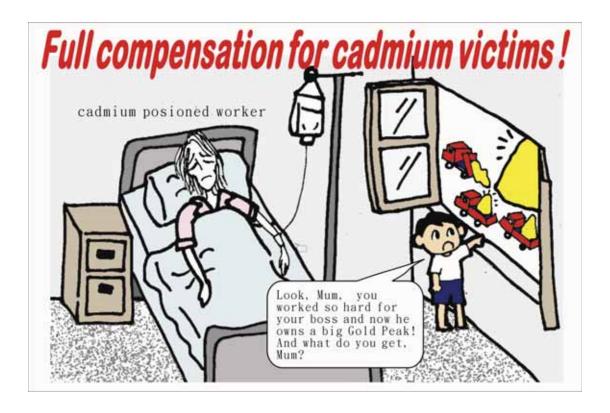
Report on the Gold Peak Cadmium Poisoning Case

Globalization Monitor

March 2007



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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

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 RMB² 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.

¹ 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.

² 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 23rd 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 State-owned 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) 6448 3943

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

15th February 2007

Appendix 1
Oriental Daily (Hong Kong) report on the GP cadmium case, 3 July 2004



Appendix 2 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 2004.³ 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

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.

intimidation. Workers began leaving the factories to avoid further contamination. The net result of this

³ 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

¹⁰ Report on the Gold Peak Cadmium Poisoning Case

government fined Huizhou GP plants 160,000 RMB for the infringement.

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.⁴ 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.

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 5-10 μ mol/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 $5 \mu g/g$ gCr,

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⁴ 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.

⁵ 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.

¹² Report on the Gold Peak Cadmium Poisoning Case

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." ⁶

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.

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

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⁶ "Study on the health effects of the workers exposed to cadmium" Yang Rongxing, see TSR Degree Thesis Service System

^{3.} 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.

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 factories⁵ 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:

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⁵ Two groups of workers: 65 and 244 respectively.

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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".

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.⁶

⁶ 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)

¹⁶ Report on the Gold Peak Cadmium Poisoning Case

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)

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.⁷

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?

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⁷ "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=4

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 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)

卫生评价报告

受理编号: 04GL₀0001~04GL₀0002

样品名称: 作业场所空气

受检单位: 惠州先进电池有限公司

受給单位地址: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。氧化偏作业点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》, 苯氮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(五楼老车间加露水),最低0.2mg/m³(五楼新车间加露

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 100mg/m

,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。

根据GBZ2—2002《工作场所有客因素职业接触限值》,氧化镉短时间获胜容许浓度限值成为。2mg /m²。本次檢測的氧化偏線度最高0.73mg/m³(NI-CD榜粉机), 超标35. 文化语 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度超过国家职 作业场所空气噪声强度最高为103.8dB(试氮机(H13)),最低为83,7dB(压力机830、车坑机

模据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,噪声声级卫生现 值为85dB(A),本次所测定的18个程声样品中有16个样品的噪声强度超过图象职业卫生标准。样品合

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

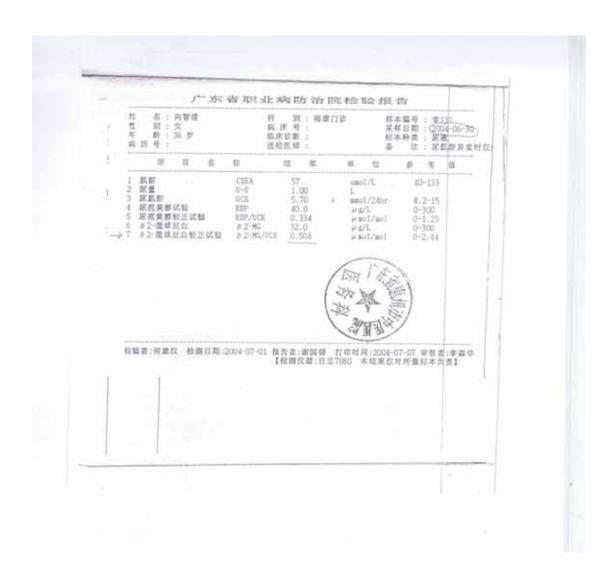
2004年01月15日

各, 即利长 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。

Appendix 2

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、磁片等工作。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。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 , 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、查年后复查。 诊断医师: (2006年2月27日)

高注。如对本职业病诊断结论不履。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签定委员会办公室申请查次签定。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签定办公室申请最终签定。 追溯则视为放弃申请职业病诊断签定权利。

广州市卫生局职业病诊断鉴定委员会办分室地址、广州市黄埔大道西天强路1号。联系电话:020-85591881-0722。 广东省卫生产职业病诊断鉴定委员会办公室地址、广州市新提表区参康新 68 经 联系由 6. 020-34063160

Appendix 3

Investigation into Workers Affected by Cadmium

Preliminary report by Globalisation Monitor and Gold Peak Batteries' factory workers 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 worked for

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 Dec 2005 and Jan 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

A == =====	Year of service	No. of workers
Age range	rear of Service	No. of workers
18-27		17
28-37	7-8 yrs	101
38-48	> 10 yrs	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)

Table 3 Interviewees' Departments

Departments	No. of workers
Assembly line	98
Cadmium processing	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 yrs	24
5-10 yrs	80
1-4 yrs	16
< 1 yr	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)

Table 5 Interviewees' Place of Origin

Place of origin	No. of workers	
Guangdong	51	
Sichuan	45	
Hunan	15	
Chongqing	7	
Jiangxi	3	
Guangxi	2	
Guizhou	2	
Total	125 (1 did not respond to the questi	on)

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)

Table 6 Length of Hospitalization

Length of Hospitalized for those under observation	No. 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)
Total	123 (3 not respond)	

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

Hospital	No. of workers
Guangdong OSH Hospital (GDH)	33
Huizhou OSH Hospital	43 (original 64 but later 21 sent to GDH)
HZH transferred 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	No. 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	No. 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

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 Levels

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

	Illness	No. with illness	No.	% having illness
			without	
			illness	
1	Dizziness, headache	122	4	97%
2	Lumbago	112	14	89%
3	Memory loss	102	24	81%
4	Hair loss	95	31	75%
5	Shoulder and back ache	93	33	74%
6	Irregular menstruation	89	37	74%
7	Insomnia	85	41	67%
8	Anaemia	71	55	56%
9	Weak immune system	68	58	54%
10	Limb cramp/pulled muscles	53	73	42%
11	Other	47	79	37%
12	Rhinitis	40	86	32%
13	Impaired sexual function	30	96	67% (4 men)
				22% (26 women)
14	Chest pains	27	99	21%
15	Kidney stones	22	104	17%
16	Impaired lung function	18,	108	14%
17	Miscarriage	7	119	13% of pregnant
				workers
18	Gallstones	6	120	5%

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

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

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 physical health problems. Investigation 2 revealed that the major problems