# Hard Labor -- A special report.;

## Despite Tough Laws, Sweatshops Flourish

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By ALAN FINDER

## **Body**

A 4-year-old girl plays with a cloth doll in an aisle of a small, dingy garment factory in Williamsburg, Brooklyn, while her mother sews thin cotton sweaters nearby.

A 44-year-old immigrant from China works 12 hours a day, seven days a week, in a windowless garment shop in Sunset Park, Brooklyn, earning \$200 on a good week -- or less than \$2.50 an hour.

At three garment shops on different floors of a grimy industrial building in Long Island City, Queens, the fire exits are sealed shut by metal gates with large padlocks.

The scenes may sound like Jacob Riis's descriptions of squalid New York City garment factories a century ago, but they are strikingly contemporary. **Sweatshops** still exist in New York, 104 years after Riis first chronicled dangerous physical conditions and exploitive **labor** practices in apparel factories on the Lower East Side of Manhattan.

In fact, they are <u>flourishing</u> <u>despite</u> a host of <u>laws</u> that have accumulated since Riis's days -- rules on <u>labor</u>, health, safety and immigration designed to flush them out and, if necessary, shut them down.

The state, in response to complaints from the industry and unions, created a specialized unit of 20 <u>labor</u> investigators in 1987 responsible solely for cracking down on garment factories that flout wage and safety <u>laws</u>. But experts say that at least 50, if not 60 investigators, would be needed to truly curb the abuses.

And the state does not get much assistance. The number of Federal <u>labor</u> investigators has declined every year for the last five years; the Immigration and Naturalization Service has only about 30 agents to inspect all businesses in southern New York State, and the city's Fire Department inspects factories once a year, at best.

The shops continue to thrive because of dramatic changes in the apparel industry, which in New York has shifted from the large factories that once replaced <u>sweatshops</u> back to the small shops themselves. And the new shops, which are so mobile they can open and close practically overnight, operate in an insular, non-English-speaking world of immigrants that is difficult to regulate under the best of circumstances.

As a result, nearly 2,000 **<u>sweatshops</u>** operate openly throughout New York City, in the garment center and Chinatown in Manhattan, in Sunset Park and Williamsburg in Brooklyn, in Long Island City and Corona in Queens, and in the South Bronx.

They generally employ 20 to 50 workers, many of them illegal immigrants, willing to suffer long hours, low pay and miserable working conditions just to have a job. Most shops are owned by immigrants, too, now primarily from China and Korea, just as their predecessors came from Italy and Eastern Europe. They pay their workers in cash and often deny them the minimum wage, overtime, holidays or any other benefits.

Some of these <u>sweatshops</u> are remarkably bright and spacious, with fluorescent lighting, freshly painted walls and even river views. But there are still those that rival the most sordid garment factories described and photographed by Riis in "How the Other Half Lives," which was first published in 1890.

In these shops, holes in warping floors are covered by plywood boards. Sprinkler systems, unmaintained, no longer work. Electrical wiring dangles dangerously overhead. And 84 years after the Triangle Shirtwaist Company fire killed 146 garment workers, fire exits are covered by metal gates that are padlocked -- as was the case in six of eight garment shops in Williamsburg and Long Island City inspected in a single day last November by state <u>labor</u> investigators.

In Sunset Park, a tiny garment factory operates inside a two-story cinder-block building that used to be an auto repair shop. It has no windows. Twenty people work inside, and the only fresh air comes when the door, a wide metal garage door, is open.

"In the summertime, the temperature inside is so hot," said a worker there, a Chinese immigrant who gave only his last name, Wou. "There is no ventilation at all."

Mr. Wou, who came to New York from Shanghai last year, sews lapels and collars onto women's shirts. Each shirt requires 10 to 15 minutes of *labor*, and earns him 60 cents.

Sewing 12 hours a day, six or seven days a week, he makes about \$200. And he seethes because he has calculated what he would earn if his boss were willing to abide by the <u>law</u> and pay him the minimum wage and overtime: \$450 a week.

"I want very much to change the situation, but I don't know how to do it and I don't have the power to do it," Mr. Wou said through an interpreter.

#### 'Fertile Soil'

Desperate Workers In Thriving Shops

There are at least 2,000 <u>sweatshops</u> in New York State, the overwhelming majority of them in New York City, state <u>labor</u> officials estimate. They are thriving precisely because of people like Mr. Wou, immigrants desperate for work, unable to speak English, and either ignorant of their rights under American <u>laws</u> or afraid to assert those rights.

"The fertile soil for **<u>sweatshops</u>** is an immigrant community living in fear," said Thomas Glubiak, who oversees the unit created by the State **<u>Labor</u>** Department.

The resurgence is fueled, too, by severe economic pressures on local manufacturers to keep prices low because of competition from factories in Asia and Latin America, where *labor* costs are a fraction of those here.

