

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 (Xianjin and Chaoba) 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 fund 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 Xianjin and Chaoba 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 fair 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