

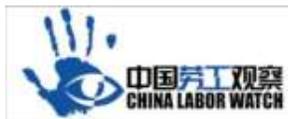


# A Nightmare for Workers

Appalling Conditions in Toy Factories  
Persist

December 6, 2018





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## Executive Summary

To this day, most toys are made in China. They are the source of children's dreams all over the world. However the process through which these dreams are created remains a nightmare. Countless hours of overtime, contact with dangerous chemicals and poor wages barely enough to live on are some of the biggest problems. This report reveals violations found in four factories that produce, among others, for the biggest toy brands Hasbro, Disney, Mattel, and Lego but also for German manufacturers such as Simba Dickie, Schleich and Ravensburger. These products are sold at Walmart, Costco, Target and other retailers. The report identifies the causes of poor working conditions and calls on multinational companies to take responsibility in their production facilities to combat this exploitation.

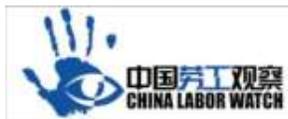
### Serious violations that endanger workers

To highlight the poor working conditions of the factory workers China Labor Watch dispatched undercover investigators into four factories between April and September this year: Dongguan Lovable Toy Products Ltd., Dongguan Herald Metal and Plastic Works Ltd., Jetta (Guangzhou) Industries Co. Ltd., Wah Tung (He Yuan) Toy Products Ltd. Co. The investigation revealed 23 rights violations, and the most severe rights violations are highlighted below:

- During peak production season, workers put in 80 to 175 overtime hours per month despite Chinese labor law stipulating that overtime hours are not to exceed 36 hours a month.
- Workers did not take part in the legally mandated 24 hours of pre-job safety training which should cover any toxic substances they may come into contact with, in addition to the safe operation of machinery. Without the necessary training, workers are unaware of the toxic chemicals they come into contact with, and protective measures to take.
- Workers may come into contact with toxic chemicals, or work in environments with a high level of noise and dust, but are not provided with the necessary protective equipment.
- Lack of a pre-job physical examination. Without a physical examination, it would be difficult for workers to prove that an occupational disease resulted from working at the factory.
- Workers were made to sign blank contracts, which were not explained, and did not receive a copy of the contract.
- Poor living conditions. The factory dormitory houses 8 workers to a room, and some showers did not have hot water.
- Failure to purchase social insurance in accordance with the law. Chinese Labor Law requires employers to purchase social insurance and the housing provident fund for workers in accordance to a set contribution rate.
- Lack of independent unions which represent workers' interests.
- Lack of effective grievance channels. When workers face issues at work, they choose to resign or endure the difficulties.

### Differences in working conditions between the factories

As part of the Chinese economy is heavily based on manual labor, excessive working hours are an inherent problem, and the issue is present in all factories. However, there were disparities in the working hours between the four factories. Wah Tung has the most extreme conditions with up to 175 hours per month and only one single rest day in August. If the assembly line adjusts to producing a new product resulting in workers having to work overtime to meet the production quota, wages will not be paid for the overtime hours put in. Workers are to continue working until the quota is fulfilled. During peak season, break times are partly shortened and the workers clock out at 21:30, but continue working afterwards. Furthermore, at Lovable, 104 overtime hours were accumulated over the month, Herald demands 96



hours per month and at Jetta, up to 80 hours. These conditions are intolerable: Chinese labor law stipulates a maximum of 36 overtime hours per month.

The calculation of wages in the factories is often incomprehensible for workers because of its complexity. It consists of a basic wage (usually equivalent to the minimum wage), overtime hours, and many other deductions and subsidies. The NGO Worker Empowerment calculated in 2017 that a living wage for a household in Guangdong province is between 6900 RMB (\$991.85 USD) and 7500 RMB (\$1078.10 USD). Assuming a household with two income earning adults, a worker would need to earn at least 3450 RMB (\$495.97 USD) to 3750 RMB (\$539.05 USD) per month as a minimum wage. Unfortunately, the reality is quite different. During off-peak season, workers' monthly wages close to the base wage, which is 2100 RMB (\$301.87 USD) at Jetta, 1800 RMB (\$258.74 USD) at Herald and 1720 RMB (\$247.24 USD) at Lovable. At Wah Tung, workers earn around 2,000 RMB (\$287.49 USD) during the off-peak season. These wages are well below what is required to maintain a decent standard of living. As such, during peak season, workers have no choice but to put in excessive overtime to earn a living wage. At Wah Tung workers receive on average between 3000 and 4500 RMB (\$431.24 – \$646.86 USD), at Lovable 4000 RMB (\$574.99 USD), at Herald 3500 RMB (\$503.11 USD) and at Jetta 2900 to 3500 RMB (\$416.86 – \$503.11 USD). If we calculate the living costs according to a household with two income earning adults, they can only earn a living if they both work overtime. However, a living wage should, by definition, be attainable in the normal working week by just one person of the household.

In addition to wages and overtime, living conditions and occupational safety are important issues and once again, there were differences between the factories. At Wah Tung and Lovable, 8 to 10 workers are squeezed into barren dormitories. With Jetta and Herald, only 2 to 4 workers share a room. There is no warm water in the showers and this has to be carried in large buckets by the workers.

Occupational safety is a problem. The injection molding workshops are extremely noisy. Thinners, solvents and glues are used, and the strong smells emitted from these substances irritates the nose and the skin. The workers do not understand how toxic the chemicals are and toxic fumes can also be produced when melting plastic. Machines are also operated without clear safety instructions and protection, which repeatedly leads to serious accidents. Safety training and regular health checks are therefore crucial, however, neither Wah Tung, Lovable nor Herald informed workers of any safety procedures and did not provide adequate protective clothing. Only Jetta placed value on workers' occupational safety and health.

### **Why do these violations continue?**

The reason why the rights and interests of Chinese workers have not improved is threefold.

#### 1) Price pressure by multinational companies

International brand companies are not accepting responsibility for the rights abuses in their supply chain. Brand companies play an active role in the exploitation of workers. To meet their targets, they contribute actively by using short term contracts with a fierce price competition, and changing orders on a very short term basis.

Every year many companies will request toy factories to increase their production quotas while decreasing the costs of production. For example, in one year, the production costs for 100 Hasbro and Mattel toys would be \$100 USD. However, in the following year, to produce the same toy, Hasbro and Mattel require the factory to make 105 or more toys for \$100 USD. For the same product, the brand companies will find two or three toy factories to compete in acquiring orders and the factory which has the lowest cost of production will receive the most orders. Under these circumstances, if factories are



unable to decrease the cost of the materials used in the manufacturing process, they will have no choice but to place the burden of lowering the costs of production on the backs of Chinese workers.

At the Wah Tung factory, a worker producing Disney's Princess Sing and Sparkle Ariel Doll, has a production quota of around 1,800 – 2,500 toys a day, works 26 days a month and earns approximately 3000 RMB (435.43\$ USD) a month. For each doll they produce, the worker receives \$0.01 USD. Currently, the Disney's Sing and Sparkle Ariel doll retails at \$34.99 on Amazon. A worker at Wah Tung only earns 0.031% of the market value of the toy they produce. Several workers in the manufacturing and packaging departments are working on the Disney's Princess Sing and Sparkle Ariel Doll. Accordingly, around 75 cents from the retail price of each doll goes towards the wages of workers.

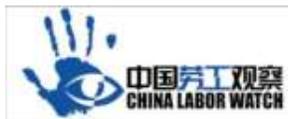
## 2) Repression against workers, a competitive advantage

Although labor costs in China have increased, the lack of workers' rights and interests being fully protected can also be interpreted as a competitive advantage of the toy industry in China. In countries such as Vietnam, India and Indonesia, workers have the right to strike over unfair labor conditions. In China, workers do not have the right to strike and the possibilities for mobilizing for decent working conditions are severely limited. Although this has not prevented strikes from breaking out over the years, they were, however, mostly harshly repressed.

The unions established in Chinese factories do not serve any real purpose. The Chinese government is promoting the establishment of factory-level unions, but they are affiliated with the All-China Federation of Trade Unions (ACFTU) which is essentially an arm of the Chinese party and therefore upholds the interests of the government and does not truly represent the labor force. There are presently many factories which do have unions. However, many management level employees, such as staff from the human resources office, also manage the factory unions. Furthermore, factory management also appoints the union leaders. As union leaders are not elected by factory workers, the union fails to represent the interests of workers, and it is difficult to defend workers' rights. Without free and independent unions, and effective complaint mechanisms, it is impossible to ensure workers' rights are protected.

## 3) Recurring violations of applicable law

China labor law has many regulations, but factories will make attempts to circumvent or knowingly violate the law. Factories fail to adhere to labor laws, as the costs associated with violating such laws is low. For example, Chinese labor law has a regulation that workers' overtime hours must be limited to 36 hours per month. However factories often make workers put in more than 80 hours of overtime. Some factories will request the local government to implement a comprehensive working hour system and in this way, factories can legally evade the overtime law and assign workers up to 432 overtime hours per year. Though since there is no punishment for violating the law related to overtime hours, many factories do not even apply for the comprehensive working hour system. Furthermore, Chinese law stipulates that factories should purchase retirement insurance and the housing provident fund for workers, according to their gross wages. Although the situation has improved slightly since the Chinese government put a focus on this issue due to an aging labor force, many factories still fail to purchase social insurance in accordance with the law. For factories who do purchase social insurance for workers, contributions are calculated according to workers' base wages and workers will realistically lose out on half of their benefits. Workers who migrate to another province have to work there for a significant number of years before having the right to collect retirement benefits. As such, if a factory closes or a worker wishes to change jobs and relocate to another province, they will be unable to claim retirement benefits. Because the turnover rate of workers is so high, it is relatively difficult for workers who have resigned to hold the factory accountable for any salary discrepancies.



Chinese law regulates that there are limits on employing student workers and dispatch workers. As an example, student workers shall not work more than 8 hours a day and can only work in fields relevant to their major. However, student workers tend to do work similar to regular workers. During peak season, the number of dispatch workers often exceeds the 10% allowed according to Chinese law. Dispatch workers are more vulnerable to exploitation as they sign contracts with the agencies, and any grievances or disputes are handled by the agency. Dispatch workers generally receive lower wages and agencies usually do not make contributions to workers' social insurance. Another requirement of the Chinese law stipulates that employers have to provide pre-job training, which includes group, workshop and factory level training in addition to safety training before using new materials or machines. The "Special Rules on the Labor Protection of Female Employees" was enacted to protect female workers' rights such as prohibiting workers who have been pregnant for more than seven months from working night shifts or in extended working hours. Despite these laws, many are rarely enforced. Litigation costs are too high for workers, and therefore, workers generally do not sue factories for their illegal conduct.

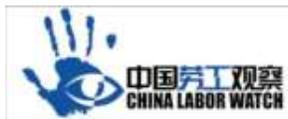
### Conclusion

CLW has conducted investigations into toy factories for almost 20 years, however, this year's investigation reveals once again the persistent issues in the toy industry in China. Brand companies still look to maximize profits, and do so by pitting factories against each other for the lowest production cost, which ultimately leads to the exploitation of workers.

We call upon the brand companies who source from these factories to make a genuine commitment to improving working conditions, and address the rampant rights violations in the toy industry. Workers have, for many years, contributed to the profits of companies make, but continue to toil in factories that blatantly violate their rights and interests. There is a need for serious changes in not only the purchasing model of the brand companies, but also the approach they take when working with their suppliers in ensuring that workers' rights are protected.

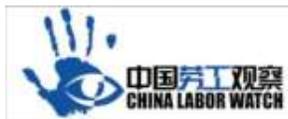
### Summary of Rights Violations

	Wah Tung (He Yuan) Toy Products Ltd. Co.	Jetta (Guangzhou) Industries Co., Ltd.	Lovable Products (Hong Kong) Ltd.	Herald Metal & Plastic Works Ltd.
Hiring Discrimination*		x		
Pre-job physical examination not provided to all workers	x			x
Overtime is not voluntary*	x			
Excessive overtime work*	x	x	x	x
Factory mistreats workers	x	x		
Factory does not explain the labor contract to workers	x		x	x



Factory does not uphold the labor contract*	x		x	x
Factory does not provide 24 hours of pre-job safety training *	x	x	x	x
Factory does not provide workers with protective equipment*			x	x
Factory lacks sufficient occupational health and safety measures*	x		x	x
Poor living conditions	x	x		
Fire hazards present in factory workshops*	x			
Failure to purchase social insurance in accordance with the law*	x			
Lack of independent unions	x	x	x	x
Lack of effective complaint channels	x	x	x	x
Worker must obtain approval for resignation	x			
Workers' personal IDs detained	x			
Workers do not receive a copy of the contract	x		x	
Blank contracts signed			x	x
Low wages (workers' wages within 5% of local minimum wage)		x	x	x
Unpaid work hours	x		x	

NOTE: "\*" represents a violation of Chinese labor law



### **Current Situation of Female Workers in the Toys Industry**

China's economy has stepped into a "new normal" phase, in which production costs are growing and the manufacturing sector continues to face difficulties. Trump's trade war further intensifies this conflict. To survive, Chinese companies have shifted the pressure of rising costs to workers. There have been many violations of labor rights and interests in the recent years. Chinese female workers, being the main labor force of China's toy manufacturing industry suffer from worsening living conditions because of their physical characteristics and family responsibilities. After investigating the two toy factories Wah Tung (Heyuan) Toys Products Co., Ltd and Jetta (Guangzhou) Industries Co., Ltd., China Labor Watch is able to portray the current situation of Chinese toy factory female workers from the following aspects.

**Unequal employment opportunities.** Among the management level of both toy factories, the number of women is extremely low - only one or two are women, and those who have the right to speak or lead are commonly men. However, female workers make up 80% of regular workers. Most female workers choose this job just because of their old age and low education level. Toy factories are more willing to recruit female workers, since they show obedience, prioritize children and family, and are less likely to cause trouble. In addition, there are also cases of recruitment discrimination for pregnant women. According to Article 3 of "Regulations Concerning the Labor Protection of Female Staff and Workers," employers must not refuse to employ female staff and workers for any position which is suitable for women. Jetta did not run tests on whether the type of work or position is suitable to women. They simply excluded women who are pregnant or about to become pregnant from their hiring list, since they are unable to provide results from a chest x-ray test.

**No work-life balance.** Both factories have overtime of more than 70 hours each month. If workers chooses not to work overtime, it is hard for them to make a living with the base wage of 2000 RMB (\$287.49 USD). In addition, China's traditional culture places family responsibilities on women. According to Article 5 of "Special Rules on the Labor Protection of Female Employees," no employer shall reduce the wages, dismiss, or rescind the labor or employment contract of a female employee due to pregnancy, childbirth or breast feeding. Article 61 of Labor Law states that it is forbidden to prolong the work hours of women workers who are seven months pregnant or ask them to work night shifts. However, in practice, if female workers apply for leave due to special circumstances such as taking care of a child, menstrual period, or pregnancy, they will be disqualified from working overtime or be transferred to a more tiring position which forces them to resign.

**Poor living conditions.** According to Article 10 of "Special Rules on the Labor Protection of Female Employees," employers with a relatively large number of female employees shall, based on their demand, establish facilities such as clinics for female employees, lounges for pregnant women, breastfeeding rooms, etc. They shall also properly resolve the physiological, health, and breastfeeding difficulties encountered by their female employees. However, in reality, not only are there no facilities especially designed to accommodate women, but basic living conditions are also not guaranteed. The hygiene condition of the bathroom in Wah Tung workshop is poor and has a foul odor. If workers leave to use the bathroom too frequently during work hours, the line leader will criticize them. Regular workers' dormitory houses 8-10 people in a room, and it is inconvenient for women to take a shower as no hot water is available in the room. Female workers need to take a bucket to fill up hot water from the corridor.

**Insufficient social insurance.** According to Article 8 of "Special Rules on the Labor Protection of Female Employees," the medical expenses for the childbirth or miscarriage of female employees who have participated in maternity insurance shall be paid by the maternity insurance fund on the basis of the prescribed maternity insurance items and standards; and the medical expenses for those female employees who have not participated in maternity insurance shall be paid by the employers. But for the factories, contributing to social insurance is an extra cost to them. Most of the factories only contribute according to



## A Nightmare for Workers: Appalling Conditions in Toy Factories Persist

the minimum wage limit. Even if the factories contribute to workers' social insurance, they only contribute to three types of social insurance which does not include maternity insurance for female workers.

Rights are not protected by the Labor Union. Even though female workers are living in a harsh environment, the female workers from both factories said there are no grievance channels for them to report or solve existing problems. So they are left with no choice but to endure these difficulties or resign from work. Labor union in factories exists, but they do not actually operate and calls made to the workers hotline did not go through.

## Women's Rights at Wah Tung Toy factory

### 1. Employment opportunities

There is a huge disparity in employment opportunities between men and women at Wah Tung (Heyuan) Toys Products Co., Ltd. There are 36 regular workers in the assembly line where the investigator worked, 5 of which are men and the rest are women. Female workers make up around 80% of all regular workers. In comparison, as for management, all nine line leaders in the workshop where the investigator worked are male. The supervisors, product technicians, and other managements are male and only the office clerks are female. The proportion of female in management is 1/9.



Workers rests at their work station

The reason behind this phenomenon is probably related to the nature of production. Compared with work that requires manual labor such as lifting bricks at construction sites, producing toys demands less physical labor with lower payment. Female workers are more likely to choose this kind of work because they are generally older (most are over 45 years old), poorly educated, well-behaved, obedient, and care more about children and family. Factories are also more willing to recruit female workers, since they are less likely to make trouble and easier to manage. The wage and work intensity are the same for both male workers and female workers on the assembly line.

### 2. Work-life balance

It is difficult for female workers to maintain a work and life balance when working at Wah Tung. Most of the female workers interviewed said that they have the responsibility to take care of their family. For

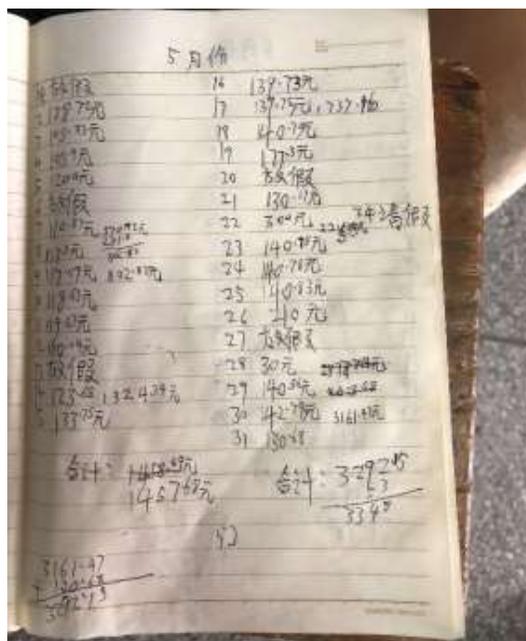
example, they need to look after the elderly and their children every day, or need to earn money to buy a house for their son. There are even cases where female workers take on all responsibilities of the family whilst their husband stays at home and does nothing. However, because of the long working hours, female workers are not able to take care of everything. More than 60% of female workers live near the factory. If both parents work, the elderly will take care of their children. Some of the female workers said that they had considered looking for other jobs, however, due to their low level of education, concerns of being unemployed, and scarce job opportunities available, it is very difficult for them to resign from Wah Tung.



Workers eating lunch outside the factory

### 3. Working hours and wages

Although new workers sign a labor contract when they are recruited, it is only used to pass factory inspections. Workers cannot get a copy of the labor contract and their rights, as stipulated in the labor contract, are not protected. Most workers interviewed do not know the details of the labor contract. Wah Tung's work hours and wages are in clear violation of terms in the labor contract and labor laws. During peak season, workers need to work 10 to 13 hours a day, 26 to 29 days a month. If a worker requests leave during overtime work, they can only earn a daily salary of 7.5 RMB (\$1.08 USD) per hour, causing their monthly wage to be less than 2,000 RMB (\$287.49 USD). Workers, therefore, must choose to work overtime. If the overtime is caused by some external reasons (such as an adjustment in production procedures), no additional wages will be paid. During peak season workers need to continue to work after clocking out, with no extra wages given for the additional work. Meetings are unpaid.



日期	工资/备注
14	137.73元
15	137.73元
16	137.73元, 232.16
17	137.73元
18	137.73元
19	137.73元
20	休息
21	130.11元
22	30.11元, 请假
23	140.11元
24	140.11元
25	140.11元
26	140.11元
27	休息
28	30元, 请假
29	140.11元
30	140.11元, 116.11元
31	130.11元
合计	1467.47元
合计	329.25元

A worker keeps a record of their wages in a notebook

Wah Tung's leave request procedure is complicated and strict. Requests for leave made via phone calls or text message will not be approved. Workers must submit a written request for leave, and as such, workers must go to the workshop in person despite being sick or injured to receive the approval of the line leader in order for sick leave to be approved. There are no wages for leaves and holidays. If the leave request is not approved, the leave will be recorded as an absence and workers will receive a deduction to their wages. For example, a female worker had a car accident and was injured on the way to work did not receive a reply after sending a Wechat message to the line leader to request leave. As such, she had no choice but to personally go to the workshop to request a day off. Leave is unpaid.

The long working hours and strict procedures when requesting for leave prevent female workers from receiving adequate rest. Female workers are not paid if they ask for leave during their monthly periods. During the investigation, there was a female worker in the factory who was 7 or 8 months pregnant; however, her work hours and work intensity was the same as other regular workers, and she was not paid when she was on leave. According to Article 61 of the Labor Law, female workers who have been pregnant for more than 7 months are not allowed to have their work hours extended or work night shifts.

#### 4. Working and Living Conditions

Workers at Wah Tung who work in positions that are exposed to hazardous substances do not receive an occupational disease examination when working in the factory and after resigning from the factory. There are sometimes problems with the machines and equipment, however, the factory does not conduct regular checks on them.

The bathroom in the workshop is dirty, and there are odors in the area surrounding the bathroom. If a worker goes to the bathroom too often during work, she will be criticized by the line leader. There are around 8 to 10 workers living in one dormitory room with no hot water provided. Bathing is very inconvenient for female workers as they can only pick up water in the corridors using a bucket.



Dormitory balcony

No cases of sexual harassment were discovered at the factory during the investigation period. Male workers and female workers' dormitories are in the same building. Female workers live on the 2nd, 3rd, and 4th floors; male workers live on the 5th and 6th floors. The management dormitories are on various floors with most management staff being male. The investigator did not hear of any safety concerns when female workers were on the way to and from work. However, due to the relatively remote location, inconvenient public transportation, and older men who lingered around the factory sometimes, investigator was too afraid to go out alone after dark. The workshop bathroom is simple but relatively safe.



Workers purchasing food outside the factory

## 5. Social Insurance

Workers under the age of 45 are not allowed to purchase social insurance. Workers also said that they are reluctant to buy social insurance because their wages are low. Therefore, pregnant female workers or unemployed female workers do not receive the benefits of having maternity or unemployment insurance. The leave request procedures are the same for male workers and female workers. Workers need to submit a written request for leave and hand it to the line leader in person. There is no maternity leave for pregnant workers and if they choose to resign or leave, they will not receive their wages. If workers have an emergency at home, such as taking care of a child, leave would still be unpaid. If a worker wants to resign, the procedure is complicated and they would need to write a resignation at least one month in advance and ask the line leader to sign. If workers leave without going through the required procedures, they would not receive their last month's salary.

## 6. Labor Union and Workers Representative

No labor union or worker representatives were found at Wah Tung. Most workers choose to endure the difficulties or just quit when they encounter problems at work.



Workers on the production line

## Women's Rights at Jetta Toy Factory

### 1. Employment opportunities

There are disparities in employment opportunities between men and women at Jetta (Guangzhou) Industries Co., Ltd.. Female workers make up 80% of the approximately 4,000 workers at the factory. The majority of the workers are aged between 30-45 years old and the male to female ratio is 1:8. The reason behind this phenomenon is because female workers easier to manage because most of them are poorly educated, well-behaved, as well as children and family-oriented.



Workers on the way to work

According to Article 22 of “Law of the People’s Republic of China on the Protection of Rights and Interests of Women,” when an entity employs a woman, it shall sign a labor (employment) contract or service agreement with her. This labor (employment) contract or service agreement shall not contain restrictions on marriage and childbearing. Jetta does not undergo assessments of whether the positions of regular workers have the risk of occupational diseases. Instead, the factory requests applicants to submit results of their physical examination regardless of the job position they apply for, which includes a chest x-ray. As they are worried that it may affect the fetus, females who are pregnant or about to become pregnant prefer not to undergo chest x-rays. Therefore, they are unable to receive the results of their physical examination and will not be hired by the factory. Workers who failed to submit results of their physical examination will not be hired by the factory.

### 2. Working Hours and Wages

Workers need to work overtime during peak season. They work overtime for 1.5 to 2.5 hours a day on normal days and one full day on Saturday. On average, workers worked overtime for 66.5 to 78.25 hours in one month. Workers barely make 2,000 RMB (\$287.49 USD) if they refuse to work overtime, which is insufficient in maintaining a basic standard of living. If workers work overtime during peak season, they can earn between 2,900 to 3,500 RMB (\$416.86 – \$503.11 USD) a month.

The factory has paid annual leave, maternity leave, marriage leave and funeral leave. Maternity leave is paid according to related laws. Workers must provide advanced notice to product management staff prior to taking leave, and also ask for a leave request form.

The factory will not arrange overtime for female workers who are pregnant. If workers do not work overtime, then they may have their overtime hours cancelled on workdays and Saturdays, or be asked to resign. There was a female worker who had a stomach ache for two days straight during her period. After applying for leave with the production manager, she was asked to resign.



Exhausted workers sleeping during their break

### **3. Social Insurance and Benefits**

The factory purchases social insurance for workers, which includes pension, unemployment, medical, work injury, maternity, and housing provident fund. However, workers are unsure of the actual amount paid for work injury and maternity insurance because the factory pays for both.

The factory has many recreational facilities. There is an indoor gymnasium, an outdoor basketball court, soccer field, dance studio and more. There are also activities such as a mobile game competition. The majority of workers who utilize these facilities are predominantly male workers and summer workers. Occasionally there are a few female workers who would dance in the dance studio.

### **4. Work safety and stability**

The factory ventilation is very good. The oil and glue that workers come into contact with have been tested previously and are harmless to the body. Every year, the factory pays for workers to undergo a physical examination. Workers can only resign from the factory when it is determined that they do not have an occupational disease. Some female workers who suffer from high blood pressure or anemia have fainted on the assembly line due to the high level of work intensity. Last year, there was a female worker who was talking to the worker next to her, and as she was not concentrating, her finger was cut by the machine. Her finger had become disabled, and the factory compensated the worker 30,000 RMB (\$4312.39 USD) in the end.



Workers on the way to the factory

## 5. Living and Working environment

The dormitory conditions at Jetta are poor. There is no individual shower room and bathroom in each dormitory room. Showers and bathrooms are shared by workers on each floor. Since there is no hot water and the cold water is very dirty in the shower room, workers have to fill a bucket of hot water and take it outside, which is especially inconvenient for female workers.

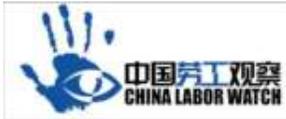
## 6. Work-Life Balance

It is hard for female workers to maintain a work life balance when working at Jetta because the work hours are long and the wages are low. For example, a female worker from the electronics department was directly recruited into the factory in June. The worker is married and has two children. Since she and her husband are both working in Guangzhou, their children have to be looked after by the grandparents.

## 7. Labor Union and Workers Representative

The employee service board at Jetta has a chart with the worker representatives and a union committee chart. Of the 12 worker representatives, there is one male representative and the rest are females. The male to female ratio is 1:11. The union committee has 11 individuals, and the chairman and vice chairman are male. The two production committee members and one organizational committee member are male. The recreational committee has one male and one female, and the remaining two committee members and the two finance committee members are female. The male to female ratio is 6:5. However, when the union's phone number was dialed, the response suggested that the number was currently unavailable. The working hours of the worker's hotline overlaps with the workers' overtime hours so they are unable to provide suggestions.

There were two workshop managers in the Hasbro A7 production workshop that the investigator was working in. The male manager is the supervisor, and the female manager is the deputy supervisor.



## A Nightmare for Workers: Appalling Conditions in Toy Factories Persist

Workers mentioned that if there are any issues, they speak directly to the male manager, as he has more decision-making power.



Workers lining up to swipe into work

## Wah Tung (He Yuan) Toy Manufacturing Ltd. Co. Investigative Report

### Company Profile

Wah Tung (He Yuan) Toy Manufacturing Ltd. Co. is a private enterprise specializing in the raw material and processing industries. Wah Tung primarily manufactures and sells plastic electronics, electronic toys, cosmetic toys, plastic dolls, toy apparel, plastic products, Christmas lights among other products. 100% of products are exported. Products are primarily sold in the United States, Japan, South Korea, European countries, and others. After registering with the national business administration bureau, the company became a formal company in December 28, 2001. The company had a registered capital of 35 million Hong Kong dollars. The company is located in the Private Industrial Park inside the Gaotang Village of Yuancheng District, Heyuan City.



### Basic Information<sup>1</sup>

Factory Name: Wah Tung (He Yuan) Toy Products Ltd. Co.

Address: Gaotang Industrial Park, Heyuan City, Guangdong Province

Contact Information: 0762-3268980, Ms. Deng

Main Products: Plastic toys, electronic toys, makeup toys, plastic dolls, toy accessories, other products

Brand companies manufacturing at Wah Tung: K-mart, Jakks Pacific, Disney, Target, Smoby, Simba Dickie, Shimmer & Shine dolls

Number of regular workers: Approximately 2,000 (female workers make up 80% of the total worker population)

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<sup>1</sup> The following information was sourced from Wah Tung's company website as well as provided by co-workers.



## A Nightmare for Workers: Appalling Conditions in Toy Factories Persist

Number of workers during peak season: Approximately 2,300 workers (including summer workers)

Male to female ratio at management level: 8:1

Number of interviewed workers: 16

Department interviewed workers were located in: Packaging/manufacturing department

Male to female ratio of interviewees: 5:9

Interview methods: face-to-face interviews, QQ/WeChat conversations, online conversations

### List of Brands

#### **Target**



Perfectly Cute My Sweet Baby dolls



Boxes of Disney Princess Sing & Sparkle Ariel Bath Dolls

**Smoby by Simba Dickie Group**



Boxes of Disney Princess Beauty Bag and Frozen Beauty Bag

**Simba by Simba Dickie Group**



Boxes of Fireman Sam Neptune Speed Boat



Stanley Jr. Mega Tool Set

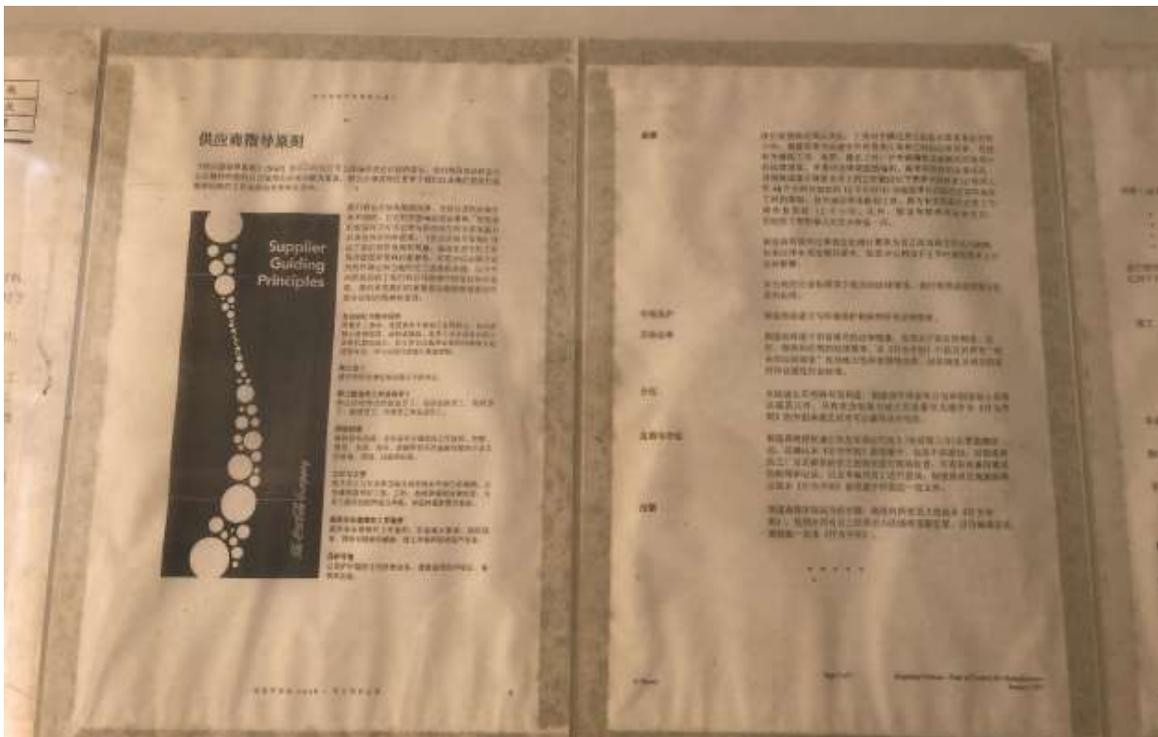


Shimmer & Shine dolls



Shimmer & Shine dolls (photo taken from manufacturing factory)

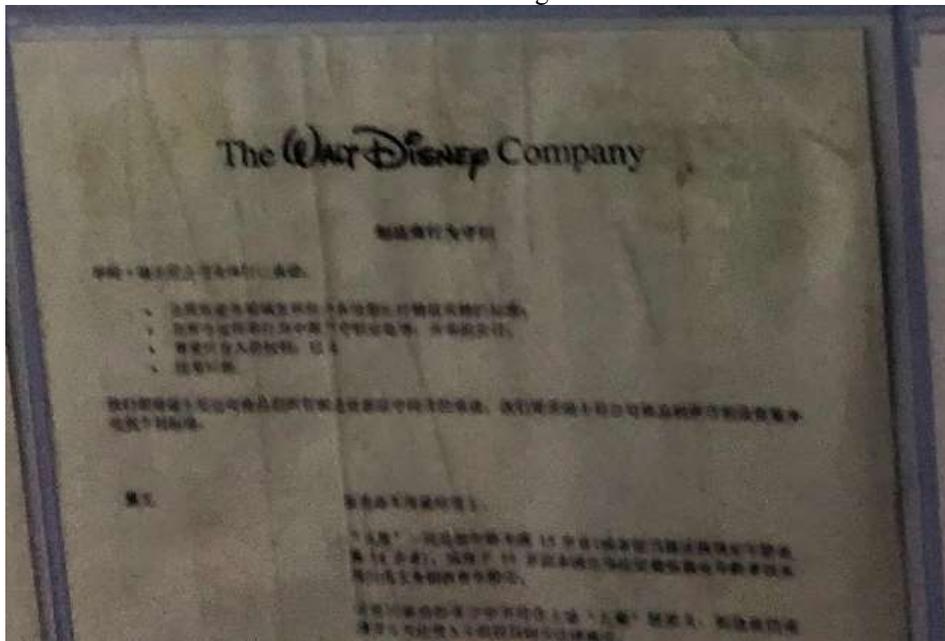
**Supplier Guiding Principles**



The Coca-Cola Company



Kmart Australia & Target Australia



The Walt Disney Company

**Section 1: Recruitment and Resignation**

**Hiring Policy**

Hiring Requirements:



工作地点：广东省河源市源城区高塘工业园.华登玩具厂

华登（河源）玩具制品有限公司 >  
港资企业 | 生产/制造/加工 | 2000以上

**岗位要求**

经验：不限      学历：不限  
年龄：不限      语言：不限

**职位描述**

职位类别：普工/操作工  
一线生产员工，肯吃苦耐劳，工资计件，多劳多得，每周休息一天，星期六上班双倍工资，平时加班1.5倍，生产环境好，提供免费住宿，厂区对外交通便利。

Job posting for Wah Tung

The factory does not have any gender restrictions on hiring.

