# Report on the Gold Peak Cadmium 4 Poisoning Case

## Globalization monitor

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# Are you using GP batteries? - How the GP group poisoned mainland workers with cadmium and how workers fight back

#### **Globalization Monitor**

15<sup>th</sup> February 2007

The Gold Peak Industrial Ltd. is an Asian TNC base in Hong Kong and Singapore. GP's electrical products are sold all over the world under different brand names. GP's customers include EverReady, Siemens, Panasonic, Nikon, Canon, Rayovac and Toshiba. Its subsidiary-the GP Batteries--began to move to Mainland China from Hong Kong in the 1980's to make advantage of low labor cost there. The GP group has a dozen factories in China. Three of these have broken out serious cases of cadmium poisoning:

- 1. Huizhou Power Pack Company Limited (hereafter Huizhou PP)
- 2. Huizhou Advance Battery Technology Company Limited (here after Huizhou ABT)
- 3. Shenzhen JetPower Batteries Limited (hereafter JetPower).

The number of mainland workers diagnosed with poisonous levels of cadmium in their bodies has grown from two to eleven. There are now more than 400 workers requiring medical observation due to excessive levels of cadmium, up from 177 in 2004. The factories concerned were fined 160,000 RMB<sup>2</sup> by the municipal government.

In addition to the Mainland outbreak, **GP's Hong Kong plant** was also found to have the same cadmium poisoning cases. Three workers were diagnosis as poisoned, 21 as excessive cadmium level. GP was fined by the government in September 2004.

<sup>[1]</sup> Many workers paid for their own tests once it became clear that there was a problem. Gold Peak local managers refused to acknowledge the results and instead began a policy of pressure and intimidation. As a result workers began leaving the factories to avoid further contamination. The net result of this exodus is that there are many former employees who are still in need of a test and there is a strong possibility that the actual number of poisoned or adversely affected workers is considerably higher.

<sup>[2]</sup> One Euro is equivalent to about 10 RMB.

There are little more than 3000 workers in Huizhou ABT and the Huizhou PP, mostly women. In fact, what distinguish this case from other cases in the Pearl River Delta (PRD) is that the leading workers are mostly women. In Nov 2003, a woman worker from the Huizhou PP fell ill and she paid for her own medical test. Eventually she was found having abnormally high level of cadmium in her body.

Cadmium is a kind of chemical used to produce battery. It could cause cancer, kidney failure and serious bone pains. Once enters the body, it will take 7-30 years to flush out. Affected workers will face health problems for years to come even they do not show symptoms of illness now. In developed countries cadmium is banned or highly restricted in use because of its toxic elements. And it is common knowledge among battery producers that health and safety training and protective devices should be provided in the production process involving cadmium. However, GP provided totally ineffective masks to workers, resulted in workers haling in the fine powder of cadmium. GP had ordered pregnant women to process cadmium along side with non-pregnant women and children of women workers were also found high-levels of cadmium in their bodies because of daily physical contact with their mothers.

Soon the news spread across the Huizhou PP factory and workers demanded the management to arrange immediate medical tests for them but no response from the latter. Workers then approached local labor departments to file complaints and no response either. Only after laborious negotiations and a strike, the management finally arranged blood test for several hundreds workers on 25th May 2004. The results were soon released and it is not too worrying as the cadmium levels of most workers affected were only slightly higher than normal. With doubts and suspicion about the results, the workers then went to the Guangdong Provincial Hospital for the Prevention and Treatment of Occupational Diseases to have medical tests on their own. The results were alarming: the levels of cadmium in their body were much higher than the official tests arranged by the management. The 500 workers were outrageous and staged a three days strike in June, demanding for the truth and proper medical treatment.

In 12th July, more than 1,000 workers from the Huizhou ABT heard the news and followed the example of Huizhou PP workers and went on strike as well. Several hundreds took to the street.

We prepared a lot of small red flags, which read 'Give us back our health!' We shouted the slogan and waved our flags in our way to the municipal government house. Two workers from Sichuan province took the lead. They were couples. The man shouted slogans with a loud hailer, the woman waved the flag. Many husbands (though not GP workers) also accompanied their wives in the demonstration. The police car came and wanted to stop us but failed. The policemen told us if we went on demonstrating, our mayor would have to step down. One worker responded: 'So be it!'

More workers approached the Provincial Hospital for private medical tests but this time the hospital refused to do the tests, an act that is against the laws. More and more workers fell ill and they were sent to the hospital for treatment but very often being sent back to factories very soon, without medication and diagnosis.

At this time a Hong Kong based NGO, the Globalization Monitor (GM), learnt of the case and released the news to Hong Kong media. At once it hit headline in one of the biggest daily newspapers (Appendix 1). Only after this the mainland media began to make reports but still tried to down tone the seriousness of the incident. On 23<sup>rd</sup> July 2004, Globalization Monitor and 33 HK groups including trade unions and NGOs broke into GP's head office in Hong Kong to protest against the poison case. Then some GP workers received death threat for their protests. On 11th August, the China Central Television (CCTV) made a more balanced documentary on the GP case. It brought hope to the GP workers, and dozens of them decided to petition central government in Beijing. In late August they set off for Beijing but Huizhou police and officials tried to stop them from boarding the train but in vain. However, when the workers arrived at the Beijing station they found that around ten Huizhou officials were already there, waiting for them. They flew to Beijing while workers were traveling by train and therefore they could reach Beijing earlier. Though they did not dare to stop the workers from petitioning, they closely followed them and intimidated them. To the relief of the officials, the workers met with the same indifference in the office of the Central government, and returned home with nothing.

Meanwhile in August 2004, the company agreed to pay small compensation to these workers, namely RMB 3000 or 8000 for each worker, along with severance pay pegged to the condition of voluntary resignation. Moreover, in a joint statement with the Huizhou municipal government, GP warned the workers that if they petition Beijing again they would face criminal charges. The workers regarded the compensation far too little, but eventually nearly all affected workers took the compensation and resigned, simply because they were afraid that the plant was too poisonous to work inside, apart from the repressive regime imposed upon them (a special task force was sent to the factories from the Huizhou government to oversee everything).

In early 2005, 65 Huizhou PP and Huizhou ABT workers decided to sue the company and demanded compensation--RMB 250,000 for each worker. Soon another 244 workers followed suit. Between March and May, the Huizhou court heard the case and later ruled in favor of the company despite very strong evidences provided by the workers.

In December 2005 when workers returned to the factories for annual medical check up as stipulated by laws, they were demanded to remove all clothing and take shower before taking urine sample, and the whole process was under the surveillance of unidentified

persons. The affected workers found the requirement as unnecessary and humiliating, so many of them refused to take the test. Whatever the motive behind the arrangement, the result of which is frightening off workers from returning for body check.

The Huizhou municipal government has in various ways helped GP to get away from being held responsible for the poison case. The reasons behind are simple. Many Huizhou Stateowned Entriprises (SOEs) such as the TCL, the Huizhou Desay Industrial Company, Desay Group Corporation etc, all have business relations with GP, and they hold each others' shares. The CEO of GP, Victor Lo Chung Wing, has developed close ties with well-placed government officials there. He is the largest individual shareholder of TCL. Lo was recently appointed to the Executive Council of Hong Kong government by the Chief Executive, Donald Tseng, who is handpicked by Beijing. Moreover, Huizhou housed many batteries companies, including those run by the SOEs of Huizhou TCL, now one of the largest Chinese electronic companies, belongs to Huizhou municipal government. Therefore the city government has common interest with GP to repress workers and to pay as little compensation to workers as possible.

In the past two years (2004 – 2006) Globalization Monitor staged four protests in the shareholders meeting of GP, apart from supporting GP workers to come to HK to protest against GP. Eventually the CEO of GP agreed to set up a medical fund for workers but soon it was revealed that the fund is no more than a PR show which does little in improving the lives of the workers. In June 2006 GP alleged that the postcard produced by the three organizations--Globalization Monitor, Confederation of Trade Unions, and the Neighborhood and Workers Service Center --- as 'defamatory' and sued them. The three organizations rejected the charges.

Since GP products are sold worldwide under different brands, you may be using its product without knowing it.

Your support to the workers' cause for justice is important for their success. You can write to GP to demand it to compensate the workers fully and to express your disapproval over GP's decision to take the three HK organizations to the court.

#### Send protest letters to GP (please send a copy to GM as well):

#### Mr. Victor Lo

Gold Peak Industries (Holdings) Limited Gold Peak Building, 8/F, 30 Kwai Wing Road, Kwai Chung, New Territories, N.T. Hong Kong.

Tel: (852) 2427 1133 Fax: (852) 2489 1879

E-mail: gp@goldpeak.com

For more information you can visit GM website: http://globalmon.org.hk

#### Or contact us:

E-mail: gm\_hongkong@hotmail.com

Telephone: (852) 6187 3401

Mailbox: P.O. Box 72797, Kowloon Central Post Office, Hong Kong

Oriental Daily (Hong Kong) report on the GP cadmium case, 3 July 2004



GP workers holding bill boards which read "cadmium poisoned workers" and "we are forced to resign"



# The Real Story of the GP Batteries' Poisonings

#### Globalisation Monitor

2 November 2006

Throughout the continuing cadmium poisoning tragedy, Gold Peak Industries (Holdings) Limited (hereafter Gold Peak) has consistently refused to acknowledge its mistakes. In response to pressure from local, then regional and now international civil society, the company has largely confined itself to bland or high-sounding statements which amount to little more than attempts at a whitewash. This paper is a rebuttal of Gold Peak's denials, excuses and counter-accusations.

#### Have GM exaggerated the extent of poisoning?

Since 2004, when the tragedy began to unfold in the public arena, the number of Gold Peak battery factory workers adversely affected by cadmium has steadily increased. The number of mainland workers diagnosed with poisonous levels of cadmium in their bodies has grown from two to eleven. There are now more than 400 workers requiring medical observation due to excessive levels of cadmium, up from 177 in 2004.<sup>3</sup> The number of factories involved has risen from one to three: Huizhou Power Pack Company Limited (hereafter Huizhou PP); Huizhou Advance Battery Technology Company Limited (hereafter Huizhou ABT) both in Huizhou; and Shenzhen JetPower Batteries Limited (hereafter JetPower) in Shenzhen. These disturbing facts are a direct result of Gold Peak-operated factories' flouting of laws governing the prevention of occupational diseases and safety in the workplace.

On 8 January 2004, the Huizhou Centre of Disease Control and Prevention issued a report revealing that the level of cadmium in the air at the Huizhou ABT factory was 35 times higher than standard safety limits (Appendix 1, Chinese only). Separately, on 21 May in the same year, the Huizhou Bureau of Health reported levels of cadmium and nickel at the Huizhou ABT factory well in excess of safety levels. The local government fined Huizhou GP plants 160,000 *RMB* for the infringement.

<sup>[3]</sup> Many workers paid for their own tests once it became clear that there was a problem. Gold Peak's local managers refused to acknowledge the results and instead embarked on a policy of pressure and intimidation. Workers began leaving the factories to avoid further contamination. The net result of this exodus is that there are many former employees who are still in need of a test and there is a strong possibility that the actual number of poisoned or adversely affected workers is considerably higher than stated here.

The problem has not confined itself to the mainland. At the end of 2005, tests on employees at Gold Peak's Hong Kong factory revealed three workers had been poisoned by cadmium and that a further 21 tested positive for excessive levels of the chemical. It is generally considered that health and safety systems in Hong Kong's factories are more rigorous than those found in mainland China. Yet Gold Peak's Hong Kong operations failed to provide protection against cadmium. It is hardly surprising that the health and safety standards in Gold Peak's 17 remaining factories on the mainland have been called into question. Despite evidence to the contrary, Gold Peak has continuously stated that their health and safety systems are adequate. Given the gravity of the situation and its potential to inflict further damage on human health, we hold that the company's response has been – at best – one of cold indifference.

