

Apple faces its 'Nike moment'

Level 2 • Intermediate

1 Warmer

What products do Apple and Nike produce?

Where are the items made?

2 Key words

Write the key words from the article next to the definitions below. The paragraph numbers are given to help you.

assembly plant

cheap labour

sweatshop

contractor

publicity

suicide

1. a company whose job is to provide goods or to do work for another company, at a particular price
_____ (subtitle)
2. workers who get very little money _____ (para 1)
3. a factory where you build something by putting all its parts together _____ (para 2)
4. attention in magazines, newspapers or television _____ (para 2)
5. the action of deliberately killing yourself _____ (para 3)
6. a factory where people work very hard in bad conditions and earn very little money
_____ (para 5)

compensation

consumers

outrage

outrage

overtime

suppliers

7. people who buy and use products _____ (para 12)
8. a strong feeling of anger and shock at something that you feel is wrong or unfair
_____ (para 12)
9. an angry expression of protest or shock by a lot of people, as a reaction to something that someone has done or to something that has happened _____ (para 13)
10. companies that provide or sell a product or a service _____ (para 13)
11. money that someone receives because something bad has happened to them
_____ (para 14)
12. extra hours that someone works at their job _____ (para 14)

3 Similar words

Put the letters in the correct order to find two similar words from the article meaning:

1. money you get for doing your job AWEGS AYASLR
2. people who work at a company FSATF OWRSERK
3. a place where people work to build or make something AYCOFTR TLPNA

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Apple faces its 'Nike moment' over working conditions in Chinese factories

Apple contractor Foxconn raises wages by 25% after reports of long hours for the hundreds of thousands of staff in China

Charles Arthur and agencies
20 February, 2012

- 1 Apple is having a "Nike moment", a problem that Nike had in the 1990s when its use of cheap labour in the Far East was discovered, one of the inspectors of Apple's Chinese suppliers has said.
- 2 Speaking to ABC News' Nightline programme, Ines Kaempfer of the US Fair Labor Association (FLA), which is inspecting the Foxconn assembly plants used by Apple in China, said: "There was a moment for Nike in the '90s when they got a lot of negative publicity. And they weren't the worst. It's probably like Apple. They're not necessarily the worst; it's just that the publicity is starting to increase. We call it the 'Nike moment'."
- 3 Foxconn, which is one of Apple's main contractors, said on Monday it had raised wages by up to 25% after some workers committed suicide in 2011. There were also reports of long hours for the hundreds of thousands of staff.
- 4 It is the second big salary increase in less than two years at the world's largest electronics contract manufacturer, where workers' conditions have been closely inspected.
- 5 Apple asked the FLA to carry out the inspection. The FLA aims to end sweatshop conditions in factories.
- 6 The continuing reports of deaths and distress at Foxconn have created a publicity problem for Apple. So far Hewlett-Packard, Microsoft and Dell, which also use Foxconn for assembly work, have not commented on their use of its factories.
- 7 Tim Cook, Apple's Chief Executive, says that the company takes working conditions very seriously and that every worker has the right to a fair and safe work environment.
- 8 Foxconn, which has its headquarters in Taiwan, employs about 1.2 million workers at a small number of plants in China, which are run with almost military discipline. Staff work for six or seven days a week and for up to 14 hours a day.
- 9 The workers assemble iPhones and iPads for Apple, Xbox 360 video game consoles for Microsoft, and computers for Dell and Hewlett-Packard. Foxconn is one of China's largest single private employers.
- 10 Since 1 February, Foxconn's staff receive 1,800-2,500 yuan (\$285-395) a month, the company said.
- 11 "This is the way capitalism is supposed to work," David Autor, an economist at the Massachusetts Institute of Technology, told *The New York Times*. "As nations develop, wages rise and life theoretically gets better for everyone."
- 12 "But in China, for that change to be permanent, consumers have to be willing to pay more for their goods. When people read about bad Chinese factories in the paper, they might have a moment of outrage. But then they go to Amazon and only want to pay the lowest prices."
- 13 Nike faced an outcry in the 1990s when independent reports revealed sweatshop conditions at a number of its suppliers. Continued protests changed its mind.
- 14 Foxconn also wants to limit working hours. The pay rises are compensation for workers' reduced overtime, Company Spokesman Simon Hsing said in a statement. Foxconn said it was co-operating with the FLA inspectors, promising again to provide a safe and fair working environment.
- 15 In 2010, suicides at an enormous Foxconn complex in the southern boomtown of Shenzhen drew attention to the stress of many young workers.
- 16 At that time, the company denied that it ran assembly lines that were too fast and demanded too much overtime, but it soon announced two pay

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risers that more than doubled basic salaries to up to 2,000 yuan a month.

