

# Fact Sheet: Sweatshops are...

## An international issue

- Millions of workers, mostly young women, toil in tens of thousands of sweatshops around the world.
- Brand CEOs and advertisers profit in the millions. The largest apparel companies have revenues in the billions.

## At an example Nicaraguan factory<sup>1</sup>:

- Workers have to sew one Wal-Mart shirt every 15 minutes for \$0.09.
- The base wage of \$0.29-0.34/hour is less than half the government's estimate of what is required to meet basic subsistence level needs.
- Mandatory overtime: 12-15 hour shifts. Workers are at the factory a total of 65-79 hours/week.
- Jersey shorts enter the U.S. with a total customs value of \$3.55 each, which includes all production costs, shipping, and profit to factory owners. The shorts retail for \$26 at Kohl's.

## Bangladesh example:

- There are 1.8 million garment workers working in 3,780 export factories. 85% are young women.<sup>2</sup>
- None of these factories have unions with contracts.
- Sewers are paid just \$0.016 for each U.S. university cap they sew. The caps enter the U.S. with a total customs value of \$1.23. The average retail price in the U.S. is \$17.43.<sup>3</sup>

## A domestic issue

- The U.S. garment industry grosses \$45 billion a year and employs more than one million workers.<sup>4</sup>
- More than half of the 22,000 sewing shops in the U.S. violate minimum wage and overtime laws; 75% violate health and safety laws. Over 50% of the shops can be considered "sweatshops".
- Studies conducted in 2000 found that 67% of Los Angeles garment factories and 63% of New York garment factories violate minimum wage and overtime laws. The same studies revealed that 98% of Los Angeles garment factories violate workplace health and safety standards by operating under conditions such as blocked fire exits, unsanitary bathrooms, and poor ventilation.
- In Los Angeles, nearly 70% of immigrant garment workers receive below minimum wage and are paid an average of

\$7,200 a year, amounting to less than  $\frac{1}{3}$  of the poverty level income for a three person family.

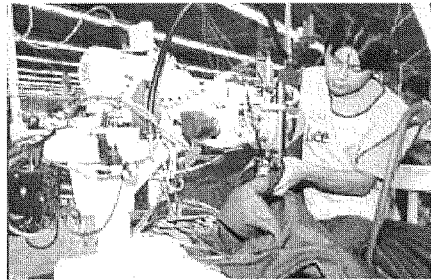
- In U.S. sweatshops, the sewing machine operators earn about 5% or less of the retail cost of goods.
- Sweatshops are a relatively recent return to the U.S. - not a problem that was never solved. There were few sweatshops between 1942 and 1979. The return of sweatshops to the U.S. is a direct product of transnational corporations financing sweatshops abroad.

## A woman's issue

- 90% of sweatshop workers are young women between the ages of 15-25
- As an employment requirement, women at some Mexican and Central American plants are forced to take Depo-Provera shots to prevent pregnancy and so companies do not have to pay maternity leave.
- Too often, if a woman becomes pregnant or refuses to submit to forced birth control, she is fired.

## An issue for all of us

- When we buy their products, our consumption support companies that use sweatshops. If on a large scale we prioritized our purchases differently, companies would have to change their practices.
- As consumers we are the key ingredient to ending the race to the bottom.



1 "KB Manufacturing in Nicaragua." National Labor Committee. October 2003.

2 National Labor Committee. See information on Bangladesh at [www.nlcnet.org](http://www.nlcnet.org), 2004.

3 National Labor Committee. "Bangladesh: The Role of U.S. Universities and Student Solidarity," 2001.

4 All domestic statistics, except for the last bullet point, are from U.S. Department of Labor 2000 reports available at <http://www.dol.gov/esa/garment/index.htm>. Various calls to numerous divisions at the DOL did not reveal any more recent statistics. No staff members at the DOL knew of any current government No Sweat Initiative. The previous program that produced the reports was likely discontinued at the end of the Clinton Administration