#### Are the affected workers healthy and able to lead normal lives?

A fairly regular theme of Gold Peak's response to accusations of neglect from NGOs and trade unions has been to understate the malign nature of cadmium. In various statements, the company has argued that there has been no 'mass' poisoning and that the 400 workers placed under observation for having excessive levels of cadmium do not require medical treatment and can "lead normal lives". This is misleading.

Cadmium belongs to the heavy metal group of chemicals and has been classified by international cancer research organisations as a class one carcinogenic substance that can cause cancer in humans. On entering the body, it takes between seven and 30 years before it is completely flushed out. In rare cases it has been known to stay in the body for up to fifty years.

Cadmium enters the body via the mouth and nose and continues to accumulate until the source is removed. Although the kidneys can eventually succeed in expelling cadmium from the body, this process itself can cause harm to internal organs, especially the kidneys themselves. Victims of cadmium poisoning suffer from dizziness, vomiting, muscle pains and skeletal deformities. In serious cases it can lead to death through cancer or kidney failure. Although people with excessive levels of cadmium do not necessarily *appear* ill or show obvious symptoms, they can nevertheless suffer permanent damage to their internal organs. This often hidden capacity of cadmium to affect the body throws Gold Peak's assertion that those placed under observation are able to lead "normal lives" into sharp relief. The fact is that many of these people frequently feel ill – on occasion very ill indeed. Research suggests that at some point there will be pathological changes to the internal organs of those workers with high – but not poisonous – levels of cadmium.

<sup>[4]</sup> Those people who have twice tested positive for excessive levels of cadmium in their urine but have not demonstrated any clinical manifestation of chronic poisoning are classified as being placed under observation.

Article Four of the "Standard for the diagnosis of occupational illness due to cadmium poisoning" (National Standard GBZ17-2002) issued by the Ministry of Health states that when urinary cadmium concentration reach the range of 5-10µmol/mol, 5-20% of the patients may develop kidney function abnormalities. Using this article as a guide, we can say that between 20 and 80 of the 400 workers with excessive levels of cadmium may develop kidney function abnormalities and related problems in the coming years. This does not include those workers diagnosed with poisonous levels of cadmium.

Another report on the increased levels of cadmium at the two Huizhou factories, written by six researchers from the Guangdong Hospital for Treatment and Prevention of Occupational Diseases stated that "[I]t is unavoidable that those workers with more than 10 mu mol/mol levels of cadmium in their urine will develop kidney function abnormalities due to damage caused by the cadmium. These problems will develop even if they no longer come into contact with the chemical." According to our sources, there may be as many as 80 workers who have exceeded the aforementioned critical levels of cadmium and these people may face future kidney problems. Yang Rongxing is a public health expert based in Shenzhen who has carried out research on over 225 workers who came into regular contact with cadmium at a factory in Shenzhen. Yang concluded that:

Occupational cadmium (Cd) exposure can cause damage to the blood system ... Urinary Cd concentration (UCd) of the exposed workers was higher than UCd of the control group. High concentrations of cadmium in the workplace atmosphere and long exposure time were the risk factors that caused the increasing excretion of cadmium in urine. Renal dysfunction among the workers whose urinary cadmium was above  $5\mu g/gCr$ , will not stop even following a one-year removal from cadmium exposure... Urinary Cd concentration of the seven children of the cadmium exposed workers was higher than the control group. Comet assay can detect DNA damage of peripheral hemocytology lymphocyte in the cadmium-exposure workers. <sup>6</sup>

These conclusions have been borne out by the ongoing experience of one worker from Huizhou PP. In 2004, she was classified as having excessive levels of cadmium following a medical test. In 2006, she underwent a repeat test which revealed that the urine protein levels had increased to poisonous levels. (Appendix 2, Chinese only) Repeat tests have revealed that the levels of two more workers – from Huizhou PP and JetPower – have since increased to the poisonous benchmark.

<sup>[5]</sup> Clinical investigation into the urine contents of workers who come into contact with cadmium published in the journal Occupational Illness Studies August 2005 Volume 32 Issue 4. The research was carried out at two battery factories which were likely to have been Huizhou PP and Huizhou ABT.

<sup>[6] &</sup>quot;Study on the health effects of the workers exposed to cadmium" Yang Rongxing, see TSR Degree Thesis Service System http://202.116.64.96:8001/xwlw/detail.jsp?searchword=subject%3D2010&channelid=65004&record=43. Also: "Comet assay" is a single cell gel (SCG) electrophoresis used as a rapid and very sensitive fluorescent microscopic method to examine DNA damage and repair at individual cell level. And: The Shenzhen Battery Factory mentioned in this thesis was likely to have been JetPower under the GP Batteries.

In fact, the aforementioned standard for workers who come into contact with cadmium (National Standard GBZ17-2002) clearly states that chronic sufferers of light cadmium poisoning "apart from the possibility of levels of cadmium in their urine increasing can also suffer from dizziness, lack of strength, the loss of the sense of smell as well as pains in the back and limbs." Those under observation for excessive levels of cadmium – but not poisonous levels – can also suffer these problems but to a lesser degree. Many of the workers in this category have suffered from lumbago, headaches, back pain, aching bones, hair loss, insomnia, irregular menstruation and other related conditions (Appendix 3, p.30).

As yet there is insufficient understanding of the nature of cadmium-related problems to prove categorically that these manifestations of poor health are directly related to cadmium. But the fact that *almost all* the workers under observation continue to suffer from these problems suggests a link. The National Standard GBZ17-2002 implicitly acknowledges that there is a danger of cadmium increasing to poisonous levels over time and stipulates that those contaminated should "be closely observed and undergo annual repeat tests". Gold Peak deliberately misinterprets the meaning of these words by claiming that those who are under observation can lead "normal lives".

As far as we have been able to ascertain, there are no drugs available that can effectively, and without side effects, expel cadmium from the human body. But the fact that there is no cure does not mean "no treatment required". There is no doubt that targeted medical measures can help to reduce suffering as specific illnesses and medical problems arise. Those placed under observation require nourishment such as calcium supplements and also drugs to reduce the inflammation of the larynx – which is very common among the affected workers. Gold Peak has refused to help provide these basic measures telling workers that they "don't need treatment".

Thus far we have described some of the physical problems that the former Gold Peak workers are enduring. But there are also serious economic losses and psychological harm that have resulted from their time with the company. This has included other employers refusing to employ workers with excessive levels of cadmium (Appendix 3, p.29).

In their letter to the Dutch trade union federation FNV dated 12 January 2006, Gold Peak stated that 23 per cent of those who underwent repeat tests showed a drop in cadmium to normal levels. In a follow up statement, this figure was adjusted to 20 per cent. Whether they mean 20 or 23 per cent, the statistic has no real significance as it doesn't make clear how many workers have undergone repeat tests over the last two years. Which begs the question 20 per cent of how many? In fact, of the 400 workers under observation, only 108 have undergone follow up tests which means that at most only 25 workers have returned to normal levels of cadmium. This is hardly a success story, especially in the light of the insulting tactics Gold Peak factories have adopted to intimidate women from not attending the follow up tests.

#### Was the Local Court's Judgement Impartial?

In 2005 a total of 309 workers from Huizhou PP and Huizhou ABT factories<sup>7</sup> demanded compensation in a civil lawsuit charging that their employers' negligence had resulted in their having excess levels of cadmium. Some of these workers later developed cadmium poisoning. The workers argued that their employment at the factories had violated their right to physical health resulting in financial losses, serious health problems as well as psychological damage. Taking civil action in China is not a simple matter – especially against one's former employer – but the workers believed they had a very strong and reasonable case. However, after losing the case and then an appeal, they came to the conclusion that the Huizhou Court decision was hardly impartial. The following section explains why:

#### 1. Huizhou Court excluded the workers' evidence

On 18 August 2006, the Huizhou Intermediate Court denied an appeal lodged by Ms. Xiang Zhiqing, a former woman worker from Huizhou PP and upheld the original (2005) judgement. This meant that Ms. Xiang had no right to demand compensation from Huizhou PP. The court reasoned that Ms. Xiang "did not have poisonous levels of cadmium – as stipulated by the national standard – and had not been diagnosed with an occupational illness …and therefore did not qualify for industrial injury."

In fact on 27 February 2006 the Guangdong Hospital for Treatment and Prevention of Occupational Diseases issued a statement confirming that Ms. Xiang was suffering from mild chronic cadmium poisoning caused by her occupation. The court actually excluded this document – hardly a testament to its supposed impartiality.

#### 2. Court ruling based on weak evidence

In 2005 the first group of workers filed a civil suit against the Huizhou PP and Huizhou ABT limited companies, demanding compensation of 150,000 *RMB* in medical expenses and 100,000 *RMB* for the psychological impact on each worker involved in the cadmium case. In its verdict, the court did not rule out that the workers had suffered mental anguish, but that this fact "did not give rise to any serious negative consequences". The court found against the workers. The workers appealed but the intermediate court upheld the ruling. Neither court deemed it necessary to elaborate on what it meant by the lack of "serious negative consequences".

<sup>[7]</sup> Two groups of workers: 65 and 244 respectively.

#### 3. The courts did not take the General Principles of the Civil Law into account

The courts denied the workers' compensation claim for 150,000 RMB in medical expenses because according to China's Law on Prevention and Treatment of Occupational Diseases and associated regulations, workers whose condition "had not reached the nationally recognised level that qualifies as cadmium poisoning and who had not been diagnosed with occupational disease ... are not deemed to have had an industrial injury". One of the problems here is that these laws were only recently drafted in China; the Law on Prevention and Treatment of Occupational Diseases took effect as late as 2002 and contains a variety of loopholes. Moreover, the said law does not take into account the different injuries caused by poisonous chemicals like cadmium, where serious diseases only come to light many years later, and when workers then make a compensation claim to the company it is too late. In this light, while the Law on Prevention and Treatment of Occupational Diseases is important, the court trying the case should follow Article 119 of the General Principles of the Civil Law that states (in part) 'Anyone who infringes upon a citizen's person and causes him physical injury shall pay his medical expenses and his loss in income due to missed working time'. Since the workers have provided proof of excess cadmium - even though not at levels that may be deemed as poisoning, this is still an infringement of personal and/ or health rights. An impartial court would surely have taken note of the nature of these violations before announcing and explaining its judgement.

#### 4. Medical certificates concocted and inaccurate

Whether the courts rulings were impartial or not, there is still another point to consider: were the medical testimonials on which the courts based their judgements absolutely accurate? In fact, suspicions of collusion between the Huizhou Centre of Disease Control and Prevention, the Guangdong Hospital for Treatment and Prevention of Occupational Diseases, the Huizhou city government and Huizhou PP factory have dogged this entire tragedy. In 2004, after the cadmium problems were revealed by some workers, they discovered that excess cadmium levels were several times higher in tests paid for out of their own pockets than in those paid for by the company. Confidence in the results was – and is – undermined when the same hospital that carried out all the tests arrived at completely different results. The neutrality of some managers at the Guangdong hospital is also questionable. The in-patient manager told the media that the workers' lack of hygiene was the root cause of the cadmium contamination. In the light of the workers' description of conditions at the factories, such a prejudgement cannot be regarded as helpful or objective and has not inspired confidence in the tests carried out by the hospital.

#### 5. Undisguised collusion

The city government has never concealed its partiality in favour of Gold Peak. In August 2004, the workers decided to petition the authorities in Beijing and made the trip to the capital. Following their return to Huizhou on 3 September the city government, along with the GP factories, issued a statement that warned, "From 4 September, it is forbidden to organise appeals over the heads of the immediate authorities without prior authorisation. Those refusing to mend their ways despite repeated disciplinary actions will be punished by public security organs in accordance to the relevant public order regulations." This statement constitutes a fundamental infringement on the workers' human rights.<sup>8</sup>

Secondly, during the disputes at the Huizhou PP and Huizhou ABT factories, the Huizhou city government sent work teams to avoid a further deterioration in the situation. In effect, the teams acted conduits for repression and referred to the workers fighting for their rights and interests as troublemakers. Basic level government administration units used various excuses to investigate the documents of workers' representatives. Having located worker representatives' dwellings, plain clothes policemen called on local public order personnel to threaten them. The aim was to make workers representatives move away from the area and thus render them unable to lead the struggle for their legitimate rights and interests. It is thus reasonable to suspect the local government have pressured the court to act in favor of GP. As a result, throughout this incident the courts have failed to show impartiality and have issued judgments riddled with uncertainties and loopholes. (not consistent with the previous content!)

