

Testimony of  
Joe Aguiar  
Laid Off Quaker Fabric Employee

Hearing Before the  
United States Congress  
Senate Committee on Health, Education, Labor, and Pensions

*Plant Closings, Workers' Rights and the WARN Act's 20th Anniversary*

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**Joe Aguiar**  
**Fall River, Massachusetts**

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Chairman Brown and members of the Committee: thank you for this opportunity to testify today about the shutdown of what was once the largest employer in Fall River, Massachusetts, Quaker Fabric. I worked for the company for nearly 27 years. Last year, over the July 4 holiday, Quaker Fabric shut its doors, terminating me and my 900 fellow employees without giving us any prior notice.

My name is Joe Aguiar and I was born in 1960 in the Azores islands of Portugal to a family of farmers. I remained in school through the fifth grade and came to the United States at the age of seventeen to live with my older sister in Fall River, Massachusetts, where I still reside today. My first job in Fall River was cutting fabric for a curtain manufacturer. In 1980, I went to work for Quaker Fabric Corporation. At one time, Quaker Fabric was one of the largest manufacturers of Jacquard upholstery fabric in the world. I began at Quaker as a production worker and eventually moved to the maintenance department, where I worked until I was let go last year.

I met my first wife at Quaker Fabric and we have a son who is now 25 years old. I remarried and am raising three more sons, ages 18, 14 and 8, all of whom are students and live at home. My 18-year-old son is here with me today.

I am the youngest of five siblings. We all live in Fall River. My wife and I own our own home. I became a United States citizen in 1986.

When I began working for Quaker Fabric in 1980 the company had only a few hundred employees. I met my wife at the factory, and she worked there for nearly 18 years. In many other families, both the husband and wife met at Quaker Fabric and worked there for many years. Many Quaker employees worked there more than twenty years, like I did.

When I went to work on Monday, July 2, 2007, I had no idea it was to be my final day at work. I was one of the few on site that day. Quaker always closed the first two weeks of July for vacation. Most of my fellow co-workers were away in Portugal, Florida, Canada and elsewhere. Because my job was maintenance, I worked through the vacation period. That Monday, I worked my regular shift from 7 in the morning to 3, then went home. That evening, I received a call from my supervisor. He told me not to return to work the next day: the company had closed. I was shocked. My supervisor asked if I had the phone numbers of other maintenance employees and if so, would I contact them that evening and tell them the company had closed and that they should not report to work the next day. I phoned several of my co-workers and told them what little I knew. They were in disbelief, as was I. Of course, I could not tell them why the company had closed because I did not know myself, nor apparently did my supervisor. Many of the employees who were in Fall River learned of the shutdown from the

television and local AM radio station the next day, or from word of mouth from family or friends. But most of my co-workers, who were away, first found out days later when they came back from their vacations that they had no job.

When I woke up the next day, on July 3<sup>rd</sup>, I still could not believe what I had heard. I had to see it with my own eyes. I thought someone would reopen the company. I drove to the building where I worked and saw the factory gates were padlocked with chains. Still, I did not give up hope.

About a week after the company closed, my former co-workers and I received a letter in the mail telling us what we already knew, that we had been terminated effective the prior week. The Worker Adjustment and Retraining Act, the WARN Act, was mentioned in that letter, but I had never heard of the law and was unaware that there was any law that protected employees like me who are terminated as part of a mass layoff or plant closing. Certainly had I known 60 days prior that I would lose my job, I would have prepared myself for both the financial and emotional impact. I would have had a head start looking for a new job. I could have applied for the jobs that were advertised during those 60 days. I would have set money aside for my and my wife's unemployment. I would imagine most of my co-workers would have appreciated knowing before they spent lots of money visiting Portugal and other places for the holiday that their jobs were gone.

After the company closed, I spent the next several weeks firmly believing that it would re-open and I would be called back to work. I drove past the plant where I had reported for the last 17 of my 27 years at Quaker, looking for some signs of activity, but saw only the padlocked gate.

