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HEADLINE: China curbs its toy sweatshops as workers stay away

BYLINE: Michael Sheridan in Guangdong

BODY:

FOR YEARS the sprawling factories of southern China have provided cheap labour for the world's toy makers. Their profits could be under threat, however, after the authorities last week announced a clampdown on sweatshop conditions to head off a shortage of workers who are finding less oppressive work elsewhere.

An investigation last week into factories in the coastal province of Guangdong revealed plentiful evidence of poor pay, 13-hour working days and harsh rules at plants churning out the well-loved brand names that will feature on children's Christmas lists in Britain and other affluent countries.

Many western-based manufacturers with plants in the gritty manufacturing belt - known as "the workshop of the world" - insist their Chinese workforces are well cared for.

One of the largest, Mattel Inc, of California, which produces brands from Harry Potter to Matchbox and Barbie dolls, prides itself on conditions at its huge factories in Guangdong, which it says are in line with standards across the world.

Recent undercover surveys, however, have painted a far less reassuring picture: female workers making Barbie dolls at Mattel's plant at Chang An, Dongguan county, complained that they were routinely obliged by local managers to work 12-13 hours a day, six days a week, starting at 6am. If true, the hours are a violation of Chinese labour law and Mattel's own code of conduct.

The allegations were made in a study by the Hong Kong Christian Industrial Committee, which monitored labour conditions between May 4 and May 16, the peak of the manufacturing cycle. Workers said a collective piece-rate system also put them under permanent stress.

Last week there was a detectable air of intimidation outside the same plant. More than a dozen girl workers refused to talk, and security guards scrutinised strangers in the busy street and questioned staff seen talking to outsiders.

Leung Pak-nang, an official with the Hong Kong committee, said the guards may have suspected that monitors sent by the multinationals were around. "Local managers deceive them with false time cards and a second set of books," he said. "Workers are warned that they'll lose their jobs if they talk. They are taught how to lie from special question-and-answer sheets."

Mattel's headquarters in America declined to comment.

At factories making more expensive toys there was a less suspicious mood, but working conditions were again questionable. At Dongguan, where Silverlit, another Californian-based company, makes remote-controlled toys, a 20-year-old girl worker, whose name and company identity card were verified, claimed to be paid just 19 yuan (€1.26) a day basic salary and routinely had to work more than 76 hours a week, with only Sunday afternoons off.

Silverlit cars sell for more than €35 each and some models of the company's remote-controlled X-plane cost over €80.

Cathy Ruiz, head of the US division of Silverlit, insisted the plant was not breaking any rules. "There is no forced overtime," she said. "They have to undergo stringent requirements as to how people are treated, what they are paid, and we pass with flying colours."

Conditions were apparently better at the factory producing Britain's favourite Christmas toy, the lifelike Robosapien robot man, which sells in the high street for up to €80.

Hong Kong-based Wah Shing Toys, which makes the robot, declined permission for reporters to visit its factory in the sprawling industrial zone north of the city of Shenzhen. Workers interviewed outside, away from the watchful eyes of its security guards, said their basic pay was 700 yuan (€46.60) a month good by local standards.

Typically, labour costs in China amount to only 2%-5% of the retail price of most toys and, until recently, migrant workers flocked to the south from the poorest rural areas, undeterred by atrocious working conditions.

China's rulers effectively guarantee manufacturers a docile workforce at the bleak industrial complexes, many of which resemble penal labour camps with crowded barrack-like dormitories behind barbed wire fences and high walls.

Security guards, paramilitary policemen in khaki, and blue-uniformed units of the People's Armed Police keep constant watch over the turbulent townships, where thousands of young migrants, most of them girls, come out of their factory compounds to eat noodles, buy counterfeit DVDs and get cheap haircuts or massages.

In recent months, however, as worker unrest has swelled and fewer job recruits have arrived, the clamour for jobs at the factory gates has declined. A 100 job adverts bloom on every other wall.

"They have heard stories of how bad things are, there are better opportunities elsewhere and incomes at home on the farms are rising," said Leung.

Other indications of a sea change in labour relations include notices in the official media encouraging the formation of trade unions.

They order employers to grant maternity leave, forbid delays in salary payments, ban excessive overtime, raise minimum wages, outlaw compulsory deductions from pay for canteen food and threaten to fine companies that lay off workers without compensation.

By coincidence, the British government will on Wednesday host a pioneering seminar on corporate social responsibility for British companies and Chinese officials in Guangdong.

"Western consumers always expect prices from China to fall and the factory owners have nowhere to go but to squeeze the workforce," said Robin Munro, research director at the China Labour Bulletin, the human rights group.

"Now it's crunch time because the migrants are voting with their feet."

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