

The Struggle of a Self-Organized Workplace Union in China

Report on the Labor Dispute between Ole Wolff Yantai and the Labor Union

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In mainland China, self-organized grass root labor unions, catalyzed by workers' resistance, are extremely rare. Fortunately, such a labor union was established at Ole Wolff Electronics China in Yantai city, Shandong Province two years ago. However, it now finds itself pressed between the hammer and the anvil of capital in association with local government. Then, even rarer is that the workplace union made an appeal to international trade union movement and got a response.

In 2006, several workers complained about their employer -- Ole Wolff Electronics Yantai, a Danish funded company --- to the local Labor Bureau in Yantai municipality, when they could no longer put up with over-exploitation and arbitrary dismissals. Their complaint was followed by strikes and protests. In order to safeguard their legitimate rights, the workers established a labor union. The response of the employer was to dismiss six of the worker's representatives, all were women. The employer threatened the labor union committee to refrain from strikes and other forms of resistance and ultimately fired the acting chairperson of the labor union, who was a spokesperson for the workers.

Under pressure from the labor union, the local court ruled that it was illegal for the employer to have dismissed the six workers' representatives. However, the employer refused to comply with the verdict when it received backing from the local Labor Bureau. The local Labor Bureau had sided with the employer throughout the events. As far as the local trade union, the Fushan District ACFTU (All-China Federation of Trade Unions), was concerned, they acknowledged the legal status of the Ole Wolff Yantai Trade Union (abbr. OWYTU) when it was founded, in response to the sympathy with the workers displayed by the National ACFTU, Beijing. However, when this sympathy dwindled, they changed their attitude, siding openly with the management as the situation developed. As a result, OWYTU paid dearly for each tiny advance. Despite many challenges, OWYTU kept on going, committing itself to disclosing the truth to the public by setting up an internet blog², which created significant social influence in Yantai. In May, 2008, OWYTU decided to make an appeal to international trade union movement through the internet. The United Federation of Danish Workers or 3F (*Fagligt Fælles Forbund*) responded by addressing a letter to Ole Wolff Electronics A/S in Denmark, demanding the employer implement its social responsibility and also to respect basic level labor union. The events are still in progress.

Appendix I displays the request of OWYTU to its employer



Ole Wolff (Yantai) Co.Ltd.

I. January to June of 2006: Labor disputes start with the launch of Ole Wolff Yantai

Ole Wolff Electronics A/S was founded by Mr. Ole Wolff in 1983 in Denmark, where it is still headquartered. The company grew to a global organization with a research and development center in South Korea, branches and sale offices all over the world, and manufacturing bases in Guangdong, Zhejiang, Shandong and other provinces in mainland China. The company built its biggest factory in Dongguan city, Guangdong Province, with total acreage of 15,000 square meters and 1400 staff and workers.³ Ole Wolff Yantai Co.Ltd.⁴, registered as a Hong Kong funded company, is situated at *Yongfuyuan Rd. 551#.*, Fushan High Science-Technology Park, Yantai city, Shandong province. It mainly focuses on manufacturing cell phone speakers and headphones on a small scale. Presently its workforce has shrunk to less than 100 from its peak of 250. According to records in the Industrial and Commercial Registry, its foundation was dated October 19, 2005, with registered capital of \$150,000 U.S. dollars. Ole Wolff Electronics Company was launched in January, 2006, and has been ridden with labor disputes since then. The labor disputes evolved into struggles for setting up a labor union and the control of the labor union. The management level of the company seldom concealed their arbitrary and contemptuous attitudes toward workers from the first to last of the events.

Liu Meizhen was one of the first women workers recruited by Ole Wolff Yantai in January, 2006. The company reports an annual salary for the factory director of RMB 200,000⁵; by contrast,

the monthly wage of average worker is RMB 530 (equal to the local minimum wage). Ole Wolff Yantai announced that they had “paid too much” (at RMB 530 per month) and reduced the monthly wage of Liu Meizhen and her coworkers to RMB 480 one month after they were recruited. The company deducted an additional RMB 30 about ten days later. The company did not honor promises made when workers were recruited, refusing to sign a labor contract with employees, and claiming that the company would decide whether or not to sign labor contracts with employees on the grounds of performance.

