

## The Second An-Open letter to Gold Peak Industrial Holding Ltd.

Negotiate proper compensation with all JetPower workers affected by cadmium;  
Develop a package of adequate medical treatment and follow-up arrangements for these workers

Mr. Victor Lo Chong Wing  
Chairperson, Gold Peak Industrial Holding Ltd.

From September 2008 onwards, machines and managers were relocated from the Shenzhen JetPower factory reducing the size of the factory from two buildings to just three floors while the number of workers has been cut from 1000 to about 500. Rumours abound that Gold Peak was about to liquidate JetPower and move to Huizhou. However, no clarification was offered by your company before the current industrial action began.

Feeling worried by the layoffs and ongoing rumours, workers wrote to management and the enterprise union asking for clarification. They also contacted the Shenzhen Labour Bureau requesting an explanation but received no response at all. The workers therefore had little choice but to take strike action in the hope of forcing management to provide information. The strike last for six days from the 19 to 25 February 2009.

The action successfully forced Ms. Xian Heying (洗荷英), a representative from your company's board of directors to meet the workers in the afternoon of 19 February (first day of the strike) to clarify the current situation. Ms. Xian confirmed that your company would indeed close JetPower and move to Huizhou before 30 June, 2009. However she claimed that this was not due to bankruptcy but was a way to cut costs. In that meeting, Ms. Xian stated that by the 23 February at the latest, a compensation proposal would be given to the workers.

However, in the afternoon of 23 February, your company held a meeting with the workers and announced instead that the company was to remain in Shenzhen and would fulfil its contractual obligations. However no compensation proposal was provided for those who wish to leave the company before the factory closes down and moves to Huizhou. In the afternoon of 24 February, the company finally announced a compensation package and reassured workers that "all will be done in accordance with the laws".

Despite being a big and well known corporation, your company retracted the decision to move the factory with no warning and no consultation so how can the workers feel reassured? The most worrying factor was that in your company's proposal, there was no mention of compensation, medical treatment and all follow-up arrangement for those being

poisoned by the toxic cadmium at work.

Since then, the workers have made numerous requests to meet Gold Peak to discuss the worker's proposal (see appendix 1), but your company has kept on delaying the process. We believe the workers requests are reasonable and the delays by your company show that you are not acting as a sincere and responsible corporation.

Since the outbreak of cadmium poisoning incidents in four subsidiary factories in China and Hong Kong in 2004, we have been monitoring the development of the incidents and your company's responses, which we have found to be hugely inadequate. Many workers are still suffering from your irresponsible production. Today, the lack of transparency in your company's decision to not move the factory and your delaying tactics to the workers' reasonable requests cause us serious irritation.

Here are our demands with which we request your immediate attention:

1. Immediate negotiations with all workers who have excessive cadmium levels on the workers' compensation proposal. (see appendix 1)
2. Announce a proposal for the medical treatment and follow-up arrangements for workers with excessive cadmium levels and cadmium poisoning.
- ~~3. Immediate release the payment of 5,000 Yuan provided by the union for workers' urgent medical treatment. (see appendix 2)~~
- ~~4. For workers who have worked between 5-10 years at JetPower and whose contract will not be renewed, compensation should be calculated on the basis of one month compensation for every year of employment.~~

We request a clear response from your company ~~within seven days.~~

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