



Statement of Deborah Berkowitz, Senior Fellow, National Employment Law Project

The Future of Work, Wages, and Labor: 21st Century Workers' Rights Forum

Hosted by Representatives Mark Pocan, Donald Norcross, Debbie Dingell and Mark DeSaulnier

September 6, 2017

2358-C Rayburn House Office Building

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I am Deborah Berkowitz, senior fellow at the National Employment Law Project (or NELP). Before coming to NELP, I was a senior official at the Occupational Safety and Health Administration for six years during the Obama administration. NELP is a nonprofit law and policy organization with 45 years of experience providing research, advocacy, and public education to advance the employment and labor rights of the nation's workers.

When most consumers go to the market and look at the label on their package of chicken—they are looking to see if the chicken is organic, free range, or raised and killed humanely. What the label doesn't mention is how the men and women in the poultry plant who processed the bird were treated. Consumers may not want to know this—but they should.

The poultry industry is one of the harshest environments in all of US manufacturing. Every day, over 250,000 workers in the industry stand shoulder to shoulder on both sides of long conveyor belts, most using scissors or knives, in cold, damp, and loud conditions, making the same forceful cuts or movements thousands upon thousands of times a day, every day, as they skin, pull, cut, debone, and package the chickens. You have heard of assembly plants, such as in automobile manufacturing. These are disassembly plants, where a typical medium-size plant processes 180,000 birds a day. On most lines, a typical workers handle 40 birds a minute (yes, I said a minute).

Not only is the work back breaking, it is also really dangerous. Indeed, workers in poultry plants are injured at almost twice the rate of workers in private industry. Further, these workers face over seven times the rate of illnesses compared to the national average of all other workers in private industry. And, these rates are likely underreported. Three government agencies, OSHA, the National Institute for Occupational Safety and Health, and the GAO, have found that the poultry processing industry is underreporting the serious injuries that occur in the plants.

The poultry industry has the eleventh highest number of work-related amputations and hospitalizations of all industries reporting to the government—more than saw mills and the construction industry.

Numerous recent reports have documented the unsafe and inhumane conditions poultry workers face—including being denied their legal right to use the bathroom. Because of these harsh conditions, many plants report turnover of between 50 to 100 percent.

And with new food safety systems being implemented nationwide, the poultry industry has increased its use of toxic disinfectant chemicals on the birds—repeatedly dipping poultry into open vats of toxic chemicals in an attempt to kill off pathogens—further endangering workers' health. Poultry processing plants are located in largely rural areas where they seek to hire the nation's most vulnerable workers. Half of the workers are women, and most are minorities—many immigrants and newly settled refugees.

There is no paid sick leave in almost every single plant. If workers can't go in because of a work related or other illness, they are given points; after accumulating too many points, they are fired. Today, chicken is American's most popular meat. In hundreds of large plants mostly located in the South East, workers process 8.5 billion chickens a year. Poultry is big business, one dominated by only a few companies, and one where profits are soaring. Two companies make almost half of all

chickens sold. Tyson Foods, the largest poultry company in the US, controls 23 percent of the chicken market. Pilgrim's Pride /JBS controls 19 percent. The next two largest companies each control 8 percent of the chicken market. Just last year, Tyson Foods reported \$461 million in profits for a three-month period. But this wealth is not trickling down to the quarter of a million poultry workers.

Not only is the poultry industry highly consolidated, these companies are also vertically integrated so they control every part of the industry. For example, an article in Slate.com in 2014 reported that Tyson Foods, the largest chicken company, owns the breeding company that determines which birds are raised, the hatcheries where chicks are born, and the chickens that it delivers to contract farmers who raise them. It owns the feed mills that fatten the birds up, the slaughterhouses where the birds are processed, and the trucking lines that deliver the meat.

But there is clearly a cost to all this consolidation—a cost borne by the workers in the plants. The top two poultry producers have very high rates of reported severe injuries—injuries resulting in amputations and hospitalizations. Out of more than 14,000 companies reporting to Federal OSHA, unbelievably, Tyson Food and JBS/Pilgrim's Pride have the fourth and sixth highest number of amputations reported nationwide. Tyson Foods and Pilgrim's Pride workers suffered amputations of fingers and hands, fractured hips from slippery floors, and chemical burns.

In just 2016 alone, OSHA fined Tyson Foods more than \$700,000 for safety and health violations. JBS/Pilgrim's Pride received more than \$328,000 in fines for OSHA violations. And in 2016, OSHA issued only the second citation of its kind in the agency's 47-year history to Pilgrim's Pride alleging that the company exacerbated worker injuries by denying them medical care when they were injured.

When there is not a healthy level of competition in an industry, and when there is less forceful oversight of market consolidation like during the late 1980s and early 2000s, there are clear costs to workers. The poultry industry is in a race to the bottom on labor standards. A few key players have become so powerful, that they have outsized influence on both state and federal safety regulations and laws to assure less scrutiny on worker safety and a pass to continue these harsh working conditions. For example, just this past spring, Tyson Foods was able to exert enormous influence in Iowa, where it successfully lobbied to weaken workers' compensation benefits for severely injured workers in the state. Further, these companies are now behind moves to increase line speeds in the chicken and pork industry (where they also dominate) which would further endanger workers' health—and we expect the USDA to publish such a proposal in the pork industry soon.

The top poultry companies are enjoying record profits and booming sales. They are almost all major federal contractors and they also get millions each year from taxpayers to subsidize the cost of making America's cheap chickens. They spend a lot of money convincing consumers of the goodness of their products—yet risk the health of their workers. Clearly for this industry, workers are expendable. Congress must ensure that the USDA is not permitted to increase line speeds in these plants, and they must ensure that OSHA maintains a robust enforcement presence in the industry. And the entire poultry industry must step up and offer real and tangible improvements in wages, safety conditions, and paid sick leave—all which they can easily afford.