Changing Work, Changing Lives:  
Mapping the Canadian Garment Industry

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Abstract

This presentation reports on some preliminary findings from a SSHRC-funded project bearing the same title (2001-2005). The objectives of the project are firstly, to discover the social organization of the garment industry and garment workers’ lives in the process of work restructuring since the 1980s, and secondly, to generate a systematic body of knowledge on this sector in the context of globalization. Using newspaper and magazine articles reporting on the garment and clothing industry, government statistics, interviews with garment workers, employers and key informants, and analysis of policies affecting the garment sector, the project captures global changes that are affecting the industry in Canada, and how garment workers experience some of these changes in their work lives.

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Changing Work, Changing Lives: Mapping the Canadian Garment Industry

Objectives of the project

Ô discover the social organization of the garment industry and garment workers’ lives in the process of work restructuring since the 1980s

Ô generate a systematic body of knowledge on this sector in the context of globalization.

Major tasks and activities

1. We look at how the industry has been re-structured in Toronto and situate it in the context of globalization by reviewing newspaper and magazine articles, government statistics, and by attending fora conducted by the industry and by advocacy groups tracking developments in this sector. We also interviewed employers and key informants about their views and perceptions of changes since the 1980s.

2. We document the daily experiences of garment workers in Toronto. We interviewed 15 workers from two ethnic communities where many garment workers are located: the Chinese and South Asian communities. We are cognizant that these communities are by no means homogeneous. They are diverse and internally differentiated by class, gender, age, religion, immigrant status, regional and cultural backgrounds and language. For example community members consist of both employers and employees within the garment industry.

3. We aim to form a national network of people interested in this topic, including researchers from universities, and labour, employer and community groups. This was done during the first year of the project. We brought together our research partners (UNITE – the Union of Needletrade and Industrial Textile Employees and Access Action Council) and scholars interested in and doing work on the garment industry from Vancouver, Winnipeg and Montreal. We also established relations with non-governmental and community-based organizations, such as the Maquila Solidarity Network, doing research on the global production of garments and clothing.

Findings from official sources

1. From newspaper articles

Two major themes emerged. The first theme concerns the way in which the industry was portrayed over time. Since the 1970s the industry has been portrayed as an antiquated industry in need of modernization. In the 1980s, the need to re-structure the sector was emphasized. By the mid-1990s, the emphasis was on the need to make the industry globally competitive, dovetailing neo-liberal discourses that fed into economic globalization. The second theme links the immigrant story to the garment section. Seen as the ‘people angle’, immigrant labour appears as a natural and normal occurrence in the industry, without any interrogation into how this is supported by foreign policy, trade and economic policies, or Canada’s immigration policies and labour practices.
2. Statistical sources

We looked at statistics from three main surveys: SEPH, the LFS and the Annual Survey of Manufacturers (ASM). We also relied on the work of MSN, a research and advocacy organization that tracks changes in this sector and the movements of selected large manufacturers. Statistical information on the garment industry is contradictory. While both news accounts and statistics on manufacturing indicate that the sector was seriously reduced and restructured, in terms of size of plants and reduction of the garment labour force, export figures since the mid-1990s indicates that garment export was growing (until September 11, 2001).

3. The overhaul of customs in Canada and the US, along with legislative changes in response to 9-11 in the US and in Canada

Together with free trade and economic globalization, events following from September 11, 2001, have had a major effect on the garment and other sector regarding movements of goods between the Canada-US borders. Whereas in the past all goods imported to and exported from the US involved Customs operating under the Treasury Department, now it falls under Homeland Security. While the impact of this change is still not fully understood by those involved in the industry and by analysts, our investigation indicates that this change will put substantial financial pressure on the industry, adding a whole new level of surveillance and associated fines.

So, what does the garment industry look like today?

- The sector is characterized by a great deal of turbulent mainly due to re-organization of garment production on a world scale - what analysts have called ‘globalization’.

