





Workers in Misery

An Investigation into Two Toy Factories

December 3, 2020











This report is dedicated to the memory of Marie-Claude Hessler, a tireless campaigner for the rights of toy workers.





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Executive Summary

Thousands of toys are sold each day, bringing joy, happiness and smiles to the faces of children. At the same time, workers in toy factories in Guangdong Province, China struggle to cope with the high-pressure environment and the long working day. One of the workers is so exhausted because of the high production targets every day, that her body ached all over, and she could not help but cry in the dormitories. Another female worker was sexually harassed, and the male worker who sexually harassed her even threatened to hit her. Although this happened inside a toy factory, nobody thought there was anything wrong. More importantly, nobody felt the need to stop these abuses from happening.

Since 2001, China Labor Watch has been conducting research on China's toy factories. We believe that having compassion is a virtue that every child should be taught. When parents choose toys for their children, they have the right to know about the unfair treatment and exploitation that workers experience, especially female migrant women.

This year, China Labor Watch investigated two toy factories in China's Dongguan city. One of the factories is a Mattel-owned factory, and another is a supplier factory of Mattel, Chicco, Fisher-price and Tomy.

Name of factory	Brands
Dongguan Changan Mattel Toys Co., Ltd. (Changan Town)	Mattel
Dongguan Dongyao Toy Co., Ltd. (Houjie Town)	Chicco, Fisher-price, Tomy, Mattel

The COVID-19 pandemic has affected the toy supply chain. However, global toy sales have increased, as children have stayed home from school across the world and parents have purchased toys to keep their children entertained¹. For Mattel alone, their Quarter 3 2020 financial results revealed that the company's net sales increased by 10% compared to last year, reaching \$1.6 billion US dollars. For the same quarter, their net income was \$316 million US dollars².

The factors that contribute to the growth of toy companies is not only the purchasing power of consumers, but also the workers who work overtime and earn meagre wages. In the assembly workshop of Changan Mattel, the daily production target for each production line is around 1300 to 1400 products. Workers only have 30 minutes for a meal, and work 10 hours a day from Monday to Saturday. That is, workers have to produce over 100 products every hour, so they can complete the production target. Workers generally put in around 80 overtime hours a month. They sometimes had delays of 30 minutes in getting off work, as they were required to stay back and complete the production target and workers were not paid for this. Workers only earn an hourly wage of less than \$2USD. Workers at Dongguan Dongyao also put in 10 or 11 hours a day, and work overtime on Saturday during peak

¹ MarketWatch (Aug 31, 2020), Toy Market Size 2020 Global Industry Share Growth, Trend, Demand, Top Players, opportunities and Forecast to 2025. https://www.marketwatch.com/press-release/global-toy-market-2020-covid-19-impact-key-players-trends-sales-supply-analysis-and-forecast-2025-2020-09-16?mod=mw quote news

² Mattel (2020), Mattel Reports Third Quarter 2020 Financial Results, https://corporate.mattel.com/news/mattel-reports-third-quarter-2020-financial-results



season. September had the most overtime hours, and workers put in 92 to 112 overtime hours that month. Both factories are in clear violation of overtime laws in China which mandate that overtime hours must not exceed 36 hours a month.

For 20 years, there have been some improvements in China's toy factories³. But these improvements lag behind, when compared to the 20 years of development in various industries in China. Workers' socioeconomic status has remained the same over the years. They receive the least amount of respect and earn extremely low wages when compared with the rest of society.

Several serious rights violations at both factories are highlighted below:

Workplace Psychological Violence

According to related documents from the ILO, psychological violence can be defined as the "intentional use of power, including threat of physical force, Physical violence, against another person or group that can result in harm to physical, mental, spiritual, moral or social development. It includes verbal abuse, bullying/mobbing, harassment, and threats".⁴

We have found psychological violence in the workplace of both factories. For example, the team leader and assistant team leader on the workshop assembly line at Changan Mattel would scold workers who are working slowly, and even called a worker a "stupid cunt". After a worker was injured, the workshop team leader would scold the injured worker for not being careful enough, warning them not to report this to the factory. The team leader of Dongguan Dongyao ignored workers' requests for masks, and was passive aggressive, ignoring workers who asked not to work overtime. This gave workers a lot of psychological pressure, and makes it even harder to ask for protective equipment or not to work overtime.

Sexual Harassment

Sexual harassment has gained increased awareness in recent years, yet little research has been done in factories in China. Last year, we found cases of sexual harassment at Foshan Mattel. This year, at the Changan Mattel factory, there were issues with sexual harassment, which shows that Mattel has largely failed to put in place measures to protect victims and also to address the issue. For example, one of the male workers would regularly sexually harass female workers in the workshop. The worker would call one of the female workers "dear", and explains he does this so that she is excited. He also would touch the hands and hair of another female worker. The assistant team leader sees this behaviour and not only fails to stop it, but even joined in with sexual comments, such as asking the male worker if he masturbated the night before. The Wechat group originally formed to coordinate workers had sexual comments almost every day and a worker even posted the contact information of sex workers in the group.

Occupational health and safety

The two factories provided paid pre-job safety training to meet the requirements in the Labor Law, yet both factories fell short of the 24 hours of training as legally mandated.

 $^{^3}$ China Labor Watch (November 20, 2019) The Dark Side of the Glittering World: A Report on Exploitation in Toy Factories in China. $\frac{\text{http://www.chinalaborwatch.org/report/145}}{\text{Mattering World: A Report on Exploitation in Toy Factories}}$

⁴ International labour office "19th International Conference of Labour Statisticians Geneva (2-11 October 2013" P13-

^{14) &}lt;a href="https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms">https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms 222231.pdf



Changan Mattel requires every worker to receive at least 24 hours of safety training in the first month of employment. However, the investigator found that workers usually have training on the first day of employment for four hours and there is no other training afterwards. At the Dongyao factory, workers merely watch a video for two hours and most of the workers fall asleep watching it. It is precisely because of the lack of training, that it is difficult for workers to avoid injuries when operating machines.

At Changan Mattel, no one showed the investigator how to use the laminator, and she burnt her hands multiple times. Workers in the spray painting workshop were exposed to chemicals every day, and some workers had paint in their nostrils after work. They were not provided with any special protective mask other than a surgical mask which cannot properly filter harmful aerosol.

At Dongguan Dongyao, a worker using thinner was not provided with gloves, and her hands had ulcers. Another worker who was also using thinner had skin redness, swelling and itching. Though she was scolded by the director after telling him and she could only go to a small clinic nearby to get an injection to relieve the symptoms. At the soldering station that produces black smoke, a mask with activated carbon is required, yet some workers wore masks and others did not. The masks they wore were merely ordinary blue masks. The factory did not ensure workers were wearing masks that they were provided with as the investigator saw some workers using hexane but did not wear masks.

Worker Representatives

Individually, each worker can feel powerless in the face of factory management. Forming a union or electing worker representatives has become most likely the only legal way for workers to communicate with the factory about grievances. Although there was a union or worker representatives at the two factories we investigated, these were only there as formality and were ineffective in representing the rights of workers, who mostly did not even know they existed.

In particular, the Changan Mattel factory had a range of departments such as "Home of Mattel", "Worker Hotline", Communist League Branch, All-China Women's Federation. Yet these departments did little to assist workers. When a female worker had a miscalculation of her wages, none of the departments in the factory were willing to resolve the issue. It was only when she threatened to call the local Human Resources an Social Security Bureau to report the illegal deduction of wages by the factory, that the factory resolved the issue.

Dongyao factory does not have a union, and requires workers during the job interview to sign a form that says they are unwilling to join the union. According to Article 7 of China's Labor Law, workers have the right to participate or organize a union. Dongyao factory has a list of worker representatives, and each department elects representatives. But according to a worker representative, elections only occur when it is convenient for the factory to hold these meetings. Worker representatives are also only responsible for disseminating information from the factory (for example, changes in work schedules). They do not actually communicate the needs and issues that workers face, to the factory.

COVID-19 Prevention Measures

Since the COVID-19 outbreak, workplaces across the world have had to adapt and put in place measures to prevent the spread of the virus. At factories, most workers usually rely heavily on the cafeteria because of the short lunch break, making it difficult to go to



restaurants outside the factory. The cafeteria meals are also cheap, and because of the pandemic, eating out can become risky. At Changan Mattel, applicants were required to test negative for the COVID-19 nucleic acid test before they were interviewed and the factory also put up glass or cardboard dividers between each worker eating.

Dongyao Factory's food is free, but the dining environment is worrying and there are issues with food hygiene. For example, workers found hair, rotten vegetables in their food and there was even a cockroach found in a worker's lunch one day. There are not enough tables and chairs in the restaurant for workers to sit and eat. One table is shared by six workers, and their arms are touching each other. Many workers still need to squat on the ground to eat. Workers use their own tableware when getting food from the public rice containers, increasing the risk of spreading the coronavirus. We have yet to see Dongyao take any effective measures to prevent the spread of COVID-19.

Social Insurance

Chinese Labor laws requires employers to purchase social insurance for workers. Social insurance covers the five categories of pension, unemployment, maternity, medical, work injury and also a housing provident fund.

At Changan Mattel, workers only received social insurance after they had passed the probation period. The social insurance covered pension, unemployment insurance, medical insurance and the housing provident fund.

At Dongguan Dongyao short term workers signed a "Declaration Disagreeing to the Purchase of Social Insurance" to voluntarily give up the purchase of social insurance. However in reality, workers were not asked whether or not they wanted to purchase social insurance. At the same time, despite signing this declaration, the factory would still purchase social insurance for some workers. Long term workers receive social insurance after the probation period, and we are unsure which categories of social insurance the factory purchases for workers. Workers who were 50 years of age signed a service contract which mentioned that workers would be purchasing social insurance on their own, and the factory would only be purchasing commercial insurance for them.

Pregnancy and Maternity Protection

We are unsure whether Changan Mattel and Dongguan Dongyao purchased maternity insurance for workers.

The contracts at both factories stipulate that workers enjoy paid maternity leave, but it remains unclear how many days workers receive. At Changan Mattel, many workers did not know they had this leave as no one had explained the contract to them. A flowchart at the factory shows that workers can apply for maternity leave after three months of pregnancy. But several female workers who had given birth previously said it is difficult for female workers to continue working at the factory until they give birth. As there is a heavy workload with some workers exposed to chemicals, it can be very exhausting and harmful for pregnant women to continue working. So female workers generally aren't able to enjoy maternity leave benefits and it is mainly management staff who take maternity leave. A female worker who was pregnant had to apply not to work night shifts, instead of the workshop director taking the initiative to switch her to working during the day. She eventually resigned because it was too exhausting to work at the factory.



The investigator did not find any other special facilities or benefits for pregnant women at both factories.

Conclusion

For years, we have urged toy companies to take measures to address persistent rights abuses in their supply chain. Yet, time and time again, we have found the same workers' rights violations such as low wages, excessive overtime, insufficient protective equipment and lack of effective complaints mechanisms. Both Dongguan Dongyao and Changan Mattel are certified by the ICTI Ethical Toy Program. We specifically urged the Ethical Toy Program and Mattel after last year's investigation into Foshan Mattel factory to take effective measures against sexual harassment and discrimination. However, our report shows they have failed to protect workers. For too long, workers have been treated as merely a "cog in the machine". Toy sales have surged amid the Covid-19 pandemic, but companies have not channelled these profits into improving the lives of workers on their production line. Companies are well aware of the working conditions at their factory and have pressured factories to meet high production targets whilst driving production costs down, which has come at a cost to workers' wellbeing. Companies ought to do more to improve the livelihoods of workers.

Summary of Rights Violations

	Dongguan Changan Mattel Toys Co., Ltd.	Dongguan Dongyao Toy Co., Ltd.
Unfair reasons for refusing employment	*	
Failure to purchase social insurance according to relevant laws	*	*
Lack of a union		*
Lack of independent worker representatives	*	*
Factory does not provide 24 hours of pre-job safety training	*	*
Factory does not explain labor contract to workers	*	*
Factory terminates labor contract without sufficiently compensating workers		*
Insufficient labor protection	*	*
Fire hazards in the factory workshop		*
Poor Disposal of Chemical Waste		*
No regular physical examinations for positions with occupational hazards		*



Excessive overtime	*	*
Failure to report work injuries	*	
Poor living conditions		*
Sexual Harassment	*	
Psychological Violence	*	*



Sexual Harassment Report: Mattel Must Do Better

New Investigation into Sexual Harassment in a Mattel Group Factory in China



Sexual Harassment in Chinese Factories: A Hidden Reality

Undignified wages, hellish workload, unsanitary housing, and sometimes even forced labour... shocking details about the working conditions in China have been exposed one after another since the 1980s. Major brands that source their supplies from the "workshop of the world" are regularly singled out for these flagrant rights violations.

But it is a little-known fact that women represent up to 70% of those employed on Chinese production lines.⁵

Until the 2000s, a large proportion of these women were "nongmingong", i.e. people who left rural areas of the country to earn their living in the city, without having obtained permission to settle there. This administrative situation forced them to accept difficult working conditions.

For a long time, Chinese factories have favored the recruitment of women, whom they considered to be more hard-working and docile than men.

⁵ Leslie T. Chang (2008), Factory Girls



But for the last ten years or so, for both economic and demographic reasons, they have had to resolve to employing more men. ⁶

The new composition of the workshops has greatly changed the working atmosphere, creating a problem that remains taboo: gender-based violence and harassment.

In 2018, the #MeToo movement had a strong impact in China, where, despite censorship, there has been a courageous liberation of speech about sexism and gender-based violence in some sectors. But the movement has had very little impact on the industrial sector.

It is increasingly difficult to investigate working conditions in Chinese factories, let alone to denounce sexism and gender-based violence against women workers.

Although long hidden, sexual harassment is a reality in Chinese factories. Mattel directly controls three factories in China.



Mini bags and glasses manufactured at Changan Mattel

Sexual harassment in Mattel factories: a long history

Sexual harassment seems to have been known for a long time in the multinational's factories. A first audit in 2004 already revealed the importance of the problem in two of its factories in Mexico.

In December 2019, the three NGOs - China Labor Watch, Solidar Switzerland and ActionAid France - published an investigation report on the trivialization of sexism and gender-based violence in one of the group's factories in China.⁷

⁶ Financial Times (1st october 2013), Factory 'boys': the changing face of China's production lines quoted by the NGO China Labour Bulletin. www.china-labour.org.hk/content/financial-times-factory-%E2%80%98boys%E2%80%99-changing-face-china%E2%80%99s-production-lines

⁷ ActionAid France and China Labor Watch (2019), *Barbie se moque des droits des femmes* (Barbie mocks women's rights) bit.lv/enquete-Mattel-2019



The investigation had taken place over several weeks in the Foshan Nanhai Mattel factory and revealed not only labor law violations and security problems, but also gender-based violence and sexual harassment.

Our observations showed that these were not isolated situations and we therefore questioned the company about its policy for preventing and punishing gender-based violence and harassment.

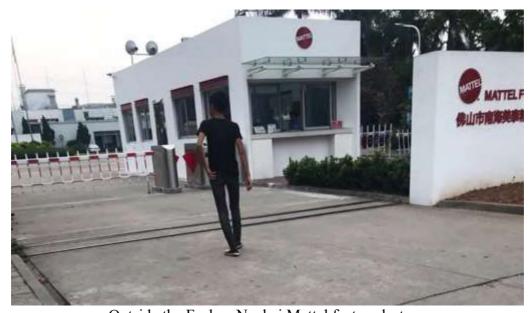
Mattel refused to communicate on its policy against sexual harassment and did not announce any measures to stamp out sexual harassment.

This year, we are publishing the results of a new investigation of several weeks in another Chinese Mattel factory, the results of which are once again worrying.

Inappropriate remarks about physical appearance, remarks with sexual connotations, touching, distribution of degrading photos: in only a few weeks of investigation on location, many forms of sexual harassment were noted.

These incidents, which are taking place in full view of the team leaders, do not seem to elicit any reaction from management. Because of the climate of impunity, women who are victims of harassment did not dare to complain, particularly for fear of losing their jobs.

It is difficult to ignore the trivialization of harassment in the Mattel factories.



Outside the Foshan Nanhai Mattel factory last year

Mattel must open its eyes and act

For some twenty years, Mattel as one of the world leaders in toys has been committed to ensuring decent working conditions in its factories and at its suppliers. Its flagship product, the Barbie doll, has been presented since 2015 as a toy that allows little girls to free themselves from preconceived ideas and become emancipated.



At the very least, women who produce Barbie dolls should be able to work without fear of humiliation or harassment.

Mattel has a code of conduct that recognizes the importance of a workplace free from discrimination and harassment. But in practice, the company has failed to guarantee this right.

Audits commissioned, for example, by the International Council of Toy Industries (ICTI) in Mattel factories are questionable. They are non-transparent and unreliable.

Worse: these audits offer an "ethical" certification that allows Mattel to absolve itself of its responsibilities.

The multinational has been informed already for several years about rights violations at their factories and is responsible for ensuring decent working conditions in its factories in China and elsewhere.

It urgently needs to put an end to the prevalent sexual harassment by adopting an ambitious policy of prevention, sanction and reparation.

Mattel must first of all carry out a real assessment of the situation, then communicate the results and finally put in place concrete measures to protect its female workers.



A female worker takes a break at Changan Mattel

Definition: Sexual harassment

Sexual harassment is a violation of human rights, described and denounced by Convention No. 111 of the International Labor Organization in 1958. It encompasses a series of behaviors and practices that are often persistent and "normalized" although unwanted: sexual remarks



or advances, obscene remarks and jokes, display of photos or images objectifying women, forced physical contact or sexual assault.

Guangdong is the richest and most populous province in China, which has been booming since the liberalization of the Chinese economy in the 1980s. Close to Hong Kong, it has around 40,000 factories and workshops. This is where the three Mattel-owned factories in China are located.

First investigation, first scandal

Barbie makes a mockery of women's rights... in our report published a year ago in November 2019, we revealed serious abuses in one of the factories belonging to the Mattel group in China.⁸

This report was the result of an undercover investigation lasting several weeks at the Foshan Nanhai Mattel factory in the industrial province of Guangdong in the summer of 2019.



Workers at Foshan Nanhai Mattel

The factory is directly owned by Mattel. It mainly produces Fisher-Price plastic toys and electronic toys. Approximately 3,000 people work there, with peak production during the summer to prepare for Christmas sales.

During this period, hundreds of additional workers are hired, all of whom have seen the working conditions of the factory from the inside.

⁸ ActionAid France and China Labor Watch (2019), *Barbie se moque des droits des femmes* (Barbie mocks women's rights) bit.ly/enquete-Mattel-2019



Proven situations of harassment

In this factory, in 2019, we saw that the workers were subjected to unsustainable workloads. Female workers reported regular verbal abuse and humiliation by line managers, particularly targeting young women.

Out of 10 women with whom our investigator was able to talk to at length, four women workers described situations of sexual harassment.

One of them had been followed after work by two male colleagues who took pictures of her. She felt in danger but did not dare tell anyone about it. Another said about a male colleague: "He comes to me at every break, I would like him to leave me alone. I am very scared."

The investigator herself saw a man on the women's dormitory floor, standing in front of the bathroom door and felt very uncomfortable.

The harassed women workers did not alert the factory management. At first, they felt they did not have evidence and that it would therefore be "word against word." Some thought that it would not change anything and others feared for their safety.

All these reasons show the importance of implementing a dedicated warning mechanism and training on its use.



Workers inside the Foshan Nanhai Mattel workshop

No real recourse



The investigation this summer revealed that there were no specific warning mechanisms in the factory for sexual harassment, or that this procedure was unknown to workers the investigator had spoken to at the factory.

An employee service center is located at the entrance to the plant. During the investigation period, the interviewer did not see or hear anyone going to the service center to complain.

A hotline number is on the workers' identification cards, but it was not used, as the workers feared that their anonymity would not be respected or that calling would not solve anything.

Finally, the unions in China are not independent, so the workers do not consider alerting their union at all.



Poster introducing union at Changan Mattel

Our recommendations for tackling sexual violence

Our report, published by several major European newspapers, had a strong impact on the general public; one interview was seen more than a million times. 10

We then asked Mattel to act by taking measures commensurate with the gravity of the situation.

