com/p/148787814, archived at https://archive.ph/nrAzo

hours.²¹ For dispatch workers, excessive overtime hours are common. Workers, however, do not necessarily complain about excessive working hours. Due to low basic wages, many workers who come to work at electronics factories see excessive hours as a must-have, and therefore they do not complain about excessive overtime. Instead, it is considered as a punishment if a line leader assigns less overtime for a worker. This, however, is not how every worker feels. Some workers prefer not working overtime despite the low basic salary.

Furthermore, factories often divide shifts into long day shifts and night shifts. Both span up to 12 hours (meal break included) and make overtime mandatory. Many factories and their partnered labor agencies also mandate work on Saturdays.

A worker's testimony working at Skyworth (Shenzhen)²²:

Most positions have only day shifts. When it gets busy we have to work 12 or 13 hours (until 11pm), sometimes 14 hours. No holidays. Not enough time to rest. Not easy to ask for a leave. Even going to the toilet is not easy. You have to ask the group leader or a co-worker to replace you at work, otherwise you have to hold back until you get off work. New workers are often shy and don't have any network, so they stay guiet. I heard that a woman worker had incontinence, and that someone who got sick from holding back from going to the toilet. There was a line where workers worked until 2 or 3 am the next day, and the next day they still went to work as usual. Money over life, that's unbearable.

Posted on February 3 on Baidu

Mandatory overtime. As explained above, mandatory overtime is implemented through the regular 12-hour shift schedule and the extensive use of dispatch workers. But even though this is the norm, there are still workers who actively complain about the mandatory nature of the work. They have no or little space for rejecting the arrangement or asking for a leave, creating a situation that pushes workers to self-quit. This is the only solution for them to have a break when production is busy. For example, several former workers at TCL (Huizhou) commented on the difficulty of asking for a leave, including sick leave. 23

²¹ See 有人在比亚迪工厂做事工资怎么样? https://www.zhihu.com/guestion/400298958 archived at https://archive.ph/UVtf7

²² https://archive.ph/xDoyH

²³ See https://www.zhihu.com/guestion/295120608 archived at https://archive.ph/xGw9n

Illegal use of student interns. Forced internship programs attended by vocational school students were discovered at multiple factories, including Sichuan Changhong²⁴, LCFC (Hefei) ²⁵²⁶, TCL (Huizhou)²⁷, Hisense Qingdao²⁸ Qisda Electronics (Suzhou)²⁹, and Nanchang Longcheer³⁰. Students in these locations are forced to participate in internship programs in order to graduate, with their diplomas being withheld until completion of the working period. Such arrangements meet the definition of forced labor, that is, "Work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself (sic) voluntarily," as stated in ILO Convention No. 29, Article 2.

A student intern's testimony working at LCFC Hefei:

My own experience. Came to LCFC with hope on the 24th. Over a hundred people went through the physical exams under the sun. I was assigned to a position and then a senior worker started to teach. Remember I'm a student but there's not any training and I could only jump directly into work. The first day was a night shift. And we were all interns arranged to work by school until October 1. Four months. The first day was night shift, but I had never worked in a factory, not to mention a night shift. It was 12 hours a day, 8 o'clock to 8 o'clock. No chairs and had to stand the whole night for 12 hours. Tired as hell. After the first night of work all the people in my dorm room left....

Posted on May 26, 2019 on Zhihu

Students are often made to work overtime and overnight shifts, while, according to 2021 Vocational School Student Internships Provisions, such acts are prohibited. The law also requires the internship to be related to the student's field of study. Some factories promised academic benefits and the development of necessary working skills,

https://k.sina.com.cn/article 5943484496 p16242605002700mb6c.html#p=1

²⁴ See https://archive.ph/SDNFU

²⁵ 安徽合肥联宝电子怎么样? https://www.zhihu.com/question/64099706

^{26 2019,}强制学生去电子厂流水线实习?不去拿不到毕业证

²⁷ TCL通力电子惠州有限公司普工待遇如何? https://www.zhihu.com/guestion/295120608

²⁸ https://m.weibo.cn/status/4666048592744074

²⁹ The Paper, 2018, 山东聊城大学生实习却被"三层"转手,校方: 学生全部撤回 https://m.thepaper.cn/newsDetail_forward 1965157

^{30 19} Mar 2022, 17岁职校生电子厂实习"累死"校方厂方承诺的赔偿金至今未兑现 https://new.qq.com/rain/a/20220319A063S200

but students come to find that this is false and they are instead used as a form of cheap labor.

High labor intensity. Various factors contribute to workers' complaints of high labor intensity: long hours of constant standing, grueling night shifts, lack of breaks during work, short meal times, high assembly speeds, and production quotas all contribute to the workplace intensity. Oftentimes, workers experience several or all these factors at all, creating a stressful and difficult environment. Night shifts can damage health in the long term. Research shows that the night shift schedule can disturb metabolism and cause DNA repair genes to be misaligned, increasing a person's risk of various cancers. One former worker at LCFC (Hefei) shared that after the first night at the factory when he and others were made to stand 12 hours during the night shifts, all his roommates and himself quit the next day. A summer holiday worker at Kingke (Dongguan) complained that because there's only half an hour lunch break, they can only drink soup while pouring all the food in the belly quickly, which hurts their stomach. Another worker at Luxshare (Ji'an), after working for a whole month without a day off, was found to have venous thromboembolism (VTE).

A summer holiday worker's testimony working at Xingke Dongguan:

Ridiculous! Help! I worked at Xingke 's electronics factory in Dongguan as a summer holiday worker, 10 yuan per hour. Everyday there was mandatory overtime where I had to stay up late. No rest for the whole month. Even if you ask for a leave you can only ask for half a day. No more than two days since I started to work, my eyes already swelled as hell. They even check your performance before giving you a leave. I used plaster, eyedrops, and coffee to stay awake, which was like escalating my death. When I just came nothing about performance was mentioned, but after three days of work when the work did not meet the goal my wage was cut. The daily food stipend was just 10 yuan and I

³¹ Costa G. The impact of shift and night work on health. Appl Ergon. 1996 Feb; 27(1):9-16. doi: 10.1016/0003-6870(95)00047-x. PMID: 15676307. https://pubmed.ncbi.nlm.nih.gov/15676307/

³² Koritala BSC, Porter KI, Arshad OA, Gajula RP, Mitchell HD, Arman T, Manjanatha MG, Teeguarden J, Van Dongen HPA, McDermott JE, Gaddameedhi S. Night shift schedule causes circadian dysregulation of DNA repair genes and elevated DNA damage in humans. J Pineal Res. 2021 Apr; 70(3):e12726. doi: 10.1111/jpi.12726. Epub 2021 Mar 14. PMID: 33638890; PMCID: PMC8011353. https://pubmed.ncbi.nlm.nih.gov/33638890/

³³ See https://archive.ph/vzwSm

³⁴ See https://archive.ph/rXpUl#selection-1009.187-1009.305

³⁵ See https://archive.ph/wip/bR70S

had to pay for the rest. This is called "food is covered"? Everyday I worked from 8:30 am to 10:30 or 11:30 pm, only half an hour each for lunch and dinner. No time for rest. To eat I have to swallow all the food with soup, which hurt my stomach. I wanted to quit but was not approved. The broker, the HR, and the group leader just passed the buck around. I had no choice but to self quit. Today is the second day of my self-quit. But I feel bitter having worked so many days for nothing. Had to even buy food. Eventually I don't even have money to go home.

Posted on July 15, 2022 on Weibo

Deception Most workers are deceived by brokers and labor dispatch agencies. There are also cases where the factory itself also fails to deliver promises. Some factories exert more regulation over brokers that recruit workers for them by providing transparent wage information through official channels and centralizing wage payments. However, many other factories instead adopt a laissez-faire attitude toward the labor brokers and benefit from their deceptive behaviors.

Aspects of deception include:

- 1. Deception on monthly salary. In order to attract applicants, many job ads list a monthly salary that in reality cannot be achieved by the workers. The brokers avoid mentioning penalty rules and performance pay deductions, undercalculate food expenses, or give false promises about overtime hours.
- 2. Deception on bonus. The bonus may not be delivered when a worker completes work; not delivered the promised amount; or not delivered at all. A former dispatch worker at Pegatron (Kunshan) was told by a broker that he would receive the bonus 12-15 days after the 31 days of work were fulfilled. After work ended, the worker found he had been blocked by the broker on WeChat and had nowhere to ask for the promised bonus.
- 3. Misinformation on working conditions. A job ad for Asus (Suzhou) on 58.com (a recruiting website) described that a worker can work six days and rest one day and can apply for working only long day shifts instead of taking night shifts. None of these promises were delivered. When the worker took the day off on Sunday, he was scolded by the line leader, and was arranged to a standing position.
- 4. Deception on food and housing subsidies. In job ads, some brokers describe ambiguously that "food is covered" at the factory while in fact only a

small portion of food expenses are subsidized while the rest needs to be paid for by the workers.

A former Jabil Guangzhou worker explaining a common trick used by brokers:

Don't go. The factory works with brokers to cheat you. The broker will tell you the wage is 22.2-26 yuan per hour, attracting you to take the job interview. Then the factory will tell you they don't provide the hourly subsidy. Then the broker will tell you secretly that it's the broker's decision to provide the subsidy and don't let the factory know, but that the subsidy will go to your account eventually. Then in the end when it comes to contract signing, they ask you to sign a contract that only mentions a wage of 18 yuan per hour.

Posted on July 19, 2022, on Zhihu

Wage theft and wage arrear The wage problem is another common source of complaints. Wage theft occurs in several ways. The first happens when companies default on promised bonuses and additional hourly rates. There's overlap between wage theft and deception as the direct consequence of such deception is the withholding of workers' hard earned money. Some dispatch companies lower or default the promised bonuses using various excuses. CLW previously reported on multiple cases when dispatch workers were owed wages and rewards at Foxconn (Chengdu)³⁶, Pegatron (Kunshan)³⁷, and Pegatron (Shanghai)³⁸. In October 2022, a dispatch worker at Techfront (Shanghai) posted on Weibo that their wage was left unpaid for a month.

A worker's call for action at Pegatron (Kunshan)³⁹

³⁶ China Labor Watch, November 16, 2020, Foxconn Dispatch Workers Stage Protest Over Owed Wages And Rewards By Dispatch Companies, https://chinalaborwatch.org/foxconn-dispatch-workers-stage-protest-over-owed-wages-and-rewards-by-dispatch-companies/

³⁷ China Labor Watch, December 31, 2020, Apple Supplier Pegatron Workers In Kunshan Stage Protest Over Owed Wages, https://chinalaborwatch.org/apple-supplier-pegatron-workers-in-kunshan-stage-protest-over-owed-wages/

³⁸ China Labor Watch, December 19, 2020, Pegatron Dispatch Workers In Shanghai And Kunshan Protest Over Owed Bonuses And Wages, https://chinalaborwatch.org/pegatron-dispatch-workers-in-shanghai-and-kunshan-protest-over-owed-bonuses-and-wages/

³⁹ See https://gonghao51.github.io/2020/12/25/changshuojianbao/

Tell one another at work: don't sign on it! If you sign on it, then that's what you can get. From what I know the majority of people were asked to sign an agreement that cut 2,000 yuan from the bonus. On 25th, 8 a.m., rally at Gate 10 to defend your interest. Don't let the bastard labor agencies take advantage of you. 12,000 yuan bonus cut to 10,000? No way. Except for tax deduction, our bonus can't be compromised for even 1 cent. Now the bonus worker list is suspended, and we have to ask for a response. Solidarity. Regardless of how long it takes for your name to be put on the bonus list, and regardless of whether you got money or not, this matters to every worker in Pegatron Kunshan. 8 am at Pegatron Gate 10. Defend your rights!

Posted in October, 2020, on WeChat

Wage theft can also be committed by factories. One former worker at Gree (Zhuhai) could not receive enough days for paternity leave and therefore decided to resign. However, during the resignation process over 3,000 yuan was deducted from his pay. 40 Coercive donations coming directly from other Gree workers' salary was also reported. 41 Workers at Wingtech (Kunshan) 42 and Tech-front (Shanghai) 43 shared that sometimes the overtime work was calculated under weekday rate. A worker at Luxshare (Ji An) worked from October 1st to 31st, totaling 350 hours. But when it came to wage calculation, they were told that the 1.5 x overtime capped at 44 hours, Saturday overtime capped at 30 hours, and Sunday overtime capped at 20 hours. This meant that the overtime hours they worked that exceeded these caps were seen as voluntary overtime and therefore did not count at all. 44 Several factories also fail to pay the workers' social insurance and housing dividend fund, despite the money being deducted from the workers' salary. In 2022, a worker who worked at Compal (Kunshan) in 2009 checked their social insurance record, and found out that the factory deducted their wage without actually contributing to their social insurance. 45

Oftentimes when wage theft and wage arrear occur, the worker has no available outlets to demand the wages. The brokers in many cases directly block workers on WeChat and give no explanation.

33

⁴⁰ https://archive.ph/FQvAO#selection-141.24-141.139

⁴¹ https://archive.ph/kljLG

⁴² https://archive.ph/G6fII

⁴³ https://archive.ph/GiMQb

⁴⁴ https://m.plfrog.com/review/5079.html

⁴⁵ https://archive.ph/wip/XUGP8

A holiday worker's testimony working at HEG (Huizhou)⁴⁶:

On February 25, the pay day according to the contract, my salary has not arrived. On 26th, it still has not arrived. On 27th, same. Then on the 28th of February my January salary arrived. I worked 128 hours in January, 18 yuan per hour. So the total salary should be 2,304 yuan. Then deduct 432 yuan of wage and 42 yuan of uniform fee, and let's say 100 yuan of utilities fee — after all I only stayed for around 20 days, the salary should be at least 1,730 yuan.

The salary arrived at 11 p.m. on February 28, and I checked: it was only 1,132 yuan. The labor agency Hui Heng took away 598 yuan for no reason. I asked HR in residence, and wasn't replied.

I have to say, HEG and Huizhou Hui Heng are bad. Everyone, be careful.

Posted in March 1, 2022 on Zhihu

Workplace bullying and verbal abuse. Workplace bullying is very common on the shop floor. Unreasonable punishments, arbitrary wage deduction, and verbal abuses are common within these facilities. All these can add to the mental stress already caused by intensive, repetitive, and tedious workload, making workers feel they are not treated with dignity. Since workers cannot bring electronics devices into the shop floor, they are not able to audio record and save evidence on this verbal assault coming directly from their superiors and line leaders. Quitting, therefore, becomes the easiest way out of such a depressing environment. A worker at Darfon (Suzhou) left on the second day because they couldn't stand the line leaders' insults. 47 Workplace bullying can also occur when a line leader intentionally manipulates a worker's opportunity to have overtime hours. If a worker cannot reach the working hours specified in their work agreement, they may not be able to receive the bonus on time. Therefore, the withholding of these hours by supervisors constitutes a deliberate abuse of power.

A worker's testimony working in Haier (Qingdao)⁴⁸:

...The line leader insulted [workers'] personality. On July 18, 2020 I was arranged to do other work by the supervisor so I left position A and went to position B. It

⁴⁶ https://archive.ph/wip/jaCcC

⁴⁷ https://archive.ph/gKKP7

⁴⁸ https://archive.ph/RHOb5

happened that raw material at position A was lost by other staff. The line leader gave me a penalty without asking for details, and wanted to deduct my wage. I tried to explain, but the line leader insulted me, saying that if you want to work, work, but if you don't, then fuck off. He even said it's up to him whose money he wants to cut. These are his original words. I hope everyone can spread this, and eventually Haier leaders can see it.

Posted on August 27, 2020, on Weibo

A worker's testimony working at Quanta Chongqing:

When it comes to peak season when workers abound, shop floor managers start to play tricks. They insult production line workers with curses. They set very strict regulations and additional terms and conditions that have not been mentioned either in the labor contract or at training. They try to abuse production line workers mentally, testing workers' bottom line. These seem like the shop floor supervisors' individual behaviors, but actually they just implement demands from the higher management. Every layer of management tries to remove their stress and anxiety by pressuring the lower class on this ladder, and eventually all pour onto production workers. The production workers usually make four choices: surrender, compromise, escape, and resist. Those who surrender are good slaves because once they give up, the management can easily manipulate them and even ask for their sacrifice beyond terms in the contract. Those who choose the other three are luckier, because they at least have the option to not be a slave being constantly tested and lowered their bottom line.

Posted on May 2, 2021, on Zhihu

Poor food and/or living conditions. As workers have to live approximately to the production site for higher efficiency, food and housing conditions become an integral aspect when assessing factories. Workers complain about poor food conditions, the quality and available choices of food, the price of food in relation to food subsidies provided by the factory, and the sufficiency of break time to have meals. Workers' complaints about living conditions can be due to overcrowded dorm rooms, unhygienic dorm environment, lack of AC, lack of wifi, the mixture of day shift and night shift workers.

In CLW factory reports, the main occupational safety and health issues identified include inadequate safety provisions and training, lack of protective gear to combat exposure to hazardous materials, and no evacuation plans or fire drills in many factories. The lack of pre-job training and fire evacuation plans, despite being a common evaluation point in CLW's factory investigation, are not found in workers' self reports. Compared with wage problems, deceptive brokers, long hours, night shifts, tiring work, the idea of occupational safety and health issues in general is not prioritized by workers. Especially on social media, workers do not raise these concerns except when certain hazards are clearly visible or when they start to see the consequence to their health.

A worker at BYD (Shenzhen) who worked on tightening the screws complained that he was working on assembly of a sharp part. His position wore his protective gloves down as quickly as half a day, however new gloves were only distributed twice a week. This caused their hand and arm to be consistently scratched. Given that the scotch weld they used was toxic, the worker's hand was put in danger especially when considering how he was exposed directly to the weld through job-related blisters. This pushed him to buy medical finger gloves on his own.⁴⁹ Another former worker for Suzhou Darfon got silicosis in 2018 due to exposure to high concentration of silicon dioxide. The factory failed to provide protective equipment. The worker could not go to work anymore and was forcibly dismissed by the company without compensation. ⁵⁰

A worker's testimony working at BYD (Pingshan):

Noise: The object we are asked to strike makes a very jarring sound. You also have to hear the noise of air guns, electric drills, and electric guns, etc.

External injury: Only two pairs of gloves are issued every week. But the thing we process is very sharp, and basically after half a day my gloves are worn. I went to the leader, and the leader did not issue any extra pair to me, but asked me to keep on using the one i had. My arms and hands are often cut.

Chemical: The scotch weld we use is toxic. I said the gloves we used are worn, but the glue often sticks to my fingers and causes blisters. Endless blisters. Old ones are broken while new ones emerge. My fingers are festered, and I have no choice but to buy medical gloves on Taobao and cover my fingers.

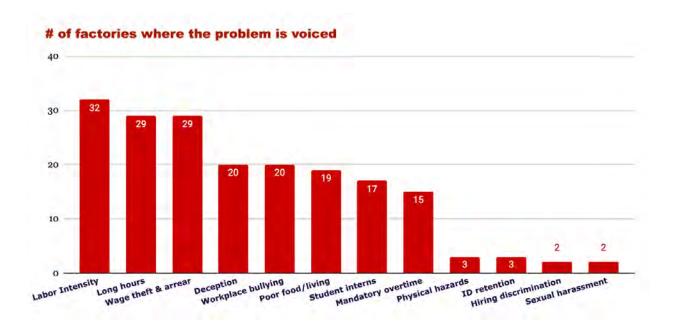
⁴⁹ https://archive.ph/ESQfd

⁵⁰ https://archive.ph/SsOvO

Invisible: Every day at 5 o'clock, my eyes start to crazily, and feel painful and itchy. Although according to Baidu it is caused by lack of sleep, I speculate that it must have to do with the glue and cleaning chemicals we use.

Posted on October 20, 2022 on Zhihu

The chart below counts how many factories the problems are voiced.



3. Zoom In: Four Factories

From the 50 suppliers, CLW chose four factories – Hefei BOE, Taiyuan Foxconn, Guangzhou Jabil Circuit, and Zhengzhou Foxconn – to further examine. All four suppliers manufacture for brands popular in the Global North.

From various social media platforms (including Baidu Tieba, WeChat, Weibo, Zhihu, Douyin, and Kuaishou) CLW collected extensive information on the working conditions at the four suppliers. We further reached out to and spoke with assembly line general workers as well as labor brokers in each factory from March to July 2023.

A summary of labor conditions at the four factories

	BOE Hefei	Foxconn Zhengzhou	Jabil Guangzhou	Foxconn Taiyuan
Products and services	Design, manufacture, and distribute LCD and OLED screens	Assemble phones	Assemble printers and cameras; Produce vehicle keys	Manufacture parts for phones and vehicles
Supplies to	Dell, HP, Asus, Acer, Huawei, and Lenovo	Apple	HP, GoPro, BMW, Tesla	Apple, BMW
Discrimination	Age	Age	Age	Age, ethnic minorities, disabilities and disease
Excessive overtime	X	X	X	X
Illegal use of student interns	X	X		
Basic salary (yuan/month)	2,100 - 2,300	1,900-2,200	2,400 - 2,500	2,000
Full working hours per day	10.5 hrs	8-11 hrs	10.75 hrs	10 hrs
Lunch break	45 min	60 min	45 min	60 min

Ppl per dorm room	4	8-10	6	6-10
----------------------	---	------	---	------

3.1 BOE (Hefei)

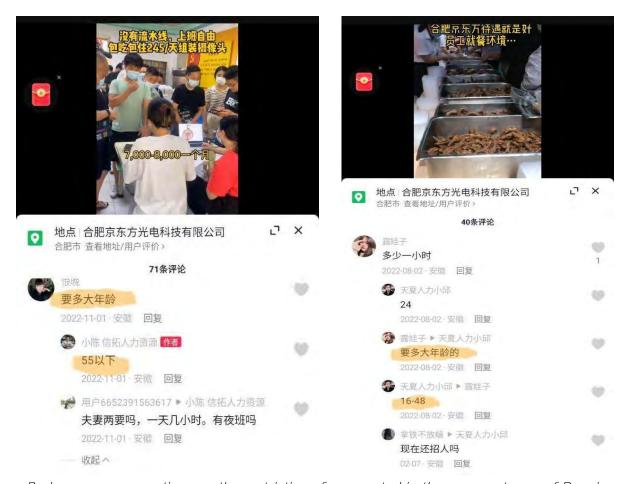
Boe Technology Group CoLtd was established in 1993 as a provider of semiconductor display technology and products. Its subsidiary in Hefei mainly produces liquid crystal displays for clients including Dell, HP, Asus, Acer, Huawei, and Lenovo.