As my hopes vanished, I began actively looking for other employment. I have submitted applications to various factories in Fall River, but because so many of us are competing for the few jobs available I have not received a single job offer. Presently, I receive extended unemployment benefits and attend pre-GED classes provided by the Trade Adjustment Assistance program for dislocated workers. My wife attended these classes as well and received these benefits. Unfortunately, she suffered injuries while working at Quaker as an equipment operator lifting and carrying 15 lb. spools of yarn. She can not sit in class for the five hours a day required. She had to stop attending class and thereby lost her unemployment check and health benefits: extended unemployment income and medical coverage are tied to class attendance. Now she has mounting medical bills, and has applied for disability, but we are told the process is a long one.

What does a sudden job loss do to family like mine? At this time last year, my family of five enjoyed a combined annual household income of \$65,000. Now we are living on my check of \$344 per week, less than \$18,000 a year. My 18 year old son works part-time while going to school, and contributes to the household expenses. We are just getting by.

I work a few hours a week to earn an additional \$100 at the old Quaker Fabric factory buildings. I heard the company was sold for about \$27 million dollars and is now owned by a Canadian company called Victor Innovatex, Inc. Many of the factory buildings were sold and

are still closed. I throw out the junk and debris left in buildings where I spent 27 years working. Not long ago, I saw that several older looms had been packed up and were being shipped out to a buyer in India. Recently, I saw many of the newer looms packed up and also being shipped away, perhaps to foreign countries, as well. Over the last few years that Quaker was in business, it imported a lot of the fabric it sold from China. The Chinese fabric came in through receiving and went out through shipping. We did not have to manufacture it. Roughly at the same time, Quaker Fabrics reduced the number of workers it employed from 3,000 to 900 mostly through layoffs. Then, on July 3<sup>rd</sup>, it went to zero.

Shortly after Quaker closed down, the employees were called to a meeting with a company official. She did not tell us why the company closed and did not say why we were provided no notice. We were told that our health insurance had been cancelled as of July 5, the day after the company shut down. And, because the company was no longer operating, we had to find medical insurance on our own. Without government retraining benefits I receive, my family and I would have no medical coverage. I expect my benefits will expire this October.

I reluctantly took on the role of the lead plaintiff, and later class representative, in a WARN Act lawsuit filed in the Delaware bankruptcy court on behalf of myself and the other former employees of Quaker Fabric. Our lawsuit was filed against the Quaker Fabric estate in September of last year. It took me a long time to find out anything about the WARN Act. I was not given any guidance about the WARN Act by the company or governmental officials. Months after the company closed, I learned that there is such a law that should have provided us advance notice of our job loss. I learned that in order to pursue my WARN rights I had to retain a private attorney, that there was no government agency that would enforce those rights on behalf of the employees. The law firm I retained is Outten & Golden in New York City. After the lawsuit was filed, members of the Outten & Golden firm came to Fall River. We held a meeting in a banquet hall. Almost 700 of the 900 terminated employees attended and learned about their rights under the WARN Act. Of course, all of us are most concerned about whether we will get any money from the company now that it is bankrupt.

At the meeting, my former co-workers expressed their gratitude to me for stepping forward and starting the lawsuit. Still, it has been a slow process and the outcome remains uncertain. In the end, the most we can hope to recover is 60 days wages and benefits. For many of us who spent twenty or more years of dedicated service to Quaker Fabrics, that is not much but it is something that will help us to live until we find jobs and can support ourselves again.

I, and many of the Quaker workers in Fall River, are unfamiliar with the laws such as the WARN Act. We now know that there are laws that can protect us. But the problem is who is going to explain them to us and fight for us? It is hard to find anyone. If the WARN Act were stronger, I think it would protect us better. There would be more help. And employers would know they have to give employees notice. So I am here today to tell you how much we appreciate the work that you are doing in the Congress to make the WARN Act stronger. We hope you succeed, so that we, and others like us, will be given more time to prepare before we lose our jobs. Employees should not be treated like the trash that I take from the empty Quaker factories and put out on the street.

Again, I, along with the 900 men and women who lost their jobs at Quaker Fabric, thank you for your interest in this issue.