

TRADE TALKS

THE COST OF SUSTAINABILITY



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“April was a big month in the sustainable fashion calendar, and this year it marked the fifth anniversary of the Rana Plaza tragedy where 1,138 garment workers were killed and a further 2,500 injured in the factory collapse in Bangladesh. The appalling event galvanised people much as the same way as the Nike child labour incident decades ago.

Resulting in the emergence of organisations like Fashion Revolution, whose social media platform is a call to action through events like Who Made My Clothes where consumers put their clothes on inside out and photograph the label, calling for brands to make their supply chains and workers conditions transparent. Is it making a difference? According to Fashion Revolution, it is.

2017 saw two million people engage with Fashion Revolution in April through events, posting on social media, viewing our videos or downloading resources from our website. 66,000 people attended around 1000 Fashion Revolution events, from catwalks and clothes swaps, to film screenings, panel discussions, creative stunts and workshops. A further 740 events took place in schools and universities, assisted by our network of 120 student ambassadors around the world.

Fashion Revolution as a global movement encourages individuals and organisations to put on events to raise awareness of the issues with our current clothing system. This year I spoke at two sold out events.

Victoria University Development Society held A sustainable Fashion Forum with panellists from across charities, ethical brands and recyclers. Wellington also hosted a mini Sustainable Fashion conference, Fashion Statement, with panellists presenting a broad perspective of the fashion industry.

From Paul Eggar Bird whose brand Eggar and Bird create clothing solely from re-engineered garments to Brian Johnston whose international career working for brands such as Asics brought a global view focused on the move to robotics in the industry. The packed theatre was indicative of the rapid rise of interest in sustainable fashion.

Tearfund's Ethical Fashion Guide is also a significant development that emerged from the tragedy. The report puts a spotlight on brands, inviting clothing companies to report on workers conditions in their supply chains. According to Tearfund's website, it can be used to: “reduce worker exploitation and alleviate poverty in developing countries where clothes are manufactured. It grades fashion companies on ethical practices in their supply chains, giving you the power to shop ethically and use your voice to encourage greater transparency.”

I sat down with Claire Hart, Tearfund's Ethical Fashion Guide's producer to get a better understanding of how the report evaluates brands. She explained that reporting is optional if a brand does not wish to participate then Tearfund uses publicly available data to assess a brands performance. And if the brand has not released information on their supply-chain performance? Case in point, this year being the Trelise Cooper brand receiving an F rating, not necessarily because there is anything wrong with their supply chains, but in choosing not to participate researchers were left to make an assessment from public information, as there was no available information the company earned an F rating.

“These days, a business that is not sharing information on its social and environmental performance is perceived as underperforming or, even worse, being ignorant,” explained sustainable fashion consultant Brian Johnston of Proxima. Transparency is the new norm.

The report has been a catalyst for some companies to up their supply chain performance following less than stellar ratings, companies like Icebreaker transformed

from a D- in 2017 to an A+ in 2018. Meanwhile, Karen Walker went from an A in 2017 to a C in 2018. Hart explained that this is not reflective of a slip in performance, simply due to the Karen Walker brand not completing the assessment this year. Meaning data was gleaned from public documents, and a C using public data is a good rating according to Hart.

The ratings delivered by the Tearfund report are used beyond their own organisation and consumer's own personal use, the data is also the base data for the Good On You app. Which according to their introduction gives users trusted ethical ratings in the palm of your hand. This innovative, location-based shopping app helps you find the brands that match your values. Empowering customers to make informed sale decisions based on the ratings available in-app.

The high ratings of some global brands have confused some consumers, questioning how sustainable are these brands really? The report's focus to date has been on brands social performance (how well are supply-chain workers treated), but environmental and social conditions are deeply entwined. One cannot ignore the environmental conditions, the level of pollution from production, the lifespan of workers exposed to toxic dyes and finishes or pesticides in fibre production. Tearfund acknowledges this gap and are working on their environmental framework to include environmental impacts into their next report.

For some time, market research company Neilson has been alerting the industry of the significance of

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environmental and social considerations. “Consumers around the world are saying loud and clear that a brand's social purpose is among the factors that influence purchase decisions,” said a spokesperson from Neilson in 2014.

A New Zealand research document The Future of Trade from Horizon Research states that over one-third of New Zealanders would consider boycotting businesses that are not environmentally responsible. In the same way that boycotts punish, purchasing rewards. The approval of a product or brand results in earnings for the parent company. By purchasing from ethical and sustainable products, you reward businesses who reflect consumer values with the expectation of positive social and environmental outcomes.

Unilever's sales reported their sustainable living brands grew over 50 percent faster than the rest of their business in 2016 and delivered over 60 percent of Unilever's total growth in 2016. An increase of 46 percent from the previous year. Evidencing that ethical approaches to business do in fact reap the rewards beyond the reputational, the rewards are both tangible and financial.