In March 2023, CLW contacted 10 workers and one broker that recruits for BOE on social media. The longest employment period is two years, the shortest is only 15 days, with an average working period of 1-3 months. In-depth interviews were conducted with three workers and one labor broker.

The key findings of labor rights violations are the follows:

• Discrimination in recruitment based on age and criminal records
Discriminatory hiring practices, despite not being written as policies, have been
identified in the initial screening of applicants. Particularly, there was reported age
discrimination and discrimination against people with criminal records.

Age discrimination is the most concerning issue for job hunters, as seen in the comment area of many recruiting videos on Douyin where age restriction was the most frequently asked question. We found no clear rules on age restriction stipulated by the factory, but the brokers set various restrictions. The maximum age limits range from 35 years old to 55 years old. This is still lower than the retirement age of 60 years old for Chinese male citizens, however this is an unspoken rule that is seldom questioned or challenged.



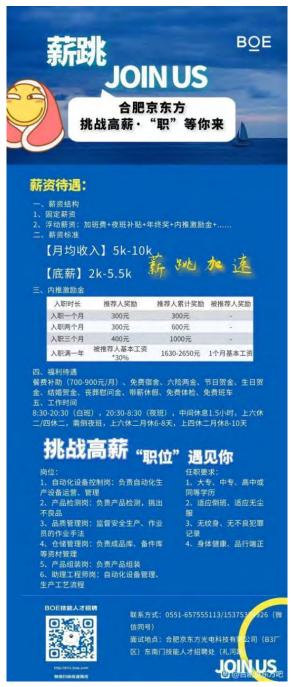
Brokers answer questions on the restriction of age posted in the comment area of Douyin videos. On the left: an user asks "what's the age requirement," the broker answers "below 55." On the right: another user asks "what's the age requirement," and the broker replies "16-48." (screenshot from Douyin)

In addition, BOE also discriminates against applicants with tattoos 51 or criminal records, as shown in the BOE official hiring flier. 52

-

In traditional notions, tattoos are associated with disobedients and gangs, although now more and more factories are loosening limits on requirement of "no tattoo."

⁵² An employer can acquire criminal records of a job applicant from various authorities and from public data, but it is unclear whether the employer does background checks for general assembly workers.



This is a job ad for positions including equipment control, product examination, quality control, storage management, product assembling, and assistant engineer. In the job requirement section, the third requirement is "no tattoos and no criminal records."

It is occasionally asked in the comments whether a person with hearing and speech impairment can apply, but these questions barely receive a positive or direct response.



On the left: an user asks "can people with hearing and speech impairment apply?" and receives no answer. On the right: a broker answers to the same question "Have to ask HR, not sure."

• Excessive working hours during peak season

The overall overtime hours vary from position to position, but general production workers work two shifts, with each shift lasting 12 hours. The day shift is 8:30 am to 8:30 pm, and the night shift is 8:30 pm to 8:30 am. ⁵³ Of the 12 hours in a shift, 1.5 hours is set aside for a food break and 10.5 hours is considered working hours. That means there are 2.5 hours of overtime every day. Depending on the workload, workers may also be required to work on weekends and holidays under the same schedule. If the schedule is 6 days work and 1 day off, then the overtime hours a month can exceed 90 hours — far more than the maximum limit of 36 hours per month stipulated in the Article 41 of the Labor Law of The People's Republic of China. ⁵⁴ ⁵⁵

⁵³ A night shift stipend of 35 yuan is provided. The shift is rotated every half a month.

 $^{^{54}}$ 2.5 hrs x 5 days + 10.5 hrs = 23 hrs; 23 hrs x 4 weeks = 92 hrs.

⁵⁵ The overtime rate at BOE follows the Labor Law: 1.5 times of the regular rate on weekdays, 2 times of the regular rate on weekends, and 3 times of the regular rate on holidays.

Due to the decrease of orders in spring this year, overtime hours have decreased accordingly. Dispatch workers were assigned less overtime —hence less wages— than regular workers. According to some, this is because the factory wants to guarantee the workload and salary of regular workers. During the low production season, some positions adopt a cycle of 4 workdays and 2 off days. ⁵⁶

• Unilateral wage cut and dismissal

The wage of assembly line workers varies depending on their position, the production season, and their employment relations (regular workers or dispatch workers). At the time of research, the basic salary, which means 8 hours a day and five days a week work hours, was around 2,100 - 2,300 yuan per month, slightly above the minimum wage of 2,060 yuan in Hefei City in 2023.⁵⁷ The hourly rate for a regular employee is around 12 yuan, while the hourly rate for a dispatch hourly worker is 18 - 26 yuan. Due to the low basic salary, workers participate in mandatory overtime work to earn more. The low salary makes workers share common interest with the factory to sustain the excessive overtime regime. On average, a worker can earn 3,000 - 6,000 yuan per month, depending on overtime hours.

As mentioned earlier, due to order decrease overtime hours have been reduced. This directly impacts dispatch workers' salary. Some hourly workers even experienced a wage cut. An hourly worker complained that the wage was lowered while he was working at BOE, and if one worker did not agree with the wage cut, then they could not go to work. Another comment said that some workers were even directly kicked out. ⁵⁸

⁵⁶ See https://v.douyin.com/iJeLmePW/

⁵⁷安徽省关于调整全省最低工资标准的通知(2023年) https://m12333.cn/policy/eppa.html

⁵⁸ See https://v.douyin.com/iJeNoFUA/



Wage is cut. If you disagree you can't go to work. I'm already trapped.

- It's their mercy they didn't just kick you out. People on the first floor were all removed.
- Did they arrange days off for you?
- Yes, they don't let me go to work.
- Which department are you from? Modeling? I heard there's no work at the modeling department.

Illegal use of student interns

Illegal use of student interns is identified at Hefei BOE. The factory cooperates with secondary vocational schools (Hefei Industrial School⁵⁹, Hefei Zhongke Information Engineering Technical School⁶⁰, Hefei Electromechanical School, and vocational colleges (Anhui Vocational and Technical College⁶¹, Jiangxi Biotech Vocational College⁶², Etc.

). In August 2020, a letter was posted on Weibo by "students at 1610 High

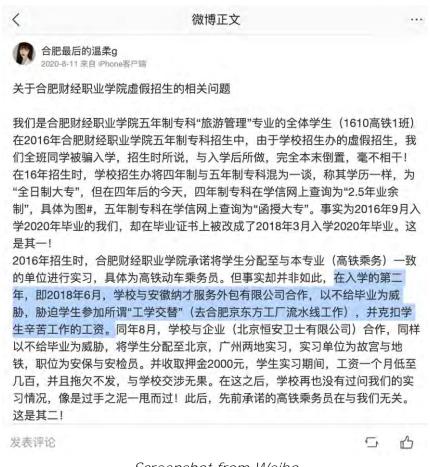
⁵⁹ http://www.hfgyxx.com/zsjypxc/info/1121/1773.htm

⁶⁰ http://hfzkxx.cn/index.php/xiaoqihezuo/

⁶¹ https://www.uta.edu.cn/znzzxy/2018/1122/c508a29929/page.htm

⁶² https://www.jxswkj.com/info/1049/4491.htm

Speed Train Class 1" at Hefei Technical College of Finance and Economics. This letter exposed the college's deceptive student recruitment and mentioned that the college collaborated with Anhui Nacai Service Outsourcing Company (安徽纳才服务外包有限公司), and coerced sophomores to work at BOE's assembly lines with the threat of not issuing their diploma. The letter also mentioned that the students' salaries were deducted. 63



Screenshot from Weibo

The national, "Administrative Provisions on the Internships of Vocational School Students," makes it clear both that the informed consent from students and parents is needed for schools to arrange internships, and that internships for the purpose of profit are strictly prohibited.

45

⁶³ 关于合肥财经职业学院虚假招生的相关问题 August 11, 2020, Weibo, **archived at** https://archive.ph/wip/wnaFp

Article 12 of the provisions stipulates that the work tasks should correspond to the major or training at school and students cannot be merely assigned to simple, repetitive, and unrelated tasks. Article 16 stipulates that student interns cannot be arranged to work through agencies or dispatch companies. If this Weibo post is accurate, then Hefei BOE violated all above listed in the Provisions.

Interviewee L, an assembly line worker who worked at BOE for more than one year, also confirmed that there are student interns in the factory: "They [teenager workers aged 16 or 17]⁶⁴ all came as interns, dispatched by their school. They are deceived to work here even though they don't want to be here. Their wage is even lower than workers from society [...] around 14 yuan per hour." "Workers from society" refers to dispatch workers, who usually earn 20-26 yuan per hour.

The investigator also contacted a junior college student who interned in the factory for two months. The student said they worked 12 hours a day during internship but couldn't learn useful skills from this experience:



⁶⁴ The minimum legal working age in China is 16 years old.

Bro, you work in BOE? How is it? Is it tiring? How is the pay?

Not much. Exhausting.

How much can you get for a month? I'm an intern so my basic salary is lower, around 4000 a month. My job is to do things on the computer. There are also positions on the assembly lines.

Isn't it even more exhausting on the lines Yes

For your position do you need to work overtime?

Of course

12 hours a day.

Also do night shifts?

Of course

Shift is rotated every half a month

Must be exhausting working in night shifts

Do you get a subsidy for night shifts?

Yes

Bro when did you start the job? How long have you been working there?

For 2 months

How did you get in? Through a broker or internal recommendation?

School internship

Arranged by your school?

Yeah

Do you stand or sit when you work? It depends

How about you?

I sit.

That's fine.

Do you have to wear a dust-free suit? Some positions may need, but I don't

That's nice

No

Why is that?

Relatively better than others
I work 12 hours a day
The wage can barely go up
All depends on overtime
I don't recommend you to go to factories,
better if you learn certain skills

I don't have skills

Learn, go learn

Can you learn skills in the factory?

No

So I'll leave once the internship is done

3.2 Foxconn (Zhengzhou)

Hon Hai Precision Industry Co., Ltd. (Zhengzhou Campus) has three subsidiaries in Zhengzhou, Henan. The largest of the three is located in an export processing zone in Zhengzhou Airport Economic zone. Approximately 70% of iPhones in the world are processed and assembled here and shipped in cartons to Apple users around the world. The number of workers at Zhengzhou Foxconn can range from about 60,000-70,000 during the off season in spring to over 300,000 during the peak season in summer and fall.

Our recent investigation of Foxconn Zhengzhou started in October of 2022 after the Covid infection broke out in Foxconn, followed by the mass exodus and November protests. In a focus group discussion, CLW researchers talked with three workers who used to work at Foxconn Zhengzhou's assembly lines.

• Discrimination in recruitment based on age

An age limit, typically between 20 and 48 years old, is stipulated by Zhengzhou Foxconn in recruitment. This policy is relaxed at peak production season. Furthermore, a, "same job, different pay," policy that discriminates against workers over 39 years old was identified:



A dispatch worker hiring post published by Zhengzhou Foxconn Recruitment Center. For the same number of employment days, those aged between 20-38 years old receive higher bonuses than those aged between 39-45 years old.

• Excessive use of dispatch workers during peak season

There are several paths of entry for entry-level production line job applicants to apply. The first is through Foxconn Zhengzhou's official recruitment WeChat account which recruits regular workers, dispatch workers, and short-term workers. The second is through reference by friends or family members who work at the factory. Recruitment quotas are assigned to some Foxconn employees, requiring them to search for new hires. 65 The third is through labor brokers who recruit dispatch workers with the promise of high bonuses. Dispatch workers are hired as orders increase in the peak season and these positions are temporary.

Prior to 2016, most of the new workers were recruited directly by the factory. Currently, the majority of workers are sent by dispatch companies. If the factory simply increased

⁶⁵ A worker can get a premium (around 500 yuan) for recruiting a new worker, but usually only after the referred worker is employed for a certain period of time (such as 1 month). If a worker does not meet the quota, then they may not be able to receive the technical subsidy for the next month. See https://mp.weixin.qq.com/s/-7x2SFVtCKEq07uXhNxqVA and https://finance.sina.com.cn/tech/2022-02-09/doc-ikyamrmz9792364.shtml

wages to attract more workers during peak season, they would have to increase the wages of every worker in the factory. Therefore, third party dispatch recruitment provides an enticing alternative. When peak season is over, the factory does not have to lay off the dispatch workers or pay them layoff compensation as their contract only lasts three months. The factory can further avoid responsibility as many dispatch workers may choose to quit themselves once there are less overtime hours.

• Excessive working hours during peak season

Zhengzhou Foxconn recruits workers all year round, however these numbers fluctuate asf working hours and wages change around the year. In February and March, the workforce consists mainly of regular workers and there is little need for dispatch workers. In the following months, as the demand for dispatch workers increases gradually, the hourly rates and the bonuses increase accordingly. Based on an analysis of job posts posted by Zhengzhou Foxconn Recruitment Center from 2020 to 2023, August and November consistently have the peak hourly rates and bonuses and therefore the most dispatch workers hired.

In 2022, the lowest hourly rate was 19 yuan per hour in April while the highest hourly rate hit 31 yuan per hour in August. The hourly rate in 2023 so far has been lower than the rate of the same period in 2022 and 2021. Regular workers receive basic salary (1,900-2,200 yuan)+ overtime salary + stipends. The overtime rate follows the Labor Law. There is a 8-10 yuan per night stipend for night shifts, and a position stipend of 80-200 yuan/ month for key positions. Regular workers enjoy social insurance.

Working hours vary from season to season. The overtime hours can range from zero to over 130 hours.

- Same work, different pay based on the type of employment
 One of the direct consequences of Foxconn's extensive use of the dispatch system is
 "same work, different pay." Due to variation on the recruitment channel, regular
 workers, dispatch workers, and student workers receive different salaries despite
 working in the same position.
 - Lack of protection for dispatch workers

Another consequence of the dispatch system is the abuse and lack of protection for dispatch workers. A former worker who worked at Zhengzhou Foxconn first as a regular worker and later as a dispatch worker said:

"If you do not attend work following Foxconn's requirement, then you don't get the extra bonus or extra rate. If you do absenteeism, ask for a leave, or reject the 'voluntary overtime' on weekend, then the day of getting the bonus will be delayed [until you meet the required days of attendance]. This causes many bonus workers to not dare to speak up or protest when they are verbally assaulted by line leaders, "

Y, a former dispatch worker who worked at Foxconn several times said: "how was I able to remain there for 4 months? I was persisting everyday. Everyday I tell myself, I'm not a human. I'm a dog. I'm a dog. Only so I could keep on. "Another former worker X shared about observing the deterioration of workers rights since 2016, the year that saw the influx of labor agencies and dispatch workers. "Foxconn pays salaries in time, but for dispatch workers their wages are withheld by their agencies. The agencies ask the worker to work a certain number of days to exploit them. This is tacitly agreed between Foxconn and labor agencies."

• Illegal use of student interns

Students come to work in Foxconn as temporary workers or student interns. Students over 18 years old can apply to be temporary workers during summer or winter break periods. Their income structure is similar to regular workers, with a combination of basic salary, overtime salary, and stipends. For those who work during the lunar new year holidays, they receive a special attendance bonus (2,000-2,400 yuan).

As early as 2017, Foxconn Zhengzhou was found to force high school student interns to assemble iPhone X and work overtime. ⁶⁶ China Labor Watch's 2019 report on Zhengzhou Foxconn found that the problem remained where student interns must work overtime during peak production season⁶⁷. This time, we found that the problems remain where interns work overtime and night shifts. Although this time, we didn't find any clue that Foxconn Zhengzhou used high school level interns, there were collegelevel vocational school interns who were arranged to work overtime and work night shifts in 2021 and 2022. ⁶⁸ A former worker L who worked in Foxconn Zhengzhou for over ten years told us that there were college students who were taken to Foxconn on the second day they entered college even before attending classes. According to L,

⁶⁶ Huanqiu.com, 11/13/2017, 被曝非法让实习生加班引网友愤慨 富士康郑州厂回应:已停 https://world.huanqiu.com/article/9CaKrnK5OpO

⁶⁷ https://chinalabor.wpenginepowered.com/wp-content/uploads/2021/06/Zhengzhou-Foxconn-English-09.06.pdf

⁶⁸ "Administrative Provisions on the Internships of Vocational School Students" applies to both vocational high schools and colleges.

Foxconn signed an agreement with some schools and gave them money to send interns over to the factory.

L shared the story of an intern who felt exploited and rejected working at Foxconn last October. The intern could not leave Foxconn as he was required to complete the internship in order to receive his diploma, but he did not cooperate on work. The factory only arranged work that was not related to production, including tasks such as sweeping the floor. Even so, he did not work more than 8 hours and sometimes played absent.

L also stated that the interns do not work on assembly lines. Instead, they work in other positions such as machine operation, repair and maintenance, and bookkeeping, jobs that require some skill but can be done with a bit of training.

• Workplace bullying and verbal abuse

Verbal abuse from line leaders to workers is very common. Workers can hear humiliating words regardless of whether they make a mistake or not. It causes great mental stress for workers, pushing some to quit the job quickly. Y shared his experience in summer 2022 stating, "When I just entered Foxconn in 2022, the first day the line leader treated me okay, but the second day, the line leader assaulted me, and I fought back. On the third day I thought I would give up the bonus and find another job."

There are many more workers who would rather just swallow the insult until they cannot bear it anymore, or until they get their promised bonus.

• Inhumane living conditions during the pandemic crisis

During the October pandemic outbreak at Zhengzhou Foxconn, many workers infected with Covid-19 were sent to quarantine facilities that had no capacity to accommodate sick workers. Food and medicine did not arrive in time. Cross-infection regularly occurred in rooms.

When some workers were away for quarantine, their belongings were cleared out from the dorm rooms by the management without any explanation or compensation.

3.3 Jabil Circuit (Guangzhou)

Jabil Circuit Electronics (Guangzhou) Co.,Ltd. started to operate in 2003. It manufactures printers, domestic electronic appliances, optical sensors, and computer peripherals, for brands including HP, GoPro, Emerson, and Cisco. It has around 12,000 employees.

From March to May of 2023, CLW contacted 12 workers at Jabil Guangzhou on WeChat, Douyin and Kuaishou. Most of the workers are assembly line workers while a few work as technicians or warehouse workers. Their career at Jabil spans from just one day to over 3 years.

 Age discrimination and discrimination against ethnic minorities in recruitment

Jabil has an official Douyin account that posts videos to recruit regular workers. There are also several semi-official accounts, with "捷普" (Jabil) in their username, of Jabil employees who post in-factory videos to help recruitment. There are also many job brokers that job applicants contact online or come across in person. Several social media posts complain about being cheated by brokers about hourly rate, food stipend, and other deceptions. ⁶⁹

On its Zhipin.com page⁷⁰, Jabil Guangzou states that it "provides equal job opportunities to all qualified persons regardless of race, skin color, religion, age, gender, ethnicity, veteran status, or disability." Despite this, age discrimination and discrimination against ethnic minorities have been identified in the recruitment channels that supply labor to Jabil Guangzhou. Of the 10 random recruiters for Jabil we surveyed on Douyin, six explicitly set a 45 or 46 year-old age cap. (See Appendix2) In the comment area of one of the recruiting videos, when asked whether Xinjiangers – which in this context refer to Uyghurs – can be hired, the recruiter said "It's full."

70 https://www.zhipin.com/companys/7fc924c208c3a42b1XN 2Nq4.html

⁶⁹ https://www.zhihu.com/question/67284080



"Can Xinjiangers be arranged [with work]?"

"It's full for now." 71

• Sexual objectification of women as a selling point in recruitment

Another phenomenon identified in Jabil is the abundance of Douyin videos that film
women job applicants and workers to use them a selling point. Such objectification of
women is blatant and actively used as a tactic by both internal employees and external
labor brokers as an incentive for recruitment.





On the left, the yellow caption reads: "Jabil never lacks girls. Be a bit more active and (one) can be yours." The video title is: "Living and eating in the factory with many girls. Do you like this kind of company? #work in the factory with many girls #" On the right, the yellow caption reads: "Jabil has fostered so many families. Full of memories for many people"

-

⁷¹ See https://v.douyin.com/iectd5v9/

Excessive working hours



A Jabil recruiter shows the wage of an hourly worker in May, 2023. Working hours were 285.5 hours. This means that in addition to 22 week days / 176 hours, the worker worked 109.5 overtime hours, 3 times the legal maximum. (screenshot of a Douyin video)

Jabil operates around the clock, with two 12-hour shifts, 7 am to 7 pm and 7 pm to 7 am. Some positions require the worker to arrive at the worksite 10 minutes before work. There are no other breaks during work. The daily working hours are 11.25 hours in general, but can be less depending on orders and work arrangement.⁷² If a worker wants to leave the line to go to the restroom, they need to find someone to replace them at the position and the break cannot exceed 10 minutes.

 Lack of rights to rest, overtime rate, and social insurance for dispatch workers

The basic salary, for a regular schedule of 8 hours a day and 5 days a week is 2,400 - 2,500 yuan. Overtime is calculated with overtime rate – 1.5 times for additional hours on weekdays, 2 times on weekends, 3 times on holidays. Both the company and the

⁷² See https://www.douyin.com/user/MS4wLjABAAAArbFC-73mfrcLJuHIXqpj4tSuVtk0JzrmbNyufFMJ2ck?modal_id=7248776433990946082&relation=0&vid=7244886718808132899

regular worker themselves contribute to the worker's social insurance. Usually around 1,000 to 1,200 yuan is deducted from salary for social insurance and housing dividend fund. Their monthly salary can be 4,500 -5,500 yuan.

For a dispatch worker, the condition is different. They receive 22.2 yuan an hour and are required to work 11.5 hours per day and 26 days per month. For dispatch workers, there is no overtime rate for the extra 3.5 hours on weekdays or the overtime on weekends. Their monthly salary, which depends on working hours and attendance, commonly falls between 5,500 and 6,500 yuan. The company does not contribute to their social insurance.

• High labor intensity

There are both standing and sitting positions on the assembly line. Those who are assigned standing positions are considered to have bad luck as they have to stand for the entire 12-hour shift. Several commented that they worked at Jabil for no more than two days because they could not tolerate the labor intensity.

