How our tax dollars can foster worker rights and economic recovery rather than fuel the race to the bottom
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SweatFree Communities coordinates a national network of grassroots campaigns that promote humane working conditions in apparel and other labor-intensive global industries by working with public and religious institutions to adopt sweatshop-free purchasing policies.

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Executive Summary

The first major report to reveal sweatshop conditions in the global uniform industry, *Subsidizing Sweatshops* (July 2008) was a wake-up call. Documenting labor violations and abusive working conditions in factories that manufacture public employee uniforms, it showed how governments inadvertently use tax dollars to increase the downward pressure on labor rights and wages, hastening a race to the bottom which is costing many U.S. workers their jobs.

*Subsidizing Sweatshops II* is the first sequel to last year’s groundbreaking report. It tracks developments in four factories covered in the first report and adds four additional factory case studies. These eight factories are located in five countries on three continents and produce for nine major uniform brands.

Two cases in this report are based on complete investigations by independent factory monitors; three cases are based on thorough person-to-person interviews with workers conducted on behalf of SweatFree Communities by credible local unions and non-governmental organizations with expertise in labor rights; and three cases are based on our own worker interviews.

One consistent finding is that the global economic crisis has been detrimental to labor rights. It is not just that the material conditions are worse for sweatshop workers—their lives have always been painfully hard—but that the headline crisis devalues even their hardship. Everywhere we went to conduct research for this report—China, Honduras, the Dominican Republic, Mexico, and the United States—workers felt vulnerable, insecure, and afraid to stand up for their rights. They were often told they were lucky just to have a job. In one factory workers were explicitly instructed not to participate in our research, while in two other factories three workers who had shared their stories with us were fired immediately afterwards. These workers believe they were targeted for speaking out. In one case the worker was told she was fired for supporting the union which had conducted the interview.

Our findings include a range of severe violations of labor law and human rights in nearly all factories investigated:

- **Child labor.** A significant number of workers at two factories testified that children, as young as 14-15 years old, work the same long hours as adult workers, and, in one factory, were instructed to hide when customers visit.

- **Poverty wages.** In nearly all factories, workers’ wages are so low they cover only one-quarter to one-half the cost of their basic necessities. In addition, workers in at least two factories are regularly cheated of overtime wages.

- **Excessive production quotas.** Workers told of working through breaks, refraining from going to the bathroom, coming to work sick, and working grueling 12-hour days, the last hour without compensation, to meet excessive production quotas.

- **Mandatory pregnancy tests.** In two factories, women told of being forced to submit to a pregnancy test in order to be hired or having to take pregnancy tests during the course of employment.
• **Unhealthy work environment.** Workers expressed concern about the suffocating heat in the summertime and air thick with fabric dust detrimental to their health, and reported accidents with sewing machines resulting in puncturing and, even, losing fingers.

• **Severe repression of union supporters.** In almost all factories we found strong evidence of serious discrimination against union supporters; they were harassed, intimidated, fired, and, in at least one case, blacklisted from employment in other factories.

We also found progress towards labor rights compliance in one Honduras factory producing for Lion Apparel, Cintas, and Fecheimer Brothers, though much remediation work remains to be done. One unionized U.S. shirt factory producing for Elbeco stands out as the only workplace in this report where workers report earning a living wage and having a meaningful voice on the job.

*Subsidizing Sweatshops II* is a call to action. While workers we interviewed are told they are lucky to have employment at all during this global recession, both ethics and economics demand that their jobs not be sweatshop jobs. Ultimately, humane working conditions and better wages for low-income workers in the United States and around the world are a necessary economic stimulus for our nation and the world. Governments can do their part to expand a “moral economy” through ethical and sweatshop-free public procurement. Companies can do their part by manufacturing products under better conditions for the growing “sweatfree” market. We all can do our part as citizens and taxpayers by remembering the workers whose lives are now intertwined with ours.

We do not recommend companies lose business or factories lose orders because of this report. Instead, we urge governments to maintain contracts with companies working to remedy violations. We urge these companies to directly inform workers that they will not reduce or withdraw orders from factories in response to this report, but will engage with the factories to remedy violations. Furthermore, we call on companies—those named in this report and others not named as well—to go beyond monitoring their suppliers in order to improve working conditions. Companies must assess the impact of their own purchasing practices—including prices, delivery schedules, and supply chain relationships—on factories’ ability to comply with codes of conduct and labor rights standards. Labor rights compliance costs factories money. If they receive rock-bottom prices for the products they make, workers are the ones who suffer.
Introduction

The first major report to reveal sweatshop conditions in the global uniform industry, *Subsidizing Sweatshops* (July 2008) was a wake-up call. Based on interviews with workers at twelve factories in nine countries producing public employee uniforms and prisoner clothing for eight major uniform brands, this report showed how governments inadvertently use tax dollars to increase the downward pressure on labor rights and wages, hastening a race to the bottom which is costing many U.S. workers their jobs. This report generated over 30 distinct media articles across the country as sweatfree campaigns called for an end to taxpayer subsidies for sweatshops.

*Subsidizing Sweatshops II* is a call to action. It is time to use our tax dollars to support decent jobs in industries manufacturing uniforms and other products bought by government agencies.

Since the publication of Subsidizing Sweatshops, Ohio and the cities of Portland and Ashland, Oregon, have added their purchasing power to over 180 public entities committed to purchasing only sweatfree products. Five public entities—Maine, New York, Pennsylvania, Los Angeles, and San Francisco—are leading the development of the Sweatfree Purchasing Consortium to work collaboratively on factory monitoring and policy enforcement. The cities of Milwaukee, Wisconsin, Olympia, Washington, and Portland, Oregon have committed to participate in the Consortium. Additional governments are well on their way to adopting a “sweatfree” purchasing policy. At least one major uniform company, Lion Apparel, has taken meaningful steps to remedy worker rights violations at a factory named in the report. Sweatfree campaigns in the Northwest, Midwest, Mid-Atlantic, Northeast, California, and Texas continue to educate and advocate for sweatfree government purchasing.

At the same time, the world has slid into recession. Consumers are cutting back on clothing purchases. Cash-strapped government agencies—even public safety and police departments—are cutting their budgets and purchasing fewer uniforms. Large companies are squeezing suppliers for even lower costs. Under pressure to cut costs, factories force workers to work harder for less; still, many factories are closing and workers are losing their jobs, swelling already substantial unemployment numbers. Everywhere we went to conduct research for this report—China, Honduras, the Dominican Republic, Mexico, and the United States—workers felt vulnerable, insecure, and afraid to stand up for their rights. They were often told they were lucky just to have a job, their everyday hardship devalued in the global recession.

“...My hopes for the future are to bring my children here. I miss them a lot.”

-Worker at Safariland International, Tijuana, Mexico

In this time of crisis, why do we issue a call to action for governments to stop purchasing-as-usual and for companies to end business-as-usual? Is not sweatfree purchasing a luxury item we can ill afford when the world is crying out for business just to stay open and workers are struggling just to hold onto their jobs?

Pre-recession surveys and a behavioral study indicated a potentially significant “conscientious consumption” market in the United States with well over half of all consumers saying and demonstrating they would pay more for a sweatfree product if they
had a choice.³ At this point price appears to be an increasingly important purchasing criterion for consumers. Discount chains seem to be surviving the economic crisis better than middle or high-end retailers.

Governments, like individual consumers, are justifiably concerned about price. Governments are responsible for spending public funds prudently, using competitive procurement practices to ensure the best possible price. But they also have a responsibility to recognize that their purchasing policies influence labor practices and working conditions along the supply chain and have repercussions even beyond. As such, they should also ensure that competition does not result in prices that foster reduced wages, longer hours, and poorer working conditions. Lower labor standards and lower wages mean workers spend less. Less spending means less demand, less production, more layoffs, and a more entrenched economic crisis.

Instead, our governments can help catalyze changes along the supply chain that will result in better conditions and higher wages for workers. The competition for public contracts should not be based on price alone but also address some basic production questions. For example, can workers fully exercise their human and labor rights? Do they earn lawful and living wages for reasonable hours of work in decent conditions? Are their working conditions safe and healthy?

These are not questions we can afford to ignore in an economic crisis. These are questions we must answer to create a more humane, just, and sound economy. Sweatshop workers have endured a serious and continuous crisis even during periods “the economy” was supposedly growing and healthy. Now we should not allow the newfound headline consensus that the global economy really is in crisis to serve as pretext for neglecting the plight of sweatshop workers whose hardship appears devalued by the crisis.

Ultimately, humane working conditions and better wages for low-income workers in the United States and around the world are a necessary economic stimulus for our nation and the world. As the global recession so clearly demonstrates, we now rise and fall as one. A recovery must therefore also be global or sweatshop labor in one part of the world will continue to negatively impact us all. For these reasons, sweatshop-free public procurement is an important tool for economic recovery.

“While there is an economic crisis, so jobs are hard to find and factory wages aren’t high. As long as you don’t get fired, that’s enough.”
-Worker at Genfort Shoes, Zhongshan City, China

“”The workers have a lot of fear because of the economic situation. They take advantage of that. They told us recently not to listen to radios, and when somebody asked for a raise, the supervisor said we were lucky to be working.”
-Worker at Eagle Industries, New Bedford, Massachusetts

Before turning to the case studies, we would like to speak to the different readers of this report.

To uniform companies:

Most uniform companies featured in Subsidizing Sweatshops (July 2008) largely denied the findings. Many companies claimed their own monitoring reports showed the factory in question to be in compliance with local and international labor standards. Two companies stated they had never observed any labor rights violations at any of their contract facilities.⁴ One company even said our report might harm the workers it was intended to help by putting

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their jobs in jeopardy.\textsuperscript{5}

In response, we offered a critique of corporate auditing as structurally and methodologically flawed, and pointed to the wealth of evidence showing that factories are increasingly adept at deceiving auditors.\textsuperscript{6}

The findings in this report are corroborated by scores of academic research and industry investigations. First, human and labor rights violations are the norm and not the exception in a global apparel industry that separates the brand from the contractor and subjects factories to intense competitive price pressures; and, second, simply monitoring the problem without addressing the root causes has not worked and will not work.\textsuperscript{9} One value of this report is bringing its findings to public attention. While the public gaze may be uncomfortable, it can accelerate work for meaningful change by creating an environment receptive to reform.

We hope that you will take advantage of this opportunity for reform. The first step, we suggest, is to publicly disclose and open your factory suppliers to inspections by independent third-party monitors. A more significant step is to assess the impact of your purchasing practices on the ability of manufacturers to comply with codes of conduct and labor rights standards and to commit to fair purchasing with your suppliers. Here we echo some of the recommendations of a network of brands, retailers, industry associations, trade unions, non-governmental organizations, governments, and multi-lateral institutions, called the MFA Forum:\textsuperscript{10}

- Develop a sustainable cost model in collaboration with manufacturers.
- Identify and eliminate business practices that contribute unnecessarily to shorter production times, midstream design changes, and cancellation of orders.
- Increase orders with manufacturers maintaining high levels of compliance with labor standards.

“Despite substantial efforts and investments by Nike and its staff to improve working conditions among its suppliers… conditions in almost 80% of its suppliers either remained the same or worsened over time."

-Richard M. Locke et. al, “Does Monitoring Improve Labor Standards? Lessons from Nike”\textsuperscript{7}

These are practical recommendations for all uniform companies, not just those named in this report.

The specific case studies in this report are not anomalies. We simply looked where we had access and capacity and found a typical range of human and labor rights violations. Some cases are based on completed independent investigations; the findings are conclusive and the recommendations necessary. In these cases, we urge you to immediately and fully comply with the independent monitor’s recommendations for remediation. Other cases are based not on a comprehensive investigation but on worker interviews; in each such case, however, there is credible evidence for the alleged violations. We urge you to address these violations as expeditiously as possible.

We do not recommend companies lose business or factories lose orders because of this report. Instead, we urge governments to maintain contracts with companies working to remedy violations. And we urge you to directly inform workers that you will not reduce or withdraw orders in response to this report, but will engage with the factories to remedy violations. We will publicly commend companies taking such measures.\textsuperscript{11}
To governments:

Many of you already have committed to buying only sweatfree products. Many of you have worked hard for many years to fulfill this commitment. We commend all of you.

Your achievements are substantial. They include increased industry transparency, better corporate accountability for working conditions, and code of conduct enforcement through independent monitoring.

But no government can single-handedly achieve sweatfree purchasing. There is not yet an independent certification of “sweatfree” or “fair trade” standards in the garment industry, and no credible “sweatfree” label for uniforms and other apparel government entities purchase. Procuring sweatfree uniforms is not the same undertaking as buying recycled paper, fair trade coffee, or organically certified clothing.

Successful sweatfree procurement depends on governments’ capacity to influence and monitor suppliers to do the right thing. Unfortunately, no single public entity has the resources or expertise to adequately monitor and enforce labor rights compliance in supplier factories outside their own immediate jurisdiction.

On the bright side, there is growing interest in cooperative government action to achieve sweatfree procurement. The Sweatfree Purchasing Consortium is a collaborative project of governments working together to end public purchasing from sweatshops. The Consortium will pool resources and provide expertise to monitor working conditions and enforce sweatfree procurement standards, reducing cost and maximizing impact. We urge all governments to join the Sweatfree Purchasing Consortium.12

Thanks to overlapping supply chains, the Sweatfree Purchasing Consortium can help public entities to achieve sweatfree purchasing cheaper and more effectively than they can on their own. The Sweatfree Consortium has two major functions:

- **Connect government purchasers to pre-screened sweatfree suppliers.** The Consortium will oversee the work of independent monitors in producer countries to verify factory compliance with sweatfree standards, and work with brands and vendors to ensure responsible business practices, including fair pricing, reasonable production scheduling, and long-term business commitments.