The workers had no recourse but to report misdeeds of their employer to the Labor Bureau in Fushan district, urging the authorities to deal with the disputes. Despite several telephone calls,⁶ the officials put off the appeals over and over again. On the 28th of April, Ole Wolff Yantai fired 58 female workers without any reasonable excuses. On the 29th, the concerned workers petitioned the Labor Bureau once again. In the afternoon, the company dismissed ten more women workers without proper explanation. Through negotiation, Ole Wolff Yantai promised to pay RMB 300 to each worker as compensation money and three months labor insurances as well. Later, the Company went back on its word and, as a compromise, agreed to pay two months labor insurance instead. Facing strong resistance from the workers, at the beginning of June, the company consented to restore the seven dismissed women workers to their posts.

II. July to October of 2006: Struggles to set up a labor union

Learning from the events that had happened in the factory, and aiming to protect their legal rights, the women workers conceived the idea of organizing their own labor union for addressing of the violations committed by the company. In the middle of July, they submitted an application to the employer and the Fushan District ACFTU at the same time. In the letter of application, they noted that: *“Workers are determined to get organized to keep their legal rights from being violated, considering the fact it has become a common phenomena for workers’ legitimate rights to be violated by the employers, and our labor laws turned into a meaningless “scrap of paper” because of local protectionism (meaning local governments tend to be bias to business interest and colluding with the employers. More below--Wang). The situation described above highlights the reason and purpose of labor union.”*

However management turned down the workers’ demand with many excuses. The Fushan ACFTU supported the workers in this instance, but it could not change the situation.

On September 29, six women workers led by Liu Meizhen argued strongly that was unreasonable for the company to only grant a three-day leave to workers during National Day (in accordance with the law, worker is entitled to a seven-day leave). However the company posted an announcement on October 7 in which they announced that the six workers’ representatives were fired.

On October 8, the angered workers went on strike, with an intensified commitment to the idea of organizing a labor union. The Labor Bureau ignored the petitions of workers at first, but showed up in a hurry at the news of the strike.

On the following day, a letter was sent to management and the Fushan ACFTU signed by 110 workers, requesting “the setting up of a labor union to efficiently safeguard the legitimate rights of the workers”, in which the workers listed the violations of management including the failure to issue a labor contract, non-payment of labor insurance, arbitrary dismissal, excessive overtime work, refusing leave requests, being unwilling to provide treatment for victims of occupational hearing damage, poor food and violations of women workers’ rights.

In response to workers’ demand, management resolved to fire Liu Meizhen, the workers’ representative, once again. They tried to compel other workers back to work with threats, lies and spreading spiteful rumors about the six workers’ representatives. Although the Fushan ACFTU and the Bureau of Labor intervened in the situation, the management still came up with new ways to delay the process of setting up a labor union.

In the morning of October 16, striking workers authorized Zhang Jun to seek help from the National ACFTU, Beijing. He is the husband of Liu Meizhen, an electrician who studies laws by himself. He is not employee of Ole Wolff. He called the ACTFU National office in Beijing to consult them the idea of the Ole Wolff Yantai workers staging a strike to found their union, and the people there pointed out that the Constitution had granted right to strike for a while, then the right was deleted again in 1982. However, the Constitution doesn’t forbid the right to strike either. Hence, the right to strike is allowable. To learn about the strike, Vice Chairman of the National ACTFU, Xu Deming, flew to Yantai, to discuss the situation with the staff of the Yantai ACFTU. However, he didn’t meet up with the members of the committee of OWYTU. Meanwhile, officials of Fushan ACFTU asked workers to go back to work, suggesting that the six dismissed workers’ representatives should safeguard their rights in accordance with law, namely, by resorting to industrial arbitration. The District Labor Bureau took the same standpoint, even accusing the striking workers of violating the law. When workers challenged the Labor Bureau officials by saying: “The National ACFTU is on the side of striking workers,” Shi, the Vice Director of Labor Supervision office of Labor Bureau in Fushan district, retorted with contempt,

“What does the National ACFTU people knows about?!”