We called for:

⁹ Le Parisien (25 November 2019), *Cadences infernales et violences sexistes : les coulisses pas si roses d'une usine Mattel en Chine* (Infernal work rates and gender-based violence: the not-so-pink backstage of a Mattel factory in China) www.leparisien.fr/economie/cadences-infernales-et-violences-sexistes-les-coulisses-pas-si-roses-d-une-usine-mattel-en-chine-25-11-2019-8200974.php

¹⁰ Brut (25 November 2019), Elle a enquêté anonymement dans une usine chinoise de jouets Mattel (She anonymously investigated a Chinese Mattel toy factory)

 $[\]underline{www.brut.media/fr/news/elle-a-enquete-anonymement-dans-une-usine-chinoise-de-jouets-mattel-95c944e2-a3c9-4ee2-b7e6-9de22c2e11c7}$



- the adoption of a "zero tolerance" policy towards sexual violence and to communicate internally on this subject;
- the establishment of an internal procedure for reporting and dealing with sexual harassment and to require all business partners to have mechanisms in place to deal with complaints;
- the provision of remedies available to all women workers that guarantee anonymity, protect complainants from retaliation and provide for the dismissal of perpetrators;
- the support for victims by granting them specific social rights and by providing legal, psychological and financial support;
- the organization of training on sexism and gender-based violence for all staff, including supervisors, by presenting the remedies available at work and outside work.

End the refusal of Mattel

In January 2020, more than five weeks after the publication of our report, Mattel announced that a two-day audit of the factory had just been carried out and that they "found no allegations to be in violation of the IETP standard".

The audit was carried out by IETP, an organization of the International Council of Toy Industries. Mattel did not provide us with any information on a possible policy to combat sexual harassment and no specific measures seem to have been put in place in this factory or in the company as a whole.

The fact that the audit did not reveal any violations of the criteria for awarding the certification does not, however, demonstrate the absence of gender and sexual violence in the factory.

It has now been demonstrated by research that audits are ineffective in uncovering many rights violations in factories, such as violations of freedom of association, discrimination of all kinds or sexual harassment.¹¹

Moreover, the method used by the IETP, which consists of entrusting its audits to third parties, has a major flaw: it does not effectively involve workers, who are the central people concerned.

We asked the IETP about the methodology used for the audit. They never replied.

So, we do not know the scope of the audit: its timing, the number of people interviewed, their jobs, their gender, etc. We do not know the scope of the interviews, or the documentation taken into account. We do not know whether the audit was announced or not, how the interviewees were selected or whether there was a double check of documents and interviews. Nor do we know who was conducting the survey and what the "specialists in the internal technical team of the IETP" are specialized in. Do they have training on gender-based and sexual violence?

But we do know that the issue of sexual harassment is only dealt with anecdotally by IETP.

¹¹ Niklas Egels-Zandén, Henrik Lindholm (2015) Do Codes of Conduct Improve Worker Rights in Supply Chains? A study of Fair Wear Foundation And Barrientos and Smith (2007), Do Workers Benefit From Ethical Trade? Assessing Codes of Labour Practice in Global Production Systems



Confronted with the accusation of widespread sexual harassment in its factory, Mattel preferred to sideline the issue by hiding behind the conclusions of a general audit whose precise methodology was not publicly available.

In doing so, Mattel brushed aside the serious facts documented in the report and refused to act transparently to fight against gender-based and sexual violence.

Mattel failed to take its responsibility as a purchaser and did not prevent such violations of rights from continuing to happen in the Group's factories.

Testimony collected in 2019

"I have the impression that the bosses never shout at the men, even though they often work slower and are less productive. One girl in my line left the factory because she was being reprimanded until she cried. »

Mattel directly owns or controls eight factories in Mexico, Malaysia, Canada, Indonesia, Thailand and China. The multinational also uses a multitude of suppliers, but for several years has not published a complete list of its suppliers.

Mattel, A toy giant

Founded in 1945 in the United States, the Mattel Group dominates the world toy market from conception to sale. It markets the Barbie, Fisher-Price, Uno, Polly Pocket and Hot Wheels brands in more than 150 countries.



Fisher-price products were manufactured at Foshan Nanhai Mattel last year



Every minute, around 100 Barbie dolls are sold around the world. These sales represent more than a quarter of its turnover, estimated at 4,505 billion US dollars in 2019. 12

On its website, Mattel states: "We provide a safe and ethical working environment in the factories that make our products. In 1997, we were one of the first companies to create standards (...) to manufacture responsibly."

However, repeated research into the group's factories since 1996 have revealed unacceptable working conditions.

Testimony collected in 2019

"There are a lot of men in this factory and they always ask the young seasonal workers to go out with them. I am often approached by older men."

New evidence in another factory

In 2020, an investigation lasting several weeks in another Chinese factory belonging to Mattel, in the city of Dongguan, confirms the extent of the phenomenon.

The Dongguan Changan Mattel factory employs more than 2,300 workers and mainly produces plastic toys, including the famous Barbie doll.

As in Foshan last year, this immersion of several weeks in the factory reveals a climate of frequent and trivialized sexual harassment.

Sexual harassment on the production line

For example, a 19-year-old student complained to our on-site witness about harassment by a colleague 10 years her senior. He was very insistent in regularly calling her "darling" in the workshop. He explained to colleagues that he called her that to "excite her." He also used to sit at her workstation and invite her to sit on his lap.

The young woman wanted to "block" the man on the social media app WeChat - the Chinese equivalent of the Whatsapp application - to prevent him from harassing her on her phone, but he forced her to "unblock" him by threatening to hit her.

These events took place in full view of the other people in the workshop without anyone intervening.

The same male worker was seen caressing the hands and hair of a worker who reacted by saying very loudly, "Stop always touching my hands and pulling my hair." He said to her in public, "I don't have a place to sleep tonight, can I come to your place?" But again, nobody intervened.

¹² Mattel (2020), *Mattel Reports Full Year and Fourth Quarter 2019 Financial Results* corporate.mattel.com/news/mattel-reports-full-year-and-fourth-quarter-2019-financial-results



During the on-site investigation, two assistant team leaders to the production line manager were often smug, either by refraining from intervening, or making sexually suggestive comments in the workshop.

For example, one of them asked the same, afore mentioned male worker if he had masturbated the day before, before saying that it was a slip of the tongue.

Another student, working in the factory to finance her studies, had to go through constant inappropriate remarks about her chest and physique.

She regularly cried in the workshop, but no one intervened to solve the problem. The young woman explained that she was afraid to complain because she had taken out a loan for university and feared losing her job.

Degrading comments sent on the phone

Workers are automatically registered in a WeChat discussion group for their workshop. This discussion group is for sharing work information, such as production targets or schedules.

We had access to one of these groups, in which some members take the opportunity to make sexist, sexualized comments and create a hostile or humiliating working environment for female colleagues.

Some of the facts constitute sexual harassment. They establish a hostile working environment, which our witness experienced during her few weeks of work in the factory.

Although no rapes were reported, female workers feared sexual assault and felt unprotected. Such a climate does indeed raise concerns that something more serious could happen.



Barbie products at Changan Mattel



A certain "corporate culture"

Sexual harassment encompasses a range of unwanted sexual behavior and practices, such as obscene language and jokes, the display of photos or posters that objectify women, forced contact or sexual assault.

According to the International Labour Organization (ILO),¹³ sexual harassment is in fact defined as:

any unwanted conduct with a sexual connotation expressed physically, verbally or non-verbally;

any other conduct based on sex which has the effect of violating the dignity of women, which is unwelcome, unreasonable and offensive to the individual;

conduct that has the effect of creating an intimidating, hostile or humiliating work environment for a person.

Sexual harassment can become entrenched in the corporate culture if those in positions of authority do not take appropriate action to remedy it.

In this case, the team leaders never intervened to stop the harassment, except for a warning on WeChat, which was completely ineffective and was not followed up on.

Impunity is the standard

The prohibition of sexual harassment and the possibility of making complaints were not discussed during pre-job training at the beginning of the season.

	训。培训包括:	_
类别	内 容	小时
厂级培训/ HR(4H)	员工手册	2
	环保、卫生与健康及方针	0.5
	安全常识与劳动保护	1.5
车间培训/ 车间培训员 (8H)	讲解车间运作制度及车间管理架构	0.5
	劳动保护及事故预防和发现问题 的处理方法	0.5
	ISO9001、GSV、IETP 安全标准化基础知识	2
	工作态度与品质意识及劳动安全卫生知识	1
	车间走火路线圈	0.5
	车间垃圾分类管理及化学品认知	0.5
	车间安全—设备/事例分享	2
	车间现场参观	1
and the sale of the sale	设备危险源讲解	1
班组培训/ 车间技术员	设备操作SOP讲解并试做	10
(12H)	班组安全—设备/事例分享	1

¹³ International Labour Organization (2019), Sexual Harassment in the World of Work, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/briefingnote/wcms 738115.pdf



Training card content

The training session lasts half a day and includes an introduction to the company and the workshop, safety training, information on wages, signing of employment contracts and other agreements, issuing of business cards, presentation of accommodation and meal arrangements, and allocation of workshops.



Home of Mattel promotional poster

The person who infiltrated the factory then heard about a "Home of Mattel" in the factory, which would receive complaints from workers. None of her colleagues knew what it was for. There was a telephone number that could be dialed to make complaints, but this is an extension of the factory number, which is impossible to call with one's own mobile phone: apparently one has to go to the office to use the fixed line and make the phone call, in full view of everyone. The confidentiality of the exchange cannot be guaranteed in this situation.

Furthermore, the 10-minute break during work is too short to make a call, as the office in question is closed in the evening when workers get off work.

It is no wonder that this system is little known and not used by the workers.

This type of mechanism, deliberately rendered ineffective, seems only to be used to be able to tick a box during audits. Such that the company can claim if there are no complaints, then there is no problem.





In a WeChat group discussion, a male worker wrote: "You who comes from the same town as me, are you going to look for a sexual service tonight?"



A male worker posts a photo of a naked woman in the WeChat workshop group that includes male and female workers of the workshop line.





Sharing business cards of prostitutes. The male worker who posts them writes: "For those who need them, they make appointments." Then: "For all the male colleagues, here is everything I can do to help you." Another replies: "Wow, what a body."



A team leader calls out to the male worker who posted the business cards: "Be careful what you say, it's a working discussion group" and the man responds by posting a photo of a child on which is written: "Got it!"



This photo was taken during the 2020 investigation into Mattel's Dongguan factory. We make every effort to ensure the anonymity of people who investigate working conditions in Chinese factories, by recruiting them for several weeks or months.

Nearing the end of the taboo in Chinese factories?

While gender-based and sexual violence at work is unfortunately a reality for women around the world, very little is said about it in China and the major brands that source from these factories do not seem to consider it a serious risk.

Of the 50 million judgements officially recorded in China from 2010 to 2017, only 34 relate to sexual harassment, according to a study by the Beijing Yuanzhong Gender Development Center. However, a 2009 report by the University of Hong Kong estimated that 80% of Chinese women experience sexual harassment during their working lives. 15

There are several reasons why such a frequent phenomenon is so little denounced and fought against.

On the one hand, until this year, ¹⁶ Chinese law did not precisely define the offence of sexual harassment. On the other hand, it is very difficult to publicly address the issue of sexual harassment, which is a taboo subject in Chinese society.

In 2018, however, the #MeToo movement had a strong impact in the country.

The movement was initiated by female students who described that they had been sexually harassed by their professors. Women who spoke of their experiences on social media had their posts censored. They have sometimes been threatened with arrest and petitions have been erased, but despite censorship there has been some space for freedom of speech.

The #MeToo movement has mainly been relayed in student circles¹⁷ and in the cultural sector, but one testimony stands out as an exception.

In a letter dated January 2018, a female worker at Foxconn, a large electronics factory in China, asked the factory to set up systems to combat sexual harassment and address gender inequality issues.

She wrote¹⁸: "Telling dirty jokes out loud, ridiculing female colleagues about their appearance and figure, using the excuse of 'giving directions' to establish unnecessary body contact... in the factory workshops, this kind of 'sexual harassment culture' is widespread."

It is very difficult for women workers to mobilize to reduce sexual harassment.

 $^{^{14}}$ Beijing Yuanzhong Gender Development Cente (2018) The study was conducted in June 2018. The study can be downloaded (in Chinese) from this article by Human Rights Watch. :

www.hrw.org/news/2018/07/31/chinas-victims-sexual-harassmentdenied-iustice

¹⁵ Read about this in the article published by the NGO China Labour Bulletin on 9 January 2017: clb.org.hk/content/why-sexual-harassment-persists-workplace

¹⁶ Reuters (2 June 2020), In nod to #MeToo, China codifies sexual harassment by law www.reuters.com/article/us-china-parliament-lawmaking-metoo-idUSKBN2390EY

¹⁷ Los Angeles Times (7 February 2018), China's #MeToo movement started on college campuses. It may end there www.latimes.com/world/la-fg-china-me-too-20180206-storv.html

¹⁸ NGO International Labor Rights Forum (16 March 2018), What Is the Significance of China's #MeToo Movement?



Trade unions and women's movements have been under strong pressure from the Chinese government since 2015.¹⁹ Many workers' rights organizations have been forced to close down, such as the Sunflower Women Workers Centre.

The NGO had carried out a survey on sexual harassment in Guangdong factories in 2013.²⁰ In this study - the only one of its kind still available on the internet, as it is relayed by international media and NGOs - one in four workers said they had received obscene phone calls or pornographic messages, and almost one in ten said they had been directly asked for sex at work.

The director of the Sunflower Women Centre Luo Hongmei explained,²¹ "As with domestic violence, the police and society largely consider it a private matter, not something to be discussed or judged in public." Luo Hongmei was arrested in 2015.

However, the adoption of China's new Civil Code in 2019 represents hope for change.

For the first time, the law expressly obliges companies to adopt policies against sexual harassment. This is an important and welcome step, although employee lawsuits will have to meet narrow criteria to be successful.

On the other hand, Chinese feminists continue to mobilize with pugnacity, as the scholar Leta Hong Fincher testifies: "Even if all feminist activists in China are arrested or otherwise silenced, the forces of resistance they have unleashed will be extremely difficult to stamp out".²²

¹⁹ Dissent Magazine (Fall 2016), China's Feminist Five www.dissentmagazine.org/article/china-feminist-five

 $^{^{20}}$ Sunflower Women Workers Centre (2013), The sexual harassment of women factory workers in Guangzhou, available on the website of the NGO China Labour Bulletin

 $[\]frac{clb.org.hk/sites/default/files/archive/en/Image/research\ report/sexual\%20 harassment\%20 survev\%20 sunflower\%20 centre.pdf$

²¹ Bloomberg (10 December 2013), China's Female Factory Workers Face Widespread Sexual Harassment) www.bloomberg.com/news/articles/2013-12-10/chinas-female-factory-workers-face-widespread-sexual-harassment

 $^{^{\}rm 22}$ Leta Hong Fincher (2018) Betraying Big brother, the feminist awakening in China





Photo: New York Times https://www.nytimes.com/2016/03/08/world/asia/china-feminists-womendomestic-violence.html

In this 2016 photo, Li Tingting poses to mark the anniversary of her detention with four other feminists on the eve of International Women's Day. On her sign: "The full name of 'Women's Day' is 'International Women's Labor Day.' We don't want your concern, we want rights!"

Mattel and its policy of social irresponsibility

In 1997, under pressure from NGOs, Mattel was one of the first multinationals to draft and adopt an ethical code of conduct for its factories and suppliers: its Global Manufacturing Principles.

This code, applicable to "all parties that manufacture, assemble or distribute its products" covered issues such as wages and hours, child labor, forced labor, discrimination, freedom of association, legal and ethical business practices, product safety and quality etc.

Principles gradually abandoned

While this type of code is very classic for a company seeking to improve its image, the Mattel Principles were rather ambitious, with an external and transparent audit system to monitor compliance.

However, doing business in a responsible and ethical manner obviously has a cost.



It is necessary to organize and pay for audits, remedy violations of rights, improve the working conditions in factories, improve safety at work, convince suppliers to adopt the principles and monitor their compliance with the rules...

No doubt because of the costs involved, Mattel has gradually reduced its ethical requirements. Precise and protective rules have gradually become broad, ill-defined principles.²³

In 2009, the multinational finally abandoned its independent auditing system, the International Center for Corporate Accountability (ICCA), whose detailed reports were published on its website.

Mere compliance with the law is not guaranteed.

In the same year, Mattel joined the International Council of Toy Industries (ICTI), which developed its own code of ethical business practice.

The code of conduct is monitored by the ICTI Ethical Toy Program (IETP), an offshoot of the association, which has developed its own auditing system.²⁴

As one can imagine, the International Council of Toy Industries has not chosen to set very binding rules for itself.

On the issue of overtime, for example, the code provides that the number of hours of work per week should not exceed 72 hours, with a maximum of 32 hours of overtime. However, Chinese law limits the working week to 44 hours, and the number of overtime hours to 36 hours per month.

Not only is this code lacking in ambition, but it allows "ethical" certification to be granted to factories that don't respect the law!

²³ For instance, the 2001 version of the Mattel Global Manufacturing Principles contained 19 articles on women and men workers' health and safety, while the 2014 version contains only 5 articles.

 $^{{\}it 24\ The\ IETP's\ reference\ framework\ (April\ 2020)\ is\ available\ on\ line: \underline{wdr-test-icti.cdn.prismic.io/wdr-test-icti/1e857885-4cc4-48d5-bd1a-42b71ebace41\ \%28E\%29+ETP+Checklist+Version+2020+v2.2-+April+2020.pdf}$





IETP Hotline at Changan Mattel

A non-transparent and unreliable system

IETP's certification has been strongly criticized for many years by NGOs for its lack of independence, transparency and effectiveness.

This initiative was indeed launched and is only managed by company representatives. No workers' representatives or civil society organizations are involved.

It does not publish the results of the audits it claims to conduct annually in the thousands of factories it has certified.

And the reference system used - the IETP checklist - does not even guarantee compliance with Chinese labor laws.

Unsurprisingly, the IETP's audits have thus proved to be ineffective in uncovering human rights violations in factories and enabling brands to remedy them.

Mattel's commitments are merely a façade

On its website, Mattel states: "Promoting ethical sourcing throughout our supply chain is fundamental to the way we do business." It describes its "responsible supply chain commitments".²⁵

²⁵ Mattel (2020), Responsible Supply Chain Commitment Management Commitment corporate.mattel.com/content/dam/corp-site/responsible-supply-chain/Responsible-Supply-Chain-Public-Facing-Commitment-Website-Final.pdf



For example, Mattel's suppliers are expected to "commit to uphold the human rights of workers, to treat them with dignity and respect and to maintain humane working conditions." They "must be committed to creating a workplace free of harassment and abuse."

But aren't these statements ultimately worthless if adherence to them is not effectively monitored?

Moreover, they seem to apply only to its suppliers, and not to its own factories. Finally, the multinational expressly states: "except in exceptional commercial circumstances, the supplier may not require workers to work more than 66 hours per week or more than the local legal requirement, whichever is lower."

So not only does it refer to the lax ICTI code of conduct, but it publicly admits that local labor laws can be flouted "in exceptional business circumstances."

Mattel therefore sets its own rules of the game and controls which of these principles to respect and how they will be respected



Taking the temperature of the workers at the entrance to the factory, whose activity seemed little affected by the health crisis at the time of our investigation.

Sexual harassment at Mattel: a problem that has been long known

Mattel could have tackled the problem of sexual harassment in its factories years ago.

The independent auditing mechanism that the group set up in 1997 - the ICCA, whose reports are no longer available on the Internet - reported the problem several years ago in Mexico.

A 2004 audit in two of the group's factories in Mexico²⁶ indicates that some workers "have been victims of verbal abuse and sexual harassment by their colleagues. Workers also

 $^{^{26}}$ ICCA (april 2004) - Audit report on compliance with the Mattel Global Manufacturing Principles at the Escobedo and Mabamex plants in Mexico



indicated that they considered their supervisors to be indifferent to their concerns and complaints. Actual or perceived sexual harassment of workers was found in both plants."

In one plant, 30% of respondents reported abuse. In addition, 13% of the female workers were aware of at least one case of sexual harassment. It was commonplace for a female worker to be whistled at while walking around the factory.

Finally, in both plants, one-third of respondents indicated that they feared losing their jobs if they reported sexual harassment.

At the time, Mattel indicated that it was taking the issue seriously, but the audit report still concluded: "the company's current efforts have not been fully effective and the issue of workplace harassment - particularly with regard to women - would require additional measures."