- **Coordinate complaint-based investigations of working conditions.** The Consortium will function as a contact point for worker complaints of code of conduct violations, ensure appropriate dissemination of information, provide forums for discussion of specific cases, and coordinate engagement with vendors and brands to ensure effective remediation of violations.

For more information, including membership requirements, please see www.buysweatfree.org.
To the general public:

This report is about how governments spend your tax dollars. Many thousands of people across the United States already have spoken up against taxpayer subsidies for sweatshop conditions. None of the positive steps that governments and companies already have taken would have occurred without you voicing your concern and demanding action. Continued progress depends on you standing up for what you know is right. Bring this report to city councilors or state legislators. Bring it to the attention of government officials. Ask that they adopt a policy to buy only sweatfree products and that they join the Sweatfree Purchasing Consortium.

To workers in the United States:

We know that many of you support sweatfree purchasing rules, because we have met with you and worked with you for many years. For example, the sweatfree movement in Pennsylvania began with Pennsylvania’s garment workers.

Some of you may also wonder why we do not advocate Buy American purchasing measures. Is not Buy American a good way to support American workers and help to pull us out of the recession?

The answer, we believe, is that Buy American, or buy local, can help if it is combined with sweatfree requirements. But contrary to its intended purpose, a Buy American purchasing policy alone can, in some cases, accelerate the race to the bottom if less than scrupulous American businesses receive government contracts.

Repeated Department of Labor (DOL) surveys of cutting and sewing shops in the major U.S. apparel centers in the late 1990s showed that serious wage and hour, and health and safety violations dominated the industry. Still, the DOL investigations may have missed many violations. Similar to garment factories in other parts of the world, some U.S. garment factories also “scheme to evade monitors,” says the New York DOL. A New York City garment worker who only recently received her back-pay from unpaid overtime work she did in the late 1990’s testified that she worked up to 16 hours a day for seven days a week, but had been coached to lie to labor inspectors in order not to lose her job.13

A recent study of eight military uniform contractors found poverty level wages, wage and hour violations, little or no benefits, forced overtime, hazardous working conditions, and violations of workers’ associational and collective bargaining rights. These workers, most of them women and African American, often had to supplement their incomes with social assistance programs, including Medicaid and food stamps. The report estimates the cost to federal taxpayers for every employee of a military contractor that pays below poverty level wages is nearly $3,000.14 Such sweatshop conditions harm workers and taxpayers alike.

Adding sweatfree requirements to Buy American legislation is therefore not just a moral imperative but an economic necessity, especially during an economic crisis.

While the federal government buys many apparel products domestically and some local governments buy locally to support local economies and communities and reduce the environmental impact of commerce, our economy is inevitably global. Our

“Do I feel that outsourcing is a must to stay competitive? Yes I do. But I also feel that police departments and all, their uniforms are paid by our tax dollars, so if we are not working, and they are not getting our tax money, where are they going to get the money for their shirts? That is my opinion on it.”

-Mary Burke, makes collars for police shirts at the City Shirt Company, Frackville, Pennsylvania
lives are inextricably intertwined with the lives of workers across the world, including the workers you will meet in this report from China, Honduras, Mexico, and the Dominican Republic. As the global economic crisis has made abundantly clear, we rise and fall together. Long-lasting solutions must therefore also be global.

To save U.S. jobs so that we can “Buy American” requires improved standards overseas. We need to make the United States an enticing place to manufacture goods not by degrading labor standards at home, but by helping to improve conditions everywhere. Now, more than ever, we should and can support better labor standards both in the United States and around the world.
End Notes


3. According to Blauer Manufacturing Company: “At no time during inspection of any of our contractor locations has a Blauer employee or representative witnessed unsafe or unfair treatment of contractor labor or anything that could be described as sweatshop conditions” (Blauer Manufacturing Co., Inc. Response to SweatFree Communities “Subsidizing Sweatshops” Report, July 1, 2008). According to the Bob Barker Company, “We do not condone, and have never been involved in, any violation of labor laws, directly or indirectly, to our knowledge.” (Apparel Industry Labor in the Spotlight: Bob Barker raises the bar for factory workers, July 1, 2008).

4. In private correspondence to SweatFree Communities, the Cintas Corporation asks: “What will you now do to ensure that responsible manufacturers are not irreparably damaged – and local jobs not threatened – by unsubstantiated allegations and rumors?”


9. The MFA Forum is an open multi-stakeholder network of over 80 participating organizations representing brands and retailers, industry associations, trade unions, non-governmental organizations (NGOs), governments, and multi-lateral institutions. It aims to improve sustainability while promoting social responsibility and competitiveness in national garment industries that are vulnerable in the post-MFA trading environment. The recommendations cited are from a recent MFA Forum study called, “Assessing the impact of purchasing practices on code compliance: A case study of the Bangladesh garment industry,” available at http://www.mfa-forum.net/purchasing_practices.asp

10. Lion Apparel’s letter to workers in the Alamode factory is a good model. See Appendix I

11. More information about the Sweatfree Purchasing Consortium is available at www.buysweatfree.org


The Alamode Factory in Honduras: Work in Progress for Lion Apparel, Fechheimer, and Cintas

The Alamode factory in the remote town of Siguatepeque in central Honduras employs about 500 workers who make public employee uniforms and other apparel for Lion Apparel, Cintas Corporation, and Fechheimer Brothers Company. Alamode is the only apparel export factory and one of few factory employers in the region.

Our chapter on the Alamode factory in Subsidizing Sweatshops (July 2008) was based largely on the Worker Rights Consortium’s (WRC) preliminary public activity report to the City of Los Angeles. The City procures Lion Apparel products made in the Alamode factory and has adopted a supplier code of conduct requiring those products to be made in sweatshop-free working conditions. We described a range of labor law violations reported to the WRC by workers, including below minimum wages, forced overtime, lack of legally mandated social security payments, and pregnancy testing. We also noted that workers’ level of fear of speaking about their working conditions was, according to the WRC “among the highest the WRC has ever encountered at any factory in the region.”

While we are not aware if the Fechheimer Brothers Company responded to our report, both the Cintas Corporation and Lion Apparel replied at length.

A spokeswoman for Cintas said all their vendors must adhere to a code of conduct more stringent than most local laws and that all their vendors are audited annually. In private correspondence to SweatFree Communities and in a similar public letter to the London-based Business and Human Rights Resource Centre, Cintas stressed that the company “has the most extensive responsible-supplier program in the uniform industry,” claimed that all Alamode workers are enrolled in the government social security system, and asserted the absence of any evidence indicating forced and unpaid overtime, illegally low wages, or other labor rights and health and safety violations. In the same letter, Cintas alleged that our report was less than credible because “the individual conducting SweatFree’s interviews in Honduras on June 19th was identified Cintas provided this snapshot of the Alamode factory to the Business and Human Rights Centre on July 17, 2008, as evidence of “adequate ventilation and cleanliness.” The red text in the bottom right hand corner indicates this photo was taken on September 19, 2006. Cintas’ own photo commentary reads in full: “Regarding allegations that the facility is ‘hot’ and ‘unclean,’ our inspections found adequate ventilation and cleanliness—as shown in the attached photograph taken during a past inspection. As you can see, the facility appears well-organized and -maintained.” This photo and caption might better illustrate the weaknesses of a corporate auditing methodology that relies on occasional snapshots of working environments at discrete points in time, snapshots that may only reflect managers’ diligent preparation for pre-announced audits.
by local employees as a community ‘union recruiter’ – not an ‘independent factory monitor’ as described in the report.”

Lion Apparel also initially replied that its own audits had yielded “no evidence of violations of any type” at the Alamode factory. However, the company also signaled an openness to consider any new evidence that may come to light and to take corrective action as necessary to ensure compliance with the company’s Worldwide Code of Conduct. Lion Apparel’s corporate marketing associate Hayley Fudge told media, “If we find any of these alleged violations [in Subsidizing Sweatshops] to be proven, we’ll take immediate action with the owner and the management of the factory to correct the problems as the report suggests.”

Eight months later we are happy to report progress at Alamode thanks, in part, to the involvement of the City of Los Angeles, the Worker Rights Consortium, and Lion Apparel.

“Lion Apparel is glad to accept the suggestions and truthful and sincere complaints brought forward by current employees who believe their rights have been violated. ... Lion Apparel will not respond to any complaint by withdrawing business; rather, we will remain in the factory while working to correct any violations.”


Shortly after the publication of Subsidizing Sweatshops, Lion Apparel took—to our knowledge—the unprecedented positive step of writing directly to workers to assure them the company respects their right to complain about possible worker rights violations and committing itself to remedy violations as necessary and to maintain normal business with the factory rather than reducing orders or withdrawing from the factory. Circulated widely among workers and in the community, this letter helped instill a sense of security during a volatile period, especially important given the workers’ fear and anxiety about discussing their working conditions with outsiders. Thus, this letter is itself a significant corrective action in helping restore respect for basic labor rights. We commend Lion Apparel for writing and distributing the letter and offer it as a model for other companies in similar situations. A translated copy of the letter is included in this report as Appendix I.

The Worker Rights Consortium has continued to monitor working conditions and engage the factory and Lion Apparel in remediation efforts. In its December 17, 2008, report to the City of Los Angeles (the latest available), the WRC documents progress towards labor rights compliance in a number of areas. For example, Alamode has:

- Come into compliance with the 2008 minimum wage law and provided back-pay to workers for the months the company failed to pay appropriate wages.
- Enrolled all workers in the Honduran social security system as required by law, thereby giving workers access to healthcare, paid injury leave, and other benefits.
- Established an injury log as required by Honduran law.

However, according to the WRC’s most recent monitoring update, other issues remain unresolved: health and safety measures need to be improved; verbal harassment remains a problem; and workers still feel pressure to work overtime hours that should be voluntary. The WRC also reported evidence that Alamode has required workers to undergo annual pregnancy tests and failed to acknowledge this worker rights violation, though the company did post a statement in the plant on the day of the WRC’s audit to the effect that pregnancy tests were
Furthermore, while Alamode workers now receive the legal minimum wage for the maquila sector, we estimate that Alamode workers earn at best half of what would constitute a non-poverty wage in Honduras. Thus, while there is progress towards labor rights compliance at Alamode, the factory should still take additional steps to achieve full compliance with the City of Los Angeles’ code of conduct.

**Recommendations for Cintas, Fechheimer Brothers, and Lion Apparel**

As in all other cases of this nature, full remediation will depend on continued collaborative action between the buyers, the factory, and the end users. We are encouraged by the engagement of Lion Apparel. However, overall sustainable improvements, and further increases in workers’ wages to bring them closer to a non-poverty level, require buyers to rethink their business relations with Alamode. We recommend that:

- Cintas and Fechheimer make the same commitment to workers as Lion Apparel: to maintain business at Alamode while working to remedy violations.
- All three buyers commit to maintain or increase orders from Alamode and maintain a long-term business relationship with the factory if it continues to make progress remedying worker rights violations.
- All three buyers make a commitment to pay prices that will allow Alamode to pay workers at least the new 2009 national minimum wage applicable outside the maquila sector, and that Alamode voluntarily complies with this new minimum wage law.
- Alamode takes proactive steps to ensure respect for workers’ associational rights, including directly informing workers that they will face no retaliation and suffer no negative consequences for organizing a union.
End Notes


2. Letter from Pamela J. Lowe, Vice President of Corporate Communications, Cintas Corporation, to Mr. Greg Regaignon, Head of Research, and Mr. Chris Avery, Director, Business and Human Rights Resource Centre, June 17, 2008.

3. In fact, as our 2008 report on the Alamode factory states, it was based on interviews conducted in early April 2008, not on June 19, by staff members of the Worker Rights Consortium (WRC) and the Independent Monitoring Team of Honduras (EMIH). EMIH is a well-respected local labor and human rights organization which, among other activities, conducts labor rights monitoring on behalf of major apparel corporations, including The Gap, Adidas, and Reebok. We understand that the June 19 interviews were also conducted by EMIH.


First Fired, Then Blacklisted: The Fate of Union Supporters Producing for Dickies in Southern Mexico

In *Subsidizing Sweatshops* (July 2008) we reported on a labor struggle at Vaqueros Navarra, a jeans factory in the Tehuacán region of Mexico which supplied a number of international brands including Dickies, which manufactured its Workrite firefighter uniforms at the factory. Vaqueros Navarra was part of the Navarra Group, which owns a total of seven factories in the Tehuacán region, employing nearly 8,000 workers. Beginning in May 2007, Vaqueros Navarra workers attempted to form an independent union but faced the factory’s campaign of intimidation and harassment, as documented by a labor rights monitor contracted by several of the factory’s customers.¹

Two months after workers voted to affiliate with the independent September 19 Garment Workers Union, they arrived to work one day in January 2008 and were told the factory had shut down permanently because of lack of orders. Yet, three of the buyers—Gap, Warnaco, and American Eagle—had specifically tried to direct orders to Vaqueros Navarra to demonstrate their support for workers’ associational rights. Other Navarra Group factories continued to operate as usual.

One of those factories is Confecciones Mazara, located in the city of Tehuacán in the State of Puebla in southern Mexico. This factory likewise produces Dickie’s Workrite uniforms for public employees. When *Subsidizing Sweatshops* went to press in July 2008, the Human and Labor Rights Commission of the Tehuacán Valley filed a complaint with the Worker Rights Consortium, an independent worker rights monitor contracted by the City of Los Angeles to verify compliance with the city’s sweatfree procurement ordinance, alleging that Confecciones Mazara discriminated in hiring decisions against former September 19 Union supporters. According to the Commission only those workers “that didn’t go around causing trouble” were hired. “There may still be time for Dickies to do the right thing for the former workers of Vaqueros Navarra,” we wrote in *Subsidizing Sweatshops*, urging the company to insist on non-discriminatory hiring practices.