3.4 Foxconn (Taiyuan)

Foxconn Precision Industry Taiyuan Co. Ltd., according to its official website, is the biggest foreign investor in Shanxi.⁷³ Built in 2008, the factory is located in suburban Taiyuan near several villages. The facility manufactures parts and assembles Iphones for Apple as well as produces vehicle parts for BMW. It has over 70,000 workers.

From March to April of 2023, CLW contacted 17 workers at Foxconn (Taiyuan) on various social media platforms. Most of the workers are assembly line workers while a few are line leaders and admin workers. Their career at Taiyuan Foxconn spans from over 10 years to one day. On average, workers stay at Taiyuan Foxconn for 3-6 months. For those who leave, they often switch to another factory. In-depth interviews were conducted with three of the workers. CLW also talked with four labor brokers. Through these exchanges and in-depth interviews with workers, we confirmed information posted on social media and gained more details of the working and living conditions at Taiyuan Foxconn.

The key findings of labor rights violations are the follows:

• Discrimination in recruitment based on age and ethnicities

Taiyuan Foxconn and its labor brokers have various discriminatory practices in the
recruitment process, including age discrimination, discrimination against individuals with
disabilities and illnesses, and discrimination against ethnic minorities.

Age discrimination: Taiyuan Foxconn has no explicit restriction on age, but the labor agencies for the factory set age restrictions. There is an upper age limit that is often set between 45 or 49 despite the retirement age in China being set at 60 for male, 55 for female cadres, and 50 for female.

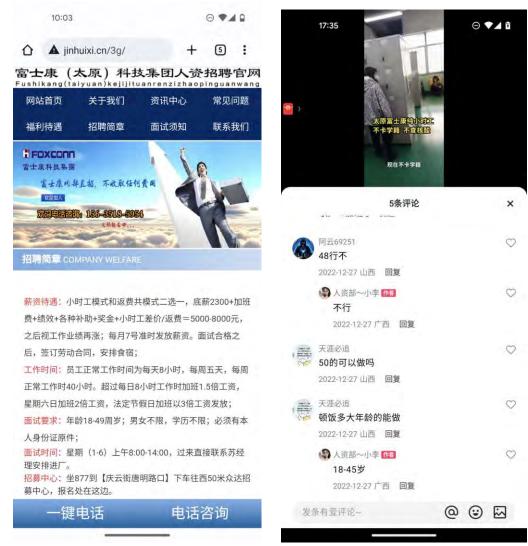
Discrimination against ethnic minorities: Some job ads state clearly that people of four ethnic minorities — Uyghur, Tibetan, Yi, and Hui — are not accepted or "already filled".

Discrimination against disabilities and illnesses: The factory uses the mandatory preemployment medical examination to discriminate against workers with physical disabilities or diseases. It is stipulated that people who wear metal accessories are not considered. When leaving the workshop, workers need to pass through a security gate that prevents workers from taking parts from the production line out of the workshop.

57

⁷³See https://tyjob.foxconn.com/tyrn/follPage.do?action=load&index=0

Therefore, those who have metal parts in their body—for example, people who have been injured and have undergone surgery, and thus have iron nails or steel plates in their bodies— and those with metal braces cannot work there.



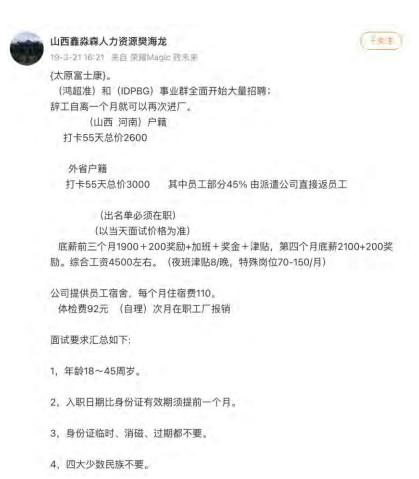
On the left: a recruiting website for Foxconn (Taiyuan) restricts the age between 18 and 49. On the right, one comment asks "is 48 ok", answered "no" by the video poster/ labor broker.

太原本地电子厂 一福利待遇 • 政策① • 小时工工价: 20元/小时 工期: 2023年6月30日 • 发薪日:每月7日发薪,25日补差价 • 返费工: 打卡55天且在职90天出名单, 一次性发放3000元 • 住宿条件: 住宿在厂, 配有独立卫生间, 空调等设备 • 住宿费用: 110元/月 • 吃饭条件: 先吃后扣, 厂内有食堂, 各地菜系丰富 _ 岗位说明 • 工作内容: 组装维修苹果手机 • 工作特性: 生产线工作 活简单 易操作 • 特殊要求: 需要身着无尘服 班制安排: 两班倒,一个月一倒班,08:00-20:00 一人职要求 性別年齡: 18-45周岁, 男女不限 • 文化要求: 会读写26个字母 • 身份证要求: 二代有磁身份证在有效期之内即可 • 体内有金属: 过安检门, 体内有金属不接收 • 纹身烟疤: 纹身, 烟疤都可以接收 • 色盲色弱: 色盲色弱可以接收 • 人脸识别: 要求 • 体检要求:需要体检,120元体检费

In this job post on Wechat, it says "those with metal in the body are not accepted."74

-

⁷⁴ Available at https://mp.weixin.qq.com/s/j2HDJGjrG6FZLB-5ySmdJA



A Weibo post of a labor broker in Shanxi. The fourth job requirement states that people of the four major ethnic minorities are not accepted.⁷⁵

• Excessive working hours during peak season

Like many other electronics factories, Taiyuan Foxconn also adopts a two-shift system. The day shift is 8am - 8 pm, and the night shift is 8 pm - 8 am. Of the 12- hour shift, 2 hours are for a break and 10 hours are for the actual working hours. The additional 2 hours are considered overtime. Workers work on Saturdays and holidays. Usually, workers are scheduled for six days and permitted one day for rest. The overtime hours vary from position to position. The night shift stipend is 8 yuan per day in addition to regular and overtime salary. The overtime rate is in accordance with the labor laws.

Occasionally night shifts, Saturday overtime shifts, or weekday overtime hours are canceled for some positions. This often occurs during the off season as there is an

60

⁷⁵ Available at https://weibo.com/6747241862/HIXnclKwb

overall decrease of orders. Additionally this can happen due to the transfer of Foxconn production from China to other sites. Some workers work 8 hours per day and some workers work for 5 days and rest for 2 days. This also happens in other factories such as Zhengzhou Foxconn.

• High labor intensity

A regular worker, after working at Foxconn Taiyuan for 10 years, quit in 2022. In her article, she wrote: "In 2022, a series of pains continued to numb my body with irreversible lumbar muscle strain, weakness caused by staying up late for a long time and increasingly strenuous work...The constant need for medical treatment for various minor ailments make me feel more and more strongly that I must leave this place as soon as possible!" The combination of night shifts, fast line production, and constant standing means high labor intensity and brings damage to workers' bodies in the long term.

_

⁷⁶ 2022-11-14, 在富士康工作的日子(太原)<u>https://zhuanlan.zhihu.com/p/583366994</u>

4. On-site Investigation: Foxconn (Chengdu) and Pegatron (Kunshan)

4.1 Foxconn (Chengdu)

Background

Chengdu Foxconn Park is a global production base of Foxconn Group. Foxconn's Chengdu plant belongs to the Hon Hai B Group, which was established in 2010 and is one of Apple's top 200 supply chain manufacturers. The Foxconn Chengdu factory is divided into three business groups: iDSBG, Yecheng and Hongzhun. These departments are engaged in the manufacture of phones, tablets, and laptops. Of them, Hongzhun business group focuses on the research and development of precision molds, fiber-optic communication products, 3C product mechanisms, and automation equipment. iDSBG is engaged in the design, manufacture, and assembly of tablet computers, desktop computers, and laptops. Yecheng Technology produces game consoles, laptops, LCD TVs, optical drives, digital cameras, projectors, cooling systems, LED lighting, new interface materials, magnesium R&D, aluminum alloy products, printed circuit boards, and other products.

Address

160 meters northwest of the intersection of Hezuo Road and Tianying Road, Pidu District

Main customers and products

Apple is the main client. Products include the iPad, iPhone, Apple Watch, iMac computers, and other Apple products.

Staff

Total number of workers: 78,000 - 1,20,000

Number of regular workers: Approximately 40,000 to 50,000

Number of dispatch workers: According to most agencies, approximately 40,000 to 50,000 workers. Some agencies state there could be more than 50,000 workers. *Proportion of dispatch workers to the total number of workers:* Approximately 50%

Number of workers interviewed by the investigator: 24

Department of interviewees: Assembly Department

Ratio of male to female respondents: 7:17

Proportion of regular workers to dispatch and intern workers that were interviewed: 14:10

Interview format: In-person





Foxconn factory area

Summary

In November 2020, China Labor Watch (CLW) <u>reported</u> on a protest held by over 1,000 dispatch workers at Foxconn Chengdu. Foxconn's dispatch workers were owed three month's worth of hourly subsidies and bonuses, but Foxconn itself did not actually sign any labor contracts with the workers, effectively shrugging off responsibility. This ignited protests and concerns over labor conditions at Apple's largest Chinese supplier. CLW interviews uncovered a series of labor rights violations, including forced overtime, recruitment discrimination, and sexual harassment.

Foxconn's Chengdu factory is one of Apple's main sourcing sites. Each fall when Apple releases a new line of products, workers labor around the clock to meet impossible production targets. Dispatch workers, or workers who do not directly sign labor contracts with factories but instead are outsourced by labor dispatch companies, make up approximately half of the workforce. The precarious nature of their employment makes them extremely susceptible to abuse. While Apple has gained a reputation for excellent product quality and customer service through its 'AppleCare' and 'Genius Bar' services, its reputation for labor rights is considerably less stellar. Despite Apple's claims of having high standards when it comes to corporate social responsibility, year after year, serious labor rights violations occur on the factory floor.

From June to July 2023, CLW sent an investigator to Foxconn's Chengdu factory to document the working conditions of Apple's global supply chain. CLW's investigation discovered that the problems uncovered in 2020 still exist in the factory. To this day, Foxconn Chengdu enforces a large number of illegal labor practices including the excessive use of dispatch workers, mandatory overtime, workplace bullying and harassment, and recruitment discrimination.

As a leading non-governmental advocacy organization for Chinese worker rights and labor rights, CLW strongly condemns the conditions at Foxconn's Chengdu factory. As Foxconn's client, Apple has failed to fulfill its responsibility to create a safe and fair working environment. CLW demands that Foxconn Chengdu and Apple respond publicly, correct the illegal practices, and compensate the exploited workers who were harmed in the production of Apple products.

Key findings from the investigation:

1. The recruitment process discriminates against workers based on ethnicity, religion, and gender, as well as against workers who display negative emotions.

Foxconn's recruitment process discriminates against applicants on the basis of race. A hiring intermediary stated blatantly that ethnic minorities would not be accepted, meanwhile Foxconn's official WeChat account stated that the quota for ethnic minorities was already filled. Confirming findings from previous reports, the investigation showed repeated barring of applicants from the Uighur, Tibetan, Yi, and Hui ethnic minority groups.

Pregnant female workers are also implicitly rejected during the recruitment process. If women are pregnant, they are not allowed, according to the factory's policy, to take an X-ray that is required during their physical exam. Women who fail to complete the physical exam are not allowed to work at the factory. This, in effect, is an indirect rejection of pregnant workers.

Recruits also take a psychological test with test questions that screen for negative emotions. Those who display some range of negative emotions are persuaded to leave.

The above acts directly violate Article 12 of <u>China's Labor Law</u>, which states that "Laborers, regardless of their ethnic group, race, sex, or religious belief, shall not be discriminated against in employment."

2. The factory exceeds the legal limit on the number of dispatch and hourly workers allowed to work at the factory. Labor disputes in regards to deception or arrears of rewards and bonuses are commonplace. In recent years, the factory has also illegally recruited vocational school students.

Chengdu Foxconn employs a large number of dispatch workers, with the percentage reaching up to 50%. Dispatch workers have a higher likelihood of being assigned higher-intensity assembly line and night shift positions. Given the temporary nature of their position, they serve as flexible contractors and are often given the most difficult tasks. It's also challenging for dispatch workers to apply for transfers, effectively trapping them in these unfair and grueling positions.

During the off-season when there is lower demand, dispatch workers get fewer working hours. They have disputes with the factory over promised bonuses and rewards. In 2020, CLW reported on the protest of nearly 1,000 Foxconn dispatch workers. Labor

dispatch companies owed workers 3 months worth of hourly subsidies and rewards, yet Foxconn did not sign the labor contract containing these promises, essentially shrugging off the responsibility and causing mass confusion. This excessive use of dispatch workers violates Article 4 of China's Interim Provisions on Labor Dispatch, which specifies that "An employer shall strictly control the number of dispatch workers employed which shall not exceed 10% of the total number of its workers."

Foxconn has also illegally recruited vocational school students. Students were found interning at Foxconn Chengdu towards the end of 2022 where they were given the same work arrangements as regular and dispatch workers, including overtime and night shifts. Students were threatened by instructors that they would not graduate if they did not complete their internships, essentially trapping them in these positions. This violates China's 'Provision on the Administration of Internships for Vocational School Students,' a law which forbids companies from arranging forced labor internships.

3. Forced overtime is common, meal breaks are inconsistent, and breaks are not guaranteed.

Employees work up to 65 hours during the off-season and 87 hours during the peak season when demand is high. This far exceeds the 36-hour monthly overtime limit imposed by Article 41 of <u>China's Labor Law</u>.

Foxconn Chengdu marks any worker who does not partake in required overtime as being absent. If their total absences exceed 16 hours in a single month, the worker's hourly subsidies are forfeited. In order to obtain these subsidies, dispatch workers are essentially forced to do overtime.

Workers stated that the longest continuous working period typically lasts 14 days, followed by a one day break. Especially during the pandemic, factory management strictly enforced COVID restrictions which required workers to work, eat, and live in the factory. As a result, workers were assigned shifts for half a month straight without stopping.

During factory training, workers were promised one hour for each meal break. In reality, they are allowed one hour for lunch and only 40 minutes for dinner.

4. Dispatch workers must forfeit their right to insurance before they are allowed to sign their labor contracts.

Although labor contracts state that social insurance will be purchased, in practice neither the dispatch company nor Foxconn purchases social insurance for dispatch workers or interns. They also do not pay required housing provident funds.

During the hiring process, the dispatch company staff requires workers to sign a 'Commitment letter to voluntarily give up social insurance.' The dispatch company then issues the worker their labor contract. What this means, in practice, is that workers are forced to forfeit their right to social insurance. The act of forcing workers to sign this letter is illegal according to Chinese law.⁷⁷ Employers are also legally obligated to purchase social insurance and a housing fund for their workers per Chinese Labor Law, Labor Contract Law, Social Insurance Law, and Regulation on the Administration of Housing Provident Fund.

5. Workplace bullying, punishment, and sexual harassment are widespread.

Workplace bullying and punishment are common management tactics. If workers are even 10 seconds late, they are criticized by their line leader. It is common for workers to be verbally reprimanded, abused, or fired. This toxic managerial behavior constitutes a ritualized form of abuse that harms workers' psychological health and well-being on a daily basis.

Female workers in particular are frequently verbally harassed. Sexual harassment occurs both online in WeChat groups and in-person on the factory floor. The factory does not enforce restrictions or punishments for these forms of harassment and its woefully inadequate sexual harassment training acts more as a client-facing display than an effective act of prevention.

6. Workers lack labor rights organizations that actually represent their needs.

Foxconn Chengdu has a labor union, but workers are not made aware of its existence when hired. Many workers spend their entire time at the factory unaware of the union,

⁷⁷ See Article 72 of the Labor Law of the People's Republic of China, available at https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/37357/108026/

rarely knowing anyone who has used its services. Workers are given a card containing numbers to the labor rights advocacy hotline when hired, but they are often not utilized as they provide little actual protections. In effect, there are no true labor rights organizations or resources present at the factory.

7. Other violations of laws and regulations in the factory.

Foxconn Chengdu is suspected of numerous violations of the Labor Law and Labor Contract Law, including the following:

- Safety training is less than three hours, far less than the minimum 24 hours required by the law.
- There is a lack of paid sick leave, annual leave, maternity leave, and marriage leave for dispatch workers.
- Entertainment and fitness facility operating hours overlap with actual working hours, making them useless to workers.
- Workers have no allotted time for rest, entertainment, or relaxation.
- The factory does not have a health and safety committee.
- There are no first aid kits on the factory shop floors and in the dormitories.

See the full report in Appendix 3.

4.2 Pegatron (Kunshan) (also named "Pegaglobe")

Background

Pegatron's Kunshan factory, Pegaglobe (Kunshan) Co., Ltd., is located in the Kunshan Economic Development Zone. Its parent company, Pegatron Corporation, is Apple's second largest supplier. Established in 2013, the facility is engaged in the research, development and manufacturing of phones and other electronics. The total factory area is 400,000 square meters. The factory's annual output was 67 billion yuan in 2019⁷⁸. It is the second largest factory in Kunshan City.

Another subsidiary of Pegatron is located in Shanghai. It engages in the research, development, and manufacturing of laptops and phones. It is one of the five biggest laptop manufacturers internationally.

Address

No.68 Meigui Road, Kunshan Economic Development Zone

Main products

Apple mobile phones (iPhone15 Pro, iPhone 14, etc.)

Staff

Total number of workers: Approximately 50,000

Number of regular workers: Approximately 15,000

Number of dispatch workers: Approximately 35,000

Proportion of dispatch workers to the total number of workers: 70% or more

Number of workers interviewed by the investigator: 27 Department of interviewees: Manufacturing Department

Ratio of male to female respondents: 11:16

Proportion of regular workers to dispatch and intern workers that were interviewed:

7:20

Interview format: In-person

Summary

Apple is slated to release its much-anticipated iPhone 15 series this fall. The iPhone 15 Pro and iPhone 15 Pro Max, especially, have generated considerable buzz and attention. Pegatron Group, a Taiwanese electronics manufacturing company, is Apple's second

largest Chinese supplier. This past summer, it recruited large numbers of dispatch

⁷⁸ See https://www.sohu.com/a/416914949 120441211

workers (or workers hired through third-party employment services) for its Shanghai and Suzhou factories in preparation for this launch. China Labor Watch (CLW) investigated Pegatron's factories and found workers working around the clock to create these iPhones. While the world admires Apple's newest technological achievement, few pay attention to the exploited laborers behind this product.

In the past, CLW has repeatedly discovered serious labor rights violations within Apple's global supply chain. CLW's <u>July 2013 report</u> discovered violations in three of Pegatron's factories in Shanghai and Suzhou, including forced overtime, excessive use of dispatch workers, lack of training and insurance, and workplace harassment. The same violations resurfaced during CLW's <u>second investigation</u> in October, 2015 at Pegatron Shanghai. This follow-up investigation found no significant improvement in Pegatron's working conditions since CLW's previous reporting.

Eight years later in June and July 2023, CLW sent an investigator to conduct fieldwork and interviews at Pegatron's Kunshan factory (Pegaglobe)⁷⁹. The factory is located in the Kunshan Economic and Technological Development Zone (KETD).⁸⁰ It primarily produces the iPhone 15 Pro at the time of the investigation. CLW's investigation found that issues in Pegatron's Pegaglobe factory are consistent with those in Pegatron's Suzhou and Shanghai factories. What's most concerning to CLW is that working conditions have not changed significantly in the factory for the past ten years. As did in the past, the recruitment of a large number of dispatch workers, forced overtime, workplace bullying, and sexual harassment are still found in the factory.

As a leading non-governmental advocacy organization for Chinese worker rights and labor rights, CLW strongly condemns the conditions of Pegatron's factories. As Pegatron's client, Apple failed to fulfill its corporate social responsibility. CLW demands that Pegatron and Apple respond publicly, correct the illegal practices, and compensate the workers who were harmed in the production of Apple products.

Key findings from the investigation:

1. The recruitment process discriminates against workers based on region, ethnicity, religion, age, and gender.

While Pegatron's recruitment posters and advertisements do not reveal restrictions on ethnicity or religion, in practice, the factory does not recruit Yi, Tibetan, and Uyghur ethnics. Pegatron's hiring intermediary stated that as long as Uyghurs have no dietary restrictions, they are free to work at the factory. But

⁷⁹ Pegaglobe (Kunshan) Co., Ltd

⁸⁰ https://china.ahk.de/market-info/investment-zones/kunshan

adherence to Islamic dietary restrictions is an integral part of Uyghur religious identity, effectively making this requirement an act of ethnic discrimination.

Pregnant female workers are indirectly rejected during the recruitment process. If women are pregnant, they are not allowed to take an X-ray that is required during their physical exam. Women who fail to complete the physical exam are not allowed to work at the factory. This, in effect, is an implicit rejection of pregnant female workers. CLW investigators witnessed several pregnant female workers being rejected by Pegatron's hiring intermediary.

The age limit for hiring in the factory is between 18 and 42. Workers are not allowed to dye their hair or have tattoos.

The acts above violate <u>Article 12</u> of China's Labor Law, which requires that "Laborers, regardless of their ethnic group, race, sex, or religious belief, shall not be discriminated against in employment."

2. The factory exceeds the legal limit on the number of dispatch and hourly workers allowed to work at the factory. Labor disputes regarding rewards and bonuses are commonplace.

Regardless of whether the factory operates during peak season (high demand) or off-season (low demand), Pegatron employs a large number of dispatch workers and hourly workers. This number increases whenever Apple releases a new line of products. During the iPhone 15 Pro production, dispatch workers made up 70% of Pegatron's workforce. This number is still increasing to this day. This excessive use of dispatch workers violates Article 4 of China's Interim
Provisions on Labor Dispatch, which states that "An employer shall strictly control the number of dispatch workers employed which shall not exceed 10% of the total number of its workers."

During daily operations, dispatch workers are assigned to the highest intensity work tasks without any days off. At the end of 2020, Pegatron unilaterally lowered promised bonuses for dispatched workers, causing thousands of dispatched workers to protest.⁸¹

CLW also found some of Pegatron's intermediaries charge workers a fraudulent registration fee, which is a violation of Article 60 of China's Labor Contract Law.

71

⁸¹ See https://chinalaborwatch.org/pegatron-dispatch-workers-in-shanghai-and-kunshan-protest-over-owed-bonuses-and-wages/

3. Excessive overtime is normalized. Workers must work at high intensity, and it is difficult to get 10 hours of rest per day.

