



WORKER RIGHTS CONSORTIUM

**WORKER RIGHTS CONSORTIUM  
FACTORY ASSESSMENT  
GENESIS APPAREL, S.A. (HONDURAS)  
FINDINGS, RECOMMENDATIONS AND  
COMPANY RESPONSE**

**March 30, 2016**

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## **I. Introduction**

This report details the findings and recommendations of the Worker Rights Consortium (WRC) along with the responses to date by the factory concerning labor practices at Genesis Apparel, S.A., an apparel manufacturing facility located in the Zip Tex Industrial Park in Choloma, Cortes, Honduras. The Genesis Apparel, S.A. facility (“Genesis”) includes a sewing operation and a distribution center. At the time of the WRC’s visit to the factory, Genesis reported employing a total of 1,820 workers. The factory produces t-shirts, women’s and children’s apparel, under garments, and fleece wear.

Genesis is disclosed as a supplier of collegiate apparel by Box Seat Clothing Company (Box Seat). Genesis is also reported as a supplier to the City of Los Angeles by SanMar through Galls and BUI, and this assessment was initiated on the City’s behalf, as part of the WRC’s work monitoring compliance with the City’s Sweat Free Ordinance.

WRC staff conducted offsite interviews with Genesis employees in April and May 2015. On June 17, 18, and 19, the WRC conducted an onsite inspection of the factory including a review of relevant company records. Follow-up interviews were conducted with workers in October 2015 and in January and February 2016.

As detailed in Section III of this report, the WRC’s assessment of Genesis identified a number of violations of Honduran law and, by extension, university codes of conduct.<sup>1</sup> The company was found to be noncompliant with respect to these standards in the following areas: wages and hours of work, gender discrimination, legally required benefits, freedom of association, and occupational health and safety.

To effect remediation, the WRC engaged extensively with SanMar, a U.S. apparel supplier that both produces its own private-label apparel and supplies branded apparel for a number of other labels. SanMar serves as a middleman both for the relevant City of Los Angeles suppliers and also for university licensee Box Seat.

In response to the WRC assessment, and engagement by SanMar, Genesis has committed to remedy the majority of the violations outlined in the report and, in many cases, has already taken steps to put these commitments into action. In January 2016, Genesis reported that it is in the process of renovating a building located next door to its facility and that it intends, in a few months’ time, to move its operations to the new facility. Some of the remediation steps will occur at the new facility. Areas of continued concern include the company’s decision not to follow the WRC’s best practices recommendation with regard to break times for workers, the lack of a properly functioning Health and Safety Committee as required by law, and the lack of adequate childcare as required by law. The WRC is sharing this report with the licensee Box Seat and apprising them of issues that merit continued attention.

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<sup>1</sup> Collegiate Licensing Company, *Special Agreement Regarding Labor Codes of Conduct*, July 2009.

## **II. Methodology**

The WRC initiated its assessment of labor conditions at Genesis in early 2015. As part of this assessment, the WRC conducted offsite interviews with Genesis employees concerning working conditions at the factory.

On June 17-19, 2015, the WRC visited Genesis to conduct an onsite inspection of conditions at the factory, interview managerial and supervisory staff, and review relevant documents. The assessment also involved a review of Honduran labor laws and regulations implicated by the conditions found at Genesis.

The WRC's investigation was conducted by WRC representatives with the assistance of representatives from the Independent Monitoring Team of Honduras, an organization based in San Pedro Sula, Honduras, with a broad experience in monitoring labor rights compliance in the garment sector.

The findings in this report are based on the following sources of evidence:

- Detailed interviews with nine Genesis employees, conducted in offsite locations chosen by the employees;
- Interviews with members of Genesis management including Walkiria Larissa Rivera, Plant Manager, and Suyapa Marina Mejia Lopez, Employee Relations;
- Interviews with three Genesis supervisors;
- A physical inspection of the plant focusing on occupational health and safety;
- A review of relevant documentation including: company policy documents; payroll and financial statements; accident reports; reports on factory environment (lighting, temperature, air quality, potable water); reports on the factory clinic and cafeteria; records of the company's Health and Safety Committee; a sample of employee personnel files; and other documents; and
- Review and analysis of applicable Honduran labor law.

## **III. Findings and Recommendations**

The WRC's findings, based on the evidentiary sources listed above, are outlined in the following section and are accompanied by recommendations for corrective action.

## **A. Wages and Hours of Work**

### **1. Failure to Maintain Consistent Meal Break Schedule and to Provide Additional Paid Breaks**

#### *Findings*

The work schedule at Genesis is from 7:00 a.m. to 6:00 p.m. from Monday to Thursday. The 11-hour workday performed four days a week is equivalent to a full-time schedule of 44 hours per week; workers frequently perform overtime work on Friday and Saturday. The workers receive a 30-minute paid meal break and the workers take their meal break at different times given that the factory's cafeteria cannot accommodate the entire workforce at one time.

Workers interviewed by the WRC reported that it is the practice at Genesis to change the time that workers take their 30-minute lunch break every three months. The factory's General Manager confirmed that this is the company's practice.

The Honduran Labor Code states that the employer should avoid "changes in schedules that result in the alteration of the times which are destined for workers to rest or for meal breaks."<sup>2</sup>

Additionally, some of the workers interviewed informed the WRC that the period of time granted to workers was, previously, 45 minutes but that workers are now entitled to only 30 minutes and that the organization of the lunch schedule is such that workers often spend 20 of the 30 minutes waiting to get their food and are therefore not able to finish their meal before they are required to return to their workstations. Workers who are stationed in the factory's distribution center have a long walk to the cafeteria which requires them to spend as much as 10 of the 30 minutes walking to and from their worksite to the cafeteria. After waiting in line to receive their food, the actual amount of time left for workers to eat is very limited.

Of further concern is the fact that the workers are at the factory for a total of 11 hours and receive only 30 minutes of break time.

Honduran law does not require the employer to give workers a break of more than 30 minutes per shift. However, the Labor Code also specifies that the standard workday is eight hours.<sup>3</sup> It is only in recent years that employers have applied for exceptions to this law and Honduran garment factories now employ work shifts of 11 or 12 hours per day. The Honduran Labor Code has not been adjusted to reflect these longer shifts.

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<sup>2</sup> Honduran Labor Code, Article 337.

<sup>3</sup> *Id.*, Article 322.

United States labor law frequently requires employers to give breaks to workers based on the total number of hours worked. For example, in California, the employer must give the worker a 10-minute break for every four hours worked.<sup>4</sup>

### *Initial Recommendations*

The WRC recommended that, in order to comply with Honduran law and to implement best practices with regard to workers' break time, Genesis should:

- Assign a set meal break time for all workers and maintain this schedule throughout the year, as required by Article 337 of the Labor Code.
- As a matter of best practice, consider providing workers with additional breaks in the morning and/or in the afternoon, extending workers' lunch break, and reorganizing the cafeteria system such that all workers may have an adequate rest time during their meal break. These changes should be made in such a way that the workers' current rate of pay or total number of hours at the factory is not negatively affected.