According to a job posting site, there is no education, age or work experience requirement. Applicants for manufacturing positions should be industrious and willing to endure hard work.

#### Hiring Process:

By searching “Wah Tung (He Yuan) Toy Ltd. Co. recruitment” on Baidu, the investigator learned that the factory was recruiting a large number of regular workers. After calling (0762-3268980) and inquiring with the recruitment department, the recruiter said the factory hires workers from 8 AM to 12 PM and from 1 PM to 5 PM. Applicants are not required to have had prior work experience for regular worker positions. Applicants only need to bring their ID card and two one-inch photos of themselves. The factory covers a worker’s room but not board. Workers are placed 10 to a dorm room. Wages are calculated on a piece rate system; the more a worker makes, the more they earn. Before starting work, the applicant must hand over their ID card and new workers’ ID cards will be held onto for three days and a photocopy will be kept on file.

#### Entry Methods:

Online recruitment, internal referrals, direct hires

#### Position Assignment:

Workers can choose which department they are assigned to. The recruiter directly asked the investigator if they would want to work in the manufacturing department or the packaging department.

On the assembly line, male and female workers’ wages and work intensity is the same. The assembly line which the investigator was on has about 36 people, with 5 regular workers being male whilst the rest were female. The workshop the investigator was in had 9 line leaders who were all male and the office workers were all female. All the managers, product technicians, and other management-level workers are all male.

### Underage Workers:

The factory requires summer vacation workers to be 18 years of age. There were no underage workers, and there were no student workers from vocational schools working at the factory. There were three summer workers in the investigator's assembly line.

### Physical Examination:

Workers are not required to undergo a physical examination prior to starting work. The investigator learned from interviews with workers that in 2017 the factory arranged a physical examination for workers. A worker also mentioned that the factory arranges a physical examination once a year. The cost of the exam was 40 RMB (\$5.86 USD), which was directly deducted from workers' wages. Workers had the resulting fees deducted from their wages regardless if they had actually attended the physical examination.

### Training and Orientation:

Workers are not required to go through training prior to starting work. New workers submit their ID cards a day in advance. On the following day, workers must arrive at the factory's recruitment office before 8 AM. The recruiter hands out factory badges and the office clerk decides which workshop workers are assigned to.



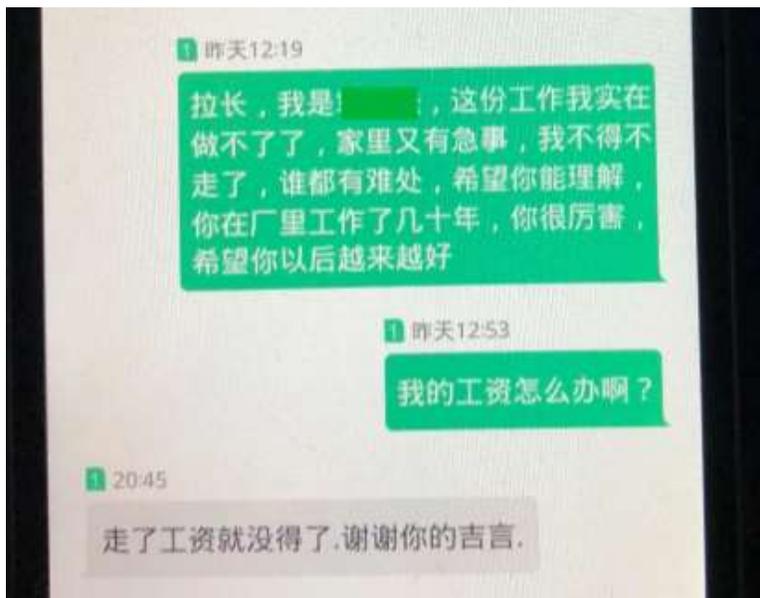
Left: Workers picking up their factory badges; Right: Close up of the factory badge

### Probation:

The factory does not have any rules or regulations related to probation.

### Resignation:

The worker must notify the factory one month in advance of their resignation. Summer workers must work for at least one month before they are allowed to resign. The investigator learned from interviewing a worker who had already resigned that resigning required a month of advance notice as well as a formal resignation letter, which must be signed by the line leader. Owed wages could be collected on the 7<sup>th</sup> of the following month. If the factory's resignation process is fully adhered to, the worker can resign. If the factory does not approve of the resignation, the worker will be unable to receive their owed wages after they quit.

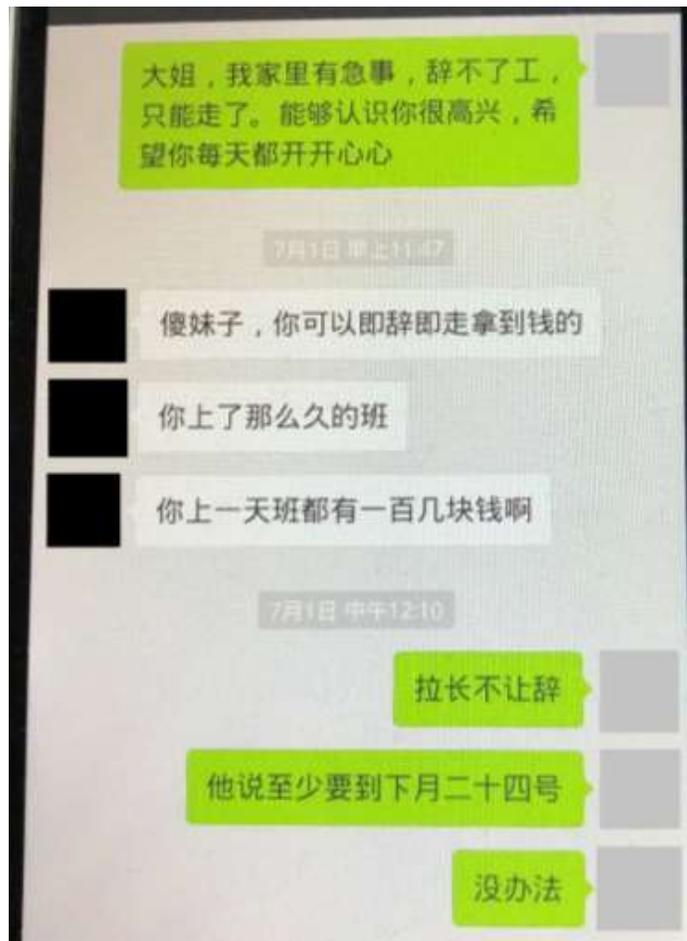


Message the investigator sent to the line leader stating their desire to resign

Investigator (green): Line leader, I am [name], I can no longer do this job anymore. In addition, I have some emergency family matters to deal with so I have no option but to leave. Every person goes through hardships so I hope you can understand. You're very impressive for being able to work at the factory for over ten years. I hope that you continue to improve.

Investigator: What will happen to my remaining wages?

Line leader: If you leave, then you won't receive your wages. Thank you for your well wishes.



Investigator (green): I have a family emergency but I can't resign so I can only quit. I am very happy to have been able to meet you. I hope all your days are happy.

Worker: Stupid girl, regardless if you had resigned or quit, you can still get your money

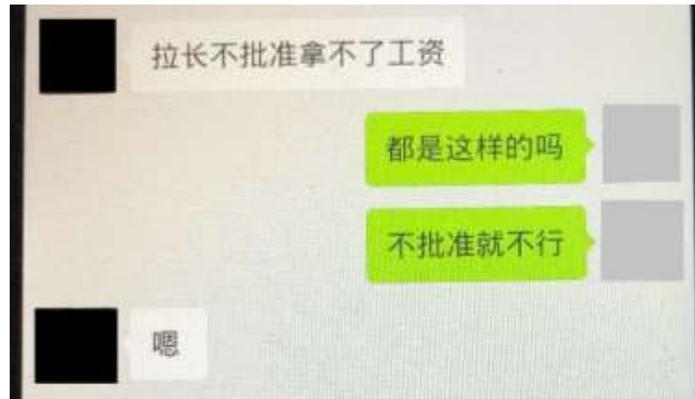
Worker: You worked for so long

Worker: The last shift you worked earned you 100 or so RMB

Investigator: The line leader won't let me resign

Investigator: He said I need to work until the 24<sup>th</sup> of the next month

Investigator: There was nothing I could do



Worker: If the line leader doesn't approve, then you can't get your wages

Investigator: Is it always like this?

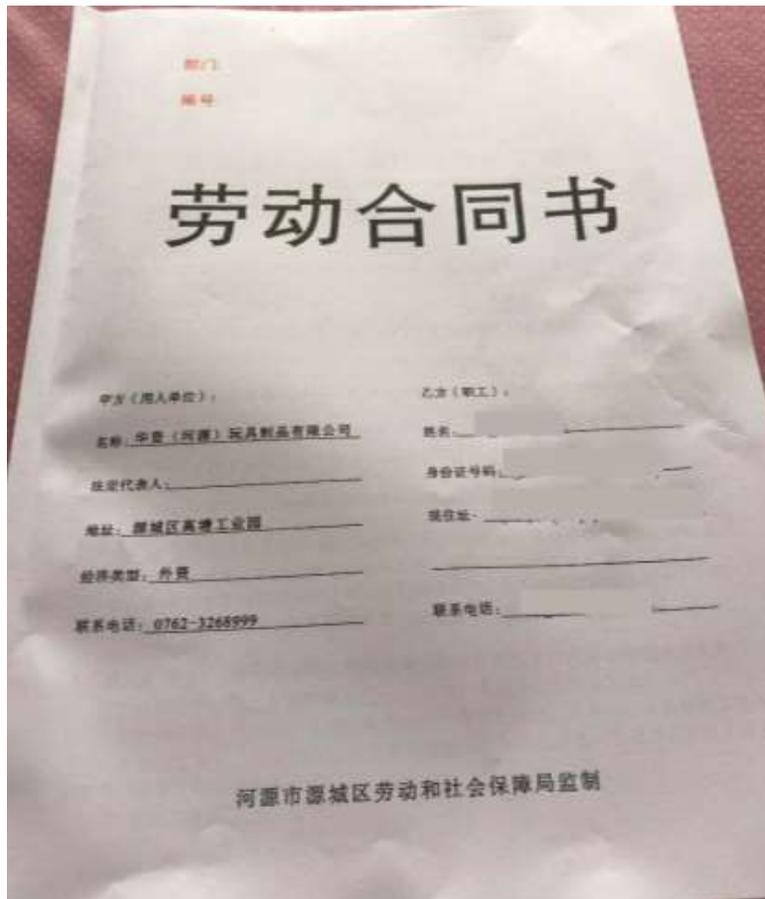
Investigator: If they don't approve, then you can't get your wages?

Worker: Yeah

## Section 2: Labor Contract

### Signing Process:

The factory will sign a labor contract with the worker on their first day. The workshop clerk hands out the contracts. The worker fills in their name, ID number, address, phone number and other personal information on the cover of the contract. At the same time, the worker signs their name on the bottom right corner on the last two pages of the contract. Workers are not allowed to fill in the date. The clerk also requests the worker to write, "I am voluntarily accepting employment and in order to increase my wages, voluntarily participate in overtime" on the bottom right hand corner of the form. After signing the contract, the clerk will immediately collect all the contracts and will not explain the contents of the contract to the worker.



Cover of the labor contract

Contract Terms:

The contract terms include: contract overview, length of contract, work location and description, working hours, rest and holiday schedule, labor remuneration, social insurance and benefits, labor protection, working conditions and protection against occupational hazards, attendance policy, changes to, release and termination of the contract, violation of the responsibilities stipulated in the contract, mediation and arbitration, others, occupational hazard notice. Workers do not receive a copy of the labor contract. Some workers have said signing the contract is useless. The only reason the factory wants the worker to sign a contract is to appease inspections.

**Section 3: Working Hours**

Peak and off-peak work hours		
	Peak	Off-peak
Daily working hours	10-13 hours	8-10 hours
Days worked per week	6-7 days	5-6 days
Days worked per month	26-29 days	22-23 days

**Peak and off-peak overtime schedule**

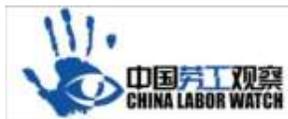
	Peak	Off-peak
Daily overtime	2-5 hours	There is overtime on occasion. On average, there is 2 hours of overtime each day and 8 hours of overtime on Saturdays.
Weekend overtime	16-26 hours	
Monthly overtime	84-175 hours	

The factory's busy season is in June, July, August and September. Some workers mentioned that before the New Year, they were rushing to fill orders, and in January they were working consecutive shifts, and worked well into the night. The rest of the year is off-peak season, and workers earn the least in the months of March and April.

The month with the longest overtime was August, 2017, where workers were only allowed one day of rest for the whole month. Workers can choose not to work overtime and if they choose to do so, they need to verbally notify the line leader in advance and the line leader needs to approve of their request. If they do not work overtime, then their day's wages are calculated based on 7.5 RMB/hour (\$1.10 USD). Workers reported during peak production season, their shifts sometimes do not finish until midnight, resulting in workers having a rest time of less than eight hours.



Exhausted workers sleeping at their work stations



### Working Hours and Rest Time

#### Extended day shift

Morning	Afternoon	Evening
8:00-12:00; 10:00 – 10:10 (break) Shift ends at 12:00 and workers have 90 minutes to eat	13:30-17:30; 15:30 – 15:40 (break) Shift ends at 17:30 and workers have 60 minutes to eat	18:30- 20:30/21:30/22:30/23:30; 20:30 – 20:40 (break)

For the extended day shift, overtime wages are calculated from 6:30 PM onwards. When going through the recruitment procedures, a staff member asks workers which department they'd like to work in, and workers are able to choose to work in a workshop which implements the two-shift working hour system. Shifts start at the same time regardless of whether it is peak or off-peak season.

#### Two-shift system

	Working Hours	Rest Time
Day shift	8:00-20:00	Two half hour breaks
Night shift	20:00-8:00	Two half hour breaks

The factory's A, B and C buildings have manufacturing workshops. The assembly line on the third floor of the C building implements a two-shift working hour system. The rest of the lines implement an extended day shift system.

#### Other

Each assembly line has a production quota. In most situations, the quota is 1,800 units and sometimes, 2,500 units. The production quota is easy to fulfill if the machinery does not malfunction and the manufacturing process runs smoothly. If the quota is not reached, work hours are extended and workers are not allowed to leave until the quota is fulfilled. The extended shift hours are not included in wage calculations.

For the morning, afternoon, and evening shifts, workers must arrive to their posts ten minutes early. During the peak production season, if the factory is rushing to fill orders, workers in the extended day shift are often asked to work continuous shifts. Their lunch times are shortened from 60 minutes to 50 minutes. Dinner times are shortened to 30 minutes. At 9:30 PM, the line leader will arrange for all workers to clock out of work and after clocking out, require everyone to continue working. Workers' shift end times are pushed to 10:30 or 11 PM. The extended work hours are not compensated.

The factory requests workers clock in ten minutes before their shift starts. When lining up to sign in or out of work, on occasion workers will need to wait in line. Time spent waiting in line does not exceed five minutes and is not compensated.



Worker signing into work

In most situations, the line leader will hold a meeting after work ends and everyone has signed out of work. The time spent attending the meeting is not compensated. The line leader usually tells workers to work faster, and they cannot produce defective products, and they are not to speak during shifts.

The investigator did not come across any workers who chose not to work overtime at night. If workers do not work overtime, then their wages during the day will be calculated according to the 7.5 RMB/hour (1.08 USD/hour) standard. The investigator believes that the worker would choose not to work overtime only if there was an emergency, and in these cases, the line leader would agree. The line leader is rather polite to the summer workers at the factory. Some of the female workers say that the line leader on the assembly line is especially mean, and a lot of the time, if not enough products have been produced, they wouldn't allow workers to finish their shift. They will randomly request workers to work overtime until 10:00 PM or 11:00 PM at night, and workers are not paid extra for this time.



Workers attending a meeting after their shift

**Section 4: Labor Remuneration and Benefits**

Wages:

Peak Season	Off-peak season
~3,000-4,500 RMB (\$439.19 - \$658.78 USD) after deductions	~2,000 RMB (\$292.79 USD) after deductions

According to the recruitment information on the factory’s website, the factory implements a piece rate wage system so the more the worker makes, the more they earn. In regular conditions, over 70% of workers can finish their production quota before 8:30 or 9:30 PM. Even if the worker completes their production quota early, the worker must continue working until the shift ends. Many workers reported any product made in excess of their quota is not included in their wage calculations.

华登报数表			
6月19日	拉长 [Signature]	时间	主管 陈亮
产品名称	[Handwritten]		
昨日生产数	[Handwritten]		
今日目标数	1781/18	1800/131	
两小时目标数	460	307	备注
工价	113	1189	
8:00-10:00	361	307	
10:00-12:00	365	309	
13:30-15:30	363	311	
15:30-17:30	362	308	
18:30-20:30	364	312	
20:30-21:30			
完成总数			总量: 12
完成比例			12
昨日工资			12: 12
今日目标数工资	140		

华登报数表			
6月19日	拉长 [Signature]	时间	主管 陈亮
产品名称	[Handwritten]		
昨日生产数	[Handwritten]		
今日目标数	1860	2221	
两小时目标数	328		备注
工价	11416		21: 12
8:00-10:00	307		12: 12
10:00-12:00	329		12: 12
13:30-15:30	376		12: 12
15:30-17:30	360		
18:30-20:30	348		
20:30-21:30			
完成总数			
完成比例			
昨日工资			
今日目标数工资	138		

Production target chart

Every night, the line leader will write the next day's target production quota and target wages on a board. The day after, at 11 AM, each worker will go to the production paper to see what their total wages were for the previous day and then sign off.



Worker: [Message sent Monday at 10:44 PM] Just got off work

Investigator: That's terrible

Investigator: How much did you earn today?

Worker: We're rushing to make the deadline

Worker: Not sure

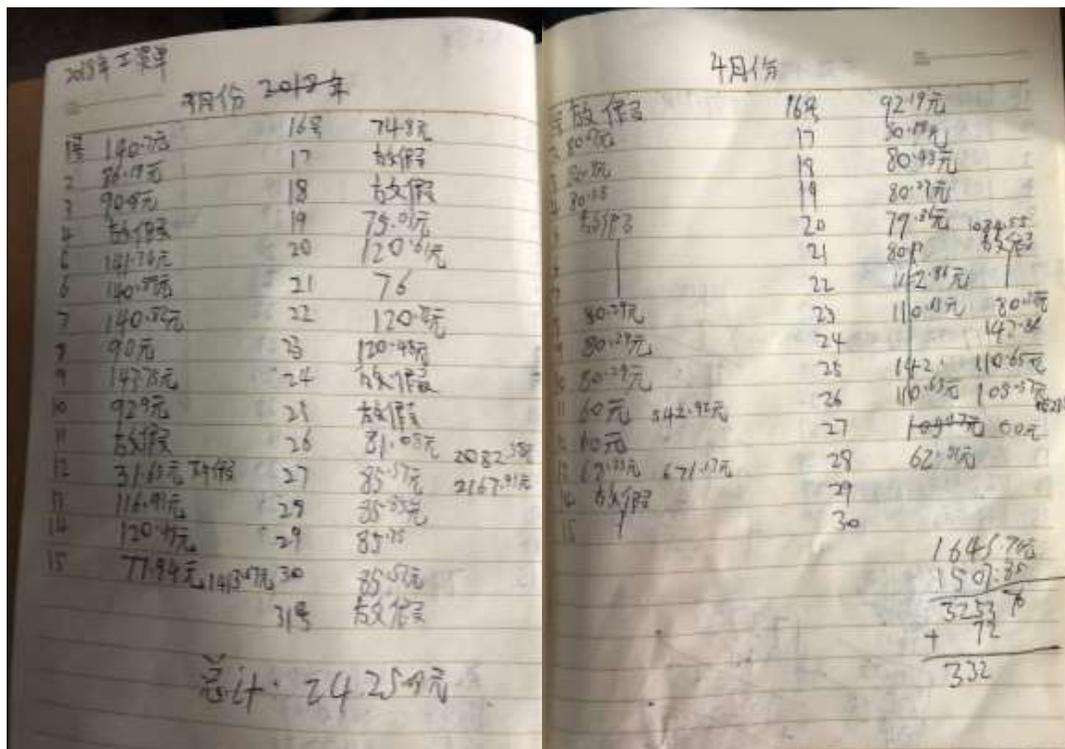
Worker: Won't know until tomorrow

Worker: My feet are so sore

Normally, workers work from 7:50 AM to 8:30 PM and earn an average of 130 RMB (\$19.03 USD). If workers have their shifts extended to 9:30 PM or later, their wages are around 140 RMB (\$20.50 USD). In some incidents, workers may work until 10:30 PM and if so, will earn around 150 RMB (\$21.96 USD). Overtime on Saturday is from 8 AM to 5:30 PM and workers earn around 160 RMB (\$23.40 USD) and if workers finish their shift at 6:30PM, wages are around 180 RMB (\$26.33 USD). Workers who work until 8:30 PM or 9:30 PM earn around 210 RMB (\$30.74 USD), 230 RMB (\$33.67 USD), or 240 RMB (\$35.13 USD).

On average, the factory's manufacturing department does not finish work until 10:30 PM, with workers earning 170 RMB (\$24.89 USD) on average. The highest wages earned for overtime on Saturday is 300 RMB (\$43.92 USD).

The workers on each assembly line have different wages, as wages are calculated by the line leader. Workers reported they were unclear how exactly their wages were calculated.

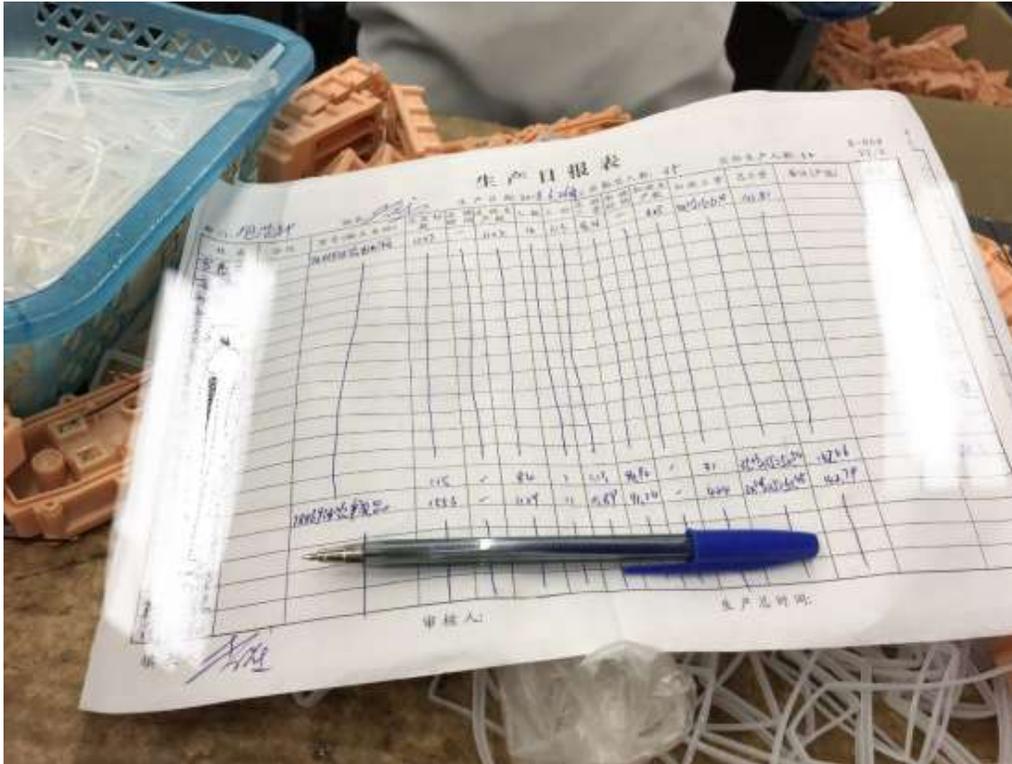


日期	工资 (RMB)	日期	工资 (RMB)
1	140.00元	16	74.9元
2	86.0元	17	放假
3	90.9元	18	放假
4	放假	19	75.0元
5	141.7元	20	120.0元
6	140.0元	21	76
7	140.0元	22	120.0元
8	90元	23	120.0元
9	147.8元	24	放假
10	92.9元	25	放假
11	放假	26	31.0元
12	31.6元 放假	27	85.0元
13	116.0元	28	85.0元
14	120.0元	29	85.0元
15	77.9元	30	85.0元
		31	放假
总计: 2425.9元			

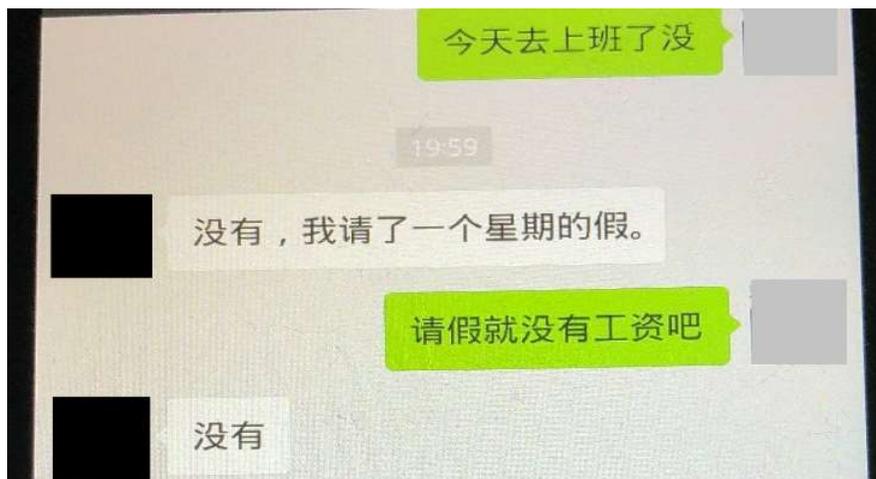
日期	工资 (RMB)
1	放假
2	80.0元
3	80.0元
4	80.0元
5	放假
6	放假
7	放假
8	80.0元
9	80.0元
10	80.0元
11	80.0元
12	80.0元
13	80.0元
14	80.0元
15	80.0元
16	80.0元
17	92.9元
18	30.0元
19	80.0元
20	80.0元
21	77.0元
22	80.0元
23	142.0元
24	110.0元
25	80.0元
26	142.0元
27	110.0元
28	142.0元
29	62.0元
30	放假
31	放假
总计: 332	

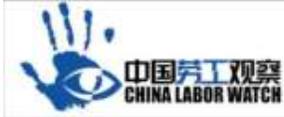
A worker keeps track of their daily wages in a notebook. Their records show they receive no wages when there is a holiday or when they ask for leave. Of the 31 days in March, there were 14 days where the worker earned less than 100 RMB (\$14.53 USD) for their day's work and 7 days where they earned nothing due to holidays. Their total monthly wages were 2,425.08 RMB (\$352.32 USD).



Daily production chart

If a worker takes a day off or there is holiday, workers receive no wages. If a worker asks for leave during the night overtime, their morning wage's will be calculated based on 7.5 RMB/hour (\$1.10 USD). If the assembly line switches to producing a different product and has to adjust its work order, which results in the quota not being fulfilled, regardless of how much overtime workers work, their wages will be calculated to be 105 RMB/day (\$15.37 USD). If a product needs to be re-done, the time spent remaking the product will not be calculated into the worker's wages.





Investigator: Did you go to work today

Worker: I didn't, I asked for a week off

Investigator: You don't get paid if you take days off right?

Worker: Yeah

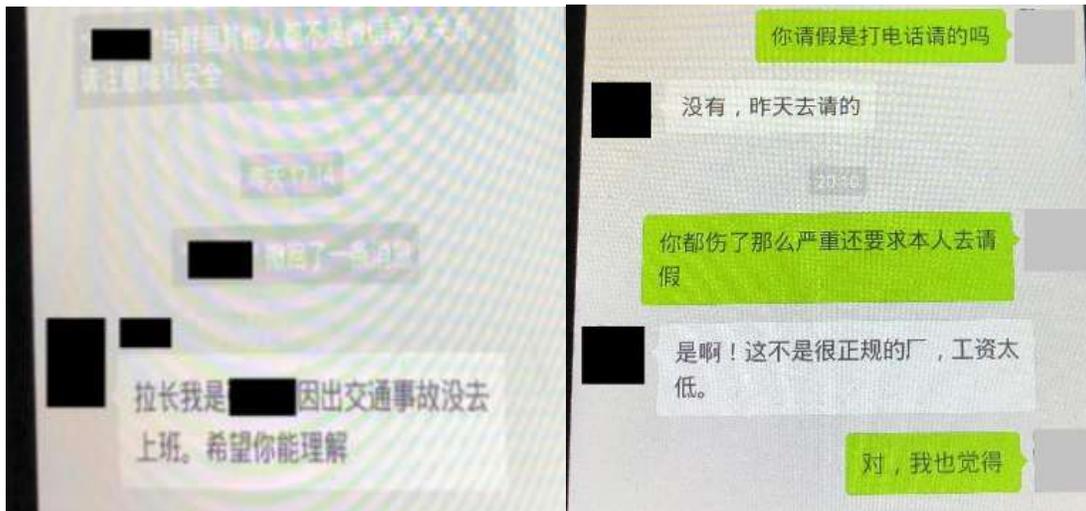
The factory requests workers to verify their total wages and if there are no issues, sign off on it from the 20<sup>th</sup> to 23<sup>rd</sup> of each month. Wages are then distributed on the 25<sup>th</sup> of the month. The distributed wages are calculated starting from the end of the previous month and are direct deposited to the worker's Construction Bank account. Workers do not receive a pay slip.

#### Leave Policy

When requesting sick leave, the worker must personally visit the workshop and ask the line leader. Once the line leader approves of their request, they will receive a leave request form, which must be given to the supervisor to sign.

Leave request form

Workers who ask for leave via phone or text message will not have their requests approved. There was an incident where a female worker, who was riding a bike from work, fell and hurt herself. She sent her line leader a WeChat message but her leave request was not approved. Because of this, she had no option but to go to the workshop to ask for leave. If a leave request is not approved, the worker will be recorded as having missed work which results in a wage deduction.



Left:

Posted in the assembly line WeChat group

Worker: Line leader, I am [worker's name]. Because of a traffic accident, I won't be able to come to work. I hope you can understand.

Right:

Private message with worker from the left picture.

Investigator: When you asked for leave, did you do it over the phone?

Worker: No, I asked for leave in person

Investigator: You were hurt so seriously and they still required you to ask for leave in person?

Worker: Yeah! This isn't a very formal factory, the wages are too low

Investigator: Right, I feel that way too

#### Holidays:

Workers receive no wages on holidays or during leave (regardless if it was regular leave or sick leave). On legal holidays, workers are not paid their wages. The investigator only saw one pregnant worker (who was approximately seven or eight months pregnant). Their working hours and intensity of their work was similar to other regular workers.

#### Social Insurance:

The factory requires workers who are 45 years and older to purchase social insurance or else they will not be allowed to work at the factory. Social insurance is around 200 RMB (\$29.28 USD), which is deducted directly from workers' wages each month. Other than workers who were 45 years and older, the rest of the workers do not receive social insurance. Many workers say that as their monthly wages are very little; they are not willing to spend their wages on insurance. Even if a worker is willing to purchase social insurance, if their age is below 45, the factory will not purchase insurance for them.

#### Recreational Facilities:

There is a basketball court by the factory dormitories. There are no other recreational facilities.