Excessive overtime is normalized for both regular and dispatch workers. Monthly overtime reaches 84 hours during the low season and 97 hours during the peak season. This far exceeds the 36-hour monthly overtime limit imposed by Article 41 of <u>China's Labor Law</u>.

Production targets for the assembly line are also extremely high, forcing workers to work at a high intensity pace. At the beginning of 2023, some dispatch workers worked 13.5 hours a day and did not rest for three consecutive weeks.

Workers stay in the factory for at least 12 hours a day. The dormitory is located far away, and the commute is long, requiring workers to go through an underground passage and climb flights of stairs. Due to these long hours, it is difficult to get at least 10 hours of rest.

Workers are not guaranteed to have a day off, even within a 14-day work period. In 2020, vocational school interns worked without a break for more than a month during the peak season of September, sometimes working overtime until 8 PM. This high-intensity overtime led **Electronics Report**to the sudden death of a vocational school intern in October 2020.⁸² Afterwards, Pegatron no longer openly recruited interns through collaborations with vocational schools. However, interns were still allowed to the factory as individuals.

4. Social insurance is not covered, despite claims to the contrary.

According to the <u>Social Insurance Law</u> and the <u>Regulations on the Management of Housing Provident Funds</u>, employers are required to purchase five social insurances (medical, pension, unemployment, work-related injury, and maternity) for employees during their first month of employment, and one housing fund during their second month of employment (<u>"Five Social Insurances and One Fund"</u>). Contracts for both regular and dispatch workers state that the factory is required to purchase five social insurances for workers.

In practice, Pegatron purchases social insurance for workers' for the second and third months of working only after four months of employment. The factory does not purchase social insurance for workers employed for under three months. Even if workers receive social insurance for their second and third month of work, they do not obtain the benefits for their first. Pegatron's labor agency

_

⁸² See https://www.ntdtv.com/gb/2020/12/29/a103020030.html

informs workers that Pegatron does not pay social insurance for all dispatch workers. Instead, it randomly selects workers and covers their social insurance in order to bypass random labor inspections.

Dispatched workers are generally recruited on a short-term basis. If a dispatch worker wants to continue working past their terms, they need to apply to become a regular worker. Few choose to become regular workers, meaning that the majority of the workers in Kunshan Pegatron are temporary, staying in the factory for around two months. This fact combined with the randomized nature of provided coverage makes it likely that Pegatron does not cover social insurance for the vast majority of their workers.

Workers who pay social insurance state that the factory does not issue social insurance cards. It also does not purchase any housing fund. These are all violations of social insurance requirements as stipulated by China's Labor Law, Labor Contract Law, Social Insurance Law, and Regulations on the Management of Housing Provident Funds.

5. Workplace intimidation, humiliation, and punishment are common.

In September 2020, Kunshan Pegatron staff threw some dispatch workers' IDs on the ground while calling out their names, forcing workers to bend over and pick up their IDs. The incident was publicized and triggered public criticism and worker protest.

Workplace bullying is commonplace. Assembly line leaders insult and belittle production line workers on a daily basis. There are many non-written rules that workers are not informed of but randomly punished for. Punishable items include wearing uniform pants at work, eating snacks, not wearing hats properly, not wearing masks properly, having dusty desktops, crossing their legs at work, and not neatly placing chairs back in the office.

Workers who make mistakes have their demerits recorded. They can be insulted by the team leader as a result or transferred to higher-intensity assembly lines. Regular workers can have performance appraisal subsidies deducted. Repeat violations result in dismissal.

Pegatron factory management intimidation tactics are a frequent topic of discussion on the Chinese Internet. The bullying is disrespectful, humiliating, and psychological harmful. No decent and responsible company should treat its workers this way.

6. Sexual harassment is widespread.

CLW's investigator witnessed and experienced numerous cases of sexual harassment. The harassment was verbal and came from male coworkers and supervisors on a daily basis.

Sexual harassment is perpetuated by patriarchal gender norms and institutionalized within workplace hierarchies. The factory's regulations prohibit sexual harassment. But female workers often distrust the factory's available resources and whistleblowing mechanisms, feeling that there are no realistic options. Instead of reporting sexual harassment, female workers opt to keep quiet or quit. This contrast between what is emphasized and what actually gets reported shows that the factory's sexual harassment training is just a client-facing formality.

7. Workers lack labor rights organizations that actually represent their needs. There are no mechanisms for workers to air out their grievances.

Workers in the factory have never heard of the existence of a union. Workers are told to ask the director's office for help if they want to resign, have issues with their line leader, are insulted, encounter sexual harassment, or have other problems. But workers do not trust this internal grievance system. Since workplace bullying is often perpetrated by superiors, workers often choose to quit instead of fighting for their rights within the factory. There is a labor rights hotline for employees, but no workers inquired have used it.

8. Other violations of laws and regulations in the factory

Pegatron is suspected of numerous violations of the <u>Labor Law</u> and <u>Labor Contract Law</u>, including the following:

- Safety training is less than 2 hours, far less than the minimum 24 hours required by the law.
- When workers sign contracts, they are not given enough time to read the details, violating the principle of informed consent.
- It is difficult for workers to apply for and get approval for sick leave and personal leave.

- Workers lack freedom of communication. Workers cannot access their phones even during meal breaks.
- Workers are not regularly tested for occupational illnesses, including those who have been exposed to hazardous substances.

See the full report in Appendix 4.

Appendix 1. Social media Posts across 50 factories

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)
1	Pegatron Digitek Chongqing 重庆旭硕	Excessive working hours; High labor intensity; Wage theft and wage arrear; Poor food and/or living conditions; Deception	https://archive.ph/wip/UZouY https://archive.ph/wip/8ZcvY https://archive.ph/wip/nhJBk https://archive.ph/wip/PKjYp https://archive.ph/wip/M3xOj
2	Haier (Shandong) 山东海尔	Excessive working hours; Wage theft and wage arrear; High labor intensity; Workplace bullying and verbal abuse; Mandatory overtime;	https://archive.ph/wip/RHOb5 https://archive.ph/wip/YndE8 https://archive.ph/wip/K0DfW
3	Gree Electric Appliances 格力电器	Excessive working hours; Wage theft and wage arrear; Mandatory overtime;	https://archive.ph/wip/kIjLG https://archive.ph/wip/EX5QQ https://archive.ph/wip/WHk2D https://archive.ph/wip/D3UDM https://archive.ph/wip/FQvAO https://archive.ph/wip/takbL
4	Xingke Electronics (Dongguan) 东莞兴科电子	Excessive working hours; Mandatory overtime; Poor food and/or living conditions; Deception; Workplace bullying and verbal abuse; child labor	https://archive.ph/wip/rXpUI https://archive.ph/wip/L2WIM https://www.douyin.com/video /7224730289090743609 https://www.douyin.com/video /7200370369859996963 https://www.douyin.com/video /6990115352516594976 https://www.douyin.com/video /7224355962138660100 https://www.douyin.com/video /7089067613157903627
5	ASUS Technology (Suzhou) 苏州华硕科技	Excessive working hours; Mandatory overtime; Wage theft and wage arrear; High labor intensity; Poor	https://archive.ph/wip/TevVf https://archive.ph/wip/QYWC8

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)
		food and/or living conditions; Retention of identity document	
6	Darfon Electronics (Suzhou) 苏州达方电子	Excessive working hours; Deception; Workplace bullying and verbal abuse; Inadequate PPE and exposure to hazards	https://archive.ph/wip/gKKP7 https://archive.ph/wip/SsOvO
7	Qisda Electronics (Suzhou) 苏州佳世达电 通	Excessive working hours; Illegal use of student interns; Wage theft and wage arrear; Poor food and/or living conditions; High labor intensity; Workplace bullying and verbal abuse; Mandatory overtime;	https://archive.ph/wip/aDgzA https://archive.ph/wip/3LQml https://archive.ph/wip/bOpnU https://www.thepaper.cn/new sDetail forward 1963101
8	Wingtech (Kunming) 昆明闻泰	High labor intensity; Wage theft and wage arrear; Deception;	https://www.bilibili.com/video/ BV1qd4y1w7Zy/?spm_id_from =333.788.recommend_more_v ideo.9 https://archive.ph/wip/G6fII
9	TCL Tongli Electronics (Huizhou) 惠州TCL	Excessive working hours; Mandatory overtime; High labor intensity; Illegal use of student interns; Wage theft and wage arrear; Poor food and/or living conditions	https://archive.ph/wip/xGw9n https://archive.ph/wip/X3Nu4
10	Tech-Front (Shanghai) Computer 上海达丰	Excessive working hours; High labor intensity; Wage theft and wage arrear; Poor food and/or living conditions; Deception; Workplace bullying and verbal abuse	https://archive.ph/wip/GiMQb https://archive.ph/wip/YteTX https://archive.ph/wip/ELn1j https://archive.ph/wip/dMFwU

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)
11	Pegatron Technology (Shanghai) 上海昌硕	Wage theft and wage arrear; Deception; Workplace bullying and verbal abuse	https://archive.ph/wip/CjNZn https://archive.ph/wip/YXDah https://gonghao51.github.io/2 020/12/25/changshuojianbao/
12	Inventec Appliances (Shanghai) Technology 上海英华达	Excessive working hours; Wage theft and wage arrear; Workplace bullying and verbal abuse	https://archive.ph/wip/Ix0Ar https://archive.ph/wip/uwq6l
13	Quanta Chongqing Manufacturing City 重庆广达	Wage theft and wage arrear; Poor food and/or living conditions; Workplace bullying and verbal abuse; High labor intensity; Mandatory overtime;	https://archive.ph/wip/Wnzkl https://archive.ph/wip/t3sLg
14	Pegaglobe (Kunshan) 昆山世硕	Excessive working hours; High labor intensity; Wage theft and wage arrear; Deception; Workplace bullying and verbal abuse	https://www.sohu.com/a/4170 32883_161795 https://archive.ph/wip/V24Ng
15	Foxconn (Chengdu) 成都富士康	Deception; Wage theft and wage arrear;	https://gonghao51.github.io/2 020/11/18/chengdufsk/ https://archive.ph/wip/hDxRL
16	Huawei (Dongguan) 华为东莞厂	High labor intensity	https://archive.ph/DtyCh https://archive.ph/wip/T3tWu
17	Luxshare(Ji An)吉安立讯	Excessive working hours; Workplace bullying and verbal abuse; Wage theft and wage arrear;	https://archive.ph/wip/Z9cJV https://archive.ph/wip/zaufw https://archive.ph/wip/XsqzP

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)	
18	LCFC (Hefei) Electronics Technology 合肥联宝电子 (联想集团)	Illegal use of student interns Excessive working hours; High labor intensity; Poor food and/or living conditions; Wage theft and wage arrear;	https://archive.ph/wip/pU0WU https://archive.ph/wip/vzwSm	
19	Lenovo (Wuhan) 武汉 联想	Poor food and/or living conditions; Workplace bullying and verbal abuse; Wage theft and wage arrear; Retention of identity documents	https://archive.ph/wip/M8wNq	
20	Merry Electronics Shenzhen 深圳美律	High labor intensity; Illegal use of student interns	https://www.douyin.com/video/7018146892584373508 https://www.douyin.com/video/7002180061818391848 https://www.douyin.com/video/7221464356658089274	
21	Maintek Computer (Pegatron) Suzhou 苏州名硕	Excessive working hours; Mandatory overtime; High labor intensity; Deception; Poor food and/or living conditions; Illegal use of student interns	https://archive.ph/wip/JKZ5k https://archive.ph/wip/zLAQn https://archive.ph/wip/1bwcL https://archive.ph/wip/Ch7JK	
22	TPV Electronics (Fujian) 福建冠捷	High labor intensity;	https://archive.ph/wip/pUFo3	
23	Foxconn (Hengyang) 衡阳富士康	Discrimination; Illegal use of student interns; Deception; Wage theft and wage arrear	https://www.douyin.com/video /6873704171799989512 https://archive.ph/wip/OLrWa https://archive.ph/wip/YTkYK https://archive.ph/wip/B5gw7 https://archive.ph/wip/ubbjy	

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)
24	Sunrex Technology (Jiangsu) 江苏精元	Wage theft and wage arrear	https://archive.ph/wip/z8qjm
25	Compal (Kunshan) 昆山仁宝	Illegal use of student interns; Discrimination; Wage theft and wage arrear; Deception; Mandatory overtime; Difficulty in asking sick leave and/or to resign	https://archive.ph/wip/fGDun https://archive.ph/wip/e0hXS https://archive.ph/wip/8z4CZ https://archive.ph/wip/Sar29 https://archive.ph/wip/rbJyK https://archive.ph/wip/c1Gg1 https://archive.ph/wip/ImYmz https://archive.ph/wip/XCXeM
26	Wistron Infocomm (Kunshan) 昆山纬创资通	Excessive working hours; Wage theft and wage arrear; Workplace bullying and verbal abuse; Mandatory overtime; Illegal use of student interns;	https://archive.ph/wip/xE8hY
27	Inventec (Nanjing) 南京英华达	Excessive working hours; Deception; Illegal use of student interns; Poor food conditions; Wage theft and wage arrear; Difficulty to sick leave and/or to resign;	https://archive.ph/wip/1J4lm https://www.toutiao.com/articl e/6557902319000748547/
28	Foxconn (Zhengzhou) 郑州富士康	Workplace bullying and verbal abuse; Deception; Wage theft and wage arrear; Excessive working hours; High labor intensity; Illegal use of student interns;	https://archive.ph/wip/iYzIY
29	Inventec (Chongqing)	Illegal use of student interns; Wage theft and	https://archive.ph/wip/1dy35 https://m.weibo.cn/status/467

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)
	重庆英业达	wage arrear; Workplace bullying and verbal abuse; Excessive working hours; High labor intensity; Mandatory overtime;	8348456330294
30	Foxconn (Taiyuan) 太原富士康	Workplace bullying and verbal abuse; High labor intensity;	https://archive.ph/wip/Q185j https://archive.ph/wip/JRZN5
31	Midea (Foshan). 佛山美的	Excessive working hours; High labor intensity; Mandatory overtime; Wage theft and wage arrear;	https://archive.ph/wip/USiAD https://archive.ph/wip/D1s8O https://archive.ph/wip/Mve1Z https://archive.ph/wip/QOmSo
32	Compal Computer (Chengdu) 成都仁宝电脑	Poor living conditions; Illegal use of student interns; Workplace bullying and verbal abuse; Deception;	https://archive.ph/wip/YftKS https://archive.ph/wip/74DI6 https://archive.ph/wip/6qwzH
33	Hisense Information Industry Park (Qingdao) 青岛海信	Illegal use of student interns; High labor intensity; Poor food and living conditions;	https://m.weibo.cn/status/466 6048592744074 https://archive.ph/wip/NVzYt
34	Foxconn (Yantai) 烟台 富士康	Excessive working hours; High labor intensity; Mandatory overtime;	https://archive.ph/wip/sT6tS https://archive.ph/wip/vqDnf
35	Dongguan Samsung Vision 东莞三星视界	High labor intensity;	https://archive.ph/wip/ma94D
36	Chongqing vivo Industrial Park 重庆vivo工业	Poor living conditions; Workplace bullying and verbal abuse;	https://archive.ph/wip/NA5q1

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)
	园		
37	Guangdong OPPO 广东OPPO	Excessive working hours; High labor intensity	https://archive.ph/wip/9uYFA
38	Jabil Circuit (Guangzhou) Ltd. 广州捷普电子	Deception; Excessive working hours; Wage theft and wage arrear; Sexual harassment; High labor intensity; Workplace bullying and verbal abuse;	https://archive.ph/wip/jj8DO https://archive.ph/wip/zHZKy
39	BOE (Chongqing) 重庆京东方	Excessive working hours; Illegal use of student interns; High labor intensity	https://archive.ph/wip/N8E5G https://archive.ph/wip/I3o6x
40	Compal Computer (Chongqing) 重庆仁宝电脑	Deception; High labor intensity; Excessive working hours;	https://archive.ph/wip/VpSfi https://archive.ph/wip/mczZS https://archive.ph/wip/55Guo
41	Sichuan Changhong (CHiQ) 四川长虹电器	Illegal use of student interns; Wage theft and wage arrear;	https://archive.ph/wip/SDNFU https://archive.ph/wip/du1TM
42	LG Electronics (Tianjin) 天津LG乐金电 子	Poor living conditions; Inadequate PPE and exposure to health hazards; Deception;	https://archive.ph/wip/UcCp1
43	Wuxi Murata Electronics 无锡村田电子	High labor intensity;	https://www.douyin.com/zhua nti/7194335802623526946?m odal_id=70815766861349061 20
44	Wuxi Sharp Electronics	Deception; High labor intensity; Workplace	https://archive.ph/wip/OT0Xg

#	Factory Name	Labor Issues identified on social media	Links to the posts (archived)
	无锡夏普	bullying and verbal abuse; Poor food and/or living conditions;	
45	BYD Electronic (Shenzhen) 深圳比亚迪电 子	Excessive working hours; Wage theft and wage arrear; High labor intensity; Inadequate PPE and exposure to health hazards	https://www.sohu.com/a/5020 64895_121235381 https://archive.ph/wip/ESQfd https://archive.ph/wip/8ZxLH https://archive.ph/wip/MTDNj
46	Compal SMART Device (Chongqing) 重庆翊宝智慧 电子装置	Wage theft and wage arrear; Poor food and/or living conditions; Deception;	https://archive.ph/wip/Lwufa
47	BOE (Hefei) 合肥京东方	Hiring discrimination; Illegal use of student interns; Excessive working hours; High labor intensity	https://archive.ph/wip/Nn13D https://archive.ph/wip/wnaFp https://archive.ph/wip/IXGpv
48	Skyworth (Shenzhen) 深圳创维	Excessive working hours; Mandatory overtime; High labor intensity; Poor food and/or living conditions;	https://archive.ph/wip/xDoyH
49	Huizhou HEG Technology 惠州海格科技	Excessive working hours; Deception; High labor intensity; Wage theft and wage arrear; Retention of identity documents	https://archive.ph/wip/jaCcC
50	Nanchang Longcheer Technology 南昌龙旗	Illegal use of student interns; High labor intensity; Excessive working hours; Workplace bullying and verbal abuse; Sexual harassment	https://archive.ph/wip/syziR https://m.thepaper.cn/wifiKey _detail.jsp?contid=17189485& from=wifiKey

Appendix 2. Supplementary Details of Four Factories

BOE (Hefei)

- Food is often used as an attraction in the job posting videos on Douyin. The food is free (36 yuan stipend per day) and many choices are offered. The dormitory room is 30 yuan per person per month. The majority of workers live in dormitories and a small number of workers rent rooms in nearby villages. A room accommodates 4 workers, comparatively better than those in most other factories. There are also badminton courts and basketball courts in the factory.
- BOE contributes to the endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, childbirth insurance, and housing dividend fund according to the standard in Hefei City. But it's for regular employees only.









Foxconn (Zhengzhou)

- When workers want to quit, they can choose to resign or self-quit. To resign, workers use Aikoudai App to submit an application. For those who have worked less than 10 days, they can self quit by being absent for 3 days, and then they will receive a text message asking them to go through the procedure, obtain the line leader's signature, and return the work wear and work card. Regular workers must apply a month in advance or self quit.
- The factory provides meals and accommodation but not for free. The dorm room is 150 yuan per month, with 8-10 people per room. A dormitory has been renovated to accommodate 6 people. Workers of both day and night shifts are arranged in the same room with a random ratio, which makes it hard for some workers to enjoy a good sleep. Shuttle buses for commuting between dorms and the factory are free.
- Food is not free. 400 yuan is set aside from salary and topped up in the worker ID card. Depending on the quality of food that a worker wants to choose, one month's food expenses can range from 720 to over 1,000 yuan.





The queue in cafeteria during lunch break









Hairdryers are not free to use.



Dormitory interior

Jabil (Guangzhou)

• Jabil operates around the clock, with two 12-hour shifts, 7 am to 7 pm and 7 pm to 7 am. Some positions require the worker to arrive at the worksite 10 minutes before work. There is a 45-minute lunch break and 45-minute dinner break. On weekdays the lunch break is counted as working hours while the dinner break is not. On weekends neither of the breaks are counted as working hours. There are no other breaks during work. The daily working hours are 11.25 hours in general, but can be less depending on orders and work arrangement. If a worker wants to leave the line to go to the restroom, they need to find someone to replace them at the position. Such a break cannot exceed 10 minutes. Workers change their shifts between day and night shifts monthly. There is a 15-yuan per day night shift stipend.

