Shanghai Hi-P’s Strike Is Entering Its Third Day

Friday, December 2, 2011

Shanghai, China

More than 1,000 workers from a Hi-P International factory in Shanghai have been participating in a strike to protest an ultimatum they were given by management to move to another city or resign without compensation. Several workers were injured and others were arrested in conflicts between protestors and police.

The strike has been going on for three days. According to the workers, the factory, which is owned by the Singapore-based manufacturing giant Hi-P International, planned to relocate to Suzhou, and the workers have been forced to choose between moving to Suzhou or being fired and both are without compensation.

This is not the first time this factory has seen strikes over sudden relocation decisions. Workers went on strike for 10 days in July to protest sudden layoffs as Hi-P decided to shift more of its production to Suzhou.

In order to decrease costs and maximize profits, several international manufacturers have already moved out of Shanghai because of decreasing demand from abroad, increasing rents and the rising price of raw materials and labor.

Li Qiang, the Executive Director of China Labor Watch, has the following statement on the situation: “The factory should be held responsible for the strike because it crudely disregarded the rights of its workers. They have treated the workers like machines and now that they feel they’ve used the workers up, they want to throw them away.”

Hi-P International was founded in 1980. It is a global vertically integrated contract manufacturer serving the wireless telecommunications, consumer electronics and computing and automotive industries. It has 25 manufacturing sites located in Asia, America and Europe with approximately 20,000 employees. Hi-P is a producer of Apple, HP, RIM and Motorola products, but we cannot be sure if these products are produced at this Shanghai factory. In China, Hi-P has factories in Shanghai, Chengdu, Xiamen, Qingdao, Tianjin, Suzhou and Dongguan.