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HEADLINE: 'Sweatshop' report identifies problems in 20 countries

BYLINE: By JONATHAN BIRCHALL

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BODY:

The **Fair Labor Association**, an anti-sweatshop initiative backed by Nike, Adidas-Salomon, Reebok and other apparel and footwear brands, yesterday produced its most comprehensive report so far on its efforts to improve working conditions in the global supply chain.

The association's second annual report provides information on conditions at 110 subcontracting factories in 20 different countries, based on unannounced visits by FLA-accredited monitors.

While not identifying the factories visited, the report records problems such as inadequate overtime and benefit payments, and violations of safety requirements, as well as the response of the participating companies and their suppliers.

The report also highlights difficulties with meeting the FLA's requirement that suppliers allow their workers the right to form unions, noting that "all factories in China were found to be in non-compliance with this standard".

The FLA was established in 1999 by US companies, universities and human rights groups in response to growing consumer concerns over factory conditions in the developing world.

After covering only six companies in 2003, the greater amount of material available in the 2004 report reflects the growing momentum of the FLA's monitoring efforts in some of the world's most globalised industries.

The report also highlights the challenge to promote standards in the fragmented international supply chain, where an individual brand subcontracts to scores of factories round the world.

FLA visits covered by the report touch on only 5 per cent of each company's factory base.

Labour activists and US unions have faulted the effectiveness of the FLA's voluntarist model, questioned its independence from the companies that provide its funding, and suggested that its effectiveness required continued pressure from outside activists.

The report also covers the FLA's response to complaints brought by third parties, highlighting three cases involving factories supplying Nike, Lands' End and Liz Claiborne.

The Lands' End complaint, involving the blacklisting of union sympathisers at a supplier based in El Salvador, followed an investigation of the problem by local groups working with the US-based Workers Rights Consortium.

According to activists familiar with the case, Lands' End initially failed to respond to either the WRC or the FLA complaints, and took action only after it risked losing contracts to supply universities. www.fairlabor.org/2004report