In response to *Subsidizing Sweatshops* (July 2008), officials of the Williamson-Dickie Company simply stated the “company meets the labor standards in the countries where it operates, as well as its own standards.”² However, the Worker Rights Consortium found “overwhelming evidence that Confecciones Mazara engaged in unlawful discrimination against union supporters in hiring decisions, otherwise known as ‘blacklisting,’” and is now calling for Williamson-Dickie to intervene directly to end the blacklisting and ensure full remediation.

The Worker Rights Consortium presents the following evidence:³

Of 20 former Vaqueros Navarra workers who applied for jobs at Confecciones Mazara, 19 were rejected. The factory used three different screening
mechanisms with a discriminatory effect:

- The factory required applicants to present a *constancia*, a letter from their previous employer attesting to their previous employment status, something that no union supporter from Vaqueros Navarra would be able to provide.

- The factory verbally inquired as to where job applicants had previously been employed, and denied positions to workers who responded “Vaqueros Navarra.”

- The factory used an actual blacklist to deny employment to workers whose names appeared on the list. This blacklist, obtained by the Worker Rights Consortium, is titled “*Lista de personal no recomendable para proporcionar empleo*” (“List of workers not recommended for hire”) and contains an alphabetical listing of 551 names. According to workers interviewed by the Workers Rights Consortium, most individuals listed are members of the September 19 Garment Workers Union or had been active in protest campaigns supported by the Human and Labor Rights Commission of the Tehuacán Valley.

“One worker, who was initially hired by the factory at the end of March 2008 and then fired on her first day of work, provided particularly revealing testimony. During her first and only day working on the production floor, a supervisor approached her and asked her which factory she had worked at previously. When the worker replied it was Vaqueros Navarra, the supervisor stated, ‘We’ll see if you’re not dismissed, because the company does not hire people from the September 19 union.’ This worker was dismissed later that same day.”

-Worker Rights Consortium, WRC Assessment re. Confecciones Mazara (Mexico)

Confecciones Mazara has complied with one of the Worker Rights Consortium recommendations—agreeing to no longer require *constancias* from job applicants and to consider all applicants solely on the basis of their qualifications. However, in order to remediate this factory’s serious discriminatory hiring practices, the Worker Rights Consortium also recommended that the factory provide preferential hiring opportunities to former Vaqueros Navarra workers and issue a letter to these workers assuring them it is committed to fair and non-discriminatory hiring practices. Confecciones Mazara has refused to take either of these steps. The Williamson-Dickie Company should now intervene to support the recommendations of the independent monitor and help end the practice of blacklisting.

Recommendations for Dickies

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End Notes


“My Whole Body Hurts:” Struggling to Meet Production Goals for Propper Uniforms in the Dominican Republic

Workers’ Concerns

- **Poverty wages.** The base wage only pays one-quarter the cost of basic necessities for a family of three.

- **Excessive production quotas.** Workers interviewed work through breaks, refrain from going to the bathroom, and come to work sick to meet production goals and earn sorely needed production bonuses.

- **Unhealthy work environment.** Workers are concerned that suffocating heat in the summer and air thick with fabric dust is detrimental to their health, and make it even more difficult to reach production goals.

- **No voice.** Despite no recent company anti-union activity, workers interviewed were afraid that complaining too much or joining the union would get them fired.

Suprema Manufacturing, wholly owned by Propper International, consists of three factories located in the San Pedro de Macorís Free Zone in the Dominican Republic. Suprema Manufacturing employs about 1,000 workers who make pants, jackets, hats, and coats under the Propper and Battle Dress Uniform (BDU) by Propper brands for state and local government employees as well as the U.S. federal government. Propper International is one of the largest manufacturers of U.S. military apparel.

In *Subsidizing Sweatshops* (July 2008) we published worker testimonies from Suprema Manufacturing describing low wages, high production quotas, unhealthy working conditions, and lives of hardship. Propper International did not respond to us directly. Instead, the company distributed a threatening one-page notice to its workforce in Puerto Rico. Some of these workers had testified to the U.S. Congress about the poor working conditions and had tried to form a union with UNITE HERE. This notice accused the union and the workers of defamation. The same notice described SweatFree Communities’ publications as having “a defamatory tone toward Propper… [alleging] that the Department of Defense is subsidizing companies with terrible work conditions, and safety and human rights violations.”

The message to workers left little to the imagination. The Propper notice concluded in capital letters: “SAY NO TO THE UNION. DON’T SIGN ANOTHER CARD.” It was signed, “The Management.”

In March 2009, staff and volunteers with the Federation of Workers of Free Trade Zones (FEDOTRAZONAS) and the National Federation of Free Trade Zone Workers (FENOTRAZONAS), including U.S. university students, conducted 20 short interviews and six longer life and work story interviews with Suprema Manufacturing workers on behalf of SweatFree Communities. Much like the workers interviewed for *Subsidizing Sweatshops* (July 2008) these workers describe a life of poverty and exhaustion, intense pressure to reach production quotas, and an unhealthy work environment. Researchers also observed that workers appeared fearful of speaking about the union. While there is a certified union at Suprema Manufacturing, its members have dwindled to a handful, leaving the union far too weak to have any influence in the factory.
Poverty, Debt, and Exhaustion

According to 26 worker surveys, workers who do not meet the production quota are paid as little as the minimum wage of 4,450 Dominican Pesos ($124) per month. Workers who attain high-quality ratings, meet their production quotas, and are absent no more than four hours in a week earn a higher wage and receive a production bonus. According to our surveys, they can make as much as 11,000 pesos ($306) per month. However, a family living wage is at least 20,000 pesos ($555) per month—nearly twice the highest salary we found at Suprema Manufacturing, and four times the minimum wage.

Most workers interviewed said they have to work additional jobs or take out loans in order to pay for unexpected medical expenses and sometimes even for everyday basic needs. Because they need immediate cash and may not have adequate credit history, workers usually do not apply for bank loans but instead borrow money on the spot from informal lenders who are stationed right outside the factory. These lenders charge up to 10% interest weekly or 40% monthly until the loan is repaid. But sometimes workers are unable to pay back loans until...
they receive the Christmas bonus, required by law to be equal to one month’s salary.

Given the low base wage, work life revolves around making or failing to meet the production quota and earning or failing to earn the production bonus, one of the first things workers mentioned.

“I have to make seven packets with 50 pieces per packet, and each packet requires 350 individual operations, or 1,050 total operations per day,” Pedro calculates. How does he do it? “Sometimes I only take the 12 o’clock break. I eat breakfast before work and work without wasting any time. Then I only take a 15 minute break at lunch to be able to meet production quotas. When I finish in the evening I am tired from the work. My hands and feet are tired from sewing and pressing the machine pedals.”

For Isabel meeting the production quota is utterly exhausting. “There are so many different operations that we need to complete to meet the production quota on time, and if we don’t we are paid less,” she tells us. “When I leave work I am tired and exhausted. My whole body hurts. All I want to do is lie down, but I have my obligations. I have a son who studies and goes to church. And I need to make dinner and clean the house. I also study. I finished high school and am studying English. In the event that we do not meet production quotas, sometimes it is impossible to cover costs during the week, and I have to take out a loan to cover them.”

As a single mother, Isabel is so dependent on her production bonus that she comes to work even when sick. “Last week I had the flu and a fever, but I went to work with the fever rather than missing work,” she tells us.

According to another worker, Ana, “there are women who almost never go to the bathroom because of the pressure to meet production quotas. And this affects the kidneys and health of the workers.”

Certain production lines have to keep working without pay after the end of the day to reach their production goal. “This is especially true for the workers who perform the final operations on the pants,” says Ana. “In order for these lines to earn the production bonuses they stay until 5 pm and 6 pm without being paid for their time.”

But no matter how hard they work, workers are not in complete control of their production bonus. Pro-
Production quotas are set per production line, so if one person in a line misses work, the whole line loses its production bonus. Mercedes explains: “There are 11 workers in my production line, but if one of us misses work we don’t meet the production quota. The people who get sick, or the mothers who have to take their children to the doctor, miss a couple hours. And these are the things that make us miss the production quota for the week.”

Finally, Mercedes says, “If you miss four hours in one day they take away 500 pesos ($14) of your bonus, even if you get permission to miss work.” This new policy does not allow workers to earn their full production bonuses, even if they make up missed time and reach their production goal.

Heat and dust

The poor air quality in the factory compounds the pressure to produce and makes it more difficult yet for workers to meet production goals.

Mercedes explains: “It is hot in the factory. During the summer it is an oven. The fans are small and it is a large factory. If there were air conditioning, we would work better. There are some factories that have it, but in our factory it is terrible during the summer. And it is very difficult to reach the production quotas because the heat is suffocating.”

According to Ana, the extreme heat forces workers to risk their personal safety: “In the summer we work and sweat. We have to go to the bathroom to put water on ourselves, because we can’t stand the heat. This is a risk since we work at electrical machines, and if the machine has a defect and you touch it you can be electrocuted. But we have to do it because of the heat.”

Other workers expressed a number of additional health-related concerns about the poor air quality in the factory. According to Isabel, “the fans only circulate the hot air and fabric dust.” Pedro worried about the long-term health risks of working with cloth that contains chemicals, “since we work with insect repellent cloth” and because “protective masks are difficult to use as the heat makes it hard to breathe if we are congested.” Isabel worried that the dust gets in her eyes: “There are a lot of problems with the dust from the fabric, which fills your eyes since some of the machines produce a lot of dust. I suffer from itchy eyes.”

A voice at work?

According to the workers we interviewed, there is little they can do individually or collectively to address their concerns about working conditions. In Pedro’s experience, “In the event that we complain, normally they don’t listen to us but you have to suffer the consequences.” He recounts, “One time I complained about the high temperatures in the factory and said it is not good for our health. And the manager said to me, ‘If you are not comfortable you can leave. You are not obligated to be in this factory.’ We have to adapt because we need to work.”

“When we have complaints we go to the supervisors,” says Ana, but they “don’t solve the problem because they are almost the same as operators.”

What about speaking with the managers? “No, we discuss problems at work amongst the workers, but not with management because we are afraid. Yesterday they took two workers off the floor and brought them to management. And they were going to fire them because they were protesting, making demands. One of them has been given notice. He is constantly complaining to the company about the bad conditions.”

“I leave work black and covered in fabric dust because of the excess dust that the machines produce.”

-Isabel, machine operator, Suprema Manufacturing
While the workers we interviewed did not tell us about any recent anti-union activity at the factory, they remember the company’s past hostility towards the union and conclude that still today they could be fired for joining the union. Mercedes, for example, recalls that “one time there were a lot of problems with the union. They told us not to get involved, and gave us advice against the union. A long time ago they held a short meeting, and told us the union wasn’t necessary—that is what the management told us.”

Mercedes may be referring to the mass firing of 300 union members in the year 2000. The Dominican Labor Department reviewed the case and ordered 30 union leaders to be reinstated with back pay. When they returned, managers reportedly told the workforce these workers were “undisciplined and problematic” and no one was to talk with them. Anyone who did would be fired. Or Mercedes may be remembering an incident in 2003 when union supporters were again fired, and, according to another worker “they gave extra money to the leaders of the union so that they would leave the company.” Despite these things occurring “a long time ago” it is still clear to Mercedes that “the company doesn’t want us to get involved in this stuff with the union.” What is the risk? “If you talk about the union they fire you,” she says.

**Postscript**

Shortly after participating in this research project a Suprema Manufacturing worker by the name of Sonia Altagracia Schals was fired. Sonia had accompanied union staff to the house of a coworker to interview her. She believes the co-worker later told a manager that she had been with the union staff asking questions about the company. The manager allegedly told Sonia she was fired for supporting the union.

Sonia is a veteran of seven years at Suprema Manufacturing. One of her latest pay stubs indicates that she was a good worker; her quality rating was 104 for that week, high enough to earn her an hourly wage of 46.41 pesos ($1.29) or about double the minimum wage. A single mother with four children, Sonia cried bitterly as she recounted these struggles.
events, saying she does not know what to do now. There have been no other recent firings at Suprema Manufacturing.

**Recommendations for Propper International**

- Immediately investigate the firing of Sonia Altagracia Schals. Reinstate her with full back pay if there is evidence the company fired her in retaliation for participating in this research project or for supporting the union.

- Reevaluate the system for awarding production bonuses in order to diminish production pressure. Rescind the policy that does not allow workers to earn their production bonuses if they are absent more than four hours in a day but meet the production goal.

- Provide paid sick leave so workers will not have to work when ill.

- Install air conditioning and evaluate health measures to reduce fabric dust and other air contamination.

- Take proactive steps to ensure compliance with Dominican Labor Law which guarantees workers the right to join a union, and Article 333 which prohibits an employer from any coercion against workers or a union to impede this right. Given the history of union repression at this factory, Propper International should communicate directly and unequivocally to its workers that they will face no retaliation and suffer no negative consequences for joining the union.
End Notes


2. 1 U.S. Dollar = 36 Dominican Republic Pesos.

3. The Worker Rights Consortium’s (WRC) preliminary estimate of a living wage for free trade zone apparel workers in the Dominican Republic is 19,666 pesos per month for a family of one adult wage-earner with two minor dependents. The WRC takes into account the cost of food and water, housing and energy, clothing, healthcare, transportation, education and childcare, as well as modest funds for savings and discretionary spending. The WRC conducted this living wage analyses in work unrelated to the enforcement of cities’ codes of conduct. See Worker Rights Consortium, “Preliminary Living Wage Estimate: Dominican Republic,” October 25, 2008, on file with SweatFree Communities. Other sources confirm that a living wage should be at least 20,000 pesos per month. For example, in June 2008 the Central Reserve Bank of the Dominican Republic estimated the monthly cost of food for a family of four to be 18,000 pesos. The Bank’s report is summarized in, “Unos tres millones carecen de ingresos para adquirir la canasta básica,” Dominicanos Hoy, available at http://dominicanoeshoy.com.