Three years later, in a new audit, cases of sexual harassment seemed to have disappeared in both plants.²⁷ The 2007 report says little about the actions taken and such a complete disappearance of the problem is unconvincing.

Mattel could have made progress if they had taking cases of sexual harassment seriously, and subsequently putting in place effective measures throughout its supply chain. But this does not appear to have been the case.

Do like Barbie, not like Mattel!

According to Mattel, "Barbie has shown little girls that they can be who they want to be". After a significant drop in sales between 2012 and 2014, Mattel decided to change the image of Barbie to adapt to the 21st century. The kick-off came in 2015 with the campaign: "You can be anything!" Mattel then launched a line of dolls with more varied body types and featuring female icons such as Rosa Parks or Frida Kahlo.

The Barbie doll, once condemned for the unrealistic and hyper-sexualized image of the female body that it projected to little girls, now presents itself as a toy that contributes to their empowerment and fights against gender stereotypes.

This marketing campaign has increased sales of Barbie, but the gap between Mattel's advertising and the working conditions of the women who produce the Barbie dolls is all the more shocking.

A lack of ambition against gender-based violence and harassment

The IETP, which is responsible for ensuring that toys are produced in good conditions, has yet to develop a real program to combat sexual harassment in factories.

 $^{^{27}}$ ICCA (may 2007) - Audit report on compliance with the Mattel Global Manufacturing Principles at the Montoi and Mabamex plants in Mexico



No specific rules or procedures are envisaged. Such violence does not appear to be considered a risk in the toy industry. However, this risk is recognized in many other "labor-intensive" industries.²⁸

Female workers are usually the victims of rights violations in the toy industry. Does this mean that the violations in the toy industry and hence that of women's rights, considered to be less serious?



Female worker at Changan Mattel continues working despite her finger being injured

The IETP Toolkit only mentions some general measures in its section 7, which prohibits physical violence, coercion, corporal punishment and harassment.

For example, auditors hired by the IETP must check whether the factory has "a written policy detailing procedures for handling disciplinary cases." A commentary states that this policy must include that workers are free from all forms of harassment and abuse, such as verbal and mental violence, physical coercion, corporal punishment, intimidation and threats.

The same comment states that the document in question must "have procedures for dealing with any disciplinary matters, include guidance on unacceptable behavior, include complaint procedures, including the method of investigation and resulting actions."

But simply communicating these elements orally, in the absence of any written policy, may be sufficient to obtain or maintain IETP's 'ethical' certification.

²⁸ UN Women and International Labour Organization (2019) Handbook: Addressing violence and harassment against women in the world of work www.unwomen.org/en/digital-library/publications/2019/03/handbook-addressing-violence-and-harassment-against-women-in-the-world-of-work





Poster with Mattel's values at Changan Mattel

Mattel has also adopted an internal code of conduct, but this code is also very inadequate.

It applies "to employees of all Mattel family companies, including Mattel Inc, Fisher-Price Inc, American Girl Brands LLC, Radica Enterprises Ltd and all other Mattel subsidiaries worldwide."

The code states: "We have the right to work in an environment free from discrimination and harassment based on race, color, religion, gender (including pregnancy, childbirth or related medical conditions), sexual orientation, gender identity, national origin, ancestry, social origin, age, disability, marital status, genetic information, veteran status, or other characteristics. We must respect the rights of our co-workers and keep in mind that no discrimination or harassment will be tolerated. We must make this known when we are uncomfortable with a colleague's conduct. It is the responsibility of each of us to report to the Human Resources Department any harassment or discrimination we witness or experience."

It's hard to know whether the workers of the factories managed by Mattel can claim this. But without a definition of prohibited behavior, a dedicated complaints procedure, disciplinary sanctions and protective measures, this code is of no practical use.

Worse, it suggests that it is up to the victims of violence to denounce the facts: would those who dare not to become solely responsible for their situation?

A genuine policy to combat sexism and gender-based violence is accompanied, at the very least, by training at all levels, adapted to different national contexts and the particular risks of each profession.

One may be surprised at the lack of ambition shown by Mattel against sexist and sexual violence, with its lenient certification criteria and its evasive code of conduct.



Our recommendations : Mattel must put an end to sexual harassment

Mattel's responsibility

Sexism and gender-based and sexual violence in the workplace is often downplayed by companies as not being their responsibility. However, there are many workplace factors that can contribute to or exacerbate it.

The use of precarious contracts, constant pressure to meet production targets, and low union density all increase the risk of violence against women workers.

By exerting pressure on the prices of manufactured goods, setting production deadlines that are incompatible with legal working hours and demanding maximum flexibility, Mattel creates the operating conditions observed year after year in the factories.

The multinational has been alerted on several occasions and our new investigation in one of its factories shows that sexual harassment is present, if not commonplace.

The International Labour Organisation (ILO) adopted a Convention on 21 June 2019 that commits companies to take measures commensurate with their level of control to prevent violence and harassment in the workplace.²⁹

In the present case, Mattel directly operates the Foshan and Dongguan plants and cannot attempt to escape liability by invoking failure on the part of the supplier.

The multinational is directly responsible for the working conditions and human rights violations that occur there.

²⁹ Violence and Harassment Convention, 2019 (No. 190):





Workers at Foshan Nanhai Mattel

Pro forma commitment is not enough

If Mattel does not follow through with its commitments, the reasons are simple: the multinational does not effectively monitor compliance, and does not address the fundamental problems in its supply chain.

Like other multinationals in the sector, Mattel has stated ethical commitments, but in practice refuses to invest in safe and decent working conditions in its factories and suppliers. Nothing will really change for the thousands of women workers who produce the group's Barbies and other toys as long as Mattel is content with nice sounding phrases and superficial measures.

As long as Mattel does not put in place an ambitious policy against gender and sexual violence, violence and harassment will continue.



Our 8 requests to Mattel to end impunity:

- 1. Assess the situation of sexual harassment in its factories and throughout its supply chain, publish the methodology, results and corrective measures taken.
- 2. Be clear with employees and business partners about the company's zero tolerance for gender-based and sexual violence by adopting a company policy that prohibits such behavior with a clear definition of sexual harassment, a clear and easy to understand complaint procedure, disciplinary sanctions against the perpetrator and protection and reparation measures for the victim.
- 3. Require all its business partners to have a fully funded complaint handling mechanism and to provide remedies accessible to all women workers that guarantee the anonymity of complainants, protects them from retaliation and provides for disciplinary action up to and including the dismissal of perpetrators.
- 4. Conduct risk assessments that take into account the risks and dangers arising from discrimination, abuse of power relations, and gender-related cultural and social norms that promote violence and harassment.
- 5. Support victims by providing them with specific social rights, legal, psychological and financial support where necessary.
- 6. Enable local organizations to organize training on gender-based and sexual violence for workers, supervisors and management, and inform them of the remedies available at work and outside of work.
- 7. Stop using the ICTI IETP certification system to guarantee that the fundamental rights of workers are respected in factories.
- 8. Commit to international framework agreements or agreements with women's and human rights organizations that include suppliers and subcontractors. ³⁰

 $^{^{30}}$ A similar agreement was signed in Lesotho in 2019, in the textile sector: $\underline{ www.industriallunion.org/agreement-to-end-harassment-at-nien-hsingfactories-lesotho}$



Perspectives: For an international regulation of companies

Worldwide, depending on the country, between 35% and 50% of women have experienced inappropriate words or gestures, unwanted physical contact or other forms of sexual harassment at work. ³¹

As recognized by the International Labour Organization (ILO), violence and harassment are widespread in the world of work and affect all countries, all professions and all organizations.

A violation of human rights

Gender-based and sexual violence and harassment occur in different forms and in a variety of contexts. They undermine human dignity and are incompatible with decent work and social justice.

Some women are even more affected than others because of the intersection with other forms of discrimination related to their real or perceived migration status, origin or sexual orientation.

In 2019, the Office of the United Nations High Commissioner for Human Rights highlighted that violence against women in the world of work is a major and widespread obstacle to the enjoyment of their human rights. ³²

Corporations have a responsibility to respect human rights

Yet gender-based violence in the workplace is often downplayed by employers, who see it as not their responsibility, even though there are many occupational factors that may contribute to or aggravate it.

Multinational companies such as Mattel have an important role to play in stopping gender-based and sexual violence in their supply chains.

For more than 20 years we have seen large companies adopt charters, codes of conduct and other voluntary standards which have been largely ineffective.

Multinational companies have an obligation to ensure that their activities do not cause human rights abuses. They should be held accountable if they do.

Regulating Multinational Enterprises

Our three organizations are actively advocating for the adoption of a UN treaty on multinationals and human rights.

This treaty must make multinationals responsible for human rights violations caused by their activities, taking into account the specific abuses suffered by women.

 $^{^{31}}$ International Labour Office (2017), Violence and Harassment against Women and Men in the World of Work-Trade Union Perspective and Action

³² Office of the United Nations High Commissioner for Human Rights, resolution of 12 July 2019 https://documents-dds-ny.un.org/doc/UNDOC/LTD/G19/213/17/PDF/G1921317.pdf?OpenElement



On the other hand, the International Labour Organisation (ILO) adopted, on 21 June 2019, the first international standard condemning gender-based violence in the workplace.

ILO Convention 190 and its accompanying Recommendation do not explicitly mention corporate supply chains. But the Convention states that every State "which ratifies this Convention shall respect, promote and realize the right of everyone to a world of work free from violence and harassment."

Article 9 of the Convention further requires states to adopt legislation requiring employers to take "appropriate measures commensurate with their degree of control" to identify, assess and prevent risks of violence and harassment, including gender-based violence and harassment, in consultation with workers and their representatives.

There is an urgent need for the ratification and subsequent implementation of ILO Convention 190 by as many States as possible.



The origin of this report: China Labor Watch

China Labor Watch is a New York-based NGO founded in 2000 by a Chinese worker in exile to denounce working conditions in the "workshop of the world."

The NGO regularly publishes the results of field investigations carried out by people who have infiltrated the country's largest factories, and informs workers about their rights.

Solidar Suisse

With more than 60 projects on four continents, Solidar Suisse is an NGO committed to decent working conditions, democratic participation and social justice.

Through its advocacy campaigns, Solidar Suisse puts pressure on political and economic actors to put an end to human rights violations in the poorest countries.

ActionAid France

ActionAid France is an association recognized as being of public utility, which brings together some forty international solidarity associations and hundreds of activists. Since its creation in 1983, the association has been lobbying political and economic decision-makers to give a voice to those fighting for the respect of their economic, social and cultural rights.

This publication was produced with the financial support of the French Development Agency.

Its content is the sole responsibility of ActionAid France and can in no way be taken to reflect the views of AFD.



Dongguan Changan Mattel Toys Co., Ltd. Investigation Report

Dongguan Changan Mattel Toys Co., Ltd. was established and registered on June 11, 2019 and the legal representative is Su Dexing. The enterprise registration address is No. 51 Changdong Road, Changan Town, Dongguan City, Guangdong Province. Chang'an Mattel Second Factory is its predecessor.



(Entrance to Changan Mattel Factory)

According to the bulletin board, the factory was built in 1986 and employs more than 2300 people. An online search shows that the company was registered in 1989 and was located in No. 1 Industrial Zone, Changan Town, Dongguan City. The factory mainly manufactures plastic toys such as "American Girl" and "Barbie" etc.





(Poster with Changan Mattel's Values)

The factory's wall has a poster, "Our Values", which mentions "We are a team, let's enjoy this and win together", "have the spirit of ownership, let's bring out creativity in the workshop" etc.

However, our investigation findings run contrary to this statement. Changan Mattel's workers work long-term in an environment of verbal abuse, and individuals who sexually harass others feel emboldened. There are many departments in the factory, including a union, Women's Federation, the Communist Youth League, the Communist Party Branch etc. But the majority of workers do not know of the existence of these departments, nor have they ever been in contact with them. Workers do not believe the departments can assist them in resolving their issues. Except for the production targets that workers must complete even if they leave work late, there is no sense of the ownership or teamwork that the factory encourages.

Basic information:

Factory Name: Dongguan Changan Mattel Co., Ltd.

Address: No. 1 Industrial Zone, Changan Town, Dongguan City, Guangdong

Contact Number: 0769-85312683

Main products: Plastic toys

Brands: Mattel

No. of employees: Around 2300 No. of workers interviewed: 22

Male to female ratio of interviewed workers: 8:14

Departments of interviewed workers: Assembly, rotocast, pad printing

Interview format: Face to face, Wechat

Photos of products:







(Left: Packaged Barbie dolls; Right: Barbie dolls waiting to be packaged)



(Boxes of Mattel products)



Section 1: Employment and Resignation

Employment Conditions:

According to information online, Changan Mattel Co., Ltd requires one to three years of work experience with junior high school education or above. The basic requirements are "no restrictions on age or gender". The investigator noticed that there were quite a few older workers at Changan Mattel compared to other factories. Some of the older female workers mentioned they work at the factory because they are older, and other factories would not recruit them. Whereas Changan Mattel does not have an age limit. But there was one older female worker who felt management did not like her because she was older, and that they like younger workers.

Recruitment method: On-site interview

Interview Process:

The investigator called the Mattel factory recruitment phone number she found on Baidu to confirm that the factory was hiring workers. The staff who answered the phone told the investigator the interview office address (not at the factory) and directions to the office, and the investigator went for an interview. After arriving at the interview office, the staff asked for an ID. Afterwards, the staff also requested workers to take a COVID nucleic acid test, and if applicants test negative, they are then able to have an interview and take the physical examination. After the nucleic acid test, the applicants fill out the "Employment Application Form" and select a workshop they'd like to work in. At that time, the interviewer said that the investigator could only select either the pad printing or rotocasting workshop. The investigator selected the pad printing workshop.

Applicants receive the results of their nucleic acid test on the second day, so the investigator had to live at a motel for a night.



(Flow chart of employment procedures for new workers)

On the second day, after testing negative, the investigator along with nine applicants had an interview. During the interview, applicants were asked about their work experience and to show both their hands. There was a female applicant who did not pass the interview because



she had a tattoo on her hand. But the recruitment notice did not mention applicants were not to have tattoos.

Physical Examination

After passing the interview, applicants are taken to a nearby hospital for a physical examination. The nucleic acid test and physical examination fees are borne by the factory. The physical examination process: take the factory's physical examination notice issued by the factory, bring an ID and the factory will arrange a bus for applicants to go to the outpatient department; go to the 2nd floor of the outpatient department to register for a photo, take the "personal physical examination form"; fill in the form according to the sample, take the physical examination according to signs in the outpatient department; after all items are signed and checked by the doctor carrying out the examination, this will be handed over to another doctor; workers then go to a designated area to take the bus back to the interview office.

乌沙医院职检料:	
兹有我单位, 姓名	图□ 女团
身份证券吗:	
体检类型: 上岗前口/在内	8口 离岗口 转岗口
接触的职业危害因素:	茶+條章
现通知其到乌沙医院职机	食利进行职业健康体检。
体拉要求:	
1 空眼。	
2 请携带身份证, 凭此单进	厅体检。咨询电话: 85321228
详细地址:长安镇乌沙管理	区李原大道(乌沙派出所劳)
乘车路线: 乘车 67、205。3	801、302、306、309 路到乌沱
路口下车。 原內乘 19 路到斯	5沙医院下车。
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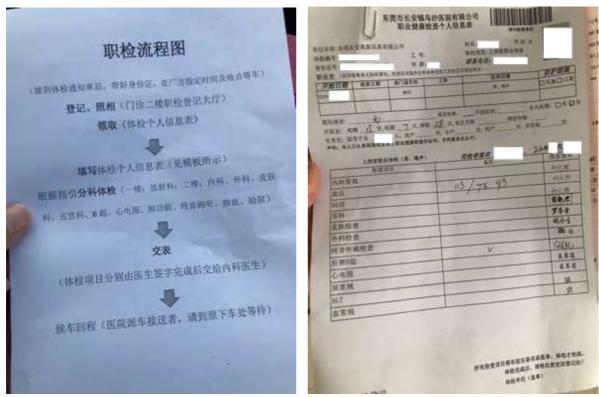
(Physical examination notice)

Originally, the investigator applied for the pad printing department and was told she'd be exposed to benzene and noise. The physical examination included: routine check-up, blood pressure, hearing test, skin test, standard check-up, consultation, pure tone test, live and spleen ultrasound, electrocardiogram, urine test, ALT, blood test. The results of the blood pressure are filled in and there is a tick for the ultrasounds, but for the other items, the doctor just signs and they do not write the results of the tests.

After completing the physical examination, the investigator was told she had not passed, but was not provided with a specific reason. Although the investigator did not pass, they were able to go to the assembly workshop which didn't require a physical examination. The investigator asked which tests she did not pass, but staff did not answer her question. The investigator asked



if she could see the results of the physical, and the staff said she could go to the recruitment office at the factory two days after she had begun work at the factory to pick it up. But after starting work, the investigator's work hours and the recruitment offices opening hours overlapped and everyday, she only had two 10 minute rest breaks, so she didn't have time to pick up the results. Even till the day she resigned, the investigator still had not received details of the physical examination report.



(Left: Flowchart of physical examination procedures; Right: Completed personal physical examination form)

Pre-job Training:

The investigator received from staff a "New Employee Safety Training Notification Card". The card says that new employees will receive at least 24 hours of safety training within the first month. The card details the length of each training.

The investigator and other workers received four hours of training which was paid. The content included: pre-position training, workshop assignment, workshop training, assigning dormitories. The investigator and other workers felt the four hours of training was intense, very exhausting and was ineffective. For the factory level training, there were three items that the factory quickly went through in an hour (the new employee training card mentions this should take 4 hours). The workshop training took 20 minutes (the training card says this takes 8 hours). The training did not mention ISO9001, GSV, IETP, basic knowledge of safety standards, workshop fire escape route, workshop waste classification management, chemical knowledge and workshop safety. Three items in the team training were not covered: equipment hazards explanation, equipment operation SOP explanation and trial, team safety – equipment and sharing examples. The training card says the training for these three items should take 12 hours.



After starting work at the factory, the investigator's team leader showed them twice how to package products. Other than this, no other training was provided. When asking other female workers who had been employed at the factory for over two years, they did not mention that they had received 24 hours of training and their situation was the same as the investigators. That is, they had a paid training session in the afternoon, prior to starting their positions, and this took four hours. After starting at the factory, there was no other training.

类别	内容	小时	8
	员工手册	2	п
□数培训/	环保、卫生与健康及方针	0.5	ı
HR(4H)	安全常识与劳动保护	1.5	ı
车间络W 车间给训员 (8H)	讲解车间运作制度及车间管理架构	0.5	
	劳动保护及事故预訪和发现问题 的处理方法	0.5	۱
	ISO9001、GSV、IETP 安全标准化基础知识	2	
	工作态度与品质廉识及劳动安全卫生知识	1	
	车间走火路线圈	0.5	4
	车间垃圾分类管理及化学品认知	0.5	ı
	车间安全—设备/事例分享	2	
	车间现场参观	1	
型组培VIV 车间技术员	设备危险源讲解	1	
	设备操作SOP讲解并试做	10	
	班组安全一设备/事例分享	1	1

(New employee safety training notification card)

Position Assignment:

When the investigator went to the interview, the hiring personnel said that they could choose between the rotocasting workshop or pad printing workshop. The investigator chose the pad printing workshop. There was a female worker who came an hour later than the investigator and was told she could also select the assembly workshop. After, because the investigator didn't pass the physical examination, she wasn't able to work in the pad printing department and was assigned to work in the assembly workshop which didn't require a physical examination.

The entire floor of the assembly workshop has five assembly production lines and one combing group. There were a total of nine managers, with two male team leaders (also called line leaders) and seven female team leaders. There was one male assistant team leader, and four female assistant team leaders. The investigator's production line had three groups, and each group had 15 workers, and including the managers, the production line had 50 individuals, with 20 male workers and 30 female workers. The other four production lines also had around 50 workers. For the combing group, two workers sit at each table to comb the hair of the Barbie dolls. This



isn't the traditional form of a production line. The combing group has around 20 tables with 40 workers, most of them female workers.

The wages of female and male workers are the same. Male workers' positions are mainly positions where they are operating the machines or packing boxes. Female workers are mainly in positions where they are packaging small parts and require meticulous use of their fingers. Usually they are packaging small parts such as Barbie's high heels, glasses, backpack. The parts are very small, about the size of the knuckle of an adult female.