#### Did Gold Peak consistently observe industrial safety?

Gold Peak is fond of claiming that it nurtures all its employees and abides by the law. The truth is more complicated. On 3 March 2003, before the outbreak of the poisoning case, the Huizhou Centre of Disease Control and Prevention found out that cadmium level in the air of the Huizhou PP had been 10 times higher than normal. Yet both the Center and the factory fail to warn workers of the risk, nor had they adopted any effective measure to address the problem. (Appendix 4, Chinese only) It was only *after* workers' from Huizhou PP and Huizhou ABT factories undertook tests at their own expense in late 2003 that Gold Peak began adopting a so-called 'nurturing' labour relations policy. Prior to the positive test results, the company had at no point abided by its legal obligations – as clearly stated in the Safe Production Law – and informed staff and workers that they were working with or near a hazardous chemical. No health and safety training or awareness raising was provided and Gold Peak also violated the Law on Prevention and Treatment of Occupational Diseases in failing to provide sufficient safety measures for workers – except for those employed in the cadmium processing room and a few other especially dangerous jobs. (See Appendix 5)

<sup>[8]</sup> The right to petition: see Articles 10, 19 and 34 of the revised (2005) Regulations on Petitions. http://www.gov.cn/zwgk/2005-05/23/content\_271.htm (Chinese version only)

In a reply to the French NGO Réseau-Solidarité / Peuples Solidaires, dated 23 October 2006, Gold Peak stated that its employees had been provided with annual health checks and that no problems arose until mid-2004 when the current case came to light and the local government consequently advised testing workers for excess cadmium. This statement is simply not true. The reason that health checks were negative before 2004 was because the factory did not test for cadmium *in urine* even though the Guangdong Hospital for Treatment and Prevention of Occupational Diseases could provide reliable urine tests for cadmium before 2004. In fact in October and December 2003, two workers who had felt sick for a long time personally arranged tests at the hospital and were found to have excess cadmium levels. These results caused panic among the workforce and led to several strikes, eventually forcing management to send more than 500 workers to hospital for health checks in May 2004. There had been no sign of any 'nurturing' from management prior to this point.

Given that as far back as 1981 the Chinese government added cadmium to its dangerous chemicals list Gold Peak is at best guilty of not doing its homework on the harmful potential of the chemical. We fear, however, that the much more likely scenario is that Gold Peak knew cadmium was on the list but deemed it unnecessary to inform its employees of this crucial information. Until, that is, the workers took matters into their own hands and went on strike.

#### Does Gold Peak care for workers - or intimidate them?

Local government prohibited workers from attempting to petition higher authorities and it should not surprise us that the Huizhou PP and Huizhou ABT factory managements endorsed this plainly intimidatory ban.

Prior to 2004, managers at both factories consistently broke the law on the prevention of occupational disease by failing to transfer pregnant women away from high risk workstations. It is highly likely that this resulted in their testing positive for excessive cadmium levels. Our investigations revealed that prior to 2004 at least 40 women bore children, and many of their offspring continue to suffer health problems. Poor resistance to disease has been common among them; some have tested positive for excessive cadmium levels; five have abnormal discolouration – mostly black or dark grey patches on the skin; and one was stillborn. (Appendix 3, p.31) Gold Peak have failed to guarantee that the mothers were not previously contaminated with cadmium while at work, effectively justifying the workers' demand for the children to undergo tests in order to ascertain if the symptoms described above are cadmium related. We wholeheartedly support this demand. We have never claimed that the symptoms are definitely cadmium related and have publicly stated that to date there is insufficient evidence to prove such a link. Tests on the children would certainly shed more light on this issue and perhaps open the door to further medical research.

Gold Peak repeatedly quotes a 'Chinese University of Hong Kong specialist' who states that he has discovered no documentation which demonstrates that cadmium has an affect on the children of parents exposed to it. Moreover, the specialist has argued that the pregnant women affected by cadmium have been unable to prove that their children have exhibited symptoms associated with cadmium. This is hardly a watertight argument. It takes between seven and 30 years for cadmium to be excreted from the body, except in cases showing particularly high levels, there will be no immediate clinical manifestation of cadmium poisoning. As such, surely the question specialists should be asking is not whether the children have shown signs of cadmium related problems. Instead, we should be testing over time and in a scientific manner whether the children have normal levels of cadmium and taking appropriate steps based on the results. The aforementioned Shenzhen-based public hygiene expert Yang Rongxing has conducted research on seven children placed under observation for cadmium related problems and compared them with 10 healthy children; he found that the urine cadmium content of the children placed under observation was higher than that of the control group.9

We believe that Gold Peak has a moral obligation to take responsibility for health checks on the workers' children. Ideally, they should support, via independent funding organisations, research projects on the effects of cadmium on children. This would at least offer some assurance to the parents involved. Ms. Zhou Huaqiong who has been placed under observation, gave birth to a baby with black patches of discolouration on her body. The baby showed signs of general ill health and Ms Zhou demanded that Gold Peak organise tests on the child. In a statement issued on 20 April 2006 – the content of which demonstrated the company's capacity for breathtaking callousness – Gold Peak replied that the black discolouration on Ms Zhou's baby had been confirmed as birthmarks, and were not linked to cadmium. It is difficult to fathom Gold Peak's response. There is simply no way of knowing if there was a cadmium link to the discolouration – or with the child's angiomas and poor immune system – without appropriate and timely urine tests. To date, Gold Peak continues to refuse Ms Zhou's demand for financial assistance with medical costs and tests.

#### Has Gold Peak stopped producing nickel cadmium batteries?

On 12 January 2006, Gold Peak announced that it had stopped producing nickel cadmium batteries. This was misleading. More accurate is the fact that at some point in 2005 – we have been unable to confirm an exact date – Gold Peak outsourced the production of nickel cadmium batteries to a workshop in Hunan province. In other words Gold Peak has ceased the direct production of nickel cadmium batteries but still deals in them and presumably profits from them. It is clear from our inquiries at the Hunan factory that the poisonous nature of cadmium has not been explained to the workers. Worse still, they have not been

<sup>[9] &</sup>quot;Study on the health effects of the workers exposed to cadmium" Yang Rongxing. http://202.116.64.96:8001/xwlw/detail.jsp?searchword=subject%3D2010&channelid=65004&record=43.

provided with suitable protective equipment or procedures. It appears that Gold Peak is getting round the law by outsourcing dangerous work. If it has escaped the company's notice that the corporate social responsibility extends to the practices of outsourced companies, we have, on many occasions, sought to remind them and also obtain clarification of the conditions at the factory in Hunan. Gold Peak has simply ignored our requests.

#### Legal health checks should not be humiliating

All workers classified as having poisonous or excessive levels of cadmium – and as such placed under observation – are legally entitled to an annual health check. The conditions in which some of these checks have been carried out were humiliating for the workers, particularly for the women. During last year's health checks in 2005, the mostly women workers were ordered to strip naked, shower and then give a urine sample while being watched over by people of dubious status. This procedure was both insulting and medically unnecessary. It appeared to have been organised by the factory managements with a view to dissuading as many workers as possible from returning for further tests – this was certainly the opinion of the workers we interviewed despite denials from Gold Peak. We believe that it is now up to Gold Peak to publicly name the people who ordered the humiliating procedure and ensure that it does not happen again.

In their defence, Gold Peak has issued vaguely worded statements claiming that the tests were in full compliance with mainland China's laws and regulations. But which ones do they mean? A reply to workers issued by the Huizhou Centre of Diseases Control and Prevention merely said that "[W]ork clothes must be removed during tests" which clearly is not the same as ordering someone to strip naked. The reply also said that "where necessary tests shall be carried out after bathing". This surely does not mean that workers must shower under the surveillance of unidentified personnel.

#### Does the GP Batteries Industrial Safety Trust Fund benefit workers?

Gold Peak's statement on 20 April 2006 stated that the Industrial Safety Trust Fund (hereafter Fund) was established to provide a one-off subsidy for workers. According to the company just 16 of the 400 workers, or four percent of them, have done so at the time of writing even though the cadmium poisoning case has been going on for over two years. Moreover, 400 workers remain under observation, and, excluding Hong Kong workers, 11 have been poisoned. The vast majority of workers who resigned have not been directly notified of the Fund's existence and even fewer are in any way familiar with the application procedures. It is hardly surprising that just four per cent of those who one might reasonably expect to be eligible to benefit from the Fund have actually done so. Unfortunately, we have reason to suspect that Gold Peak has already disqualified most workers from applying, effectively reducing it to little more than a public relations exercise. No doubt Gold Peak will again

argue that the mass exclusion applies to those workers who have already collected the one-off subsidy of 3,000 to 8,000 *RMB* – a pitiful amount given the scale of the financial and mental damages they have suffered. Until recently Chong Chan-yau, former Executive Director of Oxfam Hong Kong also served on the Fund's allocation committee. The doubts surrounding both the testing procedures and the sincerity of the Fund itself became too serious for Mr. Chong and he announced his resignation on 11 July 2006 stating dissatisfaction with its work. It is in this light that we should frame Gold Peak's chairman Victor Lo's pledge to "regard the workforce as the most valuable asset, and make the employees feel fully valued and appreciated". [The End]

# 广东省惠州市疾病预防控制中心 (惠州市卫生检验中心)

# 牛 评 价 报

受理编号: 04GLi0001~04GLi0002

样品名称: 作业场所空气

受检单位: 惠州先进电池有限公司

受检单位地址: 麦地路18号

采样地点: 作业场所

采样方式: 现场采样

检验类别: 直管监测

样品数量: 31份

采样日期: 2004年01月08日

**检验日期**: 2004年01月08、11、13日

引用的标准:

(一)、GBZ1-2002《工业企业设计卫生标准》

(二)、GBZ2-2002《工作场所有害因素职业接触限值》

检测结论与评价:

本次对惠州先进电池有限公司测定噪声样品共18份;氧化镉作业点7个,共7份样品;苯、甲苯、 二甲苯作业点各2个,各2份样品。

作业场所空气空气中二甲苯未检出。

作业场所空气中苯浓度均为0.04mg/m3。

根据GBZ2-2002《工作场所有害因素职业接触限值》, 苯短时间接触容许浓度限值为10mg/m³, 本次所检测的2个苯作业点的苯浓度均符合国家职业卫生标准。

作业场所空气甲苯浓度最高为0.3mg/m3(五楼老车间加膠水),最低0.2mg/m3(五楼新车间加膠 肠)。

根据GBZ2-2002《工作场所有害因素职业接触限值》, 甲苯短时间接触容许 ,本次所检测的2个甲苯作业点的甲苯浓度均符合国家职业卫生标准。

作业场所空气氧化镉浓度最高0.73mg/m³(NI—CD捞粉机),最低0.0 mg/m²(RC。滚切机大

根据GBZ2-2002《工作场所有害因素职业接触限值》,氧化镉短时间装触容许浓度限值类0,62mg

/m3。本次检测的氧化镉浓度最高0.73mg/m3(NI-CD捞粉机),超标35. 作业点中有1个作业点的氧化镉浓度在标准值上限,有6个作业点的氧化镉浓 作业场所空气噪声强度最高为103.8dB(试氮机(H13)),最低为83.7dB(压片机R30、车坑机 B5) .