On October 20, officials of the ACFTU at the city and district level came to the factory, asking the striking workers to go back to work. In return, they would help workers to set up a labor union. But the striking workers insisted on the founding of the labor union before going back to work. The Vice Dean of the Labor Supervision office of Labor Bureau in Fushan district forbade the six workers’ representative from taking part in the election of the first labor union committee. The striking workers turned him down. However, taking the interests of all the workers into account, the six representatives asked the workers to go back to work and cast a vote for members of the labor

union committee. That evening, the Ole Wolff Yantai Trade Union came into being under the auspices of the Yantai and Fushan ACFTU. 116 members elected the first labor union committee and the financial inspection committee. Wang Zhaori was elected as chairperson, Yu Yanli as vice chairperson, and Jiang qianqiu, as a member of the committee. All are women. Liu Meizhen and other five workers' representatives were left outside of the factory gate.

The newly elected leaders of the labor union wished the six representatives to continue leading them on strike until they were restored to their posts. But the six decided to follow the suggestion of the Fushan ACFTU, resorting to industrial arbitration to solve the dispute. Hence, the strike ended, and the workers returned back to work. The strike lasted 13 days off and on.



The dismissed six with Jiang qianqiu

III. October 2006 to October 2007: The labor union strives persistently

On November 5, Zhang Jun wrote a handbook titled “The Elementary Knowledge of Law for Worker” under the pseudonym “Gu Zhenghong”, hoping to “arm the OWYTU with knowledge of the laws”. Gu Zhenghong was a worker in a cotton mill in Shanghai, killed by his Japanese employer in 1925 when he led his coworkers to go on strike. His death kindled the first influential labor movement wave in modern Chinese history. “Gu Zhenghong”, the pseudonym of Mr. Zhang Jun, reminds us that he is familiar with the history of labor movements, although most Chinese seldom pay attention to it at present.

The newly born labor union became the focus of hatred from the employer. The company still refused to sign labor contracts with employees, also refusing to pay labor insurances. Therefore, OWYTU, the basic trade union in the enterprise, complained to the local Labor Bureau about the employer. As a counterattack, the company raised obstacles to the activities of the OWYTU committee members. In accordance with relevant provision of Trade Union Law of the People's Republic of China, a committee member is entitled to three working days a month in which they can handle routine affairs of labor union. At first, the company reluctantly complied with the provision above. But, before long, the management of the company illicitly deprived the chairperson of OWYTU of this legal right, instead deducting part of the chairperson's wage for her supposed "being absent from work without prior permission". For example, on November 14, the chairperson, the vice-chairperson and a committee member of the labor union were punished by the company as being absent from work without justified reason, although they were away on official business participating in relevant union procedures, appearing in court as witnesses called by the local labor dispute arbitration committee, where the case of dismissal of six women workers was being arbitrated. Furthermore, Ole Wolff Yantai intentionally persecuted Wang Zhaori, chairperson of the labor union in the enterprise after she turned down both the employer's attempted bribe and threat of punishment as well. The chairperson was transferred to a perilous task --- the "prep post" with a high risk of hand injury. Her hands were hurt by the job later.

The company continued to make things difficult for OWYTU by withholding union dues which the company is supposed to allocate to the union.⁸ On February 2 the Chairperson of OWYTU appealed to the people's court in Fushan district for enforcement of the order of payment. In response to the union's action the company refunded part of the union dues, but the Fushan ACFTU told the workplace union people that since they were not legal entity the union due should be kept by their superior, namely the Fushan ACFTU. Later, the company simply stops allocating union due to ACFTU altogether. Therefore the OWYTU has been starved of funding until now..

