

# EXECUTIVE SUMMARY

## SWEATSHOPS IN CHICAGO:

### A survey of working conditions in low-income and immigrant communities

**Rebekah Levin, Ph.D., Center for Impact Research, and  
Robert Ginsburg, Ph.D, Center for Labor and Community Research**

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## THE RESEARCH

*Sweatshops in Chicago: A survey on working conditions in low-income and immigrant communities* is the first research documenting the extent and severity of sweatshop conditions in the Midwest and the first systematic effort in the nation to document sweatshops across industries. The research is a product of the Sweatshop Working Group, a coalition of 32 community organizations brought together by the Center for Impact Research (formerly Taylor Institute).

Data was collected from approximately 800 respondents across 12 immigrant and low-income communities in the Chicago metropolitan area in the spring and summer of 1999.

## RESULTS

### What is a Sweatshop?

According to the U.S. Department of Labor, a sweatshop is places of employment that violate two or more federal or state labor laws governing minimum wage and overtime, child labor, industrial homework, occupational safety and health, workers' compensation or industry registration.

### Who Works in Sweatshops?

Using the definition sweatshops developed by the U.S. Department of Labor:

- ◆ Thirty-six percent (36%) of all survey respondents work in sweatshops.
- ◆ The workplaces of 10% of all survey respondents violate four or more sweatshop laws.

## Immigration Status

- ◆ Seventy percent (70%) of undocumented respondents work in sweatshops.
- ◆ Thirty-seven percent (37%) of respondents who are permanent residents work in sweatshops.
- ◆ Twenty-two percent (22%) of respondents who are U.S. citizens are employed in sweatshops.

## Age

- ◆ Sweatshop workers are disproportionately young. Forty-nine percent (49%) of respondents under the age of 25 work in sweatshops.

## Location

- ◆ Sweatshops exist in both the City and the suburbs. Thirty-four percent of respondents working the City and 35% of respondents working in the suburbs are employed in sweatshops.

## What are the conditions in Chicago sweatshops?

### Wages and Hours

- ◆ Eighteen percent (18%) of all respondents were required to work overtime but were not paid for overtime.
- ◆ Seventy-three percent (73%) of respondents earning less than \$5.15 per hour were not paid for overtime.
- ◆ Eighty-nine percent (89%) of respondents making less than \$5.15 per hour work in sweatshops. Fifty-seven percent (57%) of those making exactly \$5.15 per hour (minimum wage) and 26% making above \$5.15 per hour work in sweatshops.

### Hazards

- ◆ Thirty-five percent (35%) of all respondents work with chemicals, open flames or dangerous equipment or within conditions of severe heat or cold. Forty percent (40%) of these workers were not given any protective clothing or training for working within these conditions.
- ◆ Sixteen percent (16%) of respondents work in sites with no ventilation.
- ◆ Eight percent (8%) of respondents work in buildings with locked exits.
- ◆ Thirty-one percent (31%) of the workers who experience one of nine health and safety hazards at their work sites have been injured on the job.
- ◆ Seventeen percent (17%) of respondents are not allowed to take any breaks during work.
- ◆ Thirty percent (30%) of respondents were not allowed to take a sick or vacation day, paid or unpaid, without risk of being fired.

## RECOMMENDATIONS

The working conditions identified in this survey only represent the most public set of substandard workplaces. People surveyed in this study have some connection to an institution such as a church or community organization. In other cities such as New York and Los Angeles, the most egregious violations occurred with people that did not have such connections.

Resolving these problems in the Chicago area will require a multi-faceted approach, and should include the following:

- ◆ The establishment of a broad-based task force, convened by the U.S. Department of Labor and including union, community organization and business representatives, to look into the problems and design responses that will proactively address the sweatshop conditions. The task force would have the mandates to:
  - ◆ collect further information regarding specific industries where sweatshops are found within a number of ethnic communities;
  - ◆ design a set of responses to each of the identified sweatshop industries. These responses are likely to be different for each community and industry targeted for intervention, given their significantly different circumstances, environments and needs. These responses would include measures directed at:
    - educating and holding accountable the industries and the employers working within them regarding minimum labor standards and ways of addressing potential problems;
    - collaborating with community agencies to educate their constituencies;
    - developing viable mechanisms for community agencies and individuals to work with the Department of Labor to identify, report, and eliminate sweatshops. For example, this could include the creation of a limited number of “hot” or crisis lines through unions and/or community organizations to receive complaints and to begin verifying them. These organizations would then be required to work collaboratively with the Department of Labor to address the complaints. Another possibility would be the development of a single bureau within the U.S. Department of Labor to respond promptly and appropriately to sweatshop violations, alleviating the current situation in which each bureau can only respond to violations within its jurisdiction;
  - ◆ implement these responses in each of the communities; and
  - ◆ evaluate the impact of the responses and make any necessary changes to maximize their effectiveness.
- ◆ The involvement of the private industry councils and local industry committees to encourage and reward industry for enforcing basic standards.
- ◆ The support of further research to gain a better understanding of how goods created by sweatshop labor in this country work their way into the marketplace, and how this chain can be broken.