	Recruiter	Job requirement and descriptions	Note
1	捷普广州	 Do not recruit workers who previously self quit. Need to apply online Free dormitory Over 18 years old (Mar 2023) 	Official Jabil Recruitment Douyin account
2	捷普~小倩	Recruits both regular workers and dispatch workers; Over 18 years old (Sep 2022- Jul 2023)	Plenty of videos filming girl applicants
3	广州捷普 小梁	 Does not mention age Hourly worker: 22.2 per hour x 11.5 hrs per day, 26 days per month; 22 x 11.5 x 26 = 6,637 yuan/ month; Regular workers: basic salary 2,400 + overtime + insurance. 5,300 per month (Feb 2023) 	"Can Xinjiangers be arranged to work? It's full for now." (from a Q&A in the comment)
4	物流仓储-阿成	• 18-46	

⁸³ See https://www.douyin.com/user/MS4wLjABAAAArbFC-73mfrcLJuHIXqpj4tSuVtk0JzrmbNyufFMJ2ck?modal_id=7248776433990946082&relation=0&vid=7244886718808132899

		 Hourly worker: 22.2 per hour x 11.5 hrs per day, 26 days per month; 22 x 11.5 x 26 = 6,637 yuan/ month Regular workers: basic salary 2,400 + overtime + insurance. 5,300 per month (Dec 2022) 	
5	人力资源—文哥	 18-45; Free physical check; Hourly worker: 22.2 per hour x 11.5 hrs per day, 26 days per month; 22 x 11.5 x 26 = 6,637 yuan/ month 6-8 yuan per meal, around 720 per month End of month can earn 5,900 Regular workers: 4,800 per month after food (Feb 2022) 	
6	电商物流_内部推荐	18-45; Free physical check;22.2 x 11.25 x 26 (Mar 2023)	
7	金领人力资源刘丽娜	 18-45; female and male; can read English alphabet; have factory work experience No social insurance or business insurance deduction; free physical check; free bank account set up. Can bring cellphones at work No meal break deduction. 11.25 working hours per day at least. 22.2 yuan per hour. 11-12 hours per day. 249.75-260 per day. Housing dividend for renting outside factory 150 yuan / month 90% sitting positions. Normal work wear. AC room. Shuttle bus for commuting. 3.14 yuan + per meal. Pay day is the 15th of each month 	

		• Can earn 6500 - 7000 yuan monthly. (Jan 2023)	
8	捷普电子厂: 牛牛哥	 18-46 80% sitting positions 4 days off per month. 6,000 yuan + per month 22.2 yuan per hour (Aug 2022) 	
9	<u>临时工服务联盟-总</u> 负责	 18-45 Regular worker: basic salary 2,400 + food stipend 450 + seasonal dividend + end of year bonus + social insurances. Weekday overtime 20.69 yuan/hr, weekend 27.59/ hr, holiday 41.38/hr. Two shifts, with a 15 yuan/night stipend for night shift. 150 yuan housing stipend for renting outside of the factory. Dormitory is free. Food and housing are covered. Monthly salary 5500 - 7000 yuan. Hourly worker: 22.2 yuan / hour, can work long term. Work 10.5 hours per day but count 11.5 hours. 4 days off per month. Monthly salary around 6000-7000 yuan. (May 2023) 	
10	阿乐企业管理	 23 yuan per hour Free dormitory, with AC, no utility deduction Need to be over 25 years old Free physical check after successful interview Work at least one month Normally 6k per month, if work overtime 7k Can pay in advance 600-100 per week 	

- Pay after quitting without delay (Jul 2022)
- Dormitories are provided to workers for free while food is not. According to several comments from those who worked there, a lunch meal can range from 8-15 yuan and food expenses a day often exceed 30 yuan. A regular worker can receive a 450-460 yuan food stipend.
- In two Douyin videos showcasing a Jabil dorm room, many comments say these are not what they actually experience at Jabil and not typical dormitories for common manual workers.⁸⁴ The dormitory building that workers referred to as "3D" is said to have bad sanitary conditions. Typically a room hosts 6 people.
- There are entertainment facilities at the factory. When workers do not work overtime, they can go to the basketball court or play ping pong.



⁸⁴



Dormitory interior

Foxconn (Taiyuan)

• Discrimination against applicants with criminal records



Two comments ask whether having criminal records is ok. "I already applied. Does that mean I won't pass the interview?" asked the applicant on the left. The broker answered "Yes." The applicant on the right says: "I stayed in jail for 5 years but now have changed myself to be a good person. Can I apply? "The broker simply answers: "currently those with criminal records cannot be recruited."

• The wage varies depending on position, rank, production season, and employment relations (formal employees or dispatch workers). The minimum wage in Taiyuan City in 2023 is 1,980 yuan per month, and the basic salary at Taiyuan Foxconn is around 2,000 yuan per month. Because the basic salary is low, workers participate in overtime work to earn more. Hourly rate for hourly workers can range from 18 to 28 yuan. The average monthly wage when orders

are few is 3,000 - 4,000 yuan. During peak season, August and September, the monthly salary can reach 5,000 - 6,000 yuan. 85

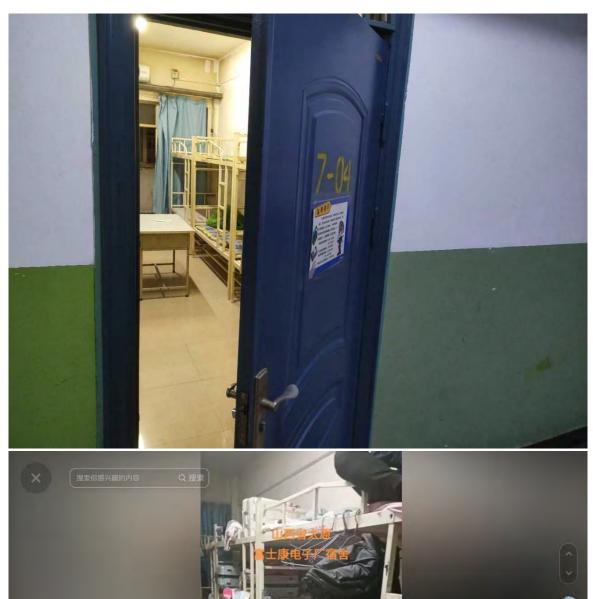
Formal workers sign contracts with Foxconn and receive salaries directly from Foxconn. All the workers receive the previous month salary on the 7th of the next month. On the 25th of each month, the hourly workers receive their surplus. Dispatch workers have to be employed for 90 days and work for 55 days within the 90 days to receive a bonus of 2,000 yuan. The wage calculation method varies from broker to broker, which is often not made clear to workers.

Taiyuan Foxconn contributes to the endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, childbirth insurance, and housing accumulation fund for formal employees. The standard of contribution is in accordance with the standard in Taiyuan City. Taiyuan Foxconn does not pay or contribute to the five insurances and the housing fund for hourly workers and dispatch workers, although according to the law the labor agencies should contribute to workers' social insurances. Many workers choose to give up social insurance to get full wages.

- The cafeteria provides a variety of food options. Workers pay around 400 yuan or more per month for meals in the cafeteria. Those who live in the dormitory need to pay a monthly lodging fee of 110 yuan, with 6-8 persons in a room. Some workers choose to rent places in nearby villages, which cost them around 500-600 yuan for rent per month. There is a gym, a cinema, a library, a yoga studio, and a basketball court in the factory.
- Based on open source research and interviews, we haven't found clues that indicate Foxconn Taiyuan is using student interns.

-

⁸⁵ Workers usually know the time of peak season.



②建国·2022年11月5日

115

□
23

★
21上版门》上了夜班、下了班回到宿舍我还以为进铺了宿舍了看了没有包括来了,四个新人在满了八个了《藏舍生活》和2000年上热门

Dormitory interior

Appendix 3. Foxconn Chengdu full report



The location of Foxconn Chengdu: Chengdu Hi-tech Pilot Free Trade Zone

1. Recruitment and resignation

Foxconn recruiting is typically entrusted to labor dispatch companies. These companies have multiple locations near factory premises, making it easy for prospective workers to walk in and apply for a job. Searching for "Chengdu Foxconn" on WeChat yields plenty of results for labor dispatch companies, intermediaries, and their contact information. Companies will post recruitment information on websites such as 58.com, China's largest online classifieds marketplace. Foxconn can also recruit workers through its public WeChat account, Foxconn Chengdu Recruitment.

The factory employs a large number of dispatch workers. The proportion varies greatly depending on the department. In the precision component assembly department, dispatch workers make up more than 30% of the workforce. In other departments, dispatch workers make up more than 60% of the workforce. Overall, the average proportion of dispatch workers across the entire plant is 50%. Dispatch workers are hired by outside companies through individual brokers specifically tasked with providing such employees, not through Foxconn. While regular workers have a better chance of applying for job transfers, dispatch workers are more likely to stay on the assembly line.

Since dispatch workers are often recruited by short-staffed departments, they are more likely to work undesired posts such as tiring night-shift positions. Companies that provide dispatch workers for Foxconn include Hong Jinzhi, Yuheqiao, Shaoran, Qinghui Baichuan, Xinbang, Baohang, Xin Hanrui, Huachuang, Tepda, Huahui, Hongjun-Huitianhao, Chutian Huizhong, Daiyou Zhuowei, Junying, and Zhiyong.

Employees recruited by Foxconn must be at least 18 years old, and those between the ages of 18-22 must provide a non-student certificate in order to be considered for employment. The factory does not recruit children or underage workers. The factory is suspected of ethnic discrimination during recruitment cycles, mainly targeting Hui and Uyghurs. The intermediary agency involved in recruiting stated that it would not accept ethnic minorities, and Foxconn's official WeChat public number stated that "the quota (for ethnic minorities) has been filled." Previous reports indicate that Foxconn restricted the recruitment of four major ethnic minority groups: the Uyghur, Tibetan, Yi, and Hui.

The intermediary agency states that applicants should not write about their academic qualifications above the high school level. In practice, the education part of the form is left blank, and applicants are never asked about their educational background.

Interviewees also undergo a psychological test. During the test, the intermediary agency warns recruits, "Do not choose [the answer] 'I won't confide in anyone [about my problems],' otherwise recruiters may think you're not mentally healthy and will reject you." The psychological test includes questions about sexual distress, the applicant's ability to communicate with others, and whether or not they are receptive to emotional support when encountering difficulties.

Foxconn previously recruited vocational school students. At the end of last year, some vocational students did internships at Chengdu Foxconn. These students were threatened by teachers that they would not receive their diploma if they did not complete the internship. No vocational students were observed at the factory during the spring and summer of this year, likely because the factory does not yet need additional sources of labor to supplement their workforce. However, that does not mean that Foxconn will not continue to recruit students for internships, especially during peak production seasons such as the summer.

There are no fees, deposits, or withholding of worker documents during the onboarding process. The physical exam is paid for by the worker (50 yuan). If the worker successfully passes the physical exam and works for one month, the fee is refunded alongside their second month salary. If the worker fails the physical exam, they cannot

work and must pay at their own expense. Some interviewees stated that intermediaries arranged for them to take up long day shift positions⁸⁶, but after entering the factory, found that posts were randomly assigned. The factory provides work clothes, gloves, tweezers, and other equipment free of charge.



Foxconn emphasizes that no fee is charged for recruitment. Physical exam fees will be reimbursed on the first pay day.

⁸⁶ Unlike the two-shift system where a worker needs to do one month of day shifts and one month of night shifts for the next month, workers who work long day shifts do not need to take night shifts.



Recruitment and training center at Foxconn Chengdu

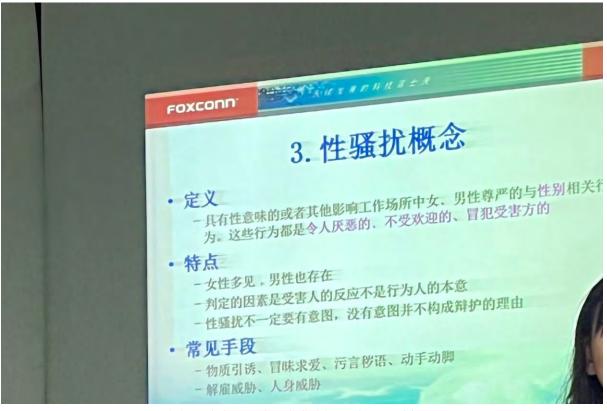
Entry process and training

On the morning of the second day, the day after the interview and physical exam, workers sign labor contracts or labor dispatch contracts, depending on how they were hired. In the afternoon, the factory conducts training. Dispatch workers need to sign the onboarding form for new dispatch employees, a commitment letter consenting to their opt-out of social insurance, a technical job interview worksheet, and three copies of their ID cards. Regular workers sign a three-year contract directly on the employment software. The factory pays social security for regular workers.

Onboarding includes two hours of production safety training and one hour of administrative training, making a total of three hours. There are about 200 people in one classroom. Dispatch workers from different labor dispatch companies such as Daiyu Zhuowei and Hong Jinzhi take the same training classes. During the training, the safety instructor mentions that self-harm and suicide are not included in the definition of work-related injuries. The instructor also emphasizes that workers should have a "sense of ownership" and should not refer to the workplace as a "sweatshop" to the general public.

Salary, rewards, punishment, behavioral norms, and codes of conduct are covered. Employees are told to not work for more than 60 hours a week or for over 5 hours a

day continuously. Workers are informed that those who receive the 3x holiday rate will not obtain hourly subsidies. Sexual harassment was briefly discussed, during which an irrelevant example of, "beautiful women cheating men for their money online," was provided. Certain slides during the sexual harassment training were skipped entirely. Training time is paid. Workers are divided into departments, assigned a work card, and clocked out at the end of the day. There is no operational training. Instead, experienced employees teach new employees operations the very next day.



Training slide on the definition of sexual harassment

Regular workers have a three-month probationary period. If a regular worker resigns during the probationary period, they need to submit their resignation one week in advance. During the contract period, regular workers must submit their resignation notice one month in advance. Dispatch workers are contracted for a three-month period. Afterwards, they must leave or apply to become a regular worker. Dispatch workers must submit their resignation letter three days in advance, but it may take a week before the factory allows them to leave.

Workers are paid if they go through typical resignation procedures. To resign, workers must obtain a resignation form, confirm the date of separation, and have their line leader sign the form. Afterwards, they obtain their salary on the seventh date of the

month following their resignation. Workers can choose to self-quit through absenteeism. After three days of absence, workers receive a notice that they need to complete the resignation process. If they do not complete the process, previous wages will not be paid.

Dispatch worker bonuses

Bonus schemes are commonplace. To attract workers and entice them to stay, intermediaries promise dispatch workers high bonuses that will be delivered only after appropriate attendance and working day requirements have been met. Before signing the contract, both Foxconn and labor dispatch companies stress that bonuses are not related to Foxconn in any way. Only hourly subsidies are actually acknowledged and written into the contract.

When being hired, applicants are asked if they were promised a bonus. If the applicant confirms that there were, they will not be hired. So even when an individual broker promises workers a bonus, this practice allows both the dispatch company and Foxconn to shake off any responsibility.

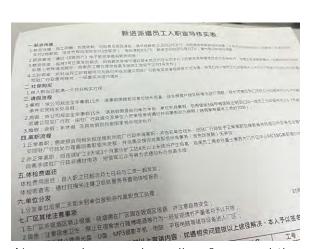


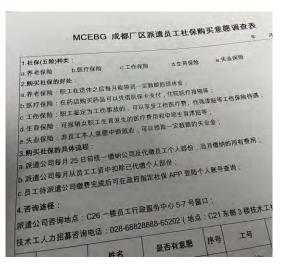
Before assigning workers to departments, Foxconn issues workers a reminder that any bonus related disputes have no connection to Foxconn. With no one to keep outside

brokers accountable, workers are likely to encounter bad-faith intermediaries who lure workers with high bonuses but later fail to provide the payment. Oftentimes, workers begin working at the factory only to discover that their intermediary agent has deleted their WeChat account. Unable to locate the intermediary, they therefore cannot obtain their promised bonus.

Bonus schemes differ between intermediary agencies, with two main schemes occurring most often. One promises workers a lump sum stipend of 2,000 yuan per person after 45 days of employment. (The labor dispatch company and the intermediary may even take a portion out of this payment.) The other method pays the worker according to their hourly salary, for example providing them 26 yuan per hour. The worker receives the first portion of salary calculated at the same rate as regular worker salaries. Then, at a later date an extra hourly subsidy is paid.

During the off-season, hourly wages and bonuses are low. Bonuses for 45 days of employment typically range from 500 to 1,200 yuan.





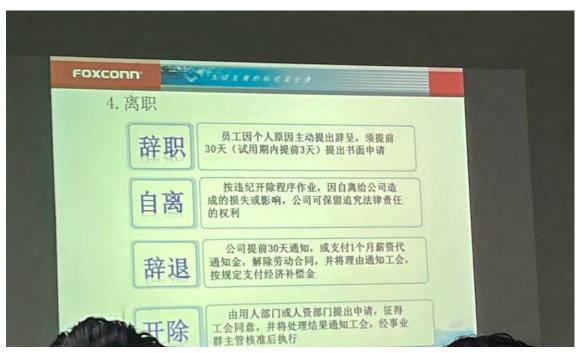
New employee onboarding form and the opt-out of social security commitment letter

The state of the s	奖励协议
甲方,四川頻城人力资源管理有限公司	2 1
地址。成都行家的部份交入于行而而可以企业。	每也证明 日
The second second	联系电话
作成(中华人民共和国民法典)及相关法律级 事直达成如下协议	图 甲乙双九水整平排向器 休命一句的语句,被甲九位百二九份还靠工的有关
	SE 以下開除(用工作)从事推工工作(共主要工作内容为地子产
品原件生产等工作)。乙方已庸楚知晓用工力	○L は下間を「用工作」从事性工工程(用工業工作行行力が支付 が保証機関工院輸送」反反認定解系統書、自然也合同等、所有問句用工方所工。
— 为激励乙方长期工作。甲方给予乙方面试日	NDG一个月内的有效决定工作目打手上班工府制度人员用 3.6 以小时抽嘴
薪资。试用期除外,除正常工资以及加收工	所外,用工单位的其他补贴乙力不再享受,需求但和点面点来。 他们 是形,知道
请假。斯工等情况需顺延工期。小时工不计	M G1 (Wething) G2 (Marinery G3 (R4) then the Marine K-Marine and
假节日加班)加班工时,接正第工价结构。 三、工作时间、乙方的工作时间接用工单位规定	-17
	29.67。 《史德王时王伯集以至新史德王时载《表史·法》以19.78年以上所有范宏王高帝和。
五、稳岗奖励领取说明	The same of the sa
1. 在用工方给甲方出考勤名单前,乙方乘在职	(MCM) 5 天以上 (国家规定法定的项目不同(D)天教) 老未可如应定工机
薪资将按照用工方同工同酬计算无奖励。	W/W/
2. 乙方奖励补贴领取要求需用工方出名单, 正	常做满规定天数、考勤符合要求按照逻辑给予补助,出名单不在职王任何奖金补助。
3. 乙方需在甲方指定用工单位正常在职上班	分 天以上,且 太 原守用工方广集广使,否则不子交
4. 乙方在入职后 サゲ 个工作日内 如有迟	到、早退、清假、介工、不按正常打卡上下班等情况、黑暗经对点天效、补足工期
5 甲方在乙方领取奖励时需扣除服务费贰佰元	元壹月,管理费贰佰元壹月(不满月按照一个月核頁)。
6. 面试日期: 2023 年 5 月 1分	8 .p. ,
2 4-2021年,西洋坐工下充住生物篇入即 #	7.卡前七天为试用期,未做满七天无工资。
○ 左◇山和田丁方出名单尉 フ方出名单需在	EBB、乙方常在十个工作日内提供考勤和每月工资单核算领取,乙方士型工时以在用
工方实际打卡考勤工时为准(不可更改,否则形	见为本协议无效)。
9. 发放方式: 本人银行卡、微信或支付宝等则	
~ 1	
六、协议的终止和解除:	上本协议,并视情况向乙方追索相应经济损失:
1. 有下列情形之一时,中万特权旋即等3	z (Hob)
a) 工作结果证明乙方不符合录用条	*注斥八司行为物苗的
b) 乙方严重违反公司规章制度或者	到地区公司(1797m) 2000年 10
c) 乙方具有贪污、盗窃、失职、愉	解总等不良行为,对甲方利益或声誉造成严重损害的。
d)应聘或签订协议时未反馈真实情	清况,在违背甲方真实意愿的情况下签订协议的。
→ 13380 向田方提前沟通申请,由E	甲方核对工期及工时数据具实性后,乙万百万马八
- + + +	岛农陆后,即本稳区仍以11月20。
供屬职手续凭证, 乙万确以升级取得。 七、本协议一经签订, 如与双方任何口头或针	H面约定有冲突,最终以本协议的规定为准。
七、本协议一经签订,如与双方任何口关或	H面约定有冲突,最终以本协议的成正分词。 编认,自双方签署之日起生效、双方仅存在稳阀奖励协议关系、无任何劳动关系。 金、白网签订井严格遵守执行以上协议。
本协议一经签订不予修改,须双方签字。 甲乙双方已认真阅读并知晓以上协议内容	用从,日本75年代 医格洛宁执行以上协议。
四才四方可让 直阅读并知晓以上协议内容	容,自愿签订开广任屋门7000000000000000000000000000000000000

Hourly subsidy agreement



Workers are trained at this training center. After the training, they are required to take an exam. Instructors provide the answers and workers simply copy them onto their answer sheet.



Resignation and termination of work

D 学未们内地	大分生机性
一. 自离/正常离职薪资发放时间:	1-10 号办理手续 17 号发薪
	11-20 号办理手续 27 号发薪
	21-31 号办理手续 7 号发薪
二. 离职手续办理流程:	
1.D04-1F 南一门总务仓库退还静	电装备(鞋,帽,衣)
2.C27-1F 一卡通窗口退厂牌	
3.C26-1F 员工行政服务中心交回离职交接清单并领取离职证明	
The State of the S	PARTY SERVICE AND AND ADDRESS OF THE PARTY O
A 14	

Resignation process

2. Employment contract

Dispatch worker labor contracts are signed on the second day following the interview. Workers retain a copy of the labor contract and a labor dispatch commitment letter. The labor dispatch company reminds workers that they must complete the opt-out of social security commitment letter before joining. Once this is signed, the labor dispatch commitment letter and labor contract are issued. After all forms are completed, dispatch company staff record a video reading the dispatch commitment letter. This letter mentions the benefits of social insurance, an inclusion which is not granted to dispatch workers.

Dispatch workers are contracted for a three-month period. After this period, they no longer receive the hourly subsidy (approximately 3 yuan per hour). Workers can then decide to apply to be a regular employee or leave the company. The labor contract for regular workers is signed directly on the employment software provided by the factory

after the interview. It includes five social insurances and one housing fund. The probationary period for regular workers is three months.