Basketball court

### Section 5: Dining and Accommodation

Workers can choose to live in the factory dormitories and eat at the factory cafeteria. The dorms are free but workers must pay for their meals. The factory does not provide a housing or meal stipend.

#### Dining Conditions:

The factory has two cafeterias. At one cafeteria, the meals all cost 6 RMB (\$0.88 USD) and at the other cafeteria, all the meals cost 7 RMB (\$1.02 USD). For breakfast and dinner, the cafeteria sells noodles for 3 – 5 RMB (\$0.44 - \$0.73 USD) a bowl. The two cafeterias are both small in size, as many people go to the cafeteria to eat lunch, if a worker shows up late, it will be difficult for them to purchase their meal.





Workers buying and eating food at the cafeteria

After work, in the afternoon, workers can purchase food from the small food carts by the factory entrance. Cold noodles are 4 RMB (\$0.59 USD) for a bowl, meat dumplings are 2 RMB (\$0.29 USD) for one, rice porridge is 2 RMB (\$0.29 USD) for a bowl, and noodles are 3 RMB (\$0.44 USD) for a bowl.

Workers in the two shift system only have half an hour for meals.



Small food carts located by the factory entrance

#### Accommodation Conditions:

Factory dormitories are divided into regular worker dorms and management personnel dorms. Regular workers are placed 8 – 10 people to a room. Regular workers' rooms have two electric fans, a bathroom and a closet. The dorm does not have hot water; when workers take showers, they must go to the hallway and fill up a bucket with water. The dorm rooms do not have outlets so workers who need to use electricity can only go to the dorm management office on the first floor. The management personnel dorm rooms have air conditioning and are full suites.

Approximately more than 60% of the female regular workers live close to the factory. If both parents are working, their child is looked after by an older relative.

Male and female regular workers live in the same dormitory building. Female workers live on the 2nd, 3rd, and 4th floors; male workers live on the 5th and 6th. The dormitory of the management is on each floor and most of the management is male. During the investigator's time at the factory, she never heard of any female workers encountering anything unsafe when arriving and leaving for work. The factory, though, is in a remote location and public transportation is inconvenient. In the factory's neighborhood, there are some relatively old men who just idly hang around. While the investigator was at the factory, she never dared to go out alone after dark.



Dorm room



Dorm room, balcony, and entrance to the balcony





Dorm beds, toilet and hallway

## Section 6: Occupational Safety and Labor Protection

### Safety Equipment:

The workshop has ventilation equipment and an electric fan. The temperature in the workshop is lower than the outside: 30°C or 86°F. The bathroom in the workshop is poorly maintained. When the weather is unpleasant, the bathroom will emit a foul odor, which can be smelled from two meters or roughly six feet away.



Bathrooms are located next to the production line

The emergency exits are kept free of obstructions. The manufacturing machinery will occasionally malfunction and is not routinely inspected.



Fans and fire extinguishers located in the workshop

Personal Protective Equipment:

Workers who work in positions that come into contact with the following substances: cyclohexanone, rubbing alcohol, instant adhesive, as well as equipment used to polish toys, must wear facemasks.



Workers using polishing tools



Left: rubbing alcohol; Right: adhesive



Left: instant glue; Right: rubbing alcohol

When handling toolboxes that are labelled with “high temperature, be careful of burns” signs, workers must wear gloves. One of the work positions next to the investigator had a box placed on it and the light from the box was extremely bright and blinding. Despite the box being one meter away, the investigator could still feel the heat coming off from it. The worker was wearing a very thick glove to protect from burns, but there was no other protective equipment.



Machinery labelled with the sign “high temperature, be careful of burns”

Facemasks are replaced on a daily basis. The investigator was unclear how often gloves were replaced.

Workers who handle hazardous material do not undergo a physical examination mid-post or after resignation. Workers rarely have their positions changed on the assembly line. Workers in positions that come into contact with hazardous material will work in the same position for long periods of time before being transferred. There is a bucket located in the corner of the workshop, which has a sign attached to it saying, “recycling bin for hazardous material”. The bucket has a lid.



Recycling bin for hazardous material

The contract has a page regarding what kind of occupational hazards certain work positions may be exposed to as well as what protective measures workers can take to protect themselves.

The investigator worked in the packaging department. One of the work positions required workers to brush the battery case with water repellent oil. The oil was extremely sticky, does not dry when exposed to the air and when working, workers needed to wear gloves which were provided by the factory. However, if the gloves were worn for too long, a worker’s hands would become sweaty, making it difficult to remove the gloves. As the oil would seep through the gloves, after work, the investigator would need to wash their hands with soap or laundry detergent for their hands to be clean.

The water repellent oil also had a strong smell, however the workshop’s other smells were more overpowering. A worker said that the oil was toxic and hazardous to health, and a mask was required when working. The worker also mentioned that many materials at the toy factory were toxic and it was absolutely necessary to wear a face mask. However, workers were not provided with face masks.

The glue used in the packaging department emits an extremely unpleasant odor. Facemasks are provided for workers in the polishing and glue brushing positions; however, some workers feel that wearing a facemask is uncomfortable so they choose to not wear a facemask or wear it incorrectly. For example, they place the facemask so it only covers their mouth and not their nose. The polishing machine emits a foul smell, and the investigator speculates the gas created is hazardous.

The chemical products used in the die-cutting department and production department emitted strong odors in the workshops. Some workers in the production department reported that the industrial chemicals in the workshop smell terrible and wearing two face masks did little to help. Each day they went to work it felt like they were inhaling drugs. The die-cutting department in building A had its door opened and the sound of machinery operating emanated from the department.

**职业病危害告知卡**

根据《中华人民共和国职业病防治法》的规定，用人单位应当在产生职业病危害的工作场所设置职业病危害告知卡，使劳动者能够了解工作场所产生职业病危害的种类、后果、预防以及应急救治措施，并应采取相应的防护措施。

序	对应的危害因素	可能波及的岗位	预防防护措施	职业病危害后果
冲机	噪声	冲机操作岗	定期维修保养设备以降低噪声，配备个人防护用品，例如：降噪防护耳塞。	噪声聋
	粉尘	冲机操作岗	根据工艺要求设置抽风、除尘设备，加强个人防护，例如：防尘口罩。	其它尘肺
胶面	胶水、油漆、清洗剂、固化剂及其它挥发性成分	上胶岗	根据工艺要求设置抽风、除尘设备，加强个人防护，例如：活性炭口罩。	职业中毒
	噪声	机磨岗	定期维修保养设备以降低噪声，配备个人防护用品，例如：降噪防护耳塞。	噪声聋
半成品	粉尘	打磨岗	根据工艺要求设置抽风、除尘设备，加强个人防护，例如：防尘口罩。	其它尘肺
	噪声	打磨岗	定期维修保养设备以降低噪声，配备个人防护用品，例如：降噪防护耳塞。	噪声聋
成型	UV射线	UV照射岗位	定期维修保养设备，并配备个人防护用品，例如：护目镜/UV防护手套。	职业性皮肤损害、眼疾
	胶水、油漆、清洗剂、固化剂及其它挥发性成分	上胶岗、网印岗	根据工艺要求设置抽风、除尘设备，加强个人防护，例如：活性炭口罩。	职业中毒
成型	胶水、油漆、清洗剂、固化剂及其它挥发性成分	上胶岗	根据工艺要求设置抽风、除尘设备，加强个人防护，例如：活性炭口罩。	职业中毒
	噪声	机磨岗	定期维修保养设备，并配备个人防护用品，例如：降噪防护耳塞。	噪声聋
成型	噪声	机磨岗	定期维修保养设备，并配备个人防护用品，例如：降噪防护耳塞。	噪声聋
	粉尘	打磨岗	根据工艺要求设置抽风、除尘设备，加强个人防护，例如：防尘口罩。	其它尘肺

Environment, Health and Safety Committee:

Workers do not undergo an environment, health and safety training prior to starting work. The factory also does not have an environment, health and safety committee.

**Section 7: Fire Safety**

The workshop and dormitories have fire hydrants and fire extinguishers but no emergency aid kits.



Left: fire hydrant and sign indicating where the emergency escape route is; Right: fire hydrant and fire extinguishers in the workshop as well as signage prohibiting smoking

The emergency escape routes and exits in the workshops and dormitories are all clearly labelled and there is nothing obstructing the path.



Emergency exit signs

From time to time, the emergency exit in the workshop will be locked. Workers reported that every March or April, during the off-peak season, the factory will have its annual fire drill.

## Section 8: Rewards and Penalties

When working, workers are not allowed to wear slippers. If workers do not follow this requirement, they will be fined 10 RMB (\$1.46 USD). Workers who miss half a day's work will be fined 10 RMB (\$1.46 USD), missing a full day's of work results in a 20 RMB fine (\$2.93 USD), and the worker will be fired if they miss three or more days of work consecutively. If a worker arrives five minutes late to work, they will be deducted 5 RMB (\$0.73 USD); if they arrive 10 minutes late, they will be deducted 10 RMB (\$1.46 USD). Fines are paid in cash and are paid directly to the line leader.

When there is no one in the dorm room, electricity must be turned off. If the electricity is not turned off and it is discovered, the residents will be fined but the specific amount was not ascertained. Workers were verbally informed of all the penalties by management; there was no written version of the penalty policies. The bulletin board in the workshop has an employee manual affixed to it but the papers have already yellowed and the print is in small font so it is difficult to read clearly.



Employee manual

Workers said they were unsure of any reward policies.

## Section 9: Labor Union and Grievance Procedures

### Labor Union

Interviewed workers said they had never heard of a labor union or worker representative. For many workers, when they encounter a problem during their work, they choose not to speak up about it or quit.

Grievance Procedures

Each workshop building's hallway has a bulletin board with the ICTI's code of business conduct posted on it but the notices have already yellowed, the print is small, making it difficult to read and no workers pay attention to the poster.



ICTI code of conduct

There is a suggestion box located in the workshop building but boxes of supplies are stored in front of the box.



Suggestions box blocked by supplies

## Section 10: Other

### Client Visits and Audits

In the first half of the year, there were many factory inspections, particularly in March and April. The people conducting the inspections were primarily focused on inspecting product quality. If workers were asked how much their monthly wages were, they were told to respond that they earned more than 3,000 RMB (\$438.78 USD). During factory inspections, some workers on the assembly line were arranged to go clean or package goods.

The ICTI Code of Business Conduct and other related documents that are on the factory's bulletin board have all yellowed. The investigator believes that the factory inspections are not conducted by third-party auditors or an international brand auditor.

### Personal Freedom

There is no limit to how often a worker can go to the bathroom or get a drink of water during work hours; however, if they go to the bathroom too frequently or stay for too long, the line leader will reprimand them. After work, workers are allowed to freely enter and exit the dorms.



Area where workers store their water thermoses

### Worker Satisfaction

The reason for why workers choose to work at Wah Tung include: 1) it is close to their families, making it convenient to take care of their elderly relatives or children; 2) they are old, education levels are low, and they have no better option; 3) it is difficult to find a job and they need one to survive.

Interviewed workers expressed that overtime hours are too long. In the month with the most overtime, they were only given one day of rest. If they do not work overtime at night, then their whole day's wages will be calculated based on a 7.5 RMB/hour (\$1.10 USD) standard. If workers do not work overtime, their monthly wages would be less than 2,000 RMB (\$292.52 USD). Given this reality, workers have no option but to work overtime. Workers revealed there were various strong smelling chemical substances in the workshop that are detrimental to their health. Workers have no option but to endure working in these conditions. Workers try to go home and cook or pack food to eat at the factory as much as possible. According to workers, eating out costs around 30 RMB (\$4.39 USD) a day, which is unaffordable. Workers follow management's order and do not voice any of their disagreements. Workers reflected that even when their monthly wages were more than 3,000 RMB (\$438.78 USD), it was not a significant amount of money as local commodity prices are high. The workers viewed the future one day at a time and did not have any definite plans for their future.

No sexual harassment occurs. The investigator speculates that the factory has a higher ratio of female workers, and a large number of male staff at the administrative level because most of the female workers are older (many are older than 45), poorly educated, naive, meekly accept everything, and their life is more focused on family and children. The city development of Heyuan City lags far behind other cities, the hygiene conditions are relatively poor, and the workers in Wah Tung factory seem to be very poor.

The management level staff has work uniforms. The line leader wears a red hat and yellow uniform, and the investigator only saw around five to six female line leaders at the factory. The rest of the line leaders were male. The workshop leader in the workshop where the investigator was working was male. The office clerks were female. The investigator only saw one female amongst all the management level staff. On the investigator's assembly line, there were around 36 female workers, and two were unmarried. Other

than summer vacation workers, the majority of the female workers were of an older age. Around 10% of the female workers were of a younger age.

The whole investigation was completed by sacrificing the investigator's sleeping hours as she only had 5 hours of sleep every day. Regarding women issues, there is no obvious difference in working hours and wages between male regular workers and female regular workers. It is also difficult to find out about the gender ratio, position, and wage difference at the administrative level. Workers are not allowed to talk when working on the assembly line so the investigator was only able to interview the female workers during the limited rest period.

### Investigator's Journal

June 26, 2018

Today we didn't finish work until almost 10:00 PM. Around 9:45 PM, the line leader told everyone on the line to assemble and started criticizing our work performance. He said that even though we had met the production quota for today, we had an additional two workers so why was our production amount lower than yesterday's? He said this means that there were two people on the line who were superfluous and didn't actually earn their wages. He said that we needed to meet the quota regardless of how late we had to work or how much overtime we had to do. We were only allowed to leave after we had fulfilled the production quota. Workers should be working every second. If the quota was reached but the shift had not yet ended, workers still need to continue doing the task before them. There will be people coming to inspect the factory tomorrow and the day after. The factory inspectors won't care if the quota has been reached. It will be unacceptable if they see anyone on the assembly line not working.



Workers at a meeting

My task for today was to test the currents of the batteries. The work station I was at was very close to the bathrooms. The bathrooms in the workshops are not very clean and the smell that emanates from them is disgusting. The temperature outside today was very high: 35°C (95°F). It was a bit cooler in the workshop. Even though the ventilation and electric fans were constantly running, I still felt very warm.

During our break, I asked a worker who had been wearing a facemask while working, if the glue she used was hazardous to health. She said, of course, or else why would she wear a facemask. I told her that the glue smelled awful and I could smell it all the way from my work position, which was next to hers. She said there was nothing she could do and that there was another glue that smelled even worse. She continued and said she really didn't like brushing glue onto the toys because she felt that if the fumes from the glue were inhaled there would be negative effects, but she had no option but to deal with the risks.

Workers in the polishing and glue brushing positions are required to wear a facemask when they work; however, some workers feel that wearing a facemask is uncomfortable so they choose to not wear a facemask or wear it incorrectly. For example, they place the facemask so it only covers their mouth and not their nose. During our break this evening, I was going to examine the operating procedure for the polishing position but was unable to read the instruction manual because the location it was placed in was too high to reach and was impossible to read. Every time a worker used the polishing machine, it would start to emit a foul smell. I feel like the gas it creates is hazardous. I asked the worker behind me if workers were required to wear a facemask when brushing on glue, as there was a worker doing the same work who wasn't wearing a facemask. She told me in a quiet voice, "Don't worry about others, focus on yourself." The female workers in the factory were somewhat old and many of them had children who were already 20 or so years old. Some people had short tempers and if there was something wrong with part of a toy, they would blame the person who worked on it last. They are especially worried about not being able to reach the production quota or not receiving their wages. So, on the assembly line, they never stop working and make as many products as they possibly can.



Workers on the production line



A two-shift system is implemented on the third floor of building C. The day shift is from 8 AM to 8 PM and the night shift is from 8 PM to 8 AM. I heard from other workers that the assembly line for the two-shift workers never stops operating. They are paid based on a piece-rate system and can usually earn 3,000 to 5,000 RMB (431.28-718.80 USD) in wages, but they are all extremely tired.

June 30, 2018

This afternoon, a worker (name: Zhang) asked me to help her request leave from the line leader since she fell off the electric motorcycle on the way home at noon. I showed her wechat message to the line leader, and the line leader said no. Then Zhang said that she was in hospital and sent me a video of her injured head. I replied that the line leader did not approve her request. A few moments later, Zhang requested to take one day off in the work wechat group, saying that she had a car accident and hoped the line leader would understand. The line leader did not reply. I have heard from other workers that a wechat request will not be approved. You have to go to the factory by yourself and get a written request to leave. However, today is Saturday, so it will not be considered as absenteeism if you do not come to work, and your salary will not be deducted too.

I worked overtime until 8:40 PM in the evening and was paid 240 Yuan. At the meeting after work, the line leader said that there was one worker (male) who goes to the toilet for at least ten minutes at a time during work, sometimes he was in the toilet for 18 minutes. In addition, he goes to the toilet too often. The line leader said that he would not call this person's name, but this worker knows who he is. The line leader said that each work position on the assembly line must be connected to each other; if the front work position is slow, there will be no products at the back work position, and this is not good. There are 3 summer workers in my assembly line. The line leader specially reminds the summer workers to arrive to the factory 10 minutes before work. This rule also applies to other people. He said that he has the right to deduct the salaries of people who show up late: 5 Yuan for every 5 minutes late, 10 Yuan for 10 minutes late. And if you are late three times in a day, you would be deducted 30 Yuan. The line leader said, "let's see who gets deducted first."

This Saturday, we went to sign out at 5:50 PM. I heard from other workers that we don't have to sign out on the night shift on Saturdays. I returned back to the factory at about 6:20 PM, and the time-card machine was locked. No one went to sign their card.

Most of the workers are not clear of the rewards and penalties system in the factory. The dorm policy states that electricity must be turned off when the room is not occupied. Workers will be issued a fine if caught leaving the electricity on, but none of the workers know the procedure and exact amount of fine.



Bulletin board inside workshop with employee manual

I told the line leader I wanted to resign after work today, but he said I am not allowed to resign without working for a full month. I said it's too tiring and I can't handle this job anymore, but the line leader tried to convince me saying that he has been continually working factory jobs since he began in Guangdong at 14/15. He said one who is working should focus on getting one's job done. He compared it to serving in the army: one cannot just run away from the army after being enlisted for one or two months. That is desertion. He asked, wasn't attending classes tiring too? You have morning and night self-study sessions back then. He said since you have a job now you should complete the tasks assigned. I asked when is the earliest date I can resign and he answered at least on the 24th or 25th of next month. He said it is currently the factory's peak season and they had the intentions to open up another production line in our workshop but are unable to do so due to lack of workers. He said we didn't have enough workers on our production line as well and he had to borrow workers from other production lines. He asked me to hold on until the 20th of next month so I could bring a few thousand RMB home. He said my parents would be pleased if I did this. He said that I can't just resign now as resignation requires a month notice and a resignation letter.

The weather here is always 35~36 degree celsius. The workshop has large electric and exhaust fans turned on so the temperature inside was cooler compared to outside. There are two fans installed in the dorm room but it is still very hot, especially when I tried to rest in the dorm after lunch everyday. I would sweat even though I am not doing anything other than laying on the mat. Sometimes I woke up in the night and would be sweating profusely. And most of the times I woke up in the middle of the night because it is too hot. Although the dorm provided cooling tea, it doesn't help relieve the heat when the temperature is really high.

There are a total of 8 production lines in the packaging department. Each line accommodates 30 workers and there are approximately 240 workers in each workshop. There are 8 workshops in the factory and one of them runs on a two-shift system. Based on my rough calculation, there are about 2,200 workers in the factory. The factory hired a large number of summer workers, about 200-300. Most of the summer workers are local high school graduates. They come from poorer families, and have average *gaokao* results. Their only purpose working in the factory is to earn money. Many of them experienced the hardship of working in a factory and thus decided to pursue study in university.



Workers leaving the factory at night

## Lovable Products (Hong Kong) Ltd. Investigative Report

### Company Profile<sup>2</sup>

Lovable Products (Hong Kong) Ltd. has its own premises in Hong Kong and production plants in Dongguan, China. Established in 1992, Lovable Products has grown into an original equipment manufacturer OEM with a workforce of more than 1,000 people. Since 1999, Lovable's Hong Kong office and China factory have become ISO-9001 certified which is an industry recognition of the company's commitment to good quality and exceptional customer services.

Factory Name: Dongguan Lifabao Toy Products Limited Company

Address: Er Heng Road, Chiling Industrial Area, Houjie Town, Dongguan City, GuangDong Province

Contact: (86)769-83099098

Main Products: Plastic Educational Toys including realistic animal toy figures, ancient samurai series.

Brand companies manufacturing at Lovable: Safari Ltd, Schleich, Ravensburger

Total number of staff: Approximately 800

Total number of workers: Approximately 500

Male to female ratio of workers: 3:2

Number of workers interviewed: ~30

Male to female ratio of workers interviewed: 1:1

Department that interviewed workers belong in: Manufacturing department section 1

Interview methods: Anonymous in-person interviews

### Products manufactured at Dongguan Lovable



Schleich Lioness

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<sup>2</sup> Information found on factory's official website at <http://www.lovable.com.hk/> and recruitment website <https://jobs.51job.com/yx/co3052066.html>



Schleich Lava Dragon



Schleich Turtle



Schleich Appaloosa Mare Toy Figurine



Schleich Monster Kraken with Weapon



Schleich Blue Whale Figure



Ravensburger Product



Safari Product



## Section 1: Recruitment and Resignation

### Hiring Policy

#### Hiring Requirements

According to the hiring requirement listed on job recruitment websites by Dongguan Lovable, workers may be male or female between 16 to 50 years old, must be able to work fast and not color blind.

**普工（包装/喷油/油色）、注塑技工** **1520元/小时**

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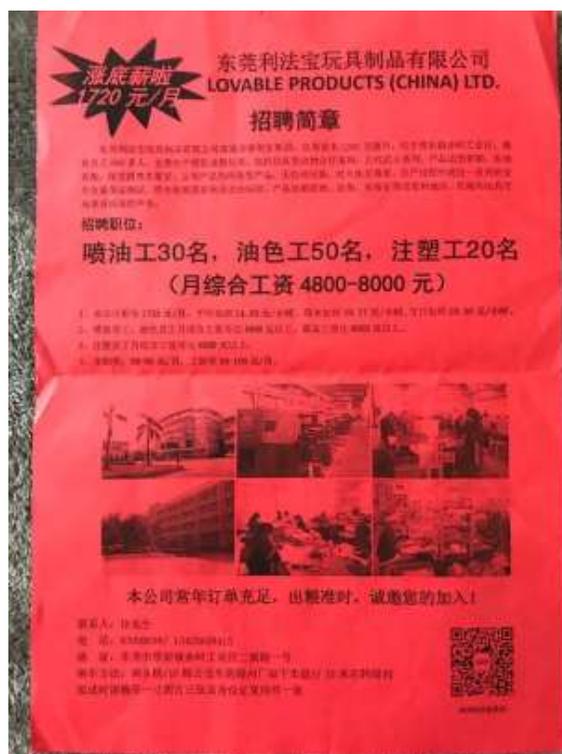
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#### 职位信息

男女不限。凡是16-50岁，手麻利，无色盲者均可，本司实行计时+计件工资。年轻可上夜班者可进注塑车间，有鞋厂经验者优先录用。

1. 本公司薪资制度完全遵守劳动法规，从2015年3月1日起，底薪调为1520元/月，每周工作超过40小时另计加班费，平时加班费13.1元/小时；每天加班不超过3小时，星期天均安排休息；
2. 计件员工按2600元/月计保底工资，计件工资一般可达4000元以上，最高的可达6000元以上；
3. 注塑员工2600元/月计保底工资，效率达标员工最高可达4000元/月；
4. 包装部员工2500元/月计保底工资，效率达标员工最高可达3500元/月；
5. 工龄奖：做满半年以上50元/月，做满1年以上100元/月；
6. 公司订单充足，出粮准时，欢迎您的加入。凡是应此岗位者不需发邮件，可直接来公司面试。在赤岭天桥中康广场坐9路或16路，绿洲厂或赤岭工业区区站下均可。看到保安室问保安即可填表面试。

Online hiring advertisement of Lovable factory recruiting regular workers (packaging/painting/spray painting) and injection molding workers



A hiring flyer of Lovable factory recruiting 30 spray paint workers, 50 paint workers and 20 injection molding workers. The monthly salary ranges from 4800 to 8000 RMB (691.29 USD to 1152.16 USD).

### Hiring Process

Hiring advertisements were posted at the main entrance and back entrance. Applicants are not required to contact the factory beforehand, and can proceed directly to the security office at the main entrance, submit their ID card, fill out a form and take an interview. The interview was conducted by the security officer, and he asked four questions in total: “Where are you from?”, “Which position are you applying to?”, “What is your previous work experience?”, and “Do you know anyone in this factory?”. After completing the interview, the investigator filled out a personal information form, and on the back of the form is an agreement to comply with the factory’s arrangement of overtime work. Applicants need to sign and print their fingerprint on the agreement. They are also required to submit four passport size photos and three photocopies of the front and back of the ID card. No deposits need to be paid, documents will not be withheld and the factory does not request new workers to pay any fees.



Hiring advertisement hanging outside the factory reads Loveable factory is hiring large number of male and female workers, base salary is 1720 RMB (247.71 USD), monthly salary can go up high as 5500 RMB (792.11 USD) or above.

Entry Methods:

- a. Directly applying
- B. Internal referrals

Position Assignments

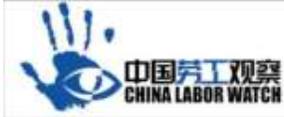
During the investigation period, the factory was only hiring injection molding workers. Later on, as there were a number of summer workers who resigned from the packaging department, the department was short staffed. A few workers in the injection molding position could no longer endure the work, so they requested to switch to the packaging department from the manager of the packaging department. The workers switched after receiving signatures of approval from both the packaging department and injection molding department managers.

Underage Worker:

No workers under the age of 16 were found inside the factory but they hire a large amount of summer workers. The majority of the summer workers are high school graduates, some of them are college students and they are assigned with the same tasks as a regular worker, mainly in the injection molding workshop and packaging workshop. Summer workers receive 9RMB/hour (1.30 USD/hour).

Physical Examination:

After filling in a personal information form, the security officer signed and handed out a physical examination form. Workers then proceed to the Houjie Chiling Clinic for a physical examination. Workers had to pay 32 RMB (4.61 USD) for the physical examination and no receipt was provided but



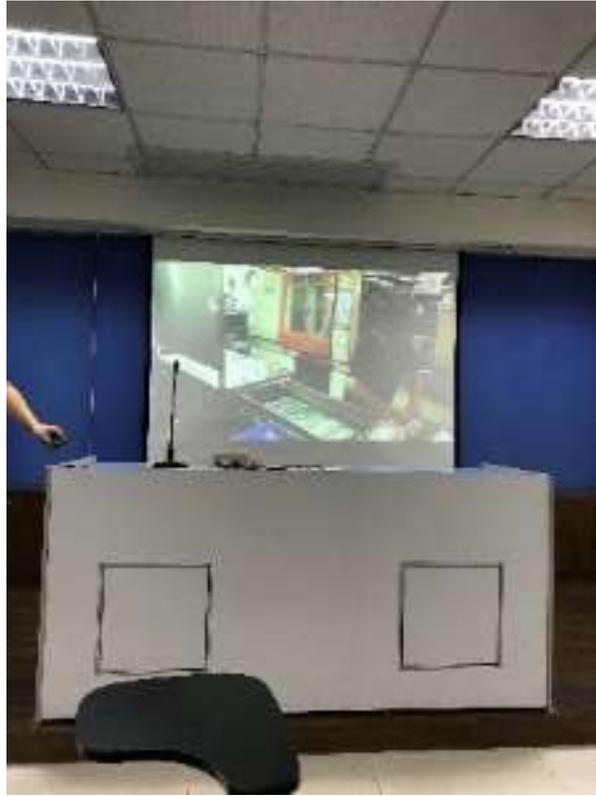
the cashier would put a stamp on the physical examination form which said “PAID”. The physical examination only covers one part: chest X-rays. Workers can pick up their physical exam results on the spot. After returning the physical examination form to the security office, the dorm security officer will sign a check in form and the workers can then move into the factory dorm.

### Training and Orientation

There is no pre-job training. Workers moved in to the dorm on the first day immediately started working on the second day. On the first day of work, team leaders approached the new workers at their working positions with a fire safety training attendance list along with a few different forms and asked them to sign it. Workers do not have the time or opportunity to read through the content of the forms. When workers asked the team leader what forms they were signing, the leader answered “Hurry up, just quickly sign it.” On Friday after work, the team leader asked the new workers recruited that week to gather in the training room located on the first floor of administrative building. New workers were given a 15 minute injection molding training by trainers. This was the only job training the investigator received during the investigation period and was unpaid because the training took place after work.



Injection molding training



Injection molding training

Probation:

A worker's probationary period is three months.

Resignation:

A worker's probationary period is three months. If a worker resigns during their probationary period, they must notify their supervisor three days in advance. If resigning during the contract period, they must notify their supervisor a month in advance and fill out a resignation form. The factory settles wages every Thursday and workers who resign either during the probationary period or contract period, write their desired date of resignation on a Thursday, so they can have their wages settled on the day of resignation. If their desired date of resignation falls on a day earlier than Thursday and workers would like their wages to be settled immediately, the factory will deduct the equivalent of one week's base wage which amounts to around 300 RMB to 400 RMB (43.21 USD to 57.61 USD). But if the desired date of resignation falls on a day earlier than Thursday and workers do not require wages to be settled immediately, they can fill out a form to authorize others in the factory to sign the paystub on his or her behalf. No wages would be deducted in this case and the wages would be distributed on the Thursday accordingly.

## Section 2: Labor Contract

### Signing Process

On the second Friday at work, a clerk came in with a new workers name list in hand and approached the investigator at his work position. The clerk matched investigator's name with his name and work ID on the list and had him sign at the end of the name list. Then, the clerk took a contract out of a stack of blank contracts, asked the investigator to sign and print their fingerprint at the last page of the contract. Once the clerk collected everything, she moved on to other worker. The investigator asked why is there only one contract when it is common to have two contracts signed. The clerk answered that these are only used to file reports to the Labor Bureau and nothing else. The investigator enquired about when he could have the contract back but the clerk said they were not giving back these contracts and workers should request it from the Human Resource department.

When applying for resignation, the investigator asked how he could retrieve his labor contract. The clerk said: "We need to save these contracts and workers are unable to retrieve it", a senior ranking administrative personnel sitting next to the clerk asked: "Why are you asking for the labor contract? Did you want to sue us using the contract? Why would I let you guys take the contract to sue us?". The investigator was unable to retrieve his labor contract in the end. The investigator asked other senior workers who had been working at the factory for a number of years and most of them had not received their labor contract.

### Contract Terms

Through the course of the signing process, the contents of the contract were not explained by anyone. The whole signing process took less than a minute, the investigator did not have the time to read through the content and was thus unclear of the contracts terms.

## Section 3: Working Hours



Workers at their work position



On a regular day, there are 11 hours of work, 6 days of work a week and 26 days of work in a month. By default, workers work 5 days a week and 8 hours a day. There were 3 hours of overtime each day and 11 hours of overtime on Saturday, with a total of 26 overtime hours a week, and a total of over 104 overtime hours a month.

The overtime hours are fixed regardless of peak season or off peak season. During the recruitment process, the investigator asked the security officer if there is overtime work on Saturday. The security officer answered: “Saturday is a regular working day, we usually arrange Sundays as rest days”. In other words, working on every Saturday is common in the factory and workers only consider working on Sunday as overtime.

#### Work Hours

Injection Molding Department	Morning	Afternoon	Overtime
Day shift	7:30—11:30	12:00—17:00	17:30—19:30
Night shift	19:30—23:30	0:00—4:00	4:30—7:30

Packaging Department	Morning	Afternoon	Overtime
	8:00—12:00	13:45—17:45	18:45—21:45

Workers in the injection molding department only have half an hour for dinner and breakfast, and hence, there isn't enough time for them to take a break. Workers in the packaging department have more time for meals.

Workers have at least 10 hours of rest time every day, one day off every week and 30 minutes of meal time between each shifts. After every two weeks, the day and night shifts will switch and workers will have a 24-hour rest period when switched.

Workers can choose not to work overtime, they only need to inform the manufacturing department's team leaders. No written documents are required. There is no punishment for not working overtime.

There is a fixed manufacturing quota and different positions have different quotas. The injection molding department had a production quota of 1200~3500 units and the packaging department had a quota of 6000~10000 units. The production quota is decided based on the design and level of difficulty of manufacturing the item. Under normal circumstances when machines are working fine and materials are sufficient, it would take 10 hours to reach the production quota. However, it is not easy to reach the target quota when situations like machine maintenance or insufficient materials lasts for more than an hour. If workers do not complete the quota, they will not receive the reward for over production. If in a month, the rate at which they meet the target production is less than 50%, then workers will have deductions made to their meal subsidy.

Under the two shift system, workers do not finish work late nor are they asked to go to work earlier. Workers clock in and out at a digital time clock using their factory card both morning and night, twice a day. They clock in 15 minutes before work between 7:15 ~ 7:30 AM and after work at 7:30 PM. The line to clock in usually takes less than a minute so it is unpaid. Work hours are recorded by a factory clerk every day and if mistakes were found, the clerk would inform the team leader on duty and the leader would inform the worker to have the problem fixed.

There are no meetings after work. Occasionally there would be meetings before work but this is unpaid. Meetings usually take place around 7:20 AM and were usually used to conclude problems encountered in the workshop on the previous day such as workers working too slowly, processing of returned products, conflict between workers and machine repairers. The team leader would advise or admonish the workers based on the problems encountered and it usually takes less than three minutes.



Workers at the factory

Compared to the packaging department, the injection molding department's working hours are very tight as they only have 30 minutes for meals. They work from 7AM to 7:30PM a day and there is almost no rest time in between work. The workers were so exhausted that they would just return to their dorm and sleep once their shift ends.