根据GBZ1—2002《工业企业设计卫生标准》,工作场所操作工人连续接触8小时,噪声声级卫生限 值为85dB(A),本次所测定的18个噪声样品中有16个样品的噪声强度超过国家职业卫生标准,样品合 格率11.1%。

建议:改善作业场所环境,加强通风排毒、除尘、降低噪声等

卫生评

2004年01月15日

2004年01月15日

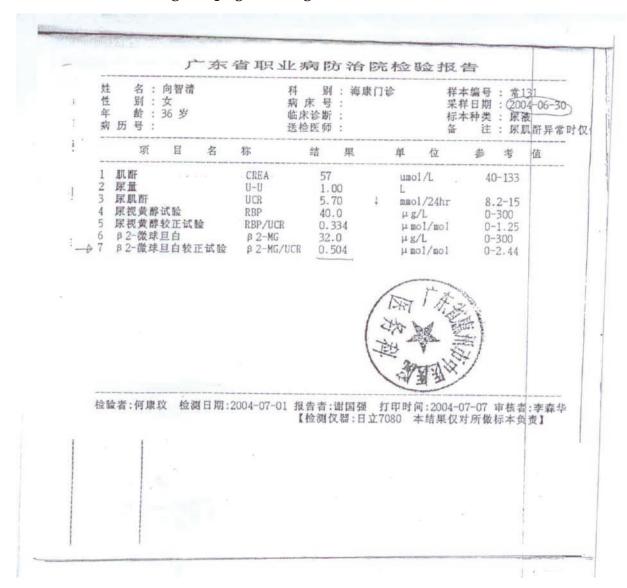
务:副科长

2004年01月15日

注:1. 本评价报告必须与监测检验结果配套使用,不得部分复制评价报告。

2、本卫生评价报告涂改、增删、未加盖卫生评价报告专用章无效。 3、第1联交客户, 第2联交监测管理科室, 第3联交质管办存档, 第4联交惠州市卫生监督所。

A. Woman worker Xiang Zhiqing was diagnosed as excessive cadmium level in 2004



#### B. Xiang Zhiqing was diagnosed as cadmium poisoning in 2006

## 职业病诊断证明书

粤职诊字 (2006) 55 号

姓名: 向智清 性别:女 出生日期: 1968年7月12日 工作单位: 惠州超霸电池有限公司 职业接触史: 患者 1999 年 4 月 27 日至 2004 年 9 月 3 日在惠州超霸电池有限公司装配部从 事卷装、贴片、碰片等工作。2003年3月3日惠州市疾病预防控制中心对该厂车间空气进 行采样检测,结果示空气中氧化镉浓度最高为 0.204mg/m3。 临床表现: 因"头晕、腰痛3年,体检发现尿β<sub>2</sub>-微球蛋白升高2月余"于2006年1月6 日入住我院。入院体查:生命体征平稳:心肺听诊正常:腹平软,肝脾肋下未扪及肿大: 生理反射存在, 病理反射未引出。 实验室检查结果: 连续两次以上尿镉超过 5 μ mol/mol 肌酐; 尿 β 2-微球蛋白最高为 10.86 µ mol/mol 肌酐。 依据的诊断标准: 职业性镉中毒诊断标准 (GBZ 17-2002) 诊断结论: 职业性慢性轻度镉中毒 处理意见: 1、按《中华人民共和国职业病防治法》有关规定处理。 2、壹年后复查。 诊断医师: 诊断机构 2006年2月27日

备注:如对本职业病诊断结论不服,应在接到职业病诊断证明书之日起30日内向广州市卫生局职业病诊断鉴定委员会 办公室申请首次鉴定:如自愿放弃首次鉴定权利,也可在30日内直接向广东省卫生厅职业病诊断鉴定办公室申请最终鉴定。 逾期则视为放弃申请职业病诊断鉴定权利。

广州市卫生局职业病诊断鉴定委员会办公室地址:广州市黄埔大道西天强路 1 号。联系电话: 020-85591881-3722。 广东省卫生厅职业病诊断鉴定委员会办公室地址:广州市新进而路海康街 68 号 联系电话: 020-34063160

# **Investigation into Workers Affected by Cadmium**

Preliminary report by Globalisation Monitor & workers from Gold Peak Batteries factory

#### March 2006

Our survey and interviews revealed that during 2004 more than 1,000 of approximately 4,000 workers producing batteries at three Gold Peak-owned factories had been affected by cadmium. We surveyed 126 of these workers between December 2005 and January 2006; 47 had worked at the Huizhou PP factory, 63 at the Huizhou ABT factory, and 16 at the Shenzhen JetPower factory. Most of these workers had already resigned at the time of the survey. (Table 1)

Table 1. Factories Workers worke
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Plant	No. of workers interviewed
Huizhou PP (Huizhou)	47
Huizhou ABT (Huizhou)	63
JetPower (Shenzhen)	16
Total	126

Note: most of these workers had resigned when the survey was conducted between 12/2005 and 01/2006.

#### 1. Basic situation of the workers

Of the 126 workers, 120 were women and six were men. The basic ratio of men to women working in the three factories was 1:4; the ratio of those surveyed was 1:20.

Of these 126, 101 were between the ages of 28 – 37 and born between 1968 and 1977. Most workers in this age range had worked at one of the three factories for seven or eight years; and almost all were married with children. As the principal family breadwinners, this group came under enormous pressure when the medical problems started to emerge. Another 17 of the interviewees were aged 18 – 27, born between 1978 and 1987. A further six were 38 – 48 years old and born between 1958 and 1967. According to the questionnaire responses, most of these six had worked in the factories for more than 10 years. (Table 2)

Table 2. Age Range and Year of Service		
Age range	Year of service	Number of workers
18-27		17
28-37	7-8 years	101
38-48	> 10 years	6
Total		124 (2 did not respond to the question)

Ninety eight of those surveyed worked in factory assembly departments. Previous interviews with workers from all three factories had also indicated that most workers were employed on assembly lines. Our interviews included ten from the cadmium processing department; eight had worked on assembly lines and processing; five worked in the finishing department (this section includes packaging; three worked in the engineering section; two were cleaners who come into contact with cadmium and suffered harm as a result. Without exception these jobs involved contact with cadmium. It is important to note that even employees with duties which, in theory, should not bring them into direct contact with cadmium such as cleaning and packaging, nevertheless came into contact with the chemical. We believe that this fact alone dictates that Gold Peak should order immediate medical tests for all employees - including management - and not just those working directly with cadmium. (See Table 3)

able 3. Interviewees' Departments	
Departments	Number of Workers
Assembly Line	98
Cadmium Prosessing	10
In both Departments above	8
Finishing	58
Engineering	3
Cleaner	2
Total	126

The survey showed that 80 people had worked at the factory for five to 10 years, 24 had worked there for more than 10 years, and 16 had worked for between one and four years. One had worked for less than a year. As a general rule, the longer the working period the more serious the cadmium-related problems and diseases. In previous interviews with workers we discovered that more than one worker had suffered cadmium-related health problems

even though she had worked there for less than a year. In this survey, a female worker had worked at Huizhou PP from April to December 2004 when Gold Peak and Huizhou PP's management grandly announced sweeping reforms to the factory operations especially with regard to health and safety in June 2004. Yet this woman worker has been classed as having been poisoned, raising doubts about how effective the so-called 'comprehensive reforms' actually were. (Table 4)

Table 4. Interviewees' Year of Service for GP		
Year of Service	No. of workers	
> 10	24	
5-10	80	
1-4	16	
<1	1	
Total	121 (5 did not respond to the question )	

Most of these workers are from Guangdong and Sichuan: 51 from Guangdong, 45 from Sichuan, 15 from Hunan, seven from Chongqing, three from Jiangxi, two from Guangxi, and two from Guizhou. (Table 5)

ble 5. Interviewees' Place of Origin		
Number of workers		
51		
45		
15		
7		
3		
2		
2		
125 (1 did not respond to the question)		

#### 2. Worker health checks and diagnoses

Fifty eight of those interviewed had been in hospital for less than six months. Many of these workers had only been for a check up and were discharged within two weeks. A further 34 workers were hospitalised for less than one year and only four workers were hospitalised for over a year. Three of these had poisonous levels of cadmium and one had been in for an unrelated operation. Two were still in hospital during our survey. They had undergone repeat check ups in October 2005 which showed poisonous levels of cadmium and had remained in hospital for an official occupational illness diagnosis. Of the 26 workers who had not been hospitalised at any point 15 were from JetPower. (Table 6)

Length of Hospitalized for those under observation	Number of Workers	Others
< 6 months	58	
< 1 year	34	
> 1 year	4	
	3	Poisoned cases
	1	Other related medical procedure
	26	Workers not hospitalized (15 from JetPower)

Of the 97 who had been hospitalised, 33 were admitted to Guangdong Hospital for Treatment and Prevention of Occupational Diseases following a spell of observation. Another 64 were first admitted to Huizhou Hospital but then 21 were subsequently transferred to the Guangdong Hospital for Treatment and Prevention of Occupational Diseases. (GDH) This entire group of 21 workers had already been placed under observation. (Table 7)

Table 7. Hospitals Interviewees being sent	<del>.</del>
Hospital	Number of workers
Guangdong OSH Hospital (GDH)	33
Huizhou OSH Hospital	43 (original 64 but later 21 sent to GDH)
HZH transterred to GDH	21
Total	97

Taking all this into account, it seems that only workers with seriously excessive levels of cadmium were admitted to the more expensive Guangdong Hospital for Treatment and Prevention of Occupational Diseases. It is important to point out that of a total of 79 workers who were either hospitalised in Huizhou or not admitted to hospital at all, only 10 had excessive cadmium levels and the remainder were simply placed under observation. Yet the underlying medical task – monitoring for cadmium levels – was the same for *all* the workers which raises the question of why were some workers hospitalised in Guangzhou city's foremost hospital for occupational disease and others weren't. The only certain aspect of this conundrum is that the different responses saved Gold Peak a large sum in hospital medical expenses.

Among those surveyed, 92 were under observation for cadmium, 10 workers had excessive levels of cadmium and two had cadmium poisoning. Repeat check ups in 2005 showed two more workers had reached cadmium poisoning levels. (Table 8)

Table 8. Situation of the Interviewees		
Situation	Number of workers	
Placed under observation	92	
Excessive levels of Cadmium	10	
Poisoned	2	
Total	104 (some did not respond to the question)	

#### 3. Workers' situation after leaving hospital

After discharge from hospital, 45 workers returned to their hometowns (essentially never return to factory work), 54 stayed in Huizhou (mostly unemployed), and one went to work elsewhere. Twenty went back to work in the Gold Peak factories, mostly those employed at JetPower in Shenzhen. Only five workers from either of the Huizhou factories resumed work. (Table 9)

Table 9. Workers' Employment Situation after Leaving Hospital	
Workers' situation	Number of Workers
Went home and did not work in factory again	45
Stayed in Huizhou but unemployed	54
Went to work elsewhere	1
Went back to GP plant (15 from JetPower and 5 from Huizhou plants)	20
Total	120 (6 did not respond to the question)

Forty eight workers reported financial hardship and 41 of these said that were unable to find new jobs as a result of their excessive cadmium levels. They said they had no idea how they would earn a living and were very anxious about the future. Six workers said they had been discriminated against because of excessive cadmium levels and that this had increased the psychological pressure they were under. Some reported being labelled as "infectious" and shunned as a result. During interviews some women workers said that one of them had lost her boyfriend because of her excessive cadmium levels; others reported marital problems chiefly as a result of spouses' failure to empathise with the medical and psychological issues involved. Even one year after leaving hospital, 14 workers were unable to find a new job due to excessive cadmium levels. (Table 10)

Table 10. Situation of Workers with Excessive Cadmium Level		
Situation	No. of Workers	
Facing financial difficulty	48	
Unable to find new jobs	41	
Being discriminated against	6	
Lost boyfriend	1	
Total	96	

One respondent revealed that after less than one year back at work management found a reason to dismiss her. This is actually why many workers did not go back to work in their former workplaces. They reasoned that there was no guarantee against arbitrary dismissal and if it happened even the one-off subsidy would be refused.