Dispatch worker labor contract and implementation

- 1) Work location and salary: The location is Chengdu. The salary is the standard Chengdu minimum wage of 2,100 yuan. The hourly subsidy is three yuan per hour if the worker has been employed for 30 days and has not been absent for more than 16 hours. Although the contract outlines monthly payment, wages are typically calculated on an hourly basis.
- 2) Working hours, rest, and annual leave: The contract stipulates eight hours of work per day, 40 hours of work per week, and at least one day off per week. If overtime is required, it should be paid according to law. The contract states that Party B enjoys the rights of rest, vacation and holidays as stipulated by the state. In practice, workers work 10-10.5 hours per day and 65 hours per week. Dispatch workers who are paid on an hourly basis are entitled to overtime pay.
- 3) Social insurance and welfare benefits: The contract stipulates that the labor dispatch company must purchase social insurance for the workers. However, neither the dispatch company nor Foxconn purchase social insurance for dispatch workers and interns. They also do not contribute to the housing provident fund.
- 4) Labor protection, working conditions and occupational hazard protection: According to the contract, the company will provide equipment that meets safety standards in accordance with regulations in order to ensure Party B's safety and health. In practice, the factory issues anti-static uniforms, gloves, hats, non-metallic belts, and tape to wrap hands for specific positions. Women dispatch workers do not have paid maternity leave.⁸⁷

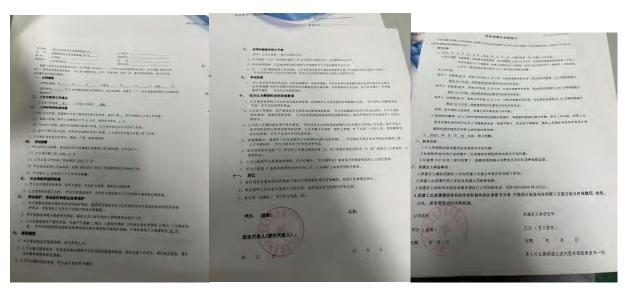
According to interviews and pay stubs, regular workers are paid on a monthly basis. Their monthly base salary is 2,100 yuan during the three-month probationary period and 2,300 yuan after the probationary period. They are entitled to overtime pay and benefits. The factory purchases social insurance and provides housing funds for regular workers. For example, a worker can have a monthly salary of 5,825.13 yuan, social insurance premiums of 423.38 yuan, and a housing fund of 105 yuan.

_

⁸⁷ Female employees in China are legally entitled to paid maternity leave.



Labor contract signing site



Dispatch Worker Labor Contract

3. Working hours

Foxconn workers generally work 6 days a week, 10.5 hours a day (about 2.5 hours of overtime), and 26 days a month. The average overtime hours for both regular and peak seasons is about 2.5 hours. During the off-season, workers can rest four days a month with an average total overtime of 65 hours per month. During peak demand, workers rest only two days a month and the total overtime per month can reach up to 87 hours. When demand is low and there are fewer shifts available, the factory prioritizes regular workers for overtime, making their wages relatively high compared to dispatch workers. Dispatch workers do not receive hourly subsidies if they are absent from work for over 16 hours a month. These penalties apply to all assigned shifts, including both normal working hours and overtime.

January and September are typically the year's peak seasons. Most holiday workers have left by this time, and the hourly subsidy for dispatch workers is typically higher. This year, the peak season was not as busy. As a result, the largest period of overtime work occurred last year in September. During the pandemic when Chengdu locked down, Foxconn promised high subsidies (an hourly subsidy and a factory living subsidy of up to 150 yuan per day) for workers to live in the dorms and commute, or to live on the floor of the factory for close to half a month.

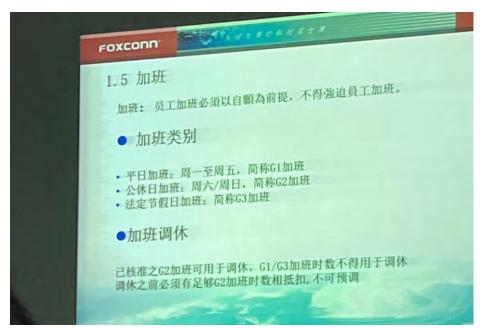
Foxconn overtime is divided into three categories. GI overtime/weekdays (1.5x salary), G2 overtime/weekends (2x salary), and G3 overtime/statutory holidays (3x salary). Only G2 overtime hours can be used for days off. The factory records working hours via facial recognition punch cards. Punching in is required when going to and coming from work. Working hours can be viewed in an app called 'E-Road.' Recordkeeping errors can be appealed by workers through their team leader.

Most workers reported at least one day off for every 14 days of work, but total working days can vary depending on conditions. Last year when Chengdu experienced a citywide lockdown, workers had to eat, live, and continue to work in the factory for half a month. Additionally, despite the high temperatures of last summer some workers worked continuously for over 30 days. Employees who work two shifts receive 24 hours of rest when changing shifts. This occurs about once a month.

Each shift, workers are allowed an hour of rest after lunch (11:50 a.m. - 12:50 p.m.) and 40 minutes in the evening (5:50 p.m. - 6:30 p.m.). The night shift meal break is similar to the day shift meal break. Meal breaks are not included in working hours. The break hours are inconsistent with what was promised in the training as workers were told that they would have at least one hour per meal break. Workers are barely guaranteed 10 hours of rest per day. They work fixed 12-hour shifts (including meal

breaks) and commute back and forth for an hour. With 11 hours left in the day, they still need time to take a shower, clean up after themselves, etc. Though there is a 10-minute break at 3:00 a.m.and 3:00 p.m., the assembly line does not stop and taking a break is near impossible as it would cause materials to pile up. If a worker is late to work for more than ten seconds, they are criticized by the line leader during the daily meeting.

Production lines are set up with output targets. For example, one production line can state that 2,500 Apple back covers must be made in one shift. Without equipment malfunctions, production goals are met. Generally, for about half of the week the goal can be completed ahead of schedule and workers can rest before punching out. If the **output goal hasn't been met, workers can leave at 8:30 p.m., but the team leader must** write a report. Due to the two-shift work arrangement, it is rare to start work early and finish late.



Specific provisions on overtime (training course)

4. Labor remuneration and benefits

Wages are paid on the seventh of every month. Dispatch workers are paid directly by the factory and hourly subsidies are paid alongside the monthly salaries. During the factory training, it was pointed out that Foxconn now distributes wages for all dispatch workers under their escrow instead of transferring salaries to labor dispatch companies to avoid disputes.

The average monthly salary of regular workers is 3,500 - 4,000 yuan. The average monthly salary of dispatch workers is 3,000 - 3,500 yuan. Several interviewees stated that with a subsidy of only three yuan per hour, less overtime work, and no social security, dispatch workers earned even less.

The basic starting salary is 2,100 yuan. After becoming a regular worker, salaries can increase to 2,300 yuan. Food expenses are 400 yuan a month and are deducted from wages. Rent is 110 yuan. Regular workers receive an additional full-attendance bonus of 400 yuan, five social insurances, and one housing fund. Insurance (both social and business) are only available for regular workers. The hourly wage of regular workers is 13 yuan.

Dispatch workers are paid 12 yuan per hour. If the employee has been employed for 30 days and absent from work for no more than 16 hours, there is an additional hourly subsidy of three yuan per hour. Workers are paid overtime regardless of their status as regular or dispatch workers. Overtime pay is 1.5x on weekdays, 2x on weekends, and 3x on holidays.

On the fifth of every month, workers can check their pay slips on E-Road. The payslip lists a breakdown of payable and deducted wages. It includes the number of days worked, normal wages, weekday overtime wages, statutory holiday overtime wages, weekend overtime wages, leave deductions, and housing and food deductions. Pay slips of regular workers include social security and housing provident fund contributions. Social security deductions are 423 yuan and provident fund contributions are 105 yuan. Workers indicated that they received the accurate amount of wages as listed on pay slips and attendance records were consistent.

Regular workers are entitled to 70% of wages while on sick leave. The process requires workers to provide a hospital invoice and a doctor-signed medical treatment form with an official hospital seal from a tertiary hospital. Workers can ask for personal leave first, fill out a diagnosis form, and then apply for the leave to be recognized as sick leave. Longtime employees stated that it is getting increasingly difficult to ask for leave. For example, a worker applied for sick leave with a diagnosis certificate, but was not approved. Each assembly line leader can only approve a maximum personal leave of two days per employee. Only one person can ask for leave per day. Dispatch workers, however, are not able to take sick leave at all.

Regular workers are entitled to paid annual leave starting the second year of their service. If they worked over one year but less than ten years, they can receive five days

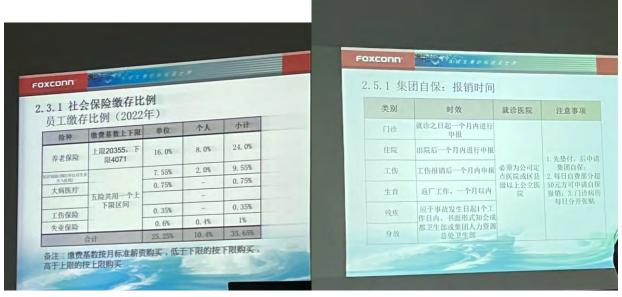
of leave. If they worked ten to twenty years, they can receive ten days of leave. If they worked more than twenty years, they can receive fifteen days of leave. Accumulated seniority outside the factory can also be used to account for annual leave as long as the relevant documents proving seniority are provided. Regular workers are also entitled to marriage leave and maternity leave. Marriage leave is 21 days and requires hospital certificates, charge slips, and compliance with the maternity policy. It is required to apply one week in advance with a copy of the marriage certificate. Maternity leave needs to be applied to the supervisor within three months of pregnancy alongside a marriage certificate, birth certificate, ultrasound, and compliance with national and local family planning policies. Dispatch workers are not entitled to any forms of leave.



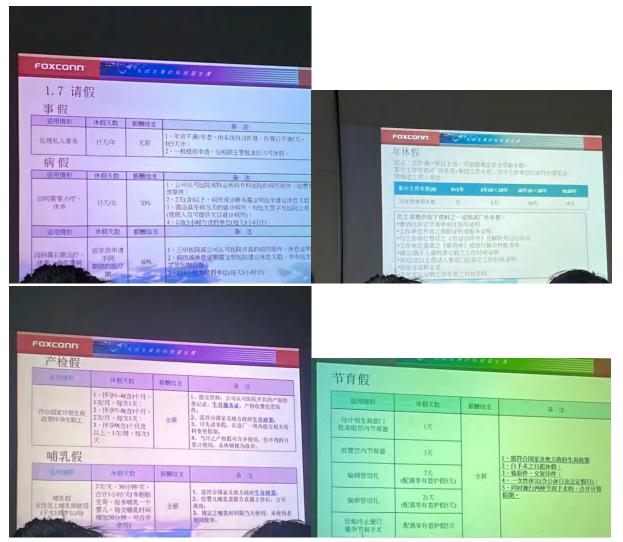
Payroll for dispatch Workers

正常工作天数			2	天
标准 正常工作时间工资			24	元
薪资 考核岗位津贴(适用员级)			1	元
职务津贴(适用员级)			J	元
地区津贴			J.	元
人才津贴			U	元
夜班津贴				元
岗位津贴				元
高低温津贴				元
技术津贴			1	元
平时加班时数/工资	1	小时	527	元
法定节假日上班时数/工资(原G3)		小时		元
休息日上班未补休时数/工资(原G2)	4	小时	965 2	元
补项1/补项2	•	元		元
补项3/钟点费	- 1	元	3.	元
体检费			- /	元
签约奖金/提案改善奖金	1	元	J.	元
责任制奖金			J	元
推荐奖金			J.	元
出勤奖金				元
奖金1/奖金2	1	元	-	元
返费/小时差价				元
保險賠付款			1	元
87工天数/减项	1	天	- 1	元
事假天数/减项	1	天	Y	$\bar{\pi}$
病佤天数/减项	I	夫	- 1	元
医疗期天数/减项	1	天	1	元
迟到/早退时数/减项	T	分钟	- 1	元
应付总额			46	元
減項1/減项2	1	元		元
伙食费消费代扣				元
社保(含医保)代缴款			423	元
住房公积金代缴款				元
住宿 水电/物业费代扣			7	元
费用 住宿费代扣			TID	元
个人所得税代扣			6	元
累计专项扣除 (仅计算个税)			- 1	元
累计个人养老金扣除(仅计算个校)			- 6	元
富金富海费代扣合计			1	元
实发薪资			5	元
应发奖金/员工分红现金	7	元	-	元
変金缺勤扣款/其他减项	1	元	1	元
奖金税/奖金税后扣款	7.	元		元
实发奖金	7	74		元

Payroll for regular workers



Social security for regular workers. No social security is provided for dispatch workers.



Relevant vacation details and process

5. Food and accommodation

Living accommodations are provided. Monthly charges for rent and utilities total 110 yuan. This is deducted according to the number of days of accommodation. At the cafeteria, 400 yuan is loaded onto the worker's card for meals and is also deducted from the worker's salary. Workers can only spend 20 yuan a day on their cafeteria card. If a worker wants to exceed the daily limit, they must pay using an independent payment service app (e.g. WeChat or Alipay). In Yecheng, workers can top up 600 yuan per month and spend up to 30 yuan per day.

Workers can choose to not eat or live at the factory. Their salaries will not be deducted and they do not receive accommodation subsidies. Workers typically can only eat at Foxconn during the workday as there is no time to eat outside factory grounds.

There are four to five cafeterias in each factory area. Cafeterias have a variety of choices, including noodles, bread, and stir-fry. A meal of two meat dishes and one vegetarian dish costs 10-12 yuan. The cafeteria has transparent dividers for eating, which were added during the pandemic. Workers take their plate to the recycling area when they are finished.

The worker's dormitory is located in an apartment complex with an elevator. It is about half an hour walk away from the factory, or a little over two km. Each eight-person dorm contains two squat toilets, two desks, showers, lockers, and a balcony. There are gyms, snack bars, and supermarkets nearby. The dorm does not provide sheets or comforters, so workers need to buy their own. The hygiene in the dorm is satisfactory, but there is no air conditioning, which can become an issue during hot summers. The dorm has 24-hour access to hot water.



Cafeteria



Dormitories

Each factory area contains a fitness facility, but there is a large overlap between operating and working hours, so workers do not have time to enjoy the facilities.

6. Occupational safety and labor protection

The factory did not have any environmental health and safety committee and employees are only trained briefly on these topics before starting. Labor safety supplies are provided and issued once a week. Supplies include tweezers, gloves, and dust suits. Gloves can be changed every day, and other pieces of equipment can be changed once a week. Protective gear such as tweezers and gloves are often in high demand and short supply. When supplies run out, workers must ask the team leader to borrow extra supplies.

Except for a few days this past year when electricity was limited, the workshop is air-conditioned. Hygienic standards are good and team leaders required workers to clean their workspace during and before the end of work. The pathways are clear and there are clearly marked safety exit signs. The workshop that the investigator analyzed was not exposed to toxic substances and no odor was observed. However, the environment of other workshops are worse, including a polishing workshop that exposes workers to a high risk of developing pneumoconiosis. This factory had occupational disease

subsidies and was known to issue N95 masks regularly. Ventilation equipment was installed and its machinery and the equipment was well-inspected. There was written documentation indicating that regular inspections of equipment by specialized personnel occur.

The factory provides free medical checkups for in-service workers once a year. Workers exposed to hazardous materials have the same work schedule as other workers. The factory provides them with protective gear and subsidies. According to longtime employees in the investigator's workshop, the equipment used was relatively safe and there were no workplace accidents. Hazardous waste is sealed and labeled. Fire extinguishers are everywhere, and fire safety awareness flyers litter factory grounds. Smoking is prohibited indoors. There is a separate area for smoking under each building. No first aid kits were seen in factory workshops or dormitories.

7. Fire protection

Emergency exits are clearly marked, well lit, and not blocked by any clutter. Emergency exits are closed on a daily basis and staff can only use the regular security check door. Dorm exits are on either side of the hallway, which function as both day to day exits and emergency exits. The hallways are open, unlocked, and marked with safe passage signs. The factory holds fire drills twice a year in the dorms. There are a large number of hydrants and fire extinguishers. Fire extinguishers are new, have gas, and are marked as having been inspected.



Fire extinguishers

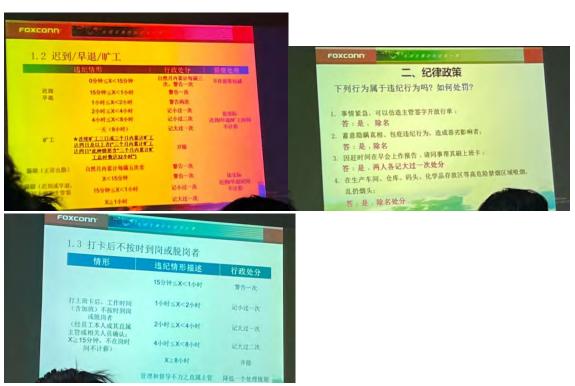
8. Rewards and penalties

The factory has punitive measures, most of which are related to being late, leaving early, and being absent. If a worker is late by less than 15 minutes, they are warned once every three times. If they are late 15 minutes to an hour, they are given a direct warning. If they are late between one to two hours, then they are warned twice.

If workers are late or leave earlier than 15 minutes, they will not be paid for that time. If the worker is absent from work for three consecutive days or four days within three months, including those who have been absent from work for a total of 32 hours within three months, they will be fired. Those who attend work normally but fail to swipe their card will be given a warning after the fifth time within a month. After punching the card, if a worker fails to arrive at work on time or is absent from their work for 15 minutes~one hour, they will be given a warning. If the worker is gone from one to two hours, a minor demerit will be recorded. If the worker is gone from four to eight hours, a major demerits will be recorded. If the worker is gone for more than eight hours, they are fired. Immediate supervisors with poor management skills are lowered by one processing level.

If a worker forges a supervisor's signature, intentionally conceals the truth, harbors disciplinary action, is a bad influence, or smokes in the non-smoking area, they will be dismissed. If they ask their colleague to swipe in their card for them, they will be given a major demerit.

Workers are free to enter and exit the dorm after work. Their ability to access the restroom and drink water depends on their department and line manager. Some workers must ask their manager, who then determines the length and number of times they can use the restroom. Most workers are not allowed to use the restroom for more than five minutes. If workers are in a position where they're not required to be in the assembly line, they can use the restroom at will.



Foxconn Punishment Regulations (Training slides)

9. Other

Dispatch workers choose Foxconn because the wages are relatively high compared to other factories. For them, "Wherever the price of work is high, is where we will go." There aren't many factories that offer equal pay for regular workers, and many have age restrictions. This makes Foxconn relatively acceptable compared to other factories and workers choose Foxconn because the job is simple. Regular workers receive five insurances and one housing provident fund. Most interviewees over 40 who settled in

the neighborhood stated that while they could work anywhere, social security was an important consideration in choosing work.

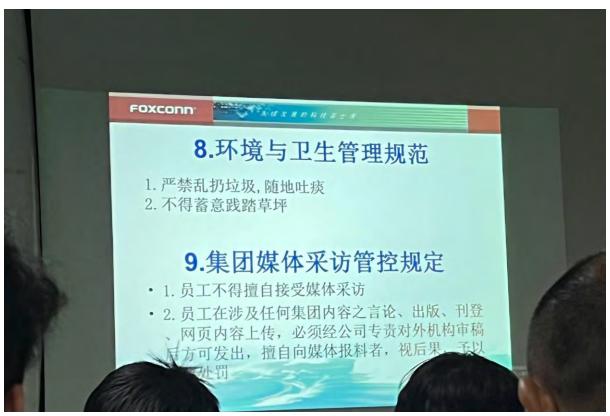
Workers feel that Foxconn wages are low, especially this year as the Chinese economy is suffering. It is also difficult to obtain wage increases. They feel that 5,500 yuan a month would be more reasonable. Most interviewees hoped for more overtime, but due to low demand, overtime hours have decreased. Workers feel it is not possible to support themselves on their current wages and rely on overtime to make a living. Local living standards are not cheap; a combination of rent, food, and transportation can cost at least 2,000 yuan a month.

Some dispatch workers were never able to find their intermediary after beginning work and as a result they did not receive their bonus.

It is common for workers to be verbally reprimanded, abused, and even fired for a variety of reasons, including working too slowly, dozing off, having poor quality work, being distracted, talking, having bad posture, and sitting improperly.

Most workers felt that the environment was safe, but not satisfactory. Departments are dirty and often noisy. It is difficult to get promoted, and climbing the ladder depends more on connections than length of service. Flexibility also depends on the team leaders managing the assembly line.

There is a labor union, but the union is not used by workers to seek help. It mainly sends to workers holiday regards and condolences at occasions of hospitalization and funerals. Most workers stated that they never heard of the labor union, and some did not even know what a labor union was.



"9. Workers are prohibited from receiving interviews from the media or publishing information related to the factory without going through the factory's internal evaluation process."

Workers are not searched when they enter or leave the factory, but are checked when they enter the workshop. They are not allowed to carry iron.

The investigator was not able to obtain any information regarding third-party auditors. Workers did not have any information about them either.

Investigator's Diary

Day 1: When I got off the bus, an intermediary came up to speak with me. He told me that August is the peak season for work, and that during this time, the hourly subsidy can reach 13 yuan per hour. At the time, I could earn 7,000 to 8,000 yuan a month. That number is less than 5,000 yuan. The intermediary told me that Foxconn has more than 100,000 people. Another manager who handles the Internet in the dorms said that there are only 70,000 to 80,000 people now, and that 80% of job hunters choose to be dispatch workers at Foxconn.

Day 2: On the first day of work, I was assigned to the assembly workshop. Workers here said that this year the factory's efficiency was really bad. They rested for 4 days during the Qingming festival holiday (and therefore needed to make up for this with a Saturday G2 shift). Work ended at 8 o'clock and everyone waited until 8:30 to clock out on time. There were two toilets and a tea room in the workshop. There was a line of white glue between the wall and the door of the toilet. People wrote phrases in tiny characters there: "I like you," "Resign! Resign", "I'm so tired of being reprimanded every day," "I feel that I live without any self-esteem."

Day 4: The labor on the assembly line was really unreasonable and inhumane. To my front and back were machines. The whole assembly line was about 50/50 between machines and people; machines probably made up a bit more of the assembly line. At the workshop entrance, they tally the number of people who arrive, including regular and dispatch workers. My assembly line section had 20 people, and of this, 20% were dispatch workers (our workshop had more regular workers). But the screen in the workshop showed that there were only 5% dispatch workers. I couldn't take my eyes off the assembly line for even a minute. I only earned minimum wage, so it was really hard to bear the intensity. There was so much verbal sexual harassment in the workers' group chat I joined...

Day 7: After work, I went to my dorm and talked with my roommate Liu, another dispatch worker in the dormitory. I hadn't seen her before. She said that her agent promised her 26 yuan an hour. She signed a separate contract with her agent but later felt that she would not be able to get it. Beside her there were many workers, fellow examples of being cheated by agents. She said that there were a lot of dispatch workers in her workshop, approximately half. Almost all of them started around the same time she did. They were to pick materials, a relatively simple task.

Day 9: I ended the evening shift at 5:30 am as there weren't that many orders, and only regular workers were allowed to work overtime. All of us dispatch workers got off work early. Some workers said that the factory might not let you work overtime if you applied for resignation. Dispatch workers who miss more than 16 hours of work within 30 days don't get hourly subsidies, and sick leave and personal leave are considered absences. Starting today, iDSBG and Yechengdu are full. Only Hongzhun is hiring, and they don't want summer workers.

