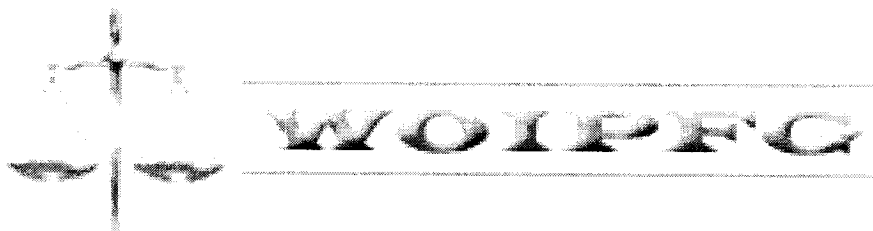


Public Submission to The Department of Foreign Affairs and  
Trade's China Free Trade Agreement (FTA) Study Taskforce

Re: Australia-China FTA Joint Feasibility Study

June 2004

By the World Organization to Investigate the Persecution of  
Falun Gong (WOIPFG) Australia Branch, Inc.



**World Organisation to Investigate the Persecution of Falun Gong Australian Branch, Inc.**

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## **Executive Summary**

The World Organisation to Investigate the Persecution of Falun Gong (WOIPFG) is an international non-government organisation. It is an investigative body with the mission to systematically research and compile information about the persecution of Falun Gong practitioners in China in attempts to restore justice.

This submission highlights one fundamental premise that addressing human rights concern does not cancel out potential of long-term business prospects with China. Successful business ventures can be sustained if growth continues and measures are taken to meet consumer demand with adequate supply. Is the consumer aware of the work conditions or circumstances of how the product is made? If it is possible that slave labour or labour camps are producing products exported to foreign countries, who is responsible for the victims who are dying to make hand-knitted sweaters for instance?

China's forced labour camps producing low-cost, often low-quality product, shakes the stability of international labour and trade markets. Their existence violates numerous international conventions and laws, as well as China's own constitution. Between 1– 4 million people are estimated to be held in China's vast number of forced labour camps. It is estimated that over 100,000 of these people are illegally detained Falun Gong practitioners.

The use of slave labour is a strong ethical concern held by many Australian consumers; one which has received international media attention and must be addressed when considering Australia-China trade relations.

This joint feasibility study provides an opportunity to consider the coexistence of promoting human rights improvement alongside successful trade ties. There is an important distinction between anti-torture and anti-trade.

## **Background Information**

The WOIPFG was founded on the 20th day of January 2003. It openly invites and seeks support from individuals and institutions of global social conscience, and plays a coordinating role in the effort to investigate - broadly, thoroughly, and systematically - all instances of criminal conduct. This includes Jiang Zemin himself, all levels of the "610 Office" directly responsible for the persecution of Falun Gong at Jiang's orders, the National Security Bureau, the Public Security Bureau, the court justice system, forced-labor camps, mental institutions involved in the persecution, the state-controlled media and its mouthpieces that spread false accusations, fabricate lies, and frame Falun Gong, and those individuals who directly or indirectly participate in the mental, physical, and financial persecution of Falun Gong practitioners and their family members. Based on factual findings, this organisation shall bring the criminals to court so that justice can be served. It is the mission of this organisation to uphold the fundamental principles of humanity and restore justice in society.

Falun Gong (also Falun Dafa) is a peaceful spiritual practice based on the principles of Truthfulness, Compassion and Tolerance. Since its introduction to the public in 1992, over 70 million people were practicing by 1999, according to a government survey. Government findings also showed that the health benefits of the practice also saved thousands annually for the country. Despite great support from high-level officials, academics and individuals, the practice was illegally banned in China by Jiang Zemin in July 1999. A state-run propaganda campaign has driven the persecution. Thousands have been subjected to brutal assaults in labour camps, prisons or forcefully detained in mental institutions. Over 900 have been confirmed to be tortured to death, however expert sources now estimate the death toll to be far higher. Lawsuits have been filed in over six countries against Jiang Zemin for genocide, torture and crimes against humanity.

## **Summary of WOIPFG Labour Camp Reports**

There are two direct purposes behind China's system of "re-education-through-labour", firstly to create a reliable and cheap labour force through forced labour, and secondly to brainwash prisoners. This not only violates the basic human rights of the detainees, but also encourages the prison and labour camp systems to persecute the detainees because of the huge profit in products made through forced labour. In addition, it shakes the stability of international labour and trade markets when these cheap products are dumped on the international market. Many consumers buy the products, totally unaware of the reasons behind the cheap price.