In response to the demand from the workers for labor contracts, the company followed a strategy of "divide and conquer," announcing on February 15, 2007, immediately after the Spring Festival, that the company would no longer provide free meals or dorms for workers who claimed the labor contract and labor insurance, and also cut wages. The company continued recruiting new staff, threatening that the company would fire all old hands on the expiration of the labor contract when the newly recruited employees were accustomed to their work.

The workers expressed their extreme dissatisfaction with the action of the company. Not receiving response to their repeated complaints from the departments of labor supervision, the workers went on strike on March 9, demanding that the company extend their current contract for an additional year. The workers strike won the struggle on March 15. The strike had lasted seven days.

The company set up a "removing and cleaning" team in May¹⁰. Not having been provided with any protective gloves, the hands of the women workers in the team were completely exposed to

poisonous benzene-containing industrial materials. Wang Zhaori , chairperson of the labor union, negotiated with the management over the terms of the working condition, but no progress was made in the negotiation. She admitted:

“I never felt happy since being elected as chairperson of the labor union, and I wept a lot.”

Persecuted by her employer, at last Wang Zhaori could only resign and leave the factory. On June 4, 2007, vice chairperson, Jiang qianqiu was appointed as acting chairperson of the OWYTU when the chairperson resigned, and took charge of routine activities of the labor union.

Before long, the newly appointed acting chairperson experienced similar situations.

Women workers fainted and vomited because the company provided no protection for the “removing and cleaning” team. On June 7, Jiang qianqiu, accompanied by 6 members of the labor union committee, demanded that their manager provide better working conditions. The foreign manager brutally ordered her to remove and clean spare parts in five minutes. The workers didn’t submit, and were all fired by the company. Thus, the company fired Jiang qianqiu, the acting chairperson of the labor union immediately.

Still, the company reluctantly improved working conditions of the “removing and cleaning” team after Jiang qianqiu complained to the Health Office. The labor union led by Jiang qianqiu devoted itself to guarantee the legitimate rights of the workers, which prevented the company from further violating the law in respect to the recruitment and use of the work force.

On June 19, after Jiang qianqiu was fired, the members of the labor union committees complained about their employer to Shi Lianqing, the Vice Director of the labor supervision office of the Labor Bureau in Fushan district, accusing the company of retaliating against the labor union. Mr. Shi, the Vice Director, still refused to accept and hear the case. Jiang qianqiu had no choice but to put the complaint form she had filled out on the table. However, Director Shi replied: *“it’s useless to put the form on my table. I will not accept and hear your case.”* In the afternoon, the OWYTU complained to the Labor Supervision Office of Yantai municipality. They were told to report the case to the Petition Handling Office of the Bureau of Labor and Social Security of Fushan district, which Jiang qianqiu and the committee members then did. The authorities responded by saying, *“First, it’s difficult to define “retaliation”. Even if the company retaliated against the labor union, the labor departments don’t know how to handle the case either; Secondly, now that you accused labor supervision departments of administrative omission, you may go to court.”* Jiang qianqiu and Zhang Jun were dissatisfied with the reply, and resumed their efforts to protect their rights. At last they persuaded the labor departments to issue an “Department of Labor Administrative Corrective Order” to Ole Wolff Yantai , in which the labor departments defined Jiang qianqiu’s activities as justified to protect the workers’ legitimate rights, and ruled that the actions of the company against Jiang qianqiu were retaliatory in nature. However, the company ignored the order. And the Labor Bureau didn’t take any measures to ensure that the company would follow the “Corrective Oder.”Zhang Jun pointed out, in accordance with Article 1 of “the General Office of the Supreme People’s Court Response to ‘the

Request for Instructions on the Enforcement of the Labor Inspection Decision”’, if the employing unit refuses to reorganize and correct the problem, the departments of labor and social security shall enforce administrative punishment on the employing unit. However, from beginning to end, the Labor Bureau didn’t enforce any administrative punishment on Ole Wolff Yantai.