Day 11: I met a man. He said that the factory is not doing well and limits overtime hours to about 20-30 hours a month. He worked for ten years with a basic salary of 2,300. He said that the salary is not enough for basic living expenses, it is difficult to get promoted, and even after getting promoted, the salary only increases by 100. He also mentioned a notorious "boss" of the assembly line. Everyone working at the workshop knows that promotions depend heavily on this boss. Each year, several promotion quotas are allocated to different departments. The boss will sell the quotas and won't let you transfer to a different department.

Day 13: A new boy came in today. He was only 18 years old. He said that some workers in District A were interns from vocational schools. He worked as a dispatch worker in District A last year, as well as in some other electronics factories in Chengdu. He said that at some factories, the younger workers were considered to be better, and that only Foxconn (Chengdu) offered equal pay for equal work.

Day 15: Today I went to apply for resignation at the counter of my labor dispatch agency. I told the staff that I wanted to resign. She was very aggressive and said that she would have to check how long I had worked. She then said that I needed to provide a notice one week in advance, and as a result, I had to work normally this week. I told her that I would self-quit. After leaving, I would receive a text message after three days of absence. After that, I could apply through the normal resignation process and leave the dormitory.

Appendix 4. Kunshan Pegatron full report



Pegaglobe (Kunshan) Co., Ltd.

1. Recruitment and resignation

Pegatron has two main hiring methods: direct recruitment and dispatch labor. Dispatch labor is Pegatron's primary recruitment method. Job seekers talk with labor agencies before submitting their resumes on platforms such as Zhaopin, 58, Zhipin, and Douyin. They can also communicate with the agency via WeChat. Additionally, some applicants are introduced by their acquaintances back home; others directly visit the factory area to meet with labor agencies. Hiring brokers are located in Henan, Hebei, and Anhui. Once recruited, workers transferred to Jiangsu to work at Pegatron by bus.

Workers who apply to be regular employees can apply through Pegatron's official WeChat account by inputting their ID card and contact information. They then receive a phone call or text to confirm their information. After providing their ID and information, they can no longer apply as a dispatch worker. Applicants can also call the official phone number, go directly to the factory, or be recommended by a current worker.

The factory primarily relies on dispatch workers and hourly workers. The total number of workers in the factory is about 50,000. More than 70% are dispatch workers. Dispatch workers are assigned to assembly line positions and night shifts. Internally referred workers and regular workers are assigned to less intense positions in auxiliary

departments or audit teams. For example, among the 600 new employees recruited in one day, only about 100 were regular workers; the rest were dispatch workers. A production line of 300 can have just two regular workers. CLW estimates that there are always large numbers of dispatch workers at Pegatron, but those numbers increase even more exponentially during peak season.

During peak season, Pegatron increases its recruitment efforts for hourly workers by adopting a fixed period model and a high hourly rate model. For example, towards the end of July 2023, there were two models of hourly recruitment. The first was 19 yuan an hour with a contract period ending in September. On the 10th of each month, hourly subsidies are issued as long as the worker works until payday. The second model was 20 yuan an hour with a contract period ending in August. On the 25th of each month, hourly subsidies are issued as long as the worker works until payday. Age requirements for workers are 24-42 years old.

Hourly wages of hourly workers are higher compared to dispatch and regular workers, but they need to meet certain designated attendance requirements. During the COVID-19 pandemic, Pegatron promised to pay workers at a higher rate. However, this promise was later not met. As workers' dissatisfaction grew, their actual employers, the third-party labor brokers, dodged their responsibilities by pushing the dissatisfied workers to Pegatron. In late 2020, protests broke out in the Shanghai factory when Pegatron planned to dismiss and relocate workers while compromising their pay. Labor dispatch broker and platforms serving Pegatron include Laikang, Dichuang, Deyuan Labor Dispatch, Yaoxin Labor Service, Jingkai, Xianjia, Zhanfan, Huahui, Pinbei, Zhongbang, and dagong.com.

Student Workers

Most Pegatron's summer workers are students over 18 years of age. They come from different regions and account for more than half of the dispatch worker population in the factory. All student workers, at the time of the investigation, came to Kunshan Pegatron through third-party labor brokers as dispatched workers. In some workshops, student dispatch workers make up more than 90% of the workforce. Most summer workers are enrolled students at vocational schools and universities or recent high school graduates. Students work in the factory for various reasons. For some, factory internships are required to graduate. Others simply work to earn money for tuition and living expenses. Students typically enter the factory around June to July and leave by the end of August.

The factory emphasizes during its recruitment process that it does not recruit student workers. But in practice, the factory doesn't verify the identity of applicants who may be

students. Hiring brokers also deceive students through various methods, charging extraneous fees, telling them that there are a limited number of job spots available, and lying to them that they only need to work for two months. Brokers charge students 300-600 yuan to reserve job slots in addition to an application fee, and falsely advertise to them that food and housing are free. Students are abandoned by their brokers once they enter the factory. This type of manipulation is very common during the Pegatron recruitment process.

CLW's investigation didn't find any underage employees at the factory. Before the end of 2020, the factory recruited large numbers of underage vocational student interns. But following the sudden death of a vocational student intern in October 2020, the factory laid off all student interns. It is unclear if the laid off students were ever compensated. After the incident, the factory stopped openly recruiting vocational school students.

Workplace bullying towards vocational student workers was widespread prior to 2020. Students were forced to take on factory internships with job responsibilities irrelevant to their actual majors. They worked at the same intensity as regular workers, doing overtime and night shifts. Students were threatened that they would not graduate if they did not complete their internship. After these practices went public, Kunshan Pegatron ceased collaborating with schools to set up these internship programs. Yet students continue to be recruited at the time of the investigation.

Recruitment Discrimination

The recruitment process discriminates against workers based on their birthplace, ethnicity, religion, age, and gender. There is an age requirement of 18-42 years old. People with dyed hair or tattoos are automatically rejected. The factory does not recruit Yi workers from Sichuan⁸⁸ or Tibetan and Uyghur workers. For Uyghur workers in particular, hiring intermediaries state that as long as they don't require a halal diet, they can work. But in practice, this is discrimination against Uyghurs with Islamic dietary requirements.

Women are not required to take pregnancy tests, but they are told during their physical that if they are pregnant, they cannot take the required X-ray. If they fail to complete the physical exam, they are not recruited. This is a disguised rejection of pregnant female workers. CLW's investigator witnessed several pregnant female workers' rejection during the recruitment process.

_

⁸⁸ In some cases, Yi from Yunnan are allowed.

Dispatch workers are required to provide a copy of their ID. Although the factory states that applicants under the age of 23 need to provide bank statements verifying that they are not students, they do not in fact ask for this proof during the application process. Regular workers are required to provide their ID and are required to recognize all 26 letters of the English alphabet. Both regular and dispatch workers pay for a 30 yuan medical exam out of pocket. They must also provide a bank card attached to one of the four major banks in China.⁸⁹ No IDs are detained by the factory.

Training

Dispatch workers and regular workers are separated only when they sign their contracts. The morning following the job interview and contract signing, all workers are trained together. In the afternoon, workers receive their uniforms and are assigned to different departments and workshops. This time is all counted as part of work time and is paid.

The training lasts 1.5 hours and covers the company profile, salary, regulations, punishment and discipline, and sick leave policies. Photo-taking and filming is forbidden. Trainers emphasize that course materials are confidential. If a worker is caught circulating training materials, they are asked to quit immediately. Trainers also warn workers that there is a police station nearby. In the back of the classroom, there are three people in red vests that read "instructor." They make sure that nobody is taking pictures, talking, or sleeping. Trainers are quite harsh, warning workers, "If one person talks, then everyone needs to stand as punishment."

The training is not comprehensive. The section on insurance only briefly covers costs. Details regarding marriage leave, annual leave, maternity leave, and other types of leave are skipped entirely. There is no job-specific skills training. Instead, new workers are taught by experienced workers on the job. In some cases, senior workers offer no training at all.

After the training, workers need to take an exam. The exam covers several different subjects, such as static electricity protection, company-level safety education, department-level safety education, hazardous substances free (HSF) beginner test, and information security. The factory has workers take pictures of the correct exam answers in advance. This is the only period during the training process in which workers are allowed to take out their phones. Workers are told to copy the answers down during

⁸⁹ The four major banks in China are: the Industrial & Commercial Bank of China, the China Construction Bank, the Bank of China, and the Agricultural Bank of China.

their lunch breaks. After completing the test, workers receive their department assignments.

Work clothes, electrostatic pants, electrostatic shoes, lockers, and other supplies are **provided. Each set can be replaced every three months. Each item's price is marked.**⁹⁰ If a worker resigns through formal procedures, they are charged 150 yuan. If a worker self-quits, or leaves the factory without running through the resignation process, then 300 yuan is deducted from their salary. Workers also pay if they lose equipment.

The probationary period for both dispatch workers and regular workers is 2 months. To resign during the probationary period, workers must apply to the team leader three days in advance. Most of the time, the team leader refuses to sign, leaving workers with no choice but to self-quit, or leaving without approval

If a worker is absent for three consecutive days, they self-quit by default. Workers who want to resign within their contract period must apply to their team leader one month in advance. They must specify their end date and return their supplies and work card on their last working day. During peak production season, dispatch workers must go to their labor broker's office and obtain a stamp before resigning. This extra step is a hassle for most.

Wages of resigned workers are paid by the next month's payday, on the 10th. Self-quitting workers must wait seven days before being recognized as resigned. Many workers testified that they had to contact the factory directly to obtain accurate wage calculations. Both methods of quitting resulted in a deduction of 150 or 300 yuan for work supplies, even when the worker returned all supplies. All workers who left last year have received their wages.

128

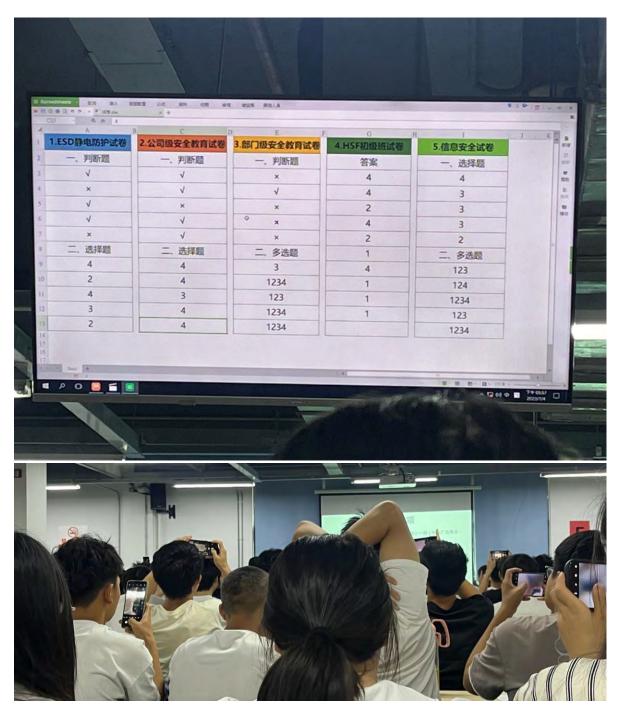
⁹⁰ 50 yuan for work clothes, 45 for electrostatic pants, 35 for electrostatic shoes, and 10 for a locker key, totaling 240 yuan



Recruitment center (the job interview, physical exam, and training are all conducted here)



A reminder that pregnant workers cannot take the required X-ray test



The company provides test answers. Workers copy the answers to pass the exams. The image above shows workers taking pictures of the test answers.



Lockers where cellphones and other belongings are stored



Rush hour after work



注意事项:

1、信息提交成功后,若办理日期在25日及之前,则薪资将在次月发薪日发放;若办理日期在25日之后,则薪资在办理日期后第二个月的发薪日发放。

如: 张**2022/10/10旷职;

若其于2022/10/25成功提交旷职补办信息,则

薪资会于2022/11/10发放;

若其于2022/10/26成功提交旷职补办信息,则 薪资会于2022/12/10发放;

- 2、提交成功后将不可更改,请确认信息是否 准确。
- 3、基于安全卫生考量,公司所发放的识别 卡、静电衣、工作裤、静电鞋、密码锁等物 品不回收,相应物品的费用将从应发薪资扣 除,扣除金额合计为RMB300元。

After 7-days of self-quitting, a worker can start the formal resignation process. 300 yuan is deducted for supplies.

2. Employment contract

Both regular workers and dispatch workers sign labor contracts on the same day as the interview. Two copies of regular worker labor contracts are provided. After the contract is signed, factory staff take the contract and stamp it. Workers' copies are returned the next morning before training.

Three copies of dispatch worker contracts are prepared- one for the factory, one for the dispatch company, and one for the worker. The companies have already stamped this contract before it is issued to the worker. The worker receives a copy immediately after signing.

Neither regular nor dispatch workers are given enough time to read their contracts. Factory staff tell workers that they just need to fill in the contract with their name, ID number, place of residence, agreed upon salary⁹¹, and starting date (the day after the interview). The staff then signs the contract. Nobody explains the contract, only that it cannot be smeared or stained. They also state that, "Everyone must purchase social insurance. If anyone cannot accept, then they cannot work." During the contract signing period, the factory staff and dispatch company staff pressure workers to quickly fill out the forms. In total, it takes less than 10 minutes for workers to receive, sign, and hand in their contracts.

The labor contract follows a standard template. The probationary period for both regular workers and dispatch workers is two months. Dispatch workers can apply to be regular workers after a two-month probationary period. The work location outlined in the contract for regular workers is Suzhou City, Jiangsu Province, a very broad location overall. The work location outlined in the contract for dispatch workers is the Pegatron factory in Kunshan.

Dispatch workers and regular workers receive the same basic salary of minimum wage in Kunshan, which is 2,280 yuan per month. Their salary from the 26th of their first month to the 25th of their second month is paid on the 10th of their third month. Contracts state that workers' personal income tax, social insurance, housing provident fund and other expenses are covered in accordance with national and municipal regulations. 92 The contract also emphasizes that workers must obey the factory's assigned working arrangements or be recorded as absent. Workers are assigned to positions without choice. For example, a poor-performing worker can be assigned to an assembly line position. Sometimes workers are switched to night shifts without having fully completed a full month of day shifts. 93

Workers are never fully informed about their jobs and labor contracts. Labor contracts specifically note that companies must have "Leave Request Management Measures", "Overtime Work Management Measures", "Attendance Management Measures", "Mainland Employee Reward and Punishment Management Measures", and an "Employee Handbook". But workers state that they are never informed of these specifics before signing their contracts.

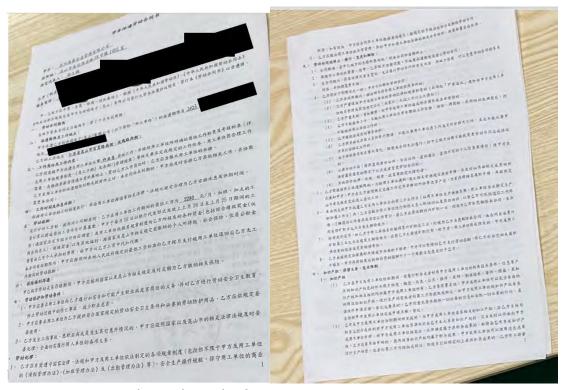
⁹¹ The base salary is 2,280 yuan

⁹² For details on wages, benefits and social security standards, see Part 4

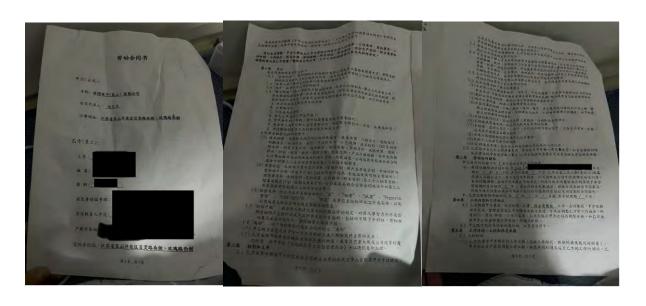
⁹³ Usually under the two-shift system, day shift and night shift are rotated once a month; a worker works day shifts for a month and then works night shifts for the next month.

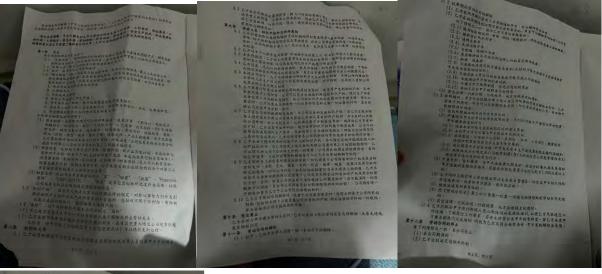
Workers also report that those who suffer work-related injuries have difficulty applying for compensation. It is also difficult to apply for leave and holiday.

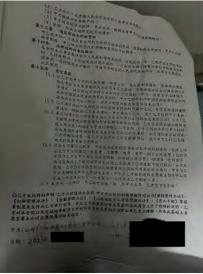
While the regular worker labor contract details sexual harassment prevention clauses, female workers are still sexually harassed on a daily basis. There is no sexual harassment prevention clause in the dispatch labor contract.



Some terms in a dispatch worker's contract







Full text of the labor contract for a regular worker

3. Working hours

The assembly line operates on a two-shift system (day and night shift). For a typical day shift, workers meet at 7:50 AM, start working at 8 AM, take a 10-minute break from 10:20 - 10:30 AM, and have lunch from 11:40 AM - 12:30 PM. After their 50 minute lunch break, they continue working until a 10-minute break at 3 PM and continue working until a dinner break from 5:30 - 6 PM. Workers get off work at 8 PM. The day shift operates on a similar schedule.

During the off-season, there is one day per week when overtime hours are controlled and workers must get off at 5 PM. Workers in auxiliary positions get the same overtime hours as assembly line workers but get to rest for longer, receiving a 1.5 hour lunch break and 1 hour dinner break. Regular workers are assigned to auxiliary positions while dispatch workers are assigned to assembly line positions. Workers also meet for a 10 minute mandatory unpaid meeting in the morning.

Mode	Schedule	Activity	Notes	
Regular	7:50	Morning meeting	10-minute pre-work meeting. Unpaid.	
	8:00 - 11:40	Work	10-minute break between 10:20-10:30. Paid.	
	11:40 AM - 12:30	Meal	50-minute lunch break. Unpaid.	
No overtime (rare)	12:30 - 17:00	Work	Workers get off at 5 PM. From 15:00-15:10, they get a 10-minute break.	
Overtime (common)	12:30 - 17:30	Work	Workers get off at 8 PM. From 15:00-15:10, they get a 10-minute break.	
	17:30 - 18:00	Meal	Workers get a 30-minute dinner break, which is barely enough time to eat dinner.	
	18:00 - 20:00	Overtime	2.5 hours of overtime	

Assembly line workers get unpaid meal breaks of 50 minutes for lunch and 30 minutes for dinner. The workshop is far from the cafeteria. Cafeteria lines are crowded and long, and dinner times are short. Most workers skip dinner and eat elsewhere after finishing their shift.

During the peak season, both regular workers and dispatch workers work 10.5 hours a day (2.5 hours of overtime) with six days of work and one day off. There are 26 working days per month, and the total overtime is approximately 97 hours. During the off-season, the daily working hours are generally 10 hours (2 hours of overtime), with six days of work and one day off. There are 26 working days per month, and the total overtime is approximately 84 hours. Overtime hours regularly exceed the legal maximum of 36 hours per month.

During the mass production period at the end of the year following the release of the new Apple series, as well as the end of August until before the September release, overtime hours increase. A lot of preparation is required, including having foreign and Hong Kong suppliers visit the factory. Overtime is mandatory and those who do not want to work overtime hours must apply in advance. This is especially true of those working the assembly line. Workers are scolded for not doing overtime and fired if they ask too much. During the training, the staff emphasizes, "If you don't want to work overtime, you can go find another job." In effect, workers are forced to do overtime.

The factory records hours by face recognition on an iPad. When workers enter the factory, their face is scanned and doubles as their punch-in card. 10 minutes before work, their face is scanned again, creating 10 minutes of unpaid work time. After dinner, workers punch in to confirm overtime. They punch out again after 8 PM. In total, workers must clock in and out four times. If there are any errors, workers can contact their team leader.

Workers must go through a cumbersome security procedure before entering and exiting the factory, including multiple gates and at least three inspections. Workers are not allowed to carry phones, snacks, or anything with iron. This includes even the tiny bit of tinfoil on cigarettes.

Workers are not guaranteed any days off for every 14-days worked. In 2020, interns from vocational schools worked without a day off for more than a month during the peak season of September, working overtime until 9 PM at the latest. At the beginning of 2023, some dispatch workers worked 13.5 hours a day, and were not able to rest for three consecutive weeks (10.5 hours of work per day). Although Pegatron began to

strictly control overtime after the sudden death of a vocational school intern in 2020, the control has since been relaxed.

Employees who work two shifts usually receive 24 hours of rest when changing shifts. According to factory regulations, they rotate shifts every month. Still, there are cases where workers work the same night shifts for two consecutive months. They spend at least 12 hours a day in the factory, and since the dorm is far and the commute is long (including a flight of stairs and an underground passage), it is difficult to get 10 hours of rest and 7 hours of sleep.

The factory sets varying production targets, and some workshops are busier than others. In most cases, production targets can be met after a shift. Because of the two shift system, it's not necessary for workers to start too early or get off super late.

4. Labor remuneration and benefits

Both dispatch and regular workers are paid on a monthly basis. Wages are paid on the 10th, and payment cycles are from the 26th of the first month to the 25th of the second month. When pay day falls on weekends or holidays, it is advanced. All wages are paid directly by the factory. The average monthly salary of workers is about 4,000 yuan. However, there are still deductions to be made, including social insurance (466 yuan per month), accommodation (40 yuan per month), and utilities and food (varying). The end result is a wage of approximately 3,400 yuan.

The salary structure of dispatch workers and regular workers includes a basic salary of 2,280 yuan (13.1 yuan per hour), overtime wages of 1,950 and 2,170 yuan, a general subsidy of 9 yuan per night, and meal subsidies of 280 yuan. Overtime pay is 19.7 yuan per hour on weekdays (1.5x regular rate), 26.2 yuan per hour on weekends (2x), and 39.3 yuan per hour on holidays (3x). Regular workers can receive skill subsidies of up to 150 yuan per month after completing the necessary certificates. Regular workers also receive performance bonuses of up to 150 yuan per month. The specific amount depends on the worker's team leader and network (guanxi). Team leaders and managers can receive additional benefits, such as bonuses or festival fees.