### *Company Response*

SanMar reported to the WRC on September 11, 2015, that Genesis' practice of rotating meal breaks was developed in response to a request made by workers in the early 2000s. While Genesis affirmed that it had no issue with stopping the practice of rotating the meal break so that each group took its lunch break at the same time every day, the company suggested conducting a survey of workers in order to determine whether or not the majority of workers preferred the rotation of meal breaks or a set break time.

The WRC agreed with the company's suggestion of conducting a survey and Genesis later confirmed that, on November 9, it surveyed 100% of its workforce and that 55% of the workers preferred a rotating lunch break while 40% preferred a fixed lunch break and 5% gave no response.

Genesis also committed to making improvements to the cafeteria, including the addition of one more cashier, in order to expedite the wait time for workers to get their food, and committed to performing an engineering analysis in order to "ensure that employees are serviced in eight minutes or less which will enable them to rest the remainder of their lunch break." As mentioned in the introduction, Genesis reported that it is in the process of remodeling a new facility, a project that is scheduled for completion by June 2016. Genesis reported that it believes that the new cafeteria will improve the overall food service and rest time for workers.

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<sup>4</sup> *Industrial Welfare Commission Order Number 1-2001 Regulating Wages, Hours and Working Conditions in the Manufacturing Industry*, Number 12, State of California Department of Industrial Relations, effective July 2002.

With regard to the WRC's best practices recommendation of providing workers with additional breaks in the morning and/or in the afternoon, the company would make no commitments to this end, simply stating that it "continues to comply with local industry practice as well as Honduran Law."

### *Current Recommendations*

While the WRC recognizes that the company is not legally obligated to provide its workers with additional breaks during their workday, we reiterate the fact that employees at Genesis are working a total of 11 hours a day with only 30 minutes for rest. Although the law does not mandate the company to provide workers with more than 30 minutes, the WRC strongly urges the company, consistent with industry best practices, to allow workers more rest time during this extended workday without prejudicing in any way the workers' total monthly take-home pay.

## **2. Mandatory Overtime**

### *Findings*

In reviewing workers' individual employment contracts, the WRC found that the contracts include text that requires workers to work overtime. The contract states that the worker "voluntarily" agrees to work overtime, rest days, and holidays "whenever the company requires it" and that failure to comply with this commitment will be "sufficient reason for the company to take disciplinary measures."

Honduran law states that a worker's regular schedule is that which has been agreed upon by the employer and the worker.<sup>5</sup> At Genesis, this is a 7:00 a.m. – 6:00 p.m. shift, Monday – Thursday, as outlined in the employment contract. The law also states that the relationship between the employer and the employee is governed by the employment contract.<sup>6</sup> Requiring workers, under threat of penalties, to work a schedule that differs from that outlined in the employment contract, constitutes a violation of the contract and of Honduran law and, by extension, collegiate codes of conduct.

Requiring workers, under threat of penalty, to work overtime is also a violation of international conventions ratified by the Honduran government. The International Labour Organization (ILO) Committee of Experts has stated that where employers press workers to perform overtime by threatening penalties or dismissal, this constitutes a violation of ILO Conventions 29 and 105, both of which have been ratified by Honduras.<sup>7</sup>

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<sup>5</sup> Honduran Labor Code, Article 319.

<sup>6</sup> *Id.*, Article 21.

<sup>7</sup> International Labour Organization, *General Survey concerning the Forced Labour Convention, 1930 (No. 29), and the Abolition of Forced Labour Convention, 1957 (No. 105)*, 2007, §134. Honduras ratified Convention 29 on February 21, 1957, and Convention 105 on August 4, 1958.

### *Initial Recommendations*

The WRC recommended that Genesis remove from workers' employment contracts the language referenced above regarding overtime, and ensure that no worker is disciplined for refusing to work overtime.

### *Company Response*

In its September 11 communication to the WRC, SanMar affirmed that Genesis' position with regard to overtime is that "it is voluntary, not mandatory and the company has not taken disciplinary action against any employee that has chosen to work overtime." The company reported that it has nine informational boards throughout the factory that include posters affirming its position that overtime is voluntary and that, additionally, this information is reinforced through monthly training sessions. The company stated that, "whenever overtime is necessary, the request for employees to work overtime is done at least 24 hours in advance and reiterates that all overtime is voluntary. Each time an employee works overtime they sign a document stating that they agree to work overtime for the specified time period."

The company agreed with the WRC's recommendation that the language in the workers' employment contracts should be amended to reflect this practice. In response, the WRC recommended specific language for use in the contract<sup>8</sup> and the company agreed to change the language on the employment contract for all new employees and to create an addendum to the contract of existing employees.

On November 13, 2015, SanMar sent the WRC a communication that included sample copies of the new contract and the addendum.

### *Current Recommendations*

Given the action steps taken by the company, the WRC finds Genesis to be in compliance with Honduran law and, by extension, with collegiate codes of conduct.

## **B. Failure to Provide Legally Mandated Paid Sick Leave**

### *Findings*

Honduran law requires that all employees be enrolled in the national health care program, the Honduran Social Security Institute (Instituto Hondureño de Seguridad Social or "IHSS"), which

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<sup>8</sup> The language proposed by the WRC and accepted by the company reads as follows: *Overtime at Genesis is voluntary, not mandatory. The company will not take disciplinary action against any employee for choosing not to work overtime. For any day on which overtime will be necessary, the company will communicate a request for employees to work overtime at least 24 hours in advance and reiterate, at that time, that all overtime is voluntary. The company will require any employee who has chosen to work overtime on a given day to sign a document stating that s/he agrees to work overtime on that day.* The text was translated into Spanish for use in the workers' employment contracts.



operates a system of medical clinics throughout the country where workers can receive care. When a worker in Honduras becomes ill or is injured, she may visit an IHSS clinic and, subsequently, provide her employer with written confirmation from the clinic of her visit and, where applicable, the number of days of absence from work that the IHSS physician has prescribed, based on the severity of the worker's illness or injury.

Several of the workers interviewed by the WRC reported that, if they need to visit an IHSS clinic during working hours, the company deducts from their wages the hourly pay that they would otherwise receive for the portion of the workday that they are absent from the factory, plus the additional day's wages that employers are legally required to provide to workers for their weekly day off (commonly referred to in Central America as the "Seventh Day" wage). Many of the workers interviewed reported that they choose to wait until they have a day off from work to visit the clinic in order to avoid this loss in pay.

The WRC's review of payroll documents conducted at the time of the onsite inspection revealed anomalies in the payment of workers' Seventh Day wage in cases in which the worker had visited an IHSS clinic. There were several instances in which the worker's payroll information indicated that they had taken time off from the factory for health-related reasons and the company paid the worker only part of their Seventh Day wage.

The WRC is concerned, based on worker testimony and a review of payroll documents, that Genesis is in violation of the country's labor code, which states that "Employers must grant paid time off to workers to visit the doctor and obtain medical treatment in the Institute's medical centers,"<sup>9</sup> but does not have sufficient evidence at this time to reach a definitive finding.