#### 4. Workers' health (Table 11)

Workers referred to many physical ailments, more than half suffered from illnesses such as dizziness and headaches (122 people; 97%), lumbago (112 people; 89%), memory loss (102 people; 81%), hair loss (95 people; 75%), shoulder and back pains (93 people; 74%), irregular menstruation (89 people; 74% of women workers), insomnia (85 people; 67%), anaemia (71 people; 56%), and weak immune system (68 people; 54%). A further 53 workers (42%) reported general muscle pains, and others reported impaired sexual functions (30 workers: four men; 67%, and 26 women; 22%). There were reports of chest pains (27 workers; 21%) and impaired lung function (18 workers; 14%). Seven women had experienced miscarriages, representing 13% of women who had become pregnant; one of these women had had three miscarriages.

There were also many respondents with "other" noteworthy medical disorders including sore throat, pins and needles, pains in the hands and feet, and general aches and pains.

Table 11. Results of Investigation on the Health and Well-being of 126 workers No. No. with without Illness % having illness illness illness 97% 1 Dizziness, headache 122 89% 2 Lumbago 112 14 3 Memory loss 102 24 81% Hair loss 4 95 31 75% 5 Shoulder and back ache 93 33 74% 6 89 37 74% Irregular menstruation 7 Insomnia 85 67% 41 8 Anaemia 71 55 56% 9 68 58 Weak immune system 54% 10 Limb cramp/pulled muscles 53 73 42% 11 Other 47 79 37% Rhinitis 12 32% 40 86 67% (4 men) 13 Impaired sexual function 30 96 22% (26 women) 14 Chest pains 27 99 21% 15 22 17% Kidney stones 104 Impaired lung function 16 18, 108 14% 13% of pregnant Miscarriage 7 17 119 workers

#### 5. Conditions of workers who had children while employed at the factories

Gallstones

(This section summarises a separate investigation targeting children affected by cadmium. Hereinafter this section is referred to as Investigation 2.)

6

120

5%

Some 46 of the 120 women workers gave birth while working at the factories. Seven of these children had cadmium-related health checks as a result of which two were confirmed with excessive cadmium levels. Both mothers worked at Huizhou PP.

A further 31 children did not undergo cadmium-related checks, although many developed

18

physical health problems. Investigation 2 revealed that the major problems were: low resistance to disease (17 children); physical abnormalities: five children whose abnormalities included discolouration with dark grey-black patches affecting the entire body, sarcoma (malignant tumours), chronic pains in the feet and persistent skin allergies; frequent colds and influenza (14 children). One of the women suffered a stillbirth. (Table 12)

Table 12. Abnormalities and Death of Chil	
Situation	No of Children
Low resistance to disease	17
Discolouration	5
Sarcoma, chronic pains in feet and persistent skin allergies, frequent colds/flues	14
Stillborn	1
Total	37
	37

Nineteen Huizhou workers – 14 women and five men – took part in Investigation 2, including four married couples who worked at Huizhou PP or Huizhou ABT. All these workers had come into contact with cadmium. Investigation 2 revealed that most of these men and women workers were between 28 and 38 years of age and had worked at the factories for five to 10 years; six of them had worked there for more than 10 years. Between them they had given birth to nine girls and 10 boys all aged between one and four years old at the time of the survey. Four of the children lived in Huizhou and four more in their hometowns; six had lived in both places. Fifteen of the children had been breast-fed. When one of the women workers was more than four months pregnant, she was assigned back to her original job which involved contact with cadmium. At the time the first case of a large number of workers with excessive levels of cadmium was making headlines in the national and international media.

Seven of the 19 children underwent cadmium-related health checks paid for by their parents. A total of 16 workers applied to the factories for assistance with the children's check ups, but the factory refused. Moreover one factory refused to recognise the results of one child's cadmium-related examination paid for by her parent.

#### 6. The Gold Peak Industries Safety Trust (hereafter Fund)

Workers' knowledge of this Fund and its operation was extremely low. Five of the 126 workers claimed they had never heard of it. Just 26 respondents said they knew how it worked. This group was chiefly made up of JetPower workers (15 in total) who had heard about the Fund in court. The remaining 94 were not clear how to use the Fund, its objective, how to contact it, or how to apply for financial help. This suggests to us that the majority of workers did not understand the Fund or how to use it.

104 workers *said* they had applied to the Fund for a one-off subsidy settlement, reporting agreements of 3,000 RMB (10), 7,500 RMB (10) and 8,000 RMB (84). Yet these settlements were made *prior* to the establishment of the fund which in itself reveals the depth of confusion surrounding the Fund.

Of the 17 workers who had heard of the fund but had not applied for a one-off subsidy, two were Huizhou workers who had been classed as poisoned and 15 were from JetPower in Shenzhen and were still working there at the time of the investigation. Two more were hospitalised, one from JetPower and one from Huizhou PP.

The question to consider is why 10 workers received one-off redundancy package of 7,500 RMB when the original offer from the factory was either 3,000 RMB or 8,000 RMB. Interviews revealed that in 2004 many workers went on strike in order to pursue their demands for medical checks and hospital diagnosis. The factory's response was to offer a return-to-work bonus which was nothing more than a thinly disguised attempt to split ranks in the name of maintaining production. Worse was to come. In October, those workers who had taken up this offer were informed that they would receive a 500 RMB bonus. However, when those workers who accepted the offer of a 3,000 or 8,000 RMB one-off voluntary redundancy deal received their cash, they discovered that the strike-breaking deal was unexpectedly included in the terms. In other words, those workers who had refused the strike breaking bribe received only 7,500 RMB and 2,500 RMB – although none were eligible for the latter.

Report of the Huizhou Disease Prevention Center on excessive cadmium level in the air of the Huizhou PP, March 2003

# 广东省惠州市疾病预防控制中心 (惠州市卫生检验中心)

生评价报

受理编号: 03GL0001-03GL0005

受检单位: 惠州超霸电池有限公司

样品名称: 作业场所空气

检测项目: 作业场所空气苯、甲苯、二甲苯、铅烟、镍、氧化镉,三氯甲烷的

样品数量: 苯、甲苯、二甲苯各4份、铅烟5份、镍6份、氧化镉8份、三氯甲烷3份

引用的技术标准:

(一)、GBZ2-2002《工作场所有害因素职业接触限值》

检测结论与评价:

本次对惠州超霸电池有限公司四楼移印房测定了菜、甲苯、二甲苯作业点4个,共12份样 品。焊锡车间铅烟作业点5个, 共5个样品。电极片制作车间、三楼装配车间、配浆车间镍作业点 6个, 共6个样品: 氧化匐作业点8个, 共8个样品, 拉牧车间三角田均作业点3个, 共3个样品。

采样地点:

作业场所空气苯浓度最高为7.3mg/m (移印机5009-04旁), 最低为6.0 mg/m。

根据GBZ2-2002《工作场所有害因素职业接触限值》, 苯短时间接触容许浓度限值为 10mg/m , 本次检测的4个苯作业点的苯浓度均符合国家卫生标准。

作业场所空气甲苯浓度最高为0.38mg/m, 最低未检出。

根据GBZ2-2002《工作场所有害因素职业接触限值》,甲苯短时间接触容许浓度限值为 100mg/m , 本次检测的4个甲苯作业点的甲苯 浓度均符合国家卫生标准。

作业场所空气4个作业点均未检出二甲苯。

作业场所空气5个作业点均未检出铅烟。

作业场所空气3个作业点均未检出三氯甲烷。

作业场所空气镍浓度最高为1.8mg/m (三楼装配车间L3425工作位), 最低为0.4mg/m。

,根据GBZ2-2002《工作场所有害因素职业接触限值》,镍短时间接触容许浓度限值为2.5 mg/m , 本次检测的4个镍作业点的镍 浓度均符合国家卫生标准。

作业场所空气氧化镉最高为0.204mg/m (配浆车间落粉处),最低为 < 0.01mg/m。

根据GBZ2-2002《工作场所有害因素职业接触限值》,氧化镉短时间 0.02mg/m , 本次检测的配浆车间送粉处氧化镉浓度为0.204mg/m , 超标识象 氧化镉作业点中有2个作业点氧化镉浓度超过国家卫生标准,超标率 氧化镉

卫生评价报告专

浓度在国家卫生标准值上限。

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# Violating labour law regulations at Huizhou PP factory, Xiaojinkou, Huizhou

#### Globalisation Monitor

(Information gathered up to June 2004<sup>10</sup>)

	Subject	Labour law regulation	Situation in Huizhou PP factory
A1		Article 36: The State shall practise a working hour system under which labourers shall work for no more than eight hours a day and no more than 40 hours a week on average.*	Factory practices a two-shift system, seven days per week. Day shift works 12 hours totalling 84 hours per week; night shift works 11 hours, totalling 77 hours per week. This greatly exceeds Labour Law regulated time.
A2		Article 38: The employing unit shall guarantee that its staff and workers have at least one day off in a week.	Workers have only one day off per month during the monthly shift change. There is no question of one day rest per week.
A3	Work time	Article 41: The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and workers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of workers is guaranteed. However, the total extension in a month shall not exceed 36 hours.	In a 30 day month with one day off, the minimum overtime is 172 hours for day shift workers and 143 hours for the night shift. This vastly exceeds the legal limit of 36 hours.

<sup>\*</sup> Translation of the labour law is from http://www.law-bridge.net/english/LAW/20065/1322462357270.shtml unless stated otherwise.

<sup>[10]</sup> Edited version. For unabridged version please see Globalisation Monitor's website at www.globalmon.org.hk

	Subject	Safe Production Law relevant regulation	Situation in Huizhou PP factory
B1	Safe production education and pre- job training	Article 21: The factory shall practice safe production education and training, and guarantee to provide the necessary safe production knowledge and safe operation rules for workers; otherwise they cannot perform their duties.	Since 1994 when the company began production, there has been no safe production education and training practiced for any group of workers. Workers have only been taught how to work and operate machinery.
B2	Notification of duties	Article 36: the factory shall accurately notify all personnel of existing hazards, precautionary measures, and emergency procedures concerning production areas and work duties	As a battery producing plant, this factoryhasnotexplained orreminded workers about any hazards related to battery production; there is no form of notice to inform or remind workers of hazards present in the workshop.
В3	Labour protection	Article 37: the factory must provide workers with labour protection appliances that conform to national or trade standards, and supervise and educate those employed how to wear and use them according to operational regulations	In the process of producing batteries, workers contact many toxic and harmful substances. As well as protective gloves and dust-proof face masks, the factory should also provide protective clothing, boots, and goggles. But in the Huizhou PP factory, except for workers in the cadmium processing section, there are only paper face masks and plain cotton gloves; there are no other protective articles. Not until March 2004 after the incident was exposed, the factory started to provide workers with dust-proof face masks.
B4	Employment contracts and other written clarifications	Article 44: employment contracts concluded between the factory and workers shall clearly record guarantees for labour safety, arrangements to prevent occupational hazards, and provisions on handling industrial injury and social security for workers according to law.	Workers' employment contracts only specified wages and insurance, but not a single provision for occupational hazards. There was only one copy of a contract, which, after being signed by the worker, was retained by the factory leaving the worker with no written evidence of her employment.
В5	Workers' rights	Article 45: workers have the right to know of any occupational hazards, preventive measures, and accident contingency measures that exist concerning the production place and work stations. They have the right to make suggestions about safe production in the work unit.	The factory did not inform workers about the possibility of a single hazard existing in the production place and work stations. How could workers know they were putting themselves in any physical danger, let alone think about raising suggestions on safe production?