- 17 In February, dozens of workers assembling video game consoles climbed to a Foxconn factory roof in the central Chinese city of Wuhan and some said they would jump to their deaths because of a disagreement with the company.

- 18 *The New York Times* reported that workers were happy about the pay rises and overtime limits, but some were unsure they would cause much real change.

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4 Comprehension check

Choose the best answer to these questions.

1. Which bad business practices is the article about?
 - a. cheap labour and bad working conditions
 - b. suicides and stress
 - c. capitalism and consumers
2. Which countries / regions does the article specifically refer to?
 - a. India and China
 - b. the Far East and Europe
 - c. the US and China
3. What is the business relationship between Foxconn and Apple?
 - a. Foxconn's products are put together at Apple's factories.
 - b. Apple's products are put together at Foxconn's factories.
 - c. Foxconn supplies parts for Apple products.
4. Why is Foxconn being investigated?
 - a. because there are too many workers in their small factories
 - b. because workers haven't been paid for the work they have done
 - c. because working conditions in their factories are so bad that some workers have killed themselves
5. Which other global companies do business with Foxconn?
 - a. Nike and Dell
 - b. Dell and Microsoft
 - c. Nike and Hewlett-Packard
6. How are consumers to blame for the workers' conditions at Foxconn?
 - a. We buy from Amazon and not directly from Apple.
 - b. We want to pay the lowest prices possible for our electronic goods.
 - c. We buy too many electronic goods.

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5 Working conditions

Complete the Foxconn column in the chart with information from the article. Then complete the 'you' column with information on the working conditions in your job. Compare.

working conditions	Foxconn	you
hours per day		
days per week		
overtime expected?		
stress level		
motivation		
working environment		
sick pay	–	
pension	–	
breaks per day	–	
holiday entitlement	–	

6 Discussion

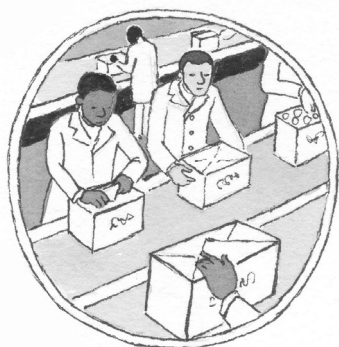
What less-than-perfect working conditions would you be willing to accept? What working conditions would you consider completely unacceptable?

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7 A talk with the boss

Role cards:



Employee

Talk to your boss and try to get better working conditions for you and your colleagues.

Be factual, professional and realistic, and be prepared to compromise if necessary.



Boss

Your employee has asked to talk to you about working conditions. Listen carefully and be prepared to compromise.

Be fair, factual, professional and reasonable.

Images: Macmillan South Africa

Prompt cards:

hours

You currently work _____ hours a day.

You want to work fewer hours.

holiday entitlement

You currently have _____ days' holiday a year.

You want to have more holiday entitlement.

work days

You currently work _____ days a week.

You want to work fewer days.

breaks

You currently have _____ break(s) of _____ minutes a day.

You want more / longer breaks.

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KEY

1 Warmer

Teacher's note: If anyone in the class has items produced by either Apple or Nike with them, ask them to check whether they can see anything that indicates where the item was made, produced or assembled.

2 Key words

1. contractor
2. cheap labour
3. assembly plant
4. publicity
5. suicide
6. sweatshop
7. consumers
8. outrage
9. outcry
10. suppliers
11. compensation
12. overtime

3 Similar words

1. wages; salary
2. staff; workers
3. factory; plant

4 Comprehension check

1. a
2. c
3. b
4. c
5. b
6. b

5 Working conditions

working conditions	Foxconn
hours per day	<i>up to 14</i>
days per week	<i>six or seven</i>
overtime expected?	<i>yes</i>
stress level	<i>high</i>
motivation	<i>low</i>
working environment	<i>almost military discipline</i>
sick pay	–
pension	–
breaks per day	–
holiday entitlement	–

7 A talk with the boss

Teacher's note: Cut out enough role cards (one Employee card and one Boss card for each pair of students) before the lesson. Make sure you give the students time to prepare their roles. The students playing the employees could sit together and the students playing the bosses could sit together and work out what they want to demand and how they are going to demand it before they start to talk in pairs or groups of four. Remind them that their aim is to reach an agreement that is acceptable to both sides.

The prompt cards are to help the students get started. The students can, of course, talk about other working conditions too. They can use the information in the table in exercise 5 to help them and also think back to how they answered the discussion question in exercise 6.