#### *Initial Recommendations*

If, in fact, the workers are not receiving paid compensation for the time that they visit the IHSS clinics, the WRC recommended that Genesis pay employees who are absent from work, and who present written confirmation from IHSS that their absences were related to a visit to the IHSS, both their full day's wages and the Seventh Day wage.

#### *Company Response*

The September 11 report received by the WRC stated the following with regard to the issue of paid sick leave for employees:

The Company's Human Resources employees work hard to ensure all wages, hours, social security program calculations and related benefits are made accurately and according to Honduran Law. All workers at Genesis are automatically enrolled in the Instituto Hondureno de Seguridad Social (IHSS) from the initial date of hire and have immediate access to benefits.

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<sup>9</sup> Honduran General Social Security Law, Article 87.

The company further stated that it does pay all employees for the dates that they are absent due to a visit to the IHSS and that it also fully pays the workers the Seventh Day wage.

### *Current Recommendations*

With regard to the payment of sick leave, and in light of the fact that workers were not able to provide detailed and specific examples of dates on which workers were affected, the WRC accepts the response provided by the company. The WRC has informed Genesis that it will continue to monitor compliance on this point and bring to the company's attention any cases that reflect noncompliance in this area.

## **C. Gender Discrimination**

### **1. Accommodations for Pregnant Workers**

#### *Findings*

Workers reported to the WRC that employees at Genesis who become pregnant work under the same conditions as do non-pregnant employees, and are not provided with special accommodations as required by law.

One worker informed the WRC that at the time she was pregnant, "The factory demanded the same level of production from me as if I had not been pregnant. When I was pregnant, I continued at the same workstation. I asked to be changed to another position, but the supervisor wouldn't make the change and she told me that it wasn't possible to change. I worked at the same position until I started my maternity leave."

The General Manager at Genesis reported to the WRC that the company tries to make pregnant workers "comfortable," but one supervisor interviewed by the WRC reported that, in practice, the workers who are pregnant continue to work as they had prior to their pregnancies. A second supervisor reported that Genesis, as a matter of practice, does not make special accommodations for pregnant workers but, if the worker complains about discomfort, the supervisor will make adjustments so that she can work more comfortably.

Honduras' Labor Code prohibits employers from requiring employees who are pregnant to perform strenuous work and requires that work performed by all women be adjusted according to their age, condition and physical state.<sup>10</sup>

Additional protections for pregnant workers are outlined in ILO Recommendation 95 on Maternity Protection (1952), which states that pregnant workers should be assigned to duties that will not prejudice the worker's health or the health of her child.<sup>11</sup> While the ILO's

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<sup>10</sup> Honduran Labor Code, Article 147.

<sup>11</sup> Recommendation 095, Article 5 on the "Protection of the Health of Employed Women During the Maternity Period" states in subparagraph (2) that "Employment of a woman on work prejudicial to her health or that of her

recommendations are not legally binding, they serve as a guideline for best practices.

Genesis' failure to routinely provide pregnant workers with special accommodations violates both Honduran law and best practices outlined by international standards, and, by extension, university codes of conduct.

### *Initial Recommendations*

The WRC recommended that Genesis provide employees who become pregnant and whose regular positions require physically strenuous work with the option of temporary assignment to non-strenuous work without loss of pay or forfeiture of their right to return to their original positions after childbirth and maternity leave.

### *Company Response*

The September 11 report received by the WRC affirmed that Genesis is in compliance with the Honduran Labor Code in that it does not require pregnant workers to perform great physical effort. The company further reported that its policy, which is to allow pregnant workers to request reassignment to a new position when they feel it is necessary, is communicated to workers at the time they are hired.

Genesis committed to conducting training sessions for current supervisors and managers about the company's policy for pregnant workers. In response to this commitment, the WRC stressed the importance of providing such a training not only to supervisors and managers, but to all Genesis workers. On November 13, 2015, the company shared a copy of the presentation that was offered to supervisors and managers and pregnant workers, which was presented during the workers' lunch breaks on November 24-26, 2015.

Genesis also supplied photos of educational posters placed throughout the plant that outline the rights assigned to pregnant workers before and after the birth of a child.

### *Current Recommendations*

The WRC recognizes the important steps taken by Genesis to communicate with workers about their rights during pregnancy and will continue to monitor the factory's compliance with its own policy and with Honduran law.

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child, as defined by the competent authority, should be prohibited during pregnancy and up to at least three months after confinement and longer if the woman is nursing her child." Subparagraph (3) states that "Work falling under the provisions of subparagraph (2) should include, in particular — (a) any hard labour involving — (i) heavy weight-lifting, pulling or pushing; or (ii) undue and unaccustomed physical strain, including prolonged standing; (b) work requiring special equilibrium; and(c) work with vibrating machines."

## **2. Accommodations for Breastfeeding Workers**

### *Findings*

Honduran law requires the employer to provide two 30-minute breastfeeding breaks to workers who have children six months or younger. The law further states that, in order for the workers to breastfeed their children, the company must provide a space within the workplace specifically designated for this purpose.<sup>12</sup>

The factory's General Manager confirmed in an interview with the WRC that the factory does not have such a space available for breastfeeding mothers and, therefore, is in violation of Honduran labor standards and, thus, collegiate codes of conduct.

### *Initial Recommendations*

In order to comply with Honduran law, the WRC recommended that the factory designate an area for women workers to breastfeed their children at the factory, as required by Honduran law. The designated space should be a safe and private area and should be located within the factory premises.

### *Company Response*

SanMar's September 11, 2015 communication to the WRC reported that Genesis is in the process of remodeling the plant to include a breastfeeding area. Furthermore, it reported that a temporary safe and private area for breastfeeding had been established in the factory clinic, which includes a designated refrigerator in which the employees can store their milk.

In follow-up interviews conducted by the WRC, workers reported that the space provided to them at the factory clinic was lacking privacy and therefore not adequately accommodated for their needs. The WRC reported this information to SanMar and again emphasized that, since no timeline has been established for the completion of the factory remodel, the WRC did not consider Genesis to be in compliance with the legal requirement with regard to breastfeeding mothers.

SanMar responded to the WRC's concerns in its November 13 communication stating that Genesis had made alterations to the temporary breastfeeding area inside the clinic in order to ensure privacy for breastfeeding workers. The factory sent photos that show that a curtain was hung in order to provide a private area for breastfeeding. In addition, the factory informed the WRC, and supplied photos that confirmed, that there is an isolated breastfeeding room in Genesis' sister plant, Elcatex, located next door to the Genesis facility. Management confirms that Genesis employees may use the Elcatex breastfeeding room if they prefer it to the curtained-off area located inside Genesis' clinic.

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<sup>12</sup> Honduran Labor Code, Article 140.

Genesis further informed the WRC that it had posted the breastfeeding policy on informational boards throughout the facility and that it had made announcements to employees on the public address system confirming the company's policy for breastfeeding workers. On February 24, 2016, Genesis informed the WRC that a training was held with breastfeeding workers on November 23, 2015, to ensure that each of these workers was familiar with the company's policy on breastfeeding and in order to respond to any questions.

#### *Current Recommendations*

The WRC has no further recommendations at this time with regard to the company's compliance with Honduran law regarding the rights of breastfeeding workers.

