

Sweatshops: Clothes

**GLOBAL
CITIZENS
FOR A
GLOBAL ERA**

VOLUME 1, ISSUE 1

*THE REAL COST
OF THE CLOTHES
YOU BUY*

Sweatshops: Clothes

THE REAL COST OF THE CLOTHES YOU BUY

by Victoria International Development Education Association
edited by Heidi Berry

GLOBAL CITIZENS FOR A GLOBAL ERA

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Clothes Around the World

Liz Claiborne, Guess, Wal-Mart and other companies

W

e buy shirts from Sri Lanka and dresses from China. Skirts made in Guatemala. Lacy brassieres from Honduras in scarlet, black or flamingo pink. Blue jeans stitched in Mexico. Children's pyjamas from Haiti. Trousers in a rainbow of colours from the Northern Mariana Islands, a U.S. commonwealth west of the Philippines.

Most of the world's developing nations are represented in the clothing sections of Canada's biggest department stores—outlets like Sears, The Bay, Zellers, and Wal-Mart. The Bay's Liz Claiborne section alone converges from 22 nations on three continents. "Made in El Salvador," says the tag on a pair of C\$150 black dress pants, size eight. It foretells the laundering future of these pants like lines on a palm: "100 percent cotton, dry clean only." But the tag reveals little about their past, about who made them, and how.

Some hidden seamstress, likely a young woman, stitched the waist. Another sewed the zipper. A third put the front pockets in, taking care not to pucker them. Still another hemmed the cuffs. We don't know these women and will likely never meet them. Yet we are inextricably connected. They make the clothes we wear. We buy the clothes they make. Globalization binds us like the threads of a web.

Central America's garment industry employs 350,000 workers, 80 percent of whom are women. Most are between the ages of 14 and 26.

6:29 a.m. The Doal factory in El Salvador maker of Liz Claiborne garments

Ramona Rodríguez, 19, waits outside Doall's locked metal gates. She is one of 2,500 Salvadorans who work at three factories in El Salvador owned by Doall, a Korean company that has been making LizWear and other Liz Claiborne fashions since 1992. The gates of the factory are guarded by a security officer who totes a sawed-off shotgun. Factory walls are topped with barbed wire. Guards carrying machine guns patrol the premises.

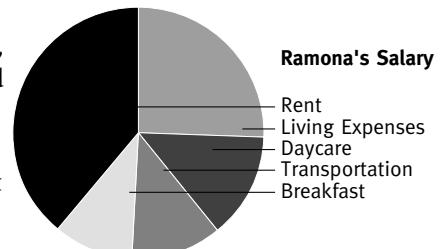
At 6:35 a.m., guards open a small door in the locked gates. Ramona and the other workers funnel through. They flash their factory identification. The guards take away their pocketbooks and handbags. The company says the bags might contain food and drink that could soil garments. However, Doall also wants to make sure that Ramona and her colleagues are not carrying any "subversive" material. In El Salvador's 225 maquila assembly factories, where 68,000 workers make clothes for the North American market, any information about poor pay and working conditions is considered subversive. Any mention of organizing a union to improve working conditions is considered subversive. Even carrying a copy of El Salvador's own labour code is considered subversive, and any worker found with the document is fired.

It is August, a rush period during which clothes are made for the North American Christmas shopping season. Ramona, a hand-sewer, will work from 6:50 a.m. until 10:30 p.m. She will have only a half-hour break for lunch and another 30 minutes for dinner. By 7 p.m. she will be so tired that she will purchase a "No Doze" ("Sin Sueño") pill from her supervisor. This month, she and her colleagues will work seven days a week instead of six, up to 90 hours a week. They will be paid 60 cents an hour for the first eight hours and US\$1.20 an hour for overtime, for a total of US\$8.40 for an 11 hour shift.

How Ramona spends her salary

Ramona, the single mother of a one-year-old girl, pays US\$2.63 per day to rent two small rooms, and 68 cents a day for the cheapest daycare available. It costs her 80 cents to get back and forth to work each day on a bus. She pays 91 cents for a breakfast of rice, beans, tortillas and chili. Unless Ramona is earning overtime, that leaves only US\$1.71 out of her daily salary of US\$4.79 to pay for water, utilities, clothing, food, and everything else she and her daughter need to survive.

