



FASHION
REVOLUTION

FASHION QUESTION TIME

Transcript from Fashion Question Time
HOUSES OF PARLIAMENT
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Chair:

LS Lucy Siegle

Panel:

MC (Mary Creagh, Shadow Secretary of State for International Development),

AS (Anas Sarwar, Shadow Minister for International Development)

CM (Catarina Midby, Global Head of Sustainable Communications, H&M)

LC (Lily Cole, actress and writer)

JH (Jenny Holdcroft, Policy Director, IndustriALL Global Union)

DW (Dilys Williams, Head, Centre for Sustainable Fashion)

LS Good morning everyone. Thank you so much for coming along and I just want to say thank you at the start to Mary Creagh, Shadow Secretary of State for International Development and Anas Sarwar, Shadow Minister for International Development for hosting this and to Helena McGinty for setting this all up. Orsola and Carry, who probably everyone knows, are the dynamic duo behind this event and many others. This is a very important event for Fashion Revolution, which they founded and continue to work tirelessly on.

We are following a Question Time format, so we have asked for submitted questions and thank you to everyone who has submitted questions. The reason we asked you to do that is that we wanted to really further the discussion. Fashion Revolution Day is all about progress and we really wanted to push the discussion forward.

1.

LS: Our first expansive question comes from Barbara Crowther, Director of Policy and Public Affairs, Fairtrade Foundation

BC “What can we do to make sure that Fashion Revolution does not stop at the factory floor, but tackles the equal scourges of poverty level wages, environmental degradation and human rights abuses all the way back to cotton fields in countries India, Burkina Faso or Uzbekistan? Not just ‘who made my clothes’ but also ‘how was the cotton grown that made my clothes’?”

JH It’s a pity you asked me first as I’m going to say that I stop at the factory door as those are our members. There are unions representing agriculture and we talk to them. It’s a matter of looking at where the industry is located and the supply chain approach only takes you so far. Probably H&M would say that following the supply chain as a methodology makes it very complicated. Identifying where the problem areas are and tailoring solutions to that area is the best approach.

MC I think we have to rethink our role as consumers and we have to rethink the role of development. I spent 3 years in the shadow cabinet, shadowing the Department for Environment, Food and Rural Affairs. I’ve spent a lot of time with green groups and never once did a green group come to me and say we’re really worried about the workers as well. To have a model of sustainability that doesn’t talk about the men, women

and children that are at the face of what is happening is never going to make sustainability an holistic process. We need to look at our model of development and work out how we make social sustainability: social sustainability which means you are paying decent wages, you make sure education is compulsory and that is inspected. We would never have got rid of the Victorian mills, where children were losing arms and fingers if they weren't moving fast enough at ages 8-10. We had children down the mine at 5 because they were cheaper than a pit pony. The only way you get that is if you say you have to go to school. If we don't do that, we will never tackle child labour. The third thing is, when I go to shop I think has my salmon been sustainably fished and look at the labels. I put on this dress this morning. I know who made it but I have no clue how it was made. I know that if I buy certain brands i.e. John Smedley they are made in England, so mainstreaming and bringing sustainability and social sustainability closer together is a big challenge and requires traditional development charities to work together with green charities to create the civic upsurge and awareness for that to happen. It also requires government working at an international level to say you will never advance as a country if your children are working at 8 and married at 14.

LS I would say that the fashion sector are very good at focussing on the people in the supply chain. I think back to when someone unfurled a banner saying don't mention the garment workers over Waterloo bridge. Is it about joining that up with the agencies that you've mentioned?

MC: I think so. The issue with development charities is, we've got the Fairtrade Foundation that does fantastic work and is a known and respected global brand of very high awareness in this country, but we also need legislation because things that we did in government like sustainable timber, cutting out blood diamonds, we began to realise how these so called commodities were fuelling conflict and human misery and actually perpetuating those conflicts. We're just about to pass the modern slavery bill. With the bribery Bill in 2010 we set a global template that said if you pay bribes in a country anywhere in the world, unlimited fine and 10 years in prison so you'd better be absolutely sure what you are doing in your company. Brands have risen to the challenge. With modern slavery we have the chance to set the template and international leadership on those issues.