	Subject	Law on Prevention and Control of Occupational Diseases.**	Situation in Huizhou PP factory
C1	Prevention	Article 13: The workplace, set up by the employer, where occupational disease hazards are produced shall, apart from fulfilling the conditions specified by laws and administrative regulations, meet the following requirements for occupational health:  (1) The strength or concentration of the factors of occupational disease hazards shall meet the national norms for occupational health;  (2) There are facilities commensurate with the prevention of occupational disease hazards;  (3) The production processes are arranged rationally and in conformity with the principle of separation the harmful from non-harmful processes;  (4) There are supporting health facilities such as locker rooms, bathrooms and a lounge for pregnant women workers;  (5) The equipment, tools, apparatus and other facilities meet the requirements for protecting workers' physiological and psychological health.	Many aspects of the factory did not meet occupational health standards:  1. Before the case was exposed, the cadmium processing room was extremely dusty, every day for years the workers accumulated cadmium dust on their faces. Such concentrations definitely exceed the national standard of 0.01 milligrammes per square metre.  2. The cadmium processing workshop was a completely sealed space with no effective ventilation facilities, and provided no occupational protection.  3. No production workshops had changing rooms, meaning that workers went home wearing clothes contaminated with cadmium dust.  4. The factory ruled that workers could not leave workstations. Workers had to keep their drinking cups in the workshop, consequently they could not avoid contaminating their drinking water with cadmium. Note that it was the factory that insisted that workers had to leave cups in the workshops, and not the workers' decision.  5. The factory workers were predominantly women of child bearing age, and quite a few were pregnant, but the factory did not install any rest rooms for their use
C2	Protection for women and young workers (16-18 years old)	Article 35: No employer may assign minors jobs that are exposed to occupational disease hazards, or assign women workers who are pregnant or breastfeeding babies jobs that are harmful to them and to the embryos and the babies.	Despite many pregnant workers and women of childbearing age in the factory, women who were more than three or four months pregnant could not leave their original work stations. There was even one woman who was four weeks pregnant who, because of the furore caused by the cadmium poisoning case this year, asked to change her duties, but the factory simply refused, only allowing her to change duties after three or four months.
C3	Diagnosis of occupational disease	Article 48: When for ( <i>sic</i> ) making diagnosis and verifying occupational diseases, the employer is required to provide information related to occupational health and health monitoring and protection, it shall provide truthful information.	Five workers hospitalised in March submitted application forms for occupational disease diagnosis in April, but to date none have been issued because the factory has never provided the hospital with the necessary information, so the diagnoses cannot be issued.

<sup>\*\*</sup> Translation of occupational disease law from http://english.gov.cn/laws/2005-10/10/content\_75718.htm unless stated otherwise.

## Is the Verdict Just 211

#### **Globalization Monitor**

#### 9 October 2006

In 2005, two groups¹ of GP workers, one after another, filed a case against their employer for his dereliction of duty during working hours and claimed compensation from the employer. The dereliction caused many workers infected with excessive level of cadmium and some even with cadmium intoxication. There were irrefutable evidences which may prove that GP *Huizhou PP* and *Huizhou ABT* had violated health rights of the workers since Huizhou municipal government had fined Huizhou GP factories RMB 160,000 on September 3, 2004 for its failure to comply with the Occupational Disease Law. Meanwhile, it was also irrefutable that the negligence of the employer caused the workers losing money, physical and mental health. Therefore, the workers' claim of civil compensation is reasonable indeed. It is unjust for Court of Huizhou to dismiss their claims.

#### Huizhou Court Deliberately Ignores Evidence Presented by Workers

On August 18, 2006, the Huizhou Intermediate Court dismissed an appeal from Xiang Zhiqing (向智清), a female ex-GP worker, and remained the original decision made in 2005 so that the plaintiff has no right to claim compensation from Huizhou PP. The reason for the decision was that "the extent of cadmium exposure of the plaintiff does not violate the standard of cadmium intoxication enacted by the state and she was not confirmed to suffer from occupational disease ...which thus cannot be judged as work-related injury". However, in fact, dating back to February 27, 2006 Guangdong Hospital for Treatment and Prevention of Occupational Diseases had confirmed that Xiang suffered from occupational chronic light cadmium intoxication Huizhou Intermediate Court completely ignored the evidence provided by Xiang. Second, the decision pointed out that the plaintiff "failed to provide any work-related injury certificate issued by Department of Labor and Social Security Authority". This is true indeed. But why the plaintiff failed to provide the socialed work-related injury certificate? Because Huizhou Labor Bureau refused her request due to her failure to provide "existing" labor relation certification. The reason of rejection is ridiculous. According to legal provisions, if an applicant could prove the fact that he/

<sup>[11]</sup> An Analysis of the Decision on the Case of Cadmium Intoxicated Workers in GP (Huizhou PP) Battery Factories made by the Courts in Huizhou.

she got the occupational disease during the employment period, he/she is entitled to apply for work-related injury confirmation and claim compensation from his/her employer. The applicant doesn't have to provide the so-called "existing" labor relation certification. Therefore, we can conclude that Huizhou Labor Bureau explicitly sided with the employer. However, Huizhou Intermediate Court not only failed to find out the fact, but also took disadvantage of the plaintiff and deliberately ignored the evidence presented by her.

#### The Decision Made by the Huizhou Intermediate Court Is Weak

In 2005, the first group of the workers sued GP Huizhou PP/Huizhou ABT to court for the cadmium over-exposure and claimed the defendant to compensate each worker RMB 150,000 as medical treatment expenses, and RMB 100,000 as compensation of mental losses. As to the compensation of mental losses, Huicheng District Court of Huizhou acknowledged "to some extent, the workers were mentally hurt, but it did not render serious results"; therefore, the court dismissed the workers' claim. Later, the Huizhou Intermediate Court repeated the same opinion concerning workers' appeal. However, what evidence could support the courts to make a decision that "it does not render serious (mental) results". The decisions did not give any explanation about this opinion. On one hand, the appealing workers provided plenty of evidences to prove the fact that they were suffering from serious mental losses - cadmium over-exposure rendered them physical pains, anxiety and other relevant problems including some women workers are too worried to get pregnant because there are cases that children of workers with excessive cadmium were born handicapped; some women workers were threatened divorce by their husband or abandoned by their boyfriends because of their sick body caused by Cadmium. On the other hand, the Court insisted that the appealing workers did not suffer from mental losses without providing any evidence.

## The Courts in Huizhou Do Not Comply with the Relevant Provisions of the General Principles of the Civil Law

The courts in Huizhou dismissed the workers' claim to Gold Peak Industries (Holdings) Limited for RMB 150,000 as medical compensation because the courts understand that "the extent of cadmium exposure of the plaintiff does not violate the standard of cadmium intoxication enacted by the state and she was not confirmed to suffer from occupational disease ...which thus cannot be judged as work-related injury". However the courts have ignored the fact that the relevant laws related to occupational diseases are entirely new. They were only recently enacted by the state and the Law of Prevention and Treatment of Occupational Disease of the People's Republic of China was not enacted until 2002 and therefore it has many flaws. The recently enacted laws do not realize the difference between cadmium intoxication and other hazardous chemicals, which is that the first symptoms of cadmium intoxication usually appear in a few years and the victims do not recognize

its serious harm to their bodies until many years later. Once cadmium enters the body, it will take several decades to discharge them out of the body. During this period, the victims will suffer from chronic weakening of health and some will be tortured by serious pathological changes of organs in a few decades. However, by that time it will be too late to claim economic compensation from the employer because the factory might have been closed down or the relevant evidences might have disappeared with elapse of the time. Nevertheless, the relevant laws ignore the above attributes. On such condition, the courts not only should abide by the Law of Prevention and Treatment of Occupational Disease, but also should comply with the General Principles of the Civil Law when they made a decision. According to Article 119 of the Civil Law, "Anyone who infringes upon a citizen's body and causes him/her physical injury shall pay for his/her medical expenses and his/her loss in income due to missed working time", the above article should be complied with when the courts in Huizhou made their decisions. Now that the workers hold the evidences of cadmium over-exposure (even though they are not cadmium intoxicated), the courts should identify the fact that workers' heath rights have been violated by GP, and then rationally dealt with this case in compliance with the relevant provisions of the General Principles of the Civil Law. Moreover, Article 48 of Safe Production Law states that "workers who suffer from injures in production accidents shall be entitled to claim compensations from both the work-related injury social insurance and the company according to the Civil Law". Obviously, the courts did not comply with the relevant provisions of Safe Production Law and the General Principles of the Civil Law when they made a verdict.

#### Suspected forgery

Whether the decision made by the court is just or not depends upon the reliability of certificates provided by the medical institution concerned. The court insisted that the 309 appealing workers had excessive cadmium but not cadmium intoxication, and "the extent of cadmium exposure of the plaintiff does not violate the standard of cadmium intoxication enacted by the state and workers were not confirmed to suffer from occupational disease ...which cannot be judged as work-related injury". We have pointed out that the appealing worker, Xiang Zhiqing (向智清), brought the occupational disease certificate afterward. However, the court still refused to support her appeal, let alone the others who were only diagnosed as cadmium over-exposure. Most of workers suspect the authenticity of the certificates because from the very beginning the reactions of Huizhou Hygiene and Disease Control Centre and Guangzhou Hospital for Treatment and Prevention of Occupational Diseases render the workers to suspect that they sided with Huizhou municipality and GP, and they colluded to cover-up the truth. After the disclosure of the incident of cadmium intoxication in 2004, workers concerned found that the level of cadmium exposure reported in physical examination paid by the workers is often higher than the figure in physical examination paid by GP. The two examinations were conducted by the same hospital but turned out with completely different diagnosis outcome. How can a diagnosis like this

convince the public? Mr. Chen Jiabin, the director of ward department of Guangdong Hospital for Treatment and Prevention of Occupational Diseases, openly sided with GP and defended for GP in an interview with the media. Without giving any proof, he claimed that the cadmium infection was caused by bad hygienic habits of the workers. How can the workers be convinced of the impartiality of the Hospital?

#### The Explicit Collusion

#### Between Local Government Officials and Private Investors

At the very start of the incident, Huizhou municipal government has been explicitly on the side of Gold Peak Industries (Holdings) Limited. The local government kept harassing workers. Some plainclothes found out the dwelling places of worker representatives and urged local police to force them to leave Huizhou, so as to make workers left with no leaders. Huizhou Health Supervision Institute had threatened worker representatives that if they made troubles once again, they would be wiped away from this world or got killed by contrived traffic accidents. They stigmatized workers fighting for their legitimate rights as trouble-making. In fact, at the beginning of the incident, the Special Team was sent to the two GP plants to suppress workers' resistance. On September 3, 2004, the Huizhou municipal government and GP Battery collectively issued warnings toward workers. They forbade the workers to petition Beijing authority again, and if they did or they "make unreasonable trouble" again they would face criminal charges. The acts of Huizhou municipal government and GP Battery have seriously violated human rights of the workers. It is no surprise that different departments of Huizhou municipal government including Labor Bureau and Heath Supervision Institute kept creating difficulties for the workers here and there. The case of Xiang Zhiqing is a vivid example that the Labor Bureau kept blocking her from applying for work-related injury certificate. As far as the courts are concerned, considering the fact that there is no actual judicial independence in China and the two courts had never displayed judicial justice throughout the GP Cadmium incident, the decision inevitably bears many doubts and flaws.