4. All personal names in this chapter are pseudonyms to protect the identity of the workers.
Eagle Industries is a manufacturer and supplier of tactical gear to state governments and the United States military. In November 2007, Eagle acquired a New Bedford, Massachusetts facility from Michael Bianco, which had made headlines across the Northeast in March 2007 when Immigration and Customs Enforcement officials raided the factory and discovered what U.S. Attorney Michael Sullivan labeled “sweatshop” conditions. Eagle also acquired Michael Bianco’s Modular Lightweight Load-Carrying Equipment (MOLLE) contract with the U.S. military. With up to $40 million in goods yet to be delivered, this contract positioned Eagle to move beyond its long-time niche of manufacturing military equipment for police and military enthusiasts and into large-scale federal contracting. In the wake of this acquisition, Eagle executives emphasized the firm’s history as a small business, its dedication to providing a high-quality working environment, and the Blue Cross/Blue Shield Insurance Policy for which workers would be eligible.

In Subsidizing Sweatshops (July 2008), we highlighted Eagle’s failure to clean up this former sweatshop. While Eagle had taken some steps to improve working conditions, including replacing lights and adding ergonomically improved chairs, we also found poverty-level wages, unaffordable health insurance, and health and safety concerns. We raised serious questions about Eagle’s respect for workers’ associational rights, as evidenced by the company’s hostile response to an ongoing union organizing campaign at the New Bedford factory.

Eagle’s response was that its inclusion in our report was “inappropriate and unfounded,” and claimed this inclusion was “based upon reports of working conditions that existed under the prior ownership and not based on any review or examination of current working conditions.”

In February 2009, we returned to Eagle to ascertain any progress in working conditions. We conducted in-depth interviews with eight workers, all union supporters, yielding over 25 pages of transcripts. On the positive side, as of March 1, 2009 Eagle has increased wages by 50 cents per hour—raising the average wage to about $9 per hour—and added a week of vacation to workers’ benefits; workers now have a total of two weeks of vacation, one of which they must take in July when the factory shuts down. However, at the same time, Eagle announced a new sick leave policy, requiring a signed doctor’s note for—still unpaid—sick leave.

Furthermore, the workers we interviewed are still deeply concerned about the low wages and inadequate benefits, dangerous and unhealthy working conditions, and managers’ everyday harassment of union supporters. While we do not claim that all workers share all these workers’ experiences, the experiences described are important in their own right. Even if only one worker was subjected to the health and safety hazards these workers describe, Eagle should be concerned. Even if only one worker had to work sick and injured because the company provides no paid sick days, Eagle should be concerned. Even if only one worker experienced the harassment these workers describe merely because they want to form a union, Eagle should be concerned.

We offer these workers’ experiences in their own words. The workers’ names are real, because they wish to speak directly to Eagle management. We urge Eagle to listen to them, tell them clearly and unequivocally that they have every right to organize.
a union if they so choose, and instruct managers not to impede this right in any way.

“Oil shoots into your eyes”

Guillermo: “When this new work began about eight months ago, I found that something was wrong with my eyes, that my vision was blurry. My eyes turned red and I had to go to the bathroom and rinse them with water. But I didn’t know why. When I looked at my glasses, there was a lot of oil on my glasses. I said, what could be happening? The machines use lots of oil. So when you are working, there is a part of the machine that shoots oil into your eyes. I told three different supervisors what was happening. They said that were going to go and check out the machines. But after that: nothing. To date, they haven’t done anything. But I was suffering a lot from the oil, so I put a piece of plastic in the machine so the oil wouldn’t get in my eyes, and this helped.”

The smell, the heat…

Guillermo: “I work with a metal tool that heats up, and I burn the ends of the cloth that have loose threads so they don’t come undone. The burning is hot and the smoke affects me. I cough and smoke enters my lungs.”

Elisa: “The smell when they burn in the summers, this terrible smell. You have a headache, you feel the smell in your stomach, and you feel dizzy. Sometimes you don’t even feel you have the strength to keep working, because your vision is blurry and this sickness that you feel. And they don’t open the window, simply because they don’t want to. And in the middle of the summer!”

Lesbi: “In the summer, we have the problem that air doesn’t circulate; there isn’t even one window open. Up to three people went to the hospital every day because people vomit, get headaches, high blood pressure, because there isn’t air. … They don’t want us to turn on the fans – they put in some fans – but they don’t want us to turn them on, because they use too much energy. They say that it affects the other machines, that there are machines that can be damaged.

“I have gone with some of my co-workers many times to complain about the heat, but they do not listen to us. One time, when I told one of my supervisors that we needed to open the windows to have more air, she said to me “If you do not like the heat then go back to your house!” I told her that she wasn’t respecting me. Then she told me “I am higher then you!” saying that she, because she is a supervisor, does not need to respect us workers. But all of us are human beings.”

Dangerous forklift

Elisa: “They are supposed to have a line in the floor where the forklifts can pass, but this factory doesn’t have them. Not even a line where the employee should walk, nothing. When they turn, it is really dangerous. They have hit people. She [Santa] had to go to the doctor.”

Santa: “On February 14th one of the workers that was driving the forklift ran into me so hard. He ran into the table, and it hit my stomach. I was in bad shape. The next day I had to go to work with pain in my stomach because they wouldn’t let me go and have some exams done that they [the doctors] had recommended, because I would miss work. And why couldn’t I miss work? Because if I missed work they wouldn’t pay me. I had to go to work injured.”

Everyday injuries

Lesbi: “In my area, because we have to work very quickly with fabric that is heavy and stiff, the fabric gives me abrasions on my arms. At times, because of all the detailed work we do, at the end of the day
my fingers stay bent and they are stiff like if I had claws. It is painful. Also, I have a lot of pain in my wrist because I have to pick up the heavy fabric and do the same movements hundreds of times in a day. I asked in the office for them to give me a wrist brace, and they told me that they would order one. But that was months ago, and they have not given me anything. So the pain keeps getting worse and worse.”

Connie: “I have a big cyst in my arm from the kind of work I do. I used to make the bottom of the backpack, and the pressure aggravated it. It gets bigger from the pressure I put on my hands for the work I used to do. And now I do a job where all the time I am twisting, making a little attachment on the belt.”

Elisa: “My arms are full of scars because of the straps. Depending on how fast you handle them, since they have sharp edges, they leave scars on your skin and it hurts. By the end of the day, your arms end up swollen, your arms hurt. It’s exhausting.”

There isn’t enough

Lesbi: “I worked in a factory where there wasn’t a union, there wasn’t anything. But every three months they gave us a personal day. It wasn’t much, three or four a year, but at least we had something. We had health insurance. Here there isn’t health insurance. It is $80 a week for one person, and $260 for a family. I earn $250 per week, and how am I going to pay for family health insurance? I can’t. Every week I have to choose which of the bills I will be able to pay. I pay $600 for rent, $200 for gas, $100 for car insurance, and then there is the telephone and other bills. But I only make $250 a week… and we haven’t even talked about food! A lot of time Sunday comes, and I don’t even have a cent to buy myself a little chili. And then I have to go work with all of this tension. It is hard. It’s hard. With all of this, you can’t even sleep. It gives me anxiety. It is horrible.”

No sick days

Lesbi: “We don’t have even one sick day, and so I have gone to work coughing with a fever and with chest pain. I feel like I have to work because there is no option.”

Elisa: “I had surgery, an operation, and the next day I had to go to work. When they saw that I was
limping around after the surgery, they didn’t say, “Elisa, go home.” They don’t pay leave. I went to ask for it. And they said they were sorry but the company didn’t pay sick days, that I should recover quickly to come back and do my work.”

Juana: “But we are human beings who get sick. And we want them to see that humans get sick, that human beings have families. And sometimes we need a day, but we don’t have it.”

No vacation

Guillermo: “There are not any days off, no vacations. They give us a week of vacation in July because they shut the factory and nobody can work. … Anyone who wants vacation has to wait until July.”

Connie: “This is the first place I’ve ever worked in that only gives one week vacation a year. I started working when I was 16, and even then I had two weeks. Even the company’s vacation policy is a problem because you cannot take your vacation when you want. The company closes the plant for a week in July and nobody can work then. And you only get paid for this one week of “vacation” if you have been there over a year.”

“They are always watching you”

Guillermo: “Now that the union is stronger they have put me in the back of the factory. The manager told me that I will be there forever. She told me not to move from there, that I shouldn’t talk to anyone. Since I wear the union button, they keep an eye on me. They are always watching you, how many times you go to the bathroom, measuring everyone’s time, making us nervous.”

Connie: “At least with Michael Bianco we relaxed when we used to go to work. Nobody was behind our backs, nobody was telling us what to do. We used to do our work comfortably, like we were at home. With Eagle, we can’t talk … they are behind your back all the time, especially me. They watch me every place I go just to see if they have an excuse to give me a warning.

“One of the managers is always following me to see what I am doing, and who I am talking to. She stands behind me and watches me. The managers don’t want me to talk to people because they know I support the union. They even try to watch us when we aren’t working. Whenever I am talking to people from the union or when the union people are there, managers stand on the steps outside the doors of the factory to watch us to see if we are talking to
the union representatives. The managers stay out there until we are all gone to see who stops. I’ve never worked at a company before where it was ok for managers to watch workers even when they were not at work.”

Lesbi: “When the company found out that I was with the union they moved me, so that they could isolate me in the plant. Before I was public with my support for the union, my machine was in the middle of lots of people. After the company found out I support the union they moved me next to the wall by the covered-up windows. On my other side there are two unoccupied machines. I imagine that they did this so that I can’t talk to anybody.”

Marina: “Before we worked in a group, and we were like neighbors. And when you didn’t know something you could ask somebody else. And we helped each other: ‘Hey, that’s not how you do it’ or ‘you should do it this way.’ We helped each other a lot. But today they put us together with people we don’t know, including with people that don’t understand each other. We speak other languages. Some people that don’t even speak Spanish or English, and we can’t speak to each other because we don’t understand each other. And the people that are around you, you don’t know if they are your friends, or what. We feel that we are being watched. At least that is what I feel.”

“They harass you so much”

Elisa: “They are pushing us a lot to produce a lot. If you get up much to go to the bathroom, your supervisor is giving you a warning. If you speak with the person next to you, they give you a warning. If you finish your work, they quickly bring you another so you produce more. They harass you so much that you have to produce. And if you don’t produce, they go to the manager, and the manager is always telling each supervisor what they have to do.”

Santa: “In one year and five months of work, they never gave me any trouble. But when they found out that I was in favor of the union, they began to make my life very difficult. In August, they gave me five warnings.”

No union supporters need apply

Santa: “They even made some people that wanted to start working at the factory sign declarations that said that they couldn’t join the union as a condition of starting work. If they signed this declaration, they gave them the work, which is against the law. When we tried to recruit people for the union, there were a lot of people who said that they couldn’t join because they had signed a declaration that said they wouldn’t join. They said that ‘they gave me the work because on condition that I wouldn’t join the union.’”

Moving to Puerto Rico?

Connie: “One day, when my supervisor passed out the checks on a Friday, she told us that we were going to finish this work and after that we were going to do something else, because this work was probably going to go to Puerto Rico. So the next week when we came in, there were no machines there. So everyone was scared that the work had gone to Puerto Rico.”

Elisa: “It was chaos. We came back after a long weekend, August 19, if I am not mistaken. We arrived to work. Everything was closed; there wasn’t any work on the table. The week before my supervisor had told me that we were only going to work the next week until Thursday to finish all the work we had on the big bags. And then they were going to move to Puerto Rico.”

Guillermo: “I go to the pizza joint at night near the factory, and I see the lights on late at night. And they are taking the machines out of the factory, taking our work. This began in July, August, and we
heard the Portuguese workers saying that they were leaving.”

**Marina:** “No one informed us what was going on. They sent us all home a half hour early with no explanation. On the next day we went back to work full of worry. We finished doing all the work that we had already started and then there was nothing to do.

“On Monday, we went back to work as always and they took us to a room upstairs to watch a health and safety video. A supervisor told us we would be doing a different type of work but that we indeed had work to do. They took us to an area to do different work. By this time there were many machines gone. And lots of things were changed and all of the people were moved. Now we are all in different departments. I am not sure right now who my supervisor is.

“The company knew that the department of Margarita was very open and big supporters of the union. Still till this day they haven’t moved any other department. I and all of my coworkers have a lot of uncertainty because we don’t have a permanent or specific work or direct supervisor. I don’t feel sure about anything and I don’t know what is going to happen tomorrow.”

**Elisa:** “Margarita always let us do what we wanted during the break. She never said anything to us. She never told me not to do something. Since they shut down the 400 section [Margarita’s section], everything is worse. Harassment, fear, desperation, sadness, unhappiness, tears – this is what we experience daily in this factory. Not even during Christmas was there any happiness. Not even for Christmas!”

**Juana:** “When they moved us from our section and changed our supervisors, we were depressed after this, because we were used to that work, to our supervisor, and to our coworkers in that section. They separated us, those of us who are Latinos. We feel separated from each other.

“It makes me very sad to see my old supervisor Margarita now on a machine working like everyone else and not being a supervisor anymore. Her department was closed and now there is another department there. And now I ask myself, why did they shut down this department and not a different one? I think the reason is because it was a department where every worker was a union supporter. I think it was to punish us and divide us. They divided us but we continue united and strong.”
“The union is the only hope”

Connie: “As long as the union goes in, at least we have someone to protect us and to see what’s wrong and what’s right. And they won’t abuse us anymore, and they won’t harass us, and she won’t talk with the kind of language she keeps using.”

