Hunger Strike At Uniqlo Clothing Supplier In China Highlights Industry's Search For Lower Labor Costs

Tuesday, June 16, 2015

Source: International Business Times

By Angelo Young

A shopper looks at items at Fast Retailing's Uniqlo casual clothing store as pedestrians walk past in Tokyo, Oct. 7, 2014. Hundreds of workers are on strike at a Chinese factory that supplies clothing to Fast Retailing. The facility is owned by a company that has been relocating work to Vietnam and other parts of Southeast Asia as labor costs rise in China. Reuters/Yuya Shino

Hundreds of Chinese factory workers are on strike at a facility that makes casual wear for Uniqlo, the popular clothing chain owned by Japan's Fast Retailing Co. Workers are upset over their employer's surprise decision in May to relocate the factory, which is based in the southern Chinese city of Shenzhen.

Alexandra Chan, a project coordinator for Students and Scholars Against Corporate Misbehavior in Hong Kong, told Reuters that about 900 workers are on a strike that began June 9. The plant is run by Shenzhen Artigas Clothing & Leatherware Co. Ltd., which is owned by Lever Style Inc., based in Hong Kong. The parent company supplies clothing to Armani Exchange and Calvin Klein and has been shifting factory work out of China to cheaper destinations in Southeast Asia, like Vietnam.

Workers are demanding that the company keep the Shenzhen factory open and reinstate fired employees.

Artigas faced a similar strike in December, when it announced it would relocate, a plan workers believed was scrapped. But the company decided to relocate the factory after labor talks broke down over salaries and social security issues, according to San Francisco's China Examiner.

"This strike is connected to a larger story about the relocation of factories to either inland China or to Southeast Asia," said Kevin Slaten, program coordinator of China Labor Watch in New York. "A number of macroeconomic factors are contributing to greater unrest in China."

Lever Style and other companies have been moving away from China’s manufacturing hubs in search of lower labor costs in other...
emerging Asian economies.

The Chinese-language Radio Free Asia said 300 of the workers have been on a hunger strike since June 13. Workers reportedly began a sit-in last Thursday inside the facility to keep the factory equipment from being removed. Thirteen people were removed by police, including a 52-year-old woman who was dismissed from her job via mobile text, according to the Chinese-language Liberty Times Net in Taipei, the capital of Taiwan. Workers believe employees were dismissed because they were older.