# Chronological Table of GP Incident - Huizhou PP, Huizhou ABT and JetPower plants

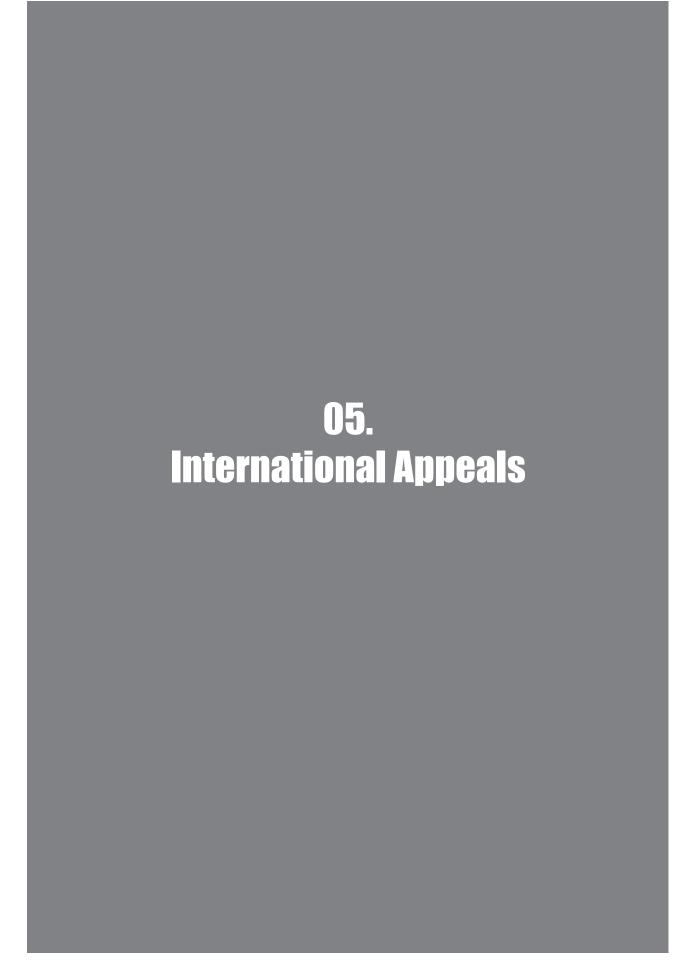
Year	Date	Summary
2003	October & December	Two GP factory workers found in their blood tests that they were infected with excessive cadmium. The workers at the powder room fell into panic. Workers collectively slowed down.
	2003.12.3 & 2004.2.24	GP factory arranged the doctors from Guangdong Hospital for Treatment and Prevention of Occupational Diseases (GD OSH Hospital) to the factory and drew blood tests and some with serious excess of cadmium were sent to hospital.
2004	May	Until May, around 50 workers in the assembly department paid their own expenses to get medical examination and most of them are infected with excessive cadmium. The factory did not give the acknowledgement and rejected worker's demand for medical examination. Some workers complained to the governments of Guangdong Province and Huizhou.
	5.24	Factory management arranged 540 assembly workers in batches to undergo blood tests but did not announce the result.
	6.9-11	Assembly line workers went on strike. Factory management distributed a small piece of paper to workers and offered to send five workers o a hospital each time.
		Huizhou ABT plant was forced to promise medical examination for all assembly line workers.
	6.12-18	In order to get the original blood test report, the workers went on strike again. However, the result they got was much lower than the one they paid by themselves. The factory said that urinary cadmium test was valid but only arranged 121 workers for urinary test. Workers continue to send representatives to petition.
		Through government intervention, 106 workers were accepted by a hospital in Huizhou. 22 workers with more serious conditions were sent to GD OSH Hospital.
		In June, the factory launched massive recruitment and workers were asked to have medical check up before getting the job.
	6.21	450 Huizhou ABT assembly line workers had blood tests and more than 130 were diagnosed with excessive cadmium.

Year	Date	Summary
		GP factory forced four workers to be discharged from hospital.
2004	6.29	Huizhou ABT plant only passed a small piece of paper (blood test report) to workers. Workers went on strike again and blocked the road and demanded improvement of working environment. The factory stopped all production.
	7.2	Some workers at the GD OSH Hospital were discharged.
	7.3	Hong Kong media exposed the incident which caused public concern for GPworkers.
	7.5	22 workers are "normally" discharged.
	7.6	GP advertised in newspapers and denied the workers' allegations.
	7.9	Guangzhou: with the support of GP factory and Huizhou government officials, 7 workers were discharged.
	7.9	Huizhou: 63 out of 106 ex-GP workers were discharged but GP plant urged most of the workers to be discharged.
	7.10	One of the 7 workers, unwilling to be discharged, left a note behind and disappeared.
	7.9 to mid-July	Workers at GP and ABT are categorized as "Objects of observation" were discharged.
	7.15	More than 110 Huizhou ABT factory workers' urine test result showed excessive cadmium and they were sent to the hospital.
		59 discharged GP workers began negotiation with the factory.
	7.20	Workers who had left the plants pay their own fees to get medical examination in Guangzhou and found themselves infected with excessive cadmium.
	7.22	Greenpeace investigated cadmium contamination in Huizhou
	7.23	More than 30 groups with about 40 activists in Hong Kong protested at the GP headquarter in HK
	7.29	The second batch, 140 workers with excessive cadmium, of Huizhou ABT plant was hospitalized and they were discharged on 8.11.
	8.2	2 workers obtained the recognition of mild cadmium poisoning diagnosis.
	8.3	Huizhou government held a media conference and made a commitment.
	8.9	In a meeting organized by GD OSH Hospital, GP and the government, a proposal for 59 workers with high level cadmium was offered: 8,000 <i>RMB</i> for workers under observation, 3,000 <i>RMB</i> for those with excessive cadmium level. The company stated that this interim payment could be canceled at any time and workers have to accept the offer within 15 days.
		Another six Huizhou PP plant workers were also discharged but they refused. Among them, one worker left and missing.

Year	Date	Summary
2004	8.11	CCTV "Saying Today" showed "Who Will Protect the other half of our Life?"
		Globalization Monitor published their August 2004 issue on "Sweat Battery Event".
	8.13-15	Until mid-August, more than 200 workers have received medical examination and among them, 177 certified with excessive cadmium and 2 with chronic poisoning.
	8.17	Aug 18, 27 resigned workers sent two representatives to the factory but they were driven out of factory. In the afternoon, they then went to Huizhou Economic and Trade Bureau and filed a complaint.
		ABT plant workers organized a rally. The government then held a meeting to reply the questions posed by workers.
	8.26	28 workers petitioned in Beijing and return to Huizhou on September 2.
	9.1	HK Polytechnic U students put up posters and criticized Mr. Victor Lo, President of the board of directors of Poly U.
	9.2	September, ABT factory canceled the contract with workers.
	9.3	A new proposal was made by GP, but it only added in one point: Workers who were diagnosed with excessive cadmium but not treated as "Objects of Observation" would get extra medical subsidies which were equivalent to six month of their wages.
	9.8	Mid-August, 140 workers found with excessive cadmium. But the factory still has more than 500 experienced workers who had been working for more than 5 years.
		However, most of their blood tests and urine tests in June and July did not exceed the cadmium level. They demanded re-examination.
	9.8-11	The worker went on strike and prevented the factory to deliver goods. They take turn to do the duty at night. Finally the factory was compelled to agree with the worker to have medical examination.
	9.11	Hong Kong groups protested against GP in HK.
		Greenpeace went to Huizhou again & surveyed the drainage situation of Meihu Industrial Zone. October 3, the report was publicized.
	9.22	CEO Victor Lo admitted for first time: the careless management caused the incident and GP would set up a Fund.
	Start from October	Until June 2005, more workers have been discharged and they signed the new proposal.
	10.19	In October, the factory held a meeting. 128 attendants are the second batch of workers with excessive cadmium. However, the re-examination after 10 days, only around 35 workers exceeded the level. Workers questioned the validity of the results.

Year	Date	Summary
2004	10.26	October 25th, the Chongqing TV Station broadcasted "Huizhou Cadmium Excessive Incident".
	November	Hong Kong media exposed workers with excessive cadmium and poisoning incident of Shenzhen JetPower. Mainland newspaper also reported the incident at the end of Nov.
	End of Dec.	65 GP and ABT workers filed a lawsuit against GP.
2005	1.18	China Youth Daily published: "Getting an Accurate Diagnosis of the Occupational Hazards is Really Difficult!" Report on JetPower Incident.
	2.1	Workers who stayed at GD OSH Hospital signed an agreement & were discharged.
	3.18	Court proceeding of the first batch of GP workers started.
	5.18	Second court proceeding of the first batch of GP workers.
	5.19	Mayor of Huizhou Liu Jinzhou met with GP CEO Victor Lo and Chuang Siu-leung
	6.24	The first batch of GP workers lost the proceeding.
		July, JetPower moved the nickel-cadmium battery production machinery to Hunan.
	8.16	The first batch of GP workers got the verdict.
	9.6	Court proceeding of the second batch of GP workers started.
	10.11	October, Donald Tsang, Chief Executive of HKSAR government, appointed Victor Lo as a new member of the Executive Council.
	Dec.	GP workers (mostly women) were ordered to undress and took showers under the surveillance of unidentified persons when they were having their annual medical check up taking urine samples as required by laws.
2006	1.19	Four GP workers came to HK to protest against GP
	3.24	Five GP workers, with local groups support, demonstrated against Mr. Victor Lo when he attended the board meeting of the University of HK Polytechnic.
	4.21	HK groups protested GP when it held its special general meeting
	6.28	GP sued three HK groups for 'defamation'.
	8.31	The second batch of GP workers (244 persons) lost the case.
	10.15	Shenzhen JetPower management offered a compensation package to workers on the condition that they had to resign within one month. The workers refused to resign and until early February they are still waiting for government's response.

Year	Date	Summary
2006	11.18	3 ex-Huizhou PP and Huizhou ABT workers met with Victor Lo but their demands were not met.
	Early November	146 workers filed a court case against GP and demand GP to provide annual medical checks according to law.
	12.10	CCTV program on GP incident which aroused more public attention and discussion on the development of the incident.
	12.20	Huizhou Daily's news report said that Huizhou government called for a meeting demanding all related departments to arrange health checks for those who had not joined the 2006 annual check up in 10 days and urged the dispute to be settled according to laws and regulations.
	12.26	3 workers' representatives of the lawsuit involving 146 workers from Huizhou PP and Huizhou ABT reached an agreement with GP and the latter need to provide workers with annual health checks required by law starting from mid-January 2007.
	12.29	Huizhou Daily published another news report with the headline "Company (GP) is always be Responsible" which was seen as a response to GP workers' queries and accusations.
2007	1.16	The first group of GP workers had their annual health checks in Huizhou and eventually four workers were found with kidney damage.



# Former Executive Director of Oxfam Hong Kong resign from the Fund Granting Committee of the Gold Peak Industries Safety Trust to protest its decision to sue GM, CTU and NWSC.

From: CY CHONG

**Sent:** Tuesday, July 11, 2006 4:28 PM **To:** 'kenneth\_yu@goldpeak.com'

Subject: Resignation

Mr. Kenneth Yu Secretary Fund Granting Committee Gold Peak Industries Safety Trust

11 July 2006

#### Dear Mr. Yu,

I write to request for your assistance in conveying this letter of resignation to Mr. So, Chairman of the Fund Granting Committee of the Goldpeak Industries Safety Fund.

As I indicated verbally to Mr. Andrew Chong on the phone, I would like to resign from The Fund Granting Committee of The GP Batteries Industries Safety Fund with immediate effect.

I accepted the appointment as a member of the Fund Granting Committee as I hoped that the Trust Fund could be a good example of corporate social responsibility.

I do not believe that in the circumstances described below I am in a position to make a positive influence on this process. I still hope, of course, that the fund will succeed in providing fair compensation to injured workers.

First of all, I do not wish to be associated with a body-check process which is degrading and disrespectful to the workers, a matter I raised in the first meeting.

Secondly, I do not support Gold Peak's decision to bring legal action against ngos who wish

to speak on behalf of workers. This is a principle of civil society.

If I may, I would like to urge Gold Peak to consider:

- 1. Making every effort to eliminate a body-check procedure which is degrading and disrespectful.
- 2. Adopting all responsible measures including mediation process to settle the dispute over compensation with the workers so that workers obtain compensation commensurate with their suffering.
- 3. Conducting direct and constructive dialogue with ngos who speak on behalf of workers.

With regards.

CHONG Chan-yau

# Gold Peak Battery Case: Poisoning in the Pearl River Delta

### **ICFTU Appeal to Gold Peak Industries**

On the 26 July 2006, The Trade Union Rights Department of the ICFTU issued the following appeal to Gold Peak, urging its affiliate members to also write to GP.

This appeal went at simultaneously with a short appeal to Gold Peak to stop legal action against the Hong Kong Confederation of Trade Unions.

