

A Response to GP's January Statement on Cadmium Poisoning Case

Globalization Monitor

15th March 2006

Gold Peak Batteries International Ltd's reply to FNV and various other European NGOs, dated 12 Jan 2006, is a typical example of lies, half truth and white washing.

GP is responsible for workers poisoning

According to this statement, GP has always been providing adequate OSH protection for workers, and implied that workers affected by cadmium might be results of smoking and consuming too much shell foods. We should bear in mind that the wages GP factories pay put either excessive consumption of shell foods and or heavy smoking out of their shop floor employees' financial reach.. The statement also says that GP has been providing adequate medical care to workers, so on and so forth.

This is at best disingenuous and at worst dishonest. There are some 'small' things which GP deliberately avoids. While the Huixhou Municipal government has generally been quite protective towards GP¹, the authority found it necessary to fine GP Batteries 160,000 RMB in August 2004 for sub-standard OSH protection. The GP statement also deliberately kept silent on the fact that it was sued by the Hong Kong government in 2005 for the same reason. These facts reveal that it was GP Batteries' negligence that exposed workers to unsafe working environment which eventually led to their poisoning or excessive levels of cadmium.

GP admitted in its statement that it only included cadmium tests in mid 2004, which is 23 years after the Chinese government listed cadmium as one of the poisonous chemical in 1981, 17 years after the Xianjin Batteries (one of the subsidiary of GP Batteries) started operation! And what is the use of 'pre-employment, annual and post-employment medical checks' if they did not include cadmium tests when cadmium was one of the major chemicals for making batteries? Oh, yes, GP conducted cadmium tests in mid 2004, but it was only a belated response to strikes and road blocking by the workers, who were demanding GP to send them for cadmium test. GP's enthusiasm for tests came *after* some workers paid to have medical check ups, and found out that their bodies had excessive cadmium level. Just how caring is GP anyway?

¹ After workers petitioned Beijing in August 2005, GP Batteries and Huizhou Municipal Government jointly issued a statement banning workers from petitioning upper level governments and threaten to make criminal charges against those who dared to do so. To read the original letter, visit GM website <http://globalmon.org.hk>. Available only in Chinese.

GP said it has been providing training and protective equipment to the workers. The interesting thing about the statement is that there is no time frame as to when GP batteries started doing this. Neither has it told us what kind of training and protective equipment it is talking about. The simple fact was that workers in the three plants of GP were never told that cadmium is poisonous before 2004, and many workers were only given paper mask which is totally ineffective to protect workers from such a fine powder as cadmium.

Is there mass poisoning?

The GP statement said that there is no mass poisoning, because only 10 were diagnosis as cadmium poisoning, and the 400 workers with excessive cadmium level and are under observation can lead normal lives. The implication here is that having abnormally high levels of cadmium does not pose any health problems at all. It is not true. The difference between the category of under observation and poisoning is not that the former necessarily implies no damage to the organs, but only that there is no observable damage. People in this category often find themselves feeling unwell. We had made a survey with a sample size of 126 workers, mostly women, and most of them complained waist pain, back pain, bone pain, losing of hair, insomnia, irregular period, headache etc. 22 of them have kidney stones and 6 have gall bladder stones. While the correlation between these symptoms and cadmium is not conclusive, these workers do suffer bad health after working years in the factories. That they may get by with this do not mean that they can really lead a “normal” healthy life. What is more, cadmium stay in the bodies for decades, therefore some of those with abnormal high level of cadmium in their bodies may eventually lead to observable damages to their organs. That is why it is absolutely necessary to have regular medical tests to monitor the process.

The GP statement said that those under observation do not need medical treatment, but failed to mention the source of its medical references. It is definitive that cadmium is poisonous and significantly excessive cadmium level in the body is a potential threat to health. If we are to believe Mainland medical experts, to whom GP is probably referring to, that there is no medical treatment to flush cadmium out of the body, it is very different from saying that affected workers ‘do not need medical treatment’. According to our preliminary research, chelation therapy may remove cadmium from the body, although it is not 100 percent effective. Secondly, supportive medicine can help to prevent further regression of the conditions of patients. We are not saying that it is conclusive, but neither could GP’s statement be conclusive in maintaining that workers with significantly excessive cadmium levels do not need medical treatment. A responsible company should pursue a more active policy in protecting workers’ health,

and as such GP should have funded workers to get more medical opinions outside China and Hong Kong, and provided supportive medicine to affected workers.

Even if one does not describe the event as a mass poisoning case, obviously it is a poisoning case which is getting more and more serious. Affected factories increase from one to at least four, with three in Mainland China, one in Hong Kong. The number of affected workers rose from 177 in July 2004 to more than 400 in the end of 2005. The GP statement does not mention the Hong Kong case. HK GP now has 3 workers being classified as cadmium poisoning, and 21 with excessive cadmium level. So the total number of poisoning is 13, not 10. Do not forget that there are dozens more GP factories in Mainland and elsewhere in the world, that GP subcontracts production of batteries to local factories in Mainland. No one outside GP knows if these factories safe or not. Given the record of GP's refusal of disclosing bad news voluntarily, we can hardly trust their integrity in disclosing all the truth.

