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9 February 2011

Mr Solomon Lew Chairman and Non-Executive Director The Just Group

Ms Glenys Shearer Executive Director The Just Group

Dear Mr. Lew and Ms. Shearer

RE: Labour rights and sandblasting practices in The Just Group's supply chain

I write to follow up my letter of 7 October 2010 regarding the labour rights of workers making products for The Just Group and to raise with you Oxfam's concern regarding the practice of sandblasting within The Just Group's supply chain.

A Herald Sun article published on 26 December 2010 reported that The Just Group's Australianmade clothing is being produced under poor conditions by workers paid as little as \$2 an hour. In light of this new evidence, Oxfam urges The Just Group to immediately begin the process of full accreditation to Ethical Clothing Australia. In addition to the company's Australian supply chain, Oxfam is concerned about The Just Group's international auditing and reporting practices and those of its major sourcing agent Li & Fung. Our concerns were outlined in detail in my previous letter, a copy of which is attached. I look forward to your response regarding these issues.

In addition, we are aware that a number of your brands sell denim clothing, most notably Just Jeans. Some of these products are described on your website as using sandblast denim. There is increasing evidence that fading jeans through the process of manual sandblasting presents serious health risks to workers. Documented cases show exposure to this process can lead to silicosis, which in a number of cases has been fatal. Unlike the chronic form of silicosis common amongst miners, which can take 20 year to develop, the acute silicosis experienced by denim sandblasting operators can develop very quickly, within 6 to 24 months of exposure. In Turkey alone, at least 45 sandblasting operators have died in recent years. Conservative estimates by the Clean Clothes Campaign suggest that over 5,000 more workers are at risk of developing silicosis.

The Turkish government banned manual sandblasting in April 2009. Despite this ban, sandblasting continues in the unregistered or small-scale subcontractor workshops that are predominant in the industry. A survey by the Clean Clothes Campaign has found that jeans sandblasting also occurs in countries such as Bangladesh, Cambodia, China, Egypt, India and Mexico.

A global campaign on sandblasting in the denim industry is set to gain momentum over the coming months. The campaign is calling for denim retailers to phase out all jeans sandblasting from their supply chain. A **complete ban** is necessary because the procedures required to sandblast jeans in a safe way are highly complicated and technically advanced. At the same time, denim clothing is often produced in countries where basic Occupational Health and Safety

(OHS) procedures are routinely violated. Accordingly, it is almost impossible to successfully implement and monitor procedures for the safe operation of denim sandblasting equipment.

For these reasons, Oxfam urges The Just Group to prevent any use of sandblasting in its supply chains and take the steps required to guarantee that every pair of jeans sold by your company is "sandblast free". As one of Australia's biggest denim retailers, we hope that The Just Group will recognise the urgency of this issue and take immediate action to prevent the suffering of more denim workers.

The international campaign to ban sandblasting has been well received by a number of fashion labels and retailers, including H&M, Levi-Strauss & Co and Esprit, all of which have now banned the sale of sandblasted jeans. The Just Group now has the opportunity join these retailers and set a good example for other Australian and international retailers. Any positive steps taken by The Just Group to eliminate denim sandblasting will be recognised publicly.

To assist our understanding of your current position on sandblasting operations, Oxfam would appreciate your response to the following questions:

- In which countries are your jeans products produced?
- Do you allow sandblasting for the treatment of your jeans products? And if yes, are you prepared to phase sandblasting out of your supply chain? What time period do you plan for the phasing out? What alternatives to sandblasting do you plan to implement?
- Are there any additional ways, means or policies that would be necessary (in your company or in the public policy arena) to ensure a sandblasting-free industry?

Oxfam will be compiling responses to pass onto the Clean Clothes Campaign for the launch of their international consumer campaign. For this reason, would appreciate your response to this letter and my previous letter by 1st March 2011.

As previously indicated, Oxfam would welcome the opportunity to meet with The Just Group to discuss these issues further.

Yours sincerely

Anne Hewert

Andrew Hewett Executive Director

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CC: Jason Murray Managing Director The Just Group