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## Statement on Samsung suspending business with Shinyang Electronics

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### FOR IMMEDIATE RELEASE

NEW YORK - On July 10, [CLW](#) exposed the existence of child labor and other serious labor violations at a factory making Samsung phone parts called Shinyang Electronics.

Samsung conducted a follow-up investigation and stated later that "Samsung decided to temporarily suspend business with the factory in question as it found evidences of suspected child labor at the worksite." Samsung went on to say that if the illegal employment of child labor at Shinyang is confirmed, it will permanently halt business with Shinyang.

The suspension of business with Shinyang will lead to lay-offs of hundreds of workers who are not to blame for the mistakes made by Shinyang management and labor dispatch companies. If these workers are fired due to the sudden reduction of Samsung's production orders, Samsung is responsible for the fair and legal compensation of these workers, who will need to support themselves and their families without a job.

Child labor and other worker abuses have occurred in Samsung's supply chain, yet its solution is to punish even more workers. This reflects Samsung's lack of respect for workers' rights.

Samsung plays a key role in causing labor violations in its supply chain. While manufacturers are not innocent of breaking fundamental labor regulations, they are doing so in order to adapt to Samsung's stringent time and price demands. These factories maintain slim profits by suppressing labor costs. If Samsung, who earned \$8.2 billion last quarter, wants to prevent child labor, unpaid and excessive overtime, abuse of student workers, blank labor contracts, a lack of safety training, and other legal violations, then it will adjust its purchasing practices accordingly. Ultimately, Samsung must invest in more legal and ethical labor conditions.

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