Inside New York's shops, as in others in Los Angeles, Miami and El Paso, thousands of immigrants, legal and illegal, do not even make the minimum wage, which is \$4.25 an hour. Most are forced by employers to work overtime hours, at straight-time wages, if they want to keep their jobs. Under state and Federal <u>law</u>, overtime wages must be paid when factory workers put in more than 40 hours a week.

Ying Chan, for instance, said she has worked in <u>sweatshops</u> in Chinatown and Sunset Park almost continuously since coming to New York 15 years ago from southern China. Mrs. Chan, 55, said she usually works from 8 A.M. to 8 P.M. on weekdays and somewhat shorter days on weekends.

She has never been paid overtime and has usually made less than the minimum wage, Mrs. Chan said. Her pay has varied almost every week because she is paid by the garment, with her employers dictating the terms. Paying by piece rates is legal, provided that the employee's pay, when computed on an hourly basis, is at least the minimum wage.

Mrs. Chan said her wages have fluctuated from a low of about \$20 a day to a high of about \$50 a day.

"I have had no time to take care of my family," she said through an interpreter. "We have to work on Saturdays and Sundays, seven days a week."

Barriers of language and culture have sealed off many <u>sweatshop</u> workers from the American <u>labor</u> mainstream and the basic protections of Federal and state <u>labor laws</u>.

"They don't complain, they are desperate for work and they are easy prey for business opportunists," said Maria Echaveste, administrator of the United States *Labor* Department's wage and hour division.

Even workers who do speak English and know how to protect themselves often do not dare. For instance, a 26-year-old shop worker from Lima, Peru, said she was familiar with American <u>labor</u> <u>laws</u>. But she felt helpless to demand more than the \$3 an hour she makes for trimming finished dresses, placing them on hangers and wrapping them in plastic.

"I can't do nothing," she said in newly learned English. "If I claim the overtime, they will fire me."

Many Chinese immigrants who work in Chinese-owned <u>sweatshops</u> said they were afraid that if they spoke up, their employers would not only dismiss them but also have their names published in New York's Chinese language newspapers -- effectively blacklisting them.

And like a 43-year-old man from Puebla, Mexico, many <u>sweatshop</u> workers know that they can <u>report</u> their bosses to state *labor* investigators, but fail to do so out for one reason alone.

"Por temor," he said. Out of fear.

Cracking Down

When Time Cards Don't Match Up

Several dozen workers were busy making black-and-white plaid skirts early one morning when Jong Kim and Linda Rojas-Galvez, state *labor* investigators, dropped by P. S. Pleating at 325 West 38th Street in Manhattan. The investigators first counted the workers, 37 spread out over the shop's two floors, and then the time cards in slots next to the time clock.

There were only 18 cards, a telltale sign that workers are being paid off the books, and probably at less than the minimum wage.

The investigators immediately began a formal inquiry. Mrs. Rojas-Galvez interviewed several workers in Spanish, who said that they were not paid for overtime work but that lately there had been little overtime anyway. The workers said they were paid \$5 an hour.

The investigators prepared written charges against the factory for failing to maintain proper payroll records. Leonard De Rosairo, Mrs. Rojas-Galvez's supervisor, said he also suspected the workers were not telling the truth about their wages; he said the workers might have been coached on what to tell <u>Labor</u> Department officials.

The investigators scheduled an appointment for the factory's owner to provide complete payroll records for inspection. If the payroll records are incomplete or even nonexistent for some workers, the owner can be fined a maximum of \$1,500 for a first violation and \$3,000 for subsequent violations. There are larger fines for more serious violations, like paying below the minimum wage and failing to pay overtime; these can be as much as 25 percent of the wages in question.

Two hours later, after a visit to Blue Ribbon Belt on the 10th floor, a new shop with no payroll records, the investigators descended four floors to a bustling shop called Pink Feather Inc.

Several very young-looking womens were among 59 workers assembling blouses. One, Flora Elisa Valdez Zomora, who was sewing shoulder pads into the shirts, insisted at first that she was 21. But she finally admitted, while speaking Spanish with Mrs. Rojas-Galvez, that she was only 17.

Another woman, who was folding shirts nearby, said she was 22, but she could not recall the year she was born.

The shop owner, Julianne Song, a smiling but nervous woman, was cited for employing minors. Ms. Song told the investigators that she had hired the girls only a few hours earlier.

(It is illegal for minors to work in the shops, but it is not against the <u>law</u> for them to simply be there -- like the 4-year-old girl playing with her doll in the Williamsburg garment shop. State investigators try to discourage the presence of children, who are often brought by parents who cannot find or afford day care, because even young children are sometimes put to work helping a parent who works on a piece rate.)

Five minutes later, the three investigators were standing in the lobby of the building, comparing notes before heading off to lunch. Ms. Valdez Zomora, the Mexican teen-ager who had just admitted that she was under age, walked glumly from an elevator and out the front door. She had just been dismissed.

**New Strategies** 

**Industry Breakup Mars Enforcement** 

Changes in the structure of the women's garment industry have simultaneously made it easier for **<u>sweatshops</u>** to operate and more difficult for government agencies to root them out.