Elisa: “Why am I struggling for the union? It is to have this power in my hands, to be able to help my coworkers. Because with this power, I will not let them use this power that they have to make it so my coworkers lose their jobs – their daily bread – simply because they feel like it. Because of this I struggle and I will keep struggling.

“The union is the only hope I have seen, because the union offers a contract and a negotiating table with the owner of the factory where he will have to realize the suffering we have endured working for him for so long, making money for him so he will have a good future while our future is bleak.”
End Notes

1. As we go to press, Alliant Techsystems, a Minneapolis-based aerospace and defense company, has announced its acquisition of Eagle Industries. Eagle will keep its name and continue to operate as a wholly-owned subsidiary, but according to Alliant it is too early to tell how the acquisition might affect the New Bedford factory. See, “New Bedford plant’s future uncertain with Eagle sale,” South Coast Today, April 1, 2009, available at http://www.southcoasttoday.com, accessed April 1, 2009.


4. Jesse Dyer Stewart and Meredith De Francesco, both experienced researchers and interviewers, conducted these interviews for SweatFree Communities.
Safariland is owned by Armor Holdings, a wholly-owned subsidiary of BAE Systems, Inc., the North American division of the British firm BAE Systems plc. The third largest global defense company and the largest foreign company in the U.S. defense market, BAE manufactures a variety of defense products ranging from tactical gear and body armor to military vehicles and electronic defense systems. After acquiring Armor Holdings in 2007, BAE initially relied on the former company’s subsidiary businesses—Simula, Pro-Tech, Specialty Defense, American Body Armor, Bianchi, Second Chance Body Armor, and Safariland—to manufacture and market the company’s apparel and textile goods. Recently, however, the company announced plans to consolidate these subsidiaries under a single brand, Safariland.

Workers’ Concerns

- **Unpaid mandatory overtime.** Sixteen workers reported mandatory day-shift overtime of 2.5 hours daily for which they were not paid the overtime rate of pay; three workers reported mandatory night-shift overtime of 4.5 hours nightly for which they were not paid the overtime rate pay.

- **No work contracts or temporary contracts.** Most workers interviewed worked with either no formal work contracts or extended temporary work contracts.

- **Mandatory pregnancy tests.** Women testified being forced to submit a pregnancy test in order to be hired. Those pregnant would not be hired.

- **Pressure and intimidation.** Many workers reported supervisors pressuring them to work faster, yelling at them, and sometimes sitting beside them for extended periods and harassing them if they did not attain production quotas.

- **Dangerous conditions.** Many workers reported accidents with sewing machines, riveting machines, and material cutters that resulted in puncturing and even losing fingers. Most workers interviewed also expressed concern regarding dangerous substances including the Resistol glue, infamous for its use as a narcotic among Latin American street children.

“We all ask is for God’s strength to continue onward and keep enduring. But as my grandfather used to say, ‘There isn’t evil that lasts 100 years, nor life that can’t endure it. I only ask for strength and courage and that everything gets better.’”

-Jovita, 26 years old, Safariland worker

Making Bulletproof Vests without Basic Protections: Safariland/BAE in Northern Mexico

Operating in Tijuana, Mexico since 1997, Safariland employs more than 700 workers—a day shift of approximately 600 and a night shift of approximately 100. Most workers appear to be between 20 and 35 years old and have migrated to Tijuana from other parts of Mexico in search of work. They make bulletproof vests and accessories, belts and personal accessories, grenade holsters, and pistol holsters under the Safariland, Bianchi, American Body Armor,
Pro-Tech, Second Chance Body Armor, Hatch, and Monadnock brands. In addition, workers report their automotive division produces tire and car seat upholstery for Chevrolet, Ford, Nissan, Toyota, and the furniture company IKEA.

“Everything is fine”

When we initially spoke with Safariland workers it appeared they did not have many complaints. Many workers said Safariland compares favorably with apparel factories in southern Mexico and with electronics and furniture factories in Tijuana where they had worked earlier. When asked “How are the working conditions,” 15 of the 27 workers interviewed said they were generally fine. Five said “they’re good to us.” Four appreciated the work stations and the bathrooms being new and clean. Only one worker complained of poor treatment. Even when prompted, “What don’t you like,” 14 of the 27 interviewed responded that nothing was wrong or that everything was fine.

Yet, these workers also told our researchers that management had learned in advance of our investigation and had instructed workers not to talk with them. Nearly all workers also testified that managers instruct workers how to behave when inspectors representing clients visit the factory. Workers said:

“They tell us to keep everything clean and orderly in the factory.”

“They tell us to use our safety equipment.”

“They tell us to stay quiet.”

“They tell us to work harder and that we shouldn’t turn around to look at the visitors.”

“They tell us to behave well.”

Although one worker interrupted the interview with our researchers, saying “I am not going to say anything bad that might be published,” other workers were undeterred. Ironically, “the bosses’ warnings made the work easier,” one researcher commented. “The workers were excited to be approached, pleased to have been chosen, almost honored.” It helped that the researchers were all “ex-maquila workers and not academics,” he further explained. “It helped make people feel at ease.”

Researchers approached workers at random a block and a half away from the factory, around a corner and out of sight. Some interviews were conducted there on the street corner. For the most part, they made appointments to meet later, outside or near the workers’ homes, and, in a few cases, inside their homes. Using an extensive working conditions questionnaire, 16 female and 11 male workers were interviewed, and four additional life-story interviews.
Catalina’s Story:

I am thirty years old. I lived in Zacoaplan near Tulancingo Hidalgo, in the south. I worked there in a sewing shop from 5:00 am until 5:00 pm, and sometimes even on Sundays, and earned much less. When the stock market fell in the United States, there wasn’t work any more. I have a son who is five years old in kindergarten, and two little girls who are three and four years old. I left them with my mother-in-law in Hidalgo. I left all three so that my son wouldn’t be left on his own. But I want to bring them here and keep working at Safariland.

Right now I have the day shift from 7:00 am until 5:30 pm. I like this shift, but I want to ask them to switch me to the night shift from 7:00 pm until 6:30 am, so that I can take care of my children and send them to school during the day. In the factory there isn’t child care, and what I want more than anything is to bring my children here. But my husband and I are barely able to scrape the money together for this, and it is difficult since we have to send 1,000 pesos every week to my mother-in-law to cover the children’s costs so she can take care of them. I want to bring them here soon during vacation when they have discounts on the transportation fares. I would like to switch over and work at night. If the day shift were 8 hours long every day, I would rather work during the day because then I would have part of the day free to take care of my children and send them to school.

We came to Tijuana in September of last year and I began working at Safariland in November. My husband and I went to the factory in search of work and there were long lines of people outside asking for work. They took advantage of the situation to demand certain requirements. For example, they ask you to take a pregnancy test, and if you are pregnant they don’t give you work. They ask that you have finished high school, and since my husband hadn’t they didn’t give him work and he had to go elsewhere, to a “five and ten” which makes medical products. He has to use two different buses to get there, and two to get back. I don’t, since the house is near the factory. They used to give us a transportation stipend of 69 pesos (a week) and this was handy, but starting this week they provide transportation and we don’t get our stipend, which means I will earn less.

I am a seamstress and I make the “points” on the grenade bags. They also make bulletproof vests, pistol holsters, tire covers and seat covers for cars. My first contract was for 30 days, and since then [three months later] they haven’t said anything to me, and they haven’t asked me to sign anything else. I make about 13 little grenade bags a day, and every day they raise my production quota. Anyone who meets it is paid between 65 and 75 extra pesos. I don’t earn this because I am still too slow. And they don’t give me any overtime hours [paid at the overtime rate] either. They only give those to the people who meet their production quotas. If you don’t meet the quota on Friday, then on Saturday, when they have the overtime hours, they don’t pay you the overtime rate, they just pay you as though they were normal hours. To change things they would need to lower the production quota and not raise it every day because it gets to the point that you can’t reach it. I earn 830 pesos every week in cash, and 153 in vouchers for the supermarket.

I liked it where I lived, where I am from. They paid less there, and because of this I wouldn’t like to return. I would like to study, teach math class. I like algebra. I finished high school and I would like to study in the university, either chemistry or math — something in the sciences. I inherit this from my family — we all like math. I have a brother who is an accountant and he likes math. I went to the community center here where they have algebra classes because I want to take them, but I only have Friday afternoons free. We’ll see.

My hopes for the future are to bring my children here. I miss them a lot. I want them to study and work in offices where they earn much more than in a maquila.
were conducted. All workers were interviewed individually, except for three men interviewed as a group. None of the researchers knew any of the workers prior to this project.

**Stark Poverty**

Workers’ initial reluctance to complain about the factory conceals their lived reality, a reality not readily apparent to corporate auditors or other researchers lacking time to develop relationships of trust and understanding with workers. For example, in response to a brief survey question, one worker told our interviewers that she had “enough” to get by. Yet she later described her dwelling: “No water, no electricity, and no terrace. One room made of garage doors and cardboard. The electricity we have is stolen. We buy water because there is no running water. There is no floor. The roof is made of laminate and cardboard.” One word—enough—can effectively conceal a life in squalid poverty.

Other workers likewise described conditions of material deprivation. “We wish we had a house with running water, electricity, and other services so we don’t have to walk around in the mud that smells rotten, like sewer and dishwater,” said one. Another worker provided a laundry list of what she lacks: “Washing machine, refrigerator, closet, floor, house paint, water, electricity, wastewater system, and paved streets.”

Others lamented their lack of time and opportunity to do anything but work. “I wish I had time to live, to be with my daughter,” said one. “I’d like the time to study,” several workers commented. Tellingly, many workers wish that their children will not follow their own paths. “I hope my daughter studies and has something else in her life, so she doesn’t have to work in the maquila,” one mother told us. Sadly, many workers also told us they have little hope for the future.

Our examination of pay stubs did not yield any evidence of wage violations. The workers we interviewed were both temporary and permanent employees—sewers, line heads, and maintenance technicians—employed from two weeks to 12 years at Safariland. They are paid a base rate of 456 to 750 pesos ($32 to $53) per week, and earn from 855 to 1,294 pesos ($60 to $91) per week with overtime and other bonuses. The minimum wage in Tijuana is 383.60 pesos ($27.10) per week. However, the economic crisis has exacerbated the pressure workers feel to perform, comply, and refrain from resistance to injustices and violations of their legal rights. In January 2009, the Mexican newspaper, La Jornada, estimated that as many as 30,000 people had lost their jobs in Tijuana over the last four months, with maquila and automotive sectors being most vulnerable. Safariland workers talked about long lines of people outside the factory asking for work.

**No jobs for pregnant women**

One worker describes what happened when she applied for a job: “They took advantage of the situation [the long line of applicants] to demand certain requirements. They ask you to take a pregnancy test, and if you are pregnant they don’t give you work.” Many other workers confirmed to researchers that they had been required to take a pregnancy test to be hired at Safariland. While Mexican lawyers consulted for this report were not aware of forced pregnancy tests being illegal in the Mexican court system, they also believed that pregnancy tests could be a violation Article 3 of Mexican labor law regarding equal treatment regardless of gender.

**Work without a contract**

Most workers interviewed signed temporary 30-day individual contracts with Safariland when starting employment, but have continued working without permanent contracts or obtaining copies of their
contracts. Eight workers told us Safariland has simply renewed their temporary contracts.

The lack of a contract does not deprive workers of their rights under law, but a contract is an important formality that affirms workers’ rights and affords them a sense of power and security. Without a contract, workers do not know and have no formal guarantee of their wages, when they are paid and in what form, working hours, breaks, vacations, and other benefits. An employer’s failure to provide a work contract is a violation of Mexican labor law (Article 26), as is the renewal of merely temporary contracts (Article 37).

Pressure and intimidation

Workers describe the pressure they feel to work fast and reach production quotas in order to be eligible for production bonuses. According to workers, supervisors harass workers in a multitude of ways if they fail to reach these production quotas. For example:

“They suspend you without pay for one to three days for not meeting production quotas or respecting the supervisors, for arriving late, or for not understanding an order.”

“They sit you down to tell you to work faster if you are not meeting quota.”

“They harass you and make you angry until you leave, and they don’t have to pay severance.”

“They keep someone on you to pressure you.”

Cheated of overtime wages

While workers appear to work no more than the legal 48 hour work week, sixteen workers reported working from 7:00 am until 5:30 pm Monday through Thursday (and 7:00 am until 3:00 pm on Fridays) at the regular rate of pay. Article 123 of the Mexican Constitution and Article 61 of Mexican labor law establish the legal workday at no more than eight hours (including breaks), and Article 67 of Mexican labor law requires that workers be paid double for overtime hours. Mexican labor lawyers interviewed for this report confirm that Safari-land workers should be paid at the overtime rate for time worked in a single day beyond the eight hour maximum. Thus, these workers lose 10 hours of overtime wages or at least 95 pesos ($7) each week (456 pesos weekly base wage/48 hours x10).
Subsidizing Sweatshops II

Jovita’s Story:

I am 26 years old from Textla Gutiérrez. I am married with three children. I came to Tijuana because there wasn’t any work where I am from. I came with my husband and I brought my 4-year-old son with me. The other two were born here. My husband began to get desperate because his salary wasn’t enough for us. He started to take out his anger on the children and me. He yelled at us and mistreated us a lot, and began to drink. I started to search for a way to help and looked for work.

I began working at Safariland with a shift that fit my schedule. I went on at 7:00 pm and worked until 6:30 am but I started to neglect my children and had problems with my husband because of my schedule, so I switched to the 7:00 am to 5:30 pm shift. I have been working almost five years in Safariland, but the wages are very low. If it weren’t for the salary that my husband makes, it wouldn’t be enough for us, since we pay 1,500 pesos in rent and the apartment is very small. We pay for the electric bill between everyone in the building, and the same with the water bill, but this year we have spent a lot more because the costs of school uniforms has increased, as well as food and everything else.