Like many Doall workers and their children, Ramona and her daughter often go to bed hungry at



night. Sometimes Ramona scrapes together 28 cents for a supper of eggs and tortillas. She cannot afford milk or vitamins for her daughter, or pay for medicine when she is ill.

According to the Salvadoran research organization FUNDE (the National Foundation for Development), it costs US\$287.21 a month for an average-sized Salvadoran family (4.3 people) to live in “relative poverty”. Doall’s base wage meets only 51 percent of those survival needs. The base wage is only 27 percent of what it would cost for a family to live with a modicum of decency, but without luxuries or savings.

TODAY’S FASHIONS

Liz Claiborne Inc. uses seven words to describe itself to consumers on its web site: *modern, versatile, sophisticated, fashionable, comfortable, casual and easy.*

Beside this description is a photograph of a blond model reclining on a leather couch. Wearing black evening dress, she displays considerably more flesh than Claiborne Collection wear. The slogan “endless possibilities” appears at the top of the picture. For consumers, the ad has distinct sexual overtones, the suggestion of lust. But for the producers of Liz Claiborne clothes at Doall factories in El Salvador, the words the company has chosen to sell its garments impart a bitter irony.

Modern: Although Liz Claiborne describes its facilities as modern, ventilation at Doall factories is poor and the air is heavy with dust and lint, causing respiratory problems, rashes and skin allergies. Bathroom breaks are monitored and limited to two per day.

Versatile: Doall workers toil up to 15 or 16 hours a day, seven days a week. The work shift officially begins at 7 a.m. but Doall requires employees to be at their work stations at 6:45 a.m. for a production meeting, for which they are not paid. Overtime is obligatory. Failure to remain for overtime results in a one or two day suspension without pay and the loss of the “attendance bonus” or seventh day’s pay. After two or three penalties, workers are illegally fired. Three days a week, employees in the pressing, packing, cleaning, inspection, and hand sewing departments work from 6:45 a.m. until 10:30 p.m. Sometimes, as happened in August 1998, Ramona and other employees sew right through Saturday night until 5 a.m. in the morning when, stepping out of the factory gates, they can hear roosters crowing and the roar of the morning’s first traffic.

Sophisticated: Doall’s methods for squeezing out maximum profits are not at all sophisticated, but blunt and crude. New workers are given blood and urine



PHOTO BY MERRAN SMITH

pregnancy tests and fired if they are positive so that Doall can avoid paying maternity benefits required by Salvadoran law. Sick days are never granted, even to mothers with seriously-ill children. On June 29, 1999, Maria Luisa Castillo was fired for failing to show up for a four-hour Saturday shift after she had been denied permission to stay home with her sick child.

Fashionable: Little about the lives of Doall workers is fashionable. Ramona would have to work 11 hour shifts for 18 days, saving every cent of her earnings, to buy a pair of the black pants she makes. Like other Doall workers, she lives in a shantytown near the factory. She has no running water or electricity, and shares an outdoor toilet with other families.

Comfort: Comfort is not a word used by Ramona and her colleagues, although they make ample use of its opposites to describe how they feel during their long shifts. Their feet swell, and the problem is especially acute for women who stand all day in the pressing and cleaning departments. With a one-hour break at lunchtime, and even this cut back to 30 minutes during peak production times, they are often tired. Supervisors yell and swear at them if they are not sewing fast enough or stitch a crooked hem.

Doall sets the production quota very high, and when you reach the quota, the company arbitrarily raises it the next day. There is constant pressure on the workers to go faster, to meet the production goals. It is not uncommon for the supervisors to scream and curse at the sewing operators, "faster, you sons of whores."