What is indisputable is the illegality of China's forced labour camp system. It violates numerous conventions and international laws of which China is a signatory, including the United Nations Charter, Universal Declaration of Human Rights, and other conventions against torture and cruel and inhumane penalties. At the same time, the forced labour camp system also violates China's own constitution. In addition, China is a member of the International Labour Organization (ILO). The torture, unlawful detention, detention and forced labour for political and religious reasons, etc. in the forced labour camps all violate ILO's regulation about "Work condition and worker's rights".

Because of the concern from some western democratic countries against "forced labour products", in 1991 China's State Council re-emphasized the ban on the export of "forced labour products" and stipulated that no prison is allowed to cooperate or establish joint ventures with foreign investment. In reality, however, the Chinese government has granted numerous preferential policies to enterprises under labour camps and prisons, to encourage and attract foreign investment and export. In the document [2001] No.56 from the State Bureau of Taxation under China's Ministry of Finance, it is clearly stated that if the property rights of a company are solely owned by a prison or forced labour camp system, the company is exempt from corporate income tax and the land inquisition levy. In advertisement from economic development zones in some provinces and cities, they even use the cheap (or free) labour as an advantage to attract foreign investment

Since China's former president Jiang Zemin launched the persecution of Falun Gong in 1999, according to incomplete statistics, more than 180 forced labour camps in China have directly participated in the persecution through illegal forced labour of over 100,000 Falun Gong practitioners. Up to October 8, 2003, 219 of the 793 death cases of Falun Gong practitioners resulted from torture in labour camps, accounting for 28% of the total death toll. Sixty-nine labour camps directly caused the deaths of Falun Gong practitioners, including elderly people.

Due to the tight blockade on such information in China and the deliberate obstruction of this type of investigation, the death and injury cases of Falun Gong practitioners caused by forced labour during their detention period reported are only a tip of the iceberg.

The WOIPFG has released two reports on forced labour camps in China. Full reports are available in both English and Chinese at: [www.upholdjustice.org](http://www.upholdjustice.org).

## AUSTRALIAN CASE STUDY: Ms Jennifer Zeng

Jennifer Zeng is a Falun Gong practitioner currently living in Australia. She was detained in Xin'an Labour Camp and was one of the practitioners forced to make Nestle toy rabbits. She described her experience as follows. "In the labour camp, we were forced to do all kinds of heavy labour work, including planting grass and trees, clearing garbage, digging cellars for storing vegetables in winter, knitting sweaters, knitting cushions, making toys, producing disposable syringes, wrapping sanitized chopsticks and so on. Most of the products were for export. In particular, the sweaters we knitted were large sizes only suitable for foreigners who are big in build. In February 2001, we received an order for 100,000 toy rabbits. According to the police, the toys were being made for Nestle to be used in their promotions. The rabbits were about 30 cm. long, brown in colour, with a long neck, wearing a large bright red collar made from fleecy material, with two black whiskers on each side of the face, about 5-6 cm long. Some of the rabbits wore cowboy vests, some wore dustcoats, and some had one eye patched up like a pirate. There were English letters on their chests, with their fists clenched, thumbs up. There were three toes on their feet, canary yellow in colour. Their tails were white in colour and very short."

"Usually the toy rabbits for processing were delivered to the labour camp by a middle aged woman riding a tricycle. It would go through over 30 processing lines to make a rabbit like this, and it would take over 10 hours to make one. But the processing fee for each rabbit was only 30 cents (equivalent to Au\$0.06, US\$0.04). The processing fees were paid to the labour camp. We didn't get anything. Usually we began work after getting up at 5 o'clock in the morning, and worked until 2 or 3 o'clock in the morning the next day. Sometimes we had to work overtime; otherwise we could not finish the job. At the busiest time, I did not dare to wash my hands after going to the toilet, in order to save a few minutes. At night, sometimes I was so exhausted that I could not even count clearly from 1 to 9. Yet I still had to force my eyes open to knit sweaters. The pattern of the sweater was quite complicated; sometimes we finally finished the knitting after much effort only to discover the next morning it had been knitted completely wrongly. So, we had to unpick the stitches and redo it. Long hours of highly intensive workload and severe lack of sleep made me feel, for a very long period of time, that the only thing I needed in my life was sleep." [1]

The Sydney Morning Herald and Geneva Le Temps, both reported on this case. On December 28, 2001, the Sydney Morning Herald published an article by Kelly Burke: "Cute toy rabbits belie ordeal of Chinese labour camps". Nestle released a statement to the Herald, confirming that the company placed an order with an established Beijing-based toy manufacturer, Beijing Mickey Toys Co. Ltd. for 110,000 plush rabbits for a Nesquik promotion early that year. [2]