## Section 4: Labor Remuneration and Benefits

### Wages

The average monthly wages is approximately 4000 RMB (576.08 USD), after deductions and include the base wage of 1720 RMB (247.71 USD), overtime pay, work position bonus, night shift subsidy and the full-attendance bonus of 50 to 80 RMB (7.20 USD to 11.52 USD). Workers' wages are calculated by both hourly rate and piece-rate. The factory has a complicated method of calculating wages, and the amount for the bonus, night shift subsidy and the meal deduction may increase or decrease according to workers' attendance rate and how many times workers reach or exceed the production target. The photo below shows that there are five different amounts for the night shift subsidy: 30 RMB (4.32 USD), 60 RMB (8.64 USD), 90 RMB (12.96 USD), 130 RMB (18.72 USD) and 160 RMB (23.04 USD).

以下系七月份超产分数及奖金:

计算方法: 超额天数\*标准产量\*单价+ 例如: 超额四天\*标准5分=20分 当月每天平均得分8分以上则不扣加班费  
 2. 当月每天平均分低于4分, 需扣200元伙食费, 3. 当月每天平均分4分以上6分以下, 需扣130元伙食费.  
 注: 新员工有不明白的请找当班班长咨询清楚奖金扣费, 也可到厂办公室咨询清楚. 谢谢!

工号	姓名	行别	月份	标准奖金	绩效	全勤	年休	病假	产假	工伤	超额天数	平均分	平均产量	绩效奖金	标准
合计			2013	324.4	13	176					26	8.89	119.63	206	160
合计			242.8	361.87	13	176					26	8.34	111.23	206	160
合计			160.37	256.21	12	176					26	7.49	108.35	188	160
合计			208.23	294.26	13	176					26	8.01	111.26	200	160
合计			195.18	289.79	13	176					26	7.51	111.92	200	160
合计			232.23	376.32	13	176					26	9.30	111	200	160
合计			235.09	352.64	12	176					34	8.04	111.31	160	160
合计			166.93	232.27	14	176					26	6.43	109.35	181.67	130
合计			206.09	290.2	12	176					26	7.81	118.73	160	160
合计			212.48	189.79	14	176					26	8.17	110.9	186.67	160
合计			187.25	238.98	15	176					26	7.23	112.1	200	160
合计			123.79	199.82	13	122					16	7.41	108.89	188.32	130
合计			104.26	286.88	14	167					25	7.76	110.68	186.67	160
合计			183.44	248.97	14	168					22	7.26	108.99	171.67	130
合计			154.1	321.92	11	168					28	6.42	103.76	116.77	130
合计			134.81	164.83	10	168					26	5.19	108.11	108.39	130
合计			197.88	282.97	12	176					26	6.84	104.89	130	200
合计			89.09	132.78	15	176					24	5.81	101.67	102.2	130
合计			118.38	223.78	13	188					26	4.75	104.73	142.8	130
合计			166.47	231.86	13	176					25	6.66	122.18	168	160
合计			118.58	182.38	13	107.5					26	4.68	101.6	148.63	130
合计			5.84	5.86	1	43					9	1.71	88.71	1	60
合计			108.88	282.55	12	176					26	8.09	111.83	180	160
合计			102.97	124.2	8	136					20	5.15	106.14	84.67	130
合计			80.52	87.63	12	155.3					23.5	1.17	101.56	120	200
合计			239.63	313.67	12	176					26	8.11	111.18	160	160
合计			126.6	163.52	11	168					26	4.87	109.23	119.17	130
合计			68.91	82.88	11	80					13	1.34	106.74	139.17	130
合计			52.88	56.43	2	88					9	5.78	101.18	22.67	110
合计			102.64	133.21	14	151					22	5.89	102.09	133.63	130
合计			118.87	135.47	13	141					22	1.27	102.94	142.81	130
合计			287.37	297.31	12	160.9					22	8.26	110.05	160	160
合计			134.8	134.37	10	132					22	4.22	106.44	108.21	130
合计			38.84	49.52	2	56					8	1.86	89.16	12	80
合计			159.83	180.56	12	188					22	6.56	103.47	168	160
合计			11.32	11.37	14	176					26	0.81	95.82	93	80

Rewards and overproduction scores for injection molding workers in July

Workers are paid 14.83 RMB/hour (2.14 USD/hour) for overtime work on weekdays, 19.77 RMB/hour (2.85 USD/hour) for overtime work on Saturday and 29.66 RMB/hour (4.27 USD/hour) for overtime work on holidays. The factory deducts housing fees, water and electricity fees, social insurance fees and meal fees from workers' wages and the total amount of deduction is approximately 500 RMB (72.01 USD/hour).

The factory pays workers' wages between the 28th to 30th of every month and wages are directly remitted to workers' bank account at the Dongguan rural commercial bank. Workers have to go to the local Dongguan rural commercial bank to open an account to receive their wages. Summer workers do not have to create an account, and they receive cash when leaving the factory. Paystubs are issued in the first half of the month and workers need to sign the paystub to confirm that the wages are correct and return this to the team leader. Workers are not allowed to retain a copy of the paystub.



Dongguan rural commercial bank

### Leave Policy

Workers can choose not to work overtime, but they need to inform the team leader. A written request for leave is not required. There are no penalties for leave.

### Vacation

The factory recruitment briefing said that there will be an annual 5 day vacation after one year's employment, 10 days annual vacation after 10 years of employment, and 15 days' vacation after 20 years' employment. The investigator is unsure whether annual vacation is paid. It is not known if there are other holidays.

### Social insurance

The factory purchases social insurance for workers which includes pension, medical insurance, unemployment insurance, work injury insurance and maternity insurance. The factory pays 520.52 RMB (74.97 USD) and deducts 276.08 RMB (39.76 USD) from workers' wages a month.

TO: 各部门

从2018年7月开始, 社保个人缴费金额调整如下:

险种	缴费基数	单位缴定(元)	个人缴定(元)
城镇职工基本医疗保险(用人单位)	4450	71.25	0
门诊基本医疗保险(用人单位)	4450	0	22.27
社会基本养老保险(企业)	2100	80	28
生育保险(用人单位)	2000	20.35	0
工伤保险	2000	11.30	0
失业保险	2000	14.22	3.30
合计		127.12	23.87

以上请各部门知悉。

人事及行政部  
2018-07-10

A notice on adjustment of social insurance payment

### Recreation Facilities

There is a basketball court and two pingpong tables next to the factory canteen. There is also a staff lounge with free WiFi. WiFi is not available in the dorms.

According to the leaflets on the factory's bulletin board, the factory organized a kayaking event and family day for the workers' children in August.



The flyer above shows that the factory organized a kayaking event



Staff lounge

## Section 5: Dining and Accommodation

### Dining Conditions

Workers can choose whether to eat in the cafeteria or live in the dormitory. There is no subsidy provided if one chooses not to eat in the dining hall.

The dining hall is on the first floor of dorm building, and there are two food service windows. Lunch and dinner are provided at 11:30 AM and at 5:00 PM, offering meals with two meat dishes and one vegetable dish and includes Chinese herbal tea, soup, rice and occasionally, watermelon. For breakfast the dining hall serves noodles, taro, and rice porridge. One of the food service window provides “team leader dishes” and that is not for general workers. There is another dining hall that provides food for higher level managements, which serves better dishes. Workers sometimes complain about the factory’s meal supply class privilege and said: “Management does not run the machines, does not perform labor, and they have better meals. Our workers stand all day running machines, consume the most human power, so we should eat better!”

According to the factory’s salary calculation method, those whose average daily score is less than 4 points will have 260 RMB (37.45 USD) deducted for meal expenses, those whose average daily points are higher than 4 points and lower than 6 points will have 130 RMB (18.72 USD) deducted for meal expenses.



Workers having lunch



Workers buying lunch



Workers' meal

#### Accommodation conditions

The factory provides workers with dorms. There are 4 or 5 metal-framed beds, two fans, one air conditioner, one bathroom, one toilet and a storage cabinet in a room. Workers are placed 10 to a room. Everyone is deducted 30 RMB (4.32 USD) for the housing fee. The water and electricity fees are shared by workers, and the total deduction is about 100 RMB (14.40 USD) per month. If a worker chooses not to live in the factory dormitory, there will be no rental subsidies provided. Only a few workers rented a house near the factory and the rent is about 300 RMB (43.21 USD) for a one bedroom one bathroom apartment.



The metal framed beds in dorm



Air conditioner in the dorm

### Personal Freedom

Workers are free to leave to go to the bathroom or for a drink of water and they do not need to inform the team leader. Workers are free to enter and exit the dorm after work.

When the workers enter or leave the factory with a backpack or a box, they need to ask the security guard for permission. The contents of the backpack will be checked by the security guard.

There is no information related to insults, physical altercations, or harassment.

### **Section 6: Occupational Safety and Labor Protection**

#### Safety Equipment

There was a lot of ventilation equipment in the workshop. There were first aid kits in the workshop and the dorm offices. The boxes are locked but can be opened. The emergency eyewash station is installed in the workshop.



A sign showing first aid kits are available in the workshop



Emergency eyewash station

The injection molding workshop is an open-air workshop and there are fans installed. However, since the tubes of the injection molding machine keeps dissipating heat and the injection molding workers have to work there for more than 10 hours, they are constantly in sweat. The injection molding workshop generates excessive noise and workers will need to shout loudly to communicate although they are sitting face-to-face. The factory does not provide any hearing protection equipment to the workers and in the long term their hearing ability may be affected. The paths are not blocked and the workplace is hygenic.

The workers operating the injection molding machines were exposed to thinner (No.740 in the factory) which will irritate the skin-mucous. Workers will feel a slight tingling sensation when the thinner splashes onto their arms, and workers will need to rinse their arms using water. The thinner is volatile and the odor irritates the nasal mucosa which causes sneezing. However, the factory does not distribute face masks or gloves for workers in the injection molding department.

The hot melt adhesive will emit a disturbing smell when the plastic material melts. When the machines in the material room crushes the plastic materials, it generates fine dust which is harmful to the lungs. Workers in the material department wear masks when working.



Workplace safety signs

The factory arranges free annual physical examination for workers, specifically for workers in the material department and fuel-injection department. According to workers, there was a worker in the material department who was diagnosed with tuberculosis a few years ago, and after that, workers in the material department will resign within two years because they are afraid of developing the same disease.

Personal Protection Equipment

The factory does not take the initiative to hand out any protective equipment to the workers. During the investigation, the investigator observed that all the injection molding workers worked with their bare hands and on the last two days of work, the investigator saw a female worker who was operating a machine was wearing a pair of long rubber gloves to protect her hands from being burnt by the products. The gloves also helped protect her hands from being soaked in the cold water for a long time and prevents the thinner from splashing onto her arms. The investigator asked the worker if she bought her own gloves or if it was provided by the factory and she said that workers have to ask team leader for the gloves.

The factory does not take the initiative to distribute work uniforms. The investigator asked workers why some workers were wearing work uniforms and others were not, and was told that workers had to ask the manager for work uniforms if they would like to have a set. Work uniforms are free.



The flyer above lists the personal protection equipment as required for different positions in the workshops

Environment, Health and Safety Committee

Workers have never heard of an Environment, health and safety committee and are uncertain if such a committee exists.

**Section 7: Fire safety**

The workshop, the dorm and the emergency exits are clearly labelled and there was no debris blocking the paths. The emergency exits are not locked. No flammable objects are stored in the factory and dorm areas.

The fire extinguishers in the factory and workshop areas are often carbon dioxide extinguishers and they all had an inspection log on it. The factory holds a fire drill twice a year, once in the factory and once in the dorm area. The main focus is the packaging department. The senior workers in the injection molding department who spoke to the investigator did not participate in any fire drills, so it was not possible to obtain any detailed information regarding the fire drills.



The fire hydrants in both the dorm and workshop had inspection log on it



Workshop hallways are unobstructed



Dorm hallway is unobstructed

## Section 8: Rewards and Penalties

The factory does not provide workers with an employee manual and does not inform workers of any rules and regulations.

There is no information regarding rewards and penalties. The rewards include the overproduction reward and full attendance reward.

## Section 9: Labor Union and Grievance Procedures

### Labor Union

There is a worker representative in the factory, but workers are unclear how he was elected. The factory arranges for worker representatives to hold meetings with other departments to reflect problems. However, these meetings serve no practical purpose as the issues discussed were usually left unsolved. Workers were unclear of the exact date of meetings.



利法宝玩具制品有限公司  
管理层代表及员工代表人员名单

管理层代表：人事行政部 陈俊

员工代表：

部门	姓名	工号
生产二部 2P 喷漆	刘小春	100746
生产二部 2P 油色	程兴辉	102906
生产二部 2P 喷漆	罗彩彩	170173
生产二部 2P 喷漆	金海斌	130382
生产二部 2P 油色	付棋	082324
生产二部 2P 油色	李英	060548
生产二部 4P 包装组	董彩华	135682
生产二部 2P 包装	邓奕梅	081050
生产一部	蒋登斌	080138
生产一部	张 宾	131123
质检部	刘刚建	091200
维修部	肖小卫	150276

以上员工代表经员工无记名投票选举产生，按照《员工代表管理程序》执行。

Name list of management level staff and workers representatives

### Grievance Procedures

If a worker encounters any problems at work, they mainly reach out to the production team leader or the office clerk for help.

The factory did not establish a worker's hotline. No strikes occurred during the investigation period.

## Section 10: Other

### Client Visits and Audits

Foreign clients visited the factory in June and July this year and stayed around a month, but they only inspected the injection molding workshop. The whole inspection lasted less than three minutes.



### Worker satisfaction

The factory is near to the Chilling Industrial Zone. The overall salary is higher than the shoe factory next to it. The injection molding workers can receive a monthly salary of a little over 4000 RMB (576.08 USD) when they are not absent from work and this is not enough when compared with their working hours and how tiring the work is. Workers always say they are tired but they have no choice but to work to survive. Some workers who had worked at a nearby shoe factory for 2 or 3 years and their wages were only around 3000 RMB (432.06 USD) and in addition, they were frequently scolded by the team leader, so they are satisfied with Lovable's management and salary. They said that although they are exhausted every day, they do not have to worry about being scolded, and the salary is enough to survive. They also said that they have relatively more freedom at the factory, no one forces you to work more, no one is arrogant, and if you want to earn more, workers can work faster. If workers are tired, they can work slower, and they'll earn a few hundred RMB less.

The working environment in the injection molding workshop consists of loud noises, a tiring workload and limited rest hours, making it difficult for workers to endure for a long period of time. As such, workers tend to consider resignation and switch to a different job after only working for a few months, which results in the injection molding workshop having a high turnover rate. Not many workers can work for more than a year in the injection molding workshop.

### Investigator Journal

Before 7 in the morning, I got up to go to work. The cafeteria downstairs has instant noodles, steamed buns, and rice porridge. At around 7:15, I quickly ate my food. Then, I arrived at the workshop and clocked in. The group leader said we will have a meeting, so everyone formed two lines outside of the workshop building.

The main issue discussed at the meeting was not to argue with the repairmen. These repairmen are responsible for more than 10 machines. If, at the same time, there are 3 or 4 machines that need to be repaired but there is not enough time to fix them, they might become irritable and they won't be in a good mood either. When this happens, the group leader urged us not to blame the repairmen or argue with them. The entire injection molding workshop only has one person for repairs and maintenance. Currently, there are a lot of new workers who aren't so familiar with how to operate the machinery and they also don't yet have the ability to fix simple malfunctions on their own. The group leader explained that this is the reason why the repairmen's workload has increased. But, the salary bonuses and accommodation fees of the injection workers are directly tied to how many pieces they produce. If a machine stops working and the time waiting for it to be fixed is too long, inevitably, it will be difficult to fulfill the daily quota, and it is very unlikely that you will receive the overproduction bonus. Therefore, workers hope the machines can return to their normal functions quickly so they can finish their quota early. When the machine experiences a malfunction, they feel irritated and may argue with the repairman who is also feeling irritated. The group leader discussed this phenomenon at the meeting, said a few words to try and alleviate this problem, and then announced the meeting was over and we should begin working.

When the meeting was over, I returned to the workshop and first went to the group leader to receive my razor blade and sign my name. For most of the injection plastic products, you need to scrape the nozzle and burrs, so a razor blade is necessary. But there is only a blade with no handle. When you use this type of blade with your bare hands, it is pretty dangerous. Luckily, I have not yet seen someone injured from using this tool. However, after using this blade for two days, my thumb was swollen because the back of the blade kept pressing into my finger. In one day, the knife would press against my finger more than 3,000 times, repeatedly applying pressure to my finger and causing it to bleed. As a result, I was no longer able to use the knife and had to tell the group leader. The group leader then proceeded to take a

large bandaid and had me wrap my finger with it to alleviate the pressure of the blade. But I would often have to put my hand in water and the bandage would become heavy and slip off my finger. So my only option was to rip the bandage into two parts: one part I wrapped around my thumb and the other part I wrapped around the blade. I then used adhesive tape to wrap the bandages more securely. This way, there wasn't so much of the bandage on my finger and it wouldn't slip off so easily when it got wet. Also, the bandage around the blade prevented the blade from easily injuring my hand.

The injections workshop has 44 injection molding machines. Everyday about 20 are in use. One person works with one machine: changing parts, water immersion, scraping the nuzzle and burrs, calibration, arrangement, removal of bad parts, installation of trays. This whole process is all completed by one person. The injection molding machine's mold cycle is often around 30 seconds. So in 30 seconds, you need to complete these four or five steps so time is very limited and generally, there is no time to rest. The group leader does two or three inspections per day, looking at how much we have produced. The repairmen also do two or three inspections per day and record the parameters of the machine. Quality Control does one inspection per day, randomly selecting a finished product and testing whether it meets the standard requirements. These inspections do not last more than one minute. The rest of the time is just one person operating one machine nonstop.



Workers at their work position



Workers at their work position

There is no breaktime in the morning until we eat lunch at 11:30. There is only 30 minutes allocated to eat lunch. When we eat, no one really chats with each other. We just silently finish eating as quickly as we can. One time I tried to talk with another factory worker, but I felt we barely discussed anything substantive before it was already noon! I had to stop eating, throw out the food I didn't finish, and quickly head back to work. I work 5 hours in the afternoon, from 12 to 5pm with no break. Generally speaking, because there is no break in the afternoon, when 2pm comes around I start to get sleepy and usually yawn. I even noticed that the previous worker who was at my machine wrote on the machine, "sleepy." One time, I was feeling sleepy while holding the blade and my mind started wandering. I accidentally cut my left hand. Luckily, the cut wasn't too deep and only a few drops of blood came out. After 2 days, the cut was completely healed, but now I don't let myself get sleepy during work. If I notice that I am starting to feel a bit tired, I try really hard to refocus my attention. Generally, at around 3:30pm I gradually start repressing my tiredness. At 5:00pm, we have half an hour to eat dinner.



Workers having lunch

At 5:30pm, we go back to work. It is a bit more relaxing at this time because if there were no problems with the machines in the morning and afternoon, 90% of the production target would be completed already. So, at this time, we can work a bit slower. Also, during the daytime, if the temperature is hot, the workshop is scorching! At night time, though, the sun sets and it starts to become a little windy, making the conditions more comfortable. At 7pm, the group leader comes to every machine and counts how many products were produced. At 7:10pm, we return the blade and turn off our machines. After turning off the machine, we clean the table and the area around the machine and wait to clock out. It is also only at this time when factory workers chat together. There are also people who can't help but feel tired and find a corner to take a nap.



Workers chatting together

At 7:30pm, we get off work and can leave the workshop. We go back to the dormitory to take a shower and that's when I realized: my legs and feet were swollen and my right shoulder was aching. I asked a few experienced factory workers: you've done this work for so long, is your body always swollen and aching? They told me that at the beginning it was like that for them too. If you're not used to standing 11 hours a day, your legs and feet will become swollen, but after half a month you get used to it. Your arms and shoulders ache because turning on the machine requires a lot of strength and you have to open and close the machine a few thousand times a day, so of course it will ache. They suggested I switch hands when opening and closing the machine. Because we work more than 10 hours a day, and all of our time and energy is spent very hurriedly, once we are done showering, the feeling of tiredness is overwhelming and we immediately lie down and go to sleep.

## Jetta (Guangzhou) Industries Co., Ltd. Investigative Report

### Factory profile<sup>3</sup>

Founded in 1977 and based in Hong Kong, Jetta Company Limited is a leading Original Equipment Manufacturer (OEM) in the toy industry. The company established subsidiary companies in Guangzhou in 1983 and Jetta (Guangzhou) Industries Co., Ltd. was one of the many companies. Jetta (Guangzhou) Industries Co., Ltd. is located in Conghua City, Guangzhou, and their production factory primarily manufactures plastic toys, electronic toys, plus toys, toy blocks, small electronic appliances. Most of their products are mainly sold to markets in the U.S., Europe, Japan, South-East Asia, amongst other regions in the world.



Factory name: Jetta (Guangzhou) Industries Co., Ltd.

Address: No. 163 East Street, Cheng'ao Avenue, Chengjiao Neighborhood, Conghua City, Guangzhou, Guangdong Province

Telephone number: 020-37996666

Contact: Ms. Luo

Products manufactured: Plastic toys, electronic toys, plus toys, toy blocks, small electronic appliances etc.

Brand companies manufacturing at Jetta: Hasbro, Mattel

Total number of employees: Around 6,000

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<sup>3</sup> Information found on Jetta's official website: <https://www.jetta.com.hk/index.php/company>; recruitment website jobcn.com: <http://www.jobcn.com/cozone/20/99/209931/page/>; and Baidu: <https://baike.baidu.com/item/%E9%95%87%E6%B3%B0%E9%9B%86%E5%9B%A2/10452294>



Total number of workers: Around 4,000

Number of workers during peak season: Around 6,000 (includes summer workers)

Male to female ratio: 1:8

Sources for the above information: Jetta (Guangzhou) Industries Co., Ltd employee handbook, factory recruitment notice and information provided by workers

Number of interviewed workers: 16

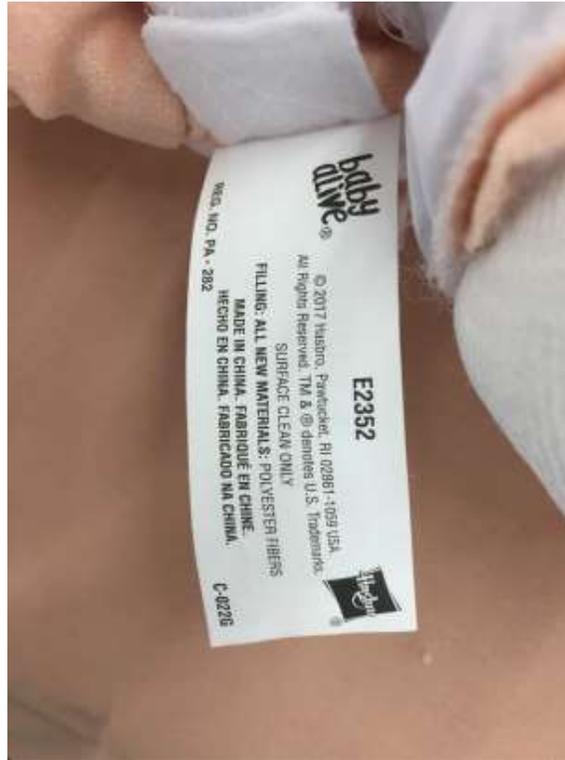
Department interviewed workers were located in: Assembly department/Electronics department

Male to female ratio of interviewed workers: 7:9

Interview methods: face-to-face interviews, Wechat/QQ conversations. Workers did not know the identity of the investigator.

Products manufactured at Jetta





Hasbro Baby Alive Real as Can Be Baby (Blonde Sculpted Hair)

1,364 U.S. shipments available for Jetta Co., Ltd., updated weekly since 2007

日期	供应商	客户	详细信息	更多40项
2018-04-17	JETTA CO., LTD.	MATTEL INC.	PLASTIC TOYS: NO WPM FMR54-BF1A LUCIANA DOLL & BOOK HS CODE: 9503002900 NUMBER: AWCC7000066 MARKET CODE: PCU PLANT ID: AD	<a href="#">货运提单</a>
2018-04-17	JETTA CO., LTD.	MATTEL INC.	PLASTIC TOYS: NO WPM FMR54-BF1A LUCIANA DOLL & BOOK HS CODE: 9503002900 NUMBER: AWCC7000066 MARKET CODE: PCU PLANT ID: AW	<a href="#">货运提单</a>
2017-11-21	JETTA CO., LTD.	MATTEL INC.	PLASTIC TOYS: NO WPM 40'HQ SUB 40'STD FGN63-F51A BB DOLL & ACCESS 1-WHC HS CODE: 9503002900 NUMBER: AWCC7000066 MARKET CODE: PCU PLANT ID: AD	<a href="#">货运提单</a>

Shipment record of Jetta in April shows that Jetta is still manufacturing products of Mattel.

## Section 1: Recruitment and Resignation

### Hiring policy

#### Hiring requirements

During the investigation period, the factory was recruiting large numbers of long-term workers. Applicants were required to be aged 23 years or older.



镇泰 (广州) 实业有限公司  
大量招收暑假工!

**薪酬福利**

1. **工作时间** 五天8小时 (双休) 工作制。
2. **加班费** 平日加班计1.5倍, 周六日计2倍; 法定节假日计3倍。
3. **薪资** 适量加班工资可达3200-4500元。
4. **工资发放** 每月10号前准时发放。
5. **带薪假期** 按照国家规定享有法定节假日、年休假、婚假、产假、病假、丧假等有薪假期。
6. **食宿情况** 公司提供食宿。
7. **医疗保障** 公司设有医务室, 员工在医务室医治, 诊疗费全免。
8. **公司生产区** 现代化的机器设备, 舒适的工作环境。
9. **文娱活动** 每年定期举办生日会、秋游或嘉年华及新春大抽奖等活动。公司有大型体育馆、舞蹈室、电视房、图书馆、卡拉OK厅、足球场、篮球场等都是免费对员工开放。

**公司简介**

镇泰 (广州) 实业有限公司成立于2004年, 是镇泰集团旗下的独资公司, 专业生产高品质的塑料、毛绒及电子玩具等, 产品全部销往欧美。公司拥有现代化生产线; 厂区占地面积28.8万平方米; 员工总人数达3500多人; 交通便捷, 生活、娱乐设施完善。

**联系方式**

地址: 从化城郊街镇泰大道东163号  
联系电话: 920-33986668  
8802/8279  
联系人: 罗小姐/喻小姐

**乘车路线**

可乘家3路/镇泰班车, 黄头楼/黄头山心楼/坑石塘村到三马路路口站下车, 步行200米即到镇泰厂东门。

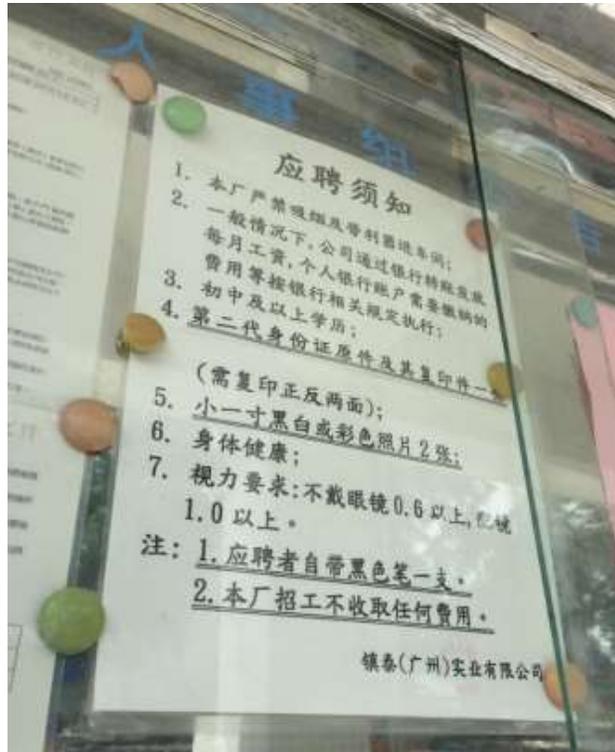
(Hiring advertisement of Jetta)



(Hiring advertisements of Jetta)

### Hiring Process

A notice with a “Jetta Recruitment Consultation” QR code was affixed to the window at the security office located at the factory’s east entrance. After scanning the QR code, applicants are added to a Wechat group. The following message was sent to the group: “Jetta Toy factory is hiring large numbers of long-term staff. Interested parties should bring their original identification card and a photocopy, two one-inch photographs, 35 RMB (5.04 USD) for the pre-job physical examination and a pen to the interview. Applicants are to arrive before 9 AM during workdays (Monday to Friday) for an interview”.



(A notice for applicants: 1) Smoking is prohibited in the factory and sharp objects are not allowed to enter the workshops 2) Under normal circumstances, wages will be paid through bank transfer each month, fees required for a personal bank account or other relevant requirements shall be done according to the terms decided by the bank 3) Minimum education level required: Junior High 4) Original document of the applicant’s second generation identity card and a copy of it with both front and back printed 5) Two 1 inch black and white or color pictures 6) In good health condition 7) Eyesight requirement: Without spectacles 0.8, with spectacles 1.0 and above. Note: 1. Applicants should bring a black pen along 2) The factory does not take any fees.)

After two weeks, the factory provides new workers with work uniforms. The work uniform during the summer, is a short-sleeved t-shirt, and in the winter, workers are given a vest to be worn on top of their clothing. The factory provides workers with work uniforms once a year, for free.

### Entry Methods

Direct hires, internal referrals



Position Assignments:

Workers cannot choose their own work positions. The line production manager assigns workers to their positions.

Underage Workers:

During the investigation period, the factory was recruiting a large number of summer workers, with the majority being high school graduates, and a small number were university students. Summer workers resign from the factory at the end of August. During peak season, there were around 2,000 summer workers.

The wages and working conditions for summer workers are the same as regular workers. The factory does not have student workers from vocational schools. The majority of summer workers are high school graduates, and are looking to earn some money to pay for their school fees or living expenses etc. There are a small number of university students who are working at the factory to earn living expenses, or their school has arranged for them to complete summer community service work.

Physical Examination:

Applicants undergo a pre-job physical examination, which mainly consists of a blood test and chest x-rays. Any females who are pregnant or about to become pregnant cannot undergo chest x-rays, as this will affect the fetus. Therefore, as these workers are unable to receive the results of their physical examination, they will not be hired by the factory. Applicants pay for their own physical examination which costs 35 RMB (5.04RMB). Workers do not receive a copy of the results of their physical.

The factory arranges physical examinations for workers once a year, which his paid for by the factory.

广州市从化区疾病预防控制中心 12001110

### 体格检查表

姓名: [redacted] 性别: [redacted] 年龄: [redacted] 职业: [redacted] 工种: [redacted] 文化程度: [redacted]

身份证号码: [redacted] 居住地址及家庭电话: [redacted]

以上情况,本人如实填写,同意将检查结果反馈用人单位。联系电话: [redacted]

五官科	眼	视力	左	右	矫正视力	左	右	辨色力	正常	医师意见签名: [redacted]
	耳	听力	左	右	听力	左	右	其他		
外科	身高	cm	[redacted]	体重	kg	[redacted]	医师意见签名: [redacted]			
	胸围	cm	[redacted]	脉搏	次/分	[redacted]	医师意见签名: [redacted]			
内科	血压	mmHg	[redacted]	心率 (次/分)	[redacted]	医师意见签名: [redacted]				
	呼吸系	肺部	[redacted]	心脏	[redacted]	医师意见签名: [redacted]				
其他	肝	[redacted]	脾	[redacted]	医师意见签名: [redacted]					
	肺	[redacted]	脾	[redacted]	医师意见签名: [redacted]					
其他	医师意见签名: [redacted]									
化验检查	<input type="checkbox"/> HBsAg <input type="checkbox"/> HBeAg <input type="checkbox"/> HBeAb <input type="checkbox"/> HBsAb <input type="checkbox"/> HCV <input type="checkbox"/> HCV-Ab <input type="checkbox"/> ALT <input type="checkbox"/> AST <input type="checkbox"/> GGT <input type="checkbox"/> ALP <input type="checkbox"/> TB <input type="checkbox"/> TST <input type="checkbox"/> 血常规									
体检医师	体检日期: 20 年 月 日 负责医师签名: [redacted] 单位盖章: [redacted]									

广东省疾病预防控制中心  
Guangdong Center for Disease Control and Prevention

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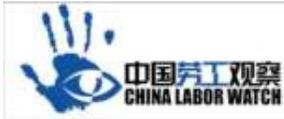
2018 年 7 月 19 日

姓名	[redacted]	性别	[redacted]	年龄	[redacted]	职业	[redacted]	工种	[redacted]	文化程度	[redacted]
血型	[redacted]	乙肝	[redacted]	丙肝	[redacted]	梅毒	[redacted]	艾滋病	[redacted]	结核	[redacted]
职业体检	35	普通体检	35	健康体检	35	其他	35	合计	35.00	收费	35.00

收费单位(盖章): 广州市从化区疾病预防控制中心  
收费人: 陈燕婷

体检日期: 20 年 月 日  
单位盖章: [redacted]

(Physical examination form and receipt)



Training and Orientation:

Workers participate in a pre-job training which lasts for two hours. The training consists of signing the labor contract; signing a confidentiality agreement and voluntary overtime form; distributing a manual and handbook on the factory's rules and regulations, occupational health and safety training materials, ISO14001 environmental management system training materials; and completing a new employee factory-level training test. After the training, factory staff will lead workers directly into the workshop. Training is paid.

Probation period:

The probation period for new workers is two months.

Resignation:

Workers who wish to resign during the probation period must provide the factory with three days' notice. During the contract period, workers must provide the factory with a months' notice. Workers obtain a resignation form from the line leader, and after filling in the resignation date, the form is then submitted to an upper-level staff for a signature.