- Overall, size of plants have decreased: early 1970s, 22 percent of shops employed less than 20 workers; in early 1990s, 75 percent of shops employed less than 20 workers; in 2000, 85 percent plants employed less than 20 workers. The majority of this 85 percent employed less than 4 people in their establishment (Yanz et al. 2002).

- Owners complain that it is extremely hard to compete with China coming into the world garment production scene due to low wages.


- The size of the labour force has decreased. According to SEPH, the number of employees in Ontario was 42,413 in 1984. By 1993, it fell to 22,215, and in 2000 there was a slight increase to 25,478.

- According to Industry Canada (1996), between 1989 and 1993 the sector experienced a staggering loss of 800 plants and over 33,000 jobs. This trend corresponded to the signing of the US-Canadian Free Trade Agreement (FTA) and the current period of economic globalization.
Changing garment workforce: while women predominate, men also work in the sector, but in different positions. Gender hierarchy: sewers make much less; cutters are seen as skilled workers. We also found men in machine maintenance and women in white collar positions (e.g., inventory control). Composition of ethnic groups have changed over time. In its infancy garment workforce consisted of European women and men. Now mainly Asian workers (Chinese, South Asian, Filipina) although many older workers are still from European descent (e.g., Portuguese, Italian).

Whereas sweatshops and home-based work were a noted feature of the garment industry that was eliminated during its heyday due to unionization, they have re-emerged since the 1980s. Now, sewers move between home-based production and factory production depending on the ebb and flow of the production cycle.

Contradictory changes:
- While many plants downsized or closed down altogether, some in particular niches were expanding. Example from our study = uniform production, hospitality sector (table cloths, towels for hotels and golf courses).
- Sizes of labour force and plants have decreased, but since the mid-1990s export figures have increased consistently.

Some analysts characterize the garment sector as a pyramid structure (e.g., Dagg, 1995). This means that a few large retailers occupy a place at the top of the pyramid, with layers of contractors and sub-contractors under them, and workers, including home-based workers, at the bottom of the pyramid. Note the gender and racial organization of this pyramid: top = occupy by white male who run the retail empires (Walmart, a US chain, is the largest retailer in the world who contract their products worldwide). As you move down the contracting chain, you see faces of racialized groups; for example, while the larger contractors have been and remain Jewish, with a couple of contractors from European and Asian descent, many sub-contractors are from ethnic and racialized communities.

Findings from interviews with garment workers
The most striking finding with workers is that they knew very little about the larger processes (such as trade agreements and government policies) that affect their working conditions and livelihood. However, from their narratives we gain insights into how exploitation operates as normalized routine practices in garment production, illuminating some of the statistics and documentary materials we analysed.

1. General Observations
Workers are generally composed of two groups: The first group consists of older immigrants, with lower educational qualifications and many years of experience in the garment sector. The second group consists of new immigrants with high educational qualifications (skilled professionals unable to find work in their own field) and little experience in the garment sector. Some of the workers used to be garment workers back in their home countries. Some of the workers used to be professionals in various fields
such as in engineering, teaching, non-profit organizations. Now they work as sewers, cutters, baggers, packers, pressers, dyers, machine operators and sorters/quality controllers.

Wages are extremely low: Based on our demographic information on the workers, the average salary for is roughly $7.20 per hour, the lowest wage is $5.00 an hour and the highest wage is $13.50 per hour. There is an apprentice in the industry who made 200 dollars in her first month. These wages are significantly lower than what we found in official statistics.

Diverse attitudes towards unions or union organizing
“I am thinking about something on my own. But it could also happen to ten other people and they may also be thinking like me. But we would need someone else to express our thoughts . . . this person could represent us and speak on our behalf to the authority. I could not tell [the employer what I thought] all by myself. I am scared to do so. Or, I am afraid that something would happen to me . . . . If union was here, we would have this kind of advantage.”

“Once someone had a conflict [with the employer] and the matter was taken to the Union. But Union was also on the side of the Company. They listened to what the Company had to say. They would listen to the owners - they are the important people. They wouldn’t listen to the workers. So there used to be a lot of hue and cry for some time and that’s it. Nothing would really happen.”

