

# 'Our bosses are deaf and blind', says Wintek worker

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Despite repeated calls from labour groups, reported labour issues at Wintek's factories have not yet been adequately addressed. Wintek's customers score deplorably low on transparency and consolidated action towards improvement.

Since December 2008, Chinese and Taiwanese trade unions and labour groups are protesting unlawful dismissals and other ongoing labour issues at Wintek's factories in Taiwan and China.

Wintek is a Taiwanese manufacturer of flat LCD panel displays (TFT and touch panels). According to information received from workers, Wintek's customers include Apple, Motorola, Nokia, HTC, HuaWei, Samsung, and Lenovo. Recent updates indicate that the reported issues have not yet been adequately addressed, despite pressure from national and international groups, including GoodElectronics. The concerned labour rights organisations include the Chinese NGO SACOM, the National Federation of Independent Trade Unions (NAFITU), and the Taiwan Labor Information & Education Association (TLIEA), as well as a number of others.

The national labour groups, supported by GoodElectronics, have made repeated efforts to address Wintek and its buyers over these labour issues. The core message is that Wintek should respect local and international labour laws and should engage in a constructive way with local labour unions and workers' representative organisations. The brands sourcing from Wintek are to make sure their codes of conduct are respected. Moreover, these brands are member of EICC and GeSI, the industry's sustainability's initiatives, or about to become member, and are therefore bound to implement the EICC code.

The reported labour issues concern both the Wintek facilities in Taiwan, and Wintek's subsidiary in China, Dongguan Masstop. The complaints range from unlawful dismissals, forced unpaid leave, strike busting, low wages, forced overtime, insufficient overtime compensation, and the refusal to respect public holidays, to inferior food quality and lack of canteen hygiene. In general, Wintek has been displaying a lack of respect for the concerns and interests of its workers. In Taiwan, workers are fearful of organising themselves, even talking of unionisation would put their jobs in jeopardy. Nevertheless, in August 2009, workers of a Wintek plant in northern Taiwan formed a union. By and large, Wintek has ignored this union. In China, where independent trade unions are absent, Wintek has failed to establish any form of meaningful consultation of workers' representatives and labour groups.

Wintek does not have a telephone hotline or any other anonymous grievance mechanisms for its workers. 'Our bosses are deaf and blind', says Liu Jie, a former Wintek Taiwan worker in an interview with Jonathan Adams in ['Silicon Sweatshops'](#).

Workers at Dongguan Masstop in mainland China continue to report overtime. From interviews held with Dongguan Masstop workers it transpires that overtime is a structural problem at the plant. End of September, workers related they had been working 7 days a week, 10 hours a day, since the Qing Ming Festival on 5 April 2009. The EICC code of conduct stipulates that a working week should not exceed 6 days or a maximum of 60 hours.

Workers feel they are not in the position to refuse overtime - this is a clear indication that the basic wages are too low. Workers of the dust free production rooms complain about continuous dizziness caused by wearing masks in a closed and unventilated environment. Workers are worried about their health and are under the impression that the protective equipment they are made to wear is not for their benefit but merely for the protection of the products.

Workers indicate that the quality of the food for the day shift has slightly improved since protests broke out at Dongguan Masstop. The quality of the night shift food remains unacceptable, however.

The situation at the Wintek facilities in Taiwan also remains highly problematic. Some of the workers who were laid off without warning in December 2008 were rehired after national and international protests. Some, however, were merely offered temporary work which earns very little. Union activity at Wintek plants in Taiwan is still under threat. Wintek has sued three union activists including Weili Chu the secretary-general of Nafitu for defamation.

Despite the efforts of local and international labour groups, Wintek's customers have been very reluctant to get involved and use their influence to improve the reported abuses. The buyers are secretive about their sourcing relations with Wintek. Recently, SACOM and GoodElectronics have again addressed both Wintek and the buyers regarding the reported outstanding issues.

Wintek Corporation has taken a long time to react to the allegations made by the different organisations. Only in November 2009, Wintek has responded to [SACOM's latest appeal](#). In this letter, dated 4 November, Wintek tries to reassure SACOM by saying that 'We appreciate your effort to social society and we think highly of your suggestions.' Wintek further states that 'During this year, Masstop's management has been closely monitoring overtime work and rest conditions and has prepared an improvement plan and implemented controls. This has been provided to some of our customers and these customers have been keeping track of its implementation. With regard to the dining environment and meals, we have assigned personnel to be responsible for management and established an employee meal committee to supervise this work. Under this type of supervision we have seen improvements in the employee meal conditions. Neither workers' representatives nor SACOM have been consulted regarding the corrective action plan that Wintek is mentioning. The details of this plan may have been shared with the buyers, but not with any of the concerned stakeholders.