Resignation Form



Workers must first undergo resignation and dormitory vacating procedures, and then submit a resignation form and their factory card to the account department before they are able to clear their wages. Wages are paid in cash or direct bank transfer. Workers receive their final wages around a week after their resignation.

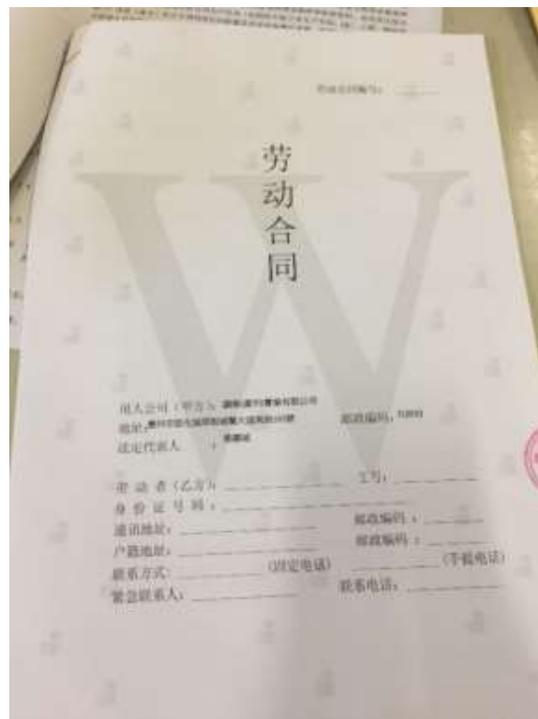
Factory staff will check the remaining balance on the worker's factory card and refund the balance via cash.

It is not difficult to resign. If the worker's request for resignation is denied, they can go to the automatic resignation machine outside the employee service point to print out a resignation form. The form is then handed to a workshop clerk.

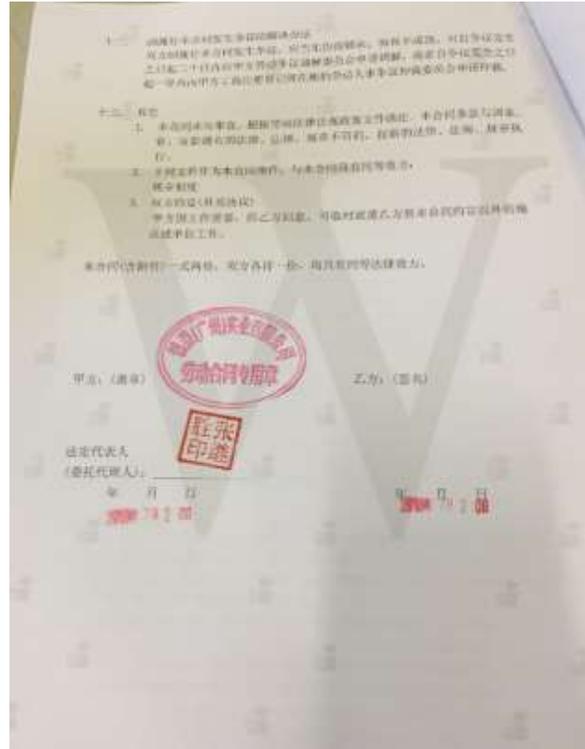
## Section 2: Labor Contract

### Signing Process:

The factory signs a contract with workers during training. The training instructor provides workers with two copies of the contract, asking them to fill in the blank spaces on the cover, and to sign their name on the first paragraph of the first page. Workers are also required to sign on the last page of the contract which has Jetta's factory seal and the seal of the legal representative. There is a sheet with supplementary information about the labor contract which needs to be signed. There are two copies of the contract, and both the factory and the worker retain a copy. The confidentiality agreement is attached to the contract and is to be submitted along with a copy of the contract. The contract period is 2.5 years, and the probation period is two months.



(Cover page of labor contract)



(Last page of labor contract)

### Contract Terms

Workers have a copy of the contract, and the terms of the contract include: the contract period, work description and location, work hours and vacation, labor remuneration, social insurance and benefits, labor protection, labor conditions and occupational hazards protection, labor discipline, changes in the labor contract, release and termination of the contract, violations of the responsibilities in the contract, agreement on the service address of documents, disputes arising from the implementation of the contract, others, and supplementary information about the Jetta Industries Co. Ltd. contract.



### Section 3: Working hours

Work hours (Hasbro assembly department)

(1) Peak and off-peak season work hours

	Peak	Off-Peak
Daily work hours	8-10.5 hours	8 hours
Weekly work hours	5-6 days	5 days
Monthly work hours	22-26 days	22 days

(2) Peak and off-peak season overtime hours

	Peak	Off-peak
Daily overtime hours	1.5-2.5 hours	There is overtime on some occasions. Overtime does not exceed 2 hours a day
Weekend overtime hours	17.25-19.75 hours	
Monthly overtime hours	66.5-78.25 hours	

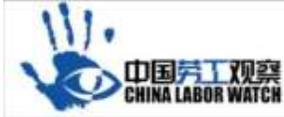
Months with the longest overtime hours are June, July, August and September. The longest overtime hours put in during a month was 80 hours. The factory will not arrange overtime for female workers who are pregnant. Workers can choose not to work overtime, and they only need to verbally notify management staff if they do not wish to. If workers do not work overtime, then they may have their overtime hours cancelled on workdays and Saturdays, or be asked to resign.

(3) Working hours and rest time

Peak season (June, July, August, September)

Morning	Afternoon
7:45-12:15; Workers have a 10 minute break at 10:30 Workers have a 60 minute meal break at 12:15	13:15-17:15; Workers have a 10 minute break at 15:30 Break at 17:30 for 5-6 minutes, workers finish work by 19:15

Off – peak season



Morning	Afternoon
8:15-12:15;  Workers have a 10 minute break at 10:30  Workers have a 60 minute meal break at 12:15	13:15-17:15;  Workers have a 10 minute break at 15:30  Workers finish work at 17:15

Each assembly line has a production target, and the investigator is unsure about the specific targets. Workers are asked to work as fast as possible, and to produce as many products as they can. Workers will receive a reward at the end of the month for the amount of products manufactured which exceeds the production target.

The factory records work hours via a time card, and workers are required to line up for around 2-3 minutes to swipe out at the end of their shift. The time spent lining up is included in the work hours. The work hours recorded are complete, and workers can enquire with workshop staff about any errors. There are no meetings before or after work.

Personal freedom

During work hours, workers must use the bathroom and drink water during the designated rest periods. After work, workers are free to move around the dormitory, and are not searched when entering and exiting the factory.

**Section 4: Labor remuneration and benefits**

Wages:

(1) Wages (Hasbro assembly line):

During peak season, workers earn 2,900 – 3,500 RMB (417.73 USD – 504.16 USD) on average a month after social insurance contributions are deducted. During off-peak season, workers on average earn less than 2,000 RMB (288.09 USD) after deducting for social insurance contributions.

Wages include: regular wages, sick leave wages, overtime wages, monthly reward, technical allowance, medical compensation, night shift allowance, special allowances, allowance for working under high temperatures, wages for working on a rest day, other compensation, pension contribution, unemployment insurance contribution, medical insurance contribution, fees for the housing provident fund, dormitory fees, taxes, actual amount of deductions.

Workers earn a base wage of 2,100 RMB (302.49 USD) which is based on an hourly wage of around 12 RMB/hour (1.73USD/hour). Overtime hours are calculated according to an hourly standard of 12.07 RMB (1.74 USD) x 1.5, and overtime on weekends according to an hourly standard of 12.07 RMB (1.74 USD) x 2. For overtime hours on statutory holidays, wages are paid according to an hourly standard of 12.07 RMB (1.74 USD) x 3.

The recruitment notice advertises wages of 4,300 RMB a month in the assembly and electronic departments, of which 1,667 RMB (240.12 USD) is overtime wages. However, workers will only earn 1,667 RMB (240.12 USD) in wages if they work 22 days a month with 2.25 overtime hours a day and put in 8 overtime hours on Saturdays. Workers must work 81.5 overtime hours to earn 4,300 RMB (619.39 USD), and mentioned that whether it is peak season or off-peak season, it is impossible to earn this amount.

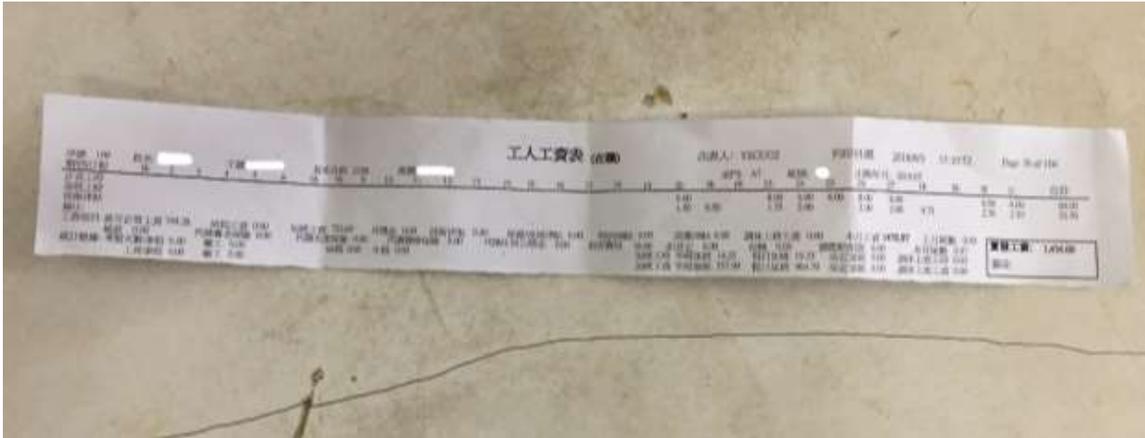


(Recruitment notice advertising how wages are being calculated)

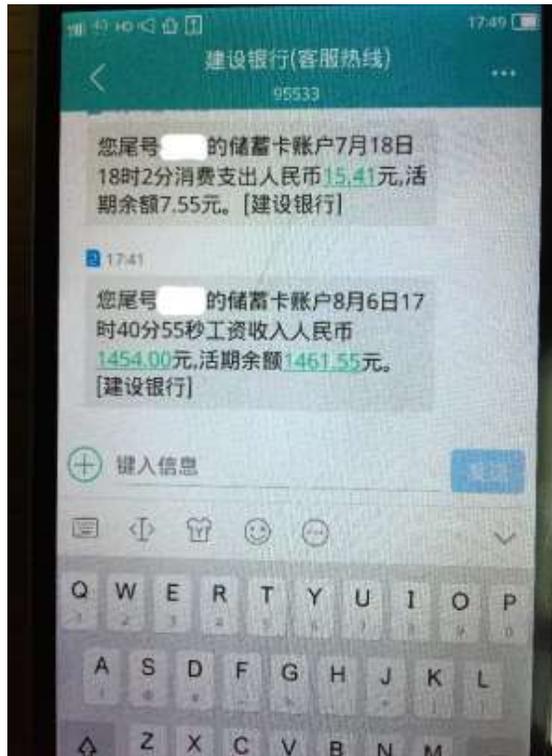
### Payment method

The factory distributes the previous month's wages before the 10<sup>th</sup> of each month. Workers receive their wages directly from the factory. Workers are given a pay stub which lists the wages to be paid, and the total deductions. The actual wages workers receive matches the amount shown on the pay stub. The pay stub and attendance records are the same.

The categories listed on the pay stub include: pension contributions, unemployment insurance contributions, medical insurance contributions, housing provident fund, dormitory fees, other deductions, taxes, actual amount of deductions, leave, and absenteeism. If workers are absent for more than three days, then they would be regarded as having voluntarily resigned. Some workers say that after they voluntarily resign, wages would be paid 15 days after the worker has left the factory. Some workers say that the factory would call the worker who voluntarily resigned, to return to the factory to undergo resignation procedures and to receive their wages.



Paystub



A message from bank saying wages has been deposit into the investigator's bank account

Leave policy

Sick leave is paid, and workers must ask the product management staff for a sick leave form and also submit a medical certificate.



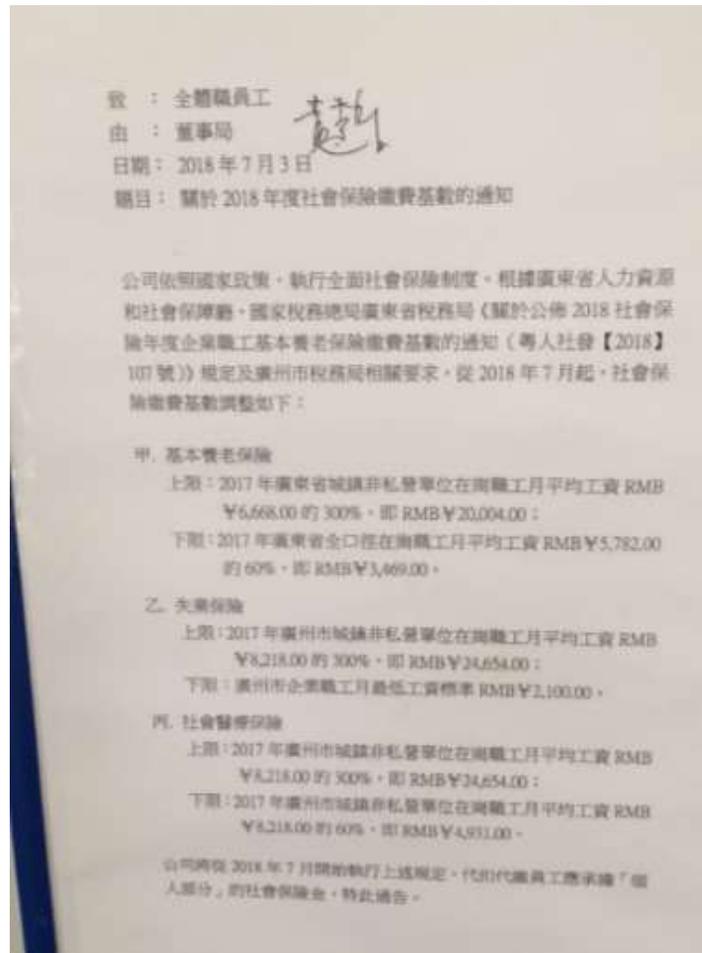
If asking for sick leave and the worker has a sick note and the receipt from their doctor's visit, their wages will be deducted around 50%. A worker receives no wages if they miss work or take regular leave and if a worker misses three days of work in a row, they will be considered as having quit. Some workers said that after quitting, wages would be paid after 15 days, while other workers say that even if the worker quit, the factory will call them and ask them to return to the factory to submit their resignation forms and retrieve their wages.

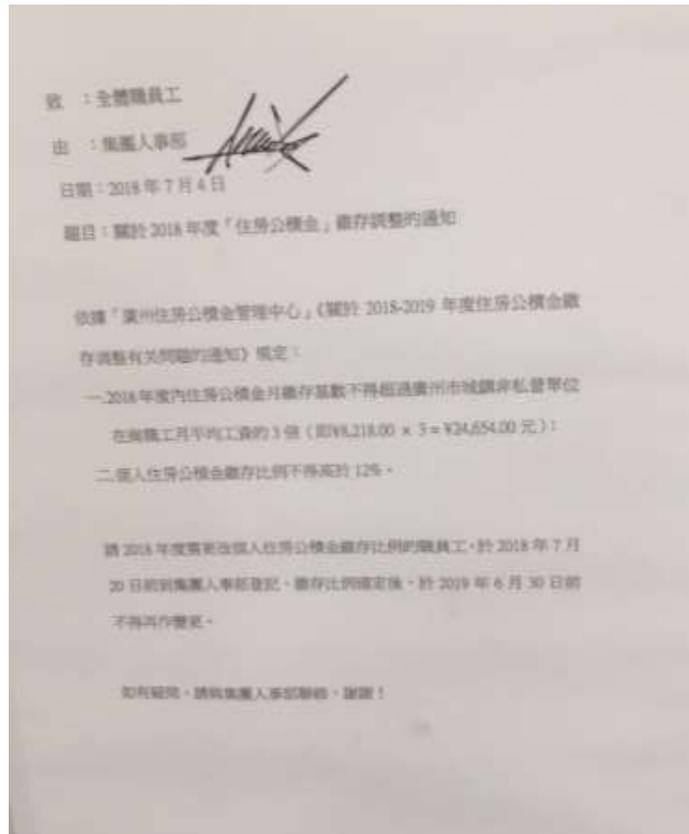
The factory has paid annual leave, maternity leave, marriage leave and funeral leave. Workers must provide advanced notice to product management staff prior to taking leave, and also ask for a leave request form. Maternity leave is paid according to related labor laws. A female worker from the electronics workshop mentioned that the assembly line she works on, allows workers to submit a leave request form after they take annual leave.

### Holidays:

Legal holidays are not paid.

### Social insurance:





Notice on 2018 social insurance contribution base and housing provident fund deposit ratio  
The factory purchases social insurance for workers. The amount each worker pays in social insurance contributions is different, as different departments have different wages. The table below shows the amount workers in the Hasbro assembly department pay for different categories of social insurance.

Type of insurance	Amount (Hasbro assembly department)
Pension	277.52 RMB (39.98 USD)
Unemployment	Approximately 4.2 RMB (0.60 USD)
Medical	98.62 RMB (14.21 USD)
Work injury, maternity	The factory pays for work injury and maternity insurance. Investigator is unsure of the actual amount paid
Housing provident fund	105 RMB (15.12 USD)

Recreational Facilities:

The factory has a library, television room, karaoke room, soccer field, basketball court, dance studio, indoor gymnasium, table tennis table, and a bulletin board.



Bulletin board stating the working hours for entertainment facilities in the factory.



Soccer field



Karaoke room

The factory has many entertainment facilities. There is an indoor gymnasium, an outdoor basketball court, soccer field, table tennis table, a television room, library and dance studio. There are also activities such as the mobile game competition. However, it is not difficult to see that the majority of workers who play basketball or soccer are summer workers. Those who watch T.V. in the television room, are predominantly male workers who are aged 50 and older. Other than on the odd occasion when a few female workers would dance in the dance studio, female workers are hardly seen using the entertainment facilities. Even though the mobile game competition appears to be very lively, the majority of those who participate are summer workers. Female workers are only interested in the free dessert offered during the competition. Although the factory has many entertainment facilities, few female staff are interested. One female worker mentioned that she had never participated in any of the activities organized by the factory. She only comes to the factory to work.





Mobile game competition

The factory has a sick bay, and to purchase medicine, workers are required to swipe their factory card. Workers say there have been cases where female workers who have high blood pressure or are anemic, have fainted on the assembly line. Workers who are sick are first taken to the sick bay, and if their condition is serious, security will call the 120 emergency number.

### **Section 5: Dining and Accommodation**

#### Dining Conditions:

The factory provides meals for workers. Breakfast costs 3 RMB (0.43 USD), whilst meals during lunch and dinner costs around 5-7 RMB (0.72 USD-1.01 USD). Workers say meals are cheaper in the factory compared to purchasing food outside.



Menu with price tag



Canteen where workers are lining up for food



Canteen staff preparing meals for workers

Workers can choose whether they would like to live in the dormitories and purchase meals at the factory. If they choose not to, no deductions will be made to their wages. The factory's recruitment notice says "Workers who began working at the factory between June 9 – June 25, will receive a dormitory stipend for three months (40 RMB (5.76USD) a month)". Other workers do not receive a dormitory stipend. Workers do not receive any meal stipends.

The factory cafeteria is relatively clean, and before purchasing meals, workers must top-up their factory card, and swipe the card when purchasing meals. The cafeteria provides bowls, and workers bring their own spoons. After eating, workers must place their bowls in the cutlery bucket. Some workers choose to bring their own meals to the factory.

#### Dormitory conditions:

Each dormitory room houses four workers, and the rooms are equipped with fans and cupboards. Including utilities, dormitory fees are 40 RMB (5.76USD) a month. Showers and bathrooms are shared by workers on each floor. There are 10 showerheads in the shower room, however, there is no hot water and the cold water is very dirty. Each time a worker showers, they must fill a bucket of hot water outside the cubicle.



Dorm room



Shower room



Workers can fill up hot water here. The notice posted serves as a reminder that workers should not waste water and do not use hot water to wash their clothes as hot water is limited.

Each floor of the dormitory has a break room, and the second floor has a washing machine. Workers say that the washing machine has been broken for many years, and no one has fixed it. The dormitory second floor has a kitchen where workers can cook.

If workers are taking a bus to and from work, a one-way ticket costs 2 RMB (0.29 USD).



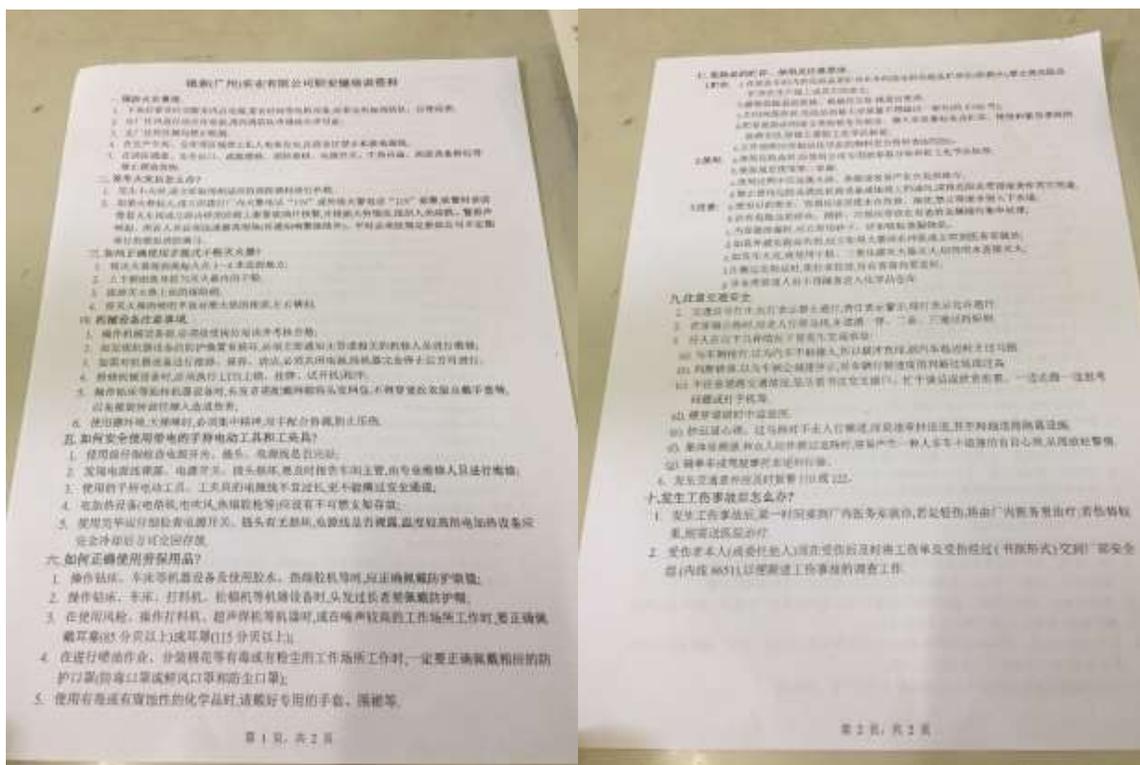
Poster regarding the Jetta bus. The bus is available on weekdays and is 2RMB (0.29 USD) for a one way ticket.

A female worker from the electronics department was directly recruited into the factory in June, and prior to 2008, was working at Jetta Guangzhou's Baiyun factory. The worker is married, has two children, a nine year old son and a two year old daughter. She and her husband work in Guangzhou, and the grandparents look after the children. Before coming to work at Jetta Guangzhou, the worker was looking after her children at home. The worker lives at the factory dormitories, and during the weekends, goes to her husband's place of employment which takes around 30 minutes by public transport.

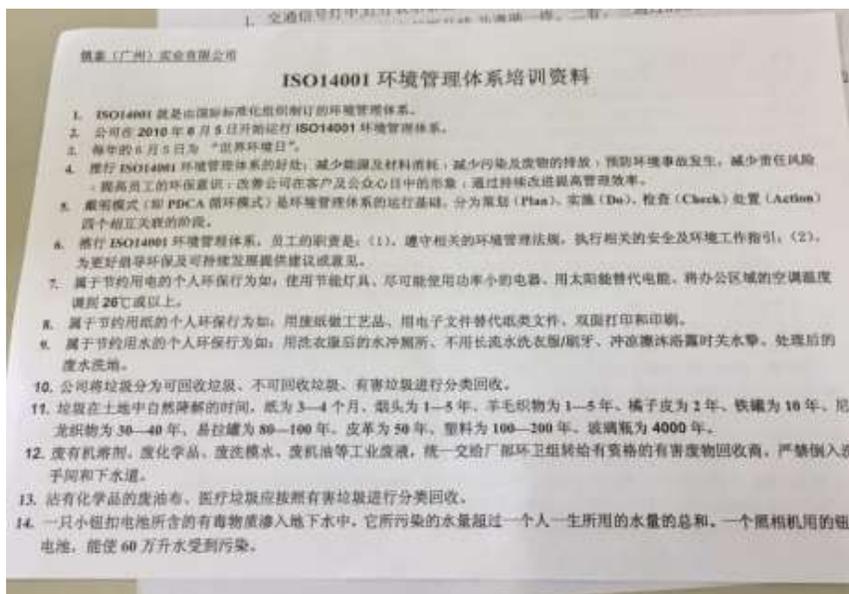
## Section 6: Occupational Safety and Labor Protection

### Environment, Health and Safety Committee:

The factory does not have an environment, health and safety committee. During the pre-job safety training, the instructor distributes a copy of the job safety manual and an ISO14001 environmental management system training manual. New workers also took a factory-level training exam, which lasted for around 20 minutes.



Job safety manual



ISO14001 environmental management system training manual



Labor Protection:

The workshop is much cooler than the outside of the factory. There are fans and ventilations, and corridors are unobstructed. Workers mentioned that lathe operators and those in the spray painting positions are required to wear protective equipment. However, the oil and glue that workers come into contact with have been tested previously and are harmless to the body.

Every year, the factory pays for workers to undergo a physical examination. Workers who are in contact with toxic chemicals are required to undertake an occupational disease examination prior to resigning from the factory to determine that they do not have an occupational disease.

In the injection molding department, workers are required to wear ear plugs, as the workshop is particularly loud.

The dormitory has a first aid box which includes rubbing alcohol, eucalyptus oil, cotton buds, bandages, Zheng Gu Shui, scissors, gauzes, disposable gloves etc. The first aid box is unlocked, and workers must record the items they have used.



First aid box



Items inside the first aid box, contains rubbing alcohol, eucalyptus oil, cotton buds, bandages, Zheng Gu Shui, scissors, gauzes, disposable gloves etc.

#### Work injuries:

There are work injury incidents at the factory, however, work injuries occur infrequently, around once or twice a year. The main reason for work injuries are: workers not concentrating when operating the machines; improper use of machines, the workshop does not provide workers with job safety training, equipment needs to be updated, the workshop did not implement 5S management, workers do not have enough job safety knowledge, workshop lacks sufficient oversight. There was a worker who mentioned that a few years ago, she saw a female worker who turned to speak to the worker next to her, and as she was not concentrating, her finger was cut by the machine. Afterwards, the female worker was taken to the hospital, and after treatment, her finger had become disabled. The factory compensated the worker 30,000 RMB (4321.34 USD).

The investigator was assigned to a station that ties ropes to small components. The component is quite small, and the rope is relatively thin. After a morning's work, the investigator's fingers, nails, joints of the thumb and forefinger were in pain, and there were scars between the knuckles as they had been tying the rope all day. Workers advised the investigator to wrap tape around the fingers.

Another work position required workers to attach furs to the dolls. Workers would use bandages to wrap their forefinger, middle finger and thumb on both hands, as they have to continuously use both hands very quickly which is extremely painful. There were some workers whose fingers were in a lot of pain that they couldn't sleep soundly at night as they would be woken up by the pain.

#### **Section 7: Fire Safety**

The workshop and dormitory corridors and emergency exits are clearly marked, with sufficient lighting and are unobstructed. The workshop and dormitories have fire extinguishers.



## A Nightmare for Workers: Appalling Conditions in Toy Factories Persist

Every year, the factory organizes two fire drills, in May and October, and they take place in both the production areas and dormitory areas. Each fire drill lasts for 30 minutes. Peak season is between June and September, as such, there are no fire drills.



Unobstructed stairways



Unobstructed hallways in the dorm

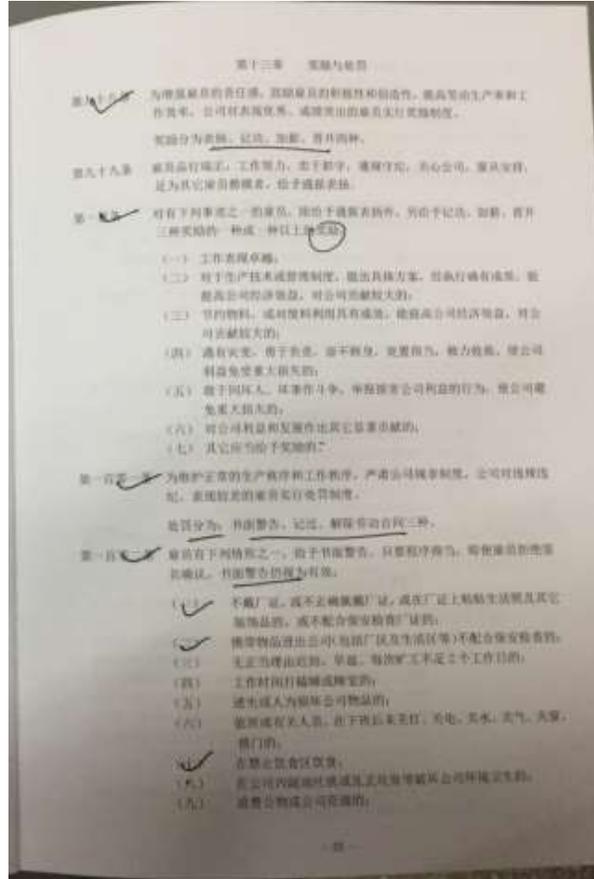


Fire extinguisher and fire hydrant located inside the factories

### Section 8: Rewards and Punishments

“Rewards and punishments” are clearly set out in Chapter 13 of Jetta (Guangzhou) Industries Co. Ltd. rules and regulations. The rewards are a commendation, recording a merit, salary increase and promotion. The punishments include a written warning, demerit points, and termination of the labor contract. In reality, the punishments workers usually receive include having their overtime hours cut, or being asked

to resign. If workers are working too slowly, or are unwilling to work overtime, then their overtime hours in the future may be cut. There was a female worker who had a stomach ache for two days straight, and after applying for leave with the production manager, was asked to resign.



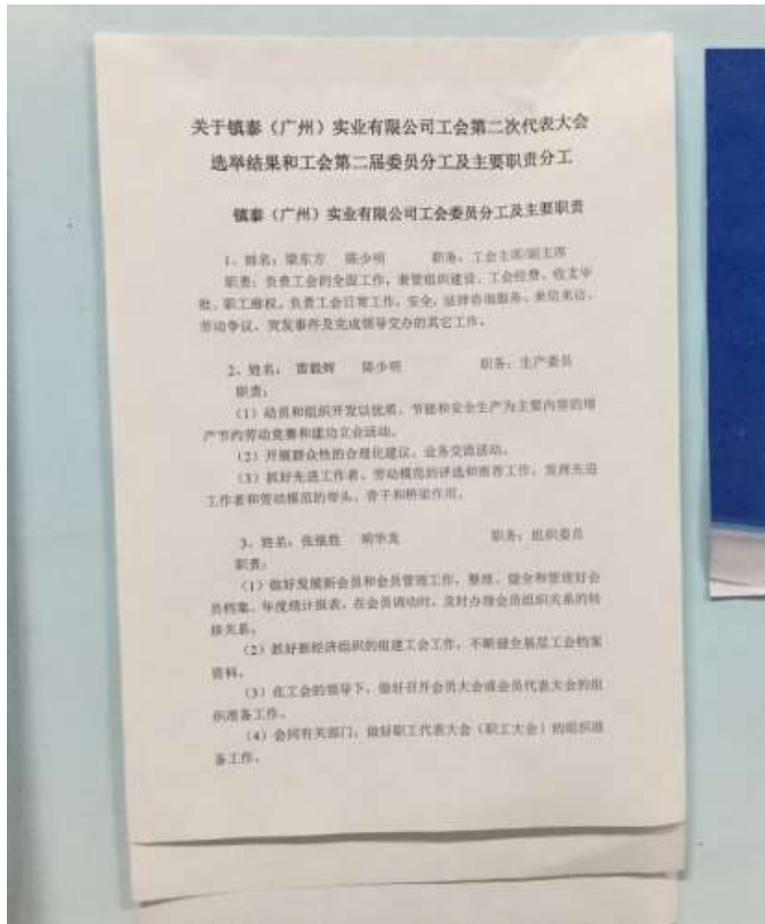
Rewards and punishments

### Section 9: Labor Union and Grievance Procedures

The factory has a union and worker representatives. Workers say that the worker representatives are recommended by the workshop manager or personnel. The factory union holds a meeting once every two months, and each meeting lasts for one hour. The most recent meeting was held at the end of July. When the meeting started, worker representatives reflected on the feedback from workers, such as when new workers would receive social insurance cards, when the base wage would increase etc. The employee service point board has Jetta (Guangzhou) Co. Ltd.'s worker representative chart and union committee chart. Of the 12 worker representatives, there is one male representative, the rest are females. The male to female ratio is 1:11. The union committee has 11 individuals, and the chairman and vice chairman are male. The two production committee members and one organizational committee member are male. The recreational committee has one male and one female, and the remaining two committee members and the two finance committee members are female. The male to female ratio is 6:5. The union's phone number is 87996666. However, when the investigator called the number, the response was: "The number you are calling is currently unavailable, please try again later."



