

Peuples Solidaires

-- Solidarity Network (English) - Urgent Appeals --

Urgent Appeals

310 - CHINA - DISNEY PLAYS AROUND WITH ITS WORKERS

Monday 29th October 2007

Appeal n° 310 (5 October - 25 November 2007)

"You can design and create, and build the most wonderful place in the world. But it takes people to make the dream a reality"(1). Those were the words of Walter Elias Disney, the man who founded the Walt Disney Company in 1923. When reading this it is difficult to imagine how this wonder world could possibly be sustained by the exploitation of thousands of workers whose rights are systematically flouted. And yet for the last three years now SACOM (2), an NGO defending the rights of Hong Kong workers, has constantly been denouncing gross violations to the rights of the Chinese workers making toys for Disney. In a new investigation report published in September 2007(3), SACOM reveals the unacceptable working conditions which 800 workers are submitted to in the Haowei Toys factory, one of Disney's suppliers operating in Shenzhen in Southern China. Once again, it calls upon the US giant to assume its responsibilities at last.

In December 2006, Peoples Solidaires started a letter campaign and urged the Walt Disney Company to take measures to ensure that its suppliers respected their employees' social rights. Ten months later, the fate of those making the toys that will once again fill our shops at Christmas time remains unchanged. Yet the US multinational maintains that respect for its workers' social rights is of great importance to it!

Exploited workers

Since 10 September 2007, over 300 workers from the Haowei Toys factory have been protesting in front of the Shenzhen Labour Bureau night and day, to ask for their social rights to be respected.

Forced to work up to 15 hours a day and 28 days a month, this factory's employees are not allowed days off during peak periods. Yet according to Chinese law, a working day cannot exceed eight hours, and a week five days. Xiao Huang, one of the workers interviewed by SACOM, explained that he had to work over 360 hours in December 2006, more than twice the legal maximum number of hours (174 hours a month)(4).

Apart from this unbearable pace to which they are subjected, the Haowei workers are paid next to nothing and certainly far less than what local law requires. They receive a wage of 2.5 Yuan per hour (23 Euro cents), only 62.5% of the legal minimum wage (5).

Chinese law stipulates that extra hours must be paid between 150% and 300% of the basic hourly wage (depending on whether they are during the week, the week-end or bank holidays). At Haowei they are paid 3 Yuan per hour (28 Euro cents), only 120% of the normal rate. Moreover, the management imposes perfectly illegal and arbitrary fines on workers who leave to go to the toilet for more than five minutes or who refuse to work extra hours (6). The employees cannot use their work contracts to defend their rights since the contracts that their management forced them to sign mention neither their wages nor their working hours. They may even be deprived of one month's wage, should they resign without the management's authorization.

Security standards in the painting and printing workshops are not complied with: chemical products are handled without adequate protection and the ventilation is insufficient. The workers' health is sacrificed as there is no health care or social security. Hygiene in the dormitories is no better: 12 workers crammed into each dark and humid 15 square metre room, having to share one toilet for a whole floor - that is, when it is not blocked.

Disney's inability to ensure compliance with its Code of Conduct

These gross violations of workers' rights observed at Haowei infringe not only Chinese legislation but also Disney's own Code of Conduct, through which the multinational committed itself to "the promotion and maintenance of responsible international labor practices in its licensing and direct sourcing operations throughout the world."⁽⁷⁾ But the working conditions at Haowei reflect the failure of the control system put in place by Disney, as well as its inability to deal efficiently with non-compliance with its Code of Conduct. When asked about this, Disney's management claimed to be "taking the complaints regarding abusive working conditions very seriously". The multinational admitted that its own investigations had revealed violations at Haowei, and added that measures would be taken to remedy the situation. It is true that owing to militant and media pressure, some improvements can be observed at Haowei, namely in terms of working hours. But the standards are still far from meeting legal requirements, and the crucial problem of wages remains unsolved. Working months have been brought down to 26 days of work, which is still more than the 20-day legal limit. Haowei has also increased the pay for extra hours (from 3 to 6 Yuan), but still does not distinguish between hours worked during the week and those worked during weekends and bank holidays. Furthermore, the factory management has in the meantime unilaterally increased the cost of accommodation from 90 to 200 Yuan a month, without the living conditions in the dormitories having actually improved. Lastly, Haowei's management recently announced its intention to relocate the factory to Dongguan, leaving the workers concerned as to their fate.

(1) Quote by Walt Disney on the Disney France website: <http://www.disney.fr/disneyenfrance/> (2) Students and Scholars Against Corporate Misbehaviour. (3) Report on SACOM inquiry, September 2007, "Haowei Toys brings you... Mickey Mouse: A Survey of Conditions of a Disney Supplier in China", available in English only on SACOM's website: www.sacom.hk (4) Shenzhen legislation. (5) 4.02 Yuan (38 Euro cents). (6) From 5 to 10 Yuan (from 47 to 94 Euro cents). (7) Disney's International Labor Standards (ILS) Programme and Code of Conduct, see Disney's website (in English): http://corporate.disney.go.com/corporate/intl_labor_standards.html

FURTHER INFORMATION

International campaign against Disney

This campaign is led by SACOM and brings together several organisations defending workers' rights, including United Students against Sweatshops (USAS), Writers Guild of America (WGA), National Labour Committee (NLC), Sweatshop Watch, Clean Clothes Campaign Austria and Peoples Solidaires. SACOM has published three reports for this campaign, all available on its website (in English): www.sacom.hk.

For this third year of campaigning, an online petition system has been put in place to collect as many signatures as possible until December 2007. [Petition](#) available in English.

The [Clean Clothes Campaign](#) relays the SACOM appeal at European level.

WRITE!

By letter: copy the standard letter below or use your own wording. Remember to add your name, address and signature, and send it to the addressee (address below).

Support message to partner: to give SACOM an idea of the support on which it can rely, send them

the message below!

E-mail: mark.spears@disney.com - Cc: sacom@sacom.hk

Reaction time: on reception, and until 25 November 2007.

Protest Letter:

M. Mark SPEARS

Director, International Labor Standards

The Walt Disney Company

500, South Buena Vista Street

Burbank, CA 91521 USA

Dear Mr Spears,

I have been informed by Peuples Solidaires of the report published by SACOM in September 2007 concerning sweatshop conditions at Haowei Toys, a Disney suppliers' plant in Shenzhen.

I am extremely concerned about the workers' situation at Haowei, and urge you to:

- ▶ compensate workers who have revoked their contracts, in accordance with Shenzhen labour regulations;
- ▶ Immediately pay the workers their basic and overtime wages in arrears plus a financial compensation of 25% of the outstanding amount;
- ▶ provide pension and social insurance that are owed to the workers;
- ▶ employ the affected workers who choose to move to Dongguan, and take into account their length of service in their contracts.

Sincerely yours,

Support message for SACOM:

Peuples Solidaires

for SACOM

10, quai de Richemont

35000 Rennes

France

Dear friends of SACOM,

I have been informed by Peuples Solidaires of the campaign you launched against the Walt Disney Company in respect of sweatshop conditions at the Disney supplier plant Haowei Toys. I support your action and have sent a letter to the International Labor Standards Director of the Walt Disney Company, Mr. Mark Spears, urging him to take immediate action to implement your demands.

With warm regards,