### **D. Legally Required Onsite Childcare**

#### *Findings*

Workers stated to the WRC that Genesis does not provide a daycare center for the care of employees' young children during working hours. Honduran labor law requires that "any employer with more than twenty (20) female workers is required to provide a place for mothers to safely feed their children under three (3) years of age and where they can leave the children during working hours under the care of a suitable person who has been designated for this task and is paid for that purpose."<sup>13</sup> In addition, the country's Law of Equal Opportunities for Women states that employers with more than 30 female workers must provide a childcare center for workers' children under the age of seven.

The factory's General Manager reported to the WRC that, for at least the past year and a half, the company had not discussed the possibility of implementing daycare for working mothers and that she had no further information about the plans of company owners to do so.

Given that Genesis reports employing a total workforce of more than 1,800 workers, the factory is violating both of the above-referenced statutes and, therefore, collegiate codes of conduct, by failing to provide an onsite daycare center.

#### *Initial Recommendations*

In order to comply with Honduran law, the WRC recommended that Genesis provide safe and sanitary daycare facilities for the young children of its female workers, staffed by properly-trained individuals. The childcare center should be maintained in compliance with relevant Honduran legal standards and, as required under the Honduran Labor Code, should be certified by the Ministry of Labor.<sup>14</sup>

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<sup>13</sup> Honduran Labor Code, Article 142.

<sup>14</sup> Ibid.

In making a specific recommendation, the WRC notes that, as part of a tripartite agreement signed in December 2014, garment industry representatives, the Honduran government, and worker representatives agreed to implement a pilot program of community daycare for the children of garment sector workers. Worker advocates have reported to the WRC that community daycare centers are preferable to workers, as opposed to daycare centers located on the factory premises, for reasons of proximity to home and safety.

This agreement neither negates Genesis' obligation under the law nor provides a clear path for any given factory to come into legal compliance. In light of this tripartite negotiation, the WRC recommended that Genesis engage with the signatories of the tripartite agreement, or their local counterparts, to make a good-faith effort to ensure that, within the next 12 months, a mutually agreed upon pilot childcare center be established, or contracted with, to provide childcare for the children of Genesis workers.

### *Company Response*

In its September 11, 2015 communication to the WRC, SanMar reported that Genesis was in the process of developing a relationship with a community daycare center called Guarderia La Lopez in order to provide daycare for the children of its employees. When the WRC asked for further details, Genesis reported, on November 13, 2015, that this daycare center, the first to be certified by the bipartite community childcare program, was making 10 spaces available to Genesis workers at a cost of 300 lempiras (approximately USD\$14) per child per month.

However, the company failed to provide additional details about the arrangements being made for daycare provided to workers, including the date by which the workers would be able to use the daycare and who would pay the approximately \$14 monthly fee being required by the center. Additionally, Genesis has provided no information about information obtained from its more than 1,800 workers as to how many workers are interested in receiving daycare. Presumably more than 10 employees of more than 1,800 will be interested in receiving daycare, yet Genesis made no proposal as to how to address the needs that go beyond the 10 workers who would be able to make use of the services at Guarderia La Lopez.

### *Current Recommendations*

The WRC continues to recommend that Genesis make arrangements in order to provide safe and sanitary daycare arrangements for the young children of all of its female workers, in accordance with Honduran law. While the Honduran Equal Opportunities for Women Act states, in Article 59, that parents may contribute to the cost of childcare, it also states that the cost for workers should be set in accordance with the parents' economic ability to provide it. While the WRC considers \$14 a month to be a modest amount for these services, it encourages Genesis to evaluate whether or not workers are able to cover this cost and whether or not the monthly contribution from the workers should be reduced. The WRC is available to provide guidance on appropriate methodologies to calculate workers' basic needs and available income upon request.

## **E. Freedom of Association**

### *Findings*

At the time of the WRC's initial inquiry, workers reported that the Genesis facility does not have a labor union. Every worker interviewed by the WRC for this assessment expressed a clear fear of forming or joining an independent labor union at the factory. Every worker reported that, were management to learn about an effort to organize a union, the workers involved with this effort would be dismissed immediately.

One worker stated, "If you try to organize a union you will be fired immediately, no questions asked. They will fire every worker who knew about the organization, no matter how big the group is."

A second worker told the WRC, "If you are involved with a union, that's an immediate dismissal. This happened in December 2014. An entire production cell was eliminated when the company learned that workers on this line were circulating a sign-up sheet to join the union." Another worker interviewed by the WRC confirmed the December dismissals, stating, "In December 2014, about 30 people were fired and everyone knew it was because they were organizing a union."

Honduran law establishes that workers have the right to freely join organizations of their choosing, including labor unions, and prohibits acts of interference by employers in workers' exercise of this right.<sup>15</sup> While Genesis management did not express overt hostility toward the union, it reported to the WRC that there was no union at the factory, nor had there ever been any attempt to form a union at Genesis.

Given the consistent testimony of workers with regard to the factory's hostile attitude toward freedom of association, the WRC finds the company to be in violation of Honduran law and, by extension, university codes of conduct.

### *Initial Recommendations*

In order to remedy the violations of Honduran law and university codes of conduct resulting from its attitude towards employees concerning the exercise of freedom of association, the WRC recommended that Genesis:

- Issue a verbal and written statement to workers, to be delivered during working hours and posted permanently in a public location in the factory, stating that Genesis respects workers' right to join or form a union of their choosing and that workers will not be monitored, disciplined or discriminated against in any way, including with respect to renewal of their employment contracts, for exercising this right. The contents of this

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<sup>15</sup> Honduran Constitution, Article 127 and Honduran Labor Code, Article 469.

statement should be approved in advance by the WRC before it is communicated to employees.

- Arrange for an outside labor rights organization, such as a nongovernmental organization or trade union, to provide separate onsite trainings on company time for workers and managers concerning workers' rights to join and form a union. The provider of these trainings should be approved in advance by the WRC.

### *Company Response*

In its September 11, 2015 communication to the WRC, SanMar stated, "Genesis respects workers' rights to join or form a union of their choosing which is outlined in the Honduran Labor Code." It further reported that the Honduran Labor Code and the company's policy, which include the right of employees to freely associate, are posted on informational boards throughout the factory and that each employee receives a copy of the company code of conduct at the time of hire.

In order to remedy the violations documented by the WRC, Genesis reported that it would work with the Honduran Maquila Association on further training and communication to all Genesis employees on workers' rights, including freedom of association. The WRC responded that the Honduran Maquila Association is not an outside and independent organization qualified to provide workers with information about their rights to organize under Honduran law. As an organization of factory owners, including the owners of Genesis, it cannot be considered as an independent source of information that can be relied upon to counter balance any statements restricting freedom of association that may have been made by the factory's owners, managers, or supervisors.

SanMar then reported on November 13, 2015, that Genesis had retained a third party lawyer, Jesus Echeto, to conduct the Freedom of Association trainings and confirmed that these trainings were executed on December 4 and December 5, 2015.