Social, family and community networks were used to obtain work: Most of the interviewees i.e. about 80% mentioned that they entered the industry through friends or family members. Only 20% mentioned that they entered the industry through answering job ads in the newspapers. They change their jobs through contacts within the communities or within the workplaces. It is not an unusual phenomenon that when supervisors decide to leave a factory for another, they could bring with them a group of garment workers from the former factory to the new factory as well.

2. Employers’ Tactics
While many themes emerged from the interview data, in this presentation we highlight some of the tactics used by employers to keep wages low and to divide workers from each other. The following are themes we have identified so far, illustrated by quotes from workers from our interviews.

Making Workers Feel Grateful
“One day, the female boss told me that they would charge me only half of the training fee because I was working hard and responsible and they liked me a lot. I was really grateful and I thought I was going to work there for a long time, although I could not make a lot of money.”

Shifting workers between sections: Lifelong Learning
“The factory asked me to sew men’s shorts. . . For only one day, I worked for 7-8 hours, I made 50 dollars. The job was so simple, very mechanical. I made 50 dollars. . . After several days, [the supervisor] asked me to sew zipper. . . one for 45 cents. She said to me, ‘I think you can do it . . . before I taught some young girls, and they could make more than 100 dollars a day.’ . . At the beginning, I was slow. For the first day, I sewed 20 pieces, then on the second day, I sewed more than 50 pieces, and the third day more than 80 pieces. But later on, when the number increased, I felt like I had reached my limit. I sewed for about one week, and approximately I could make about 100 pieces, . . . aiya, this is far from the 100 dollars a day, I thought to myself. I felt I could not reach the goal.

Shifting between piece and hourly rate

“Some rates are calculated in dozens. If you finish one dozen, you will get the flat rate of $1 for one dozen. . . For some style, you will only get 37 cents a dozen. If you get the 37 cents/dozen style, and you do 2000-3000 units a day, you will not make enough money for that day as like [getting paid by] timework. Sometimes this money is less than timework. We have this kind of problems in our job. She [the employer] knows that you could do this job [fast] and give you the low-rate-style. It means indirectly she tries to keep your wage low. She did see that you made more money on your last pay cheque. By giving you the low-rate style, she tries to balance your income. So you cannot make money all the time. She pulls it down and she does not allow you to make money regularly and you will not always get benefits.”

Separating overtime pay slip

“There is no over-time pay in this factory. The boss’s wife asked us to use another work-card [to record] our overtime. She should have paid us 1.5 times’ wage [if we worked] more than 44 hours. This is not the case. [By asking us to use another card to record our overtime hours,] she would put the overtime as bonus.”

Secrecy around wages

“It's the secret of the boss. They don't tell us the wages of other workers. We don't know and no one asks.....one time I asked other workers their wages during the public holidays and realized we don't have the same pay. We don't know why.”

Hiring Workers with little long term interest

One of the interesting findings is that employers do not seem to want to invest in experienced workers. They hire workers with just enough skills to get the job done, or new immigrants who see working in the garment sector as a temporary measure to secure some income until they are able to get certified (as in the case of trained professionals) or get better employment. This tactic tends to keep wages down and discourage workers from working collectively to improve the conditions of their work.

Good cop-bad cop tactics
“The supervisor has the authority to give you more money. For example, if you worked less, she could add an extra three hours in your pay. She just staples these extra hours with your sheet and you will get more. I don’t think it is discrimination. . . . She might think that this worker is very good and experienced; ‘I may need her in the future.’ It also depends on her choice of liking.”

Gifts and perks
“The employer gave us a key ring and our supervisor said that we did a good job. That’s why [the boss] gave this key ring as a thank you note.”

Fostering competition between ethnic groups
“The boss told us that she liked Chinese. She said other people were really slow. She said that she was planning to replace all others [workers of other ethnic groups].”