The investigator discovered that on the production line, males are able to be more at ease than female workers. When it isn't busy, male workers can freely walk around in the workshop, play on their phones, listen to music on their earphones. The investigator rarely saw any female workers who did this during work hours. In fact, there were some female workers who used their breaks in the morning, afternoon and during lunch to complete the daily production target. There was one day, where the investigator saw the team leader and assistant team leader telling off a female worker: "You stupid cunt, are you so busy that you've become stupid?!" Of course, male workers were also scolded at.

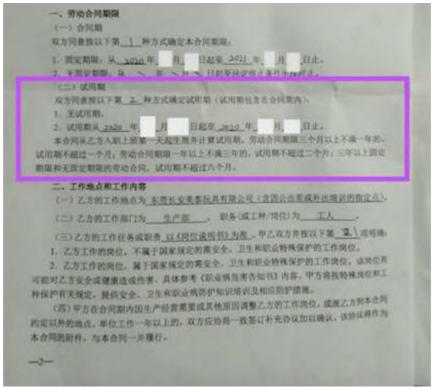
Underaged Workers

The factory hires summer workers and regular workers, and they must be at least 18 years of age. But there was a worker who told the investigator that the assembly workshop had a worker who was actually 17 years old. He borrowed the ID of someone who was 18 years old to work at the factory. Everyone knows he isn't 18 years old yet. His position and wages are the same as other workers.

Probationary Period:

Workers have a one month probationary period and the wages are the same as regular workers, which is 11.21RMB/hour (approximately \$1.68USD/hour). The factory only purchases the pension, unemployment insurance, medical insurance and the housing provident fund for workers who have passed the probation.





(Labor contract with probationary period of one month)

Resignation procedures:

Changan Mattel has a high employee turnover rate and the resignation procedures are shown below. Workers can only resign every Tuesday or Thursday. Workers on their probation are required to give three days notice prior to resignation, and regular workers need to fill in and submit the "Employee Resignation Notice" a month prior. This is not an "application form" and workers only need to provide notice and do not require approval from a leader. The resignation notice requests workers to sign and then hand this to the department manager for a signature.

If workers resign without notifying the factory, the factory's office will give them a call a week later notifying them that they have to return to the factory to go through the resignation procedures (mainly return the factory card) before settling their final wages.

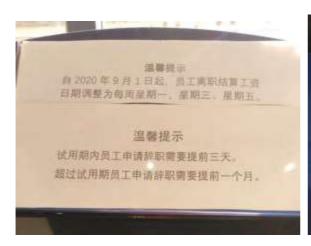
The factory has a self-service printer for resignation, but this can only be used every Monday, Wednesday and Friday from 8.00 to 10.00am. When workers resign, their final wages will be settled on Monday, Wednesday or Friday and then paid into their wage card. The investigator resigned on Thursday and received her final wages at 5.00pm the next day.

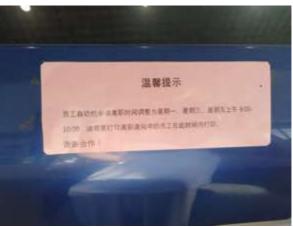




(Guide for workers who are resigning)

The "Employee Resignation Notice" has nine reasons for resignation. Each resignation reason also includes one to five different specific reasons. But workers are only able to select one of the specific reasons.



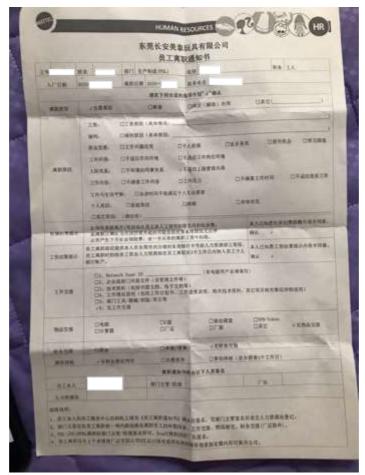


(Left: Notice period for resignation and time to settle wages; Right: Notice regarding when workers can use the self-service printer for resignation)

For those who resign and have passed the probationary period and are regular workers, the factory will hold a meeting urging workers to stay and for them to provide feedback. The



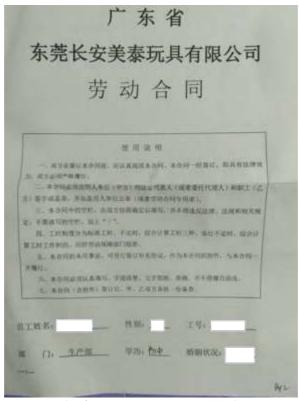
workshop leader will urge workers to continue to work at the factory, collect resignation reasons and feedback on their dissatisfaction with the factory. A female worker told the investigator that most of the problems reported by workers were about low wages and the terrible food. But the problems mentioned by workers won't be immediately responded to by management, so nobody knew whether reporting these issues would change anything.



(Employee resignation notice)

Section 2: Labor Contract





(Labor contract cover page)

Signing Process:

After passing the interview and physical examination, the factory will sign a labor contract with workers. Workers are required to fill in their name, gender, factory work number, education, marital status, and then sign and date. The factory provides a copy of the labor contract to workers.

The terms of the labor contract include: 1. Period of the labor contract (fixed period), probationary period of one month; 2. Work location and content; 3. Work hours and rest; 4. Labor Remuneration; 5. Social Insurance and benefits; 6. Labor protection, labor conditions and occupational hazard protections; 7. Changes to contract and renewal; 8. Contract Termination; 9. Adjustments and arbitration; 10. Service period and competition restrictions; 11. Other, the contract's attachments "Key Employment Information" and "Employee Handbook" have the same effect as the contract.

Section 3: Work Hours and Production Targets

Work Hours:

Changan Mattel does not have obvious differences in work hours for peak and off-peak seasons. Regardless of when workers start working at the factory, they work 10 hours a day, 6 days a week and there is a day shift and a night shift. Workers put in around 80 overtime hours a month.

Work Hours	Break



Day Shift	7:30~18:00	50 minutes
Night Shift	19:30~6:00	50 minutes





(Workers lining up to swipe into workshop)



For the day shift, workers can swipe into the workshop from 7:16AM. They aren't able to swipe in earlier. Regular work hours are from 7:30AM till 4:00PM, and 4:00PM to 6:00PM is overtime.

Workers in the day shift only have 30 minutes for lunch, and this includes the time taken to go from the workshop to the cafeteria. Workers usually have to line up at the cafeteria for lunch. The investigator was worried that she was eating too slowly and might return to work late, and this would affect the time she swiped in. As such, she often devoured the meals, and chose foods she could quickly eat, like soup noodles. The first few days she was working at the factory, the investigator felt she hadn't completely finished her meal and already had to start going back to the workshop. There was no time to go to the toilet after eating. The team leader stood at the production line to make sure all workers had returned to their positions.

Other than the 30 minutes of lunch, there are ten minute rest breaks from 9.40AM till 9:50AM and from 3:30PM until 3:40PM. Workers can go to the bathroom or drink water outside of the rest breaks. For both rest breaks, the workshop would broadcast music or commend outstanding employees.









(Workers eating lunch)

The night shift also has 50 minutes of break. They have a ten minute rest break from 9:40PM till 9:50PM, and have a meal break from 12:00AM - 12:30AM for half an hour and then another ten minute break from 3:30AM till 3:40AM. They finish work at 6:00AM.



Both the day shifts and night shifts only have 50 minutes of rest break and this is extremely short, but some female workers choose not to take a break. During the breaks, they continue working at their positions to complete the daily production target.

Production Target

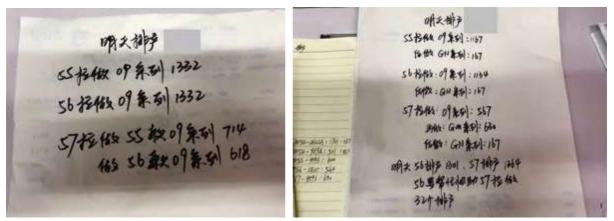
Everyday, the daily production target for the investigator's production line is between 1300 to 1400. It is slightly different everyday. The majority of workers are able to complete the production target within 10 hours, but it is extremely exhausting. On the first day of work, nobody gave guidance to the investigator as to how to use the machines. She could only work slowly and try her best to complete the production target. When she returned to the dormitories at night, she couldn't lift her arms and it even hurt when she touched it a little. She couldn't help but cry in the dorm room. Afterwards, the investigator had red and swollen eyes due to the heavy workload. A male worker in the position next to her also regularly had red swollen eyes and sometimes dozed off at work.

The production line the investigator was on, which was a day shift, would sometimes have delays in finishing work because they had missed their production target by a lot. As such, the entire line of workers had to stay back to complete the target before getting off work. But the factory would still record workers as having swiped off work on time at 6:00PM. If workers have to stay back, this extra time is not included in workers hours and they will also not be paid overtime pay. If there is still only a little work to do before reaching the production target, the team leader and assistant team leader would stay back to finish it and other workers will finish work on time. The investigator usually had a delay of 30 minutes when getting off work.

It is precisely because the team leader and assistant team leader have to stay back and work if workers do not complete the production target, that leads to them treating workers very harshly. They verbally abuse workers regularly: "Why are you working so slow" or "Are you stupid? Why are you standing there, why don't you hurry up and work?"

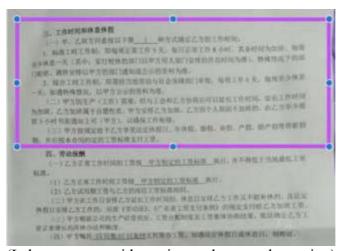
In contrast, there is another assembly workshop in another building, where the daily production target is the same as the investigator's workshop. However, workers at the other assembly workshop are able to complete the production target an hour before work finishes. After finishing, they stay in the workshop to play on their phones or listen to music, waiting to get off work at 6:00. According to the investigator, they are able to finish their production target quickly because the team leader of the workshop does not regularly scold workers, and even encourages workers that they can rest if they are able to finish their work early. As such, workers are more motivated and work fast. There is a lot of verbal abuse in the investigator's workshop and the work environment is depressing, and as such, workers do not have much motivation.





(Left: Three production lines with production target of 1332; Right: Different production targets for different lines)

Section 4: Leave and Vacation

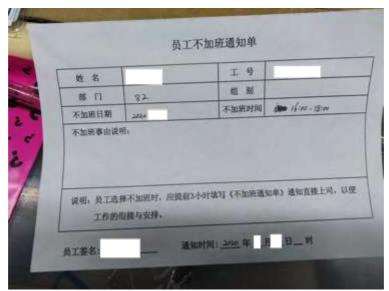


(Labor contract with section on leave and vacation)

Procedures to apply to not work overtime:

Article 2 of the third section of the labor contract, "Work Hours and Vacation" mentions that if workers do not wish to work overtime, they must notify their manager 3 hours in advance. The procedures to apply for leave are simple, and when it is not busy, team leaders will not stop workers from taking leave. But if there is a high production target that day, the team leader will not allow workers to take leave. Because the production target is assigned to the entire team, as opposed to each worker. If one worker takes leave, other workers must work more. As such, the team leader and workers do not like it when others take leave, as this will increase their workload. If a worker regularly takes leave, the team leader and other workers will become fed up. As such, even though the investigator feels really tired, she isn't able to easily apply not to work overtime, especially as she is new, it will affect her relationship with other workers if she takes leave.





(Workers' notice not to work overtime)

The investigator learned that the factory allows workers to take sick leave, as long as they have a doctor's certificate, they are able to receive sick leave benefits. There were two female workers who applied for sick leave because they had period pain. The investigator asked the male team leader if they could receive sick leave benefits because of period pain. The male team leader thought this was a funny question. It is difficult to get a doctor's certificate with sick leave, because the period pain happens suddenly and there is not enough time to go from the factory to the medical clinic or hospital to line up, receive a number, have a consultation and get a doctor's certificate. As such, it is impossible for female workers who have period pains to receive sick leave benefits. They also do not receive the full attendance record for the month.

It is difficult to even ask for leave because of period pains. The investigator saw that when the two female workers asked for leave, the team leader said: "Can't you just deal with it?" and they will even delay sick leave procedures. The team leader reluctantly allowed one of the female workers to take leave, an hour after she asked.

Vacation:

Article 3 of the third section of the labor contract on "Work Hours and Vacation" mentions that Changan Mattel workers enjoy paid leave for statutory holidays, annual leave, marriage leave, funeral leave, maternity leave and paternity leave. But after interviewing workers, many of them had not received paid leave other than for statutory holidays. Workers do not know they had these leaves. Although every worker had signed the labor contract, they did not read the terms carefully and no one had explained the contract to them. Workers are only used to looking at how much the wages are.

A flowchart for the procedures for female workers to apply for maternity leave is affixed to the factory's walls. After three months of pregnancy, workers can submit a "Family Planning Information" form. Workers who adhere to the country's family planning policy are able to submit a leave form to enjoy the benefits of maternity leave according to prenatal examination needs.





(Flowchart for workers applying for maternity leave and also information on claiming maternity insurance)

However, several female workers who had worked at the factory for some years and who had given birth mentioned that it is very difficult to continue working at the factory until they gave birth. Therefore, the investigator did not come across any female workers who had enjoyed maternity leave benefits and it is mainly management level staff who enjoy these benefits. Because the production line and workshop has a heavy workload, it is exhausting and there are night shifts with some workers exposed to chemicals. This is harmful to workers who are pregnant. There was one female worker who was pregnant and informed the workshop director of her pregnancy, and they did not take the initiative to decrease her night shifts. It was only when she applied not to work night shifts that they arranged for all her shifts to be day shifts. However, despite this, the workload is still very heavy for pregnant women, and the female worker resigned because working at the factory was too tiring. Many female workers do not want to take the risk and to continue working at the factory until they give birth.

Section 5: Labor Remuneration and benefits

Wages:

According to the pre-job training, the factory's base wage is 1860RMB (\$279USD), and the overtime base is calculated according to 1860RMB/month. Other than wages, workers also received various allowances: full attendance reward 150RMB/month (\$22.50USD), night shift subsidy 260RMB/month (\$39USD), meal subsidy 260 RMB/month (\$39USD), growth allowance 140 RMB/month (\$21USD) (none of the interviewed workers knew what this was, and no one had received this). For the work procedure allowance workers can receive up to 280RMB/month (\$42USD), and for the highest skill allowance workers can receive up to 330RMB/month (\$49.50USD), for example workers in the combing position can be tested. The first level allowance is 150RMB/month (\$22.50USD), second level allowance is 250RMB (\$37.50USD), third level allowance is 330RMB/month (\$49.50USD). There is also



an allowance for working under high temperatures and special positions have a position allowance. There are also wages for statutory holidays and paid holidays.

On Changan Mattel's bulletin board, there is a "highest income" reference table for each position. If workers work 26 days, 11 hours a day, workers can earn between 5200RMB (\$780) to 5800 MB(\$870) according to different positions. But in reality, the majority of workers earn between 3500 RMB (\$525USD) to 4500 RMB(\$675USD). Workers who work the night shift or who are exposed to chemicals will earn more than other workers. The night shift subsidy is 20RMB/day (\$3USD). For workers who are exposed to chemicals in the spray painting department, they receive a 280RMB/month (\$42USD) subsidy.

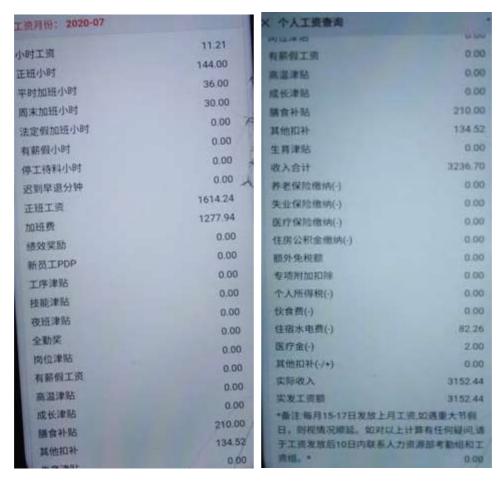


(Workers' benefits)



(Highest wages workers can earn for different department positions)





The photo above shows the wages of a worker during their probationary period in July. He worked for 18 days, worked overtime for 3 days on the weekend. His hourly wages are 11.21RMB (\$1.68USD), and put in 144 regular work hours, earning 1614.24RMB (\$242.14) in regular work wages. He worked 36 regular overtime hours, and 30 weekend overtime hours, earning 1277.94RMB (\$191.69USD) in overtime wages. He received a 210RMB (\$31.50USD) meal allowance, and other allowances of 134.52RMB (\$20.18USD). His total wages was 3236.70RMB (\$485.50USD). There was a 82.26RMB (\$12.34USD) deduction for dormitory utilities and a 2RMB (\$0.30USD) medical fee. In total, the worker received 3152 RMB (\$472.80USD).

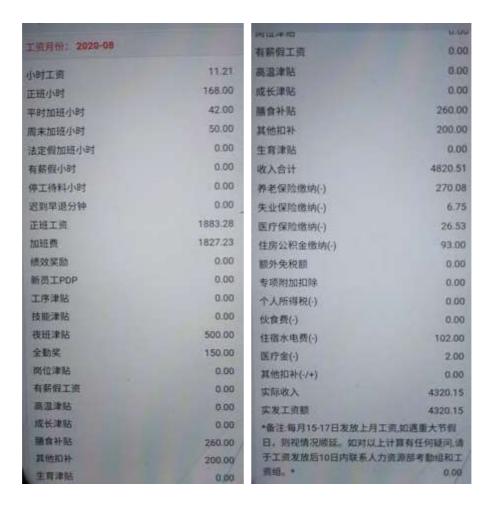
There was another worker on probation in August who worked 12 days in August, and worked overtime for 3 days on the weekend. His hourly wages were 11.21RMB (\$1.68USD). He worked 96 regular hours, and his regular wages totalled 1076.16RMB (\$161.42USD). He put in 24 hours of regular overtime, and 30 hours of weekend overtime with 1076.16RMB (\$161.42USD) of overtime wages. He received a 150RMB meal subsidy (\$22.50USD) and other allowances totalling 134.52 RMB (\$20.18USD). His total wages was 2436.84 RMB (\$365.53USD). Workers did not know what "other allowances" was, but because this was what the factory paid workers, as opposed to deducting from workers' wages, they did not enquire about it. The workers' dormitory utilities totalled 62.52RMB (\$9.34USD), and medical fees were 2RMB (\$0.30USD). In total, he received 2372.32 RMB (\$355.85USD).

The two workers on probation received the same hourly wages as regular workers, that is, 11.21 RMB (\$1.68USD). The paystubs included a meal subsidy, other allowances and dormitory utilities according to how many days they were at the factory for the month. But



the 2RMB (\$0.30) medical fee is a monthly fee. Although 2RMB is not much, many workers mentioned that the factory medical centre staff are very cold, and the medicine they provide is useless. The workshop first aid kid is placed very high up, and has a lock, which makes it inconvenient to use. Nobody knows what the 2RMB (\$0.30USD) medical fee is for. The factory has 2300 workers, and each month, the medical fee totals 4600 RMB (\$690USD). This is more than what a worker earns in a month if they work 10 hours a day, 26 days a month.

Changan Mattel did not purchase the pension, medical insurance, unemployment insurance or housing provident fund for the two workers on probation.



The photo above is the paystub of a regular worker in August. He worked 21 days, and worked overtime 5 days in the month, and was at work 26 days in total. His hourly wages are 11.21 RMB (\$1.68USD). He put in 168 regular work hours, totalling 1883.28RMB (\$282.50USD) in wages. He put in 42 hours of regular overtime, and 50 hours of weekend overtime, receiving 1827.23RMB (\$274.08USD) in overtime wages. He received a 500 RMB (\$75USD) night shift allowance and a 150RMB (\$22.50USD) full attendance reward, along with a 260RMB (\$39USD) meal allowance and other allowances totalling 200RMB (\$30USD). His total wages were 4820.51RMB (\$723.08USD). After deducting the 270.08 RMB(\$40.51USD) pension, 6.75RMB (\$1.01USD) unemployment insurance, 26.53 RMB (\$3.98USD) medical insurance, 93RMB (\$13.95USD) housing provident fund and 102 RMB (\$15.30USD) in dorm utilities, he received 4320 RMB (\$648USD) in wages.