Casual: Casual is how Doall regards its employees. Workers who complain about overtime, health hazards, or any other matter are fired. If they try to organize a

union, as has happened at Doall on five separate occasions, they are fired—illegally. Although Salvadoran labour law allows unionization, not a single maquila factory has signed a collective agreement. On August 5, 1998, after 18 Doall workers met to discuss forced overtime and unionization, they were dismissed, sending a clear message to other workers that challenging company policy would lead to the loss of their jobs. Yolanda Vasquez de Bonilla was one of these workers. "I have not succeeded in getting other work since then and I fear that I am on the company blacklist," she wrote in a February 23, 1999, letter to Liz Claiborne Inc. "My economic situation is precarious. I am not asking for favors or gifts. I am only urgently asking for the Liz Claiborne company's mediation to win reinstatement in the job from which I was unjustly fired."

What is a sweatshop?

Sweatshop: *"A factory employing workers at low wages, for long hours, and under unsanitary or otherwise unfavourable conditions."*

Webster's Encyclopedic Unabridged Dictionary of the English Language.

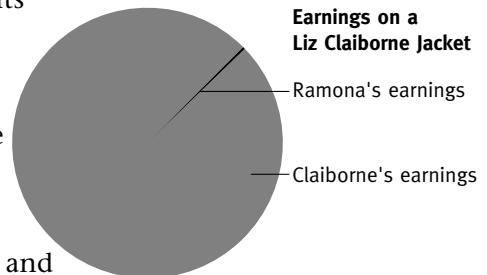
"A sweatshop is a workplace where workers are subject to extreme exploitation, including the absence of a living wage or benefits, poor working conditions and arbitrary discipline. Sweatshops are often lawless operations in other ways, evading not only wage and hour laws, but also paying no taxes, violating fire and building codes, seeking out and exploiting undocumented immigrants and operating in the underground economy, hidden from public view. Today, many apparel and other workers labour in exploitative conditions unseen since the turn of the century: long hours, sub-minimum wages, unsafe workplaces, sexual harassment and child labour:"-

John Alleruzzo, Canadian Director of UNITE, the Union of Needletrades, Industrial and Textile Employees.

The people behind the labels

Huge changes have taken place in the clothing industry in the past 50 years. In the 1950s, most clothing sold in Canada was made here, often by workers in unionized factories. Garment workers had benefits guaranteed by law, like statutory holidays and vacation pay, as well as sick pay, pension plans, and other benefits negotiated by their unions.

Between 1988 and 1993 alone, more than three out of every 10 Canadian garment workers lost their jobs. Now, about half of the clothes sold in Canada are made elsewhere. Many are sewn in Third World sweatshops by workers like Yolanda and



Ramona who toil long hours for low pay. Free trade—and the reduction of trade barriers through the General Agreement on Tariffs and Trade (GATT)—has made it easy for companies like Liz Claiborne to take advantage of cheap Third World labour and lax environmental and labour standards.

If Ramona were a unionized garment worker in Canada, she would earn an average of Cnd \$9.77 per hour. If she worked in the U.S., she would earn an average of Cnd \$10.06 an hour. Ramona makes 74 cents for every US \$178 Claiborne jacket she sews, and 58 cents for every US \$118 pair of pants.

Until 1994, international trade in apparel and textiles fell under the Multi-Fibre Agreement (MFA). The MFA allowed Canada to negotiate bilateral (country to country) quotas for garments entering Canada from developing countries. This afforded some protection for domestic garment production.

In 1994, the Agreement on Textiles and Clothing (ATC) was signed at the end of the Uruguay GATT round. This agreement allows MFA quotas to be phased out by 2005. Garments and textiles will fall under general World Trade Organization rules.

Tariffs on garment imports are also being reduced under GATT, and all tariffs between Canada, the U.S. and Mexico will be eliminated by 2001 as a result of the North American Free Trade Agreement (NAFTA). "For the Canadian garment industry, the combination of these changes will probably mean a significant increase in apparel imports, particularly from China, South Asia, and Mexico."

Tariffs are fees levied on imports.

Quotas are limits on imports.

Guess who's moved to Mexico?

The story of Guess Inc. shows just *how* easy it is for companies to move production out of North America.