Frederic Koller, a journalist from Geneva Le Temps stationed in Beijing, went to Daxing in Beijing to search for evidence, but Mickey Toys Co. Ltd. refused to grant an interview or to provide their company's address. According to his own investigation with survivors from the labour camp and residents living in the industrial area of Daxing city, Frederic Koller wrote a report that was published in the Saturday economy section of Geneva Le Temps on April 13, 2002. The article pointed out, as Nestle admitted, that the Mickey Toys's factory is located in Daxing, Beijing (the same as Tiantanghe Labour Camp). [3] One year later, after Mickey Toys orders were reduced by 60%, Mickey Toys voluntarily invited Frederic Koller to their factory for an interview, hoping the journalist would write an article to restore their reputation. After the interview and investigation, the journalist did not write anything to "restore" their reputation. [http://www.upholdjustice.org/English.2/forced\\_labor\\_products\\_report.htm](http://www.upholdjustice.org/English.2/forced_labor_products_report.htm)

[1] A testimony in 2003 by Falun Gong practitioner Jennifer Zheng regarding forced labour at Xin'an Female Labour Camp.

[2] "Cute toy rabbits belie ordeal of Chinese labour camps", Sydney Morning Herald, by Kelly Burke, December 28th, 2001. (<http://old.smh.com.au/news/011228/national/national19.html>)

[3] "Toys made in China" (Geneva Le Temps), by Frederic Koller, 13th April 2002 (Saturday, Economics edition)

## AUSTRALIAN CASE STUDY: Ms Li Ying

Chinese citizen Li Ying lived in Shanghai City and graduated from Shanghai Tongji University in 1992 with a major in Business Management. She worked in the Shanghai Zhonglu Management Consulting Company. On October 16, 2001, she was detained for practicing Falun Gong and sentenced to two years' forced labor in the Shanghai Qingsong Women's Forced Labor Camp. As a result of the persistent appeals of her fiancé, Australian citizen Li Qizhong, and the rescue effort of fellow practitioners all over the world, she was released on October 15 and arrived in Australia on November 29, 2003.

Li Ying was forced to do hard labor during the time she was detained in Shanghai Qingsong Women's Forced Labor Camp, making products for many Chinese companies and factories. Aside for the plush toys exported to Italy, she had to make products for the "Three-Gun" brand of underwear. According to her testimony, all the "Three-Gun" underwear marked with "examined by # 16" are made by detainees of Shanghai Qingsong Women's Forced Labor Camp. The detainees have to get up at 5 a.m. and work from 7 a.m. until 11 p.m. or 12 midnight. These long hours of labor result in badly blistered hands and fingers, while the wage is just 3 Yuan (US\$0.35) a day. The detainees have to pay a boarding fee of 75 Yuan (US\$9) per month, which is deducted from their meager wages (14).

Three-Gun Group Co., Ltd., is authorized to import and export. Its main product is the "Three-Gun" brand of underwear, which is sold to over 70 countries and regions. The Three-Gun Group is also a partner of the world-renown Dow Corning and Dupont companies, from which it imports technology [1]. This forced labor camp cooperates with the Shanghai Three-Gun Group Co., Ltd., to produce cotton pants, sweaters, underwear, and other casual clothes with the brand name " Three Gun." All "Three Gun" products with serial number 16 are produced in this labor camp.



Shanghai Three-Gun Group Co. and U.S. Dow Corning's Asia Branch signs the technical Cooperation agreement.

"Three-Gun" brand of underwear

The Shanghai Female Labor Camp was established in the year 2001. Thus it looks fairly new. After the main gate, there is a big garden in the center, a hospital and the camp's technical school on the right-hand side, and a dining room on the left. In the back, there are four buildings with five floors on both sides and a playground in the center. All these fine things on the surface cannot hide the fact that it persecutes Falun Gong practitioners. Since 1999, following Jiang's order, this camp has imprisoned thousands of Falun Gong practitioners illegally. In order to reach its so-called quota for brainwashing, the camp uses all sorts of brutal means to torture Falun Gong practitioners. These methods include "hanging with strings" (where a victim's hands are hung up from the back on iron window poles with only his or her toes barely touching the ground), physical punishment (where a victim is punished by being made to stand or sit on a small bench without moving for as much as four months at a time), inciting hatred among other prisoners and encouraging them to swear at and beat Falun Gong practitioners, extending sentences, detention in isolated cells with very limited rights, sleep deprivation, denying contact with family members, and so on. [http://www.upholdjustice.org/English.2/forced\\_labor\\_products\\_report.II.doc](http://www.upholdjustice.org/English.2/forced_labor_products_report.II.doc)

Li Ying, March 30, 2004

[1] Shanghai Textile Net

Shanghai Female Labor Camp is located in Qingfu County in Shanghai.  
Address: Qingsong Road 7501, Zip Code: 201701 Ph: (021)69209148.