### *Current Recommendations*

The WRC sees the steps to contract an outside party to provide trainings to workers on freedom of association to be positive. The company did not comply with the WRC's recommendation that the WRC be involved in the process to choose the person or organization that would provide the training. However, upon receiving the name of the person who had been selected by the company, the WRC consulted with organizations that represent workers in Honduras, including workers who had participated in workshops that were facilitated by Echeto, and learned that they found this choice to be acceptable.

However, Genesis fails to fully remedy the violations outlined by the WRC. Providing posted information on a bulletin board that contains, among many other points, the right of workers to freely associate is not equivalent to a written and verbal statement made to workers specifically addressing their right to freedom of association.



In light of the violations that were documented by the WRC both initially and during the follow up interviews, the WRC continues to recommend that the factory issue a verbal and written statement to workers, to be delivered during working hours and posted permanently in a public location in the factory, stating that Genesis respects the right of workers to join or form a union of their choosing and that workers will not be monitored, disciplined or discriminated against in any way, including with respect to renewal of their employment contracts, for exercising this right. The contents of this statement should be approved in advance by the WRC before it is communicated to employees.

## **F. Occupational Health and Safety**

### **1. Failure to Maintain a Properly Functioning Health and Safety Committee**

#### *Findings*

Article 412 of the Honduran Labor Code requires that any workplace with more than 10 employees must establish a Health and Safety Commission [Committee], “made up of an equal number of employer and worker representatives, in order to investigate the causes of professional risks, propose measures to prevent them, and ensure compliance with these measures.”

These committees are also charged with informing workers about safety risks in the workplace, preventative measures that the company and the committee are taking to counter these risks, and proper work methods.<sup>16</sup>

The law also states that, for a company with more than 1,000 employees, the committee must have 10 members, five of whom are representatives of management and five of whom are representatives of the workforce.<sup>17</sup> The factory management may choose the five members that represent the employer. If the factory has a registered, independent union, the union is responsible for choosing the worker representatives. Where there is no workplace union, the worker representatives must be chosen by the workforce through secret-ballot election.<sup>18</sup>

The General Manager at Genesis confirmed that the company does have a Health and Safety Committee that includes the participation of both managers and production workers. However, in an interview with the company’s Employee Relations Manager, the WRC was informed that it is the practice of Genesis to post signs inviting workers to participate in the committee. Since, the manager reported, there are never sufficient workers who express interest in participating in the committee, management chooses the worker representatives itself.

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<sup>16</sup> Honduran Regulation of the Preventative Measures of Workplace Accidents and Work-Related Illness, Executive Agreement Number STSS-053-04, Article 37, October 19, 2004.

<sup>17</sup> Id., Article 14.

<sup>18</sup> Id., Article 19.

Additionally, one of the supervisors interviewed by the WRC reported that while he was aware of a first aid brigade and a fire safety committee, he had no knowledge of the existence of a Health and Safety Committee at the plant. Another supervisor said that he was aware of the committee, but reported to the WRC that he had no knowledge of what was discussed in the meetings.

Offsite interviews conducted with line operators revealed that workers are unaware of the existence of a Health and Safety Committee. Almost every worker interviewed by the WRC stated that there is no such committee at the plant; a few workers reported that they did not know whether or not such a committee exists.

While, according to factory management, such a committee does exist at Genesis, the fact that workers, and at least one supervisor, are wholly unaware of its existence and the work that it undertakes indicates that the company is in violation of Honduran law and, by extension, university codes of conduct. The existing committee fails to include duly-elected worker representatives and does not appear to have created a mechanism through which workers can use the committee to improve health and safety conditions at the factory and be informed of the improvements made by the committee.

#### *Initial Recommendations*

The WRC recommended that Genesis take the following steps with regard to the company's Health and Safety Committee:

- Restructure the Health and Safety Committee to ensure that 50% of the members of the committee are production workers;
- Provide for elections through which production workers can democratically select their representatives, as required by law. In light of the company's failure to comply with the legal requirement that workers select their own Health and Safety Committee representatives, the WRC further recommended that Genesis contract with an outside labor rights organization, such as a nongovernmental organization or trade union, to provide onsite trainings for workers during regular working hours in order to inform them about the role of the Health and Safety Committee and the workers' participation in this committee. This training could be held in conjunction with the training on freedom of association, and the provider of the trainings should be approved, in advance, by the WRC.
- Genesis should ensure that the committee meets regularly, performs all of the educational, oversight and reporting functions required by law, and keeps a detailed log of its activities.

### *Company Response*

In its November 13 communication to the WRC, SanMar reported that Genesis would conduct a training to educate employees on the role of the Health and Safety Committee members during workers' lunch breaks between November 16 and 20, 2015. The company further stated that elections of new committee members would occur between November 30 and December 4 and that the Honduran Labor Ministry would be present to observe the election process. Genesis committed that the election would ensure that the committee is, in keeping with the law, comprised of five employee representatives and five company representatives and that the elected committee would be registered with the Honduran Labor Ministry.

### *Current Recommendations*

At the time of the publication of this report, workers reported that the election of the Health and Safety Committee had not occurred. The WRC continues to urge Genesis to prioritize the election of the Health and Safety Committee, ensuring that the election includes the full participation of production workers and that the committee's representatives include representation from both management and the workforce. The WRC will continue to monitor the situation at Genesis with regard to the composition of and the role played by the Health and Safety Committee.

## **2. Unhygienic, Poorly Maintained Restrooms**

### *Findings*

Honduran law states that employers must provide toilets with running water, toilet paper, and adequate waste disposal and that toilets and urinals must be maintained in a clean and sanitary manner.<sup>19</sup> Moreover, the law requires that the faucets function properly and that toilet stalls and seats be suitable for use.<sup>20</sup>

The WRC's onsite inspection found that, while the factory does have an adequate number of toilet stalls and sinks for the corresponding number of workers, the bathrooms in the Distribution Center are lacking hand dryers and many of the toilet tanks in these bathrooms are missing a lid with only a piece of wood to cover the tanks. In many cases, the interior locks on the stalls in both men's and women's bathrooms in the factory are either missing or in need of repair.

Furthermore, the stalls have a hook for a padlock on the outside of the stall. While none of the stalls had a lock on the outside, which would prevent workers from entering the stall, the fact that the hooks exist raises the question as to whether or not there are times that the bathroom stalls are locked and workers are prevented from using the restroom facilities when they need to do so.

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<sup>19</sup> Id., Article 70.

<sup>20</sup> Id., Article 72.

There was no toilet paper in any of the bathroom stalls and while the company reports that workers are provided with one roll of toilet paper per week, the law requires the company to provide toilet paper in the restroom facilities. Some of the trashcans did not have lids. The floors and toilets in all bathrooms were dirty and the bathrooms had a bad smell.

Offsite worker testimony confirmed the WRC's onsite inspection. In these interviews, workers stated that the company fails to maintain a proper standard of cleanliness in the restroom facilities, describing the restrooms as having a "bad smell" and reporting that toilets, sinks, and hand dryers are frequently out of order.

The conditions of the restrooms, including the company's failure to maintain the facilities in good working order, constitute a violation of Honduran health and safety standards, as well as university codes of conduct.