GP shows little commitment in facilitating workers from getting regular medical check

The GP statement claimed it has been arranging affected workers to have annual medical tests. However evidences show that GP makes things difficult for workers. On 13 January 2006 GP advertised in the Huizhou newspaper notifying workers to come back for medical check before 30 Jan 2006, anyone come beyond the deadline would have their rights for check up nullified. Since these workers mostly left GP and are now scattered all over China, it is not fair to give two weeks notice before the deadline. Moreover, GP simply does not have the power to nullify workers' right to medical check as stipulated by law. On 19 January 2006, we and six GP ex-workers met up with the director of GP Batteries, Hui Wing Sun, and challenged their right to do so. He just kept silent.

One of the most upsetting violation of workers right was forcing workers, mostly women, to undress, took shower and took urine sample under the surveillance of unknown people wearing white coats.. We consulted professional opinion, according to whom the procedure of undressing and taking shower is not necessary at all. It was GP who arranged the medical check up, therefore it was natural that workers suspected GP's role in arranging this humiliating procedure as well. On the 19 January meeting with GP Batteries, its director Hui denied GP involvement in the procedure. We demanded GP to issue a public statement announcing it played no role in the event, and it is against any violation of human rights, however GP representatives refused. Thus we have every reason to suspect that GP did play a role in the event.

If GP wanted to deter workers away from getting medical check then it got what it wanted. The GP statement stated that 23 percent of the tested workers previously classified as 'under observation' had their bodily cadmium level resumed to normal. But it did not tell us the actual number of tested workers. We learnt from workers that until recently only 108 workers out of 400 has been tested. 23 percent looks like a handsome figure but actually we are only talking about 25 persons. Close to 300 workers were not able to come either because they did not receive notice, or they did not have the money for transport, or they were deterred away by the undressing procedure, or all of the above. Even if these 25 persons really resume their health (which is doubtful, please refer to responses from workers in the attachment), it is only a very small portion of the 400 workers (not including HK workers).

GP has not ceased production of Nickel-Cadmium Batteries

Contrary to what GP claimed in its statement, it has not ceased producing Nickel-Cadmium batteries at all. It simply sub-contracts production to a factory in Hunan, the Corun Hi-Tech Co., Ltd. Occupational safety and health at this factory is sub-standard, workers receive no OSH training before processing cadmium, and protective devices are ineffective.

GP must pay for medical check up and research for worker's sick babies.

GP claims to be a caring company when it comes to pregnant workers. Again, the statement provided no time frame as to when it began. Or GP has been doing this since it began operations in the Mainland? Evidence suggested the otherwise. At least before 2004, all pregnant women workers had to work in heavily polluted workshops alongside non-pregnant women. The management never bothered to move them to a less polluted post. Even if it is true that bodily cadmium cannot be passed from mother to child before birth – and this is open to doubt – , new born babies still exposed to cadmium through intimate contact with their mothers whose clothes and hands carried cadmium back home. Moreover, having excessive levels of cadmium may weaken their immune system and their health in general, and it may have negative effect on their babies when mothers carrying them. There were at least 46 women who gave birth to the children while employed by GP. In our survey with workers, it was reported at least seven cases of miscarriage and many reported that their babies suffer from many kinds of illness:

- Two babies with excessive cadmium in their bodies, one of them mentally retarded.
- Five babies with abnormal large patches of grey-black discolouring over large parts of body or tumors.
- Seventeen babies with weak immune system.

The situation warrants thorough medical check ups and research to determine the real condition of these babies. However, GP has even refused to talk to workers over the issue, let alone yielding to workers' demand that GP be responsible for medical check ups for these babies.

The Industrial Safety Trust Fund is just for PR purpose

The GP statement claimed that most workers had voluntarily terminated their employment contracts with GP and received their above legal compensation packages. The statement deliberately made it appear that the latter event followed the former event, and that was it. Actually workers were given a choice between the two: either you resign now and get the (token) compensation, or if you stay you get nothing for compensation. If one still regards workers' resignation in this condition as 'voluntary' then one risks the charges of twisting the definition far too arbitrarily.

We have enough evidences to show that the fund is only for PR purpose. Most affected workers, now scattered all over China in their home towns, receive no notice as to the founding and application procedure of the fund. At the 19 January 2006 meeting with GP directors and manager, we asked them how they notified workers about the fund, and the response was that they put up notice in the factory. It is clear GP do not want resigned workers have access to the fund at all. In the meeting, we demanded GP to implement what they had once promised to us in an earlier meeting with GP on 1 September 2005, namely that GP would notify resigned workers about the fund. They simply did not response to us.

The workers are now in grave economic difficulties, because many of them cannot get employment again. Employers can discover they are former GP workers when preparing documents for social security, and very often they immediately terminate employment with the workers. Affected workers are entitled to genuine compensation, not a token one, nor a fund only for PR purpose. We no longer have any expectation from this fund. We consider that workers' demand for 200,000 RMB compensation is just and necessary.