http://divergences.be/spip.php?article1402



# Campaigners keep up pressure in Disney child labor storm

- Archives - Archives Générales 2006 - 2022 - 2009 - N° 16. Septembre 2009 - September 2009 - China -

Date de mise en ligne: Tuesday 15 September 2009

 $\textbf{Copyright} \ \textcircled{o} \ \textbf{Divergences} \ \textbf{Revue} \ \textbf{libertaire} \ \textbf{en} \ \textbf{ligne} \ \textbf{-} \ \textbf{All} \ \textbf{rights} \ \textbf{reserved}$ 

American entertainment giant Disney has responded to pressure to improve working conditions at one of its Chinese suppliers following the death of a young factory worker in April

.

## Tragic death

Liu Pan was just 17 years old when he was killed while trying to clear a jammed machine at the Yiu Wah stationery factory in Dongguan, Guangdong Province on April 6, 2009. Liu had been working at Yiu Wah since he was 14, two years younger than China's legal minimum working age.

Liu Pan was just 17 when he was killed in an industrial accident at a Disney supplier, the Yiu Wah stationery company. He had been working at the factory since he was 14, in violation of China's labor laws. [Liang Qing]

In the uproar following Liu's death, Disney hinted it would stop using Yiu Wah; a move labor rights campaigners saw as evading the American multinational's responsibility to improve working conditions at its suppliers in China and other developing countries.

Li Qiang, a campaigner with New York-based pressure group China Labor Watch, says that by withdrawing orders from suspect suppliers, multinational companies are taking the easy way out. In an open letter, he accused Disney of reneging on a promise to improve conditions at Yiu Wah after a New York Times article highlighted its links to the factory. "After taking advantage of Yiu Wah's cheap prices at the expense of its workers, immortalized by Liu Pan, Disney sets a terrible precedent by abandoning its supplier at the first sight of a reporter," he wrote.

Disney denied the charge of cutting and running. In a letter released to campaigners, Disney's Senior Vice President for Corporate Responsibility, Jennifer Anopolsky, said, "Contrary to some inaccurate reports, our company did not sever ties with Yiu Wah [...]We did indicate to the factory that that substantive progress had to be made before they would be considered for new orders."

Nevertheless, following Liu Pan's death, a notice indicating that Yiu Wah was a Disney audited manufacturer was removed from the Yiu Wah website. It has not yet re-appeared.

### **Partial victory**

Anopolsky says that the factory has implemented "an improved process for verifying workers' ages" and confirmed that only "age-eligible" workers are employed. Machines have been equipped with safety devices, and operators are now given safety training. She adds that the company now provides paid holidays and rest days, pays the correct minimum wage and provides insurance to cover workplace injuries. A confidential worker helpline has also been set up.

Disney also employed Verite, a non-profit organization committed to defending workers' rights, to carry out an audit of the factory, and stated that Verite is to conduct further management training at the plant.

# Campaigners keep up pressure in Disney child labor storm

China Labor Watch sees the Disney move as a partial victory for campaigners. Li Qiang told China.org.cn that Disney's letter "represents no small progress," but pointed out that it contains no offer to pay back-wages owed to workers who were previously paid under the legal minimum wage while working on Disney products.

The manager of Verite's Shenzhen office, Jerry Zhang, told China.org.cn that the organization carried out a "standard audit, with 3 people visiting the plant for 2 days" about two months ago. He said Verite is i 'talking to Disney about turning the audit into a consultation program" and expects to be involved with Yiu Wah on an ongoing basis.

"Normally when Disney gives us a factory to audit, it is because it has failed a previous audit," said Zhang. "Verite is considered the gold standard in this business."

### Flawed audits

Like most multinationals that contract out manufacturing to factories in the developing world, Disney relies heavily on audits to ensure product quality and its image as a practitioner of "corporate social responsibility." In recent years, thousands of audit companies have sprung up to meet surging demand from multinationals. While many are reputable, there are also a large number of small firms built around a handful of qualified staff.

Li Qiang told China.org.cn he was concerned that Disney has not released the name of the companies that carried out previous, flawed audits of Yiu Wah that failed to uncover the use of child labor. "These audit companies will continue to allow other factories to get away with extreme violations," he said.

Zhang acknowledged that audits carried out by commercial companies are often not ideal. "The approach we take is different from the other commercialized companies," he said. "Verite is a non-profit organization unlike some companies who are just in it to make money." He added that some audit companies have close links with factories, with some even offering discount schemes akin to supermarket loyalty cards.

With only ten auditors in Shenzhen, Verite's resources are extremely limited. Its high quality audits are, at best, the second or third line of defense against poor conditions and they are often called in to deal with emergencies. Most standard audits of working conditions are carried out by commercial auditors. "Actually, we don't do a whole lot of audits," said Zhang, "We don't have enough people."

China Labor Watch, which aims to leverage multinational companies' corporate responsibility programs to improve working conditions on the ground, sees faulty audits as a major problem.

Li Qiang is outspoken on the issue. "The audit system is full of corruption in the forms of bribery and fraudulent 'consulting services' which allow factories to achieve satisfactory audits in spite of failing to meet standards. Workers in these factories are forced to work in sub-standard factories that are nevertheless certified as meeting standards."

(China.org.cn by John Sexton August 14, 2009)