A Major Win for U.S. Garment Workers-And What's Next

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The Garment Worker Protection Act, <u>also known as SB62</u>, was signed into law by California Governor Gavin Newsom late September. The new landmark law will bring much needed reforms to California's fashion industry and has the potential to impact the future of fashion on a national and global scale.

With SB62's historic passage, California will now prohibit the use of the piece-rate system, as the main form of pay, an industry-wide practice of paying workers by the number of garment units produced or operations completed. Reports have shown that garment workers compensated through piecework are significantly underpaid and overworked, earning as little at \$2.68 per hour and an average wage of \$5.85.1 Under the new law, workers are ensured fairer wages and guaranteed a minimum hourly wage. Piece rate is still allowed as a bonus incentive on top of the hourly rate, to incentivize productivity, and for workers organized under a Collective Bargaining Agreement.

Most notably, the Garment Worker Protection Act holds fashion brands and companies jointly and severally liable for wage violations. This joint liability provision of the bill – and perhaps the most revolutionary and controversial aspect – extends liability to the upper echelons of the supply chain. Fashion companies, not just the factories, manufacturers, or subcontractors, can be held liable for unpaid wages. This type of legal liability for fashion brands has never been implemented anywhere in the state of California.

The fight for SB62 to become law has been a long journey, and its passage is a historic win for the labor justice movement. The bill failed in the previous legislative session, and this year, opposition and certain business groups came out swinging and branded the bill as a "job killer." But for many garment workers, the Garment Worker Protection Act was a call for justice, dignity, and a better future.

Maria Del Carmen, an organizer and worker-leader with the <u>Garment Worker Center</u> (GWC), a worker rights group that led the charge to pass SB62, stated:

"After 30 years in garment, I am fighting for SB62. We want the law to pass to hold brands accountable and so that all garment workers can live with dignity. This law would have the impact on my life of getting out of extreme poverty."

Maribel Alvarado, another organizer and worker-leader from the GWC also stated:

"This law would make me very happy not just for me but for all the people coming [into the industry] after me. First because SB62 would end the wage theft of minimum wage, second because it will help to respect our rights, and third because we will be heard!"

Garment Worker Center (GWC) member-organizers Maria Del Carmen and Maribel Alvarado joined the GWC to fight wage theft and other labor violations they and thousands of other garment workers experience daily while working in this sector. Understanding the root cause of their exploitation led them to organize and participate in campaigns for brand accountability and policy changes like SB62. This worker-led campaign inspired organizations and communities across the fashion industry and brought allies from all different sectors to join their efforts, gaining support from immigrant, religious, union, business, and policy and legal groups, as well as fashion companies, businesses, creatives and designers.

Matthew DeCarolis, an attorney with the Employment Rights Project at <u>Bet Tzedek</u>, commented on how garment workers organized and campaigned for SB62:

"This started with the workers. Any change that happens starts at the grassroots level and starts with the workers themselves. The status quo was not acceptable, and the garment workers brought their causes to our elected officials. The substance of the bill came from them and their lived experiences."

Despite being touted as a potential "job killer," SB62 received tremendous support from businesses with over 150 ethical brands standing behind the bill. The new law will allow them to remain competitive in the industry. For many companies who have already been paying fairer wages, the Garment Worker Protection Act will help level the playing field against those who have been exploiting a broken system.

Bo Metz, Founder and Creative Director of <u>Bomme Studio</u>, a Los Angeles full-package clothing manufacturer, stated why fashion companies like Bomme Studio support the new law:

"It's basic decency to treat others as you would like to be treated. Exploiting garment workers for ridiculous corporate margins is not sustainable and unethical. Enough is enough."

Regarding the future of sustainability and the fashion industry in California, Bo further stated: "Because of SB62, California now has a strong path to claiming the mantle as the number one most sustained apparel manufacturing hub."

For many brands and companies, the new law will be a key piece to securing the fashion industry's future in the state and forward into the 21st century. In addition to the garment sector, California's fashion economy is linked to many adjacent industries and key sectors, all closely operated and located within the state and the city of Los Angeles. The state's unique landscape, locale, and intersection of networks makes it a prime location for more circular economies and circular models of production.¹

Matthew DeCarolis further provided: "There's a reason why the garment manufacturing center is in LA. The skilled workforce, the garment workers are here. All the supply networks are here. It's a landscape of relationships, as well as infrastructure, textiles, fabrics, business, and designers."

With the passage of the new law, many businesses believe that the "Made in LA" and "Made in California" labels will also be revitalized. The existence of sweatshop labor and sweatshop wages in Los Angeles's backyard tarnished the city's reputation. SB62 will bring back business and consumer confidence in the "Made in LA" label.

Christina Johnson, Co-Founder and Creative Director of Upcycle It Now, a Los Angeles design and manufacturing company, elaborated on SB62's impact on the "Made in LA" and "Made in the USA" label:

"Customers can see quality differences in a product on a shelf but they can't see if that product was sewn by an underpaid worker or not. They assume and trust that in the US there would be no way someone could experience the sweatshop working conditions from abroad. I feel SB62 was a way to bring awareness that even in the US there is wage theft and it also is a way to restore the trust we have that we don't allow unfair practices flourish in the US."

With the Garment Worker Protection Act taking effect this January 2022, its passage into law is a tremendous victory for the thousands of garment workers in Los Angeles, who are mostly women of color and immigrants. The law will help improve and transform their lives significantly.

Marissa Nuncio, Director at the Garment Worker Center, stated:

"With the passage of SB62, we've stood up and demanded corporate accountability from the fashion industry. Our world is changing in dramatic ways. Consumers and advocates know that sustainable, ethical business practices are non-negotiable at this point, and the passage of SB62 reflects that."

Yet, even with the passage of SB62, there is still much work to be done to advance these protections and catalyze a more circular economy, in California and across the United States. Garment workers, advocacy groups and organizations in the fashion industry are already looking at how to stay organized after the passage of the new law. For instance, reforms are still needed with the Garment Restitution Fund, a fund that was established to help pay workers who were robbed of their wages.

Joanne Brasch, a Special Projects Manager from the California Product Stewardship Council (CPSC) stated how SB62 could help move CA towards a more circular fashion economy:

"Policies that promote a circular economy bring skilled jobs to the growing reuse, repair, and recycling sectors and it's important that workers handling the materials, be it manufacturing or waste management, are protected."

A massive victory for the labor rights movement and the fashion accountability movement, SB62 will also send out a message to the rest of the fashion world – a story about workers' rights, human dignity, and justice prevailing against big corporate interests. Bo from Bomme Studio added: "I think there is going to be a long period of education and training. While this is now law there will need to be work to change culture and staying organized will help us do that."

Sources:

1. Garment Worker Center. (December 2020). *Labor Violations in the Los Angeles Garment Industry*.