The bulletin board mentions that for workers who work 26 days a month and 11 hours a day, they can receive between 5200 RMB (\$780USD) and 5800 RMB (\$870USD). But this regular worker was working 26 days, and putting in 10 hours of work a day (an hour less than what was written on the bulletin board), received a 500 RMB (\$75USD) night subsidy and 150 RMB (\$22.50USD) full attendance reward and received 4320 RMB (\$648USD). But this is around 1000 RMB (\$150USD) less than what the bulletin board advertised which mentions to "choose a night shift, aim for full attendance and challenge yourself with difficult positions" to earn the highest wages possible.

Insurance:

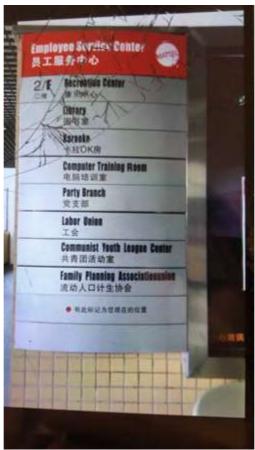
For workers who have passed the probationary period, the factory purchases for them the pension, unemployment insurance, medical insurance and housing provident fund. The contributions are made according to the minimum wage standard of 1720RMB (\$258USD). We are unsure whether work injury and maternity insurance was purchased for workers.

During the probation period, the factory does not purchase social insurance for workers. Article 72 of the "Labor Law of the People's Republic of China" mentions that "the sources of social insurance funds shall be determined according to the categories of insurance, and an overall raising of social insurance funds shall be practised step by step. The employing unit and labourers must participate in social insurance and pay social insurance premiums in accordance with the law". From this, we can confirm that as long as there is an established labor relationship, the factory must participate in and pay contributions to social insurance. According to Article 3 of the Ministry of Labor's 1996 [354] "Notice from the Ministry of Labor on issues concerning the implementation of the labor contract system", the probationary period is included in the contract period. As such, the factory should also purchase social insurance for workers during their probationary period.

Entertainment Facilities:

On the second floor of the Changan Mattel factory, there are two signs that read "Employee Service Center". Among them are: Recreation Center, Library, Karaoke Room, Computer Training Room, Party Branch, Union, Communist Youth League Activity Room, Family Planning Association.





(Signs for entertainment facilities in the factory)

The investigator went to the recreation center, but the room was locked. According to other workers, the recreation center is only open when the factory organizes activities. The karaoke room is also closed. The library and computer training room is open, and there is a notice on the opening and closing hours, which is Monday to Saturday from 7:30AM till 10:30PM. But the opening hours are not in accordance with the time on the notice. Hardly any worker goes to the library and computer training room because both are open during work hours. There is also a sign indicating a "Hairdresser", but because workers are working 10 hours a day, and only have one rest day a week, they are too tired and no one is interested in going to the hairdressers.

Section 6: Accommodation and Meals

Workers can freely choose whether to live in the factory dormitory and whether to eat in the factory cafeteria. Workers need to pay if they choose to live in the dormitory and eat in the cafeteria in the factory, and the factory provides a daily meal allowance of 10 RMB (\$1.50 USD).

Accommodation:

There are two types of dormitories in the factory: one is an ordinary room without air conditioning, 52 RMB per month (\$7.80USD); the air-conditioned room is 102 RMB per month (\$15.30USD). Workers with air-conditioning in their room cannot turn it on at any time. Instead, the central air conditioning is turned on at a specific time every day, from 8 am to 4 pm, and from 8 pm to 4 am, which are allocated to day shift and night shift workers for 8 hours each. Workers can only use the air conditioning within these hours and adjust the temperature.

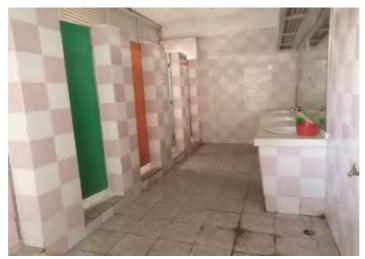


Both dormitories have 8 people per room, and some rooms are not full. Each dormitory has bunk beds and tin cabinets for workers to store their belongings.



(Dorm room)

Toilets and showers are located on both sides of each dormitory building, shared by workers on the same floor. There are also washing machines and hair dryers in the public space of each dormitory building. Public washing machines cost 3 RMB (\$0.45 USD) for each use and workers scan a code to pay on a cellphone first.



(Toilets on each floor of the building)





(Instructions to use washing machines and QR code for usage)



(Showers)

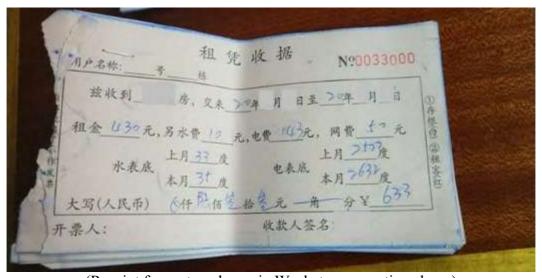
Public showers provide hot water. However, there are two ways to get hot water: 1. Use a bucket to get hot water from the pipe, take the bucket to the shower, use a towel or a scoop to take a shower with hot water from the bucket; 2. Apply for a hot water card. When the hot water card is inserted, hot water will flow from the shower head for ten minutes for free. The first method is completely free and the second method only gives the workers 10 minutes of hot water free of charge. Charges will start after 10 minutes. No one in the dormitory where the investigator was in used a hot water card, mainly because they did not want to spend money. An older sister in the dormitory said, "We don't earn much every month, so we have to save money as much as possible."

Many workers do not want to live in dormitories, because the price is not much cheaper than renting a room outside, and there are no private toilets and showers in the dormitory. With eight workers sharing a room, there is limited personal space.





(Wechat conversation regarding renting outside factory)



(Receipt for rent as shown in Wechat conversation above)

A dormitory room without air-conditioning is 52 RMB (\$7.80USD) per person per month, and the monthly rent for a room with 8 people is 416 RMB (\$62.40USD). The air-conditioned dormitory room is 102 RMB (\$15.30USD) per person per month, and the monthly rent paid to the factory by 8 people in a room is 816 RMB (\$122.40USD). If a worker rents a room outside, the total cost of a single room with toilet, shower, and internet is between 600 RMB (\$90USD) and 800 RMB (\$120USD), but they have privacy. A female worker provided her monthly rent, utility bills, and internet fee receipts from September 20 to October 19 this year. The rent was



430 RMB (\$64.50USD), the water was 10 RMB (\$1.50USD), the electricity was 143 RMB (\$21.45USD), and the internet was 50 RMB (\$7.50USD), for a total of 633 RMB (\$94.95USD).

In contrast, workers feel that the dormitory is not very cost-effective. Many of the young workers without financial pressure who do not need to raise children choose to live in rented rooms outside the factory.

Violations in the mixed gender dormitory

There is a dormitory building managed by the factory where male and female workers are mixed, but they live on different floors. Female workers live on the 1st to 6th floors, while male workers live on the 7th and 8th floors. Male workers are not allowed to enter the floors where female workers live, and there are obvious signs in the stairwell to indicate that male workers are not allowed to enter the female workers' dormitory at will.

As shown in the following two pictures, notices are posted on the walls and stairs of the dormitory, saying: "Warning! This entrance has been installed with a high-definition surveillance video system. When male workers enter the female dormitory floor (except for logistic maintenance personnels), the factory rules shall be followed. Anyone who violates the law shall be transferred to the public security bureaus. The Department of Security". "Women's dormitories. Females only."

One day the investigator wore pajamas and was braless after a shower, taking a walk in the dormitory building to relax. She wanted to go to the balcony on the third floor and sit for a while. There are a few tables and chairs for sitting. But when the investigator walked over, she found a male worker sitting there, chatting with a female worker. The investigator felt very embarrassed because she was not wearing anything under her pajamas. She immediately turned around and walked back to her room.







(Signs prohibiting male workers from entering female workers' dormitory)

On the way back to her room, the investigator saw the dormitory manager and complained to her that a man had entered the dormitory for female workers only. The dormitory manager didn't care and said, "He didn't enter your room. What's wrong?" After returning to her room, the investigator asked the other female workers, "Why are there male workers on the female dormitory floor?" Other female workers said, "Sometimes men come in. No one will care if they don't enter the room."

On the second day, the investigator saw a leaflet "Dormitory Service Appeals and Commitments" posted in the dormitory building. The male worker entered the female dormitory in violation of the dormitory management regulations. The "female workers only" rule exists in name only.





(Bulletin board for dormitory service appeals and comittments)

Meals

There is a cafeteria in the factory, which is outsourced to a catering company. The factory gives each worker a 10 RMB (\$1.50 USD) meal subsidy on work days (Monday to Saturday), and there are two payment options by a meal card for eating:

- 1. Eat first and pay later. When the monthly wages are paid, a fixed amount in daily meal expenses will be deducted from the wages. In this way, workers cannot freely choose each meal on the menu. They can only choose a 2 RMB (\$0.30 USD) breakfast, and a 6 RMB (\$0.90 USD) meal for lunch and dinner. The 6 RMB package is the simplest and cheapest meal.
- 2. Workers recharge the meal cards first and the cost of each meal is deducted from the balance. Workers who choose this method need to recharge their meal card first, and then they can choose what they want to eat at will and pay by swiping the card.





(Congee for breakfast)



(Breakfast of corn, sweet potato and steamed buns)

Several workers interviewed by the investigator felt that the food in the cafeteria was unpalatable, "sometimes it's way too salty, sometimes it's tasteless." In addition, the restaurant's food has very little meat, only a few slices. Moreover, the workers are on day shifts or night shifts. If they only eat rice and vegetables, they will become hungry very fast. But because the lunch break is only half an hour, some workers still choose to eat in the cafeteria. The workers said that the soup served for lunch is just boiled water with a few vegetable leaves.





(6RMB dinner)



(6RMB lunch of vegetarian noodles)

Therefore, many workers choose to cook something to eat in the dormitory instead of going to the cafeteria. There is a public kitchen in the dormitory building, but it has not been open for a long time. The investigator asked other workers why it was not open and was told that the electric wiring was faulty. Workers usually buy a small electric pot to boil water, and then put meat, vegetables, noodles, rice noodles and other ingredients into the boiling water to be cooked. Add some seasonings after everything is cooked and this is their meal. This way, workers can eat more meat by spending 6 RMB (\$0.90 USD) on groceries bought from the market than the 6 RMB (\$0.90 USD) meal served in the cafeteria. But the workers said that if they really want to eat more nutritious and healthier food, buying meat and vegetables for three meals a day will cost 20 RMB (\$3USD) to 30 RMB (\$4.50 USD). Many workers cannot afford to spend so much money on healthy and nutritious meals, because they do not earn much, and



many people have to send money back to their hometowns to provide for the elderly and children in their families.

Section 7: Production safety and security measures

Production Safety

According to Changan Mattel's regulations, all workers must receive no less than 24 hours of training within the first month of working at the factory. Particularly, the workshop technicians shall be responsible for no less than 12 hours of "team training". The team training includes: equipment hazards explanation, equipment operation SOP explanation and trial, team safety equipment and sharing examples. However, the investigator learned that almost no workers received the 12-hour team training. Therefore, large and small accidents in the workshop are not rare, but every time an accident occurs, as long as the accident causes no disability, the workshop director and production line team leader will prohibit the injured workers from reporting work injuries, and they will also accuse the injured workers: "Why are you so stupid! Haven't we already taught you how to do it?" Over time, many workers have accepted this logic: the injury is their own fault, and the factory cannot be blamed.

The team leader demonstrated to the investigator how to package the products: Fold two manuals with the Barbie doll and put them in the material box and put the lid on, and then stuff the whole material box into a cylinder. The investigator's station needs to use a laminator to seal each small packaging bag. The laminator is very hot when in use, and the operator's fingers will be burned if they accidentally touch the hot part. But from the first day of work to resignation, no one taught the investigator how to use the laminator. On the first day of work, without any training provided, the investigator had to observe the worker at the next station to figure out on her own how to use the laminator. The packaging bags that need to be sealed are very small, which increases the difficulty of using the laminator. The investigator burned her fingers multiple times during work. Because the investigator didn't know how to use the machine properly, her packaging speed was very slow, and she was scolded several times by the assistant team leader. The male worker who was at the next station on the same production line as the investigator was also very unfriendly because the investigator worked slowly. When the investigator asked the worker questions, he never answered, and just kept a blank face. This made the investigator felt that the workplace atmosphere was depressing.





(Products to be packaged)

One of the workers was in the combing department, and every position has a pair of scissors. But the scissors have to be tied to the edge of the tool basket with a rope, to prevent them from dropping onto workers' feet or lap. After work, the team leader collects the scissors. But previously, there were times when the scissors fell and hit workers.

There was a male worker who said because he was using the laminating machine the entire day, his body has a lot of static electricity, so if he gets close to someone else, there'd be static and will get an electric shock. Because of this, many workers do not like him. When management walked past his position, they would purposely scold him. For example: calling him slow and stupid. The team leader even said that if he continues working so slowly, he'd assign him to another position. QC said to him: "We assigned a new female colleague to work with you, and you can't even keep up with her even though she's new, don't you feel kind of rude?"

According to the investigator's observation, he wasn't actually working slowly. He is very careful and conscientious. Everyday, he works diligently without stopping and sometimes will stand up to work, so that he can work faster. The investigator asked him: "Why do you not push back when management scolds you." He said: "I'm used to it."

There was a female worker who was in the pad printing workshop and has been working for around 10 years. The position requires her to look after the machines. One time, the investigator discussed with the worker, if they have a work injury, what happens. She seemed impatient



and said: "If you are injured, that's because you are careless, it isn't anyone nor the factory's fault".

The investigator said: "I cut my hand, I didn't want this to happen either, but it was an accident. What should I do?".

She said: "Then you need to be careful. You have to follow how others teach you, who told you to be so careless. Anyway, this is just a small injury. As long as you can stop the bleeding, it is best not to say anything and keep your head down and continue working. Because the factory will not stop the entire production line because of you. And if you are injured, this will bring a lot of problems to the factory. You have to report to the manager and director and then write a report which is troublesome."

She said if the work injury wasn't very severe, the factory won't take it seriously. Even if it was severe, she would privately talk to the worker, telling them to try their best to keep silent. Because this would give the factory a negative impact. She also said: "If you can't really adapt to the work at the factory, then don't work here, you can just leave, don't be so pretentious. No one cares about you that much."

In addition, the investigator also learned that the assembly workshop has the following safety issues: A female worker needed to put small rubber bands on her fingers to comb and tie Barbie's hair, and her fingers were swollen. After working for a week, she came back one day after her night shift and suddenly said she was quitting. She said she couldn't take it anymore and would submit her resignation that night. Another female worker was electrocuted on her arm due to a machine electrical leakage, and could not rest. She was still required to continue working in order to complete the production goals.



(Surgical mask for the spray painting department)

Compared with the work safety issue in the assembly workshop, the problem in the spray painting workshop is more serious. The workers in the spray painting workshop are exposed to chemicals every day, and some workers report that they have paint in their nostrils after getting off work. They don't have special protective masks with filters designed for the toxic fumes, and are just given one more blue mask each day than workers in non-toxic workshops, which can be changed once in the morning and once in the afternoon.

Workers in the spray painting workshop told the investigator that they have a physical examination every May. Workers who failed the physical examination would be transferred to other workshops. Workers who passed the physical examination would continue to work in the



spray painting workshop. This worker has been working in the spray painting workshop for 5 years.

The male worker in the rotocasting workshop had two blisters on his hands after two days at work without gloves.



(Blisters on worker's hand)

Section 8: Fire Safety

The workshop and dormitory area of the factory have fire extinguishers, fire hydrants and emergency escape routes. Fire drills are held in the factory twice a year, one in the workshop area and one in the dormitory area.





(Fire extinguisher in dormitory and workshop)



(Fire hydrant)



(Evacuation map in cafeteria area)

However, the investigator found that the fire door of the workshop needs to be opened by swiping a card, which will cause safety hazards. Moreover, although there are fire hydrants and fire extinguishers in the factory, the investigators did not see the expiration date signs on the equipment and do not know whether the equipment is still within the validity period. Although the factory stipulates that the pre-job training must include 30 minutes of instruction on the workshop's fire exit plans, when the investigator received the training, she did not receive any training on this topic.



	例。培训包括:	-
类别	内容	小时
ew.	负工手册	2
製地研/ HR(4H)	坏强、卫生与健康及方针	0.5
Lindan 1	安全常识与劳动保护	1.5
	讲解车间运作制度及车间管理架构	0.5
	劳动保护及事故预防和发现问题 的处理方法	0.5
车网络钢/ 车网络钢板	ISO9001、GSV、IETP 安全标准化基础知识	2
(HB)	工作态度与品质意识及劳动安全卫生知识	1
	车间走火路线图	0.5
	车间垃圾分类管理及化学品认知	0.5
	车间安全一设备/事例分享	2
	车间现场参观	1
-	设备危险源讲解	1
遊館培訓/ 生间技术员	设备操作SOP讲解并试做	10
(12H)	班坦安全—设备/事例分享	1

(Pre-job training card which mentions training to include 30 minutes of instruction on fire exit plans)



(Fire doors requite cards to be swiped)

Section 9: Rewards and Penalties

In addition to the components of the salary, many rewards and penalties have been set up in the factory. Most of the reward and penalties are mere formalities, and only those related to product quality will be strictly enforced.

Rewards



Changan Mattel has set up a commendation system for "excellent employees", and each team leader reports to the workshop director the employees with outstanding performance on the production line every week. There is no other review process. During the morning and afternoon breaks, the workshop will broadcast and commend outstanding employees. Moreover, each "commendation" can be used as points, which can be redeemed for free goods in a convenience store in the factory. However, the team leader of the investigator's production line only reported his own name every time and never reported the names of other employees. Whenever the team leader was commended on the radio, other workers would laugh, saying that he "always helped his girlfriend in her position, and rarely came back to work in his own team." As time passed, the workers stopped striving for the "excellent employee" title.

Changan Mattel has also set up a birthday prize coupon system. Workers who celebrate their birthday will receive a coupon in the birthday month and can go to the factory office to redeem the prize. The investigator saw a male worker who had been excluded for a long time received the birthday coupon, but the team leader's assistant did not explain to him how to use it. The male worker went to the office to redeem the prize after getting off work, and was told that "You were late and only a pack of laundry powder was left." Other workers said that the prizes redeemed were always worthless.

Penalties

In the WeChat work group where workers communicate, the "Work Error Recording Sheet" will be sent out from time to time, listing the names of workers with work errors.



(Wechat group with work errors listed)



	周质量表现		
GPD54-956A	QCE拉金银工人把推研盘的爆米花全部拥在一起。日知会组长超进并培训。目录	不接SOP操作	水溶油
GHNUS-DE1D	IOBN SD29 QC 抽成品发现3PCS红色鞋子厚淡色不影赏。已知会铝长膨进、巨粒		
GHN03:957A	QC 抽成色发现IPCS剪胶圈。400PCS成品但工术进出契约。原因:工人打了,堆货掉了 。目数	括第-收藏	(2主味点)个
GPO57-DE1C	祖拉发现舱包包开幕,已知会组长进工,原取:股水少,时间未停够。	不指SOP操作	水湿油
GHW03-DE1C	30Bit 5C27超拉发玻璃纸板GHN04-0910储为GHN05-0910,成品648PCS共超出80PCS.原 因:货仓未料查匙:3支发发,目录	情異-医疾	
GPOS6-DE1C	JOBF \$947函拉发现1个级板着打扫于印、已知会银长返工。返工未返出着的,原因工人没有打一个拿一个。旧旅	结第-日子印	水溶液
GHN05-DE1D	308 #5802話拉发坂卡達爾白子印打移位到底部、地工进出29/170、港西:有人帮忙打 、白歌	日子印打號位置	

(List of quality issues)

Workers who make mistakes will be scolded by the team leader. If work errors lead to serious consequences, such as unqualified products returned by the buyer, the team leader's salary will be deducted and the team leader will need to write a self criticism review and read it out loud in front of the workshop management team.

There was also a female worker who was found by security guards to have hidden four Barbie dolls and American dolls in the dormitory cabinet. A security guard confiscated the toys after taking pictures. The female workers were worried at first that their wages would be deducted or she'd be fired, but after more than a month, there was no punishment. The investigator doesn't know if the security guard has reported the private possession according to the procedure.

Section 10: Labor Union and Grievance Procedures



(Home of Mattel bulletin board)

Changan Mattel has set up a "Home of Mattel" to help workers solve problems. According to the content of the bulletin board on the wall, Home of Mattel mainly provides two services: 1,



employee psychological assistance; 2, accepting complaints about the human resources policy and management issues.