When big apparel manufacturers made their own garments in New York, the industry was relatively stable. State and Federal <u>labor</u> officials could readily inspect factories and enforce the <u>laws</u>. Unions could organize large shops and negotiate contracts.

But garment manufacturers do very little actual manufacturing these days. They design and market their goods, but they contract out the cutting and sewing of garments to small shops in New York and other American cities and to large shops overseas.

The breakup of the industry over the last three decades into a vast, loose network of manufacturers, jobbers, contractors and subcontractors has defused the manufacturers' responsibility for the wages and safety of factory workers.

So government investigators and union leaders have had to devise new strategies. The State <u>Labor</u> Department created the apparel industry task force to regulate **sweatshops** and enforce the **laws**.

But with only 20 investigators, and with relatively small fines that for some shop owners are just part of the cost of doing business, the unit has not been able to eradicate **<u>sweatshops</u>**, or even curtail their numbers significantly.

And the number of Federal <u>labor</u> investigators has declined sharply in recent years because of budget constraints, while the investigators' responsibilities for monitoring many industries has expanded. There were 804 Federal investigators in the country in 1993, compared with 970 in 1989, according to the General Accounting Office -- a drop of nearly 20 percent.

The city's Fire Department, which has prime responsibility for insuring that fire exits are not locked, also strains under budget problems and conflicting priorities. Local fire companies are supposed to inspect every factory in their districts once a year. But the inspections take a back seat to higher priorities, including fighting fires, of course, and maintaining hydrants.

"The problem is when we have too much work, and we don't get to a building every year," said Edmund P. Cunningham, assistant chief of the department's Fire Prevention Bureau. "Maybe it's every two years."

Manufacturer Links

Tying Small Shops To Big Companies

<u>Labor</u> officials are experimenting with new ways to tie large manufacturers to the small shops that commit abuses while under contract with the manufacturers.

The Federal <u>Labor</u> Department, for example, has sought voluntary agreements with well-known manufacturers to police their small contractors.

"When you focus on stable companies, you have a reputation, a public persona," said Ms. Echaveste, the head of the department's wage and hour division. "That reputation is very important to the company. Reputation is not significant to some small contracting shop."

The Gap, the retail chain that now also manufactures clothing, has hired former Federal <u>labor</u> investigators to train its contractors on following the <u>laws</u> and to audit their operations, checking for violations of minimum wages and overtime, Ms. Echaveste said.

Labor officials would like to see the Gap become a model for other big manufacturers.

The Federal <u>Labor</u> Department gets the manufacturers' attention by invoking a measure in Federal <u>law</u>, known as the "hot goods" provision, that can link abusive contracting shops with their manufacturers. The <u>law</u> prohibits the shipping of goods produced through violations of the wage and safety <u>laws</u>. When government investigators find a <u>sweatshop</u> that owes money to its employees, Federal officials can seize the garments, even after the contractor has shipped them to the manufacturer.

But garments often move very quickly, before investigators can seize them.

Union leaders believe that stronger union representation in <u>sweatshops</u> would stop abuses. But traditional organizing methods are useless when dealing with small, highly mobile contractors.

"The traditional organizing strategy has been shop by shop," said Francisco Chang, an organizer for the International Ladies Garment Workers Union. "But if you do that, the shops just shut down and move."

Instead, the union is trying an experiment aimed at organizing a large portion of New York City's <u>sweatshop</u> workers simultaneously. It has set up three workers' centers to reach <u>sweatshop</u> employees, one in Sunset Park, another in Williamsburg and a third in the Manhattan garment center itself. Mr. Chang runs the Manhattan center, where nonunion immigrant shop workers can come at night for English language classes or to seek help getting back wages.

The long-term goal is to create enough solidarity among **<u>sweatshop</u>** workers so that the union can organize the shops on such a broad scale that the owners cannot defeat them just by closing down.

Mr. Chang contended that large manufacturers also contribute to the problem. They deliberately foster price competition among the small contractors, he said, all but forcing them to cut corners and underpay workers to obtain contracts and remain in business.

"It's a tough industry to crack," he said.

## **Graphic**

Photos: A child plays with dolls as her mother works in a garment shop, Big Apple Knitting, in Long Island City, Queens. It is illegal for minors to work in the shops, though it is not against the <u>law</u> for them to be there. (Edward Keating/The New York Times)(pg. A1); Clockwise from top: Workers at their sewing machines at Steve's Apparel, in Queens (Edward Keating/The New York Times); Jong Kim, center, and Linda Rojas-Galvez, right, state <u>labor</u> investigators, inspecting P. S. Pleating on West 38th Street in Manhattan (John Sotomayor/The New York Times); Leonard De Rosairo, a supervisor of inspectors, after examining time cards at P. S. Pleating, and a locked door at Steve's Apparel. (Edward Keating/The New York Times)

### Classification

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