

Australia: Sydney Foxconn workers expose sweatshop conditions

Our reporters

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Ignored by the media, governments and the trade unions for years, workers at a fully casualised sweatshop in Sydney's western suburbs this week spoke out against the Depression-style conditions imposed by their employer, computer assembling firm Foxteq.

At the factory in the suburb of Rydalmere, the 200 workers only find out the night before if they are required for work at 6.30 a.m. the next day. They are forced to work any day of the week, including weekends, and constantly pitted against each other, with those on the fastest assembly lines offered work the next day.

The company is a subsidiary of Taiwanese-owned Foxconn, the world's largest outsourcer for the production of electronic goods for major international corporations such as Hewlett-Packard, Apple, Dell and Nokia. The company's oppressive work regime in China, where the vast majority of its 900,000-plus employees are between the ages of 16 and 24, provoked widespread anger in China and internationally earlier this year after at least 13 suicide attempts by young Foxconn workers.

In India, thousands of Foxconn workers have been on strike since September 21 in the industrial city of Sriperumbudur, Tamil Nadu, demanding higher wages, basic safety protections, health checks and union rights. The Tamil Nadu government has used mass arrests to attempt to crush the strike.

Foxteq workers in Sydney who spoke to the WSWs this week, following an initial report in the *Sydney Morning Herald*, revealed that their conditions were similar. They explained that the entire workforce was made up of casual employees engaged by a labour hire company, Westaff, even though some of the workers had been employed in the factory for more than 10 years.

Every night, the workers wait for text messages, which can arrive as late as 8p.m., to see whether they will have work the following day. Each morning, they are called to a meeting to be told how many hours they will be working

that day, which may be for just four hours—barely enough to cover their travel costs. Workers have been threatened with dismissal if they are ever unavailable for a shift, even when sick or injured. On the job, they are under constant pressure to meet quotas. If they complain about any aspect of their conditions, they will never work at Foxteq again.

“There is no guarantee of work, no assurance whatsoever,” one young worker told a WSWs team. “If you speak up about anything, there is no more work tomorrow. The company treats us like robots. We have to carry weights of up to 60 kilograms, or be sent home.”

Another worker, who has been at Foxteq for nearly eight years, said: “We have heard about the Foxconn suicides. The treatment here is also shocking. It's like being in another country. Some management people are OK, but others treat us almost like animals. We have a meeting every morning to discuss whether we are getting a long or short shift. We are really working hour by hour!”

The conditions at Foxteq are far from unique. Similar casualised operations are becoming increasingly the norm for young workers in Sydney. A young Chinese worker pointed out: “Foxteq has been here for about 15 years, and I was told that it's always been like this. When I first arrived here, I thought it was shocking, but all my friends have told me that it is the same wherever they work.”

Workers revealed that Tan Cuong Vo, their co-worker who had spoken to the *Sydney Morning Herald*, had been sacked immediately. Cuong Vo had told the newspaper that he had been threatened with dismissal when he asked for three days off for the birth of his daughter.

The Foxteq employees are mainly young immigrant workers from all over the world, including Afghanistan, India, Sri Lanka, China, Vietnam, Africa, South America and New Zealand. “We are a very cosmopolitan workforce,” one young Sudanese man commented. Each

day, they assemble and pack hundreds of Hewlett-Packard computers, which go to prominent corporate and government customers, including the Department of Defence, NSW Fire Brigades and banks.

Workers said there was a minimum target of 400 computers per line per shift. The output of each line was carefully calculated and the information used to pressure workers to lift their production rates. Those on the best line would receive first pick of the work for the following day.

A Chinese female worker said: “We have to work really hard here. We have quotas to meet.” She expressed the hope that the government would do something about the conditions. However, the New South Wales state Labor government claims it cannot intervene. Industrial Relations and Commerce Minister Paul Lynch told Australian Broadcasting Corporation radio that employment details were a matter for Fair Work Australia (FWA), the federal Labor government’s industrial relations tribunal. Lynch said his department would merely investigate whether there had been a breach of its purchasing guidelines.

Neither FWA nor Chris Evans, the Gillard government’s workplace relations minister, has made any comment. Labor’s workplace regime is in fact designed to enforce the kind of conditions that exist at Foxteq. The Fair Work laws prohibit all industrial action, except when authorised by FWA during bargaining periods for enterprise agreements at individual factories. Moreover, Prime Minister Julia Gillard last month reiterated her pledge to business leaders that she would implement a new wave of economic restructuring, declaring that her government would pursue a pro-market agenda with “discipline and rigour”.

Westaff, the labour hire company, has invoked the dictates of the market to flatly defend its system of notifying workers of their shifts by text message the night before. In comments to the *Sydney Morning Herald*, Westaff confirmed that casualisation had become a widespread practice. “Hewlett-Packard put their orders in each day, so it’s hard to know how many staff they’ll need,” Westaff NSW general manager Vic Aruli said. “That’s what our business caters for—people who need staff at short notice. This kind of work isn’t for everyone, but it’s not against the law. It’s not cheap making computers in Australia. This kind of arrangement happens a lot.”

In late 2008, at the height of the global financial breakdown, a private equity-backed group bought out the

Australian and New Zealand operations of Westaff, which was previously part of a US-based firm with more than 400 offices around the world. The private equity company, the Humanis Group, was described in media reports as a new entity “of experienced investment banking, finance and recruitment executives”.

Hewlett-Packard has feigned ignorance of Westaff’s and Foxteq’s methods. It told the media it would investigate the allegations in the *Sydney Morning Herald* report, but claimed to be a “recognised leader” in “supply chain social and environmental responsibility,” with high standards in place to ensure that suppliers treated workers with “dignity and respect”. In reality, Hewlett-Packard employs the same kinds of methods around the world. Just this week, the company revealed further details of its previously announced \$1 billion investment in offshore outsourcing, selecting six countries—Bulgaria, China, Costa Rica, India, Malaysia and the Philippines—as its global delivery hubs. The company, which acquired IT service provider EDS two years ago, said the restructuring would involve a total of 9,000 layoffs over the next two years.

The Australian Manufacturing Workers Union (AMWU) has given the media and Foxteq workers the impression that it will apply pressure to the company to improve its work practices. In a media release, AMWU state secretary Tim Ayres said the union “has asked Foxteq to do the right thing by its workers and offer them direct and permanent employment”. He admitted that the Foxconn subsidiary had “indicated no willingness to change the arrangement that suits the company so well”. Ayres said the union would next ask Hewlett-Packard to “comply with its own Corporate Social Responsibility guidelines and make sure workers are treated fairly across its supply chain”.

In fact, the union has permitted these conditions for years, at Foxteq and elsewhere, and has no intention of allowing any genuine struggle against these companies. Over the past three decades the AMWU, along with the rest of the trade unions, has been transformed into a ruthless policing agency for business and the government, suppressing workers’ struggles and enforcing the demolition of jobs and basic conditions.



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