There was once a female worker who was required to take a physical examination during working hours due to a job position change in the factory. When the monthly salary was calculated, she was counted as absent for that day, therefore she did not receive a full attendance bonus for the month. The female worker reported to the accounting department but the attendance calculation error was not corrected. Then the female worker complained to the Home of Mattel, and the staff of the Home of Mattel replied: "It can't be solved." The female worker finally threatened to call 12333 (a labor protection hotline set up by the Municipal Human Resources and Social Security Bureau) to complain about the illegal deduction of workers' wages by the factory. That fixed the pay issue. From then on, the female worker and other workers who knew about it no longer believed that Home of Mattel would really help workers solve their problems.

Labor Union

The investigator received the "Application for the Labor Union Membership" from the interviewer on the day of the interview. The first half is an introduction to the labor union, and the second half is the application form for individuals to join the labor union. Every worker receives this document after passing the interview, but almost no worker remembers that there is a union in the factory. The workers are not aware that if they have a problem, they can ask the labor union to help solve the problem.

The investigator saw the contact information of the labor union on the wall of the factory. The extension number of the labor union and the toll-free 400 hotline that can be dialed from the mobile phone were both posted on the wall, but the hotline 400-8630-086 was never answered when the investigator tried to dial from her mobile phone. If a worker wants to dial the extension number, they need to go to the factory office to borrow the landline in order to make the call. People in the office can hear what the worker says on the phone. This makes the investigator reluctant to enter the office to make a complaint by telephone.





(Left: Application for union; Right: Union phone number and free hotline)

Other

A female worker in the pad printing workshop needed to use scissors at work, but she keeps the scissors herself and brings the scissors back to the dorm. One day, the dorm suddenly had an inspection, and all the knives and sharp objects in the dormitory such as fruit knives, vegetable knives and scissors were confiscated by security. Apparently because previously there were workers who had a fight at the factory, and one worker used a sharp object to injure another worker. At that time, she didn't bring the scissors to work so her scissors left T the dorm was taken, but she explained to the security guard, and after that, was able to get the scissors back.

A female worker's husband had a disability in his right leg and had a bit of difficulty walking. They had two children who were back at their hometown, and the children were looked after by their grandparents. Her husband set up a street stall in Humen, Dongguan. She thought that since the pandemic, her husband's business hadn't been busy, so she went to look for work. On her rest days, she goes to see her husband. Sometimes, when she is very busy, she would take the initiative to ask other colleagues to help. But she isn't lazy. Sometimes, when the management team randomly criticizes her, she would argue with them. But she doesn't take things personally, by the second day, she would reconcile with the management.

Investigator's Journal

The factory is so depressing, my body is very tired, and the workload is so heavy. At present, most of the workers in my workshop have been in the factory for only two to three months. There are four workers in the dormitory who have worked relatively longer for two to three years.



This factory has a very high turnover rate, and every day there are workers coming and going. After a month, if you want to come back to work here, you can apply for the job again. There is a male worker in our production line who has been in and out many times. Out of the 10 people I had the pre-job training together with that day, two of them had worked here before. Therefore, the training in this factory is not very strict. The afternoon of training is counted as a four-hour workday.

There are many people in the dormitory, especially the older workers who would buy their own stew pot and cook their own rice and dishes. Other foods such as porridge, noodles, cold dishes, and eggs can be warmed up with boiling water. Originally there was a public kitchen on each dormitory floor, which was open on Saturdays and Sundays, but I heard that it is not open now because of electric wiring problems. There are three public microwave ovens in the cafeteria.

The public spaces in the factory are not open, and are only open when there are activities being held in the factory. Usually there is no opportunity for workers to have fun together, unless workers know each other and they may hang out occasionally. I don't know why public spaces are not open, so I went to check. I saw that no notices were posted at the locked door. Everyone I asked said they didn't know the reason, or whether there was a library.

Each production line has a designated daily quota for every worker. For the product we are currently making, the quota is 1370 products per day, about 140 products per hour, and 2 to 3 products per minute. The workload is particularly stressful. I heard it used to be 1500 a day or more.

For example, in my current position, one person needs to complete six different procedures at the same time, which includes bagging small eyes 1370 times plus gluing 1370 times, bagging the small backpack 1370 times plus gluing 1370 times, bagging the small sponge 1370 times plus gluing for 1370 times, taking the packing box 1370 times, putting the small eyes, backpack and sponge in the packing box 1370 times, and going to another station to pull the packing boxes, which is about 10 large packing boxes.

When I began working in the assembly line, I could not handle so many tasks. Because I was assigned to the first station as a new employee, and the others were experienced workers, they didn't help me out and shun me because I was slow. I made 300 products in the morning and more than 1,000 products in the afternoon. It hurt when I touched my arm, and I felt stressed out. I was so tired that I started crying.

If there is a work injury on the production line (bleeding, but not serious enough to cause disabilities), the team leader or assistant will assess the severity of the situation. If there is just bleeding, they will help stop the bleeding. Then they will criticize the injured person by saying, "Why are you so careless!" They wouldn't let anyone say that someone was injured. Because once it is reported, even if just one person is injured, the workshop director and management staff will need to write reports. They will not allow this to happen. Unless it is a major work injury causing a permanent disability that it can no longer be covered, the management team has to deal with it. If it is just a bleeding injury, they will not allow anyone to report it.

After being accused frequently by the team leader or the workshop director that the injury was caused by their own carelessness, many workers also started to have beliefs that the



injury was really caused by their own carelessness and was their own fault and they cannot blame the factory. It is best not to tell others if they are injured because it will cause trouble for themselves and management won't let the workers report the work injury. If a worker is injured, they should just endure it and not say anything.

The assistant team leader is very busy, they will go to help wherever it is busy. But there are some who don't do any work, but will scold workers such as calling them "stupid". There was male worker who was very slow and all the managers scolded him, calling him "Stupid, dumb, slow". The worker never spoke back to the managers because he thought he was slow and it wasn't anyone's fault but his. The manager tells everyone not to help those who are slow, because it would make them reliant on others and they would just work even slower.



Dongguan Dongyao/Kaishan Investigation Report

Dongguan Dongyao Toy Company Limited was registered and established at the Dongguan Administration Bureau for Industry and Commerce on September 25, 2006. The legal representative is Yang Qiming, and the company's operations include producing and selling various toys, electronic parts, electronic products (radio, CD player, camera glasses) etc. After calling the factory to enquire, the investigator found out that Dongguan Dongyao was currently employing workers. She went to Humen Town, where Dongguan Dongyao was located, but after arriving, the recruiter told her that she was to go to the Kaishan Toy factory in Houjie Town to take the interview and go to work. In the end, the investigator's factory had two entrances, one which had a "Kaishan" sign and the other had the "Dongguan Dongyao Toy Co., Ltd." sign. After entering the factory, the forms and documents had either "Dongguan Dongyao", "Wanxiong" or "Kaishan" at the top, making it very confusing.

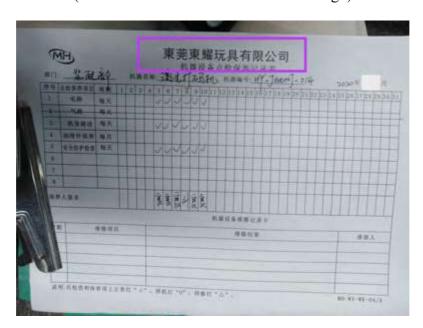


(To the left of the entrance is the "Dongguan Dongyao Toy Co., Ltd." Sign)



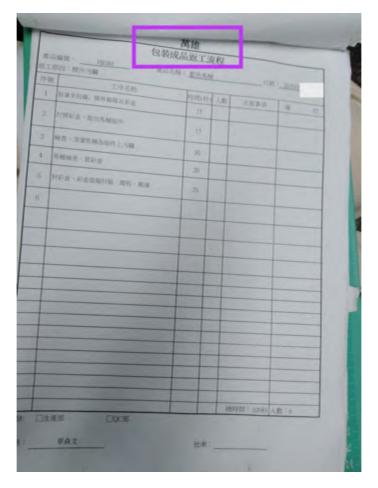


(Another entrance with the "Kaishan" sign)



(A factory work form with "Dongguan Dongyao" as its title)





(Work form with "Wanxiong" as its title)





(Procedural document with "Dongguan Dongyao" as its title)





(Fire extinguishers with "Dongguan Dongyao" signs)

Many workers told the investigator that Dongguan Dongyao Toy Co., Ltd., Dongguan Kaishan Toy Limited Company and Wanxiong Products Limited Company are different companies registered by the same boss. Through our own search, we learned about the relationship between the three factories: the sole shareholder of Dongguan Dongyao is Wanxiong Products, Dongguan Kaishan's legal representative Fang Weifeng is one of three board members of Dongguan Dongyao.

The investigator's labor contract mentions that party A, the employer, is Dongguan Dongyao, so in this report, we will refer to the factory as Dongyao Toy Factory.



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双方同意报以下第一一种方式确定者	本合同期限 :
2. 固定顺限。从_2020 年,月	日本年201年 日 日止。
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三、工作时间和休息休假	
	-3-

(First page of labor contract which has the employer name as Dongguan Dongyao)

Basic Information:

Factory Name: Dongguan Dongyao Toy Co., Ltd.

Address: No. 6 Dongxi East Road, Houjie Road, Houjie Town, Dongguan City

Phone number: 0769-83062898

Main Products: Toys, Electronic product parts Brands: Mattel, TOMY, Fisher-Price, Chicco

Number of workers: For peak season, there are around 1000 workers. Off-peak season there

are around 700 workers

Number of interviewed workers: 51

Male to female ratio of interviewed workers: 18:33

Departments of interviewees: Assembly, Hand sewing, Security, Injection molding, Coloring,

Purchasing

Interview method: face to face interview and Wechat







(Packaged Mattel toys)





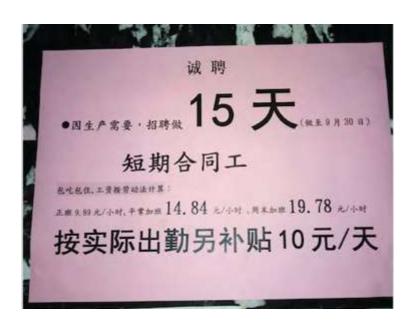
(Left: Chicco toys; Right: Fisher-price toy)





(Packaged Tomy toys)

Section 1: Employment and Resignation



The above notice states the following recruitment conditions

Due to the needs of production, we are recruiting short term contract workers who can work for 15 days (until September 30). Meals and accommodation are included, and the wages are paid according to labor laws: regular hours are paid 9.89RMB/hour (\$1.49USD/hour), regular overtime hours paid 14.84RMB/hour (\$2.22USD/hour) and weekend overtime hours paid 19.78RMB/hour (\$2.97/hour).

According to the number of days workers are working, they will also be paid 10 RMB/day (\$1.50USD/day).







The above signs mentions the following position are being recruited:

Short term workers (can work for a month)

- 1. Spray painting position 30 workers
- 2. Assembly position 50 workers
- 3. Packaging position 30 workers
- 4. Coloring Pad Printing position 20 workers
- 5. Sewing position 20 workers
- 6. Pad printing technician 1 worker
- 7. Fixture worker 1 worker
- 8. Security guard 1 worker

The investigator enquired with Dongguan Dongyao via telephone about the recruitment conditions, and they said there weren't any. After arriving at the factory, the recruiter said to the investigator that she could choose from two types of work: short term or long term work. The difference is that for short term work, individuals can just work for a month, there's no social insurance and they can resign at any time. For long term workers, individuals have to work for at least a month, the factory purchases social insurance, and workers need to give one month notice before resigning. There are no differences in wages.

Interview process:

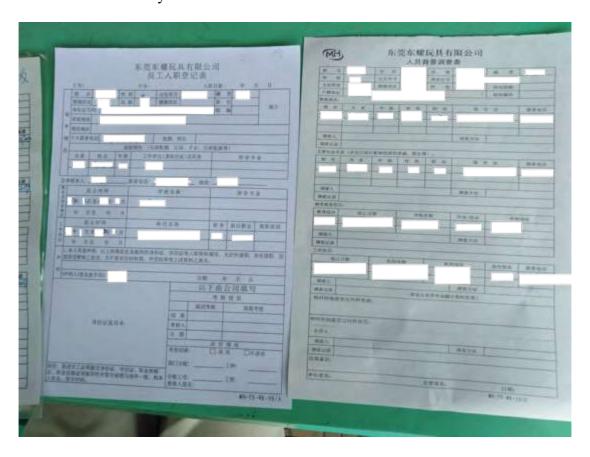
Dongyao does not have any interview questions or procedures. The staff in charge of recruitment only asks if the applicant wants to be a short term worker or long term worker, and then gives them the relevant form to fill out.

The investigator chose to work in the assembly workshop as a short term worker. She was given two forms and also a sample of how to fill out the form. The two forms were an "Applicant form" and "Background Check" form. The investigator also submitted a photocopy of her ID and also two one-inch photos of herself. The investigator went to a nearby photo store to take photos and photocopy her ID, submitting these along with the filled out forms to the staff in charge of interviewing workers.

The two forms require applicants to fill in a lot of personal and family information. For example: family members' addresses, employers, the major they studied, and also the applicant's own education and work experience. The job requirements did not specify applicants need to have certain academic qualifications or work experience, but for both



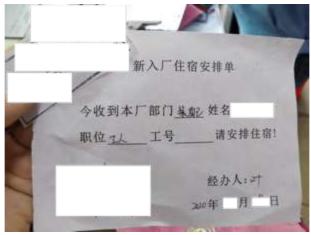
forms, applicants need to fill this in, sign and fingerprint to confirm the information provided is true. We are unsure why this information was collected.



(Left: Job registration form; Right: Background check form)

Pre-job physical examination:

The investigator chose to work in the short-term position, and Dongyao does not arrange for short-term workers to take a pre-job physical examination. Other applicants who chose to work in long-term positions also do not have a physical examination. After filling out the two forms, staff in charge of recruitment will give the worker a "Dormitory Arrangement Form". The worker will then take this form to the security department, and find the security guard who will take them to the dorm room arranged for them.

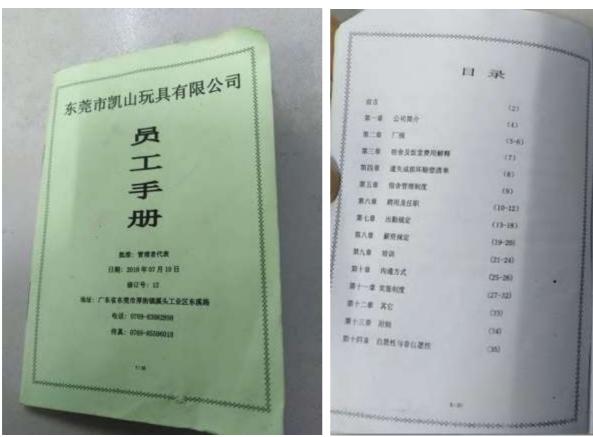


(New worker dormitory arrangement)



Pre-job training:

The day after workers have their dormitory room arranged, all new workers gather at the recruitment office at 8.00AM. Staff take new workers to the trainer on the second floor of the workers' dormitory for the pre-job safety training.



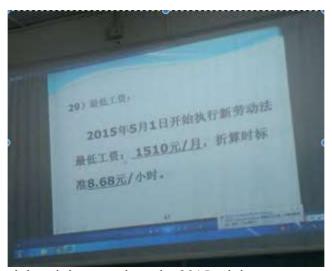
(Left: Front page of employee handbook; Right: Table of contents of handbook)

For the first part of the training, workers read the "Employee Handbook" by themselves. Staff will then turn on the TV screen to play a training video (PPT along with a voiceover reading aloud the content). After clicking the "play video" button, the staff leaves the room. New workers watch the video and the sound of the training video is very impersonal and mechanical. Most workers are almost falling asleep. After the video has finished, staff will hand out 10 or so documents for workers to read themselves. The training takes two hours and is paid.

The employee handbook includes: company profile, factory regulations, explanation regarding dormitory and cafeteria fees, loss or damage compensation list, dormitory regulation system, employment, attendance regulations, wage regulations, training, communication methods, rewards and punishments, other, supplementary regulations (voluntary and involuntary), with a total of 14 chapters.

The training video had a ppt that said the minimum wage standard is still the 2015 standard. It has been five years and Dongyao's training video has not been updated to reflect the current figures. The pre-job training video also mentioned statutory holidays, paid leave (maternity, funeral etc.), fire drill, labor safety and protection measures, dormitory hygiene etc.





(The pre-job training mentions the 2015 minimum wage standard)

Afterwards, the investigator was asked to sign blank pre-job safety training record forms several times, even though she did not actually receive any other new training. At the time, the investigator asked the staff: "Why am I signing again?" and the staff impatiently responded: "We asked you to sign, so just sign, why are you asking so many questions."





(Training record form)

Position assignment:

Positions are assigned based on the department selected by the worker during the interview. After the pre-job training, each department's team leader comes to the training room, and takes new workers to the factory area. The team leader introduces to new workers where to swipe in to work and at what time. Then workers can go to the production line, and wait for the team leader to assign them their positions. They work until 12:00PM that day.

On the first floor of the assembly department of Dongyao, there are around 60 workers and the male to female ratio is 3:2. This factory building is shared by three factories, of which the Dongyao factory has around 300 workers and the Kaishan factory has 200 workers. The two team leaders are male. There is also a manager in charge of materials who is also male. There is a female QC, a male manager in charge of statistics and a male director. The assembly department only has one female manager. The managers above are all part of Dongyao factory, and only manage Dongyao workers on the first floor of the assembly department.

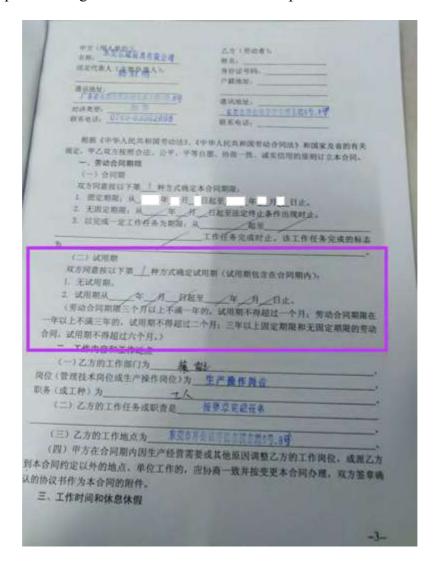
Another building of Dongyao has the finished products warehouse, maintenance department, sewing department etc. According to other workers, there are around 200 managers and 150



workers. Workers at Dongyao factory are generally older with the oldest worker being over 60 years old. There are no obvious differences in the job positions and wages of male and female workers.

Probationary Period:

The investigator chose to be a short term worker, and the contract does not have a probationary period. Long term workers also do not have probation.



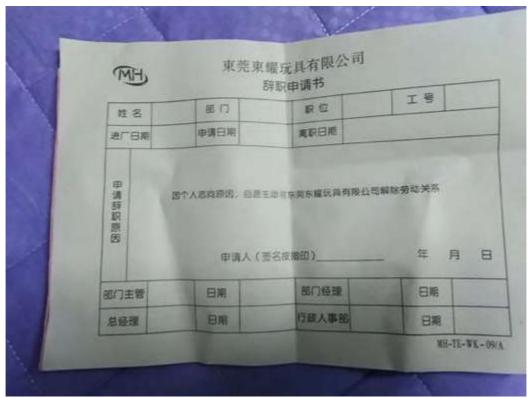
(The labor contract does not have a probation period)

Resignation Procedures:

Long term workers need to give one month's notice to resign from the factory, and short term workers need to give 10 days' notice. They have to fill in a resignation form, and they are able to go to the office to go through resignation procedures everyday at 9.30AM. On the day of their resignation, workers will receive their wages at 4:30PM.

The resignation form includes: Name, department, position, factory work number, date of employment, application date, resignation date, reason for resignation, worker's signature, and the date. The form needs to be signed by the department head, department manager, general manager and administrative personnel department.





(Resignation form)



(Window for resignation procedures and opening times)

Factory relocation compensation:

In December 2019, Dongyao relocated some of its workshops from Humen Town's old site to the factory where Kaishan in Houjie Town is located, sharing the factory with Kaishan. There were also some workshops that were moved to the Huayao Factory in Luofu. Some



workers were willing to move with the factory, and some workers were unwilling to move for various reasons.