Why did Labor Bureau officials give unprincipled support to Ole Wolff Yantai? For people who are familiar with “China Conditions”, it’s easy to conclude that this is a problem of “local protectionism” — local governments officials benefited from private enterprise through the latter’s tax payment, business partnership or outright bribes, hence tend to collude with each other in defiance of the laws and labor rights. According to unverified information, relatives of officials in the Labor Bureau and Health Bureau occupied management posts in Ole Wolff Yantai.

On December 24, OWYTU went to court, charging the Labor Bureau in Fushan district of administrative omission. However, the court turned down the appeal, claiming the bill of indictment was poorly drafted.

IV. October 2006 to 2007: Win the lawsuit, but lose the job



one of the dismissed six holds the Court’s Judgment on the second appeal, which lawsuit she won.

In order to keep the new labor union from getting involved in labor disputes in its early stage, the six dismissed women workers decided to appeal through the arbitration process to get their jobs back.

A hearing was held by the Labor Dispute Committee in Fushan district on November 15, 2006. On December 18, the committee ruled in favor of the six dismissed workers.

One day prior to the date the judgment would become effective, Ole Wolff Yantai went to the People's Court in Fushan district, appealing to the Labor Dispute Committee to withdraw the judgment. The real intent of the employer was to stall for time because the labor contract of the six dismissed workers would have expired by the time the court could conclude a new verdict. On January 30, the Fushan District Court held a hearing for the first time to hear the case. In August, the court ruled in favor of the six dismissed:

“The Fushan District Court ruled that the work record provided by the company cannot be accepted as evidence as it was made unilaterally and cannot verify the company's claim. The Six struck because the company refused to allow them to found a trade union, and their action was legitimate. Therefore they cannot be regarded as missing work without permission. Therefore the company's dismissal does not have legal grounds and should be rejected. The Fushan District Court passed its verdict on August 20, 2007 and ruled that:

- 1. The company's decision to terminate labor contract with the Six should be rejected.*
- 2. The company should pay the Six 520 yuan for the arbitration fee. The Court cost should also be borne by the company. “*

The company refused to obey the judgment, appealing to a higher People's Court. On October 22, the Intermediate People's Court in Yantai city passed its verdict as follow:

“This court regarded thatthe six' absence from work on October 7 and 8 was because the two days were the company's holidays; their absence from work on October 12 and 13 was because of strike actions against the company. The four days of absence of work cannot be regarded as missing work without permission....In summation, the company's termination of these labor contracts is illegitimate, and therefore should be rejected. The original verdict of the Fushan District Court is correct and must be upheld. This court therefore ruled that:

The appeal is rejected. The original verdict remains effective.

The Appellant should be responsible for the payment of a 50-yuan court cost.

This verdict is final.”

However, Ole Wolff Yantai didn't allow the six workers to enter into the factory, thus, the judgment of the Intermediate People's Court turned into a mere scrap of paper. The women workers stayed unemployed. The case was transferred to the Labor Bureau once again. Although the six workers complained to the Labor Bureau several times, the officials denied them with various excuses, failing to accept and hear their appeals. The Labor Bureau refused to define the company's action as retaliatory, claiming that the company had right to dismiss employees, and even encouraging them to leave with the promise of financial compensation. One worker commented:

“The six workers went through dispute arbitration and won the lawsuit, but the enforcement of the judgment was transferred to Department of Labor supervision again. The new round of bullshit process begins again.”

The company continues to retaliate on the six workers through withholding their employment file, in addition to refusing to provide the dismissed six official notification of termination of labor contract.

According to China’s laws, when employers terminate contract with employees, they must:

1. Provide workers with a notification of termination of labor contract, without which no new employer can hire the workers.
2. Transfer workers’ employment file (which includes personal history, employment history, recorded merits and penalties, criminal records [if any], social insurance contribution etc) to the labor bureau to keep and to transfer to new employers if the workers find a new job.

The company’s action makes these workers very difficult to find new jobs. The workers had approached the company many times to settle the problems but they were just turned away by the company.