#### *Initial Recommendations*

The WRC recommended that Genesis make the necessary repairs to the toilets, hand dryers, and bathroom stalls in order to comply with Honduran law, and maintain these facilities in a sanitary and functional manner going forward. It also recommended that the company ensure that all trashcans have lids (preferably that can be opened by foot in order to maintain good sanitation) and provide soap and toilet paper in all restroom facilities. Furthermore, the factory should ensure that the bathrooms are regularly cleaned in order to maintain a hygienic environment.

#### *Company Response*

SanMar reported to the WRC on September 11, 2015, that Genesis had, following the WRC's onsite inspection, surveyed the restrooms in the plant in order to identify and repair any broken or older parts. It repaired all toilets, hand dryers and bathroom stalls, including the removal of hooks from the outside of stall doors and the placement of lids on trashcans.

The company also committed to evaluating the current cleaning procedure in the restrooms in order to ensure adequate service, including the implementation of a cleaning checklist and requesting that employees notify their supervisor if the restrooms are in need of cleaning or repair.

Genesis supplied photos to the WRC documenting the changes and improvements to the restroom facilities.

#### *Current Recommendations*

The WRC finds Genesis to be in compliance with Honduran law and, by extension, university codes with regard to restroom maintenance.

### 3. Excessive Heat Levels

#### *Findings*

Honduran occupational safety and health regulations state that environmental conditions in the workplace should not create discomfort for employees and that high temperatures and extreme humidity should be avoided.<sup>21</sup> Interviews with Genesis workers indicated that the factory is failing to comply with this standard as temperatures in the plant are excessively hot.

Government safety and health regulations require employers to evaluate thermal stress caused by heat and other factors in the workplace by conducting a Wet Bulb Globe Temperature analysis,<sup>22</sup> and to maintain an ambient temperature between 14° and 25° Celsius (57.2°-77° Fahrenheit).<sup>23</sup>

Several workers reported that the extreme heat in the plant is an ongoing and serious problem, especially during the middle of the day. One worker stated to the WRC, “It is very hot. Sometimes we sweat so much that the sweat runs down our back and sometimes workers have fainted from the heat.” Another worker told the WRC, “The air conditioning system doesn’t cool the building. People are always sweating and I have seen at least six workers faint from the heat.”

The WRC took temperature measurements during its site visit that confirmed that the temperature, in some parts of the building, is above the legal limit. The measurement of temperature for the export area and the tunnel that connects this part of the facility with the sewing floor measured 31° Celsius (87.8° Fahrenheit). While the WRC was not able to take an accurate temperature measurement in the packing area or in the cafeteria, the temperatures in both areas were perceptibly high, especially in the cafeteria where the WRC noted that at 2:30 p.m., long after the cafeteria had been at maximum temperature due to the use of the kitchen and the presence of a large number of workers, the space was excessively hot.

The temperature on the production floor as measured during the WRC’s visit did not exceed the legal limits. However, according to worker testimony, it is the factory’s practice to lower the building temperature when auditors visit the plant. The WRC found no thermometers in the building accessible to workers.

Given the consistent testimony of a large percentage of the workers interviewed, and the measurements taken during the site visit, the WRC finds the factory to be in violation of Honduran law and the Contractor Code of Conduct.

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<sup>21</sup> Id., Article 339.

<sup>22</sup> Id., Article 338.

<sup>23</sup> Id., Article 339.

### *Initial Recommendations*

The WRC recommended that Genesis conduct periodic monitoring of temperatures and humidity in work areas and install the necessary engineering and administrative controls to prevent heat stress and ensure worker comfort. The thermostat should consistently be set at the same temperature so that when these readings are taken, they reflect the daily ambient temperature in which the workers are performing their operations. Thermometers should be installed throughout the plant so that supervisors and employees can monitor temperatures in their work areas and report excessive heat levels to the factory management for corrective action. If, in fact, the air conditioning system is not being run at an appropriate temperature at all times, this should be corrected; the air conditioning should be operated during all working hours in order to maintain the temperature of the building within the legally required limits.

### *Company Response*

In its September 11, 2015 response to the WRC, SanMar reported that Genesis does take daily temperature readings throughout the plant and that these reading indicate that the company is in compliance with Honduran law.

Genesis also reported that the company had purchased industrial fans for use in the area that connects the sewing facility with the export facility to ensure that this area remains within the legally required limits at all times during the year.

In a subsequent report, Genesis stated that, in November 2015, it had installed thermometers throughout the facility so that supervisors and employees were able to monitor the temperatures in their work areas. On February 24, the company provided the WRC with photographs of these thermometers.

### *Current Recommendations*

The WRC considers the factory to be in compliance with Honduran law and, by extension, collegiate codes of conduct.

## **4. Poorly Maintained Cafeteria with Unhygienic Food Service**

### *Findings*

Genesis maintains a cafeteria on the premises and contracts with a catering company to provide food during workers' meal breaks. Most of the workers interviewed by the WRC reported that the food is of poor quality. The workers reported that the food served during their meal break is often cold, uncooked or undercooked, or reheated from the day before. They further stated that the food served generally smells and tastes bad. One worker reported that she had found feathers in the chicken that she was served.

Furthermore, workers reported that there are an insufficient number of tables and chairs in the cafeteria to accommodate all of the workers.

Article 85 of the Honduran Health Code states that it is illegal to make, sell and distribute foods that are adulterated, contaminated, or unsuitable for human consumption. The Honduran workplace regulation states that the employer should ensure sufficient chairs and tables for workers.<sup>24</sup>

### *Initial Recommendations*

The WRC recommended that Genesis ensure all food provided at the factory is hygienic and safe for consumption. It also recommended that Genesis provide additional tables and chairs in the cafeteria so as to accommodate all of the factory's workers.

### *Company Response*

SanMar reported in its September 11, 2015, communication to the WRC that the factory's position with regard to food service was the following:

*Genesis has contracted with a recognized catering company that is utilized by other companies in the area, which meets all operational requirements and has a current health certificate. Genesis understands that food quality and taste is subjective and meeting all requests in a large plant will continue to be challenging. For this reason, the Company has weekly roundtable meetings with employees to discuss any issues or concerns, including food quality and service. All complaints received are discussed directly with the catering company; corrective action plans are determined and communicated back to all employees.*

Genesis provided to the WRC copies of the lists of workers who have participated in the roundtable discussions and the notes resulting from their meetings.

Furthermore, Genesis agreed that further improvements can be made to the cafeteria service and stated that the aforementioned remodeling project at the factory would include modifications to the cafeteria, including the installation of new air conditioning units, new furniture, new kitchen appliances and improved ventilation, all of which is slated to be completed by June 2016.

In follow-up interviews with Genesis workers in October 2015, the WRC confirmed that workers had experienced a notable improvement to the food service at Genesis since the time of the initial interviews in early 2015.

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<sup>24</sup> Id., Article 77.

### *Current Recommendations*

The WRC recognizes the steps that Genesis has taken and continues to take to address the issues related to quality of food service and will continue to monitor improvements going forward.

