**Guardian news – 5 September 2016**

**Sports Direct to ditch zero-hours contracts**

Sports Direct has said it will offer casual retail staff guaranteed hours instead of zero-hours contracts and ensure all warehouse staff are paid above the national minimum wage following a review into working practices at the retailer. The announcement came after the Guardian exposed how temporary workers at its depots were receiving effective hourly rates of pay below the minimum wage. The company’s board has requested the suspension of a “six strikes” policy at the warehouse, which penalised workers for minor infringements and left them fearful for their jobs. The report said the practice was “potentially oppressive”. Sports Direct promised to investigate its working practices after the Guardian’s undercover reports of conditions inside its warehouses.

The subsequent report by RPC, a City law firm, found “serious shortcomings” at the company’s Shirebrook warehouse in Derbyshire. It said the board “deeply regrets and apologises for” the problems, [which the Guardian revealed last year](https://www.theguardian.com/business/2015/dec/09/how-sports-direct-effectively-pays-below-minimum-wage-pay). The report said Sports Direct’s chief executive, Dave Forsey, did not tell the board or Mike Ashley, the retailer’s founder, about the potential for Sports Direct to pay below the national minimum wage, which was also uncovered by the Guardian. It said Ashley, who was hauled before MPs over conditions at the warehouse, “takes ultimate responsibility for any aspects of the working practices that were unsatisfactory”.

The billionaire, who also owns Newcastle United FC, has faced increasing pressure from shareholder groups in the run-up to Wednesday’s annual general meeting (AGM), with calls to overhaul its board of directors and launch an immediate independent review into working conditions at its factories.

https://www.theguardian.com/business/2016/sep/06/sports-direct-to-ditch-zero-hours-contracts