(Poster regarding worker representatives of the labor union)



(Election results of the labor union)

There is a hotline at the factory, and the number is 37996666, Ext. 8292. The hotline accepts calls every Thursday from 5.00 PM to 7.00 PM. However, during peak season, workers usually work overtime until 6:45 PM or 7:15 PM. When workers wanted to call the hotline, the hotline staff have already finished for the day. Members of the care team also speak Cantonese, and there are a portion of workers at the factory who do not speak Cantonese. The factory has a CH production department, and the service number for that is: 37996666-8661. The factory has a “care team”, with three staff members on the team, Li Meixian (Contact number: 020-39303936), Huang Jinxi (Contact number: 020-3930393, QQ: 978583369), Lin Runbi (Contact number: 020-39303937, QQ: 859661280).

There is a suggestions box by the cafeteria entrance, however the suggestions must be related to work health and safety, environmental protection, anti-terrorism, or intellectual property rights.



Care Team's contact information

#### Section 10: Other

Workers choose to work at this factory because: (1) They are of an older age, and it is difficult to find work (2) The wages are paid on time (3) It is easy to resign (4) The factory purchases social insurance for workers, there is paid leave, and every month, the wages earned are enough to sustain a basic standard of living.

Interviewed workers mentioned that they hoped to earn 4,000 RMB/month (576.18 USD/month) before social insurance contributions have been deducted. However, even if it is peak season, after deducting for social insurance, the majority of workers earn between 2,900 RMB – 3,500 RMB/month (417.73 USD – 504.16 USD). Workers look forward to working overtime on weekends or legal holidays. They believe that working 1.5 to 2.5 hours of overtime everyday during peak season is acceptable.

Interviewed workers say that although their hands ache when working, they hardly come in contact with toxic chemicals, and there are also not many work injuries. Workers are generally satisfied with the overall work environment.

If workers take the bus home everyday, they would spend around 100 RMB (14.40 USD) in transportation each month. Renting an apartment outside the factory costs 200 RMB/month (28.81 USD), and if they live in the dormitories, the fees are 40 RMB/month (5.76 USD) Every day, workers spend 30 RMB (4.32 USD) on meals. Basic living expenses each month total 1,500 RMB (216.07 USD).

Regarding the factory's management system, workers think that the quality of management along the assembly line is low. There was a female worker who spoke back to a production management personnel, and was sent to the most laborious work position. There was a female worker who was working too slowly and was also sent to the most tiring work position. There was another female worker who applied for leave because of a stomach ache, and was asked to resign. There are two workshop managers in the Hasbro A7 production workshop. The male manager is the supervisor, and the female is the deputy

supervisor. Workers mentioned that if there are any issues, they would speak directly to the male manager, as he has more decision-making power.

Female workers aged between 30-40 years old feel that the wages are too low during off-peak season, and they aren't able to earn much. They plan to move to another factory with higher wages when there is an opportunity. For female workers aged 40-50 years old, they feel the factory makes contributions to the five social insurance categories in addition to the housing provident fund, and have never owed wages to workers. As such, they are generally satisfied since working at the factory allows them to maintain a basic standard of living.

### Investigator's Journal

July 24, 2018

I started working at 8:15. My job today was to attach furs onto dolls. This work position has a total of 7 people. The group leader requested each person to make 40 dolls an hour and that today the workers would be the one keeping track of their own production amount. If the worker didn't make enough dolls then they wouldn't be allowed to work overtime. The work position of attaching furs onto the dolls was too tiring. We needed to use a lot of force and have to continuously use all ten fingers without rest. Many workers who attached furs to the dolls would use bandages to wrap up their pointer finger, middle finger and thumb on both hands, as continuously using both hands very quickly is extremely painful and by wrapping them, it is less painful.

After an hour, the group leader took out a form and stood next to me and counted how many dolls were in the box next to me. She told me that I didn't make enough dolls and to think to myself what I should do. She said even if she wasn't going to schedule overtime for me, I shouldn't move so slowly and wait around until the end of my shift. Every assembly line has a daily production amount (the wages for the management of every production line is dependant on the production amount. If the production amount exceeds the quota, there will be a bonus. The higher the production amount, the higher their wages.) so I needed to work faster and not slack off. The group leader required the workers on the positions of attaching furs to dolls to make 40 dolls in an hour. However, as many workers in that position had only worked for a day or two, many of them could only make 25 or 26 dolls an hour. The group leader next to us kept pushing: "faster, come on girls! Faster boys!".



Worker with bandage wrapped on their fingers

At around 12:15 PM, I went to eat in the cafeteria. The cafeteria's menu was posted on the glass of the window. The food offered everyday was the same. I bought two dishes and one rice bowl at the steamed dish window and spent 6.50 RMB. The cafeteria provided breakfast, lunch and dinner so long as the worker purchased meals in the specified times, then the worker would be able to purchase meals. The factory's food was cheaper than the food offered outside of the factory and was also cleaner.



Workers waiting in line for food

At 1:15 PM, I returned to the production line and continued to work. The group leader and production manager continued to push us: "work faster, you can't work this slowly." When it was almost 5:15, the worker next to me, Mo (who started work the same day I did), told me that he didn't want to work overtime but the group leader wanted him to work overtime but didn't want me to work overtime. I said that I wanted to work overtime, as working overtime was the only way I can increase my speed. The group leader said opportunity was something a person needed to take for themselves, it is not something that can be given to them. If I wanted to work overtime, I needed to work faster. She said since Mo didn't want to work overtime, then I could work overtime instead but I would need to work faster. Some time past 6:40, workers from another assembly line had been transferred over to the position of attaching furs to dolls and sat directly across from me. She was transferred to help us on this line and she was a summer worker. She was very fast at attaching furs to dolls and could finish a doll in a minute and a half, while I took three to five minutes to do one.

I told her that I thought she was incredible. She said that she was forced to work so quickly. The production line she was originally on also implemented a system where workers recorded their own production amounts. Each person needed to make 40 products in an hour; if the worker didn't satisfy the quota, then they wouldn't be allowed to work overtime. Because of this, she had no option but to work as fast as she could to make the dolls. She said that there were women on her production line who could work even faster. Some of them could make 50 in an hour. She told me that she had been working at the factory for over a month now and during that time, had always been attaching furs to dolls. Now, when she works, she has to bandage all ten of her fingers, otherwise her fingers hurt too much. She also told me that on the production line she was on, there were some workers whose fingers hurt so badly that they

couldn't even sleep soundly at night and would be woken up by the pain. The worker who came to help, at 7:15, with two minutes left in the shift, returned to her assembly line. She had only worked for twenty minutes but the goods that had piled up in front of me were completely finished by her.

Today's shift ended at 7:15. With two, three or five minutes left in the shift, the summer workers on the assembly line had already left their work positions and were lining up, waiting to sign out. At 7:15, everyone was able to leave on time. Yesterday everyone got out of work at 7 PM. The summer workers who left work at 6:45 yesterday were reprimanded by the production manager this morning. The production manager said if you don't want to do the work, then don't come. If you don't want to do this job, there will be others willing to do it.



Workers in line to clock in/out

The group leader would always threaten to not let the workers, who work too slowly, work overtime. The products that are made in excess of the quota will be rewarded with a bonus. Therefore, the group leader will constantly push workers to make more products for the purpose of exceeding the quota. If a worker didn't want to work overtime, they would need to notify the production manager in advance.

August 1, 2018

Today at 7:40 AM, I started working. My job today was still to put furs on dolls. The worker sitting next to me (Xie M.) told me that both her hands hurt terribly and her right hand's index finger was swollen. She showed her left and right hand to me to show the difference and it was indeed very obvious that her left hand's index finger was more swollen than her right hand's index finger. The worker next to me who was on the same work position had already been putting furs on dolls for three days and she said her hands hurt too, to the point where she didn't want to work. After working for 15 minutes, my speed

dramatically slowed down because of how much my hands hurt. Afterwards, both my hands were completely numb and I was able to work much faster. In the first hour I made 30 dolls; in the second hour I made 35 dolls. However, afterwards, even though I was mentally telling myself to work faster, work faster, my speed couldn't increase by much. The more I worked, the less dolls I was able to complete. At 4:20 PM, the group leader said that the number of dolls I made had decreased so I wouldn't be allowed to work overtime. I said fine, because my hands were hurting to the point of spasming. I told the group leader that I didn't want to work overtime but I would try to finish 40 dolls within an hour tomorrow. The worker across from me, Xie M., said she also didn't want to work overtime. She wanted me to continue working overtime so that she didn't have to. I jokingly told her she was an indispensable worker as she worked very quickly so she had no choice but to stay and work; I worked too slowly, which is why I was qualified to not work overtime. Before work finished, I worked as quickly as possible to finish the remaining dolls in the box. I told the group leader I had finished before I left the workshop. The other workers had to work overtime until 7:15 PM.



Investigator's swollen finger

After work, on the way to the dorm, I took an hour long nap on my bed. At around 6 PM, Ying returned to the dorm to eat. She used her own electric slow cooker to boil some winter melon and rice. I chatted with her and told her how badly my hands hurt and how they felt like they were spasming. Ying said that working in a toy factory is extremely hard on the hands. While there may be no occupational hazards, a worker's hands will be put under a lot of stress. She said that the assembly department was slightly better. Workers in the injection department had to wear ear plugs because of how loud the machines were. I asked her if there were more men in the lathe operator and oil injection work positions that received bonuses. She said that those work positions had both male and female workers. When working at either of those work positions, the worker would need to wear personal protective equipment and their clothes



would get very dirty. When workers in those positions resign, they must undergo a physical examination to make certain that they do not have any occupational diseases before they are allowed to leave the factory. The chemicals that those workers come into contact with are not toxic because the oils and glue have all been previously tested. I asked her if the factory had arranged physical examinations for workers and she said that are physical examinations once a year and that they are free. However, when starting at the factory, the first physical examination must be paid for by the worker and afterwards, the annual physical examination is paid for by the factory. Ying said that two weeks after new workers start working at the factory, they will all receive their work uniforms. The summer uniform is a short sleeves shirt and the winter uniform includes a tank top that is worn over the worker's clothes. Excluding for these, work uniforms will be handed out once a year and workers are not charged. She said that she had worked at the factory for 16 years so her annual leave was 15 days in length. The longest she can take rest for is a week's time. I said that when I got off work, I saw a pregnant woman also leaving work. She said that pregnant women are not allowed to work overtime and can only work 8 hours each day. Maternity leave is scheduled in accordance to the factory's regulations.

At around 8 PM, another worker named Huang H. returned to the dorm. She said that she had to work 2.75 hours of overtime today. She started work at 7:30 AM and got out of work at 7:15 PM. She felt exhausted working an extra half hour of overtime each day but the factory wasn't arranging overtime for workers this Saturday. I said if the factory cancelled overtime during the workweek and scheduled 10 hours of overtime for Saturday, wouldn't wages be much higher that way? She said that the factory definitely wouldn't do that.

The female workers at the factory generally only care about going to work, leaving work and any other matters are of little importance to them. I asked quite a few people what the labor union at the factory does but their expressions revealed they were at a loss. Every day, during our break time at 5:30, there were some female workers who would eat cookies, bread or fruit in the water dispenser room, as working required exerting a lot of physical effort. After they finished eating, they would continue working overtime. Every day, at around 6 PM, many people would be clearly exhausted. This afternoon, the group leader told me that I had filled out my resignation date as Thursday but I wouldn't be able to file for resignation on Friday and would have to wait until the Monday after next. She suggested that I change the date to be next Wednesday as that would make resignation more convenient. I asked her if I could trouble her to help me change it then.

The factory requires workers pick up a leave request form when asking for leave. If asking for sick leave and the worker has a sick note and the receipt from their doctor's visit, their wages will be deducted around 50%. If a worker misses work or takes regular leave, then they will receive no wages. If a worker misses three days of work in a row, they will be considered as having quit. Some workers said that after quitting, wages would be paid after 15 days, while other workers say that even if the worker quit, the factory will call them and ask them to return to the factory to submit their resignation forms and retrieve their wages.

The workshop is somewhat cooler than the outside, as there are electric fans and ventilation equipment. Some work positions can be reached by the fans so the workers at those positions do not feel overly warm; however, some work positions cannot be reached by the fans, for example, the work position of putting furs on dolls cannot be reached by fans and, on top of that, are pushed to work faster. Workers at that work position are constantly complaining how hot it is. Every day that I put furs on the dolls, my back ends up soaked in sweat.

The factory's employee service area has a wall that has a poster displaying Jetta's worker representatives and labor union committee members. Of those worker representatives, which there are 12, only one was



## A Nightmare for Workers: Appalling Conditions in Toy Factories Persist

male and all the rest were female. There are 12 labor union committee members. The chairman and vice chairman are male, three production committee members and one organization committee member is male. The promotional material committee has one male member and one female member. The remaining two female worker committee members and the two financial committee members are female. From this, it can be seen that even though 80% of the workers at the factory are female, but the high-level leadership at the union is still majority male.

## Herald Metal & Plastic Works Ltd. Investigative Report

### Company Profile<sup>4</sup>

Herald is a diversified industrial group whose products are distributed around the world. The Herald Group has many divisions, such as the toys, houseware, computer products, and timepieces divisions. This company has operations in Hong Kong, Mainland China, and the United Kingdom.

Herald Metal & Plastic Works Limited was established in 1969. It has two factories in Mainland China employing over 6,000 workers in Dongguan. The factory and dormitory facilities comprise a total of 1.3 million ft<sup>2</sup>.

Herald Metal & Plastic Works Limited is a leading toy company in Hong Kong specializing in the manufacture of a wide range of toys including action figures, electronic radio-controlled toy cars and boats, electronic games and preschool toys.

Factory Name: Herald Metal and Plastic Works Limited



Introduction: Herald Metal and Plastic Works Limited is the operating company of the toys division under Herald Group of Hong Kong. The company primarily manufactures and sells plastic toys, electronic toys, dolls, plastic products, kitchen hardware and metal hardware mold.

Factory Address: Bu Xin San Road, Shi Pai Town, Dongguan City, Guangdong Province, China

Postcode: 523338

Contact Information: Guo NanPu (86) 0769-86551728

Email Address: dhacc@heraldtoyprc.com

Brand companies manufacturing at Herald: Disney, Hasbro

Total number of employees: Approximately 3,000

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<sup>4</sup> Information found on Herald's official website: <http://www.heraldgroup.com.hk/profile.htm> and <http://www.heraldgroup.com.hk/sc/profile.htm>



## A Nightmare for Workers: Appalling Conditions in Toy Factories Persist

Male to Female Ratio: Approximately 1:5

Number of workers interviewed: Approximately 30 workers

Male to female ratio of workers interviewed: 1:5

Department interviewed workers were located in: Injection Molding Workshop

Interview methods: Anonymous face-to-face interviews

### Products manufactured at Herald



Hasbro and Disney



Star Wars Force Link Starter 2.0



Disney Mickey Mouse



Hasbro



Hasbro

## Section 1: Recruitment and Resignation

### Hiring Policy

#### Hiring Requirements:

There is a banner hanging outside of the factory reads: Herald Metal and Plastic Works Limited is recruiting many types of regular and skilled workers with high pay.



Banner outside of the factory

According to Herald's hiring advertisement online, there are no gender restrictions. Applicants must be between the ages of 16-45 and have an identification card. They must also be healthy, willing to comply to orders, hardworking, and able to endure pressure.



Herald's hiring advertisement online

### Hiring Process:

Outside of the southern gate of the factory, there is a hiring notice posted on the wall. Outside of the main entrance there is also a recruitment banner. Applicants can go to the south gate to read the advertisement and learn more about the position. The factory arranges for a recruiter to be by the south gate to greet applicants. The recruiter asks them: what position do you want to apply for, where are you coming from, do you have any acquaintances working here, is it your first time coming to Shipai, what sort of work have you done before, can you work night shifts? After applicants respond, the recruiter brings the applicants to the training room inside the factory. There, they fill out a personal information form and a work history form. You also need to declare that you have never committed any crime. Then, the applicant needs to provide two passport-sized photographs and two copies of their ID. After filling out the forms, the recruiter calls the relevant department manager down to the training room to carry out the second interview with the applicant. At the time of the investigation, there were three other applicants waiting to be interviewed: a young woman interviewing for the inspection or warehouse departments, a middle-aged man interviewing to work in the injection molding department, and a young man interviewing to be a molding apprentice. The worker informed the applicants that they should be punctual in arriving to the training room tomorrow at 8:00 AM to sign a labor contract.

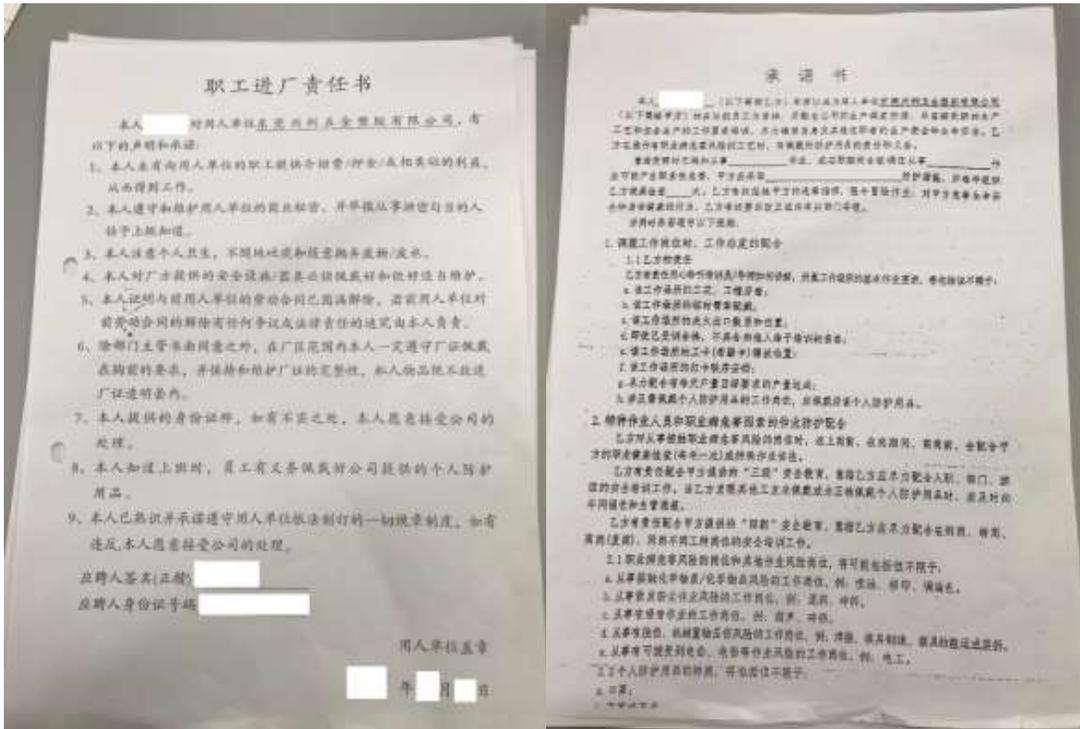


Workers in the training room



Workers signing forms

The next morning at 8:00 AM, the applicants arrived at the training room. The recruiter handed out a few forms for workers to look at: workers' liability form, letter of commitment, training registration form, and two blank contracts. The recruiter gave the applicants about 15 minutes to look over these documents and then told them to sign the above-mentioned forms. After several minutes, the recruiter handed out an application for a Bank of China card. This card acts as the factory's wage card. After everything was signed, the recruiter collected all the documents.



Left: Workers' liability form; Right: Letter of commitment

At 9:00 AM, an office worker from the personnel office next door came by. Applicants were given a factory ID and signed a list confirming they were given an ID. According to the list, only one worker joined the factory that day. Then, applicants went to the personnel office to record their fingerprints. After doing this, the office clerk gave a call to a worker from the workshop to come to the office. After waiting a moment, the workshop worker came to the office and brought the applicants to the workshop. Then the workshop worker took out a few forms for the applicants to sign. The top part of the form was covered by the office clerk's notebook, as such, applicants weren't clear what exactly they were signing. After signing, the office worker introduced the workshop procedure for clocking in and out, how to use the time recorder, and the times for clocking in and out. Afterwards, the office worker left and applicants waited in the workshop to be assigned work.

### Entry Methods:

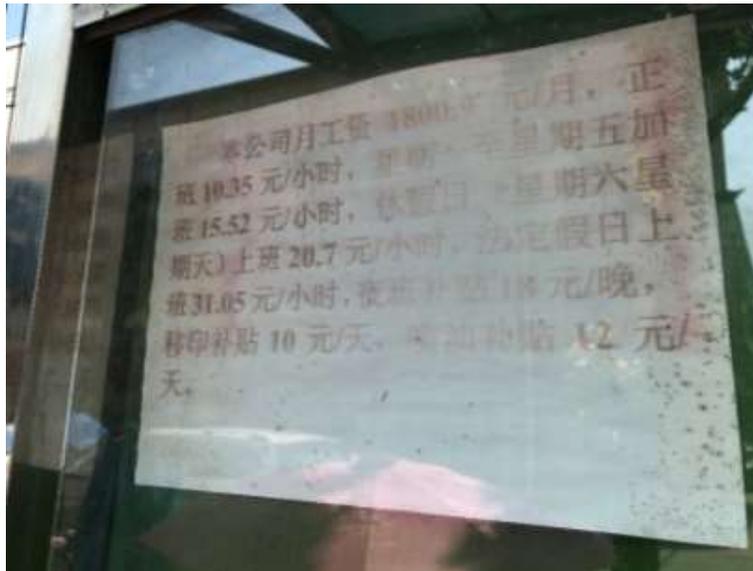
Workers generally enter the factory through direct hires or internal referrals. Summer workers are mainly referred by labor agencies.

Position Assignment:

The applicant tells the recruiter which position they are interested in. After filling out the forms and handing in the photos, the recruiter will make a call to the manager from the relevant department and have them come over to conduct a second interview in the training room. The questions asked by the manager are almost the same as the recruiter. After the interview, the manager signs his name on the applicant's personal information form to give them permission to begin their probationary period.

Underage Workers:

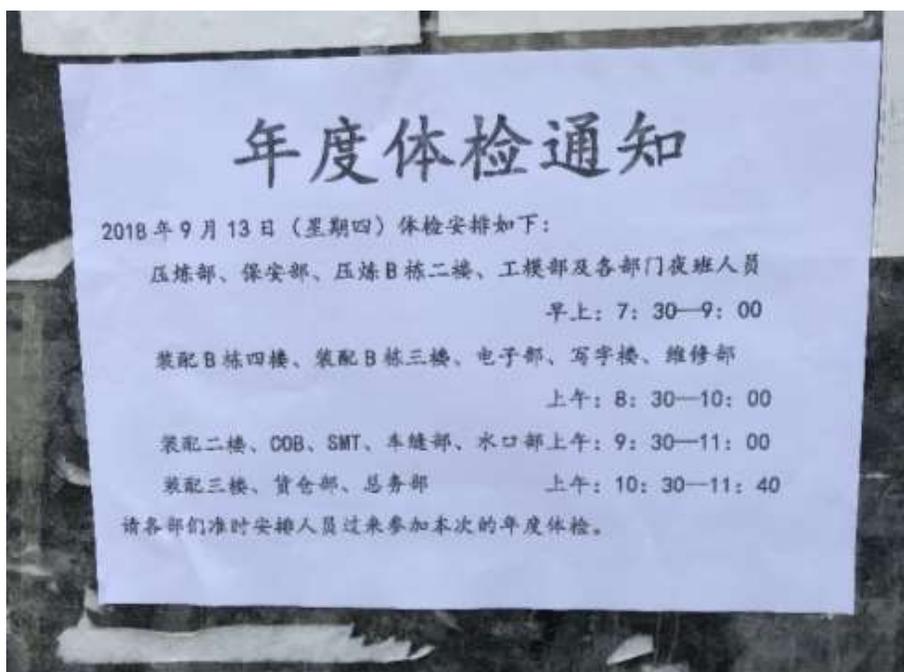
There were no student workers as the investigation period was not during winter or summer vacation. According to workers, the factory recruits a large number of student workers through labor agencies during the summer and arranges most of them in the packaging department with an hourly wage of 10 RMB (1.44 USD). There are also workers in the factory who introduce their children or relatives into the factory to do summer work, and the wage is the same as regular workers.



Details regarding pay per hour

Physical Examination:

There is no pre-job physical examination. The factory pays for the physical examination for all staff every six months. The most recent physical examination was on September 13th.



Notice regarding timetable for physical examination

#### Training and Orientation:

The factory does not provide any pre-job training or on-the-job training. Although workers are given a training attendance sheet to sign in, no actual training is provided.

After a week of work, the workshop leader brought in a few training attendance sheets for workers to sign. The training attendance sheets include: ICTI documents and periodic disciplinary practice training, counterterrorism safety training, standard production safety management procedure training, Guidelines for Herald factory's safety and quality training, fire safety training, and controlling sharp tools training. The workshop leader went to each worker at their job station and asked them to sign each training attendance sheets. However, the actual trainings were never provided.

#### Probation:

The probationary period is three months.

#### Resignation

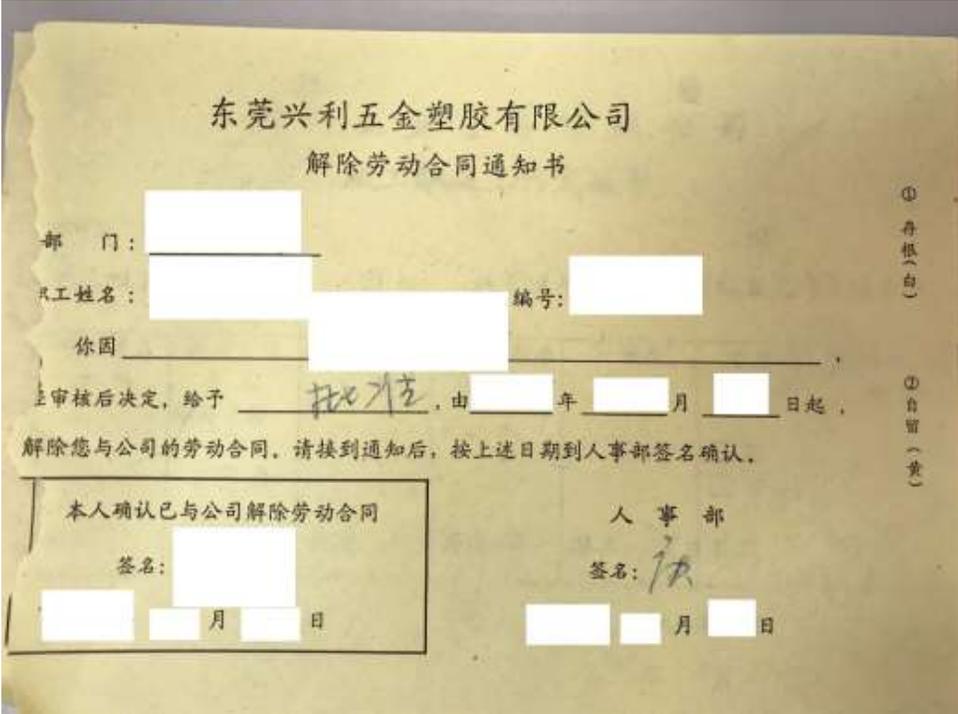
If a worker resigns during the probationary period, the worker would need to notify the factory 20 days in advance.

An applicant showed the contract to the recruiter and said: "In the 4th clause of the 8th section, it says that we only need to inform you 3 days in advance." The recruiter replied, "that is regarding you giving notice, but you still need to wait for the factory's approval. The factory's regulation is 20 days." This rule breaks the law.

The factory sets two resignation procedure days each month. The specific date is not fixed and is usually the second and fourth Friday of the month. The factory will send the dates to the offices every month, but will not be initiatively conveyed to the workers. Workers can apply for resignation only on these two days whether during the probationary period or contract period. This resignation rule violates the law and does not comply with the fourth section of Section 5 of the basic rules and regulations, “Dismissal of labor contracts and procedures for leaving the factory,” Article 4 which states, “new employees, who wish to resign during the probationary period, should notify the personnel department three days or more in advance in written form.”

On the day before resigning, the worker needs to return the work clothes and sleeves the factory lent them to the workshop office. The workshop clerk will issue an employee work transfer sheet. On the resignation day, the worker needs to pack all their things before 10:00am, put their luggage in the dormitory management office, return the dormitory key, give the work transfer sheet to the dormitory general affairs and security offices to be signed, and get a luggage release note.

At 2:15pm, the workers take turns going to the training room to settle their salary and sign the payroll. The wages for the month of resignation and the prior month will be a one-time settlement in cash. After that, the worker can go to the dormitory management office to take their luggage and hand the luggage release note to the security guard. The security guard asks the worker to open the luggage for inspection before allowing them to leave.



东莞兴利五金塑胶有限公司  
解除劳动合同通知书

部 门: [redacted]  
工 姓 名: [redacted] 编 号: [redacted]  
你 因 [redacted]  
经审核后决定, 给予 批准, 由 [redacted] 年 [redacted] 月 [redacted] 日起,  
解除您与公司的劳动合同。请接到通知后, 按上述日期到人事部签名确认。

① 存根(白)  
② 自留(黄)

本人确认已与公司解除劳动合同  
签 名: [redacted]  
[redacted] 月 [redacted] 日

人 事 部  
签 名: [redacted]  
[redacted] 月 [redacted] 日

Notice on dismissal of labor contract

**興利五金塑膠有限公司**  
**職工離廠工作交接單**

部門: \_\_\_\_\_ No \_\_\_\_\_

職工姓名: \_\_\_\_\_ 編號: \_\_\_\_\_ 因 \_\_\_\_\_, 請有關部門給予辦理離廠工作交接手續。

班組工具 交接	部門工作 交接	總務部用具 交接	保安部行李 檢查	人事部 審核	電腦部 交接	財務部工資 結算
	鎖匙交接 <input type="checkbox"/> 有 <input checked="" type="checkbox"/> 無				<input type="checkbox"/> 需要 <input type="checkbox"/> 不需要	
簽名: _____	簽名: 	簽名: _____	簽名: _____	簽名: _____	簽名: _____	簽名: _____

人事部  
年 月 日

Employer work transfer sheet

**行李放行條**

\_\_\_\_\_ 部門員工 \_\_\_\_\_ 因 \_\_\_\_\_ 拿行李出廠，

請檢查后放行。

管理員: 

\_\_\_\_\_

Luggage release note

About 25 people resigned the same day the investigator did, and the turnover rate was about 1%.



## Section 2: Labor Contract

### Signing Process:

Through the course of the signing process, the contents of the contract were not explained by anyone. There were also no explanations to the blank sections of the contract. The factory takes away the contract once it is signed and fills in the blank sections later. The contract will be returned to the worker during the second month of employment.

甲方(用人单位):  
名称: 东莞利五金塑胶有限公司  
法定代表人(主要负责人): 文丽霞  
通讯地址: 广东省东莞市石排镇埔心村  
经济类型: 私营独资(港资)  
联系电话: 86551728

乙方(劳动者):  
姓名: [REDACTED]  
身份证号码: [REDACTED]  
户籍地址: [REDACTED]  
通讯地址: [REDACTED]  
联系电话: [REDACTED]

根据《中华人民共和国劳动法》、《中华人民共和国劳动合同法》和国家及省的有关规定,甲乙双方按照合法、公平、平等自愿、协商一致、诚实信用的原则订立本合同。

一、劳动合同期限

(一)合同期

双方同意按以下第 种方式确定本合同期限:

1. 固定期限:从 年 月 日起至 年 月 日止。
2. 无固定期限:从 年 月 日起至法定终止条件出现时止。
3. 以完成一定工作任务为期限:从 起至 工作任务完成时止。该工作任务完成的标志为 。

(二)试用期

双方同意按以下第 种方式确定试用期(试用期包含在合同期内):

1. 无试用期
2. 试用期从 年 月 日起至 年 月 日止。

(劳动合同期限三个月以上不满一年的,试用期不得超过一个月;劳动合同期限在一年以上不满三年的,试用期不得超过二个月;三年以上固定期限和无固定期限的劳动合同,试用期不得超过六个月。)

二、工作内容和工作地点

(一)乙方的工作部门为 [REDACTED]

岗位(管理技术岗位或生产操作岗位)为 [REDACTED]

职务(或工种)为 [REDACTED]

(二)乙方的工作任务或职责是 [REDACTED]

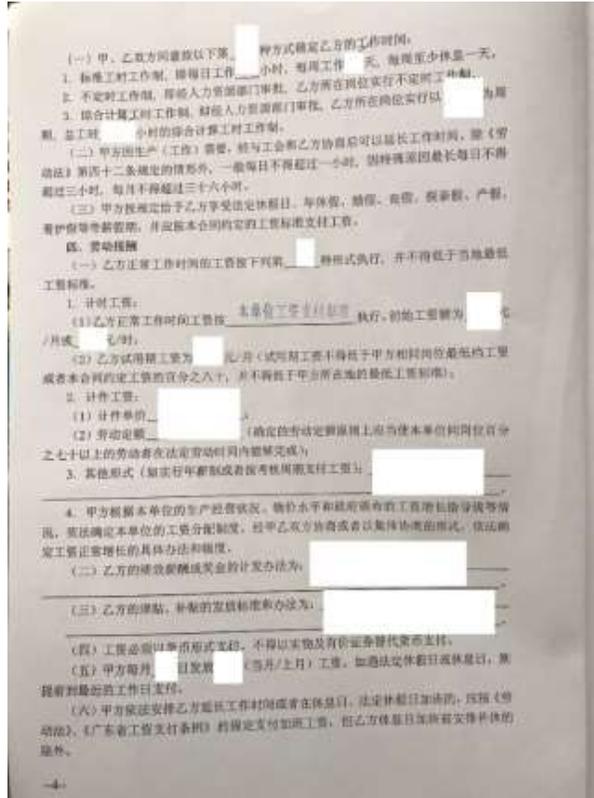
(三)乙方的工作地点为 东莞利五金塑胶有限公司

(四)甲方在合同期内因生产经营需要或其他原因调整乙方的工作岗位,或派乙方到本合同约定以外的地点、单位工作的,应协商一致并按变更本合同办理,双方签字确认的协议书作为本合同的附件。

三、工作时间和休息休假

-3-

Labor Contract



Labor Contract

Contract Terms:

The articles in the labor contract include: length of contract term; job description and location; work hours and vacation time; labor remuneration; social insurance and benefits; labor protection; working conditions and protection from occupational hazards; changes to, release and termination of the labor contract; dispute resolutions; service period and limitation of competition; etc.