## **5. Poor Air Quality**

### *Findings*

The WRC's physical inspection of the factory premises revealed an excessive amount of fabric dust in the plant environment. Evidence of this problem was manifested by the significant amount of dust that could be seen throughout the plant, including on the floor, on the fire extinguishers, on the water dispensers, inside the factory's first aid kits, on the sewing machines and other equipment, and on the workers themselves. Furthermore, the WRC investigator found it difficult to breathe normally at the plant due to the irritation caused by the dust.

While the factory does provide masks to workers, few of the workers were using the masks at the time of the WRC's visit.

A review of the factory clinic records revealed that, during the past year, the percentage of workers who visited the clinic as a result of respiratory infection was between 25% and 30% of the total number of cases seen by the staff physician. While the workers are likely exposed to other elements in the environment outside the factory that may contribute to these illnesses, the high presence of respiratory ailments among workers at this factory is unusual.

Honduran law requires the employer to take the steps necessary to ensure that the work environment protects workers' respiratory health.<sup>25</sup> The current conditions at Genesis are in violation of this standard and, by extension, collegiate codes of conduct.

### *Initial Recommendations*

The WRC recommended that Genesis engage the services of an air quality specialist, approved by the WRC, to measure the level of contaminants in the air and to provide recommendations as to appropriate means to reduce the level of fabric dust and other contaminants, including, for example, the installation of a dust extraction system. Genesis should then share the report provided by this specialist with the WRC and with the factory's Health and Safety Committee and implement a remediation plan based on the specialist's recommendations and approved by the WRC.

The factory should then undertake regular air quality assessments, at least once per year, in order to ensure that sufficient progress is being made to improve the factory's air quality. The results of these tests should be shared with the WRC and the factory's Health and Safety Committee.

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<sup>25</sup> Id., Article 301.



### *Company Response*

Genesis supplied the WRC with two separate air quality studies, performed on October 8, 2014 and October 28, 2014. However, after reviewing the studies with a technical expert in the field of health and safety, the WRC recommended that a new study be commissioned, the terms of which should be approved by Genesis, SanMar and the WRC. On February 24, 2016, SanMar informed the WRC that Genesis was in the process of identifying a third-party air quality company to conduct an analysis at the new facility, once it is operational. Genesis has requested that this study be performed in September 2016, three months after the new facility has begun operations, and the WRC has agreed that this is an appropriate response to ensuring that the workers' respiratory health is protected in the long term.

### *Current Recommendations*

The WRC will expect to receive from Genesis, in June 2016, a proposal of the name of the air quality specialist that will undertake the air quality analysis at the new facility, which will be conducted in September 2016. Genesis should provide the name of the specialist that it proposes to retain to undertake this work, along with a detailed proposal of how the study will be performed and the measurable results. The WRC has proposed the name of a technician with whom we have worked on this type of analysis at a Honduran garment facility in the past for the factory's consideration.

## **6. First Aid Kits**

### *Findings*

Honduran workplace health and safety laws require that factories maintain well-marked first aid kits with adequate supplies for the size of their workforces. The law provides a listing of the materials that must be included in these kits.<sup>26</sup>

The WRC's onsite inspection of the Genesis factory found that the company maintains first aid kits in the factory, but that these kits fail to contain all of the supplies specified in the law. For example, the kits examined by the WRC were missing tourniquets, bandages, sterile gloves, splints, a clinical thermometer, and slings. Additionally, the antiseptic included in the kits was expired and the cotton included in the kit was contaminated with fabric dust.

The fact that the first aid kits provided to workers did not include all of the supplies specified by the Honduran health and safety standard represents a violation of Honduran law and, as a result, university codes of conduct.

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<sup>26</sup> Id., Articles 9, 73 and 424.

### *Initial Recommendations*

The WRC recommended that Genesis include all materials required by law in the facility's first aid kits. The WRC specifically noted that items contained in the kits should not have passed their expiration dates and that the cotton contained in the kits should be sealed in plastic in order to avoid contamination caused by the fabric dust and other elements inside the kit.

### *Company Response*

SanMar reported to the WRC on September 11, 2015, that Genesis had evaluated all first aid kits located throughout the plant to ensure that all of the required materials were included. Furthermore, it stated that the factory's Industrial Safety Department would be randomly auditing the kits on a weekly basis, using a checklist to ensure that all kits contain the required materials.

In a subsequent communication, Genesis provided photos of the factory's first aid kits along with the checklists that are being used to review their contents.

Follow-up interviews with Genesis workers in October 2015 indicated that the kits continued to lack essential items, including gloves, tourniquets and other items.

### *Current Recommendations*

The WRC recommends that Genesis continue to utilize the system of weekly audits to determine which items are missing and to ensure that a system is in place by which these items will be quickly replenished or replaced when they have been identified as lacking from the list of required elements. The WRC will continue to monitor the factory's compliance with this requirement.

## **7. Noise Levels**

### *Findings*

The WRC's onsite inspection at Genesis found noise levels in the factory between 85 and 97 decibels. Very few of workers were observed using earplugs to protect themselves from the high level of noise.

Honduran law states that the maximum noise level for a worker exposed to the noise for eight hours or more is 85 decibels.<sup>27</sup> Therefore, parts of the factory are at the legal maximum but other areas of the production floor exceed the legal limit established by Honduran workplace regulations and, by extension, university codes of conduct.

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<sup>27</sup> Id., Articles 353 and 354.

### *Initial Recommendations*

The WRC recommended that the factory immediately assign appropriate hearing protection to all workers, including earmuffs for those who cannot wear in-the-ear plugs. All workers in mandatory hearing protection areas must wear appropriate protection at all times. Additionally, the company should contract with a specialist in occupational noise in order to analyze ways to lower the noise in all parts of the factory so that the levels do not exceed the legally established limits.

### *Company Response*

In SanMar's September 11 and November 13, 2015, communications to the WRC, it stated that Genesis had hired an external organization to analyze the noise levels at the facility in August 2015. In response to the report's findings, Genesis informed the WRC that it would begin supplying earplugs to all employees by the end of November 2015. In February 2016, workers confirmed that the factory had distributed the earplugs. Genesis also stated that it would post signs by the end of December 2015 in areas where the noise levels are "excessive," indicating that the use of earplugs in these areas is mandatory. In February 2016, Genesis sent photos of the posted signs.

### *Current Recommendations*

The WRC continues to recommend that the company contract with a specialist in occupational noise in order to analyze ways to lower the noise in all parts of the factory so that the levels do not exceed the legally established limits.

## **8. Fire Safety**

### *Findings*

WRC investigators noted a number of obstacles to the safe evacuation of the factory in case of fire or other emergency.

Specifically, the WRC noted that one of the emergency doors that leads from the production floor into the cafeteria does not open and close adequately because there is a desk that keeps it from opening fully. This is a violation of Honduran law, which states that the emergency doors will be free of obstacles and will open outward without the need for key or lock. The law states that the doors should remain closed but should be easy to open.<sup>28</sup> Many of the doors that are labeled as emergency exits do not lead to a building exit, but rather into another part of the building or to an office.

Additionally, the aisles between sewing machines are partially obstructed by boxes and tables in such a way that would hinder the safe evacuation of workers in case of a fire or other emergency.