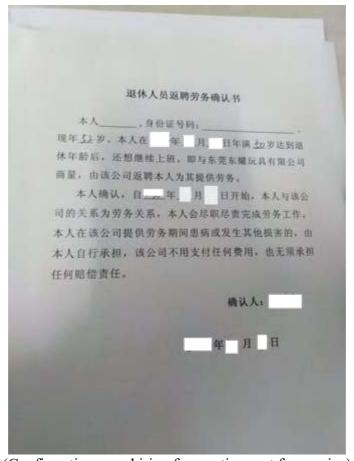
Workers who were unwilling to move could receive a certain amount of compensation. To calculate the compensation, the factory calculates the compensation according to the number of years the worker worked at Dongyao and then subtracts from this the annual bonus of 1720RMB x number of years the worker received the bonus. The factory then takes away the total social insurance fees they paid. From this calculation, workers barely received any compensation.

Section 2: Labor Contract

Dongyao signs labor contracts with workers according to their age. For those who are younger than 50 years, they sign a "Labor Contract"; for workers over 50 years, a "Service Contract" and a "Confirmation on Rehiring from Retirement for Service".

Service Contract:

The "Confirmation on Rehiring From Retirement" notice has the following: "If I become ill or suffer other damages during the period of employment at the factory, I shall bear the costs myself, and the factory will not pay for any costs and is not required to pay compensation".



(Confirmation on rehiring from retirement for service)

Co	onfirmation	on Rehiring	from	Retirement	for	Service	Translatio	n
T.	. 1	ID number:						



I am 52 years old. I turned 50 years old, the retirement age, on ___ year, ___ month, __day, and would like to continue working. After negotiating with Dongguan Dongyao Toy Ltd. Co., the company has rehired me for providing service.

I confirm that from __ year, __ month, __ day, I start the service relation with the company. I will try my best to complete the work. If I become ill or suffer other damages during the period of employment at the factory, I shall bear the costs myself, and the factory will not pay for any costs and is not required to pay compensation.

Name of worker:
__year,___month,__day

The "Service Contract" stipulates the terms of re-employment, labor content, damage compensation, social insurance and personal safety, fees and settlement methods, agreement changes, agreement termination and cancellation, dispute settlement notice, and contract validity.

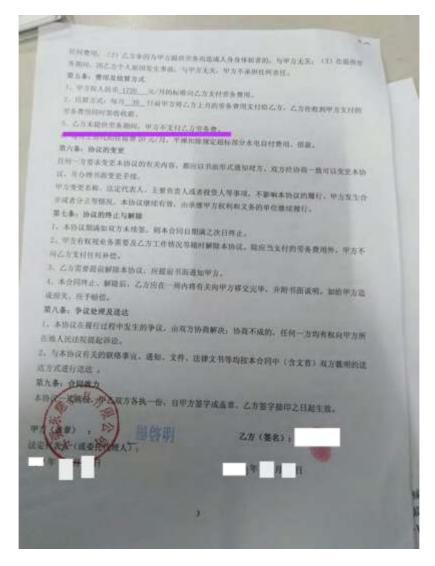
Among this, Article 3 on "Damage Compensation" stipulates that Party B (employee) shall compensate Party A's (employer) for the product price, when there is product loss, shortage, damage, etc. during the labor process. Article 4 on "Social Insurance and Personal Safety" stipulates that Party B shall purchase social insurance on their own, and Party A shall purchase commercial insurance for Party B. Article 5 on "Fees and Settlement Methods" stipulates that during the period, where Party B does not provide labor services, Party A will not pay wages. In other words, workers who sign the Service Contract do not receive paid leave.



甲方 (用人単位), 主党(以定代表人 (主要负责人) 注電地域, 厂免責集资本員 る方: 対行法号码。	劳务合同 《墨灰瓦有银公司 《李元代理人》
医原花性护	双系电话:
具品示动类条的主体资格。 以,共同进宁本协议所列集 第一条,返聘期限 1、本协议于220 年 2、甲方配业务需要及乙方工 之方信等。 第二条:劳务内容 1。部门。 2、地点: <u>车宽市厚价镇厚货</u> 3、乙方端接要求完成自身本	12 11年数 年 201年
	D. 乙方不得参与其它方安排的营养工作。
第三条, 股損賠償 △方承诺在提供劳务过程中:	一旦出现产品丢失。延少。描述等情况。按甲方的出售价格进行销售。 方在当月的劳务费中直接扣除,不足部分。乙方还应立思补足。
第四条。社会保险及自身安全	全 行购买社会保险。但甲方为乙方购买商业保险。
· Z 方面计算要压安全。但	乙双方一致确认。发生下到情形之一的。甲方不承担任何责任及费 劳务期间票辖或发生其他服害的。由乙方包行承担。甲方不用支付
· アガ部は食業医安全、単	乙双为一致确认,发生下利休彤之一的。甲方不承担任何责任及贾

(First page of service contract, highlighted is the section on damage compensation)





(Second page of service contract)

Labor Contract:

For short term and long term workers who are younger than 50 years, they sign a "Labor Contract". The terms include: labor contract period, work content and location, work hours and leave, labor compensation, social insurance and benefits, contract changes, contract termination and cancellation, mediation and arbitration, service period and non-competition.



不同意购买社保声明	175
东莞东疃玩具有限公司。	
公司自与本人建立劳动关系开始,就一再表示情	[为本人办理各类社会保
验。但本人经过慎重考虑。不想每月多支出几百光。	且认为购实社会保险对
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本人办理各类社会保险的权利。	
对于上述事宜本人声明如下。	
本人放弃公司办理各类社会保险传通完全是本。	人的个人意思。本人在任
何时期均不再要求公司对于本人同意放弃办理各类	社会保险资承担任何法
律責任。任何补偿责任(如要求公司支付本人被迫解	除劳动关系的经济补偿
金等)及补缴责任。	
本人完全知悉不在公司办理社会保险的全部风暴	章,并愿意自己承担无法
获得工伤/医疗赔偿等的后果。本人保证不囤公司未	办理社会保险而追究公
可的任何法律责任。公司无须尚本人承担任何责任。	
今后,如本人愿意加入社会保障体系,特另行	可公司提出书面申请。
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员工签名。	2
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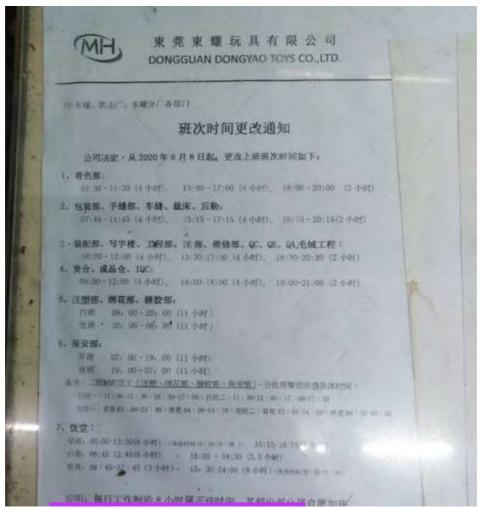
(Declaration Disagreeing to the Purchase of Social Security)

Other than the labor contract, short term workers also have to sign a "Declaration Disagreeing to the Purchase of Social Security." The statement reads: "Since the company established a labor relationship with me, it has repeatedly stated that it needs to apply for social insurance for me. However after careful consideration, I do not wish to spend a few hundred RMB per month and believe that social insurance is of no use to me. Therefore, I do not agree to the company's purchase of social insurance for me and voluntarily give up the right of the company to apply for social insurance for me."

But in reality, the staff in charge of recruitment did not explain this to the investigator. They only handed this to the investigator along with the labor contract to sign. The factory did not ask once whether or not the investigator would like to purchase social insurance and hence the factory did not "repeatedly state that it needs to apply for social insurance" for workers.

Section 3: Work Hours and Production Targets





(Notice on changes in shift times)

Work hours:

The workshop has a "Notice on Changes in Shift Times" affixed to the wall of the workshop, which lists the working hours of each department. The earliest department to work is the coloring department, which begins at 7:30AM, with a rest at 11:30AM, and then workers work from 1:00PM till 5:00PM. Everyday, the overtime work is from 6:00PM until 8:00PM. The packaging, hand sewing, sewing, cutting and logistics departments start work, finish work and begin overtime, 15 minutes later than the coloring department. The assembly department, office, engineering, IE, maintenance, QC, QA, QE, plush toys engineering, warehouse, finished goods warehouse, IQC all start work, finish work and begin overtime 30 minutes later than the coloring department.

The departments above have 10 work hours everyday.

The injection molding department, embroidery department and hot glue department have a day and night shift. For the night shift, workers work 8:00PM until 8:00AM the next day. The day shift is from 8:00AM till 8:00PM. Workers put in 11 hours a day and there is one hour break in between, and workers eat two meals.

For the security department, workers work 7:00PM until 7:00AM the next morning, and for the day shift, this is from 7:00AM until 7:00PM. Workers work 11 hours a day, and during that time have an hour break for lunch or midnight snack.



For the off-peak season, workers sometimes work overtime on Saturdays. Usually in July, August and September, workers work overtime on Saturday. During off-peak season, the factory will arrange for workers to work overtime for a day or half a day.

The factory verbally says they will limit overtime hours to 66 hours per month in the hopes to use this excuse to control overtime work of workers. But in reality, work hours are arranged according to production needs.

Workers who have been at the factory for some time said that previously during peak season, workers were working 3 or 4 hours overtime. On Saturday, they'd work 11 hours or 12 hours of overtime. From this, there would be around 110 overtime hours a month, and workers could earn 6000 RMB/month (\$900USD/month). This year, despite the coronavirus, workers are actually working more overtime in peak season. When they were at the Humen factory, workers rarely worked during lunch time. This year, workers put in the most hours in September where they would sometimes be working during lunch, were putting in 3-4 hours of overtime from Monday to Friday and would work 8 hours on Saturday. Workers were working between 92 to 112 hours of overtime in September.

Workers regularly do not work overtime on weekends, and their wages were around 1000RMB less (\$150USD). Some workers considered resigning and going to work at another factory that had more overtime.

Although everyday, workers are supposed to have 1.5 hours of break during lunch, sometimes if the production target is high, then the team leader will request workers to take only a half hour break and then continue working. On those days, workers will be working an additional one hour of overtime, and this is calculated as overtime hours and workers will receive overtime pay.

During work, workers can go to the toilet or drink water, but if the worker is working on the conveyor belt, they must find someone to take over temporarily before leaving their work position. Or else, they have to tell the worker in front of them not to put products on the conveyor belt. But if they do this, this will affect workers behind. So, usually workers on the conveyor belt would find someone to take over first before leaving to use the bathroom or to drink water.

The labor contract says that other than the 8 work hours everyday, workers can choose whether or not to work overtime. But if the worker requests not to work overtime, the time leader responds by ignoring the worker. If workers request not to work overtime several times, they would be reported to the department's higher management by the team leader.

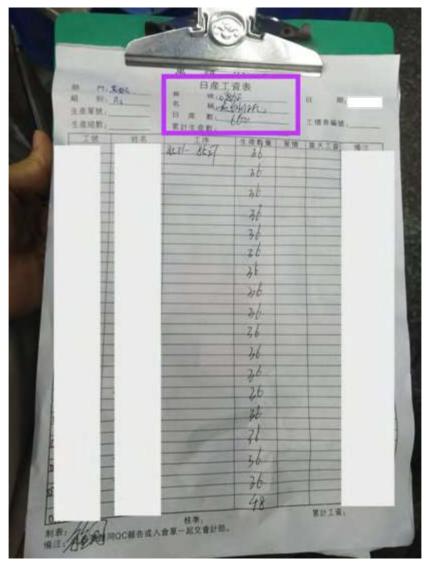
Production target:

Everyday, the workshop needs to fill in a daily production and wage form which has the total production quantity for the workshop. But the team leader will not notify workers of the production target for the day beforehand. Many workers said that the team leader would just divide the day's production target by the number of workers in the team, to get an average. The team leader won't really count how many products each worker produces. The majority of workers' production amount for the day is the average for the team, but there were some workers who had amounts higher than the average. Workers who do not work overtime are recorded as having produced less than the average. Workers are unsure why some have



production amounts higher than the average. The team leader just writes whatever. But even if workers produce less than the average, their wages won't be deducted, so workers don't really pay attention to the record sheet.

If the production target is completed early, then workers are arranged to other positions to work on other productions. They will not finish work early, nor can they skip overtime.



(Daily work production and wages schedule)

Section 4: Leave and Vacation

Leave:

Some workers mentioned that they chose to work at Dongyao because management is not very strict and they can take leave very easily. There were some senior workers that said that they could choose not to go to work even if they didn't ask for leave. There's no problem if they don't go to work for two or three days. It is just that they wouldn't receive wages for those few days. They wouldn't be fired.

But there were some workers who said that asking the team leader if they could not work overtime at night was difficult. The team leader may be passive aggressive and just ignore or

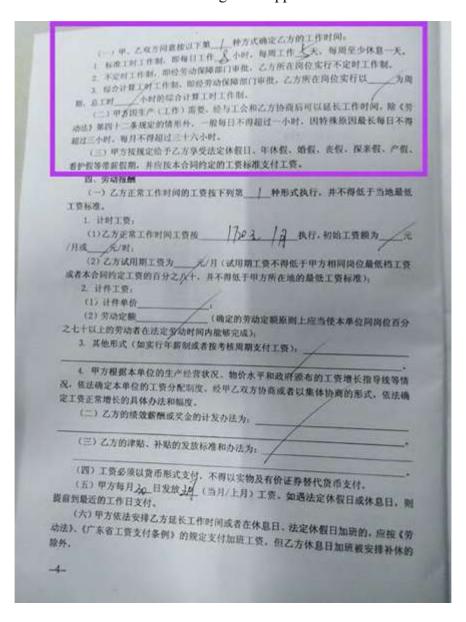


not respond to workers, to show they are unhappy and unwilling to let workers not work overtime. If workers choose not to work overtime for several days, the team leader will record their factory name tag and report them to higher level management. Sometimes the worker will be reassigned to another position or department.

As such, workshop management is not well regulated and very chaotic.

Vacation:

Item 3 of the fourth page of the labor contract stipulates the leave policy. The factory provides workers with statutory leave, annual leave, maternity leave, funeral leave, family visit leave, maternity leave, family sick leave, which is paid. Wages are paid according to the labor contract's wage standard. But because the majority of workers are older and married, interviewed workers have not enjoyed these benefits because instead of taking leave, they'd need to work overtime and earn overtime wages to support themselves and their families.



(Labor contract with information on vacation)



Section 5: Labor Compensation and Benefits

Labor Compensation:



(Factory entrance with poster on wages and positions)

On the day of the interview, the investigator saw the factory entrance had a poster, mentioning the minimum wage standard was 1720RMB/month (\$258USD), the hourly wage was 9.89RMB (\$1.48USD), regular overtime hours are paid 14.84RMB/hour (\$2.22USD) and weekend overtime is paid 19.78RMB/hour (\$2.97USD). Each position has different allowances and benefits:

Position	Benefits	Full attendance	Wage calculation	Total wages	Notes



Sewing	Achievement award: 120- 220RMB/month(\$18 -33USD) Technical Award: 50-200RMB (\$7.50USD - \$30USD)	60RMB/mont h (\$9USD)	Piece wages + overtime wages + achievemen t award + technical award + full attendance award	3500- 6000RM B (\$525- 900USD)	
Hand Sewing	Achievement award: 150RMB/month (\$22.50USD)	60RMB/mont h (\$9USD)	Piece wages + overtime wages + achievemen t award + full attendance award	3500- 5000RM B (\$525- 750 USD)	
Injection molding (Two shifts)	Position subsidy: for day shift 5RMB/day (\$0.75USD) according to actual attendance; for night shift 30RMB/day (\$4.50USD) according to actual attendance, high temperature subsidy 150 RMB/month (\$22.50USD)	60RMB/mont h (\$9USD)	Base wages + overtime wages + position subsidy + high temperature subsidy + full attendance award	4200- 4500RM B (\$630- 675USD)	High temperatur e subsidy is every year from June to October
Spray painting	25RMB/day according to actual attendance (\$3.75USD)	60RMB/mont h (\$9USD)	Piece wages + overtime wages + position subsidy + full attendance award	4200- 5500RM B (\$630- 675USD)	



Pad Printing/ Coloring	20RMB/day according to actual attendance (\$3USD)	60RMB/mont h (\$9USD)	Piece wages + overtime wages + position subsidy + full attendance award	3800- 4500RM B (\$570- 675USD)	
Assembly / Packaging	Subsidy: Inspection position 300 RMB/month (\$45USD)	60RMB/mont h (\$9USD)	Base wages + overtime wages + position subsidy + full attendance award	3300- 3600RM B (\$495- 540USD)	

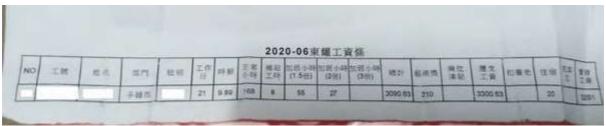
Seniority Payment: Workers receive 1720 RMB (\$258USD) after working for a year. This is a one-time payment in March, every year.

The majority of workers who were interviewed said that the "achievement award" hadn't been paid for a number of years. A female worker who was in the inspection position in the assembly workshop said that the inspection subsidy is no longer 300RMB/month (\$45 USD), it is only 150RMB/month (\$22.50/month). But she has been in the position for three months and the team leader has not helped her apply for the subsidy, so she has yet to receive the 150RMB/month (\$22.59USD) position subsidy. In the past six months, as overtime hours decreased, the majority of workshop workers earn between 2800RMB (\$420USD) and 3500RMB (\$525USD).



The pay stub above is a worker in the security department. In June, he put in 283 work hours, which included 165 regular work hours, 8 subsidized working hours, 110 overtime hours (57+47+6). He receives an hourly wage of 9.89RMB (\$1.48USD) and a 318 RMB (\$47.70USD) allowance. He gross wages total 3982.25RMB (\$597.34USD), and after deducting the 300.76 RMB (\$45.11USD) social insurance, the wages he actually receives is 3682 RMB (\$552.30USD). The pay stub's "overproduction award" is actually a total of the living subsidy, high temperature subsidy, night shift subsidy, and the meal subsidy for Sundays when the cafeteria is closed. The "pension deduction" refers to the sum of all categories of social insurance expenses borne by workers. But workers are unsure which categories have been paid into, and the pay stub simply says "pension deduction".





The photo above is the pay stub of a worker in the hand sewing department in June. He was paid 9.89RMB/hour (\$1.48USD), and put in 168 regular hours for 21 days, and then worked 55 regular overtime hours and worked overtime on Saturday for 27 hours (3 days). In total, the wages are 3090.63RMB (\$463.60USD). Adding on the overproduction reward of 210RMB (\$31.50USD) and deducting the dormitory fees of 20RMB (\$3USD), he receives 3281RMB (\$492.15USD) in wages. He doesn't purchase social insurance.



The photo above is the pay stub of a worker in the hand sewing department in July. He earns 9.89RMB/hour (\$1.48USD), and put in 184 regular hours for 23 days, worked 69 regular overtime hours and worked overtime on Saturday for 24 hours (approximately 3 days). In total, the wages are 3318.1RMB (\$497.72USD). He also received the 210 RMB (\$31.50USD) overproduction reward and had 20RMB (\$3USD) deducted for dormitory fees. He received 3509RMB (\$526.35USD) in wages. He also doesn't purchase social insurance.

Workers are generally unhappy with the wages. A lot of female workers go out to do odd jobs on the weekends to earn extra income. For example, there was a female worker who goes with other female workers to work at a nearby factory for a day, earning 11RMB (\$1.65USD) an hour, so they can earn 110RMB (\$16.50USD) a day if they work 10 hours. Another female worker whose husband doesn't allow her to work odd jobs, and she does some handicraft work in the dormitory, for example, tying a bow with cloth strips. She earns 6 cents for each one, and if she makes 100, she can earn 6RMB (\$0.90USD).





(Handicraft work)

Social Insurance:

Long term workers receive social insurance after the probation period. The factory pays for this according to the minimum wage standard of 1720RMB (\$258USD) for all workers. Every month, around 300RMB (\$45USD) is deducted. Workers are unsure which categories the social insurance covers.

Although short term workers had signed a statement not to purchase social insurance, the factory would still purchase this for some of them. There were two workers who resigned, and their reason for leaving was because the factory purchased social insurance for them and they didn't want to, so they resigned. One of them had signed a statement saying they would not purchase social insurance, and the other didn't sign the statement. The factory said that the labor law requires the purchase of social insurance.

