



Nike supplier factory's unpaid social insurance prompts strike

Monday, July 21, 2014

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FOR IMMEDIATE RELEASE

NEW YORK - Workers at Qilitian Golf Articles (Shenzhen) Co., Ltd. went on strike today. Based on information provided by witnesses and striking workers, about 300 workers participated in the strike. According to the latest estimates of workers, in first day they have collectively donated 1,523 RMB (\$245) toward a strike fund.

Qilitian manufactures golf equipment, and its main client is Nike. The factory currently has about 2,000 workers. According to Qilitian workers, the strike was sparked by concerns that the factory's approaching move to Jiangxi would negatively affect employees. Workers demanded that the factory provide compensation to workers, attempting to communicate with the management on multiple occasions, but the factory failed to respond. The factory attempted to compel workers to resign by reducing their working hours, thereby reducing their wages to nothing more than the local minimum wage, which is not a living wage. For these reasons, workers initiated a strike on July 21.

Qilitian workers wrote a formal document expressing their demands. The opening of that document states:

Qilitian Company has violated Chinese law for a long time, failing to fully purchase five types of insurance and one fund for us employees as required by law, deducting excessive tax, and refusing to pay a high-temperature subsidy. In order to protect the rights of employees, Qilitian employees elected members of the worker representative committee on June 29, 2014 and decided to initiate a rights defense action against Qilitian Company. On July 15, 2014, employees formally demanded Qilitian Company to correct illegal behavior. However, when we sent a request for negotiation—demanding that Qilitian discuss these legal violations in collective negotiation with employee representatives—not only did Qilitian fail to recognize its own illegal behavior, it even threatened employees and delayed the negotiation with workers. Because Qilitian has been looking down upon workers' rights and dignity for a long time, and in order to guard the legal rights of Qilitian employees, after holding collective discussion with the Qilitian worker committee, workers decided to initiate a factory-wide strike on Monday, July 21, 2014 at 7 AM. In order to let all employees know about the demands and legal basis for the strike, the employee committee will share the demands and legal basis information with each worker. This way everyone will know that our strike is legal. Until we succeed, we will not give up!

Workers listed the following demands:

1. Compensate workers for unpaid pension and housing fund payments, using each worker's hiring date as a base for calculation;
2. Return, with interest, excessive tax deductions that were taken out of workers' annual bonus;
3. Pay the high-temperature subsidy according to law;
4. Establish a monthly wage floor for the low production seasons;
5. The meal and housing subsidies should be given as cash to employees; the meal subsidy should be no lower than 300 RMB and the housing subsidy no lower than 150 RMB;
6. The medical facility providing physical examinations for workers should be determined by workers;
7. Semi-annual employee review system should be abandoned and instead the factory should provide a 10-30 percent increase to a worker's base wage every year; overtime limits for on-site managers should be disbanded as well; workers who need to shift positions due to occupational disease should not suffer a wage decrease;
8. Immediately reorganize the union, allowing workers to directly elect the union chairman and worker committee members.
9. Qilitian is preparing to move to Jiangxi, and Qilitian should provide seniority-based severance compensation to workers; those that choose to continue working with the company should sign new contracts with Qilitian;

After the strike began, Shenzhen's labor department communicated with workers, but the two sides were unable to come to an agreement. Workers said the strike will continue until the factory responds to worker demands.

Qilitian management recently sent the following information to the cell phones of many workers:

The demands raised by workers have already been replied to and handled by the government and the company. We ask that everyone work with their mind at ease. Do not carelessly believe the provocations of outsiders with ulterior motives. Breaking the law harms one's own interests. If you have any problems, please abide by legal channels (complaints, the union, and labor departments), otherwise lawbreakers will be punished accordingly. Qilitian Company

Based on internet research by CLW, from the beginning of the large Yue Yuen strike on April 5 to July 21, China has witnessed 72 strike events, 34 (47%) of which have been related to social insurance demands. [Download this document for more detailed statistics \(Chinese\)](#)



Qilitian workers on strike



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Collecting donations for a strike fund



The signs read "Qilitian, give me back my blood-sweat money" and "Qilitian, give me back my social insurance"



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