

Sports labels shun sweatshop image

Jess Smee | May 28, 2004 13:38 IST

Sports firms want shoppers to snap up Euro 2004-branded footballs and Olympic Games T-shirts -- without fretting about the lives of the factory workers who make them.

But charities and human rights organisations accusing labels such as Adidas, Nike, Reebok and Puma of violating the rights of millions of workers are stepping up their campaigns as top sports events draw international attention.

The sporting goods industry, which manufactures in developing countries to keep costs down, has gone on the defensive in a bonanza year which includes next month's Euro 2004 soccer championship and August's Olympics Games in Athens.

"Play Fair at the Olympics", a campaign launched earlier this year, says workers are being pushed to the limit so that firms can get their goods on the shelves in time.

"Problems are endemic in this industry. We've been shocked by very low wages and long working hours," said Adrie Papma, who heads the project created by non-governmental organisations Oxfam, the Clean Clothes Campaign and Global Unions.

Their report cites examples such as an Indonesian factory where workers took home \$99 per month, covering only half of basic living costs, and where employees worked 16 to 18 hours a day, six days in a row.

For sporting goods firms, this is a resurrection of a long-running debate which sparks tough questions and occasional protests at annual shareholders' meetings.

FACTORY FLOORS

Nike, Reebok, Adidas, Puma and Umbro all have fixed rules on wages, working conditions and the age of workers. They carry out random checks on factory floors to check that codes of conduct are being enforced.

"Our day-to-day work is going to the factories unannounced and checking standards," said Reiner Hengstmann, Puma's global head of social and environmental affairs, adding that Puma had seven employees doing the spot checks.

"We don't have child labour as a problem. We deal with hours of work, overtime and wages."

Umbro, which kits out the England squad, also played down the human rights concerns: "The factory in China which makes the England replica kit is of an

incredibly high standard and is the envy of many in the industry," a spokeswoman said.

But human rights campaigners and sports firms both acknowledge that there can be a big gap between written codes and the reality of factory life.

Frank Henke, Adidas's director of social and environmental affairs, told reporters earlier this month that more than half of its suppliers did not meet what he called "best practice".

"We will not work with such firms unless they show they are improving their record," he said.

The industry also faces the challenge of proving the age of employees.

Nike, the world's biggest maker of footwear, insists workers must be 16 in its clothing factories and 18 in footwear factories but says this goal can be hindered by false age records and younger workers already employed by a new supplier.

MOUNTING PRESSURE

Analysts estimate that Nike, Reebok and Adidas make up around half the sporting footwear market worldwide. The global market for sportswear goods is estimated to generate at least \$58 billion per year.

It is a famously competitive industry but most sporting goods firms use the same suppliers, huge operations which manufacture products for all the big brands.

For this reason, charities say the sporting goods industry should set aside their rivalry and draw up standard practices.

In a report published in March, the Fair Play at the Olympics Campaign said there was mounting pressure on suppliers to turn out goods faster and reduce costs, meaning some firms did not back more flexible working conditions.

"The influence of the few companies that do ask for labour standards to be respected in the workplace is marginalised by the many who place little importance upon these standards," the report said, without giving names.

Years after Adidas and Nike first drew up their codes of conduct, campaigners say big sporting goods firms are starting to move in the right direction, albeit slowly.

No human rights group can dispute that the controversial factories are a lifeline both for workers and entire countries.

In Cambodia, the garment sector now accounts for more than 80 percent of all recorded exports, making clothes for top sportswear giants and clothing firms such as Gap.

Cambodia's commerce ministry secretary of state Sok Siphana has left the firms in little doubt: "We must be a place where the Nikes and Adidas of this world are happy and confident to come and do their business."

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