Mr Victor Lo Chung Wing Chairman & CEO Gold Peak Industries (Holdings) Limited 8/F Gold Peak Building 30 Kwai Wing Road Kwai Chung, Hong Kong SAR

#### Dear Sir,

On behalf of the International Confederation of Free Trade Unions, which represents 155 million members in 241 affiliated organisation in 156 countries and territories, including China's Hong Kong SAR, I am writing to express our movement's support for the struggle of workers from several of your company's factories in China to gain adequate compensation and redress for excessive cadmium levels and cadmium poisoning contracted while at work for Gold Peak Industrial Holding Ltd's (hereafter GP).

I am also writing to express our dismay at the commencement of legal action you have taken against one of our affiliates, the Hong Kong Confederation of Trade unions, along with two other local Hong Kong labour groups, Globalisation Monitor and the Neighbourhood and Workers' Service Centre.

According to many reports, some 400 workers from at least two GP factories (Huizhou ABT and Huizhou PP) have been found to have excessive cadmium levels while 10 workers have already been diagnosed as having cadmium poisoning. As I am sure you are aware,

production involving cadmium needs to be strictly monitored to ensure that the toxic material does not enter the workers' bodies, however numerous statements show that there have been poor levels of occupational health and safety training, education and safeguards in GP factories producing cadmium batteries in the mainland.

When Gold Peak Industries opened its Huizhou factories in 1994, its workers were not warned of the dangers of handling highly dangerous cadmium and were initially refused masks or given inadequate protection. Many of these workers now suffer from cadmium poisoning and excessive cadmium levels and many have huge medical bills and are unable to find new employment as potential employers are afraid of being made to pay for future cadmium related medical expenses or compensation, indeed several dozen GP workers have already been hospitalised due to exposure to cadmium. GP itself has not denied that there have been problems concerning occupational health and safety and has promised to resolve them (indeed we are pleased to note improvements made to working conditions in several areas). While we welcome the decision to stop production of cadmium batteries at these plants, we believe that this in itself does not address the needs of the workers already affected by excessive cadmium or cadmium poisoning. We are also concerned at reports that GP has sub-contracted cadmium-nickel battery production to another location in Hunan, and there are reports that occupational health and safety measures in this factory is significantly substandard.

The establishment of a compensation fund in August 2005 gave the workers considerable cause for optimism. But the actual administration of this fund has shown serious limitations on the timely provision of compensation and assistance to the affected workers. According to GP's own statements, only four percent of the 400 workers affected by cadmium have so far received funds. We note that the Oxfam Hong Kong representative on the fund board Mr. Chong Chan-yau has resigned in frustration at the administration of the find and humiliating procedures the workers have been subjected to.

In November 2005, workers whose health had been adversely affected by cadmium while working at GP's Huizhou ABT and Huizhou PP factories handed over a letter to the GP Fund board managers. The contents of the letter were chiefly concerned with compensation and medical costs and included a number of clear and reasonable demands. These included: medical checks for the children of female workers who had come into contact with cadmium, past, current and future medical costs of the workers, the issue of future employment and the difficult financial circumstances that most of the affected workers now find themselves in.

We deplore the use of threatening legal action to silence the legitimate support which the HKCTU and other groups are showing to these workers. Denied freedom of association under Chinese law, the workers have been remarkably brave and united in their fight for compensation and deserve to be listened to and not silenced. The case has attracted

the attention of trade unions and labour groups worldwide and unless GP lives up to its promises and negotiates a far package for the workers involved, the media spotlight will not disappear.

We very much hope that you will accept the contents of this letter in good faith and do your utmost to resolve the dispute.

Yours sincerely,

**Guy Ryder** 

**IHLO** 

July 2006

#### **FNV letter to GP**

Postaddress Postbus 8456, 1005 AL Amsterdam

GP Batteries Europe B.V. De heer R. Brands Kortijzer 4 5712 VE Asten Nederland

**Date** 

February 6, 2006 Ref Ours

Subject

Cadmium poisoning in Chinese battery factories

Ref Yours

**Directnr. Tel.** +31 20 58 16 538

E-mail

andriette.nommensen@vc.fnv.nl

Dear Mr. Brands,

FNV would like to draw your attention to the following case in China.

We would like to bring this case to your attention because of your role as the European Head Office of GP Batteries.

Gold Peak Industries produces batteries in factories in Huizhou-city, in the province Guangdong, South-China. Gold Peak is one of China's leading battery factories and has won several awards.

The working conditions in Gold Peak battery factories though are extremely bad. The factories in Huizhou have an appalling history of health and safety violations and long working hours.

More than 400 workers at Gold Peak's factories are suffering from high levels of exposure to the cancer-causing chemical cadmium, as a result of handling the chemical without protective clothing or proper safety instruction. The workers were exposed to cadmium while producing rechargeable batteries for toys.

Gold Peak workers, together with supporters and labour rights activists, have been campaigning for improved compensation from the company, sickness insurance and better provision of medical check-ups. Gold Peaks enhances a very intimidating method for the workers' medical checkups: for urine test the workers have to fully undress. To be

able to receive compensation, the affected workers had to be fired. Besides the financial problems, they are facing high medical bills as well. It is hard to find a job because of their medical situation. The Chinese law for compensation is very limited though so they are now campaigning for better compensation.

Gold Peak in China is not very cooperative and when the workers asked for support from the Chinese government, Gold Peaks' local management threatened them with criminal charges.

Gold Peak has finally promised to set up a fund for the financial assistance of the workers. But according to our partner Gold Peak has not taken much action so far. The amount of money for the fund (1.3 million US dollars) is not enough and the company does not open up on the exact number of cadmium poisoning cases.

The case has already received considerable international attention. In November the workers offered a letter with demands to Gold Peak. Unfortunately the management is not willing to meet their wishes.

On behalf of FNV, which is involved in this severe case of cadmium poisoning in the GP Batteries factories in China, we would like to ask you, as the Head Office of GP Batteries in Europe, to take your responsibility for this terrible situation of the workers in the factories of Gold Peak Industries.

Only when Gold Peak takes responsibility for these cadmium poisoning cases, there might be some improvement in the future.

We would like to receive your response in this matter and we will contact you in the near future.

With kind regards,

**Andriette Nommensen** 

# List of organizations which supported GP workers

# A. Groups in Hong Kong supporting GP Workers: (33 groups endorse the first protest letter against GP in July 2004)

Globalization Monitor (GM)

Neighbourhood and Workers' Service Centre (NWSC)

Hong Kong Confederation of Trade Unions (HKCTU)

Hong Kong Welfare Workers Association

Catering Trade Employees Association

Hong Kong Hospitals' Contract and Temporary Staff General Union

Hong Kong Buildings Management and Security Workers General Union

Environmental Hygiene, Leisure & Cultural Services Staff Association

Professional Domestic Helpers Association

Health and Care Service Workers Union

Container Inside-Pier Drivers Union

Hong Kong Christian Industrial Committee (HKCIC)

Asia Monitor Resource Centre (AMRC)

Grassroots College

Association for the Rights of Industrial Accident victims (ARIAV)

Labor Rights Commune

Justice and Peace Commission of the Hong Kong Catholic Diocese (JPCHK-CD)

Hong Kong Christian Institute

Student Union of the Chinese University of Hong Kong

Hong Kong Federation of Students

Hong Kong Polytechnic University Student's Union

City University of Hong Kong Students' Union

Sham Shui Po Community Association

China Labour Bulletin (CLB)

Pioneer

Citizens Party

Consumers Acting for People and the Environment

Hong Kong Catholic Commission for Labour Affairs (HKCCLA)

Association for the advancement of Feminism (AAF)

Hong Kong Women Workers' Association (HKWWA)

Chinese University Grassroots Concern Group (CUGCG)

Student Christian Movement of Hong Kong (SCM)

Global Network

Ziteng

#### Groups Later Joined-in:

The Hong Kong Liaison Office of ICFTU/GUF/HKCTU/HKTUC (IHLO)

Asian Network for the Rights of Occupational Accident Victims (ANROAV)

Students and Scholars against Corporate Misbehavior (SACOM)

China Labour Action (LAC)

OMCT - World Organisation Against Torture

Hung Hom St. Mary's Chruch Social Concern Group

Cheung Chau Our Lady of Fatima Church Social Concern Group

Tai Po Immaculate Heart of Mary Church Social Concern Group

Lok Fu St. Patrick's Church Social Concern Group

Tsing Yi St. Thomas the Apostle's Church Social Concern Group

Kowloon Bay St. Joseph's Church Social Concern Group

Tsz Wan Shan St. Bonaventure's Church Social Concern Group

Ma On Shan St. Francis Church Social Concern Group

Asia Pacific Mission for Migrants

Union Of Hong Kong Post Office Employees

Hong Kong Professional Teachers' Union (PTU)

Hong Kong Dumper Truck Drivers Association

Social Welfare Organizations Employees Union

Concrete Industry Workers Union

Construction Site Workers General Union

Community Care and Nursing Home Workers General Union

Hong Kong Domestic Workers General Union

HK Clerical Grades Civil Servants General Union

Government Mod 1 Staff General Union

Hong Kong Buildings Management and Security Workers General Union

Hong Kong Baptist University Faculty and Staff Union

The Chinese University of Hong Kong Employees General Union

Cleaning Service Industry Workers Union

Association of Government Technical and Survey Officers

New World First Bus Company Staff Union

Government Employees Solidarity Union

Hospital Authority Employees General Union

Emily Lau, Elected Legco member, HK SAR

#### B. Regional groups and groups based in Asia supporting GP Workers:

Australian Fair Trade and Investment Network

Focus on the Global South (Thailand)

Committee for Asian Women (Thailand)

Public Services Labour Independent Confederation, Philippines.

Globalization from Below, Korea

Altogether, Korea

Janaraja Joint Health Services Union, Sri Lanka

Occupational and Epidemic Diseases Research Center, Japan

ATTAC (Association for the Taxation of financial Transactions for the Aid of Citizens), Japan

Wymen's Agenda for Change (Cambodia)

18 groups from Taiwan labor, unions and environment groups.

#### C. International Groups supporting GP Workers:

International Confederation of Free Trade Unions (ICFTU)

International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM)

International Metalworkers' Federation (IMF)

Netherlands' Union Federation (FNV)

ABVV / FGTB General Labour Federation of Belgium

Réseau-Solidarité (A French NGO Network)

Clean Clothes Campaign (Netherlands)

Maquila Solidarity Network (Canada)

Anita China (Australian National University)

Employee Health Branch, Department of Education and Training Australia Brazilian Asbestos Victims Association (ABREA) Ban Asbestos Virtual-Citizen Network for Latin America

Aisa House (Essen, Germany)

And many other individuals....

(The above unions and groups either sent protest letters to GP, endorse GM's statement to GP, joined the protest GP actions and/or questioned the government at Legco. between 2004 and 2006)

# **Pictures**



Huizhou ABT



Victor Lo received a letter from GM representative Mr. Pan, 10 Sept 2004.



Dozens of GP women workers protested against the undressing procedure during body check.



23 July 2004, 40 protestors from 33 organisations protested GP inside its headquarter.



A worker protesting in front of the GP plant in Huizhou. The words on the piece of cloth read: "The personnel manager of Huizhou PP told poisoned workers to jump from height."



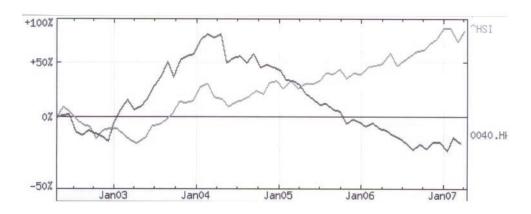
GP workers coming to Hong Kong to protest against GP in front of its headquarter, 14, Sept 2006

#### Report on the Gold Peak Cadmium 4 Poisoning Case

HK\$50 / Eur 5 / USD 7

#### Published by Globalization Monitor

#### March 2007



Down, down, down: GP share prices (0040) as compared to Hang Seng Index.

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