Foxconn to Replace Workers with Robots

By Margaret Rock

Foxconn, the world's largest computer components manufacturer, is set to deploy at least one million robots to increase efficiency, news that may help reduce the company's bad publicity and possible production problems.

Terry Gou, founder and chairman of the Taiwan-based company, made the announcement to employees at a dance on Friday, according to reports, saying one million robots will be phased in over the next three years.

Gou's announcement comes on the heels of recent bad publicity for the company, centering on workplace conditions and workers' welfare.

Last year, there was a rash of suicides at Foxconn plants, with more than a dozen workers taking their lives by jumping from buildings. The approximately 1.2 million workers at the manufacturer's plants reportedly live in on-site company dorms and work in difficult conditions.

Agencies like the Center for Research on Multinational Corporations and Students and Scholars Against Corporate Misbehavior issued a report detailing how employees work more than the legal 36 hours of overtime, take only a handful of vacation days, and face public humiliation for poor performance.

In response, Foxconn promised to improve working conditions by installing safety nets to prevent suicides, increasing worker pay, and decreasing overtime demands.

This past spring, at least three people died and more than 15 others were injured in a blast sparked by combustible dust in a polishing workshop at Foxconn's Chengdu facility, one of its newer plants which cost $2 billion to construct. The blast, which temporarily closed the facility, again highlighted concerns over working conditions.

The announcement to move toward robotic production also comes about two months after Gou told shareholders at the company's annual meeting that beyond increasing output, Foxconn may move to become a technology firm in its own right.

Foxconn's parent company, Hon Hon Precision, is a major supplier for firms like Apple, Hewlett-Packard, Dell and Sony, to name a few. Reportedly, Foxconn will use the robots for routine work like welding, spraying, and assembly -- tasks currently done by human workers.

Currently, Foxconn plants use about 10,000 robots, or one for every 120 workers, and next year that number is expected to increase to 300,000, or one for every four workers.