



**CHIPS
COMMUNITIES
UNITED**

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Contact: Judith Barish

Email: info@chipscommunitiesunited.org

Phone: 510-759-9910

**Labor and Community Groups Urge TSMC to Protect Workers and the Environment
*Call for Community Benefits Agreement to Protect Workers and Community***

Washington, DC – [CHIPS Communities United](https://www.chipscommunitiesunited.org) (CCU) is urging Taiwan Semiconductor Manufacturing Corporation (TSMC), which has been awarded \$6.6 billion in public funding from the U.S. Department of Commerce, to follow responsible labor, environmental, and community practices. CCU – a coalition of labor unions, environmental organizations, and community groups – advocates for a fair, equitable, and sustainable implementation of the CHIPS and Science Act.

“From the semiconductor chips to the powertrain, companies that get American taxpayer dollars to build vehicles should have to maintain American auto worker standards,” said Shawn Fain, president of the [United Auto Workers](https://www.uaw.com). “The federal government should not be in the business of subsidizing low-road corporations in the auto supply chain. For the workers who will make these chips, we demand a decent standard of living and a voice on and off the job.”

Our coalition understands that without enforceable agreements, workers have no guarantees that their rights at work will be respected. That’s why CCU is calling on TSMC to negotiate enforceable community benefits agreements (CBAs) with workers and residents in the Phoenix area where its new factory is under construction. A CBA is the best way to ensure that public investments in semiconductor companies like TSMC result in healthier communities with family-sustaining jobs where workers have a voice on the job—not just big profits for companies.

Matt Biggs, president of the [International Federation of Professional and Technical Employees](https://www.ifpe.org), which represents engineers and scientists in the semiconductor industry, pointed out, “For these investments to truly succeed in reestablishing leading-edge semiconductor manufacturing in the U.S., we need enforceable commitments from TSMC on worker-centered workforce development and domestic recruitment that empowers workers, lifts labor and occupational safety standards, creates good union jobs, and promotes equity. Labor unions and the community support the creation of these jobs and the building of the domestic chips manufacturing industry, but we need to be key partners in ensuring we have a workforce that makes this industry globally competitive.”

The coalition also urges TSMC to commit to sustainable practices at its new factory and take necessary action to protect the environment and local communities.

“Investing in bringing the clean energy supply chain to the U.S. is critical to a clean energy future,” said Ben Jealous, Executive Director of [Sierra Club](#). “President Biden’s CHIPS law is making this future possible, starting with providing \$6 billion to TSMC to make semiconductors in Arizona. But to fulfill the opportunity it now has, TSMC must commit to sustainability and public health. If it meets President Biden’s ambition for the law by powering factories with new clean electricity, conserving water, and eliminating toxic chemicals, TSMC will be a world leader and a good neighbor. If TSMC continues to cause public harm with public funds, it will demonstrate that the semiconductor industry learned nothing after peppering 23 Superfund Sites into Silicon Valley.”

Water use is a particularly critical issue in Arizona, and semiconductor manufacturing is a notoriously water intensive industry. TSMC's latest sustainability report does not predict water use for the new facility. But [the company’s own public materials](#) acknowledge that water use per wafer created increased from 2018 to 2022.

"Putting billions of dollars of public money into a water-hungry industry in an already water-stressed landscape is risky business," said Professor Josh Lepawsky, a geographer at the Memorial University of Newfoundland and Labrador and an expert in resource use and waste in the electronics industry.

Residents of Silicon Valley have known since the 1970s that the semiconductor industry uses thousands of toxic chemicals that have caused serious illnesses to workers, their children, and surrounding communities. Mandy Hawes, founder of Safe Jobs Healthy Families, called on TSMC “to commit in writing to use state-of-the-art measures to protect women workers of child-bearing age from preventable miscarriages and birth defects, which have plagued chip workers in the U.S. and around the world.”

"We welcome the investment and the prospect of new jobs," said Steve Valencia, chair of Arizona Jobs with Justice, a labor-community coalition. “But important questions remain. Will opportunities at TSMC go to the most vulnerable and those who have historically been discriminated against, as the CHIPS Act calls for? Will TSMC keep our community informed about the environmental hazards from chip manufacturing? And where will the water come from?"

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