V. 2008: The Underdog is still Fighting Back

In January 2008, the management tried to oust the OWYTU leadership by organizing a fake union election, although the current term of the leadership was far from expiration. Li Yulan, the manager of human resource, was nominated as a candidate in the election. The company even sent some team leaders to monitor and manipulate the process of the election. Fortunately, the labor union discovered the plot at the very start, and the conspiracy failed because the workers boycotted it.

Meanwhile, the police or the security agency started an investigation of the activists of the labor union. In the evening of January 25, the Fushan ACFTU invited Jiang qianqiu, the acting chairperson, to attend a meeting in their office. Upon arrival she found out that two officials from the municipality were there but they refused to disclose their titles. They kept on questioning her about the background of Zhang Jun, the consultant to the Labor Union. Jiang suspected that the two persons might be state security people. Thereafter, on February 22, policemen from the township police station came to the house of Jiang qianqiu, and this time the target persons were herself and her boyfriend.

The story of OWYTU was reported by the “Yantai Evening News”, “Six O’clock in the Morning”, “Qilu Evening News”, “China Women’s News”, Shandong Radio Station, China Central Radio, Qilu TV Station, CCTV, the official website of the All-China Federation of Trade Unions and other media, which had brought attention from high-level officials including the secretary of the Shandong Provincial ACFTU and the secretary of Communist Party of Yantai Municipality. However the OWYTU has little progress in getting back their legitimate rights and the Fushan Labor Bureau and

Fushan ACFTU remains indifferent to their situation. The concerned departments told workers that media involvement would do nothing but arouse “the panic of the concerned departments,” warning workers off any media interviews.

The labor union had about 120 members when it came into being. Now its membership has shrunk to 40. The company has improved treatment and working conditions because of labor union’s struggles. However, according to Zhang Jun, “*many newly recruited employees fail to recognize the great efforts the labor union had devoted to the improving the workers’ benefits. Some don’t even understand the role of the labor union.*” With the weakening of the labor union, the workers’ representatives were exhausted after two years’ toil. It’s now a hard time for OWYTU, without chance of gaining more support from the newly recruited workers in Ole Wolff Yantai .

Around this time, the OWYTU made an appeal to Danish trade union movement. 3F, the United Federation of Danish Workers, responded and made contact with its union branch in the headquarters of Ole Wolff Electronics A/S (Denmark). On May 19, 2008, 3F had an interview with Mr. Ole Wolff. Mr. Ole Wolff admitted that he had heard of the events that happened in Yantai but he confessed that he could neither control the factory nor make further reforms. He also informed 3F that Ole Wolff Yantai planned to cut the number of its employees step by step through subcontracting of new product lines.

On June 23, OWYTU made a statement, pointing out that Mr. Ole Wolff “tried to present himself as entirely outside of the dispute and had nothing to do with the misbehavior of the Ole Wolff (Yantai) company” as irresponsible and unacceptable. They requested him to publicly condemn what his managers did in Ole Wolff Yantai by publishing a statement, and approve the OWYTU demands at once. Mr. Ole Wolff made no response to OWYTU’s statement.

Before long, the 3F decided to step in and urged the Ole Wolff Electronics A/S to negotiate with the workers:

Ole Wolff Elektronik A/S should

“commits itself to maintaining high standards of labor rights and occupational health and safety comparable to Danish standards in all its operations internationally. This implies compliance with national labor and social legislation, the international standards comprised in the 8 ILO core conventions, the guidelines of OECD and ILO for multinational companies...(It should also) recognizes the existing trade union at the Ole Wolff (Yantai) subsidiary and agrees that any remaining disputes with the union will be settled through immediate negotiation with the elected trade union representatives of local workers.”

However, Ole Wolff Elektronik A/S has completely ignored these demands. As a result, 3F reported the event on its website, which initiates a new stage of international support. On August 28, 2008, Guy Ryder, the General Secretary of International Trade Unions Confederation, wrote to Ole

Wolff to express full support of the OWYTU. This was later followed by LO, The Danish Confederation of Trade Unions. On August 31, the Danish National TV reported on the case and was followed by other media.

