

INTERNATIONAL TRADE UNION CONFEDERATION

Shareholders warned of Samsung's shallow quality assurances

Brussels, 24 October 2016 (ITUC OnLine): Quality assurances by Samsung in the wake of the slow and chaotic recall of the Galaxy Note 7 fail to address the company's record on labour rights and working conditions which are at the root of the product safety problem, according to the International Trade Union Confederation.

"As sure as night follows day, a culture of repression against a collective voice for Samsung employees has led to the disastrous quality failures at the company. When the workforce is afraid to speak out about real problems on the production line because of an arrogant and domineering management culture, workers and consumers alike face risks to their health and safety," said ITUC General Secretary Sharan Burrow.

"Samsung's priorities are all wrong. Initially they tried to minimise the problem and avoid the consequences, and they still show no signs of recognising the human and financial costs of the way they treat employees.

The extraordinary general shareholders meeting on 27 October will be a test of Samsung's awareness of what's at stake. While the agenda for the meeting in Seoul includes an executive re-shuffle and a "business as usual" approach, responsible investors are likely to want explanations for the exploding phones disaster. A consumer class action lawsuit against Samsung has now been launched in the US, and the secretive "Chaebol" system of business conglomerates in Korea is coming under the microscope.

The ITUC has gathered evidence of a culture of cover-ups during inspection audits, as well as union busting, at Samsung suppliers in the Philippines.

Massimo Kuhano said, "I am a technician and I don't have goggles to use with the grinding machines. If the company has a visit by auditors, the company will give us a mask, the safety equipment, but only if an audit, so our visitors think it's a good company."

<https://www.youtube.com/watch?v=uRxHF0DCqnA&feature=youtu.be>

The ITUC will be writing to shareholders to ask key questions about sustainability, safety and the viability of their investments.

"Samsung has indeed got its wires crossed. It should be concerned about customer safety and quality, but without concern for workers, corporate greed will be responsible for more deaths and injuries," said Burrow.

To provide a secure future for its workforce, consumers and investors, Samsung must

- respect workers' rights to form and join trade union by ending its anti-union policy and re-instating workers dismissed for building a union;
- take responsibility for its hidden workforce of 1.5 million workers including safe and secure jobs, a minimum living wage, collective bargaining rights, grievance procedure and remedy; and
- end the culture of fear which stops workers speaking out about workplace practices.

Report: “Samsung – Modern Tech Medieval Conditions” <http://www.ituc-csi.org/samsung-modern-tech-medieval>

Video: Samsung’s Secret <https://youtu.be/fxyiXIBwhHM>

Petition Samsung to end its no-union policy <http://act.samsungexposed.org>

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