LC: I think it's a really important question. I got into looking at social responsibility and sustainability in fashion through looking at the work that Environmental Justice Foundation does looking at the cotton trade in Uzbekistan, so that's a specific example. I remember at the time from my perspective, I was seeing issues in production and fashion as being factory issues, this was as much as I'd been exposed to in the media. I'd never stopped to think about what happens before the factory level and what's happening with the raw materials and how problematic the production of raw materials can be. I found it very shocking and enlightening to look into that space. I would say it's not an end all solution, but awareness is one of the biggest steps we need to take and consumer awareness is a big part of that in understanding that the complexities in production aren't as simple as factory issues but it's a whole chain of events which begin in farms. It's a slightly daunting thing to try to get consumers to understand because it is so complex but I don't think this should stop us from creating more awareness.

Second I would say that the hope I would have from a better grade of consumer awareness of these issues is a real call for companies to have better transparency. There are companies who can be very transparent and say this is organic cotton, or rubber, and this is where it comes from and tell a very positive story from the very beginning to the end. I think we need more of those positive examples to mitigate the argument that it's too complicated to deal with.

DW For me as a designer the disconnect between where our clothes come from and how they are made has become a very globalised issue. If we can reconnect that through education being about crossing the disciplines, through sustainability you can bring chemists, anthropologists, political scientists, fashion designers together so you can look at some of the issues together from nature, from an ecological perspective, and see how they can be addressed through fashion. A lot of education has been siloed into separate disciplines. If you start to cross them again, people can learn from each other's perspectives and people start to better understand the interconnections of where things are from, the way they are made, the land we are using and what that means when we are making and designing and wearing clothes.

LS Lily mentioned the complexity. There is a fear with consumer interaction, and I'm sure this happens in the academic world, once you start seeing the interconnectedness it all becomes incredibly complex. Should we be frightened of that or should we embrace the complexity?

DW: I think we need skills to be able to embrace complexity and that's where we need to change education because we need to think about the kind of skills we need going forward which are not the same skills which were needed in the past to be able to deal with not knowing. We tend to have become the type of education system where people need the grade, they need to know the answer. We need to realise that you don't always have a straightforward answer. It's knowing what's important, what you believe in and exploring and being curious about it. That's where fashion is important. We had a debate a couple of days ago and someone was talking about speed being such a stress. I saw one of Katharine Hamnett's T Shirts in the audience No More Fashion Victims. When I was working with Katharine Hamnett one of our campaigns was stop and think. Stop for a moment and reflect on what you are doing. We reflect every day when we put our clothes on for a moment so if we can be encouraged to stop and think, maybe we will be more curious and care more about what we are wearing.

LS: Does H&M stop and think?

CM: It's funny, we actually had a collaboration with Katharine Hamnett where we printed and sold those T Shirts. For H&M we have to take a value chain approach and focus on where we have the most impact, which of course is our own operations and our suppliers' operations. Then of course all the steps behind in terms of greater democracy and raising awareness. I think the cotton example is a good example for us. We have been on the steering group of the Better Cotton Initiative since 2006. Also, of course, our work with UNICEF in the cotton growing areas in India; we have just finished a 5 year project in Tamil Nadu.

LS: So that's what you are doing. How can you do better? What are the opportunities for H&M in the supply chain?

CM: It's hard to say. I think we are working very extensively on all the different levels of the supply chain.

LS: Are you confident that you are operating throughout the supply chain, so you are focussing attention on the cotton fields because you did say specifically that you pick up on the value chain where you have most impact, which presumably is at the factory end?

CM: Yes, the factory floor, but also the cotton fields. We work very much with UNICEF on child safety.

MC: Catarina, I wanted to ask you a couple of things. You were recently fined £1m for not paying the minimum wage to workers in your stores. Can you explain how it happened and decent wages obviously have to be in this country the same as every other country. The second thing is, it's interesting about what keeps you awake at night. Rana Plaza was the wake-up call where 1200 died through an unsafe building. I know that there have been movements to do building codes. It's a wider problem about where governments don't work; you pay the money and you get a licence to say building is ok. How confident are you with your contractors that there isn't going to be another Rana Plaza and how are you working with other companies to ensure that.

CM Rana Plaza was not a supplier of ours, they didn't pass our security regulations. Yes we are very confident. We are a big player in Bangladesh and we have worked there since the 1990s. We believe that the garment industry is the way out of poverty. Since the 90s poverty has halved in Bangladesh thanks to the garment industry which is 90% of the total exports of the country. We have a Code of Conduct. We make around 3 unannounced audits a year with external as well as internal auditors, we have our restrictions in the Code of Conduct, which is very extensive. There are security regulations that have to be complied with. We have our Fair Living Wage roadmap which we introduced in 2013 as we felt that the wage situation was not going to be fast enough.

The wage issue was a mistake apparently. I'm not 100% familiar as I don't work in the UK full time... but the wage was paid back afterwards and I think that everyone was happy with the settlement. It was a sad mistake.