There are times when my husband gets desperate and we think about returning to Chiapas but then we think that if there isn’t work there either, “how are we going to survive?” We don’t have any option other than working harder and eating less so that my children can study and don’t face the same situation we are facing. They are very young still. My children are one, five, and nine years old and they still need a lot of attention and are an expense.

People say things will change but I doubt it. It is more likely that things will get worse. I tell my family that with God’s grace everything will change because I don’t want to mortify everyone else, since everyone is stressed out and the children are the ones that suffer the consequences. For no reason we yell at them because of how hard life is, of how life treats us, and we know that it is already enough just to look at how badly nourished they are to see they are worried, because even though they don’t say anything I know that they experience it too. My whole family is Christian and every day we wake up hoping for a miracle, which is a long way off. All we ask is for God’s strength to continue onward and keep enduring. But as my grandfather used to say, “There isn’t evil that lasts 100 years, nor life that can’t endure it.” I only ask for strength and courage and that everything gets better. I would like to earn more and want a better future for my children. They should raise our salaries.

Ninety-five pesos per week would cover most of the rent workers report paying, or almost half their food costs.

Three workers reported working the night shift from 7:00 pm until 6:30 am, or 11.5 hours, for which they are paid the normal rate of pay. This too is a violation of Article 123 of the Mexican Constitution and Article 61 of Mexican labor law, which limit the nightshift to seven hours before workers are due overtime pay. Consequently, each nightshift these workers lose at least 43 pesos ($3). In addition, workers report that if they arrive at work more than three minutes late, they may be suspended a day without pay. If they miss a day of work the company may suspend them up to three days without pay. Pay deductions are a violation of Article 110 of Mexican labor law, but the company skirts this law by suspending its workers.
Children working the same long hours?

Two workers reported minors 14 to 15 years old working the same hours as all other workers at the factory. Mexican labor law allows minors 14 to 16 years old to work if they pass a medical examination, but their workday cannot exceed six hours including a one-hour rest after three hours. The cases reported appear to violate Article 177 and 178 of Mexican labor law on minors’ hours, although the extent of violations is unclear without further investigation.

Dangerous and unhealthy conditions

Many workers reported accidents with sewing machines, riveting machines, and material cutters, resulting in puncturing and even losing fingers. Most workers interviewed also expressed concern about dangerous substances, including thinners, solvents, and Resistol 5000 glue, infamous as a narcotic used by Latin America street children. Workers reported dizziness and expressed concern about malfunctioning ventilators in need of replacement in some factory areas.

Questionable freedom of association

Few workers believe that they can successfully talk with supervisors about issues in the workplace. Only nine of the 27 workers interviewed believed that they could “talk with supervisors;” and only four believed such talks would lead to definite improvements. Other workers, less optimistic, said, for example: “They do not listen to us, and if we complain they treat us like trouble makers.”

All workers interviewed believed management would resist a union at Safariland. Two workers remembered an unsuccessful union organizing attempt several years ago. One of them recalls: “One time they brought some young people into the office, and said they were trying to form a union, and we never saw them again. I don’t know what happened.”

Asked what would happen if they tried to form a union today, eight workers said, “they would run us out;” two said, “there would be problems,” another two said, “they would fire us or at least consider us troublemakers;” one thought that “they might try to call in the police;” and another speculated that “they would put us on the blacklist,” which is rumored to be lengthy and widely used in Tijuana.

Recommendations for Safariland/BAE

Investigate workers’ concerns about human and labor rights violations and ensure the factory:

- Immediately rectify overtime violations by paying workers double the normal rate for all overtime hours each day and night shift.
- Provide all workers their legal contracts.
- Investigate any child labor complaints and limit the hours of minors according to law.
- Cease pregnancy testing for women applying for work.
- Investigate and ensure that all legal and appropriate health and safety measures are fully implemented.
- Take proactive steps to ensure respect for workers’ associational rights, including directly informing workers that they will face no retaliation and suffer no negative consequences for organizing a union.
End Notes


3. The facility was just 6 months old at the time of the interviews. Until September 2008 Safariland operated from a different factory in Tijuana.

4. Research was conducted by the Worker Information Center (Centro de Información para Trabajadoras y Trabajadores, A.C., CITTAC) on behalf of SweatFree Communities. CITTAC is a non-governmental and non-political organization in Baja California that assists workers in the maquiladoras to improve their living and working conditions, defend their human and labor rights, and create autonomous and democratic organizations.

5. 1.00 U.S. Dollar =14.15 Mexican Pesos


7. According to Article 25 of Mexican labor law, the contract should establish the conditions of work and should contain: name, nationality, age, gender, marital status and address of worker and employer; if the work relation is per job or for a definite or indefinite amount of time; tasks the worker will perform; place of work; length of the workday; the form of payment, and amount of the salary; the day and place the salary will be paid; indication that the worker will be trained and taught in his/her area of work in the company, in accordance with law; and other work conditions, such as days of rest, vacations, and other things as are convenient for the worker and the employer.

8. Article 123 of the Mexican Constitution declares that “the maximum duration of a shift will be eight hours,” and that “the maximum night shift will be seven hours.” Article 61 of Mexican labor law declares that “the maximum shift will be: eight hours per day, seven hours for the night shift, and seven and a half hours for a mixed shift.”
“They Don’t Listen to Us:” A History of Union Repression at Dickies in Honduras

Located in the city of Choloma in northern Honduras, Dickies de Honduras is an apparel assembly plant (maquila) where approximately 1,000 workers produce exclusively for the Williamson Dickie Manufacturing Company. The factory is operated by a business association that runs several Honduran free trade zone factories.

The Honduran maquila sector has not fared well in the global economic crisis. The Honduran Association of Manufacturers reports losses of 15,000 maquila jobs in 2008, while union officials tell us another 18,000 maquila jobs were lost during the first three months of 2009 alone. In all, as many as 100,000 Hondurans were laid off from November 2008 through January 2009—this in a country of less than eight million people.

We spoke with two Dickies workers, “Juana” and “Yanira,” referring to them here with pseudonyms to protect their identity. We also interviewed two leaders of Honduran unions who have over a decade’s experience dealing with Dickies de Honduras worker complaints. Unfortunately we cannot identify these union leaders as they both fear for their safety should their identity become known. One of them has recently received a death threat.

A history of union repression

One of the union leaders we interviewed has carefully documented a long and troubled history of union organizing and repression at Dickies de Honduras. In 1998, the factory fired a group of 80 union supporters. In 2003, Dickies fired the leaders of another attempt to organize a union. In 2005, a group of 280 workers was finally able to obtain legal recognition of a union, which was published in October 2006 in the national registry, Diario Oficial la Gaceta. A month later, a representative of the Ministry of Labor, accompanied by three union officials, attempted to notify Dickies de Honduras of the existence of the union by delivering the official documents in person. Dickies denied entry to the Ministry of Labor representative and then fired the three union officials and other workers who had witnessed the attempted notification. The Ministry of Labor then summoned the manager of Dickies de Honduras on three separate occasions to discuss the firings of these workers. The manager did not appear for any of the meetings. On the union’s request, the acting Minister of Labor called both parties to a meeting for mediation in early 2007.

Workers’ Concerns

- **Fifty-eight workers fired, supposedly to reduce cost. But they were all union supporters.** Were they fired because they support the union?

- **Poverty wages.** The base wage pays at best one-half the cost of basic necessities for a family of four.

- **Exhausting work schedules.** The “4 x 4” schedule, from 7:00 am to 6:00 pm four days a week, amounts to 11 hours a day, and often 12 hours a day when workers fail to meet excessive production goals and must work late to catch up.
Dickies again failed to attend this meeting, and instead fired most of the union's supporters. These workers never came close to exercising their collective bargaining rights or to addressing their grievances with the factory.

**Dickies layoffs: Breaking the union again, but under cover of the economic crisis?**

Despite the history of union setbacks at Dickies de Honduras, workers have until recently continued to organize a union at the factory. However, the economic crisis in Honduras has made the current organizing effort even more challenging than in the past.

According to both the workers and the union leaders we interviewed, Dickies de Honduras began dismissing workers in the middle of December 2008. By the beginning of March 2009, Dickies had laid off 58 workers, five to seven workers at a time, telling them the company has to “reduce costs.” While that sounds like a reasonable explanation in a country that has been shedding maquila jobs by the thousands every month this year, it may not be the complete truth. According to one of the union leaders, “the 58 people who were fired are all workers who have visited our offices and support the union.” It would be a coincidence worth remark if Dickies simply happened to cut costs by laying off those workers who support the union, especially given the long history of union repression at the factory. And if this is more than a coincidence, Dickies may (or may not) be violating Article 96 of Honduran Labor Law, which prohibits employers from “firing or persecuting their workers in any way because of their union affiliation.”

“I didn’t agree with the firing because it was unjust. What I need is employment because I am a father and have a family and need to maintain them. It shouldn’t be possible that a foreign company with huge economic power violates the labor rights of the workers who are exploited in that company. And when we want to claim what is within our legal rights they fire us and threaten us that they will shut other doors for us to find work in any other company. What we ask as workers is that the law is respected, that is all.”

—Testimony of Raul Isauro Murillo, taken and filed by the Honduras Ministry of Labor of Honduras, November 28, 2006. Raul Murillo was one of the workers who attempted to form a union at Dickies de Honduras in 2006.
Poverty wages

On January 1, 2009, the Honduran minimum wage increased substantially, from 3,200 lempiras ($170) per month to 5,500 lempiras ($291) per month. The maquila sector, however, was exempt from this new minimum wage level.

Yanira earns about 800 lempiras ($42) per week, but only takes home about 600 lempiras ($32) per week after social security and other deductions. While Yanira’s salary appears to meet the legal minimum for the maquila sector, it does not come close to providing a sufficient income for her family. “I have a little girl,” says Yanira, “and it’s very difficult to pay for her needs with my salary.”

Yanira’s $32 per week goes very quickly. According to one of the union leaders, him/herself a former maquila worker, typical expenses for a family of five include:

- Five pounds of rice: $2.65
- Five pounds of beans: $3.70
- Five pounds of corn or wheat flour: $2.90
- Five pounds of vegetable oil: $2.65
- One pound of coffee: $1.50
- Three pounds of sugar: $2.40
- A dozen eggs: $2.00

Maquila workers’ diet rarely includes vegetables; children usually do not get any milk; and only on rare occasions will families enjoy a pound or two of chicken. Even without vegetables, milk, and chicken the weekly food cost amount to nearly $18.

Rent is costly. A small hut with only an outhouse for a toilet costs an average of $16 per week. So, after paying for food and rent many workers have already exhausted their salary. Yet, workers also have to pay for public transportation to school ($3.80 per week and per child), electricity ($3.20/week), and other basic necessities like toilet paper, toothpaste, and soap.

It is no wonder that it is “very difficult” for Yanira to pay for the needs of her daughter.

An exhausting schedule

Yanira and Juana work the “4 x 4” schedule, “from 7:00 am to 6:00 pm four days a week, and then we have four days off,” which amounts to 11 hours a day. The schedule is exhausting and makes it difficult for workers to care for their children during the days they work, to attend evening classes which many workers would like to do, or to have family time on Sundays when the work falls on that day.

Increasing the strain on workers even further, they must meet challenging production goals every day. If they do, they can earn production bonuses. But for many workers the production goals are excessive. Juana, for example, must sew 1,500 pairs of pants every day. Because she must sew both legs of the pants, her 1,500 pieces demand 3,000 operations each day. At the end of the regular working day at 6:00 pm she has rarely attained her quota, even though she has five years experience at Dickies de Honduras. At 6:00 pm she can then choose to go home without making quota, but with her pay docked. Or she can stay an extra hour to complete her quota to receive her normal pay, but no production bonus and no overtime pay. If she works 12 hours four days in a row to catch up on her production goals she would receive overtime pay for every hour beyond the 44 hour weekly limit. However, if she makes errors she may be required to work a fifth day to repair her work or do extra work without any pay.

“If you are sick, you have to go to work”

According to Juana, illness is no excuse for missing
work. “If you are sick, you have to go to work,” she says. “If not, they will give you a warning or even go to the extreme of firing you. Even if you have a doctor’s note, or are very sick, you will be given a warning if you miss work. In my case, one of my daughters was very sick and I took her to see a doctor. And the company still called me into the office to give me a warning.”

Fear and insecurity

What avenues are available to Yanira and Juana to improve their working conditions?

What about asking for a raise? Yanira responds: “That sort of thing is impossible here. If you went to ask for something like that in the office they wouldn’t listen.”

What about talking with management about complying with the new minimum wage law? According to Juana, “If we were to try they would just tell us that we are lucky to have any jobs right now, that other people are losing their jobs.”

And what about organizing a union? Juana dismisses the idea: “I know lot of people who have been fired from Dickies for supporting the union in the past. Some have managed to find other jobs, and many have not.”

Unfortunately, Juana was fired only a week after she spoke with us, one of the last of the 58 workers fired since the middle of December 2008. According to the union leaders, Juana was fired without cause. The Ministry of Labor has scheduled a conciliatory meeting between Juana and Dickies de Honduras. Juana is hoping to regain her job.

Recommendations for Dickies

- Investigate the firings of the 58 workers and immediately reinstate and provide full back-pay to all workers fired because of their union activities.
- Take proactive steps to ensure respect for workers’ associational rights, including communicating directly to workers that they will face no retaliation and suffer no negative consequences for organizing a union.
- Voluntarily comply with the new minimum wage law and provide workers with a salary coming closer to meeting their basic needs.
- Change the schedule to a traditional work week or give workers a choice between the 4x4 shift and a traditional workweek.
End Notes


3. 1.00 U.S. Dollar = 18.9 Honduras Lempiras

4. Las Centrales Obreras, a not-for-profit network that represents labor federations, is working to extend the new minimum wage law to the maquila sector, contending that corporations lobbied the government to exempt the maquila sector and other private industry groups from the new minimum wage law.