Entertainment facilities:

The only place for leisure and entertainment at the factory is an open space on the first floor. There are a few plastic recliners to lie down on. But at the moment, it is still very hot in Dongguan, and the rubbish is just piled around in the factory, so there are a lot of mosquitoes outside. Basically no workers go to lie down and take a rest there.





(Rest area for workers provided by the factory)

Section 6: Accommodation and Food

Workers can choose whether to eat and live in the factory. Recently the cafeteria in the factory provides free food because of the Covid-19 pandemic, and this will be offered until December. A dormitory room can accommodate up to 10 people, but most rooms only have 5 or 6 workers living in it.

Accommodation:

Workers can freely choose whether to live in the factory dormitory. If a worker chooses to live in the dormitory, 20 RMB (\$3USD)will be deducted every month for the dormitory fee. In December 2019, some workshops of Dongyao Toy Factory moved from Humen Town to the current Houjie Town and shared factory buildings with Kaishan Toy Factory. Workers who relocated can choose to live in a dormitory or rent a room outside. Workers who rent a room by themselves receive a living allowance of 100 RMB (\$15 USD) per month. Because there are many small bugs in the dormitory, some workers are bitten by small bugs.

The dormitory building is a mixed dormitory for men and women, and some dormitory rooms for men and women are mixed on the same floor. For example, Room 1 to Room 5 are male workers' dormitories, Room 6 to Room 10 are female workers' dormitories, and Room 11 to Room 15 are male workers' dormitories again. Sometimes male workers accidentally entered the female workers' rooms.





(Dormitory with air conditioner and fan)

There are 5 bunk beds in each room, which can accommodate up to 10 people, but currently only 5 or 6 workers live in each room. There are fans and air conditioners in the room, and workers need to buy an electricity card to pay for the electricity in order to use fans and air conditioners. Therefore, workers rarely turn on air conditioners because air conditioners use a lot of electricity. There are tin cabinets for workers to store personal belongings, but the tin cabinets are very small and can't fit their suitcase. Some female workers can only put their suitcases on the end of their bed, and then put their legs on the suitcases at night, or sleep with their legs bent.





(Tin cabinets)



(Luggage stacked on dorm beds)

The sanitary condition in the dormitory is awful. The female security guard told the investigator that there were many fleas and other tiny bugs in the dormitory, which would bite people. After being bitten, there would be patches of red bumps on the body. There would be a lot of mosquitoes when sleeping at night even if workers keep a mosquito coil on all night long.



There are separate toilets and showers in the dormitory. Workers can use 20 minutes of free hot water in the showers, and the hot water will stop automatically after 20 minutes. Workers who want to use hot water for showering need to go to the HR department to apply for a monthly hot water subsidy of 50 RMB (\$7.50 USD) from the factory.

There is an internet cafe and a mahjong and chess room opposite the dormitory. From the windows of the internet cafe and mahjong and chess room, you can directly see the inside of the female workers' dormitory, which is very close. Some young female workers feel that there is no privacy. But there are also some older female workers who don't care. Some older female workers even take a shower on the balcony after getting off work to save time. You can clearly see workers showering from the windows of the internet cafe and mahjong and chess room.



(On the left is the Mahjong room, on the right is the internet café)

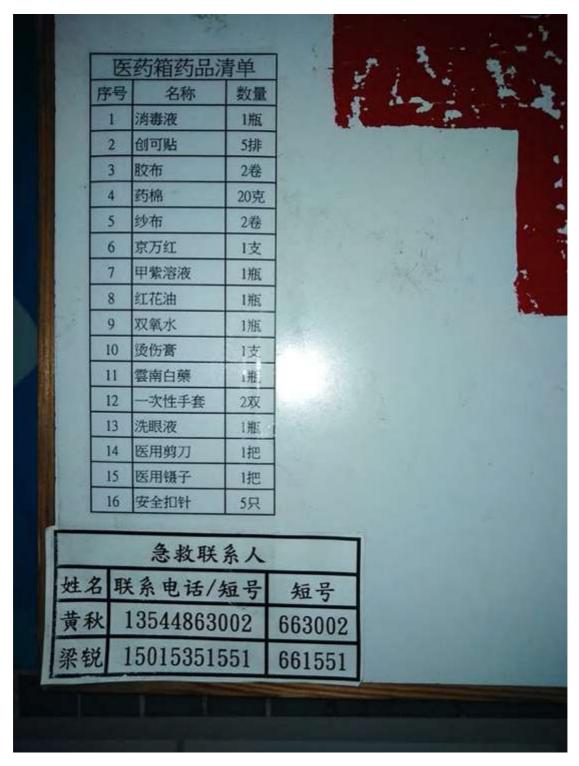
There is a first aid box in the dormitory, but it is locked. Many workers have never seen the first aid box opened and do not know whether the medicines in it have expired. A female worker said that if you want to open the first aid box, you need to call the emergency contact (the phone number is written on the first aid box) before someone comes to open the lock. It is very inconvenient, so almost no workers want to take medicine from it.





(Locked first aid kit)





(List on first aid kit with medicines)

There is a list posted on the first aid box, stating that the medicines in it are: disinfectant, band-aid, adhesive tape, cotto, gauze, Jing Wan Hung ointment, methyl violet solution, Red Flower oil, hydrogen peroxide, scald cream, Yunnan Baiyao, disposable gloves, eyewash, medical scissors, medical tweezers, safety pin. There are no prescription medicines in the first aid box. They are all medicines and tools that people normally use for cleaning wounds, treating burns and abrasions. It does not require the assistance of first aid personnel. The two



first aid contacts are actually two security guards, a man and a woman, not medical professionals.

Cafeteria:



(Workers lining up for meals at cafeteria)

The factory has a cafeteria, which currently provides free food. From Monday to Saturday, breakfast, lunch, dinner and midnight snacks are provided, but the food quality is very poor. The tables and chairs provided by the cafeteria are not enough for all workers, and some workers squat on the ground to eat.



(Workers squatting on the ground to eat)

Some workers said that they had found hair, rotten vegetable leaves and a cockroach in their lunch. Sometimes the rice was abnormally yellow in color. Staff in the cafeteria said it was because the rice was not cleaned well, not that the rice had any quality issues.





(Hair found in lunch)





(Rotten vegetable in lunch)



(Cockroach in lunch)

Rice, porridge, noodles and other staple foods in the cafeteria are placed in public spaces for workers to self serve. Workers often use the tableware they have already used to fetch food directly from the public rice containers, which is very easy to spread viruses and bacteria. Especially when the rice provided is not enough, noodles will be cooked in a hurry and provided to the workers as an alternative. In order to save time, workers often do not wait in line to take the noodles into their bowls using communal tableware designated for serving meals, but use their own chopsticks to get the noodles from the public container.





(Workers using their own chopsticks to get food)

Currently, because of the Covid-19 pandemic, Dongyao Toy Factory's cafeteria posted a "Pledge on Group Meal Safety of Enterprises and Institutions Resuming Production and Work during the Period of Pandemic Prevention and Control in Dongguan", requiring enterprises to "strengthen employee health management and prevent centralized dining risks ". However, we can see from the photos that the cafeteria did not take effective prevention and control measures, allowing workers to use their own tableware to serve food. There were no shields on the table. Seven or eight people sat at a table to dine together.

Workers need to buy tableware for personal use in the dining room, and clean the tableware after eating. One day when the workers went to eat, they found that many workers' tableware



was thrown on the floor. It was the factory who asked the cafeteria workers to clean the tableware that resigned workers did not take with them. But many tableware which was still in use was also thrown on the floor and in boxes.

The management's dining area is located on the second floor. The manager's meal consists of four dishes with meat, a vegetarian dish and a soup dish. Eight people eat together around a round table.









(Workers tableware thrown on the ground)

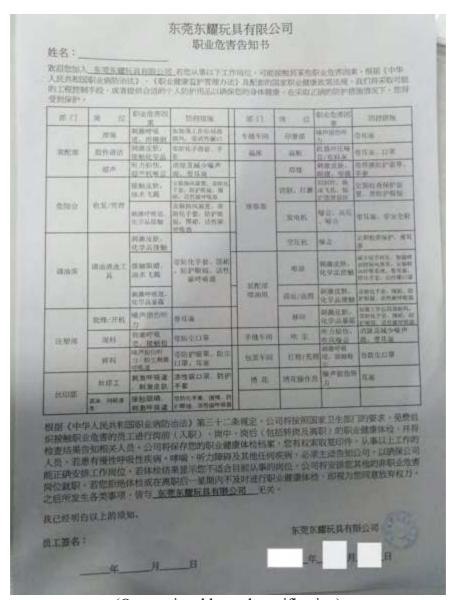
Section 7: Production safety and labor protection

Production safety:

During the pre-job training, some PowerPoint presentations introduced production safety. However, the way they explained this was very rigid and boring. The new workers being trained were almost all dozing off, and there was no guarantee that the workers would understand clearly after the training. After the training, the factory issued a "Notice of Occupational Hazards" to workers, detailing the occupational hazards in each department.

Workers in the investigator's workshop need to be exposed to chemicals that are harmful to the body, such as thinners. According to the "Notice of Occupational Hazards", gel finger cots and gloves should be worn. The operating machine is marked with the label "Caution! Hot surface". Soldering stations have black smoke and peculiar smells during work, so activated carbon masks should be worn as per the regulations. Ultrasound workstations can damage hearing and workers need to work with earplugs.





(Occupational hazards notification)





(Machine that gets hot when operating)





(Chemicals with the "danger" sign)





(Adhesives that are harmful to the body)



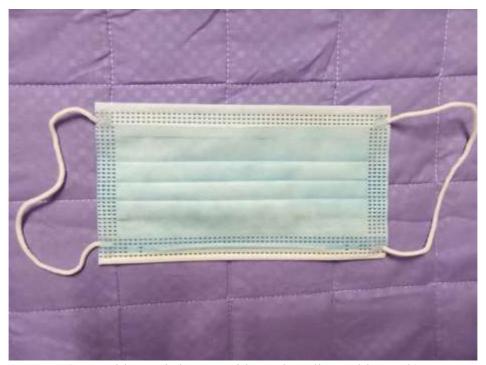
(Hazardous waste signs that require chemicals to be isolated or sealed)

<u>Labor protection:</u>



The factory will give each worker two ordinary surgical masks every week. The investigator did not receive other labor protection supplies. The chemical thinner that the assembly department workers came into contact with at work had a distinct smell, the infrared printer emitted a black smoke, so a worker asked the team leader for masks. But the team leader said, "You're getting off work soon, why do you need a mask? I will bring them to you when you work overtime at night." However, when the worker worked overtime at night, the team leader still did not provide him with a mask. The worker had to go to the office to ask the team leader for a mask, and the team leader searched for a disposable mask for him.

The investigator saw workers who used hexane not wearing masks, and they would use the cloth to directly dip into hexane to wipe the product. Some wore cloth gloves, but others did not.



(Assembly workshop provides only a disposable mask)

In the past, a female worker had skin redness, swelling and itching due to contact with thinner at work. After she told the workshop director, she was scolded by the director: "You can't adapt to this and can't adapt to that, so what can you do as a migrant worker? "The director also said some other things which made the female worker very upset, and the female worker proposed to resign. After she developed redness and itching on her body, she went to a small clinic nearby to get an injection, which finally relieved the symptoms of redness and itching. There is no infirmary in the factory, and the medical expenses paid by the female worker was not reimbursed.

Another female worker needed to take a white cloth dipped in thinner to decontaminate the product, but the factory did not provide her with gloves, causing her hands to have ulcers. Although her hand obviously had ulcers, the team leader still did not give her rubber gloves. The female worker had no choice but to buy rubber gloves to use.





(Blisters on worker's hand due to exposure to chemicals)



(Workers buy their own gloves to use during work)





(Worker without mask or gloves directly applying glue to products)

The workshop not only lacks basic labor protection supplies, but also, used chemical containers are randomly placed in the corners of the workshop, and then thrown under the plastic shed outside the workshop. They do not sort the garbage and there are no special sealed garbage bins.







(Left: Used chemical containers stacked in the corner of the workshop; Right: Chemimcal containers randomly discarded outdoors)

Work uniforms will not be issued until after a few months of work. At present, many workers have not received work uniforms despite working in the factory for 3 months. If workers who have been given work uniforms have worked in the factory for one year, then the work uniforms are free of charge. If workers resign within one year, and work uniforms are returned to the factory, the worker's wages will not be deducted. But if the work uniforms are not returned, 27 RMB (\$4.05USD)will be deducted from the workers' wages.

Soldering stations produce a black smoke and a peculiar smell, and an exhaust fan is required to absorb the black smoke and smell, and a mask with activated carbon is also required. But some soldering stations have exhaust fans, and some do not. Some workers wear masks (just ordinary blue masks without activated carbon), and some do not wear masks.





(Soldering position with exhaust fan)



(Soldering position without an exhaust fan)



Section 8: Fire Safety

On October 20th, Dongyao Toy Factory held a fire drill. At 8:15 in the morning, the main electricity switch of the workshop was turned off and it was completely dark. The workers all walked to the door and to a small open space nearby. Many workers walked and played with their mobile phones, because they couldn't hear what the management team in charge of the fire drill was saying, and could only see some smoke and many people. Hundreds of workers were crowded in a small open space.



(Workers during the fire drill)

There are fire extinguishers and fire hydrants in the dormitory area, but there are no records of regular inspections and expiration dates. The space near the fire hydrants and fire alarms in the workshop are piled up with junk.





(Fire extinguisher and fire hydrant in the dormitory)







(Fire extinguisher and fire bell blocked by debris and products)

Section 9: Rewards and Penalties

Reward system:

Last year, Dongyao Toy Factory moved part of its workshops from Humen Town to Houjie Town, sharing factory buildings with Kaishan and Wanxiong. In order to encourage workers to relocate, the factory provided a monthly subsidy of 100 RMB (\$15USD) for each worker who was willing to relocate to the factory area of Houjie Town, but was not willing to live in the dormitory. Workers who do not want to relocate to Houjie Town can continue to live in Humen Town and commute to and from the factory in Houjie Town every day, with 3 buses to pick them up.

However, starting from November, buses will no longer be arranged to pick up and drop off workers. Instead, a monthly subsidy of 150 RMB (\$22.50 USD) for workers will be provided. Some workers carpool from Humen Town to Houjie Town to work. It costs 200 RMB/month (\$30 USD) with 150 RMB (\$22.50 USD) from the factory's subsidy and 50 RMB (\$7.50 USD) from the workers' own pocket. Most of the workers plan to resign because many workers live in Humen Town with their families. The rent in Humen Town is cheaper than Houjie Town and the cost of living is lower.

Penalty system:

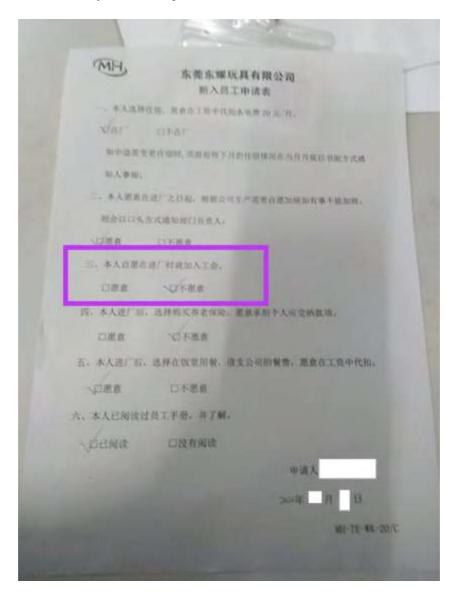


Dongyao Toy Factory does not have a penalty system for unmet production goals, but there are penalties for workers who signed a labor contract for damage or product shortages, and the fines are based on the price of the product sold by the factory.

Section 10: Labor Union and Grievance Procedures

Labor union:

None of the interviewed workers knew whether the factory has a labor union or not. All workers were required to check the "Unwilling to join a labor union" option on the new employee application form when they start their job, as shown in the red box below.



(New workers have to tick that they are unwilling to join the union)

However, other documents of Dongyao Toy Factory show that the factory has workers' representatives. For example, there are 8 workers' representatives on the "Notice of Changes in Shift Times".



But on a poster with the list of worker representatives which is affixed to the wall, it shows a total of 17 worker representatives. Among them, there are 11 representatives who are male workers and 6 representatives who are female workers. Some of these names correspond to the names of workers in the "Daily Production Wage Record Form", indicating that they are indeed workshop workers.

Each department has one worker representative. Worker representatives have a green A4 paper sized adhesive card with their name and job number written on it, and this will be placed above their work position.

A team leader who worked in the factory for a long time said that workers' representatives are elected every three years (but he also said that they are elected once a year). They are elected by workers in the department. The elected workers' representatives can represent workers to report issues to the management team.

However, the workers interviewed did not know what an employee representative was, and no one remembered that they had participated in an employee representative election. When they encounter a problem, they don't know that they can find an employee representative to complain.

There was a worker who was elected as an employee representative just this year, and he said it was because he had worked at the factory for a long time, so almost all workers know him. But he said that he can't represent workers to give feedback and advice to the factory. Employee representatives are only there as a formality. Usually, it is just convenient for them to participate in meetings, where the factory would give them some information, and the employee representatives would help disseminate this to other workers.

Complaints Channels:

After the factory announced that it would no longer arrange buses to take workers to and from work, 20 workers gathered at the HR department before going to work and asked the factory to explain why it would no longer arrange commute buses. The HR department responded that it would report the issue to the boss. Then the workers dispersed.

The factory later announced that they would continue to arrange buses for workers until December. Apparently the factory compromised because most of the workers were in the sewing department, and they said that if there weren't any buses, they would all resign. Hence, the factory was worried that temporarily they wouldn't be able to recruit many skilled workers for the sewing department, which would affect production.

Investigator's Diary

In the afternoon, I observed workers at other workstations that used hexane (surface-cleaning solution) to wipe off products without wearing a mask. Some workers directly dipped a rag into hexane to wipe off the product, and some wore cloth gloves. I also tried wearing cloth gloves but the solution would soak through. Later, I wrapped the rag over and over, keeping part of the cloth dry while dampening and wiping to avoid direct contact, but this method will greatly affect the efficiency.

When I first came to this position, the team leader was demonstrating, I said that the thinner smelled so bad (a chemical solution, poisonous, and the smell of hexane is as pungent). He



said, this is not thinner, but purified water. After I heard what he said, I was a little convinced that what he said was true at first, because that was what I hoped, but the truth is that the solution was really smelly, and I began to question what he said, so I just asked the colleague next to me to smell it and asked him if this was thinner? He said it did smell acrid. That's why I was sure that it was thinner.

It has been a few days since I started the job and there was not a single day that I felt good about eating here. I found a hair in the vegetables at lunch on the first day, and a rotten leek leaf in the afternoon on the second day. They ran out of rice at lunch on the third day. And I was never full after each meal because the food was really unpalatable. The environment is also so messy and dirty, including tableware storage cabinets and the floor (black), as well as the disgusting looking dish soap. The dish soap is filled in a large modified oil bucket hanging on the wall or placing on the table for repeated use. Some people scoop it directly with a used soup ladle or grab it with their hands.

I ate a little bit, and the more I ate, the sicker I feel, because some people used their own utensils to fish the noodles in a large pot. I disliked the unhygienic condition and was a little too hungry. I wanted to go out to eat, but also wanted to keep observing. And then I went back to my dorm quickly to take a short nap.

During the meal, I also asked other people, if they are allergic to thinner, can the team leader adjust their positions? They all answered no, because the team leader would say why someone else can do it, you can't do it, and if you can't do it, you should go home, or say you can't do this and can't do that, just go home. Therefore, employees generally will not challenge the team leader, unless one's body does show obvious serious symptoms after contact with thinner, such as redness, rash, peeling of skin, ulceration, etc. Mild symptoms like my rhinitis and cough caused by irritants will not be considered.

In the factory, as long as you are familiar with people with power, it will definitely be beneficial. You can do what you want to do and get what you want. Especially here, in my opinion, it is a small factory, the relationships between workers and leaders are so messy. For example, if an ordinary worker goes to the team leader to ask for a mask or the like, it is generally difficult for employees to get what they ask for. It has to depend on the team leader's mood. But if a worker who usually has a good relationship with the team leader goes to ask for masks, he will give them several in a day.