Tens of thousands of striking shoe workers persevere: Yue Yuen work stoppage continues

Friday, April 18, 2014

FOR IMMEDIATE RELEASE

NEW YORK - Tens of thousands of workers on Friday continued their work stoppage at the Yue Yuen shoe factory in Dongguan, one of the largest shoe manufacturers in the world, and a major supplier to companies like Adidas and Nike. In what has become one of the largest worker strikes in recent Chinese history, workers have maintained their resolve, demanding unpaid social insurance.

Thousands of police officers, including riot police and K9 police, continue to be stationed in and around the Yue Yuen factory campus, monitoring worker actions. There have been clashes with these security forces leading to injuries. Workers said that police are not letting workers exit through the gate, and when some workers tried to exit it resulted in a physical confrontation. One person told CLW that a worker from Chongqing had died of their injuries during a clash with police, but CLW not yet confirmed this.

A number of workers have been arrested. CLW has received the names of two of these people: Zeng Zhi and Li Yong, the latter of whom was apparently detained for taking photos.

Earlier in the week, thousands of workers marched out of the factory toward the Dongguan city government building, only to be violently suppressed by police. Ever since then, most of the strike activity has been contained in the Yue Yuen factory campus.

China Labor Watch (CLW) has investigated the scene and continued to contact protesting workers throughout the week. Workers have made clear that they have a number of demands:

1. Yue Yuen should be transparent about all social insurance rates;
2. Yue Yuen must provide all social insurances and backpay these benefits according to law;
3. If Yue Yuen does not provide social insurance backpay, then workers should be able to terminate their labor contracts and receive monetary compensation;
4. Some workers have never received free accommodations and meals despite their contracts stipulating this, and Yue Yuen should rectify this discrepancy.

Yue Yuen Industrial is owned by the Taiwanese-based Pou Chen Group. Pou Chen has about 200,000 workers in China, and providing social insurance backpay to all of these workers could include the company paying out hundreds of millions of dollars.

On Thursday, Yue Yuen factory management released a written notification to workers that presented three responses to some worker demands (photo of document on the right):

1. The company will provide unpaid social insurance for each worker under the condition that a worker also pay back their part of the insurance. (Yue Yuen did not make clear how far back it is willing to go to provide social insurance arrears.)
2. Beginning on May 1, Yue Yuen will purchase social insurance for all workers, contingent again whether or not a worker pays his part of the insurance.
Any worker striking on or after Thursday afternoon will be punished according to company policy.

Despite the factory’s response, most workers continued the work stoppage on Friday. Workers feel that the factory’s response is not specific enough and workers do not fully trust the commitments. According to some workers close to communication with factory management, workers are negotiating with the factory but are reticent to pick strike leaders for fear of company or official retaliation.

Dongguan’s official union posted today on its Weibo account that a working group composed of 20 union officials from the city-level and township-level unions, including two vice chairmen, have entered the factory to assist workers in selecting worker representatives in order to carry out collective negotiation with company management. Lawyers have also accompanied the working group to provide legal advice to workers.

Workers told CLW that the strike will continue on Saturday.