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View the full report at: <http://www.policymattersohio.org/GoodBulbsBadJobs.htm>

Conditions violate labor law, raise health concerns at Chinese supplier of energy-efficient light bulbs to GE

A major supplier of compact fluorescent light bulbs to General Electric Co. requires many to work a 64-hour week that exhausts workers and violates Chinese labor law (*see photo*). Many workers at the plant in southern China, which is partly owned by GE, have no idea they are producing a product containing toxic mercury, and do not

receive training on how to respond to its possible dangers.



Tired Topstar worker takes a break

Those were among the findings of a study released today by Policy Matters Ohio, a nonprofit research institute based in Cleveland.

Production and sales of compact fluorescent light bulbs (CFLs) are growing rapidly in the United States and world-wide. The energy bill approved by the U.S. Congress in December mandates the phase-out of current incandescent light bulbs and their replacement with more energy-efficient products. At least for the immediate future in U.S. households, that means CFLs. Yet very few of these products are made in the United States. Thus, U.S. consumers are increasingly going to have to buy products made offshore under conditions that may fall far short of international labor standards.

“GE should use its Ecoimagination – the slogan for its strategy to produce ‘more energy-efficient, less emissive products’ – to produce energy-efficient light bulbs in a way that does not abuse the workers who make them,” said Zach Schiller, research director at Policy Matters. “The company should maintain a U.S. workforce to make some of these products.”

Policy Matters Ohio commissioned the study, which was conducted late last year. It found that Xiamen Topstar Lighting Co. Ltd., a joint venture with Topstar in which GE has a stake, violates numerous provisions of China’s labor law at its plant in Xiamen, Fujian Province, including:

- Requiring work hours that are longer than the permitted maximum average in 2007 of 203.4 hours a month;
- Providing no pay stubs, so workers can’t tell if they are being correctly paid;

- Not paying overtime for work in excess of 8 hours a day or on the sixth day of work each week, which under Chinese law is to be a day of rest;
- Mandating that workers who quit without permission forfeit a month's wages.

These violations of Chinese labor law also infringe GE's own corporate policies, which call for the company to obey local laws and expect suppliers to "comply with laws and regulations governing minimum wages, hours of service and overtime wages for employees." (GE 2007 Citizenship Report, p. 62) Most of them also contravene the Electronic Industry Code of Conduct, which many leading electronics companies have pledged to uphold.

The plant also discriminates in employment, since it won't hire workers over age 32 and hires almost exclusively women workers. This clashes with the anti-discrimination clause in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, which GE has adopted with respect to its own employees working in China. In another abusive practice, the plant confiscates wages if a worker does not have approval for missing work or is late to work. For example, if a worker is half an hour late, she will be fined one day's wages.

Compact fluorescent light bulbs contain mercury, like other fluorescents, in order to function. Mercury is a well-known toxin, and mercury vapor can cause serious damage to the central nervous system. Though the amount of mercury in a CFL is small, the U.S. Environmental Protection Agency recommends opening a window and leaving the room for at least 15 minutes before beginning clean-up of a broken bulb (See <http://www.epa.gov/mercury/spills/index.htm#fluorescent>).

Yet workers at the Topstar plant do not receive "a detailed account of work dangers" as stipulated in their contracts, receive little safety training and often do not know basic facts about factory safety. The majority of workers interviewed told researchers that they had no idea that the company was using mercury, or how to protect themselves. Told the meaning of the character for mercury, or *gong*, they said there were many plastic barrels on which "discarded objects containing *gong*" was written in red. The barrels were filled with CFLs and often were open or not properly sealed (*see photo*).

Experienced workers end up with swollen fingers from repeatedly pricking themselves with electronic components they are plugging in. Workers reported that when they finish their shifts, they ache all over and their legs have gone numb. One veteran worker said, "Ah, after more than a year [here], I am more or less numb all over and have become a machine!" Other workers interviewed made similar comments.



Open barrels at the factory. The sticker says in Chinese: "Discarded objects containing mercury."

GE has been closing down production of incandescent light bulbs and parts, especially in Ohio, the long-time home of its lighting business and many of its factories. In October, it announced the closing of six plants employing 425 Ohio workers, as well as a plant in Brazil. It has argued that it cannot afford to produce the more energy-efficient CFLs in the United States.

However, the investigation of the Xiamen Topstar plant in Xiamen suggests that among the reasons GE can "afford" to produce them in China is because its joint venture is not following the norms of behavior that GE describes in its own *Citizenship Report* and its company code of conduct, *The Spirit and the Letter*. The report recommends that GE follow its own policies, and ensure that its bulbs are made in a way that does not compromise the health and rights of the workers who make them.

“We can and should have the benefits of energy efficiency and good, safe jobs for workers at the same time,” said Stuart J. Greenberg, executive director of Environmental Health Watch, a Cleveland-based information, assistance and advocacy organization on a range of environmental health issues.

The recently approved U.S. energy bill contains a number of measures that could support U.S. manufacture of energy-efficient light bulbs, including a \$10 million annual appropriation for research, development and manufacturing; training funds and Buy American provisions that could benefit a U.S. producer. Demand for CFLs is booming, so there is plenty of room for expanded production. GE has promised to make a high-efficiency incandescent bulb, but hasn’t disclosed details on where it will be made. “Making this or other new energy-efficient products under lawful conditions at its existing plants would show that the economic and environmental promise of green energy can truly be met,” Schiller said.

Meeting that promise also means taking care that CFLs and the mercury in them are properly disposed of; currently, consumers do not have cheap, ready alternatives to properly recycle the bulbs. GE and other light-bulb suppliers should be required to participate in development of a recycling infrastructure for the products they sell.

Policy Matters Ohio is a nonprofit research institute based in Cleveland, Ohio.