5. Official poverty level assessments support Yanira’s contention. In November 2008, the Consumer Defense Center (Centro para la Defensa del Consumidor) published results of cost of living surveys in Central America, concluding that Honduras is the most expensive country in the region. The cost of food alone, it said, is $324 a month for a family of four. In 2006, the World Bank calculated the poverty level for Honduras to be nearly 4,000 lempiras a month for a family of four. Adjusting for over 60% inflation in the price of food products since 2006, the current poverty level would be about 6,400 lempiras ($338) a month. According to either measurement, Yanira’s gross monthly salary of $189 is at best half of a non-poverty wage. See “Canasta básica hondureña: la más cara de Centroamérica,” available at http://www.consumersinternational.org, accessed March 26, 2009. The World Bank Poverty Assessment for Honduras, published in 2006, is available at http://web.worldbank.org
“Foolish Work Every Day until Late:” Working Overtime for Rocky Brands in China

Rocky Brands produces and markets footwear under a number of brands. These include licensed brands such as Michelin, Dickies Durango, Zumfoot and Mossy Oak as well as their own brands, Lehigh, Georgia Boot, and Rocky Outdoor Gear. The company also supplies a wide range of markets, including footwear for uniformed personnel in state and local governments and the military, as well as outdoor sports, hunting gear, and heavy duty industrial work wear. Based in Ohio, Rocky Brands leases two manufacturing facilities in Puerto Rico, one in the Dominican Republic, and relies heavily upon contracting in China.

Genfort Shoes is located in the Nanlang Township of Zhongshan City in the Guangdong Province, on the Pearl River Delta in Southeastern China, close to Hong Kong. Taiwanese-owned, this factory has approximately 10,000 employees making work shoes, exercise shoes, casual shoes, and dress shoes. According to workers, Rocky Brands accounts for as much as 80% of the production in one of the Genfort factory buildings.¹ Rocky Brands confirms that Genfort Shoes produces its Lehigh Boots styles 5172 and 5258.² According to Rocky Brands, Genfort Shoes is independently audited for social compliance.³ Our research, however, yielded evidence of labor law violations and points to additional concerns about the working environment and workers’ living conditions that should be fully investigated and remediated.⁴

Stories of Genfort Shoes Worker:

“My family relies on harvesting crops for a living. If we can earn 3,000 RMB by the end of a year, that’s not bad. Though one can make more working elsewhere, expenses are also higher. … I don’t know if I’ll stay here long, because I don’t know what I can do. In the past, I wanted to earn a lot of money so I could help the people around me live a good life. But I have discovered that working here is quite far from what I’d dreamt. This financial crisis has had a big impact on us. A lot of foreign enterprises have shut down, making employers fire a lot of people. It is difficult for us to find work and to get a raise.”

-Chao, 25 year old male worker from the Henan province in eastern central China

Lehigh work boot style 5172, made at Genfort Shoes.

“there’s a lot of pressure on me”

The Genfort workers are migrants from the countryside, having sometimes traveled thousands of miles to one of the manufacturing centers in the Guangdong province in southern China in search of a livelihood. Chao, for example, is from a rural family in the Henan province in east central China, almost 1,000 miles straight-line distance from Zhongshan City where Genfort Shoes is located.⁵ “My family relies on harvesting crops for a living,” he says. “If we can earn 3,000 yuan ($440) by the end of the year, that’s not bad.” By contrast, he now earns 700-800 yuan ($102-117) every month at Genfort Shoes, and is able to send home 1,000 yuan ($146)
to his family every three months. Yet, Chao and many other workers we interviewed live under constant financial stress, pressure to provide not just for themselves but also for their families. “There’s a lot of pressure on me,” said Feng, who has to support both his parents and his young child. “Though the money’s not really enough for me, I need to help my parents. It’s not important whether the food I eat is good or not. As long as I get full, that’s enough. Especially right now. It’s a special period in my child’s growth, and so he needs a lot of nutritional products. No matter what, I can’t allow my child to not get his nutrition.” According to worker interviews and pay slip examinations, Genfort’s base monthly wage of 770 yuan ($112) or 4.43 yuan (65 cents) per hour is higher than the local minimum monthly wage of 670 yuan ($98) for Zhongshan City. However, workers are concerned they are not being fully compensated for their work.

**Paying to work**

Beginning work is costly. Like Chao, Jia is from a village in Henan and brought only 300 yuan ($44) with her for traveling. “This was all the money left

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**Stories of Genfort Shoes Worker:**

“When I started working here, I thought this factory was very big and imagined it would be very good. I never imagined that it would be so disappointing, that its wages would be so low, [that it would be] the same as other factories. My life hasn’t made any noticeable improvements since working here. Each month’s paycheck is only enough for that month’s expenses. It’s the same as other factories: foolish work every day until late. And I have to put up with the section head’s insults.”

-Feng, 23 year old male worker from the Guizhou province in Southeastern China

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**Workers’ Concerns**

- **Child labor.** Many workers testify to children as young as 14-15 years old working the same hours as adult workers and being instructed to hide when customers inspect the factory.
- **No rest days.** Sometimes there are no days off for an entire month during peak production periods, workers say. The law requires at least one rest day per week.
- **Excessive mandatory overtime.** Workers report as many as 100 overtime hours per month—far in excess of the 36 hour legal limit.
- **Inadequate compensation for weekend work.** Pay slips show workers are paid at time and a half rather than the legally mandated double hourly rate for daytime work on weekends.
- **No payment for the first three days of work,** according to workers.
- **Failure to honor workers’ cancellation of labor contracts.** By law, workers can terminate their contracts by giving 30 days written notice. Workers testify that termination notices are rarely approved, forcing them to sacrifice part of their wages to quit their jobs.
- **Crowded dorms.** Workers live 12 people to a room of only 18 square meters (less than 200 square feet) with 10 cold showers for a hallway with rooms housing 264 workers.
- **Pollution.** Workers describe the factory discharging effluent directly into the river adjacent to the factory. The water is black and foul smelling.
in my family,” she says. In order to begin working she had to pay 28 yuan ($4) for a physical examination, 65 yuan ($10) for housing, and 70 yuan ($10) for ten days’ of meals at the factory cafeteria. Thus, it costs workers 163 yuan—almost a week’s wages—just to begin working. In addition, the workers we interviewed did not receive an employment contract until they had worked three days and were not paid for these first three days. Thus workers are immediately cheated of three days wages, over 100 yuan ($16), when they begin their new jobs.

100 hours of overtime in a month

Workers report three to four hours of required overtime per day during peak production periods or as many as 100 overtime hours in a month, far beyond the legal limit of 36 monthly overtime hours.

Furthermore, while workers are paid appropriate time-and-a-half wages for weekday overtime hours, they do not receive the required double hourly rate for daytime weekend work, according to our examination of pay slips. During peak season—that is, all months except September, October, February and March—workers sometimes do not receive a day off for a month. Denied appropriate overtime compensation for weekend work, workers can lose 71 yuan (over $10) in a month. Furthermore, an entire month without a day off is itself a serious violation of China’s 1995 Labor Law (Article 38), which requires workers to receive at least one day of rest per week.

Child labor

Worker interviews indicate that children may be working the same exhausting hours as adults. Fourteen of the 25 workers interviewed had observed children 14-15 years old and adolescents 16-18 years old working in the factory. “There are comparatively many adolescent and child workers,” one worker with experience in other factories told us, “and their work is the same kind as that done by adult workers.”

According to worker interviews, children simply borrow adults’ identification cards to conceal their true age when they apply for work. Yet, workers also speculate
that management is fully aware of the presence of child workers, as indicated by their behavior when customers and inspectors visit the factory. “When people come to inspect, the children are told to hide,” one worker told us. Management then instructs workers to conceal any concerns they may have about the conditions at work: “The higher-ups will explain that when buyers come to inspect regarding human rights and product quality, ‘don’t talk irresponsibly, just say good things, don’t say bad things.’” Other workers report being told “keep our heads down and say nothing” when buyers visit.

Article 15 of China’s Labor Law and Article 28 the Law of the People’s Republic of China on the Protection of Minors both prohibit the employment of children under the age of 16. Article 28 further protects adolescents between 16 and 18 years old from “over-strenuous, poisonous or harmful labor or any dangerous operation” and requires employers to follow relevant state laws with respect to types of jobs, duration of time, and intensity of labor for adolescent workers.

Bonuses and fines

A complex system of bonuses and fines is seemingly intended to make workers more productive. Workers can receive production bonuses for reaching their quota—which they must meet hour by hour—but the workers we interviewed did not know how those bonuses are calculated. Most workers felt that their production quotas were difficult to reach, complaining that managers yell at them if they are too slow: “If you don’t want to work, then beat it!” or “Work a little faster for Laozi!” At the same time, workers report being fined between 10 and 100 yuan for a variety of offenses, such as being a few minutes late, leaving early, skipping work, or getting in a fight.

Paying to quit

It is not easy to quit. According to Article 37 of China’s 2008 Labor Contract Law, workers may cancel their contracts by giving 30 days advance written notice or three days advance notice during their probationary periods. Employers must then compensate workers for all hours worked prior to their leaving. However, according to the workers we interviewed, they cannot end their jobs during their one-month probationary period. Afterwards it is also difficult to obtain formal approval for resigning and obtaining all due compensation, especially for women workers. The following dialogue with Feng illustrates the problem:

Interviewer: “Will you be going home for the Spring Festival [Chinese New Year]?”
Feng: “Yes, I will go home then. Most people won’t, though.”

Interviewer: “Have you resigned from your job?”

Feng: “No, I’m just leaving [without formally resigning]. I submitted a resignation letter several months ago but I still haven’t been approved. So the only thing I can do is just leave. There are many workers at this plant who have put in three, four, five, or six years and can’t [formally] resign even then.”

Interviewer: “Won’t the factory deduct a month of your wages? What will happen to that last month of your wages? Don’t you want them?”

Feng: “No, I don’t want the wages. I’ll just leave.”

Interviewer: “Have you spoken with other managers in the factory [other than your direct supervisor] about this situation?”

Feng: “No.”

Interviewer: “Why?”

Feng: “No one can resign easily. All the managers are like this. There’s no use in explaining the situation to them.”

Interviewer: “Have you brought this problem up with the labor bureau?”

Feng: “No, I’ve only attended lower school and am not too clear on the law, not even on labor regulations or how to bring problems to the labor bureau. For example, what would I say to the labor bureau? I don’t even know what’s illegal and what’s legal. Anyway, others don’t go to the labor bureau, so why should I?”

Over-crowding and disrespect

The workers we interviewed expressed a range of additional concerns with the work environment, including:

- Crowding in the dorm rooms. One room of 18 square meters (less than 200 square feet) squeezes together 12 people on six bunk beds, leaving no room for any activities other than resting or sleeping. There are 22 rooms and 264 workers to a floor, yet only 10 shower units for the entire floor. The showers provide only cold water.

- Crowding in the cafeteria, consisting of four floors with eight lines of 40 benches each, and long lines every day for food that workers felt was of poor quality.

- Polluted and bad smelling river adjacent to the factory. According to one worker: “The river before our factory is severely contaminated. The water is all black. Few creatures are there. Sometimes the effluvium spreads. I feel uncomfortable when passing that bridge. I see the factory discharge effluent to the river constantly.”

- Body searches. “When we finish work every evening, they want to do body searches on us,” one worker recounted. “They make us take off our outer garments and roll our pants up to our knees. Though they don’t fully strip us, the nature of this isn’t any different from strip searching; it’s a personal insult.”

Recommendations for Rocky Brands

In response to Subsidizing Sweatshops (July 2008), Rocky Brands stated that the company is “committed to supporting human rights worldwide,” and “regularly audits all of [their] vendor facilities to ensure they are in compliance with our standards.” The company further offered that “if a facility declines to work with us to make the changes we require then we will take our business elsewhere. We do not tolerate violations of our code of conduct.”

Genfort Shoes is an opportunity for Rocky Brands to put these principles into practice by working to ensure full code compliance and respect for workers’
human and labor rights. If Rocky Brands accounts for well over the majority of orders at one of the Genfort factory buildings, as workers believe, the company should be able to positively exercise its influence to ensure remediation of code of conduct violations and improvements in working conditions. Rocky Brands should investigate workers’ concerns about violations and insist to Genfort Shoes that:

- Workers always receive at least one day of rest each week and are fully compensated for all overtime work.
- Workers are paid for their first three days of work and can resign from work following formal procedures that guarantee no loss of pay.
- Both workers and managers receive training in applicable labor law, so that workers know their rights and know that the factory will respect these rights.
- Adolescent workers (16-18 year olds) are protected according to law, and no child workers (14-15 year olds) are hired.
- Factory discharge of effluents into the river is consistent with all applicable environmental regulations.

Furthermore, Rocky Brands itself should identify and eliminate business practices contributing unnecessarily to shorter production times and requiring workers to put in an excess of 100 hours overtime monthly during peak season.

Stories of Genfort Shoes Worker:

Interviewer: “What do you think about the future? Can work here change your life?”

Huan: “No, I don’t think so. Though I still I still have a little hope, brutal reality prevents me from seeing much hope for the future. This kind of life makes me feel lost and confused.”

Interviewer: “If you don’t work here, what will you do? Return home and do farm work?”

Huan: “I don’t know. I think I’ll return. At any rate, staying in these cities is untenable; I can only go back.”

Interviewer: “What would you do if you went back? Grow crops?”

Huan: “No, I think I’d do something else, like save some money and do specialized manufacturing or open a small store.”

Interviewer: “What do you think is a good life?”

