**Despite claims of progress, labor and environmental violations continue to plague Apple**

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**Though Apple claims that 2014 was “a year of progress,” reports from labor rights groups and researchers reveal troubling labor and environmental violations continue unabated.**

Apple made headlines in late January 2015 when it reported the largest quarterly profit ever in corporate history: $18 billion. A record-breaking $74.6 billion quarterly revenue generated this profit, thanks in large part to the sale of 74.5 million iPhones during the same period.

For Apple, this is a great start to 2015, just as 2014 was a fantastic year for the company. Last year, they sold more than 169 million iPhones, which earned them nearly $102 billion in sales. With $183 billion in total 2014 revenue, and $39.5 billion in profit, Apple is the most valuable company in the world.

But for many hundreds of thousands of young Chinese toiling on Apple assembly lines, 2014 was not such a good year. Reports from China Labor Watch (CLW) and Students and Scholars Against Corporate Misbehavior (SACOM), and evidence gathered by researchers Jenny Chan, Mark Selden and Pun Ngai detail a litany of labor law violations at numerous factories across China. Troublingly, this evidence shows that many of the same problems reported to Apple in 2013 continued unabated through 2014. Conditions have in fact worsened at several sites.

These findings are contrary to claims made by Apple in its latest Supplier Responsibility Progress Report, released February 11, 2015. On its website, Apple refers to 2014 as “a year of progress,” explaining in the report that it conducted 633 audits of 459 suppliers, at which it found 700 violations of the company’s supplier code of conduct. In response, Apple claims to have put corrective action plans in place for all violations, and reports that compliance of suppliers improves with every audit. Yet, Apple provides no evidence of which suppliers were audited, what violations were found where, what specifically the company did about them and whether the problems were actually corrected.

Conversely, reports from CLW, SACOM and Chan and her colleagues provide clear evidence of a lack of corrective action from 2013 to 2014 on both the part of Apple and several of its suppliers, including Pegatron, Jabil, Catcher Electronics and Foxconn. Through undercover investigation on Apple product lines, SACOM and CLW found that violations of Chinese labor law and Apple’s supplier code of conduct are commonplace. These include work hours in excess of daily and weekly limits, managerially and economically forced overtime, workplace safety hazards including locked fire exits and blocked pathways, underpayment or lack of payment of social and medical insurance for dispatch and student workers, lack of special labor protections for student workers, regular intimidation and verbal abuse, inability to take sick leave or resign with pay, and no opportunity for collective bargaining and meaningful address of worker concerns.

SACOM documented these problems at three Pegatron facilities - Maintek Computer, Cotek Electronics and Casetek Computer - all in Suzhou, China. At these sites, workers logged as much as 15 hours per day, and worked for 10 weeks without a day of rest in advance of the launch of the iPhone 6 in September 2014. These workers were responsible for 25 million units of the new device - half of Apple's 2014 inventory (Foxconn produced the rest). These conditions resulted in workers suffering crippling fatigue and numbness in limbs, fainting from the extreme heat on production lines and passing out from exhaustion during their very brief meal breaks.

Many of the same problems were documented by CLW at Catcher Electronics during a 2014 undercover investigation of a production line for iPad parts. Just as at Pegatron, the many violations of Chinese labor law and Apple’s code of conduct documented by CLW had been previously reported to Apple in 2013. Yet, 16 months later, none of the reported problems had been addressed, and in fact, many more had arisen.

**Blocked fire exits and lack of safety training, equipment endanger workers**

In addition to the problems of excessive daily hours, limited rest, forced overtime and exhaustion documented at Pegatron, CLW also...
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Workers at Jabil also reported feeling unsafe, given that some of their workshops were under construction. Ceiling tiles routinely crashed down, and the floors were slippery with oil and dirty water. On being moved to an under-construction production line, one of the undercover workers noted, "Everybody was afraid to work at this place. But even though we were worried about our safety, we did not have a choice." [4]

Apple did not respond to questions about what, if any, corrective actions it and its suppliers may have taken in response to CLW and SACOM reports of labor violations at Pegatron facilities, Catcher Electronics and Jabil Wuxi during 2013 and 2014.

Problems at Foxconn persist despite years of media scrutiny

Meanwhile, at Foxconn facilities, which received quite a bit of media attention following 18 worker suicides in 2010, research conducted by Chan and her colleagues [5] found that the modest gain of slightly raised wages is routinely outweighed by increased production quotas on Apple product lines. They also found that though Foxconn promised to let workers unionize, the unions the company sanctioned are actually designed to increase surveillance of workers, with management-appointed leaders reporting worker dissent back up the chain of command.

In February 2014, Jacky Haynes, senior director of Apple's supplier responsibility program, said, "We have recently reviewed and strengthened our standards regarding freedom of association." [5] Yet, as of the publication of this article a year later, union reforms through democratic elections have not happened.

This and other problems continue at Foxconn facilities, despite Apple's partnership with the Fair Labor Association (FLA), an industry-created body that Apple paid "well into six figures" [6] for their auditing services during 2012 and 2013. The FLA audited Foxconn facilities on Apple's behalf and released a series of reports during that time, with a final report in December 2013 [7] indicating that Apple and Foxconn had effectively addressed nearly all labor issues found across three facilities in Guanlan, Longhua and Chengdu.

However, Chan and her colleagues found [8] that the FLA's report on the employment of student interns at Foxconn Chengdu contradicted their own investigation. FLA reported [9] that there were no student interns at Chengdu at the same time that Chan and her colleagues documented 7,000 of them from September 2011 to January 2012 - approximately 10 percent of the labor force - by interviewing the students and their teachers.

Despite Apple's stipulation that student interns should always be engaged in work that furthers their studies and career goals, Chan and her colleagues, and CLW and SACOM, found that Apple suppliers regularly rely on the forced participation of students who gain no experience relevant to their fields of study on production lines. They simply serve as cheaper, more controllable versions of their slightly older, non-student counterparts.

Further, in February 2015, Beijing-based All-China Federation of Trade Unions legal department head Guo Jun criticized Foxconn for imposing illegal overtime of "more than ten hours every day" on workers [10]. In fact, forced overtime was imposed on Foxconn assembly workers during the peak Apple season (September to December 2014) to the extent of 152 hours of overtime a month [11], far exceeding the statutory limit in Chinese law of 36 hours.

Apple's pricing policy and production schedule are to blame

Though Apple displaces responsibility for these conditions onto its suppliers, Chan and her colleagues [12] have soundly documented across a dozen Foxconn sites in China that it is precisely Apple's pricing structure, intensely demanding production schedule and practice
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