

Taiwan defends Foxconn over China tax probe

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Taiwan defended tech giant Foxconn on Monday after China launched an investigation into several of the firm's sites, saying that Taiwanese



businesses should not be subjected to "political interference".

Chinese authorities are inspecting Foxconn's sites in southern Guangdong province and Jiangsu in the east, as well as carrying out onsite investigations into the company's land use in central Hunan and Hubei provinces, China's state-run Global Times reported Sunday.

It did not specify what authorities are looking into, nor any offenses that Foxconn may have committed.

Taiwan-based Foxconn is one of the world's largest contract producers of electronics, and a key supplier for Apple's iPhones.

The investigation comes as self-ruled Taiwan—which Beijing claims as its territory and has vowed to seize one day—prepares for <u>presidential</u> <u>elections</u> in January.

Taiwan's Deputy Premier Cheng Wen-tsan said on Monday that Beijing's aim is to "distort Taiwan's democracy".

"In a democratic country, choosing leaders and presidents should be done in an environment that is free from threats, incentives, interference, and distortion to freely express one's will," he said.

"We do not want Chinese factors to influence the elections."

He also voiced support for Foxconn, telling reporters: "We believe that all Taiwanese businesses' investments in China are in compliance with the law."

"They should not be subject to political scrutiny or <u>political interference</u>"



Premier Chen Chien-jen adding that in the run-up to Taiwan's upcoming elections, "the government will continue to pay attention to the needs of Taiwanese businessmen and continue to support them".

Foxconn, also known by its official name Hon Hai Precision Industry, is China's largest private-sector employer, with more than a million workers nationwide.

The company said on Sunday that it will cooperate with relevant authorities "for the operations concerned", without providing further details.

Its billionaire founder Terry Gou—who had handed over management reins four years ago—is currently running as a long-shot independent candidate in January's elections.

Critics have alleged the 73-year-old's cozy relations with the Chinese leadership due to his Foxconn business ties, but Gou insisted he has "never been under the control" of Beijing.

Taiwan's Vice President Lai Ching-te is currently the frontrunner of the <u>election</u>.

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