**Section 3: Working Hours**

Injection Molding Workshop			Overtime
Day Shift	8:00—12:00	13:00—17:30	18:30—21:00
Night Shift	20:00—00:00	01:00—5:00	6:00—9:00

Normal working hours are five days a week, eight hours a day. According to the introduction from the workshop leader, the factory implemented a system of working 24 hours of overtime each week over six days: Monday to Thursday there are three hours of overtime per day, Friday there is two hours of overtime, and Saturday there is 10 hours of overtime. Every day in the morning the workshop leader calculates how many people need to work overtime and for how long. Then, the workers fill out an overtime sign-up sheet to schedule their overtime (which is three hours by default). If a worker is not willing to work overtime, or does not want to work so much overtime, they need to tell the group leader

and then fill out the sign-up sheet accordingly. The sign-up sheet for overtime on Saturday is usually signed on Thursday or Friday. At this factory, Sundays are rest days. Some workers have work on Sunday and rest on Saturday. Some night-shift workers choose to get to work an hour early at 7:00 PM so that they can get off work at 8:00 AM and go to sleep a bit earlier. This extra hour of work counts towards overtime pay.

For the day shift, if workers do not wish to work overtime, they finish at 17:00. If workers decide to work overtime, then the half hour between 17:00 – 17:30 would be calculated as overtime. Workers work overtime by default.

**各部门基本工作时间安排**

部门	班次	星期一至星期五				日基本 工时	周基 本工时 (即为休日加班)	星期六 (即为休日加班)	星期日
		上午	累计	下午	累计				
装配1/2/3	白班	08:00—12:00	4H	13:30—17:30	4H	8H	40H	按实际工作 天数, 申请 休日加班。	休息日
	夜班	20:00—24:00	4H	01:00—05:00	4H	8H	40H		休息日
装配2/3	白班	07:30—11:30	4H	13:20—17:20	4H	8H	40H		休息日
	夜班	08:00—12:00	4H	13:30—17:30	4H	8H	40H		休息日
电子车间	白班	07:45—11:45	4H	12:45—16:45	4H	8H	40H		休息日
	夜班	19:45—22:45	3H	23:45—04:45	3H	6H	40H		休息日
仓库	白班	08:00—12:00	4H	13:00—17:00	4H	8H	40H		休息日
	夜班	08:00—12:00	4H	13:30—17:30	4H	8H	40H		休息日
车缝	白班	08:00—12:00	4H	13:30—17:30	4H	8H	40H		休息日
	夜班	20:00—24:00	4H	01:00—05:00	4H	8H	40H		休息日
喷漆	白班	08:00—12:00	4H	13:30—17:30	4H	8H	40H		休息日
	夜班	19:45—24:30	4.75H	01:30—04:45	3.25H	8H	40H		休息日
压铸部	白班	08:00—20:00	中途休息2H: 11:00—12:00, 16:30—17:30或12:00—13:00, 17:30—18:30.						
	夜班	20:00—08:00	中途休息2H: 23:00—24:00, 04:00—05:00或24:00—01:00, 05:00—06:00.						
试模组	中班	13:00—24:00	中途休息1H: 18:00—19:00.						
工模部夜班休息时间为: 24:30—01:30, 05:30—06:30. 喷漆部夜班休息时间为: 24:00—01:00, 05:00—06:00.									
电子车间夜班休息时间为: 22:45—23:45, 04:45—05:45.									
注: 同一工作天每节的连续工作时间, 不能超于5.5H, 本规定自2015年12月1日起实行.									

Work schedule for each departments

The investigator was in the injection molding workshop and did not come across a production quota. There are two ways to clock in and out of work: a paper card or a fingerprint card. During the investigation period, the fingerprint machine was being adjusted and had not yet been officially put into use. Therefore, using the paper card to clock in and out was still the norm. If a worker forgets to clock in or does it incorrectly, they need to fill out an application. This form says: “Dear Leader, due to \_\_\_\_\_(reason), I forgot to clock in/out (or clocked in/out incorrectly). Please allow me to sign my card. I hope to get your approval.” The worker must bring this form to the workshop office for the supervisor to sign and the office clerk will then revise the form. There are no meetings before or after work. The investigator did not encounter any meetings at all.

May to September is the peak season, with 64 hours of work per week and 24 hours of overtime; the rest is off-peak season and the number of overtime hours is reduced by one-third.

#### Section 4: Labor Remuneration and Benefits



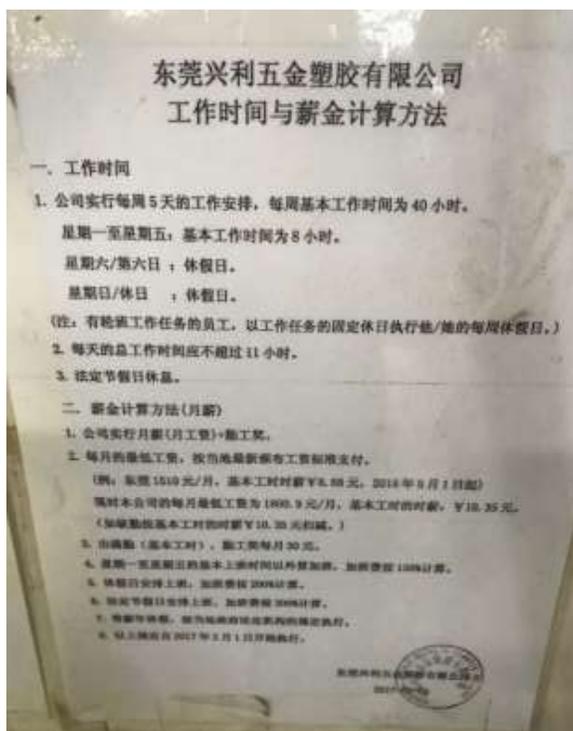
Workers working in the factory

##### Wages:

The factory hands out last month's wage slips on the 28th of every month. Wages are remitted to workers' Bank of China accounts. Regular workers' monthly wages are around 3,500 RMB (504.44USD) after deductions and includes the base wage of 1,800 RMB (259.43USD), overtime pay, night-shift subsidies (18 RMB per day) (2.59 USD), and a "perfect attendance" bonus of 30 RMB (4.32 USD). Overtime wages is usually 15.5 RMB (2.23 USD) per hour. Overtime on Saturdays pays 20.7 RMB (2.98 USD) per hour, and overtime on official holidays pays 31 RMB (4.47 USD) per hour. There are no subsidies for working night shifts on Saturdays.

After the probationary period for regular workers ends and they pass an evaluation, they become a multi-skilled worker with a base-wage of 1,914 RMB (275.86 USD). Overtime is then increased to 16.5 RMB (2.38 USD) an hour. Overtime on Saturdays pays 22 RMB (3.17 USD) an hour and overtime on official holidays is 33 RMB an hour. Multi-skilled workers have a monthly salary of about 3,800 RMB (547.68 USD).

Deductions: Dormitory fees are 30 RMB (4.32 USD) per month. Workers pay 257.56 RMB (37.12 USD) for their social insurance. Workers have approximately 300 RMB (43.24 USD) deducted every month.



Method of calculation for working hours and wages

东莞兴利2018年9月份工资表

单位：元  
发工资日期：2018-10-12

姓 名	编 号	部 门	月 薪	缺勤 扣款	法定 加班	正班 加班	加班 加班	数 额	休日 加班	休日 加班	变动 补贴	实发 工资	应付款项			员工支付款项				实发 金额	签 名	
													底薪	绩效奖金	津贴	社保	养老	医疗	个人			
			1814.00	38.00	1	278.00	42.00	891.00	30	50.00	1100.00	0.00	2841.00	0	0	176.00	0	253.81	22.27	0.00	3460.00	

东莞兴利2018年10月份绩效工资工资表

单位：元  
发工资日期：2018-10-12

姓 名	编 号	部 门	月 薪	缺勤 扣款	法定 加班	正班 加班	加班 加班	数 额	休日 加班	休日 加班	变动 补贴	实发 工资	应付款项			员工支付款项				实发 金额	签 名						
													底薪	绩效奖金	津贴	社保	养老	医疗	个人								
			1814.00	62.00	1	282.00	1.00	48.30	0	10.00	231.00	0.00	621.30	0	0	676.98	0	253.81	22.27	0.00	821.40						
合计：																										4283.30	

Worker's paystub

东兴利2016年8月份工资表

单位：元

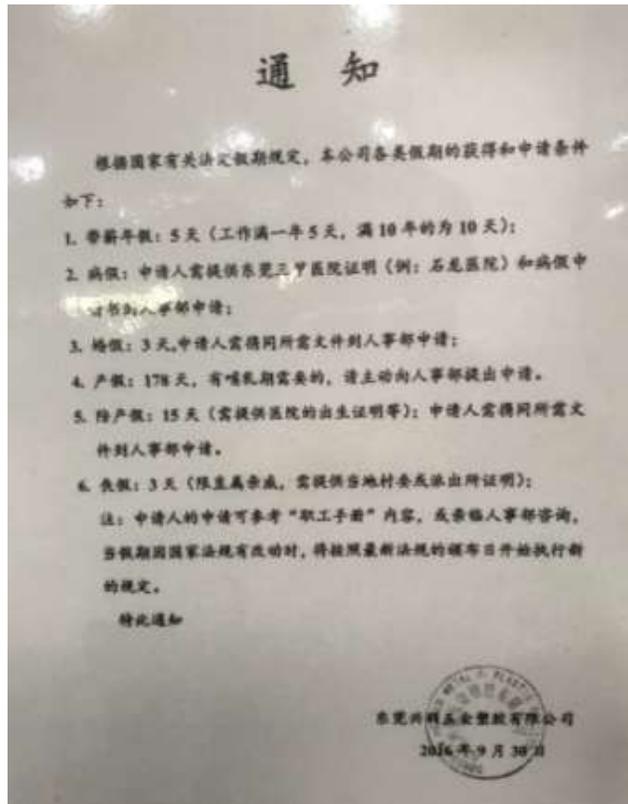
发工资日期：2016年8月28日

姓 名	编 号	部 门	出勤	加班	正班	加班	加班	特班	假日	加班	加班	加班	应发工资				扣款				实发	签 名
													基本工资	绩效工资	津贴	奖金	养老保险	医疗保险	失业保险	个人所得税		
		装配部	104.00	0	104.00	80.00	24.00	0	36.00	46.00	213.20	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	213.20		
合计：																			213.20			

Worker's paystub

Leave Policy:

The factory has its regulations regarding sick leave, maternity leave, marital leave, and bereavement leave publicly posted.



Regulations on applying for leaves



Holidays:

The factory posted a notice informing workers they have paid leave. Workers who have worked for a year receive a 5-day annual leave and 10 days for those who have worked for 10 years.

Sick leave: Workers who are applying for sick leave must provide a medical certificate from grade A hospitals in Dongguan (Ex: Shilong Hospital) and bring a sick leave request form to the human resources office to apply.

Marital leave: 3 days. Applicant must bring supporting documents to apply for leave at the HR office.

Maternity leave: 178 days. Workers who need to apply for leave for lactation period, must make a request from the HR office.

Paternity leave: 15 days. A birth certificate issued by the hospital is required and the applicant must bring supporting documents to apply for leave at the HR office.

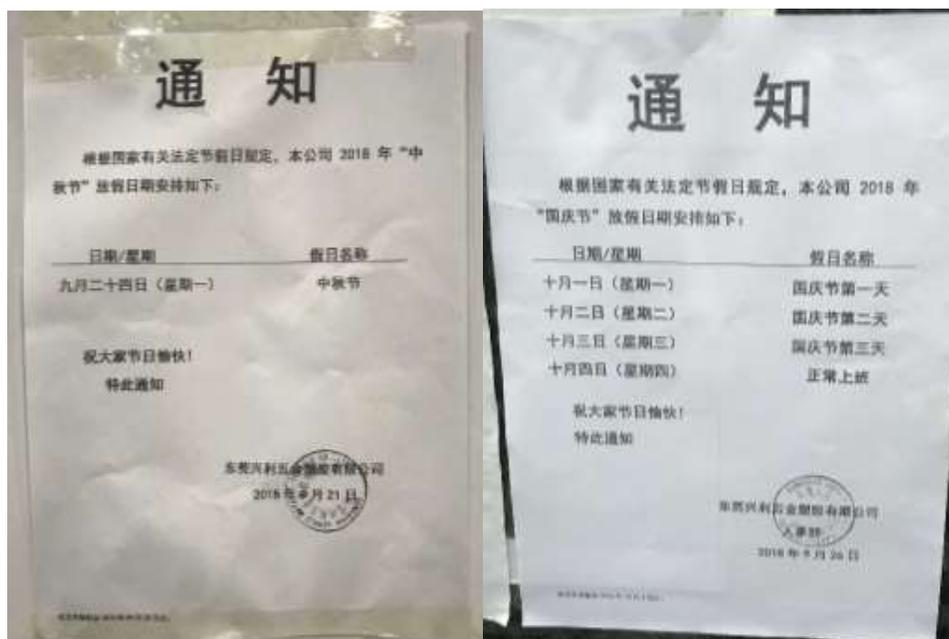
Bereavement leave: 3 days. (Only applies to immediate family members, must provide certificate issued by local village committees or the police department.)

All workers are entitled to enjoy paid leave. Workers must apply to work on legal holidays with signed approval from company leaders. Workers who worked on legal holidays without obtaining approval will receive a warning letter or be dismissed from work.

Personal leave: Those who do not have personal leave approved will lose 100% of their wages on the day and lose their attendance reward for the month. Personal leave must be applied beforehand or workers must be able to provide sufficient evidence afterwards and fill out a leave request form. Those who failed to comply will be considered as skipping work. Those who applied for personal leave for more than 30 days (including working days and non-working days) will have to go through a temporary resignation procedure or apply for resignation and return all borrowed items.

Sick leave: Workers who meet all the requirements can receive 80% of their wages on the day they took leave. Workers who fail to provide a valid medical certificate will not receive any wages for their leave.

Workers have legal holidays off. They have 3 days off for National Day and a day off on Mid-Autumn Festival.



Notice on legal holidays for National Day and Mid-Autumn Festival

Social Insurance:

The factory purchases social insurance for workers. Social insurance includes old age 377.78 RMB (54.45 USD), medical 61.66 RMB (8.89 USD), unemployment 14.43 RMB (2.08 USD), work injury 26.15RMB (3.77 USD) and maternity 20.34RMB (2.93 USD), a total of 500.46 RMB (72.13 USD). Workers pay 257.56 RMB (37.12 USD).

Paid annual leave is enforced, and the basic salary of a multi-functional worker is 88 RMB (12.68 USD) per day during the annual leave.

Recreational Facilities:

The factory has no recreational facilities.

**Section 5: Dining and Accommodation Conditions**

Dining Conditions

This factory provides room and board. The cafeteria is divided into two: One cafeteria for the regular workers and one cafeteria for the office workers. The cafeteria for the office workers is only open to higher level management staff. Regular workers can only go to their cafeteria to eat. At the workers' cafeteria, breakfast is 2 RMB (0.29 USD) and includes noodles, fried noodles, and porridge. Lunch and dinner are both 6 RMB (0.86 USD). Lunch and dinner include two meat dishes and one vegetable dish. The quality of the food is satisfactory. The workers generally use cash to purchase food at the cafeteria. The factory does not provide meal subsidies. On Sundays and public holidays the cafeteria is closed. Most factory workers do not eat in the cafeteria, but rather choose to go home to eat or eat at the fast food place outside the south gate.



Factory meals



Workers eating in the factory cafeteria



Poster about factory cafeteria

### Accommodation Conditions

The workers' dormitory is behind the cafeteria. The area of each room is 15m<sup>2</sup>. There are four bunk beds with iron frames. There are also two electric fans, two fluorescent lights, and four rusty cabinets. On the balcony of the dormitory there is a sink and clothesline. The washroom is also the place to shower. Electricity usage in the dormitory is limited. Outlets can only be used to charge cell phones and cannot be used for high-power devices such as blow dryers. The dormitory fee is 30 RMB (4.32 USD) per person per month. Workers do not need to pay water or electricity fees. In general, dormitory rooms have two people (three at most). The number of workers living at the dormitory is very low because the overwhelming majority of workers rent a house in Shipai town. In Shipai, a 1 bedroom-1 living room apartment has a monthly rent of around 200 RMB (28.83 USD).

Workers who do not eat at the cafeteria and do not live in the dormitory do not receive any subsidies.



Interior of the dorm room, only two fans were installed in the room



Dormitory bathroom

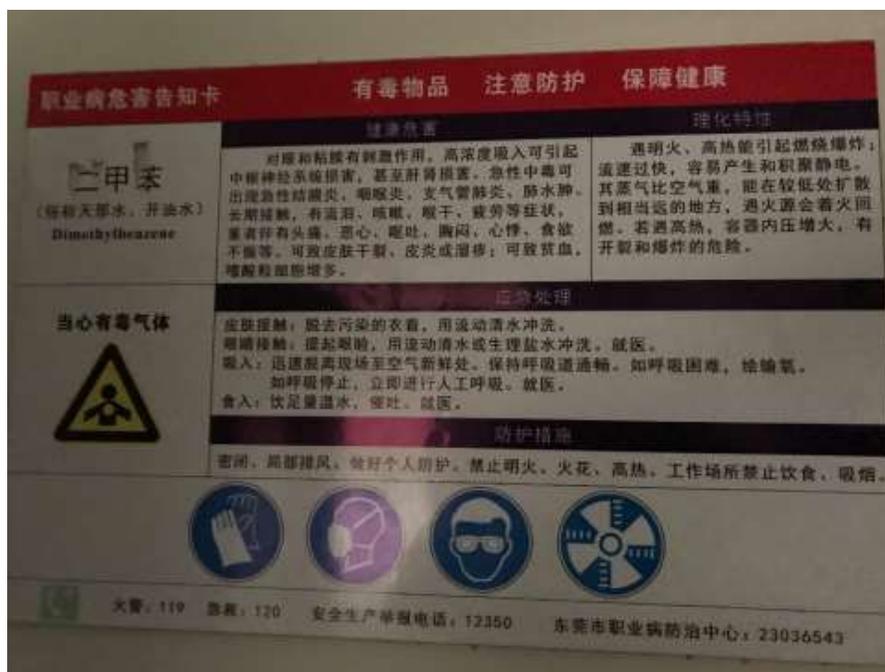


During the investigation period, the temperature inside injection molding workshop of building A was approximately 30°C and would increase to 32°C in the afternoon. The temperature in the injection molding workshop of building B was slightly lower than building A at approximately 28°C. All the workshops have air conditioners installed. Electric fans were installed right above the work positions and ventilation fans were installed above the windows. The workshops are hygienic, and there are no obstructions in the hallways. First aid kits for the workshops and dorm are located inside the office.

Personal Protective Equipment:

On the walls of the injection molding workshop, there is CC. This notice introduces the dangers of noise and dust and discusses ways to protect oneself from these dangers. For example, workers can wear protective earplugs, a protective mask, and protective glasses. However, the workshop does not provide the injection molding workers with the protective equipment listed above. In the scraps workshop and mixing workshop, dust fills the air and there is a lot of noise. The notice regarding occupational diseases and danger points out that workers have a responsibility to wear a mask, gloves, earmuffs, and protective glasses. However there are also workers who do not wear protective gear while working (the video shows that there is a worker adding materials into the machine without wearing any protective equipment).

At the injection molding workshop where the investigation was conducted, workers were not exposed to chemicals.





Notice posted regarding occupational diseases and danger

Environment, Health and Safety Committee:

The factory has a safety committee but no environment and health committees.

Work injuries

There were no incidences of workplace injury at the factory.

**Section 7: Fire Safety**

The emergency exits of the workshops and dorm are clearly labelled. The hallways of the workshops and dorm are kept clear of any obstructions. The emergency exits are not locked. No flammable objects are stored in the factory and dorm areas.

The fire extinguishers in the dorm and workshop had an inspection log indicating it was checked on a monthly basis. The value displayed on the pressure gauge indicates normal pressure.

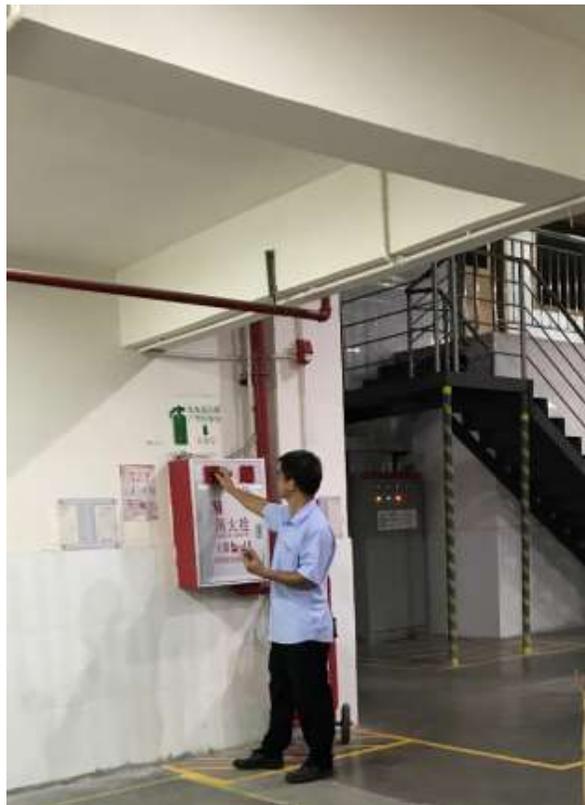


Fire extinguisher and fire hydrant

Every year, the factory holds two fire drills, they take place in both the production areas and dormitory areas. Fire drills took place on September 27th and 28th. Fire safety officers were checking the fire hydrants and fire extinguishers in the workshop at 11:40 AM. At 11:45 AM, the fire alarm went off, workshop staff and management personnel left their work positions to gather at the gathering spot. After listening to an employee read the “Provisions on the Administration of Fire Safety”, they returned to their work positions which marked the end of the fire drill. The drill lasted for less than 10 minutes. When the fire drill took place, the machines in the workshop continued to operate and workers were still working as they were not invited to participate in the fire drill.



Unobstructed hallway



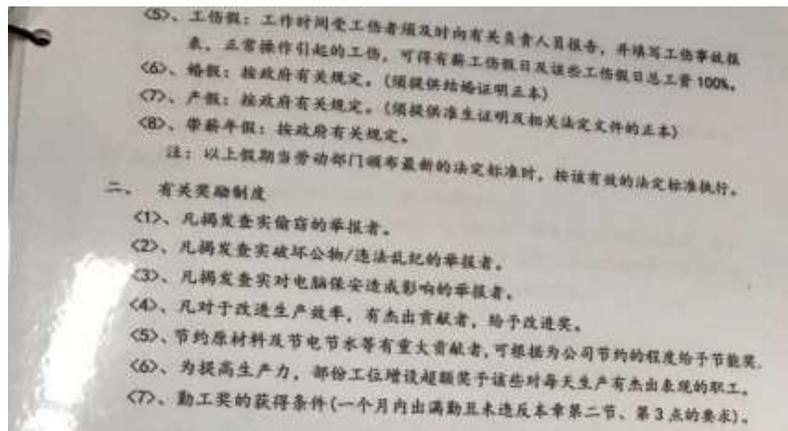
A fire safety officer inspecting the fire hydrant

## Section 8: Rewards and Penalties

No public rewards or penalties notices were seen.

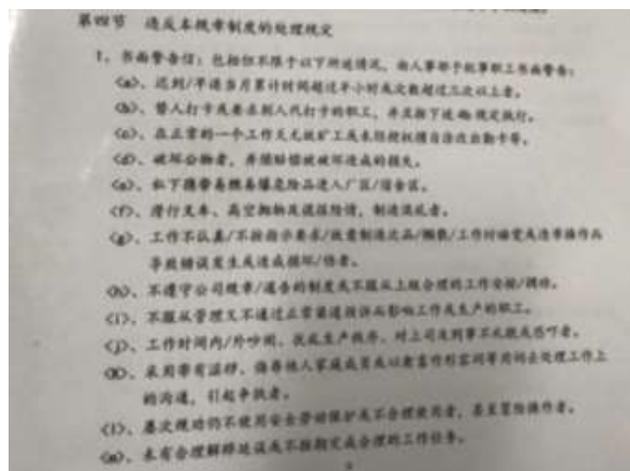
The factory 's “factory area public safety regulations” and “dormitory regulations” documents consist of two types of penalties: warning and dismissal. The two documents total 7 pages and more than 100 sections.

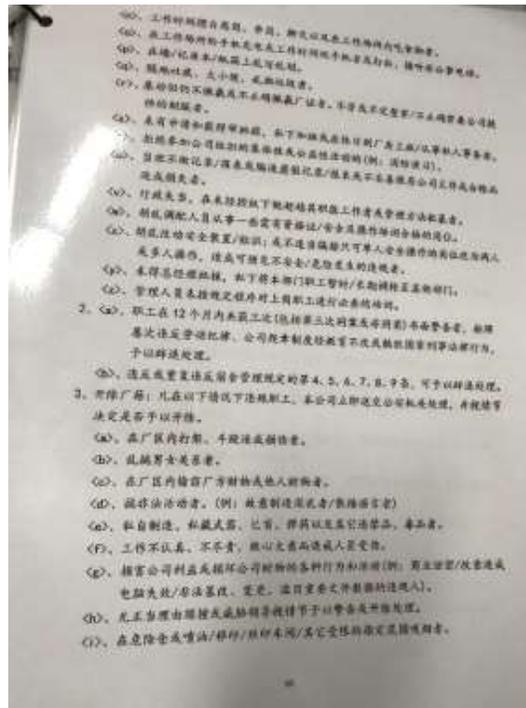
There are seven types of rewards. Some of the examples of ways to receive a reward include: those who report theft, vandalism or a violation of laws, those who contribute to an increased production quota, etc. For the workers, only the 30 RMB (4.32 USD) full-attendance reward is likely to be obtained.



### Section regarding rewards

Some of the penalties that will result in receiving a warning include: no smoking in the production area, no photography allowed in the workshop without permission, no food allowed in the workshop and etc. Some of the penalties that will result in dismissal include: bringing or hiding flammable objects, drugs, weapons, knives and other contraband, stealing company property which includes but is not limited to finished products, half-finished products, stationery, documents, equipment, materials, waste products or anything that belongs to the company, stealing property from another person and etc.



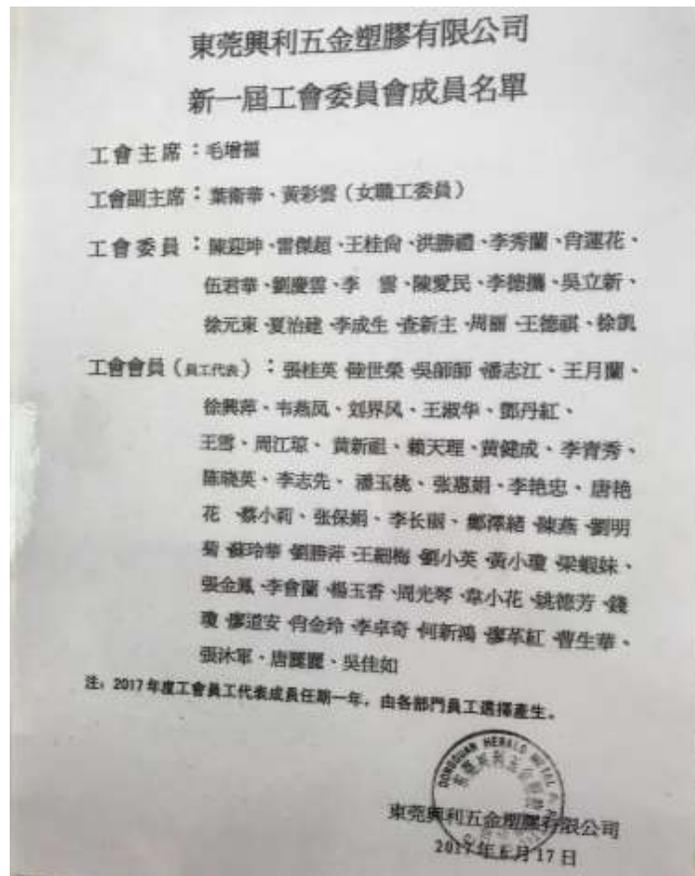


Sections regarding penalty

## Section 9: Labor Union and Grievance Procedures

### Labor Union

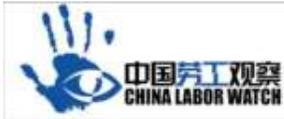
The members of the labor union and the workers' representative are posted in every workshop. Each department's representative is also the department's manager. They completely represent the interests of the factory's management.



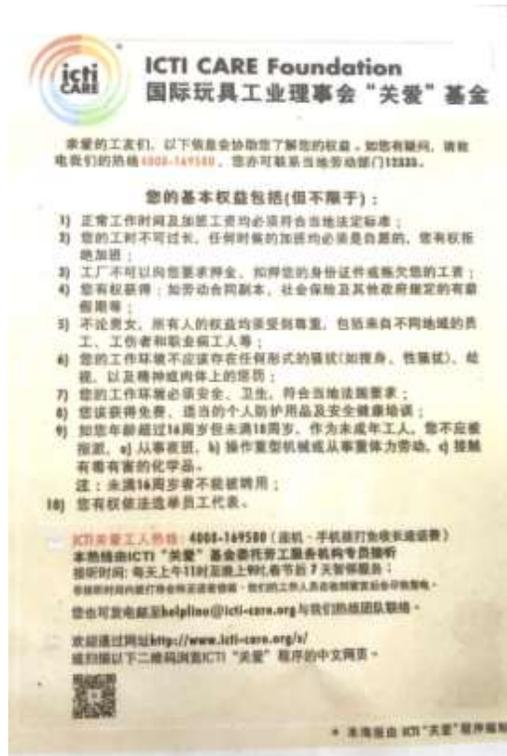
Name list of the current members in the labor union

### Complaint Procedure

The hotline number for the factory is 18033339700 and the ICTI care hotline number is 4001583580. During the investigation period, all interviewed workers said they had never used the hotline. There is also a suggestion box available in the factory. A notice with the complaint hotline number is posted next to the suggestion box. Workers can also file a complaint via text message, however, the investigator is unsure whether management responds to the text messages.



A Nightmare for Workers: Appalling Conditions in Toy Factories Persist



A poster regarding the ICTI CARE Foundation



Suggestion box



## Section 10: Other

### Client Visits and Audits

There were no audits or official visitors during the investigation.

### Worker Satisfaction

Workers are generally not satisfied with their wages. They think the wages at this factory are too low. Working at this factory work for 64 hours per week during months where there are no night shifts, and the average salary is around 3,500 RMB (504.44 USD). During a month where there are night shifts, the average monthly salary is around 3,800 RMB (547.68 USD). Workers hope that their wages will be increased to more than 4,000 RMB (576.50 USD). This factory has 24 hours of fixed overtime per week. Many workers think overtime is too long and tiring so they pick 1 day a week to not work overtime.

Workers in the injection molding workshop are mostly female (mostly migrants from Hunan, Sichuan, Guangxi, and Guangdong). There are some male workers. Most female workers are already married with children and rent a home in Shipai town. The children go to school in Shipai and the husbands also work at a factory in the neighborhood. There are a good number of couples where both the husband and wife have both worked at Herald factory for many years. The female factory workers say that the wages are paid according to an hourly rate and not according to piece-rate. Even if there are many urgent orders placed, there is still one day of rest each weekend. Working hours are fixed, stable, and there is not so much pressure. Therefore, even though the salary is not so high, they are willing to accept it. In the salaried-class family financial structure, the main source of income is from the man (housing deposit, renovations, buying a car). The income from the woman is mostly used for daily expenditures (rent, water and electricity bill, living expenses, costs associated with children's education). Therefore, the pressure for female workers to make money isn't so intense. Many female workers buy social insurance. They hope that after retiring they can guarantee themselves a basic standard of living.

The investigator discovered that some workers took the initiative to work for five consecutive night shifts in order to earn more money. There were also workers who would go to other factories after work to do several hours of temporary work.

### **Investigator Journal**

I woke up at around 7:30 AM in the morning, had breakfast, finished washing up, and took three minutes to walk to the injection molding workshop. After punching in, I waited for the team leader to arrange work. At around 8:10 AM, the group leader came over and asked me to go to the No.13 machine, the largest one in workshop B of the injection molding department. In one cycle of building and closing the mold, ten finished parts were injected into the box below the machine. The machine was semi-automatic. Every time I opened the mold, I needed to manually open the door of the injection molding machine, take out the adhesive nozzle, throw it into the nozzle box, and close the door of the injection molding machine. In about ten minutes, the box below the machine would be half full. At this time, I needed to bend over to pull out the box, then lift the box and pour the plastic parts inside the box on the big table.

