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Sportswear industry shamed by new allegations on working conditions

- **“No real progress” since Athens games, say PF08 campaigners**
- **China: workers glueing sports shoes for less than \$2 per day, stitching footballs for \$0.50 each**

Brussels – As the clock ticks down to the Beijing Olympics, workers producing for the international sportswear companies that spend millions on Olympic and athletic sponsorship deals are still working excessive hours and paid poverty wages, according to a damning new report, *“Clearing the Hurdles, Steps to improving working conditions in the global sportswear industry”*, from Play Fair 2008 (PF08).

Based on interviews with over 300 sportswear workers in China, India, Thailand and Indonesia, *Clearing the Hurdles* shows that violations of worker rights is still the sportswear industry norm – including in workplaces producing for adidas, sponsor of the Beijing and London Games and numerous national Olympic teams.

“Workers making the goods sold by brand leaders such as adidas, Asics, New Balance, Nike, and Puma are still earning poverty wages despite the fact that company profits are soaring into the hundreds of millions, sometimes even billions of dollars,” said Neil Kearney, general secretary of the ITGLWF (International Textile Garment and Leather Workers Federation), one of the organizations coordinating the Play Fair 2008 campaign in the lead up to the Beijing Games. “This report presents clear targets for industry to work towards to make progress – we’re urging industry leaders to step up to the challenge.”

Play Fair’s report lifts the lid on Yue Yuen, the little known Hong Kong manufacturer that produces one-sixth of the world’s sports shoes and counts brands such as adidas, Nike and New Balance among its most important clients.

Says one worker at a Yue Yuen factory producing for New Balance in Dongguan, China, “I am exhausted to death now. The two of us have to glue 120 pairs of shoes every hour.... We are working without rest and are always afraid of not working fast enough to supply soles to the next production line... We are tired and dirty.”

The report also sheds light on the conditions of workers stitching soccer balls in Thailand, India and China. At Joyful Long factory in China’s Pearl River Delta, which

supplies adidas, Nike, Umbro and Fila, overtime can reach 232 hours per month while average wages are almost half the legal minimum.

Despite more than 15 years of codes of conduct adopted by most of the major sportswear brands, PF08's report shows that workers still face extreme pressure to meet production quotas, excessive, undocumented and unpaid overtime, verbal abuse, threats to health and safety and a failure to provide legally required health and other insurance programs.

"For years key sportswear brands have argued that they can't raise wages singlehandedly but we believe that collectively they can," said Jeroen Merk, of the Clean Clothes Campaign (CCC). "These companies control the sportswear and sports shoe markets; by acting together and really leading the sector on wages and other key issues an end to the misery these workers endure is possible."

Clearing the Hurdles identifies low wages; abuse of short-term contracts and other forms of precarious employment; violations of freedom of association; and the right to collective bargaining, and factory closures due to industry restructuring as the four key issues the sportswear industry must act upon. PF08 has invited industry leaders to participate in a June meeting in Hong Kong to discuss their follow up to Play Fair's proposals.

Last year Play Fair 2008 released a report on rights violations in the production of Olympic-branded goods and since then has been seeking a concrete commitment from the International Olympic Committee on how it will follow up on such issues. "Five years after we first approached the IOC on this issue, no concrete commitments have been made and it still remains unclear how they will take action on outstanding labour rights issues. We are ready to start working with them right away to get concrete results" said the International Trade Union Confederation (ITUC) General Secretary Guy Ryder.

The full report can be read at:

http://www.ituc-csi.org/IMG/pdf/hurdles/Clearing_the_Hurdles.pdf

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Play Fair 2008 is an international campaign taking place in the lead up to the 2008 Olympic Games to push for respect for workers' rights in the production of Olympics-related merchandise and the global sporting goods industry. To learn more about PF08 visit our website: www.playfair2008.org

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NOTES TO EDITORS

1. PROFITS Sportswear Industry

	2007 pre-tax profits	Increase in profits 2004-7
Nike	\$2.2 billion	52%
Adidas	\$1.1 billion	68%
Puma	\$511 million	14%
Yue Yuen	\$386 million	29%
ASICS	\$203 million	215%

2. QUOTES from workers interviewed by Play Fair 2008

"We have no savings so we have nothing left during emergencies... Once I even rented my cooking gas cylinder to arrange some money for a health emergency suffered by my wife. The situation is similar for all of us. One of my friends even sold his blood to get some extra money to meet an emergency."

- Home-based soccer ball stitcher in India.

"I am exhausted to death now.... None of us have time to go to toilet or drink water. Even so, we are working without rest and are always afraid of not working fast enough to supply soles to the next production line. The supervisors are pressuring and nagging us all the time. We are tired and dirty. We work without stop and we are still reproached by the supervisors."

-- Worker making New Balance shoes, Dongguan, China.

"It is ridiculous that there is not even on rest day in a while month! Physically we are so tired, but psychologically we are also exhausted."

-- Worker making New Balance shoes, Dongguan, China.

3. IDENTITY RESEARCHERS:

Due to concerns over the safety of our researcher who continue to do work in China, we are not able to identify all the groups or individuals responsible for particular interviews.

4. COMPANIES NAMED:

The full report includes information on factories producing for adidas, ASICS, Baden, Converse, Diadora, Domyos, Ecco, Everlast, Fila, Frankin, Lotto, New Balance, Nike, Mikasa, Mizuno, Miter, Puma, Reebok, Russell Athletic, Umbro, VF Corporation, Wilson, Yue Yuen, Spalding, and Rawlings.

5. INTERNATIONAL OLYMPIC COMMITTEE

Last year Play Fair 2008 released an earlier report on rights violations in the production of Olympic-branded goods and since then has been seeking a concrete commitment from the International Olympic Committee on how it will follow up on

such issues. See *No Medal for the Olympics on Labour Rights*,
http://playfair2008.org/docs/playfair_2008-report.pdf

For Play Fair's ongoing alternative Olympic torch relay action targeting the IOC, see
www.catchtheflame.org

4. PHOTOS:

Photos are downloadable from www.playfair2008.org/images/pf2008