- **Nokia** is one of the few buyers that have responded constructively to SACOM's call to take responsibility for their supply chains. Since the end of August 2009, a channel of communication has been established between Nokia and SACOM/the Swedish Fair Trade Center /GoodElectronics. The willingness of Nokia to discuss labour issues in its supply chain is appreciated. Still, Nokia is not showing any real transparency; stakeholders are not involved in audits or corrections actions plans; and improvement for the workers on the work floor is yet to be achieved. According to workers at Dongguan Masstop Nokia is sourcing from this facility, which Nokia, however, denies. Nokia states to be sourcing from Wintek Taiwan and from another facility in China in Suzhou, but not from Masstop. Still, Nokia has undertaken an assessment at Masstop in Dongguan, as the facility is a 'potential supplying site'. Unfortunately, the findings of this assessment are confidential and will not be published. Nokia says that the assessment has 'not revealed any huge surprises'. Nokia says 'there is some correlation between the findings of this assessment and the SACOM reports, not really

a very clear link between the Nokia and the SACOM findings, not a 100% alignment.’ For this assessment, besides a documentary review, Nokia has spoken with the Masstop management and some line leaders. The few employees that were contacted were interviewed in the presence of the management. No off-site interviews with Masstop workers were undertaken. Nokia justifies this by saying that Masstop is not - yet- a supplier to Nokia. GoodElectronics is of the opinion that off-site interviews with workers are a prerequisite condition for a proper assessment. No further information regarding the questions, the findings or the follow up of this assessment has been released. Nokia has also done an assessment at another Wintek facility in mainland China, in Suzhou, from which it is sourcing. Neither workers nor labour groups were contacted for the design or the carrying out of this assessment. Nokia has not yet shared any further information about the objectives, the findings or the follow-up of this assessment. Previous to the assessment, GoodElectronics and SACOM have addressed Nokia with substantial recommendations regarding good auditing practices, including the need to involve workers and stakeholders, but clearly Nokia has not taken these suggestions on board. Nokia has expressed an interest in workers’ training – but no concrete steps have been taken so far.

- **Apple** is another buyer that stands out among the different brand name companies sourcing from Wintek, since Wintek is the indicated supplier of LCD touch panels for Apple’s new generation iPhones and other products. As a consequence, Apple has been specifically targeted by the labour groups in their call for ensuring labour rights. Despite this pressure, Apple has not done much. In July 2009, in response to the call by the concerned labour groups, Apple sent a rather meaningless message, reading as follows: ‘ Thank you for your note concerning Wintek. While Apple doesn't disclose our suppliers, we take any concerns or issues raised in our supply chain very seriously. Apple is committed to ensuring that working conditions in our supply chain are safe, workers are treated with respect and dignity, and manufacturing processes are environmentally responsible.’ Since then, no word from Apple!
- In fact, besides Nokia, **Motorola** is the only company who has answered to SACOM’s most recent letter. Motorola has required Wintek to complete CSR self-assessment questionnaires for its facilities for Motorola’s review and assessment. Motorola has completed this review and has determined that an on-site assessment is now appropriate. Motorola indicates to support a joint approach with other members of the industry and mentions to have taken steps to try to facilitate a joint audit according to established procedures. Parallel to this approach, Motorola has also initiated the process for an independent audit of Wintek’s facilities. Motorola plans to work with Wintek on an appropriate corrective action plan with respect to any findings that come out of the audit. Motorola has been approached to give further details regarding these announced steps but without success so far. No mention is made of involving workers representatives or local or international labour groups in the assessment/audit.
- **Samsung** has responded to the SACOM and GoodElectronics’ calls with the rather inappropriate counter-question whether Samsung is sourcing from Wintek.
- Buyers **HuaWei** and **HTC** have not bothered to respond to SACOM and GoodElectronics at all.
- **Lenovo** has categorically indicated not to be buying from Wintek.

- **GeSi** has forwarded messages from GoodElectronics to its member companies, but no other steps were taken.
- No word from **EICC** so far.

SACOM and Taiwanese trade unions and labour groups repeat their call to Wintek and its customers to respect basic labour law, improve labour conditions, and to engage in constructive and equitable social dialogue with trade unions, worker' representatives and other labour groups in both Taiwan and China.

- Workers' representatives and stakeholders should be heard and be allowed to play a role in the design and the carrying out of assessments audits, as well as in the elaboration and the implementation of corrective action plans at their respective production facilities.
- Brand name companies sourcing from Wintek should observe transparency concerning their respective buying relation with Wintek.
- Also, increased openness regarding the findings of assessments as well as the objectives of corrective actions is urgently needed.