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<sup>28</sup> Id., Article 205(b).

Honduran workplace regulations require the clear demarcation of passageways.<sup>29</sup> The lines on the floor that demarcate the aisles were painted but the paint was wearing thin and in some places was difficult to see.

Honduran workplace regulations also require that the factory floor be smooth and fireproof.<sup>30</sup> The production floor at Genesis has many holes and some spots where the floor is uneven, which could create a hazard in the event of an emergency evacuation.

### *Initial Recommendations*

The WRC's recommendations to Genesis with regard to fire safety were as follows:

- Clear furniture and other items from the area around all emergency doors so that the doors are not obstructed and will open fully in case of an emergency evacuation.
- Ensure that all work stations and aisles are cleared of boxes or other impediments that could make it difficult for workers to evacuate in case of an emergency; repaint all lines on the floor so that the passageways are clearly demarcated.
- Make repairs to the factory floor so that it is compliance with Honduran workplace regulations.
- Contract with a fire safety expert, to be approved by the WRC, to conduct a fire safety assessment of the factory to identify any other fire safety hazards in the plant.

### *Company Response*

SanMar reported to the WRC on September 11, 2015, that Genesis had removed all furniture and other items that could obstruct workstations, aisles or emergency doors in order to ensure that workers could easily exit the building in the case of an emergency evacuation. The company also reported that the floors had been repaired, inapplicable emergency exits signs had been removed, and that the factory had repainted the lines on the floors so that passageways are clearly marked.

Genesis further stated that it was in the process of retraining all material handlers in order to avoid traffic congestion in the aisles of the factory. The factory stated that further training would happen during the factory's monthly meetings and that posters would be placed on the information boards throughout the facility.

Genesis also reported that it performs fire drills nine times per year, three of which are performed with the support of the municipal fire department. Genesis reported that the fire department also performs an assessment of the factory in order to verify whether or not it is

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<sup>29</sup> Id., Article 240.

<sup>30</sup> Id., Article 205 (a).

meeting all fire safety requirements and provides certification of compliance if the company is meeting the legal requirements. If the fire department finds violations to the fire code, it shares these findings with the company and Genesis reported that it uses these findings in order to develop a corrective action plan.

### *Current Recommendations*

The WRC recognizes the steps taken by Genesis to improve the factory's fire safety and considers that, if properly implemented, these resolve the violations outlined in this report. The WRC will continue to monitor compliance with the standards established by Honduran law.

## **9. Lockers**

### *Findings*

Honduras' occupational health and safety regulations require that employers provide each employee with an individual locker, with a key, in which to store his or her personal belongings.<sup>31</sup> At Genesis, however, the number of lockers that the company provides is less than the number of workers that the factory employs, so each worker is required to share his or her locker with another employee. In addition, many of the lockers are in poor condition.

The factory's General Manager informed the WRC that the factory is aware that there are an insufficient number of lockers and that, when workers are hired, they are informed that sharing a locker is a condition of their employment.

Honduran law does not allow for a worker to renounce his or her legal rights<sup>32</sup> and the company's failure to provide a sufficient number of lockers for each employee to have his or her own locker constitutes a violation of the Honduran workplace regulations and, therefore, university codes of conduct.

### *Initial Recommendations*

The WRC recommended that Genesis install additional lockers at the factory so that each worker is provided his or her own locker in which to store personal belongings. Additionally, it recommended that all existing lockers be reviewed for repair or replacement if necessary.

### *Company Response*

SanMar reported to the WRC on September 11, 2015, that Genesis would comply with the WRC's recommendation to install additional lockers. The company reported that it would complete this project upon termination of the new facility, in June 2016.

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<sup>31</sup> Id., Article 69.

<sup>32</sup> Labor Code of Honduras, Article 3.

### *Current Recommendations*

Once the new lockers have been installed at Genesis, the WRC will consider the company to be fully compliant with the recommendations of this report.

## **10. Ergonomics**

### *Findings*

Article 95(7) of the Honduran Labor Code requires that employers “adopt adequate measures to establish and maintain in their businesses the best conditions of workplace hygiene and safety measures.” In the garment industry, ergonomics is an essential element of any effective health and safety program. Given the physical stress caused by the repetitive motions, rapid pace, and long shifts associated with garment manufacturing, attention to ergonomic conditions is crucial for reducing the incidence of permanent injuries to garment workers.

The work equipment that Genesis provides to the factory’s sewing machine operators does not meet basic ergonomic standards. For example, the chairs provided to workers appeared to lack some of the features necessary for ergonomic safety, including swivels, seat pan, height and back adjustment, lumbar support, and arm rests.

The ergonomic mats that are provided to workers who work in a standing position are old and well-worn. They are also small in size, which limits workers’ mobility while performing their tasks.

Genesis also does not consistently conduct an ergonomic exercise program for employees, which is required under Honduran law.<sup>33</sup> Genesis workers and supervisors acknowledged that, in the past, the factory has implemented the exercise program, but that it is not currently implementing the exercises on a regular basis.

Genesis’ failure to provide ergonomically sound equipment for its workers and to implement a regular ergonomic exercise program violates Honduran law and, by extension, university codes of conduct.

### *Initial Recommendations*

In order to comply with Honduran law and collegiate codes, the WRC recommended that Genesis:

- Supply production workers with ergonomic chairs that provide lumbar support; are adjustable horizontally and vertically; and have a swivel base; and ensure that work surfaces are adjustable to each worker’s height;

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<sup>33</sup> Honduran Regulation of the Preventative Measures of Workplace Accidents and Work-Related Illness, Executive Agreement Number STSS-053-04, Article 9, October 19, 2004.

- Replace the ergonomic mats for workers who perform their tasks in a standing position such that the mats are in optimal condition and are large enough to allow for sufficient mobility;
- Implement an ergonomic exercise program for workers that allows employees to stretch and move at intervals throughout the workday; and
- Review the plant's ergonomic environment and equipment, retaining an outside expert if necessary, and make any additional changes necessary to protect the health and safety of its workers.

### *Company Response*

In SanMar's September 11, 2015 communication to the WRC, it reported that Genesis would evaluate the condition of all chairs and mats currently being used by employees to ensure that they are in good working condition and that it would make repairs to or replace equipment when necessary.

The company reported, and workers confirmed, that following the WRC's onsite inspection, the factory implemented an ergonomic exercise program. However, workers interviewed by the WRC reported that the recording that was being played when the exercises were conducted was, in the sewing plant, so loud that some workers reported that it gave them a headache and that, in the distribution center, the audio was so low that the instructions were difficult to understand.

In response to these comments, SanMar informed the WRC on November 13, 2015, that the company committed to researching the audio levels of the ergonomic exercises played throughout the plant in order to ensure a consistent volume be maintained throughout the facility. The company also committed to increasing the length of the ergonomic exercise routine from just over three minutes to a length of five minutes.

### *Current Recommendations*

The steps outlined by Genesis, if properly implemented, will remedy the violations outlined in this report. The WRC will continue to monitor Genesis' compliance with regard to ergonomics.