

Sweatfree Purchasing Consortium Interim Steering Committee

October 7, 2009 1:00-2:00pm Eastern, 10:00-11:00am Pacific

Present:

Roxanne Dietz, Pennsylvania

Betty Lamoreau, Maine

Mike Wenzel, Maine

Chip Gavin, Maine

Farshid Yazdi, Los Angeles

Carmen Herrera, San Francisco

Eric Dirnbach, Workers United

Julie Su, Asian Pacific American Legal Center

Bjorn Claeson, SweatFree Communities (facilitator)

Liana Foxvog, SweatFree Communities (note-taker)

September meeting minutes

The minutes were approved as written.

Multi-state independent monitoring contract (Roxana)

Has received all signatures from the vendor and is waiting for internal signatures. Roxana will send a link when it's posted on the web in about 30 days.

Public entities that wish to join the contract may sign the sample participating agreement to do so.

Consortium membership status (Bjorn)

Same as last month: four public entities have joined. There is ongoing momentum behind the scenes.

Multi-state apparel contract conference call (Chip)

At one point Maine had agreed to lead a multi-state contract for apparel purchasing, but has not had the time to pursue this. A recent conference call convened interested parties to see if any other public entity would be able to lead on the project; however, no-one volunteered.

One interesting piece of information learned on the call is that the city of San Antonio, Texas, has initiated a contract that includes some language on non-sweatshop purchasing, but concern was raised about the merit and enforceability of the language. Some members on the conference call showed interest in reviewing the contract and considering the opportunity to be part of it and potentially asking vendors to comply with additional standards if they joined.

Massachusetts currently holds a non-sweatfree-compliant collaborative apparel purchasing contract. It would be helpful to learn from them, but they were not able to participate in the meeting.

Database (Bjorn)

A recent meeting to discuss plans toward developing a database for the Consortium included purchasing officials from Austin (TX), Ashland (OR), and Milwaukee (WI). Non-government participants were Ruth Rosenbaum (of CREA), Bama, and Bjorn. The meeting minutes and database outline were sent with the announcement for this meeting.

Suggestions from Farshid:

- Consider expanding the database to other products as well – not just apparel.
- Once investigations and reports are final, they should be public. When investigations are ongoing, posting them may be legally problematic. Inconclusive reports can be posted but their inconclusive nature should be noted. Reports should be objective and from the independent monitor without modification.
- Provide option for geographical search based on vendor location in the U.S.

Next step: Bjorn will send another draft on the factory database in advance of the November 5th meeting.

Accounting system (Bjorn)

A financial consultant, Carol Cantwell from Fun with Financials, has agreed to donate eight hours to the Consortium to develop an accounting system that will meet the needs and standards of member public entities. She will conduct interviews with three public entities (Pennsylvania, Austin TX, and Ashland OR) and also with Paul Stembler. We expect to have a report from her work at our November 5th meeting.

DOL Letter

We currently have several simultaneous outreach processes to the Department of Labor. The two relevant agencies for our purposes are Wage & Hour Division and the International Labor Affairs Bureau.

Updates: Eric contacted Mary Beth Maxwell, a special assistant to Secretary Hilda Solis. Chip hasn't yet received a response to the letter he sent to DOL on behalf of the Consortium, but it's early. Rep. Mike Michaud's office has not yet heard back from DOL.

Next steps: Julie will reach out to the senior DOL staffer she knows. Chip will send an electronic copy of the Consortium's letter to all members of this group.

Update from Pennsylvania (Roxana)

A revised Executive Order document to include textiles is under review by senior administration officials.

November 5th Sweatfree Purchasing Consortium meeting (Bjorn)

Expected meeting attendance to date:

- Via video conference: Chip, Carmen and Galen, Lee Tuneberg from Ashland, Henry Oyekanmi from Berkeley

- Either in person or via video, depending on funding requests: Roxana, Farshid, Sam Dominguez (Austin), someone from Portland
- Invitations have also gone to New York, Ohio, Wisconsin, Michigan, Milwaukee, Olympia, and Lucas County
- The group agreed that Bjorn should invite a representative from Presbyterian Church USA, the first nationwide denomination to adopt a sweatfree overture. Their "Enough for Everyone" program has been involved in purchasing sweatfree t-shirts for many years.

The full meeting will be accessible via video conference – 4 hours in total. 2 hours in the morning, followed by a 1 hour lunch break, and then followed by another 2 hours.

The group was comfortable with the agenda as written.

Those who are able to attend in person are encouraged to stay for SweatFree Communities' Policy Forum **Strengthening Core Labor Standards through Public Procurement Reform** at Cannon House Office Building, room 340, Washington D.C. on Friday, November 6, 1-4pm

Next step: Bjorn will start publicizing the agenda, and will update the group on final attendance along with logistical information for those planning to attend in person.

The Consortium's first factory investigation? (Eric)

The City of Milwaukee, which has a sweatfree policy with a non-poverty wage requirement, has a police uniform contract that's out to bid. One of the bidders had previously disclosed a particular factory that they use in China. China Labor Watch has investigated the factory (copy of report: http://www.sweatfree.org/docs/06-04-09_Spiewak_report.pdf). It found a number of wage and hour violations, including workers who were being paid less than minimum wage (and thus far less than non-poverty wage). Since the release of the report, Spiewak, the U.S.-based company, has claimed that the 20 workers in the factory who make their products earn twice the minimum wage by and provided a signed payroll sheet by way of evidence. This would be a tremendous success story for Milwaukee and the workers if it is true that these workers are being paid a decent wage. However, the legitimacy of the payroll sheet cannot be taken for granted as factory workers in China are often coached to lie to auditors and there have been cases when factory management has been found to use double books.

There are discussions with the City of Milwaukee about conducting an additional investigation to determine the veracity of the company's claims. The contract has been pending for many months. Milwaukee has not awarded the contract yet due to the initial findings. Bjorn has briefed both CREA and WRC on the situation and both say that they would be able to verify Spiewak's claims. The ballpark cost for the investigation is \$1000.

Question for the group: The City of Milwaukee has paid \$700 into the Consortium. Pennsylvania has also contracted for Spiewak products. Right now the Consortium has \$2200 in the bank and we could pay for the investigation. This would be the first expenditure that this group approves.

Decision & next step: The four dues paying members, including Milwaukee, should decide jointly whether or not to pursue the investigation from Consortium general operating funds. Bjorn will follow up with them. If they agree on the investigation, the Consortium will pursue it with either WRC or CREA.

By-laws

Please see the draft document that Bjorn sent. Time did not allow for group discussion. Comments invited via email. A revised draft to be considered at the November 5 meeting.