To sum up, our preliminary analysis is bringing to light the overall wages and working conditions in the garment sector. Our study indicates that the wages of the workers we interviewed were lower than official figures. It corroborates the findings of decreasing wages and worsening working conditions in the garment sector by other studies (e.g., MSN, Johnson). Our analysis also indicates how relations of gender and race operate to marginalize certain groups of immigrants in Canada.

A Globalized Regime of Ruling

To understand the various changes in the garment industry, it is necessary to place what is happening in Toronto in a larger context. So far, we have identified five sets of national and global processes that work together to produce the phenomena we are observing and that are reflected in the newspaper reports and statistics. We use the term ‘a globalized regime of ruling’ to indicate that, even though these things seem unconnected, in fact they work together to produce what is happening not only in Toronto, but worldwide. These processes are:

Corporate mergers and shifting control
Whereas in the heyday of the garment industry in Canada, manufacturers had control over the market, in this era of globalization control has been shifted to large retailers, who become bigger through corporate takeover, mergers and the like. More recently, the Canadian market is dominated by larger retail chains such as Wal Mart, which is the largest retail chain in the world.

This has created what Alex Dagg has called a ‘pyramid structure’ of the garment industry. While control at the top is concentrated in the hands of larger retailers, production is increasingly fragmented. To survive, manufacturers downsize their plants and sub-contract to an increasing number of sub-contractors or jobbers who use a number of tactics to depress wages in order to maximize profit. The use of homeworkers and some of the tactics discussed in the previous section are ways owners deploy to navigate their way in a globalized and restructured work environment.
Shifting policy context and Canada and the US at different levels
The discourse of neoliberalism - the rhetoric of letting the market decide - has become to dominate, not only the private sector, but the mentality of many governments. Some of the policy shifts have major implications for workers and owners alike. For example, liberalizing labour legislation (by extending the legal work week) is meant to make businesses, especially small operations, more competitive. This kind of policy shift has been accompanied, intentionally or otherwise, by legislation that restrict workers rights and working conditions. Recent changes in US and Canada customs requirements, partly resulting from the 9/11 terrorist attacks on the US, will enable governments to more closely monitor importers and exporters.

Trade agreements between nation-states
The garment industry, like other sectors, are highly affected by trade agreements developed between nation-states. The intent of the agreements is to facilitate the border crossing of capital, enabling owners to seek out the cheap sources of labour to maximize profits. Some of the agreements that affect the garment sector, and indirectly garment workers, are:
NAFTA and the ATC, which eliminates import quotas from other parts of the world such as Asia. This means that Canadian owners can set up plants in China or Pakistan, where labour costs are much lower than those in Canada.

The transnational movement of labour
Regardless of and because of the forces of globalization, people move in search of better livelihood; they may be forced to migrate due to displacement and warfare. Western countries have put in place measures to augment investment and control the movement of workers. The expansion of the business class immigrants facilitates investments by entrepreneurs in Canada, while the expansion of work permit system (that is, immigrants, especially those from the economic South, are allowed to enter Canada only to work, but not to stay.
Due to conditions in the so-called third world and demands for cheap labour in the economic North, people migrate regardless of whether they are permitted to do so. Demands for cheap labour has prompted elaborate and sophisticated networks for human trafficking. Indeed, the use of undocumented workers is prevalent in the garment sector. This is a strategy used by some owners to remain competitive and to maximize profit margin.

Global/local resistance
The garment industry and the processes I mentioned above cannot be understood completely without paying attention to the protests mounted by workers and those working with them to improve their working conditions. Indeed, the anti-sweat movement is a worldwide movement. This movement, as well as various campaigns, puts pressure on retailers, owners, and governments to curtail market forces at the expense of human rights and development.

Summing up...
This presentation reports on the preliminary analysis of some of the findings of our study. We are in the process of conducting more detailed analyses of major segments of our data, and are compiling some of these themes and analyses into a book. In the book, we hope to provide a more detailed discussion of how workers and employers navigate their ways in this turbulent industry, and how we may better resist some of the detrimental effects of economic globalization.