



**Statement By Raj Purohit,
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Introduction

The Lawyers Committee for Human Rights (LCHR) is an independent non-governmental human rights organization. Our work is focused on holding governments accountable to the international standards of human rights and on developing stronger models of corporate accountability in the global market place.

The Congressional-Executive Commission on China (CECC) is charged with a mandate to monitor human rights and the development of the rule of law in China, and to submit an annual report to the President and the Congress. As the Commission prepares to write its first annual report, the Lawyers Committee urges that the Commission maintain a strong focus on its human rights agenda, and, in particular, on the implications of economic liberalization and WTO membership for Chinese workers. LCHR urges the Commission to use its voice to influence Congress and the Administration to put concern for Chinese workers hurt by the liberalization of China's economic and trade policies at the forefront of the United States' trade relationship with China.

Impact of Economic and Trade Liberalization on Chinese Workers

Chinese workers protesting labor conditions, corrupt management of wages and pension plans, and the loss of thousands of state enterprise jobs, are frequently detained and their cause ignored by the Chinese government. The well-known case of the Daqing oil workers at the Liaoyang Ferroalloy Factory, where protest leaders were arrested, is only one example of the Chinese government's repressive response to workers' allegations of management corruption in private companies or in state-run enterprises.¹ In fact, Amnesty International noted recently that many worker protests are unreported by local governments attempting to hide evidence of unrest and instability.² According to a Lawyers Committee interview with Han Dongfang, a Chinese labor advocate, the frustration of workers with the dire employment conditions in China is rapidly reaching a boiling point:

"The discontent I hear in the workers' voices is like a ticking time bomb. The first time I heard someone say, "There's no way out, this country needs an all-or-nothing revolution," I felt excited. But Chinese workers need to be aware of the implications of such a revolution. Each time I hear this kind of talk, I ask people - the price of revolution is high, but who is going to pay most dearly for it? Will it be the rich officials who can fly out of the country as soon as they feel the need to run? Or will it be the hard-up workers?"³

Although workers have attempted to address their complaints through legal channels, there are few options available in China's legal system. A recent New York Times article described how Chinese workers sued their employer, the Shenzhen Jianye Construction Company, for lost pension plans. Eight percent of workers' salaries were automatically deducted from each paycheck for the plan, but when retiring workers attempted to claim their pensions, they were informed the money was not available. The Shenzhen workers' lawsuit in the Communist Party-controlled judicial system failed to remedy the construction company's abuses of the pension scheme, further frustrating workers and demonstrating the serious limitations of legal remedies for China's workers.⁴ Despite a revised trade union law, China's workers still lack the right to organize

independent trade unions, cannot strike to protest working conditions, and cannot vote out local officials that support private or government-owned businesses.⁵

The reality of China's accession to the WTO involves far more than expanding access to huge, untapped markets. China is the world's leading exporter of apparel and textiles, and the majority of global apparel production will likely move to China in the near future. The expiration of export-regulating quota agreements in 2005 will further this growth.⁶ However, the benefits of economic liberalization are not realized by many of China's workers, who suffer under working conditions that include forced labor, child labor, excessive overtime, substandard wages, and exposure to hazardous substances. China has labor laws governing these conditions, but those laws are rarely enforced and workers lack legal channels through which they can reform working conditions.⁷

Although China has only ratified two of the International Labor Organization's fundamental conventions,⁸ it has made significant international commitments to the rights of its workers. China's membership in the ILO binds it to the Declaration on Fundamental Principles and Rights at Work⁹ and commits China to respect freedom of association, the right to collective bargaining, and the elimination of forced labor, child labor, and employment discrimination.¹⁰ Additionally, the election of China's All-China Federation of Trade Unions (ACFTU) to the Governing Body of the ILO in June 2002¹¹ offers an opportunity for the international community - including the United States -- to remind China of its international obligations towards workers rights.

Recommendations

The Lawyers Committee recommends that the Commission focus on workers rights in its evaluation of China's WTO membership and the liberalization of China's markets. The Commission should consider the ambassadorial role of American companies in China and work to ensure that those companies respect the letter of China's labor laws when producing goods in China. Providing humane working conditions and basic human freedoms for Chinese workers is not only guaranteed by international law; it is also a priority for American consumers and investors, who are increasingly concerned with how their goods are produced.¹² Although ensuring equitable trade access for American companies to China's vast markets is of obvious importance, especially in a time of recession, in its first annual report the Commission should prioritize the preservation of workers rights in China's trade liberalization efforts.

¹ See Chinese Labour Bulletin, *Updates on Workers' Protests in Liaoyang and Daqing*, July 25, 2002 at http://iso.china-labour.org.hk/iso/news_item.adp?news_id=2038; Chinese Labour Bulletin, *2000 Brick and Tile Workers Take Over Factory for Pension Benefits in Inner Mongolia*, July 19, 2002 at http://iso.china-labour.org.hk/iso/news_item.adp?news_id=2006.

² Amnesty International, *Workers want to eat - workers want a job*, April 30, 2002 at <http://web.amnesty.org/ai.nsf/Index/ASA170222002?OpenDocument&of=COUNTRIES\CHINA>.

³ Lawyers Committee for Human Rights, *Interview with Han Dongfang, Chinese Labor Advocate*, at http://www.lchr.org/workers_rights/wr_china/wr_china_1.htm (last visited July 30, 2002).

⁴ Philip Pan, *Chinese workers' rights stop at courtroom door*, New York Times, June 28, 2002, at A01.

⁵ *Id.*

⁶ Lawyers Committee for Human Rights, Workers Rights in China, at http://www.lchr.org/workers_rights/wr_china/wr_china.htm (last visited July 30, 2002).

⁷ *Id.*

⁸ C. 100, Equal Remuneration Convention, 1951 and C. 138, Minimum Age Convention, 1973 (See International Labor Organization, Ratification of the ILO Fundamental Conventions, at <http://webfusion.ilo.org/public/db/standards/normes/appl/appl-ratif&conv.cfm?Lang=EN>.)

⁹ International Labor Organization, Declaration on Fundamental Principles and Rights at Work, available at <http://www.ilo.org/public/english/standards/decl/declaration/text/>.

¹⁰ *Id.*

¹¹ International Labor Organization, Governing Body 284th Session, June 2002, at <http://www.ilo.org/public/english/standards/relm/gb/docs/gb284/index.htm>.

¹² *"Respondents said they would be more likely to invest in a company that invested in companies that didn't harm the environment (70%), had a good record of hiring and promoting women (63%) and minorities (62%), and are not involved in sweatshop labor practices(57%)."* (See Yankelovich Partners, 1999 study, at Calvert Group, Ltd. website, "Know What You Own" page at http://www.calvert.com/sri_kwyo.asp (last visited August 3, 2002).