



# Women's Environment & Development Organization

## **WEDO letter to Nike (August 2007)**

August 15, 2007

Nike  
Mark Parker, CEO  
1 Bowerman Drive  
Beaverton , Oregon97005-6453

Dear Mr. Parker,

The Women's Environment and Development Organization (WEDO) is an international organization that advocates for women's equality in global policy. Through the Misfortune 500 Website, [www.misfortune500.org](http://www.misfortune500.org), WEDO documents the impact of corporate policies and practices—both positive and negative—on women around the world.

WEDO recognizes the positive initiatives Nike has undertaken in response to public pressure about labor rights violations in some of its factories that has resulted in improved conditions for workers. However, despite these efforts, such as creating codes of conduct for suppliers and organizing independent monitoring of its factories, several recent reports have demonstrated that there has been insufficient progress on conditions for Nike garment workers—the majority of whom are women.

Labor violations at Nike supplier plants continue. Employees are underpaid, overworked, and commonly face verbal and even physical abuse. Nike's stated commitment to high labor standards has yet to translate into consistent practice. The situation for women workers, in particular, remains dismal, with high incidences of discrimination and sexual harassment.

Based on documentation cited below, we believe systematic and egregious violations of the rights of Nike workers continue. Therefore, WEDO is filing a complaint with the United Nations Global Compact Office. According to the guidelines of the Global Compact "business entities that are complicit in human rights abuses... are not eligible for partnership." We hope that this will lead to dialogue and further steps by Nike to improve conditions for all its workers, especially women workers.

Watchdog groups like Clean Clothes Campaign, United Students Against Sweatshops, Berne Declaration, Oxfam, and the National Labor Committee have documented these violations and in some cases issued reports. A 2006 report by Oxfam notes that even where there has been progress in particular factories, actions by Nike have led to a reduced presence of "unionized factories in its supply chain and given other suppliers little incentive to comply with Nike's code of conduct and allow workers to organize trade unions and bargain collectively."

A 2006 report by Massachusetts Institute of Technology's Sloan School of Management found that " notwithstanding the significant efforts and investments by Nike and its staff to improve working conditions among its suppliers, monitoring alone appears to produce only limited results."

A 2007 report by Berne Declaration states Nike conducts over 30,000 social audits at supplier factories every year but that "commercial social audits suffer from a fundamental credibility problem, in that they are paid for by the same firms whose behavior is being judged." The report also states that "it is an open secret that suppliers forge documents such as worker time sheets or salary lists in order to satisfy the audit firms."

A 2006 statement by the international Clean Clothes Campaign called for action by Nike after workers at the Hermosa Factory in El Salvador lost their jobs in May 2005 and have been campaigning to be re-instated and to receive their legally due severance pay and outstanding wages. Allegations against Nike also state the company has failed to pay legal premiums for social security and pension funds since 1996 and have in many other ways violated the rights of these workers, particularly their right to organize. At present, no progress has been made: workers have not received confirmation of extension of medical coverage, and none of the workers who were involved in the Hermosa protests have gotten new jobs.

And a 2004 report by the Fair Labor Association, an association set up by apparel marketers to monitor the labor practices in their contractors' factories, stated that women workers were subjected to mandatory pregnancy testing and verbal abuse at a plant producing goods for Nike in China. Nike representatives did not contest the report's findings, but rather stated that this type of investigation showed the company's commitment to bettering conditions for their workers.

We urge Nike to take immediate actions to ensure that the rights of women workers are protected and recommend that Nike take the following steps:

- \* Institute and enforce a company policy that actively favors the selection and retention of unionized factories in the supply chain. This policy should be in line with the International Labour Organization's decent work agenda, which embodies four strategic objectives: rights at work, employment, social protection and social dialogue.
- \* Work with trade unions and suppliers to dialogue on misconceptions about unions and address the issue of trade union access to workers at a local level, as well as the provision of worker training in freedom of association and collective bargaining rights.
- \* Ensure that any reform of buying practices do not negatively impact on workers' right to organize.
- \* Ensure worker representatives are elected to Nike's board of directors.

Women workers have the right to fair pay, decent work conditions and collective bargaining. We welcome the opportunity to work with Nike to strengthen and advance women's rights.

Sincerely,

June Zeitlin  
Executive Director  
Women's Environment & Development Organization

