



Workers Strike in Dongguan: New Balance, Yucheng Shoe Factory Should Take Responsibility

Friday, November 18, 2011

FOR IMMEDIATE RELEASE

In Huangjiang Township, near Dongguan in Guangdong province China, over 7,000 workers walked off the job at the Yucheng factory, owned by a Taiwanese investment firm. They then surrounded the factory and blockaded the town's main road in the largest protest against a Taiwanese company in 2011. During the protest, dozens of workers were injured in clashes with police and public security personnel.

The anger behind this protest had been building for some time. On October 27th, the factory suddenly dismissed 18 section managers, in a move seen by workers as a preparation for relocation. According to several media reports, the riot erupted due to new, widely-condemned regulations set by the factory management. The new rules axed all bonuses regardless of worker performances for as long as the factory was suffering losses. The new regulations, which led to the strike, also aroused fear among the workers that they might be dismissed someday.

This protest and strike illustrates the unfairness of the relationship between labor and capital in the Chinese economy and the lack of channels for Chinese workers to communicate their frustrations. It also shows how factory management is opaque, releasing decisions that have not been made with the consent or even foreknowledge of workers. While workers have become more conscious of their rights, managers still often cling to the same antiquated management model of using force to control their employees. This has only intensified the conflict between workers and management.

The specific grievances the workers have against Yucheng factory management are as follows:

1. The factory fired workers illegally.
2. The factory did not respect the workers, and managers would verbally abuse the workers.
3. The factory did not negotiate with workers before they made the decision about moving their plant and did not provide a reasonable plan for the workers to do so.
4. The factory did not negotiate with workers before set their new rules. The reward system is not transparent.
5. The labor union was not adequately protecting the workers' rights.

China Labor Watch calls upon the Yucheng shoe factory workers and management to sit down and have a full and frank discussion about the situation at hand and for the factory management to issue a statement recognizing the workers' demands as valid. However, in addition to Yucheng management assuming responsibility for the workers' dissatisfaction, New Balance, the factory's principal client, must also assume responsibility for the situation. They bear this responsibility because they have consistently driven down the price of their purchase order, dodging the issue of labor costs, therefore all but forcing Yucheng to keep worker compensation and spending on working environments low to meet New Balance's price and quality requirements. The shortcomings at the Yucheng factory and the strike that resulted from them illustrate the failings of New Balance's social responsibility policy, to the extent that workers must strike and protest to ask for the respectful treatment that they deserve. New Balance cannot completely avoid responsibility for what happens at this factory. China Labor Watch calls on the Yucheng shoe factory and New Balance to work together to address the workers' demands.

About China Labor Watch:

Founded in 2000, China Labor Watch is an independent not-for-profit organization. In the past ten years, CLW has collaborated with unions, labor organizations and the media to conduct a series of in-depth assessments of factories in China that produce toys, bikes, shoes, furniture, clothing, and electronics for some of the U.S.'s largest companies. CLW's New York office creates reports from these investigations, educates the international community on supply chain labor issues, and pressures corporations to improve conditions for workers.

Meanwhile, CLW's Shenzhen office works closely with local factories and serves migrant workers in Guangdong Province through several programs. These include the Free Legal Consultation Hotline Program, community training in collective bargaining, and the Train the

Trainer Program to enhance the capacity of local labor movements.

Contact:

Li Qiang

E-Mail: clw@chinalaborwatch.org

Phone: +001 212-244-4049

147 W 35th Street, STE 406

New York, NY 10001

China Labor Watch | 147 W 35 St, Ste 406, NYC, NY 10001
+1-212-244-4049 | clw@chinalaborwatch.org
Powered by CuteSoft.net.