On September 11, Ole Wolff Yantai finally agreed to meet with OWYTU to discuss the dispute between them. However, the management showed no commitment at all to a genuine negotiation. They refused the six's demand for reinstatement. As for compensation, they only wish to pay a little more than three month wages (the wages between October 13 2006 and January 2007), which was far behind the expectation of OWYTU (see appendix I). They also turned down the reinstatement and compensation for Jiang qianqiu.

On September 12, representatives of four Hong Kong groups launched a protest at the office of Ole Wolff (Asia) Ltd to express solidarity with OWYTU. They were Globalization Monitor, Asia Monitor Resource Centre, Hong Kong Liaison Office (IHLO) for the International Trade Union Movement, and the Neighborhood and Workers Service Center.

On October 8, Ole Wolff Yantai summoned all its workers and handed them a letter, telling them:

“During this period they (OWYTU) have posted messages to the internet to discredit our company. What is more outrageous is that they sent messages to our clients’ websites, which resulted in our clients cutting our order this quarter, along with the loss of opportunity of developing new products. Confronted with such serious loss of businesses, we have to take a series of measures, including cutting expenditure and moving from the present building (4400 sq.m) to a much smaller one (500 sq.m). This implies we have to cut our workforce until only one assembly line is left. The company will ask employees to voluntarily resign, and we will pay them compensation in accordance to labor laws.”

The OWYTU is not going to take this. The company accused the OWYTU approached its clients is pure invention as well. It is 3F who contacted Ole Wolff's clients. The case is still developing. This is probably the first reported case of workers founding their own workplace union through strikes, and then builds up contact and collaboration with a foreign trade union to make their case heard. This is globalization from below. We hope the international labor movement and civil society continues to support the OWYTU and the workers there.

Appendix I

The Request of the OWYTU

1. Ole Wolff Yantai shall acknowledge the legal status of OWYTU at once, and conduct equal negotiations with the OWYTU.
2. Restore the dismissed chairperson and six women workers' representatives back to their post at once without any preconditions. For affected workers who refuse to go back, the company

shall terminate their labor contracts and compensate the affected worker for the loss caused by the company.

Compensation package:

Jiang qingguang: 10 months of wages, around 12,000 RMB + social insurance

Xie yingzhong: 13 months of wages, around 15,600 RMB. + social insurance

Wang chuanrong: 13 months of wages, around 15,600 RMB. + social insurance

Chu sang: 18 months of wages, around 20,600 RMB+ social insurance

Sun qingying: 24 months of wages, around 28,800 RMB+ social insurance

Liu meizhen: 24 months of wages, around 28,800 RMB+ social insurance

(100 RMB = 14.6 US dollars)

3. Ole Wolff Yantai shall allocate the funds of the OWYTU on time without any “pocketing” of funds.
4. Ole Wolff Yantai shall comply with laws in its management conduct.
5. Ole Wolff Yantai stop withholding the employment files of Liu Meizhen, and issue official notification of termination of contract to the dismissed six as stipulated by laws.
6. The OWYTU shall be consulted before the company makes any changes in its management which might render potential impact upon worker’s employment.

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² <http://blog.sina.com.cn/youyudzhongguoren>

³ For more information, please go to:

<http://www.owolff.com/>.

⁴ It was referred as “Ole Wolff Yantai” or “the company” in following paragraphs.

⁵ For recruitment information in details, please go to:

<http://so.jobmet.com/index.php?query=%B0%C4%C0%FB%CD%FE%B5%E7%D7%D3%D3%D0%CF%DE%B9%AB%CB%BE&kind=1>

⁶ In accordance with law, Bureau of Labor shall end a simple case in 30 days, a complex one in 60 days.

⁸ In accordance with China law, the enterprise, public institution or government organ which established a trade union shall monthly allocate 2% of total wages of all of its employees to the trade union as trade union fund.

¹⁰ The team of removing and cleaning is in charge of a working procedure in which a worker is asked to a) put main boards of cell phone into a container of liquid benzene; b) remove the appointed electric units from main boards.