Until the late 1990s, Guess manufactured most of its trendy clothing in the Los Angeles area. Maria Eugenia Cruz was one of the Los Angeles workers who sewed Guess jeans. A Mexican immigrant and single mother of three, Cruz earned five and a half cents for each pocket hem she sewed. On a good day, fingers flying, she earned US\$4.68 an hour—seven cents less than California's minimum wage at the time. "We knew we weren't getting minimum wage, but they told us we were earning by the piece and not by the hour," says Cruz. "After an eight hour shift we were often told to punch our time cards and then we had to go back to our sewing machines and work for another two hours."

Cruz worked for Jeans Plus, one of the largest of an estimated 80 contract shops used by Guess in the L.A. area. Like other Jeans Plus workers, mainly immigrant women who spoke very little English, Cruz didn't get paid on days she was sick. Nor did she receive vacation pay, health insurance or retirement benefits. The day after minor surgery to remove a growth on her head, Cruz, bandaged and dizzy, was ordered to show up for work at the usual hour of 7:15 a.m. or risk losing her job. Conditions at Jeans Plus were not atypical of Guess contractors. In affidavits to the U.S. Department of Labor, other Guess sewers say they were illegally given work to take home in the evenings and weekends, and workers at one factory said they were routinely locked in during the evening to complete sewing tasks.

Poor working conditions led Cruz and her colleagues to support an organizing drive by UNITE, the Union of Needletrades, Industrial and Textile Employees. But the owners of Guess—three multimillionaire brothers who are reportedly living in lavish Beverly Hills mansions—were determined not to allow the 5,000 Guess workers in Los Angeles to form a union. Paul Marciano, the company's president and chief executive officer, is said to have told workers "he would rather die than permit the union to enter the company" and warned that employees fired for signing union cards "would not be able to work anywhere in the country."

Guess soon stopped offering contracts to Jeans Plus and other sewing shops whose employees supported unionization. "The work disappeared little by little," remembers Cruz. "Slowly the factory was emptied. They started to remove the machines. I went to work one day and the factory was no longer there."

Taking advantage of tariff and quota breaks guaranteed by the North American Free Trade Agreement (NAFTA), Guess moved sewing operations to Tehuacán, Mexico, a small city in the central state of Puebla. With Mexico's *daily* minimum wage at US\$4.25—a dollar and a half less than the hourly minimum in California—the company can well afford the additional cost of the two-day journey to truck jeans from Tehuacán to its L.A. headquarters.

In Tehuacán, workers who make jeans for Guess and other companies live in tin shacks with no running water or electricity, barely able to afford food for their families. Many are indigenous peoples who have been driven from their traditional lands by powerful landowners. They have little education, or are illiterate, and are unaware of their rights.

Guess first ran afoul of U.S. labour law in 1992, when the company's contractors were cited by the U.S. Department of Labor for failing to pay employees minimum wage or adequate overtime. Faced with litigation, Guess paid US\$573,000 in back wages. It also instituted a monitoring system for its contractors, which earned it a coveted spot on the U.S. Department of Labor's now-defunct "Trendsetters List" of retailers and manufacturers pledging to help eradicate sweatshops. Guess was suspended from the list after Guess clothing was discovered in illegal industrial home operations and inspectors found violations of minimum wage and overtime laws at Guess contractors.

A study by the Chicago-based National Interfaith Committee for Worker Justice found that workers at three out of four factories which the committee scrutinized—Cantabria, Lavapant and Vaqueros Navarra—do not receive any overtime pay even though they work up to 60 hours a week. This contravenes Mexico's labour law, which stipulates that the maximum daily hours of work are eight during the day and seven on night shift, and that the first nine hours of overtime must be paid at double time rates, and at triple rates after that. The study, *Cross Border Blues: A Call for Justice for Maquiladora Workers in Tehuacán*, also reported that minors between 13 and 15 years old were working in maquilas making clothing for Guess and other companies.

According to the Tehuacán Human Rights Commission, there have been no independent trade union movements in Tehuacán since 1989, when Gumaro Amaro Ramirez, the leader of the Independent Movement of Maquiladora Women (MODIM) was assassinated.