Huan: “To have a good family in the future; to have the ability to raise my own children to become adults and attend university; and to have healthy parents. For the whole family to travel on a vacation. This is what I think would be a good life. But even this easily attainable dream is difficult for me to realize.”

-Huan, 25 year old male worker from the Guangxi province in southern China, along the border with Vietnam
End Notes

1. Workers also reported producing the Timberland brand footwear.

2. Email from Tabitha Fulton, Lehigh Safety Shoe Company, to David Forman, Allegheny County Purchasing Department, September 2, 2008, previously published in “Major League Sweatshop Digest” by Pittsburgh Anti Sweatshop Community Alliance, October 14, 2008.

3. Ibid.

4. A Guangdong-based non-governmental labor rights organization conducted the research on behalf of SweatFree Communities, approaching workers at random outside the factory. Using a detailed working condition questionnaire, they interviewed 12 male and 13 female Genfort Shoes workers in the surrounding neighborhood of small apartments. Five of these workers volunteered additional context about their lives and family backgrounds to the researchers. All workers interviewed indicated that they worked on Rocky Brands products.

5. All personal names of workers are pseudonyms to protect their identities.

6. 1 U.S. Dollar = 6.83 Chinese Yuan


A Unionized U.S. Shirt Maker: Old Model for a New Vision

“The City Shirt Company located on City Shirt Road in Frackville, Pennsylvania, manufactures shirts for police and postal workers. Elbeco Incorporated, the factory’s owner, just celebrated its centennial year as a manufacturer of public employee uniforms and was the first major uniform company to endorse SweatFree Communities’ campaign for worker rights.

SweatFree Communities spoke with David Lurio, Elbeco’s President, and Mary Burke and Donna Opie, two sewers at the City Shirt Company, about the workplace and their hopes for future work. Mary makes shirt collars and also serves as the union president. The City Shirt Company job was her first job, and she has worked there for 34 years. Donna, who hems shirts and makes shirt pockets, is approaching her 39th year at the factory.

Listening to Mary and Donna talk about their workplace, one cannot help but be struck by the contrasts of their stories to those of other garment workers in this report. Yet, their lives are now inextricably linked to lives of other garment workers across the globe.

For example, in stark contrast to the other workers we interviewed for this report, Mary and Donna both feel they are able to provide adequately for their families. “I am pretty much able to cover my needs,” says Donna. “Anybody can always use more money, but I do pretty well, I can say.” According to Mary, the average wage is around $11 per hour, some workers making as much as $19 per hour and others less. “I have always been lucky,” she says. “Of course every shirt has a collar, so I have always worked steady. I have provided a good living for me and my family.”

The City Shirt Company is a unionized workplace and the only factory in this report with an effective functioning union. The union helps establish decent wages and benefits for workers through collective bargaining with the company. But the union also makes a more intangible difference in workers’ lives by giving them a seat at the table with the company and affording them a sense of ownership and respect. “Right now I feel we are working pretty well with the company,” says Mary, the union president. “You know, there have been years that we didn’t and years that you do.” Donna reflects: “I think we have a good, strong union. I think people respect the union.” Explaining the difference a union makes, Mary says simply: “I have done organizing campaigns, so I have seen plants without a union and how their workers are treated. And a lot of times I say to the people, ‘I think to become a union member you should do an organizing campaign and then you will see the difference.’”

Strikingly, workers at the City Shirt Company are a generation older than workers at other factories.

“Elbeco always has stood for worker rights, fair wages and decent working conditions. Now we stand alongside courageous leaders, like Gov. Edward Rendell, who endorse SweatFree’s procurement recommendations.”
- David Lurio, President, Elbeco Incorporated

“I hope that we can keep the factory open. I mean, we are there. All we need is the work to come to us, and we can produce it.”
- Donna Opie, shirt maker, City Shirt Company, Frackville, Pennsylvania
in this report. According to Mary, “In our plant, if you were to average the age, I think it comes out to about 55. We have one young girl; she is 22. Most of us are late thirties, forties, and fifties, and then some older ones.”

In contrast to most other garment workers in this report—for example, workers in China who often move from one factory to another in search of better opportunities—City Shirt workers have looked forward to spending a lifetime at their factory. “Our plant doesn’t have a lot of turnover,” continues Mary. “I would say that out of 115, there are at least 50 that have 20 years or more working in the factory. One woman is in her 42nd year. Once you are there that long you become like one big family.” Mary herself has never worked anywhere else. “I just hope I can retire from there,” she says.

However, Mary’s and Donna’s one worry is one they share with other workers in this report—that their jobs will not last. There have been three layoffs within the past 18 months, and the factory has lost a third of its workforce. As Donna views it, apparel is a “dying industry.” She describes a common scene for old manufacturing centers in the Northeast: “In my area we used to have four and five factories in every town. We are lucky we have survived as long as we have, because our plant could be closed too just like the other ones. … Every time you open the paper there are so many plants closing down. So I guess that is a fear for all of us: that we are going to go in some day and they are going to tell us that they are going to close down.”

**What are the solutions?**

According to Donna, outsourcing is part of the solution: “I am sure we all feel that we should all be getting our own work and doing it and it shouldn’t be outsourced. But in order to compete with our competitors, I am sure that the company has to outsource some work in order to keep the prices low so that we can get more work, if that makes sense.” Consequently, the workers have negotiated an outsourcing agreement with Elbeco. “The company only has to supply us with [a certain number of] shirts a week,” says Donna. “Anything after that they can outsource.”

Mary agrees that “outsourcing is a must to stay competitive.” But relying exclusively on outsourcing is short-sighted and unsustainable, she believes. “I also feel that police departments and all their uniforms are paid by our tax dollars. So if we are not working, and they are not getting our tax money, where are they going to get the money for their shirts? That is my opinion on it.”

It is easy to view City Shirt Company as a remnant of the past with an ageing workforce hoping the factory will survive long enough for them to retire. Yet, the alternative to factories like the City Shirt is not apparent. The global sweatshop model is not sustainable and cannot last. Workers who are paid
poverty wages are not consumers, and, as Mary notes, workers who are unemployed do not pay taxes.

Ultimately, we believe there must be an increasing role for factories like the City Shirt Company that provide long-term, steady employment in a humane environment and pay workers a living wage. This may be part of a past model for apparel manufacturing but it is also a vision for the future. “We will always be manufacturing people,” says David Lurio. “We still employ over 300 union workers in Frackville and Warsaw, Missouri, and we are committed to maintaining those plants.” The fact is that in today’s global economy there must be “City Shirt Companies” overseas as well as domestically—a “global vision” in Lurio’s word. The better conditions are for workers overseas the more likely it is that Mary will be able to retire from the only job she has ever held.

Recommendations for Elbeco

- Prioritize the continued production in unionized facilities with good wages and decent working conditions.

- Work proactively to ensure good working conditions in contract facilities. Assess the impact of Elbeco’s purchasing practices on working conditions in contract facilities and eliminate negative practices while enhancing positive practices.

“Do I feel that outsourcing is a must to stay competitive? Yes I do. But I also feel that police departments and all, their uniforms are paid by our tax dollars, so if we are not working, and they are not getting our tax money, where are they going to get the money for their shirts? That is my opinion on it.”

-Mary Burke, shirt maker, City Shirt Company, Frackville, Pennsylvania
A Moral Economy for Hard Times

A global economic crisis may seem an inappropriate time to call for better conditions and higher wages for some of the world’s poorest and most vulnerable workers. Consumers and cash-strapped governments alike are buying less. Companies are scaling back their investments in “corporate social responsibility” to help get through difficult times. Are not workers, especially those at the bottom of the global economy, fortunate to have a job at all, as they so often are told?

We perhaps forget that the workers are in no way fortunate to shoulder the burden of the collapsing global economy, yet this is what we ask of them.

We hear about the hardships governments and corporations now must endure, but very little about the deprivation of the most vulnerable among us. These workers are the ones enduring 100 hours of forced monthly overtime and trying to sustain their families with wages that barely cover half the cost of their most basic necessities. These workers are the ones struggling to meet impossible production goals in the hope of getting the production bonus, working sick, working without breaks, working late. These workers are the ones denied work contracts, cheated of overtime wages and forced to contend with pregnancy tests, suffocating heat and fabric dust, and toxic chemicals without adequate protection. These workers are the ones who face intimidation and threats of losing their jobs if they complain too much or join a union. Sometimes these workers are far too young to be working adult hours or even to be working at all.

Many workers make these sacrifices daily so that we can pay less and not go without. How much longer will we ask the poorest and most vulnerable among us to absorb the failures of a global economy?

A moral economy is more important than ever in today’s hard times. In a moral economy workers’ basic rights are considered fundamental and non-negotiable. Workers have the right to a dignified livelihood that ensures they can meet their basic needs. Workers have the right to a voice at work and to address their concerns collectively with their peers. Workers have the right to meaningful work and to take pride in their work. Such values are the foundation for real and sustainable growth and prosperity. Nothing less is now needed to meet our economic challenges.

The problem is not the total absence of a moral economy. There are a myriad of small, alternative economies—companies that trade fairly, factories that do right by their workers, cooperatives that give workers both a voice and a share—economic relationships that are fair and just because they are inspired by human values. The problem is these alternatives are too small, almost invisible, and so fragile within a global economy that rewards exploitation and punishes fairness.

Governments can now do their part to expand the moral economy through ethical and “sweatfree” public procurement. Companies can do their part by manufacturing products under better conditions for the growing sweatfree market. We all can do our part as citizens and taxpayers by holding governments and companies accountable and demanding a truly moral economy. We must all do our part in these hard times, precisely because these times are so hard.
Appendix I

SweatFree Communities translation of letter from Lion Apparel to Alamode factory workers in Honduras

July 25, 2008
TO: Employees of the Alamode Plant
FROM: Stephen A. Schwartz, General Manager, Lion Apparel
SUBJECT: Lion Apparel’s commitment to the Alamode plant

Lion Apparel would like to communicate directly with you regarding a recent report written by the Equipo de Monitoreo Independiente de Honduras (EMIH) on behalf of the Worker Rights Consortium (WRC), a U.S.-based organization hired by the Los Angeles City government to monitor compliance with its Sweatfree Ordinance.

We understand that the report includes charges of violations and that the WRC has recommended a plan of corrective action.

Lion Apparel has a code of conduct regarding worker rights and takes any charge of grave violations very seriously. Before the publication of the report, our observations of the plant had not uncovered any violation of labor rights, and now, as in the past, we are satisfied with the quality of the products we receive from you.

We are reviewing the report that was given to us and we are committed to work with the WRC, EMIH, and the factory to determine the truthfulness of the charges and take whatever measures necessary to correct any violation there might be.

In the meantime, as long as your factory continues to provide us with quality products at reasonable prices, Lion Apparel commits to maintaining a business relationship with Alamode while collaborating with all parties to understand the charges and implement any corrective measures necessary. Lion Apparel is glad to accept the suggestions and truthful and sincere complaints brought forward by current employees who believe their rights have been violated. Lion Apparel will maintain the confidentiality of any complaint or suggestion received and will not share them with anyone outside the company. We will not reveal to anyone outside the company the name of anyone who wishes to voluntarily help us in our effort to prove the truthfulness of these charges. Lion Apparel will not respond to any complaint by withdrawing business; rather, we will remain in the factory while working to correct any violations. Lion Apparel also invites the workers who have sincere positive comments about the conditions in Alamode to communicate directly with us so that we have an impartial view of the conditions in the factory.
To guarantee that we are making good faith efforts to support the workers of Alamode, we ask our client, the City of Los Angeles, to support us in our efforts to assure that working conditions in Alamode comply with all state, local and federal regulations and ethical standards.

Please send all your comments, complaints, or suggestions to:

Mr. Andrew Schwartz
Corporate Lawyer
Lion Apparel, Inc.
Andrews@lionapparel.com

Please rest assured that we appreciate your help in this subject and we appreciate any accurate information that you are willing to communicate.
# Appendix II
## Company Contact Information

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Address</th>
<th>Phone Number</th>
<th>Toll Free Number</th>
<th>Fax Number</th>
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<tr>
<td>Cintas Corporation</td>
<td>6800 Cintas Boulevard</td>
<td>513-459-1200</td>
<td>800-CINTAS</td>
<td>513-573-4030</td>
<td><a href="http://www.cintas.com">www.cintas.com</a></td>
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<tr>
<td>Eagle Industries</td>
<td>1000 Biltmore Drive</td>
<td>888-343-7547</td>
<td></td>
<td>636-343-3002</td>
<td><a href="http://www.eagleindustries.com">www.eagleindustries.com</a></td>
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<tr>
<td>Elbeco</td>
<td>P.O. Box 13099</td>
<td>610-921-0651</td>
<td></td>
<td>610-921-8651</td>
<td><a href="http://www.elbeco.com">www.elbeco.com</a></td>
</tr>
<tr>
<td>Fechheimer Brothers Company</td>
<td>4545 Malsbury Road</td>
<td>513-793-5400</td>
<td>800-543-1939</td>
<td>513-793-7819</td>
<td><a href="http://www.fechheimer.com">www.fechheimer.com</a></td>
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<tr>
<td>Lion Apparel</td>
<td>6450 Poe Avenue, Suite 300</td>
<td>937-898-1949</td>
<td></td>
<td>937-898-2848</td>
<td><a href="http://www.lionapparel.com">www.lionapparel.com</a></td>
</tr>
<tr>
<td>Propper International</td>
<td>520 Huber Court</td>
<td>866-433-9690 or 800-296-9690</td>
<td></td>
<td>636-685-1005</td>
<td><a href="http://www.propper.com">www.propper.com</a></td>
</tr>
<tr>
<td>Rocky Brands</td>
<td>39 East Canal Street</td>
<td>740-753-1951</td>
<td></td>
<td>740-753-4024</td>
<td><a href="http://www.rockyboots.com">www.rockyboots.com</a></td>
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