Some of these plastic parts have burrs or there is something protruding on the nozzle and you'll need to use your hands to scrape away these protruding bits and burrs. Occasionally, due to the high temperature of injection molding, some edges of the plastic pieces will burn and turn black. If this happens, you need to use your hands to scrape away the black part. For the non-burnt plastic pieces, you don't really need to do anything to them. Then, you take all the plastic pieces, and neatly place them into paper or plastic

boxes, from left to right. Because workers need to work quickly to produce many plastic pieces, and often use their hands, each machine will have at least two people working on it. One person operates the machine, while another person packages the boxes. At the same time, both people need to use their hands to scrape the burrs, nozzles, and burned parts. However, doing this means the workers cannot keep up with the production speed of the machine. Therefore, a worker often needs to take the box with the plastic parts and stack the box on a pallet away from the work area, and workers will then classify the parts, arrange them and package them into boxes later. Working on the machine, workers have to bend over to pull out the box pretty frequently with no seats available. Under these circumstances, they usually have an aching back and stream with sweat after working for one or two hours. Even during the one minute interval between the closing of the first mold and the building of the next mold, workers need to scrape the nozzle and sort the products with no time to take a rest. If they want to leave the post to go to the bathroom during work, they have to find a person, usually a maintenance technician, to take over for a while.



Workers working

Lunch time started after 12:00 PM. Since the injection molding machine cannot stop once it starts, the team leader would arrange people in advance to take over. This is called “machine take-over” in the factory. Workers who take over usually arrived at their work position five minutes in advance and are informed about the precautions on how to sort and pack. After the handover, I washed my hands and punched out for lunch.

Lunch time was about an hour and most workers returned to their rental house to cook for themselves. People like me who just arrived and lived in the dormitory would have lunch in the cafeteria. Meals at the cafeteria were 6 RMB (0.86 USD) and had two meat dishes and a vegetable dish of satisfactory quality and quantity. However, some workers who worked in the factory for over ten years had never eaten in the cafeteria because they thought the amount of vegetables and meat was too little. Some workers would eat at the fast food restaurant outside the south gate of Herald factory which costs 7 RMB (1.01 USD) a meal, and had more meat compared to the meal at the cafeteria. After finishing my lunch, I would go back to the dormitory and sleep for half an hour. Some workers go on the internet or sleep in the rest area outside the cafeteria after lunch. Those who went back to their rental house find it hard to squeeze in some time to take a nap because it took time to go back and forth and also cook.



Factory meals



Fast food restaurant outside the south gate of Herald Factory

When the alarm clock rang, I got up and went back to the workshop, punched in, and started to work. Workers who took over our machines went back to their original station, usually to pick up the nozzles in the rest area, or to classify some small plastic parts. In the afternoon, work was from 1:00 PM to 5:30 PM, half an hour more than in the morning. Since these sets of molds were large and complicated, there are, at times, some malfunctions that need to be repaired. If it was a small glitch, the technicians only take a short amount of time to repair the injection molding machine; therefore, in the meantime, workers could arrange the plastic products which had piled up. If the malfunction was more complicated, it would take several hours to disassemble the mold and transport it to the mold shop for repair. At the same time, the team leader would arrange us to process the piled up plastic parts and then transfer us to other machines or rest areas to process the semi-finished products, or to sort or pack. When the mold was being repaired, we could take a short breather, move around, and sort products at the rest area with seats provided. Since the rest area at the corner of the workshop was far away from the injection molding machines with slightly less noise, I got the opportunity to chat with the surrounding workers. One female worker said

that she originally worked in the packaging workshop, assembling a pile of toy parts, putting in the instructions, and packaging the boxes. Although the assembly line did not require standing, the hand movements needed to be fast enough to keep up with the pace. If you slowed down a bit, there would be a lot of semi-finished products piled up on the assembly line. She was annoyed and stressed about the process, so she resigned and went to the injection molding workshop with her husband.

Usually one hour is enough time to fix the mold and install it back in the injection molding machine. After the technician makes some adjustments for the mold to function normally again, the group leader will call us to return and continue working. In the afternoon, there are usually some workers who doze off while working. Some workers bring their own essential balm or pain relieving ointment. When they feel sleepy, they just rub some on their temples to get rid of that sleepy feeling.



Workers waiting in line to clock in/out

At 5:30 PM, it was time to eat dinner. After the workers who take-over the machines arrived, I went to eat. Usually, the cafeteria starts serving food at 5:00 PM and sometimes there is no food left when we arrive at the cafeteria for our meal at 5:30 PM. When this happens, we go outside the factory to a fast-food restaurant to eat. In the afternoon, the time allocated for eating is also an hour. After eating, usually we go on the internet in the rest area outside the cafeteria while we wait for the next work shift to begin. We return to the workshop at 6:30 PM. It takes more than half an hour to turn on the machines. Then, the night-shift workers come and begin to work. Originally, the night-shift began at 8:00 PM and ended at 9:00 AM. However, because the time lag made night-shift workers exhausted and sleepy, workers are asked to finish their shift earlier. So now, night-shift workers begin their shift at 7:00 PM and end their shift at 8:00 AM. After the night-shift workers come, the group leader will usually arrange for us to go to the rest area and trim the nozzles, or classify the small plastic parts. At this time there is an opportunity to chat with other workers. One worker, after working for one day, ached from his arms to his back. This was because opening and closing the injection molding machine door requires a lot of force. In a day, he has to open and close this door hundreds of times. There are also workers who have to stand on their feet for the whole day, causing their legs and feet to be very sore. These people can only sit when they work overtime in the rest area. Some workers call this rest area “heaven” because there are places to sit, you



## A Nightmare for Workers: Appalling Conditions in Toy Factories Persist

don't sweat profusely there, and you can even chitchat. In the rest area, there is no need to keep up with the pace of the machines. It's more comfortable and less tiring. After working overtime until 9:00 PM, you can clock out. At this time, it is already dark outside, and there are also not a lot of people on the streets. When return to the dorms, we wait in line to take a shower, then do laundry, brush our teeth, and before you know it, it's already 10:00 PM and we need to go to sleep.



### **Information Disclosure Request**

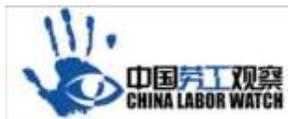
China Labor Watch submitted an information disclosure request to relevant local government departments. The organization requested the government to disclose each factory's social insurance contribution for workers, whether the government had conducted a work safety check, if the factory had applied to implement a comprehensive working hour system, and the percentage of dispatch workers.

According to the response from the Heyuan City Human Resources and Social Security Bureau regarding the Wah Tung Toy factory, the company does not use dispatch workers. The labor security supervision agencies also do not have any administrative punishment record for the factory's violation of relevant social insurance provisions. Since 2016, the company has not submitted an application to the Yuancheng District Human Resources and Social Security Administration for the implementation of an irregular working system and a comprehensive working hour system. Therefore, no relevant approval decision has been made. The Yuancheng District Social Security Management Bureau indicated that through the social insurance system inquiry, the details of the social insurance payments of Wah Tung in the year of 2016 and 2017 can be obtained. However, only the total number of insured people and the total number of contributions per month can be inquired. There is no specific list of insured people. CLW received no response from the State Administration of Work Safety regarding work safety checks conducted at the factory.

The Dongguan Administration of Work Safety provided a response regarding the Lovable Toy Factory and Herald Metal and Plastic Works Factory. The response mentioned that to process the application, proof of a connection to the applicant's production, lifestyle, scientific research and other special needs must be provided within 15 working days to explain the reason for the application. The response from the Dongguan Human Resources Bureau mentions that no information regarding dispatch workers was found in inspections carried out between 2015 and 2017. Additionally, the department has no information regarding the percentage of dispatch workers at Lovable and Herald between 2015 and 2017. According to the Dongguan Social Insurance Bureau, Lovable and Herald do not have any records showing they have been punished for violating the social insurance law. No response was provided regarding the comprehensive working hour system and social security.

The Dongguan City Human Resources Bureau provided a response regarding the Lovable Toy Factory and Herald Metal and Plastic Works Factory. From 2016 to 2018, no relevant approval decision has been made by the Dongguan City Human Resources Bureau with regard to the implementation of an irregular working system and a comprehensive working hour system of the Lovable Toy Factory. During the same period, the Dongguan City Human Resources Bureau approved the implementation of a comprehensive working hour system at Herald Metal and Plastic Works Factory four times.

No response was received from the local government regarding the Jetta factory.



### Factory Working Conditions Comparison Charts

China Labor Watch conducted investigations into Jetta (Guangzhou) Industries Co., Ltd in 2015. The chart below compares working conditions between 2015 and 2018.

Jetta (Guangzhou) Industries Co., Ltd. 2015 vs 2018 Working Conditions Comparison Chart

	2015	2018
<b>General Recruitment</b>	Hiring discrimination based on gender. Jetta turned away some male workers during the hiring process.	During the investigation period, the factory was recruiting many long-term workers who are over the age of 23.
<b>Student Workers</b>	No mention of it in the report	During the investigation period, the factory had a lot of summer workers - the majority of whom are high school graduates, some of whom are college students. The summer workers leave mid to late August.
<b>Physical Examination</b>	<p>Workers must pay for mandatory pre-job physical exams themselves</p> <p>Doctors that came to the factory will check off some physical exam items as complete without actually performing the corresponding tests.</p> <p>Except for painters (one of whom died in 2014), no workers receive on-the-job physical exams or pre-resignation physical exams.</p> <p>Workers must pay 35 RMB for the physical examination.</p>	<p>Workers must have a physical exam. The physical exam is mostly a blood test and a chest X-ray.</p> <p>Workers pay 35 RMB (5.03 USD) for the exam and cannot get the results of the exam.</p>
<b>Training and Orientation</b>	<p>Pre-job safety training only lasts for an hour or so, far short of the legal minimum of 24 hours.</p> <p>Workers are not paid for the day of training and hiring procedures.</p>	There is a pre-job training that is about 2 hours and is paid.
<b>Probation</b>	No mention of it in the report	New workers have a probationary period of two months.
<b>Resignation</b>	Resignation dates are usually delayed by management. When the investigator tried to resign, and the supervisor asked	During the probationary period, workers must give three days notice before resigning. During the contractual period, workers must give one month

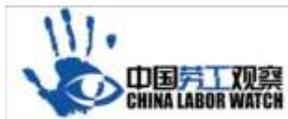
	<p>her to wait until they found another worker to replace her.</p> <p>Workers must “apply” and receive “approval” for their resignation.</p>	<p>notice before resigning. Worker who want to resign must get a resignation letter from the group leader. After filling out the resignation date, a superior will sign confirming that they can resign.</p>
<b>Labor Contract</b>	<p>The labor contract was a short-term contract with duration of five and a half months.</p> <p>Workers must fill out an “overtime application” during hiring procedures.</p>	<p>The labor contract was a short-term contract lasting 2.5 years</p>
<b>Working Hours</b>	<p>Normal working hours are only 7.25 hours per day, which is a method meant to reduce weekend overtime pay by shifting some regularly paid overtime hours onto the weekend.</p> <p>Although the working time can be adjusted, it is normally Monday to Saturday (on Saturday there is a half-shift).</p> <p>According to the schedule, there should be a one-hour midday break for lunch and a rest. But in reality, many workers would have to return to the workshop to begin work before the lunch break is over and work done during this time is unpaid.</p>	<p>During peak season, normal working hours are 8 to 10.5 hours per day.</p> <p>Off season, normal working hours are 8 hours per day.</p>
<b>Overtime</b>	<p>Giving or taking away overtime work is used by management as a tool of control to encourage faster production.</p>	<p>During off season, workers occasionally work overtime. If they do work overtime, it doesn’t surpass two hours of overtime.</p> <p>During peak season, workers work 1.5 to 2.5 hours of overtime per day. This equals 17.25 to 19.75 hours of overtime per week and 66.5 to 78.25 hours of overtime per month.</p> <p>Overtime hours are the longest during June, July, August, and September, and is around 80 hours. If a worker is pregnant, the factory can arrange for her not to work overtime. Workers can choose not to work overtime; they just</p>

		<p>need to inform the production manager. If workers do not work overtime, then they may have their overtime hours cancelled on workdays and Saturdays, or be asked to resign.</p>
<p><b>Labor Remuneration</b></p>	<p>The base wage is the local minimum wage.</p> <p>Every day, workers are required to work before the shift begins, for which they are unpaid.</p> <p>On average, workers earn approximately 2,000 RMB a month (\$290/month). During low seasons, without much or any overtime, a Jetta worker only earns a base wage of 1,895 RMB (\$304)/month. It is very rare for a worker's wage to exceed 3,000 RMB (\$481)/month, even during high seasons with lots of overtime.</p>	<p>During peak season, workers average monthly wages are 2,900 to 3,500 RMB (416.93-503.19 USD) (after deducting social insurance fees). During off season, workers average monthly wages (after taking out social insurance fees) is not more than 2,000 RMB (287.54 USD).</p> <p>Workers monthly wages are generally 2,100 RMB (301.91 USD), usually around 12 RMB (1.73 USD) an hour. Overtime hourly wages are calculated by 12.07 RMB (1.74 USD) × 1.5. Hourly overtime wages earned on off days are calculated by 12.07 RMB (1.74 USD) × 2. Hourly overtime wages earned on official holidays are calculated by 12.07 RMB (1.74 USD) × 3.</p>
<p><b>Leave Policy</b></p>	<p>No mention of it in the report</p>	<p>There is paid sick leave. If you want to take a sick day, you need to get a absentee form from the production manager and provide a doctor's note.</p> <p>The factory has paid annual leave, maternity leave, marriage leave and funeral leave. Workers must provide advanced notice to product management staff prior to taking leave, and also ask for a leave request form. Maternity leave is paid according to related labor laws. A female worker from the electronics workshop mentioned that the assembly line she works on, allows workers to submit a leave request form after they take annual leave.</p>
<p><b>Vacation</b></p>	<p>No mention of it in the report</p>	<p>The factory has paid leave. Statutory holidays are unpaid.</p>

<p><b>Social Insurance</b></p>	<p>Jetta does not purchase most legally mandated insurance and benefits for workers. Only workers hired before 2008 are provided with retirement and unemployment insurance.</p>	<p>The factory buys social insurance for the workers. The amount deducted for social insurance from each worker is different depending on which department they work in.</p>
<p><b>Recreational Facilities</b></p>	<p>There are indoor and outdoor athletic facilities. Inside there are ping-pong tables and badminton courts, but no ping pong balls or rackets are provided. When the investigator made inquiries about where she can rent a ball or a racket, she was told there was no renting service anymore because there were too many people trying to rent. So whoever wants to play has to buy their own equipment. The investigator noticed that very few people were actually using the facilities.</p>	<p>The factory has a library, TV room, Karaoke room, soccer field, tennis court, dancing studio, indoor gymnasium, ping pong tables and a bulletin board.</p>
<p><b>Dining Conditions</b></p>	<p>Meals are not free at the factory. Money is added to workers' work IDs in order to pay for food at the cafeteria. The worker cafeteria in Jetta provides breakfast, lunch, dinner, as well as a midnight meal (for night shift workers). There are many food choices in the cafeteria as the food service is contracted out to a catering company. The cheapest meal costs less than three RMB (\$0.48). A better meal with two dishes costs about seven RMB (\$1.12).  While the staff cafeteria is very close to the worker cafeteria, the former is much nicer and is furnished with fancy decorations. The investigator once went to the staff cafeteria for breakfast. She found the food there to be much better.</p>	<p>The factory provides room and board, breakfast (3 RMB/0.43 USD), lunch and dinner (5-7 RMB/0.72 USD-1.01 USD). Workers think the food in the factory is cheaper than outside food.  The cafeteria in the factory is relatively big and clean. To buy food, workers put money on their factory card and then can swipe the card to make a purchase. The cafeteria only provides a bowl. Workers have to bring their own soup spoon. After eating, workers put their bowl in the utensils bucket. Some workers choose to bring their own food to eat in the cafeteria.</p>
<p><b>Accommodation Conditions</b></p>	<p>Dorms house eight people per room. Bathrooms are public and showers lack hot water. There are no outlets in rooms; workers can only charge electric devices in a single room in the dorm building  The monthly cost for a worker to live in the dorm is 40 RMB (\$6.42), utilities</p>	<p>The dormitory is four people to a room. The rooms have an electric fan and lockers. The water and electricity fee is around 40 RMB (5.75 USD) per month. There are no individual bathrooms or showers per room. The shower building has about 10 shower-heads, but does not provide hot water. The water is</p>

	<p>included. If a worker does not stay for a full month, she has to pay for 1.3 RMB (\$0.21) for each day. It is a worker's own choice whether to live in the dorm, and workers who do not live in the dorm are not required to pay the monthly fee of 40 RMB (\$6.42). However, they will also not receive a subsidy for their living expenses.</p>	<p>dirty. Workers need to use a bucket to get hot water to shower.</p>
<p><b>Occupational Safety and Labor Protection</b></p>	<p>There is no occupational health and safety committee. Workers are given practically no training on specific health risks in their working environment and how to protect themselves.</p> <p>Very few workers are supplied with protective equipment, which has led to a number of health risks and injuries. Workers are sometimes made to wear protective gear when an inspection occurs.</p> <p>Some production machines are not regularly inspected or maintained.</p>	<p>The factory does not have an environment, health and safety committee. During the pre-job safety training, the instructor distributes a copy of the job safety manual and an ISO14001 environmental management system training manual. New workers also took a factory-level training exam, which lasted for around 20 minutes.</p>
<p><b>Work Injury</b></p>	<p>A worker from painting workshop died in 2014 (the details of which are unclear)</p> <p>The investigator observed that the hands of one female packaging worker were covered with scars, cuts of varying severity, and a lot of peeling skin. She said that the company did not provide her with gloves.</p>	<p>The factory has had incidencies of workplace injury but not many. Each year it happens once or twice.</p>
<p><b>Fire Safety</b></p>	<p>There were no inspection records found for the firefighting equipment on the second and third floor of the dorm building in which the investigator stayed.</p> <p>Some fire prevention equipment is not regularly inspected.</p>	<p>The workshop and dormitory hallways and exits are clearly marked. Lighting is sufficient and there are no obstacles impeding a safe exit. Workshops and the dormitory have fire extinguishers.</p>
<p><b>Rewards and Penalties</b></p>	<p>Fines on workers rarely occurred at Jetta. The investigator never observed any notice for fines on workers. At the</p>	<p>“Rewards and punishments” are clearly set out in Chapter 13 of Jetta (Guangzhou) Industries Co. Ltd. rules</p>

	same time, there are also no rewards available to the workers.	and regulations. The rewards are a commendation, recording a merit, salary increase and promotion. The punishments include a written warning, demerit points, and termination of the labor contract.
<b>Labor Union</b>	Jetta has no union to speak of and lacks independent or effective grievance channels.	The factory has a union and worker representatives. Workers say that the worker representatives are recommended by the workshop manager or personnel. The factory union holds a meeting once every two months, and each meeting lasts for one hour. The most recent meeting was held at the end of July.
<b>Grievance Procedure</b>	There is a “hotline” event for the face-to-face communication between workers and Jetta management.  There is a complaint box in the factory area.	The factory has a grievance hotline which is open every Thursday from 5:00 PM to 7:00 PM. However during peak season, workers work overtime until 6:45 PM or 7:15 PM. When they get off work at this time, the hotline workers also get off work.
<b>Worker Treatment</b>	No mention of it in the report	Regarding the factory’s management system, workers think that some of the management have bad characters. There was a female worker who spoke back to a production management personnel, and was sent to the most laborious work position. There was a different female worker who was working too slowly and was also sent to the most tiring work position. There was another female worker who applied for leave because of a stomach ache and was asked to resign.
<b>Client Visits and Audit</b>	No mention of it in the report	No mention of it in the report

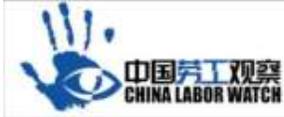


In 2017, China Labor Watch conducted investigations into the Dongguan Qualidux, Chang' An Mattel and Wilson factories. This year, our investigators interviewed workers outside the three factories regarding the current working conditions and the charts below compares the working conditions between 2017 and 2018.

Dongguan Qualidux Plastic Products Ltd. Co. 2017 vs 2018 Working Conditions Comparison Chart

	2017	2018
<b>General Recruitment</b>	Applicants must be at least 18 years of age, possess a valid ID card and be healthy. There are no restrictions on gender. After hiring, workers are placed into their department's workshop based on the factory's production needs and the worker must unconditionally accept the placement.	There are approximately 300 workers in the factory now. The factory security says that the factory is no longer recruiting workers (the factory's electronic billboard currently still shows that the factory is recruiting but in fact it is only used to keep the current workers assured). According to the workers, the factory will soon take a long break. Many workers felt that the factory will soon be shut down because the employer did not want to stay in business.
<b>Physical Examination</b>	Workers do not undergo a physical examination at the time of recruitment. After workers are hired, the factory schedules physical examinations. Factory higher ups decide which workers are to undergo a physical examination and the workers go have their physical when it is their turn. The factory covers physical examination fees. After their physical examination, workers can pick up their results.	At this time, the factory stopped recruiting.
<b>Training and Orientation</b>	During orientation, workers first sign the registration sheet and then fill out two forms: the first is a new employee (temporary worker) onboarding form, the second is a new employee training test (the trainer first tells them the answers and then they fill out the test). There is a simple explanation for how to use a fire extinguisher and there is not training related to occupational safety. The orientation lasts for an hour. Training time is not calculated in the attendance card.	The factory is not recruiting.

<b>Probation</b>	There is a two month probation period.	There previously was a probationary period of 3 months.
<b>Working Hours</b>	The factory's standard work hour structure is 8 hours a day, 5 days a week. On average there is 26 days of work a month. Any work done outside of these hours is calculated as overtime.	Generally, working hours are 8 hours per day, with 2 hours of overtime at night. Workers work 5 days a week and clock in/out 6 times per day without having to wait in line.
<b>Overtime</b>	<p>During off-peak season of the factory, there is generally 2-3 hours of overtime a day, and work is 6 days a week. On weekends, there are 8 hours of overtime a day. On average, there are 110 hours of overtime a month.</p> <p>During peak season of the factory, from Monday to Friday there are 3 hours of overtime. There are 6 to 7 days of work a week. On weekends, there are 8 hours of overtime a day. On average, there are 140 hours of overtime a month.</p> <p>Workers are forced to work overtime. There is aggressive labor intensity at work. Workers are required to sit for a very long time and to speed up their production.</p>	According to factory regulations, every day a worker can only work 2 hours of overtime. The factory generally does not punish workers who do not work overtime.
<b>Labor Remuneration</b>	<p>Long term workers' wages: Base wages are 1,510 RMB a month (\$227.85 USD), regular wages are 8.68 RMB an hour (\$1.31 USD), wages for overtime worked during regular hours are 1.5 times regular wages or 13.02 RMB an hour (\$1.96 USD); wages for overtime worked during weekends are 3 times regular wage or 26.04 RMB an hour (\$3.93 USD).</p> <p>Temporary workers' wage: Workers introduced by intermediaries earn 14 RMB an hour (\$2.11 USD), while workers recruited by the factory earn 12 RMB an hour (\$1.81 USD). Overtime wages follow the corresponding hourly pay.</p>	On average, workers earn 2,000 RMB/month (\$287.54 USD/month). There are no dispatch workers and wages are paid according to the number of hours worked. Normal overtime fees are paid according to the rates determined by law. The factory does not work overtime on weekends and workers get two days off per week.
<b>Social Insurance</b>	The factory does not proactively pay workers' social insurance. Temporary	The factory purchases social insurance for workers who completed the three-



	<p>workers choose not to buy insurance. Long term workers who want to purchase insurance must work at the factory for a long time and then apply. Insurance fees are 216.73 RMB a month (\$32.71 USD). Insurance is primarily a pension fund.</p>	<p>month probationary period. All workers must purchase social insurance. Both the factory and workers purchase social insurance according to the rates determined by law.</p>
<b>Dining Conditions</b>	<p>Food conditions are especially poor. Workers express the cafeteria fees are expensive. The factory does not provide any sort of subsidy.</p>	<p>Workers can pick from a variety of food choices and the food quality is pretty good. However, workers are unable to afford the food because their wages are relatively low. Workers' wages are deducted depending on how much they eat.</p>
<b>Accommodation Conditions</b>	<p>Dorm environments are sub-standard. The hallway lighting is poor and garbage can be seen everywhere and a foul smell permeated the area.</p>	<p>There is a dormitory. The dormitory costs 40 RMB (5.75 USD) per month with water and electricity included.</p>
<b>Occupational Safety and Labor Protection</b>	<p>The factory does not have an environment, health and safety commission. There is no occupational training or even work clothes. The noise in the workshop is very loud and there is a lot of dust. Except for a work hat, workers are provided with no other protective equipment.</p>	<p>Workers are exposed to chemicals, and are thus provided with masks and gloves.</p>

Dongguan Chang'An Mattel Second Factory 2017 vs 2018 Working Conditions Comparison Chart

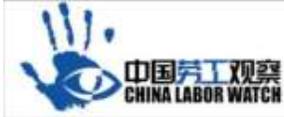
	2017	2018
<b>General Recruitment</b>	The factory does not hire minors or individuals who are older than 45 years. The investigator is uncertain if there are underage student workers.	The factory requires workers to have at least a middle school education but did not specifically say what kind of person they would not hire. The investigator is uncertain whether or not there are underage workers, but workers said college students came to work in the factory during summer holiday.
<b>Physical Examination</b>	Only employees in special positions need to undergo a physical examination. Fees are covered by the factory.	A pre-job physical examination is required but there is no post-job physical examination. Fees are covered by the factory. The physical examination covers a general check up and takes place in Chang'an Wusha Hospital.
<b>Training and Orientation</b>	New workers are provided with training. Training is four hours long and includes information on occupational safety and environmental monitoring. Training time is included in wages.	New workers are provided with training. Training is approximately 30 to 60 minutes long and includes information on occupational safety. Training time is included in wages.
<b>Probation</b>	The probation period is seven days.	The probation period is seven days.
<b>Working Hours</b>	The normal working hours are 8 hours a day, 5 days a week, and an average of 21.75 days per month.	The normal working hours are 8 hours a day, 6 days a week and an average of 21.75 days per month. Workers clock in/out 6 times per day without having to wait in line.
<b>Overtime</b>	On average, there are 3 hours of overtime a day and a full day of overtime on Saturdays. There is around 110 hours of overtime per month.	According to factory regulations, working overtime is voluntary. The factory generally does not punish workers who don't work overtime. There are 2 hours of overtime per day during off season and 3 hours of overtime per day during peak season. Workers get a day off every week.
<b>Labor Remuneration</b>	The base wage is 1,507 RMB a month (\$227.37 USD), 8.97 RMB an hour (\$1.35 USD). The previous month's wages are given out the 15th to 17th of each month.	On average, workers earn 4,000 RMB/month (575.08 USD). There is no difference between dispatch workers and regular workers. Their

		wages are paid according to their hours worked.
<b>Food Condition</b>	<p>Workers may choose which meal plan they wish to purchase.</p> <p>The factory provides a meal subsidy of 4 RMB/day (\$0.60 USD/day). During peak season, new workers can receive free meals during their first month.</p>	<p>There is a rich variety of food choices but the price is relatively expensive. The factory provides a meal subsidy of 260 RMB/month (37.37 USD/month), which does not cover all of their meal expenses, so workers have to use some of their own money to eat.</p>
<b>Accommodation Conditions</b>	<p>The factory provides accommodation for workers, and workers may choose whether they wish to live on-sit. Factory housing cost 1.73 RMB/day (\$0.25 USD/day). Eight people share one room with bunk beds, closets, an electric fan, stools, a shoe rack, a balcony and mirrors. Each closet has a USB socket in it to charge cell phones. The dorm rooms are not locked, and thus there is no guarantee that workers' personal items will be safe.</p>	<p>For dorms with an air conditioner installed, the fee is 104 RMB/month (\$14.95 USD/month) and each room fits 6 workers.</p> <p>For normal dorms, the fee is 52 RMB/month (\$14.37 USD/month) and each room fits 6 workers.</p>
<b>Social Insurance</b>	<p>After the probationary period is over, the factory purchases five categories of social insurance for the worker and contributes to the housing provident fund.</p>	<p>The factory purchases social insurance for workers who have perfect attendance for the month. All workers must purchase social insurance. Both the factory and workers purchase social insurance according to the rates determined by law.</p>
<b>Occupational Safety and Labor Protection</b>	<p>There is an environmental monitoring and safety commission. Before assuming the job position, workers have a training relating to occupational safety. Workers in special positions are provided safety equipment and have to undergo a physical examination mid-employment as well as pre-employment. Production equipment and machinery are regularly inspected.</p>	<p>Workers are exposed to chemicals, and are thus provided with gloves.</p>

Winson Precision 2017 vs 2018 Working Conditions Comparison Chart

	2017	2018
<b>General Recruitment</b>	Job applicants must be over 18 years old. During peak seasons, Winson recruits a large number of workers. Workers are directly recruited by the factory. There is no application fee or deposit required, and documents are returned in a timely manner. After completing a basic interview, everyone is taken to the employee lounge and asked to complete a personnel file as well as submit the photocopy of their ID along with their photos.	The factory recruits Chinese citizens who are 18 to 45-years old and who possess an ID card.
<b>Student Workers</b>	Job applicants must be over 18 years old.	Still unknown.
<b>Physical Examination</b>	Except for some unique positions, most workers do not need to undergo a physical examination. The cost of physical examinations is covered by the company, with physical examinations occurring before, during and after employment.	There is no requirement for a physical examination.
<b>Training and Orientation</b>	In the morning, there is a four hour factory-level training session covering many topics. The health and safety training is very general and does not cover specific positions in the workshops. In the afternoon, there is an hour-long training in the workshops, covering topics of safety, discipline, request for leave, and time cards etc.	One day before entering the factory, there is a safety training and a factory culture training. The goal of training is to ensure safe production of goods. Wages paid for the training are in accordance with Shenzhen's minimum wage standard.
<b>Probation</b>	The contract stipulates a 6 month probationary period.	There is a 1 month probationary period.
<b>Working Hours</b>	The factory runs on a schedule of 8 hours per day, 5 days per week.	The factory runs on a schedule of 8 hours per day, 5 days per week. You need to line up to clock in and out of work each day. Clocking in does not take more than 5 minutes.
<b>Overtime</b>	During off seasons, normally no overtime is required. During peak seasons, employees are required to work	Overtime is voluntary. There is no punishment for not working overtime. During off season, overtime is 2.5

	<p>3 hours of overtime each day and work 6 days a week. On Saturdays, employees work 8 or 11 hours of overtime, with a monthly average of 85 hours of overtime.</p> <p>The most overtime occurs in the month of July, with the amount of overtime worked depending on the number of orders the factory receives. If a worker decides not to work overtime, he or she needs to verbally notify the production line leader ahead of time, and there is no punishment for not working overtime.</p>	<p>hours per day, but occasionally no overtime is required. During peak season, overtime is 2.5 to 4 hours per day. Other than those in the double-shift system, every week has 1 rest day.</p>
<b>Labor Remuneration</b>	<p>During off seasons, average wages are 2,200-3,000 RMB (\$330 - \$450 USD), and during peak seasons it is 3,500-4,400 RMB (\$530 - \$660 USD). Wages include a base wage, overtime pay, and compensation. Additionally, individual income tax, social insurance, accommodation fee, water and electricity fees are deducted from wages.</p> <p>Standard pay is 12.24 RMB (\$1.84 USD) an hour, regular overtime is 18.36 RMB (\$2.77 USD) an hour, and overtime on weekends is 24.48 RMB (\$3.69 USD) an hour. During off season, there is no overtime.</p> <p>Workers are not satisfied with their salaries. They expect a monthly income of 4,000 RMB (\$603.46 USD) or more.</p>	<p>Workers make around 3,500 to 5,000 RMB (503.11–718.73 USD) each month. Regular workers generally make 110 RMB (15.81 USD) for each of the 8 hours they work. The investigator is unsure if there is temporary work. The workers' wages are paid in accordance with Shenzhen's minimum wage standard. Overtime is paid 1.5 times the lowest base salary and weekends are paid double.</p>
<b>Social Insurance</b>	<p>For the social insurance, 7.46 RMB (\$1.13 USD) is deducted for medical insurance fees, 10.65 RMB (\$1.60 USD) is deducted for unemployment insurance and, if the worker is enrolled in a pension fund, an additional 170 RMB (\$25 USD) is deducted.</p>	<p>The factory purchases "5 social insurance and one housing fund" for the workers. The percentage the workers and factory pay is very transparent: workers pay 180 RMB (25.87 USD) per month for old-age insurance and the factory pays 100 RMB per month for the housing fund.</p>
<b>Dining Conditions</b>	<p>The cost of lunch and dinner averages to 5-10 RMB (\$0.75- \$1.50 USD) per meal or 400 RMB (\$60 USD) a month. Most workers think the prices are unfair and</p>	<p>It is 6 RMB (0.86 USD) for 2 meat dishes and 1 vegetable dish or 8 RMB (1.15 USD) for 2 meat dishes and 2 vegetable dishes. Workers can choose</p>



	on the expensive side. The factory does not provide meal allowances.	which option they want and fees will be deducted from their wages accordingly. Workers say the food is average.
<b>Accommodation Conditions</b>	Workers' dormitories are equipped with beds, closets, electric fans, and water heaters. The accommodation fee is 40 RMB (\$6 USD) per month, with water and electricity bills split equally between residents. The dorms do not have air conditioning and there is only two rotating electric fans hanging from the ceiling.	There are 4 to 6 people per room. There is no rent and air conditioning and hot water is included.
<b>Occupational Safety and Labor Protection</b>	The factory does not have an environmental, health, and safety commission. However, there have been some trainings on these topics. Some workers are exposed to toxic chemicals like acetone during work. Workshops and dorms are equipped with first-aid boxes, and toxic waste products are sealed, labeled, and equipped with a fire extinguisher.	Workers come into contact with ethanol and naphtha. The factory provides finger covers and rubber gloves.