Each factory office and employee service center is equipped with computers where workers can check their salary records. Wages can only be searched after the 25th of the month. Workers are not allowed to take photos of salary records. Workers testify that their salaries are largely consistent with attendance records.

Regular workers and dispatch workers are told during the contract-signing period that the factory covers five social insurances (medical, pension, unemployment, work-related injury and maternity insurance) for about 466 yuan per month. The factory does not pay housing provident funds. Only higher-level employees, such as senior engineers and section managers, receive housing provident funds. Pegatron only purchases social insurance for workers' second and third months of work during their fourth month of employment. No workers who are employed for less than three months receive social insurance, and even if they meet the requirements, workers do not receive insurance for their first month of employment. Pegatron also does not pay social insurance for all qualified dispatch workers. Instead, the factory randomly selects a few for coverage in order to bypass possible inspections.

For workers who do pay social insurance, the factory does not issue social security cards despite telling them that they will receive them within 3-4 months. As a result, workers have a lack of understanding regarding their actual social security payments.

The factory states on its official WeChat account that workers are paid 80% of their minimum hourly wage for sick leave, but workers are not informed of this. Instead, their training emphasizes that they must provide officially stamped diagnosis certificates, outpatient and hospitalization invoices, medical records, and discharge records. Further, the factory requires that a worker can only receive sick leave by going to a Grade A tertiary hospital, but this is noncompliant with any law that does not restrict the type of hospitals that workers can go to. As a result, getting sick leave is difficult, and at most only 2 days are approved. If a worker takes leave without approval, they are recorded as absent and are not paid.

For personal leave, workers must apply to the team leader at least one day in advance. They cannot take off if the team leader does not approve.

The factory claims that workers receive paid annual leave as long as they apply in writing to the department head. But the actual approval process is much less transparent. For maternity leave, workers must provide a birth certificate, pregnancy inspection result, and discharge record before filling in the leave form. For marriage leave, workers must apply in advance with a copy of their marriage certificate and ID. This application must then be signed by the worker's department head before being forwarded to HR. The workers' training only covers these benefits in tiny print on a few slides, and trainers never elaborate, instead telling workers that, "Most of you won't be working for more than three months, so you won't be able to enjoy these benefits anyways" before skipping the slides entirely. Under Pegatron's current labor conditions,

workers can't even enjoy the few benefits that are supposedly outlined in their contracts.

During the peak season, Pegatron recruits a large number of hourly workers. Hourly workers receive no overtime pay, social security, or vacation benefits. Hourly workers must work for a certain period of time before receiving their hourly subsidies and rewards, and their salaries can change with the season. The current hourly wage for workers is 23 yuan, and the current reward for 90 days of employment is 3,500 yuan. Factories also provide incentives to attract more regular workers during peak season-for example, after 90 days of employment, a regular worker can receive a reward of 3,300 yuan.

The factory provides a basketball court in its dorms, and Pegatron used to advertise basketball games on its WeChat account. The factory also has a small library called the "Reading Club" located in its cafeteria, but the door to this is locked outside of meal time. Since getting food takes a long time, the library is rarely used.

			域, 將自動登出, 別忘了薪資保 剩餘查詢時間為		出系統	
期間毎月 2023/05	連視新賀 2182.34	薪資個稅 0.00	税後加項	税银河	2077.36	
		段薪資	稅後加项	稅後減項	當年度累計 學項附加扣除	
現所加 基本工資 加班泰資 畫飲補助 生產獎金	1036.37 992.58 130.66 22.73	段的減項		餐費 84.00 住店費 20.00 水需費 0.98		
			0.00 稅後加項合計 0.0	0 税度延项合計 104.98		
			D.			

Page showing a dispatch worker's salary in Pegatron's computer system

5. Food and accommodation

The factory provides dorms for a fee of 40 yuan per month (accommodation is 30 yuan, and cleaning is 10 yuan). Utility bills are split equally by roommates. When something breaks, workers can scan a QR code located in their dorm room to get it repaired. Accommodations are relatively clean and spacious. One room hosts eight people, and each person receives an individual locker. Empty beds can be used to store luggage.

Between each two dorm rooms is a shared balcony. One dormitory contains two showers, two squatting toilets, a large table, and an air conditioner. Washing machines are located at the end of the hallway and cost two yen per wash. There is also a hot water machine.

Most workers are satisfied with the dorms. Their only complaints are related to the lack of storage space and space for drying clothes. Workers can choose not to live in dorms, but the factory will not help subsidize their outside housing.

The factory provides workers with 280 yuan of meal subsidies per month pre-stored in a meal card. Workers can use a max of 12 yuan a day. Any further expenses are deducted from their salary. Unused subsidies can be added back to their salary. Workers are essentially forced to eat in the cafeteria as they are not allowed to leave the factory during working hours, and meal times are too short to find food elsewhere. Each factory area has a cafeteria that workers can swipe in to enter. If scheduled meal time hasn't yet started, workers can't enter. The food comes in large portions, but isn't very good as it is salty and oily. It's also relatively expensive, costing approximately 8-12 yuan for one lunch set and 12 yuan for two meat dishes and one vegetarian dish. There are snack windows with fried skewers and milk tea, but they are also expensive. Drinks must be finished in the cafeteria. The cafeteria line takes about 10 minutes per order, which is a relatively long amount of time especially when compared to the short meal break times that workers are allotted.





Dormitory

6. Occupational safety and labor protection

CLW's investigation found no environmental health and safety committee in the factory. Employees also do not receive health and safety training before starting work. Workers' understanding of their positions, including health and safety, are learned from other more experienced workers.

The factory provides labor protection supplies, but they are generally meant to protect the product being made, not the worker. Workers must wear them accordingly in order to protect products. Before starting the job, workers are not told whether they will come into contact with toxic and hazardous substances during the course of their work, and are largely unaware of what they'll be exposed to during the production process.

CLW's previous investigation discovered that workers were exposed to toxic substances including lead, tribute, hexavalent chromium, polybrominated biphenyls, polybrominated diphenyl ethers, and arsenic. Workers were not informed of any of these risks.

Pegatron does not conduct any medical exams to test for occupational diseases on employees who are still at work or who resign, even for those exposed to hazardous substances.

Workplace hallways are confusing and unclear.

The temperature of the factory is fine, but since workers still feel suffocated as they are required to wear masks. The factory has ventilation equipment, and some workers regularly measure ventilation data. Mechanical equipment is also regularly inspected. A form attached to the mechanical equipment is regularly updated with dates and names of inspectors.

The factory provides gloves, finger cots, masks, and tweezers. These are replaced on a daily basis. When workers are short on supplies, they can send a request to their team leader for more supplies. Dust caps are changed every few months and must be cleaned by workers. Each dormitory is equipped with first-aid kits. Most workshops do not contain first-aid kits. They can be seen in factory manager offices, but most workers do not pass by that area.

A worker previously received a foot injury from pulling hydraulic trucks. Afterwards, the factory required workers to wear anti-smashing shoes and shoe covers before pulling hydraulic trucks. There are strict standards when it comes to identifying workplace injuries, and workers need to provide proof that they were injured during work.

7. Fire protection

The lighting in the factory is satisfactory. Workshop aisles, emergency exits, and hallways are clearly marked. However, they are still confusing to navigate and at times very cluttered. Certain emergency exits and doors are unusable. The factory and dorms are equipped with fire extinguishers, but recent inspection dates are missing. Workers stated that they received no fire drills in the past. No flammable items were found in the factory or dorms.



Dormitory fire exits and fire hydrants

8. Rewards and penalties

There are many reward and punishment mechanisms in the factory. These can be separated into explicit regulations and non-explicit regulations. Regulation enforcement is carried out by the 'audit team' which patrols workers and punishes them for mistakes. The audit team often uses non-explicit regulations to punish workers.

Workers are not informed of non-explicit regulations. The workshop's computer contains documents outlining these regulations, but this is not checked by workers. Express regulations include prohibiting workers from swiping their cards on behalf of

others, bringing electrostatic slippers and shoe covers out of workshop, carrying metal objects, snacks, and cosmetics through security, sleeping during non-break time, using elevators to leave the workshop area, and pulling hydraulic vehicles in static slippers. The factory also expressly prohibits workers from inquiring about others' salaries, and this can result in a serious demerit if violated.

Non-explicit regulations are entirely up to the discretion of the audit team. It's difficult for workers to know in advance what is and isn't prohibited. Workers learn about them through more experienced employees or after they themselves are punished. Non-explicit regulations include being prohibited from wearing uniform pants, eating snacks, improperly wearing hats and masks, having dusty desktops, crossing legs at work, and not neatly placing equipment back in offices.

Pegatron does not directly impose fines on workers who violate regulations, but there are punishments. For regular workers, their promotions and monthly performance appraisal subsidies (up to 150 yuan) are affected. They are also publicly criticized. If they repeatedly violate factory regulations, they are transferred to higher-intensity assembly line positions. If they receive two major demerits, they are fired.

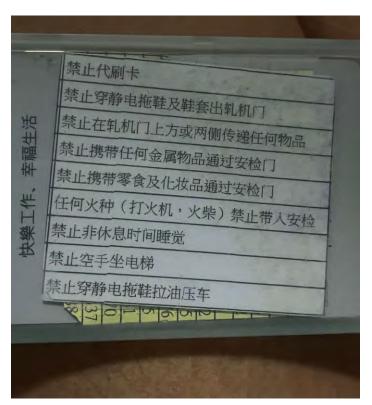
Once dispatch workers violate factory regulations, they are insulted and criticized by their managers. If they repeatedly violate factory regulations, they are fired.

The factory explicitly states that if cigarette butts are found in a dormitory, the entire dorm receives a major demerit. If it happens again, the entire dormitory is expelled.

Few factory policies regarding rewards are actually learnable. The monthly performance bonus of regular workers has a ceiling of 150 yuan entirely at the discretion of the team leader. Long-term employees (those who have worked for more than one year) have seniority incentives, but few actually reach this length of service. Other rewards, like Spring Festival retention bonuses, are mainly for senior managers. If a regular worker recommends a successful applicant, they can receive an internal referral bonus.

Workers lack freedom of movement. They need to find a replacement and obtain permission from their team leader before being allowed to use the restroom or drink water. Getting a break largely depends on how kind the team leader is. Even if a break is approved, the maximum amount of time a worker can take is 5 minutes. Without a substitute, workers must ask colleagues to take on double the workload in order to take a break. Workers also have limited access. They can't swipe their cards to leave during work hours as their access is frozen during this time. If there's an emergency, workers

must get their supervisor's permission to leave. After work, workers must swipe to enter dorms. During lunch, workers aren't allowed to have phones. In effect, during the entire 12 hours of a worker's day, they can't navigate freely or communicate with the outside world.



Do-nots in the workshop

9. Other

Workers in the factory have never heard of the existence of a union. Workers are told to ask the director's office for help if they want to resign, have issues with their line leader, are insulted, encounter sexual harassment, or have other problems. The director's office is located in each factory area, but few staff members are present and even fewer workers go there for help.

The factory provides a free psychological counseling service called the 'spiritual spa.' The factory claims to respect confidentiality, but workers don't use the spiritual spa for help. During their training, they are told to "answer carefully" and not choose any negative answers. In effect, the factory requires workers to pretend to be healthy and stable in order to begin working, and under this type of pressure and implicit

requirement, workers with psychological problems do not dare use the spiritual spa for help.

The factory has an employee service hotline that is rarely used. During the training, the staff tell workers that they can contact the factory at any time to report sexual harassment and other issues. But the content of the sexual harassment prevention training seems to be largely a requirement of the factory's client. According to CLW's investigative observations, few report sexual harassment as it's difficult to collect the required information in such a confined space. Many do not think of asking for help at all, especially in regards to sexual harassment.

There is widespread workplace sexual harassment in the factory. The investigator experienced and witnessed multiple cases of verbal sexual harassment on a daily basis. Sexual harassment comes from both male workers and supervisors. As an example, a team leader and two male workers once discussed the different types of pornography they usually like to watch in front of other female workers before asking them about their sexual experiences. They also discussed various methods on how to find local sex workers. One male worker harassed a female worker by taunting her, "Look at my ass, it's white." Not only did the team leader not stop this, but he even joined in, laughing at the female worker's discomfort.

On another occasion, a senior male team leader from the office told female workers, "I want to find someone to sleep with." He said that men have strong sexual desires, and that everyone working in the factory is lonely. Other examples of verbal sexual harassment include, "What are you doing with hot melt glue? It's too thin for you", and "I'll wait for you downstairs in your dormitory tonight."

Male workers ask relentless personal questions about female workers. Although the factory emphasizes that sexual harassment is prohibited, such behavior is extremely common. There is realistically no venue that female workers can go to for help, and they often choose to stay quiet or leave the factory.

There are many reasons for workers to choose Pegatron, and different types of workers have different motivations. Students come to work in Pegatron in summer mainly because Pegatron does not check their student status, and the work is a little easier than other factories. Many dispatch workers choose Pegatron because it is a large factory with relatively standardized management. Even if they self quit they will be paid

wages for days worked and there's no wage withholding. The working environment is relatively good and wages are paid on time, which are also reasons for workers to choose Pegatron.

Almost all the interviewed workers indicate that their income is low. It is difficult to find a job after the zero-covid policy ended this year. The salary at Pegatron mainly includes just basic salary and overtime pay. After social insurance deduction, it is only a bit more than 3,000 yuan that comes to the workers. Therefore, many people leave their jobs on payday. Workers expect a salary of more than 5,000 yuan. People recall the time of the pandemic when one could get subsidies and rewards when they entered. Many workers express that this year the factory is doing badly and the wages have never been so low before.

Regarding work intensity, workers feel that even if the daily work intensity is high, they still cannot earn a living wage. Workers hope to earn enough money to live with no more than 10 hours of work a day, but it is impossible to achieve in Pegatron. Pegatron is also one of the few factories where you can't play with the cellphone during break time. Workers "hope" to work overtime in order to earn more money, and the overtime ban is sometimes used as a punishment, so that workers only get a basic salary that is difficult to live on. There are also many workers who come in summer for two months, hoping to work more overtime and save more money. Many of them work to pay for their own tuition/driver's license fees.

In terms of the factory environment, workers feel that the factory area (workshop) is very convoluted and inconvenient, and the safe passage is also very unclear. Some exits are closed, and workers tend to get lost. Some facilities have shut down some production lines and set up other offices instead, and there are special clothes to divide the space, making it even more crowded and narrow when workers commute or go to the cafeteria. Some are obviously the doors of the office, but they are labeled as safety exits. Some are sealed with cloth, but are marked as escape exits. Many aisles can only be passed by a single person, making the workspace very crowded. Because the roads in the factory area (workshop) are very winding, and some of the hallways are blocked, it is difficult to escape if an emergency occurs, especially for newcomers who are not familiar with the direction. There is no map.

The living standard in Kunshan is not low, and personal consumption is close to 2,000 yuan per month. In terms of food, for example, a bowl of snail noodles/Lanzhou ramen is about 15 yuan, and adding an egg usually costs 18 yuan in total. It costs 20-30 yuan to eat an all-vegetable malatang. A month's food costs at least 500 yuan. If you rent

accommodation nearby, it costs about 1,000 yuan. For transportation, one can ride a motorbike or take a bus. It costs 5 yuan to take a pedicab, and the monthly transportation expense is about 100 yuan.

Regarding the management system, most of the interviewed workers express that the factory's management system is very inhumane: angry team leaders, auditors who would appear at any time, and multiple leaders (line leader, team leader, large team leader, etc.). In addition, due to the strict inspection of iron-containing items, some workers cannot bring water bottles into the workshop. Some workers need to pass through the security gate very slowly so that the small buttons (or zippers) on their trousers do not cause the security gate to rattle. Workers said that the accommodation environment is good, and there are many sitting positions. The main disadvantages are low wages (now this is the main reason; there are many people who want to leave their jobs every day), insufficient time for meals, and far distance between work and the dormitory (they have to walk for at least 20 minutes).

During the investigation period, no customer or third-party organization has conducted any inspection/assessment of the factory, but there are still some corner-cutting behaviors found within the factory. When data such as cleanliness and ventilation rate of machines are found to exceed the standard, the manager can still fill in a fake number within the standard to cope with the inspection.

Investigator's Diary

Day 1

There are a lot of young people who come to Pegatron for interviews, but there's hardly any middle-aged people. Because the wages are not high, many people hold the mentality of dawdling. Other people came here because it's difficult to find jobs in other places (such as Tianjin and Shenzhen). The staff responsible for recruiting has a bad attitude, treating people as if they were their teacher or parent. The general process is like this: arrive at 8:30 am in the morning at the interview site. Get tested on questions (26 letters) on the mobile phone, and then recite the 26 letters in front of the recruiting staff in red vest. Conduct two physical examinations. Have facial data collected. Receive work ID. At 1 pm in the afternoon, sign the labor contract. Take the test on mental health. Go to the assigned dormitory room. One can be assigned to the same area as one's friend. Regular employees can apply to change the dormitory room after three days. When assigning a dormitory, staff ask if you snore or grind your teeth, etc., and those who snore or grind teeth will be assigned a separate dormitory. In the dormitory,

the dormitory supervisor will check the housekeeping from time to time. There are seven workers in my dormitory, five of whom being dispatch workers.

Day 2

Training in the morning. Assignment of clothes and departments in the afternoon. Almost all dispatched workers were assigned to the assembly line. The number of regular workers was very small, and they were assigned to relatively easy positions to support production. During the training, the trainer said: "Working overtime for two hours a day is an official statement, and the actual hours depend on the situation. But if you don't want to work overtime, you can find another job." The assigned department does not provide training, although the security check is very strict. Some workers said that the factory is laying off some old employees in order to recruit cheap dispatch workers.

Day 3

Today we had a meeting after arriving at the post. We need to arrive at 7:50 am (these 10 minutes are unpaid), and have to clock out three minutes later than the exact time to get off work, because the official said that walking out from the workshop/office cannot be exact on time, and the inspection on this is very strict. Pegatron has staff in pink hats who check whether the workers on the assembly line operate properly and wear protective gear. If not, the worker's name will be recorded and a warning will be given. Two warnings are equal to a small mistake, and there are other penalties that lead to a big mistake. If you have had two big mistakes, you will be expelled. There are also staff wearing a red armband reading "audit" who randomly appear to check whether the desktop is clean and whether someone is sleeping(you can't sleep even when you're in the rest seat). Workers say that to work in this kind of position, you need to have either money or network.

Day 4

New workers are not allowed to be absent from work for the first three days, otherwise they will be dismissed. On the assembly line, the work intensity is very high. For example, workers need to install more than 3,000 SIM card slots a day. The spatial layout of this factory area is like a maze. A few newcomers got lost today. If an accident happens, they definitely can't escape. The male workers keep telling sex jokes. Many of them brag about "having slept with students" and say their goal of coming here is to "find a wife". It is conceivable that sexual harassment happens every day. I also encountered a lot of verbal sexual harassment today. The situation of female workers is more difficult. On one hand, they have to do the harsh work, and on the other hand, they also face harassment from male workers.

Day 6

A worker said that the factory is usually quite deserted, but now it starts to produce the iPhone 15 pro series so it begins to recruit massively. Many new assembly lines have been built (some of which have not yet started to be used), and security checks have increased and become more stringent. In a single building, I have to go through security checks at least three or four times, and the recognition for "iron" is more accurate; even a small button cannot pass through.

The factory also started hiring hourly workers today, probably because the iPhone peak production season is about to come. Applicants must be over 23 years old. The rate is 20 yuan per hour (subject to change at any time), but there is no double or triple salary for overtime. No need to buy social insurance, but one must work for a full period, and the contract period ends on either August 25 or September 25.

Day 7

Chatting with the workers, I learned that they were fired by Pegatron in October 2020 but compensated for 2 months of wages. After the sudden death of a student worker in 2020, Pegatron dismissed all student workers (including minors), and no longer recruited student workers sent by their school, but it is accepted if a student comes to work a summer job or as an intern.

Day 8

In the morning, two new workers bought drinks in the cafeteria and wanted to take them into the workshop on the third floor. They were warned when they were about to pass the security check (the two are newcomers, but the factory has never given any training or reminders on these rules). Later the team leader said that whoever is warned will directly be fired or assigned to the assembly line. Some workers also said that many summer workers (dispatch workers with student status) are contracted for only two months, and they are assigned two months of night shifts in a row —not the usual shifts that rotate once a month.

Day 10

Lunch hours are unpaid, but we still have to abide by many rules. Everyone is complaining: we can't either bring drinks or go out to use mobile phones. I passed by an assembly line and the group leader was talking. Of the more than 100 people, one guy squatted down for a moment, and the group leader reprimanded him loudly, "Can't you stand? Everyone stands up properly. If you squat again then you go home." We can tell that bullying in the factory is very serious.

Day 11

The workers on the assembly line gather before going to the line every day. The team leader talks about things to pay attention to, and, because there are newcomers coming every day, introduce how to clock in and clock out. In the end everyone has to shout slogans together. The group leader said: "Good morning". The workers replied: "Good! Very good! Very very good!" They had to shout out loudly, otherwise they would be asked to repeat it over and over again. Today, the cycle was repeated more than ten times.

Day 12

Today, on the computer in the factory, I saw a page called the Public Service Center, and I saw a document called "Prohibition of Discrimination Management", which stated that employees should not be discriminated against because of sexual orientation, gender, ethnicity, etc. That's however not what's practiced.

Day 13

Today I heard from a worker that when the sudden death of a student worker occurred in 2020, Pegatron gave the person who took the photo and their roommates in the same dormitory a hush money of 30,000 yuan. The temperature in the workshop within the dust-free cloth needs to be kept at 22-25 celsius degrees and is checked everyday. It is usually very cold at night, especially when it's late.

Day 15

Three roommates decided to leave early next week after finishing the work. They felt that the wages were too low, and they planned to go back to their hometown to find a new summer job. One of them got sick, so they felt that they could not tolerate the work intensity. I heard from my roommates that before entering the factory, their brokers told them that wages could be paid weekly, but when they **actually came in, they found that's not true.**