2. Our second question comes from Dr Andrew Brooks, Department of Geography, King's College London, who has studied the patterns of waste and journey of discarded clothing extensively for his new book AB: **"The UK recycling sector exports 351 million kilograms of clothes - the equivalent to 2.9 billion T-shirts - overseas every year particularly to low income countries, where it negatively effects balance of payment and can harm local employment . What should we do with used clothing collections?"**

MC I spent 3 years in the Environment looking at the PRN, the permitting system where we pay a % of money. Basically they get 100% of the value if it goes abroad and only 70% if it stays at home. So we've committed to a review of the permitting system if we win in May. There is also an issue around plastics and paper, especially glass, trying to keep a circular economy in our own country so we aren't having dirty ships going to India, China. Whenever I've visited refugee camps, it's extraordinary - you see global brands on children. This is where some of the stuff ends up. In some countries people don't have the money i.e South Sudan and Congo; in other countries where they are trying to have a sustainable cotton industry, it is devastating the market.

LS So that mechanism, does it work?

AB – the problem on one hand is the balance of payments and it also undermines the clothing industry.

LS – So that mechanism is a good thing?

MC – Yes, you are creating green jobs in this country.

DW There's a complete metabolic injustice because we are bringing resources and value to this country and marking it up and creating wealth here and then exporting it when we think it's waste and has no value. So there is a systemic problem between balance of power of wealth and poverty. As far as what fashion can do, we can deal with the symptoms by revaluing what we have got. A lot of collection systems are about chucking it into a bin - it's not really of any value to anyone but we'll take it back anyway. We've been doing a bit of work on how you can gift it back, as something of worth rather than discard. There are systems like Rentez Vous to keep fashion in the system but we do need to re-perceive what we have in front of us and value those resources in different ways because most of the stuff that's chucked away isn't because it's rubbish, even the cheap things. If we can find other ways for business to succeed and fashion to succeed which isn't about the churn, I'm sure we've got the ingenuity to do that. It does mean bringing together government and political systems, thinking differently and challenging the system.

JH Just to reinforce that these clothes don't only end up in refugee camps, but in areas which are really struggling to establish industry. One of the areas we work on is Sustainable Industrial Policy which is about how to create industries in countries that desperately need them. When we meet garment unions in countries which don't necessarily export to the UK like Uganda, Nigeria, even South Africa, the unions say that our industry is getting decimated by the flood of garments dumped on our doorstep and sold on in the markets so we can never get a foothold. The garment industry is one of those early industries that you can build from very few bits of infrastructure, so it is very important as a development tool.

LS: H&M is sometimes seen as being one of the problems of this churn, companies which have a huge inventory. What is your take on what should be done about disposability and waste in the garment industry?

CM We need to look at making the consumer throw less away. You should buy clothes and wear them long term. What we do to try to reduce textiles to landfill is we started our garment collecting initiative where we take unwanted garment in all the 56 markets so we can make new garments out of the old ones and close the loop in fashion production because our industry is very dependent on natural resources and there will be a shortage eventually. So we need to look at a circular model, rather than the linear one which we use today. So what we do is we are investing heavily in innovation and better techniques for fabric recycling to make

new clothes. Even if we produce organic or better cotton, there simply won't be enough land area to grow the cotton we need in future.

LS: So are you confident there is a technical fix which means that the consumer doesn't need to think about the way they think about buying clothes?

CM Of course not, we both need to produce and consume in different ways.

LS So what is H&M doing to make the consumer consume clothes in a different way?

CM H&M is followers of fashion, but I've been working in this industry for 30 years. It used to be fast-changing trends so it was in or out from one season to another but now it's more about personal style, you buy clothes that go with your wardrobe and according to your personal style. It's very much about fashion basics. I think that's more long lasting. I think the shift is happening now.

3. LS: Another question from another academic, reminds us that this area of the fashion industry is particularly scrutinized on a theoretical level. Zoe Hitchen, lecturer at *Manchester Metropolitan University*
ZH: **"We know that audiences switch off when we use the language of sustainability. How can we actively change our fashion lexicon, and use it as a tool to re-engage our audience?"**

LS: I invite the panel to answer this without using the words 'sustainable' or 'ethical' in their answer.

LC: My hope is that at some point in time those words will become irrelevant as those ideas will become normal and standard. I've done a couple of projects working in this space with companies I've co-founded and we've just realized from a marketing perspective that we don't use those words as the audience you reach with those words is smaller and more niche. We lead with good design and let the stories about how the products are made speak for themselves. It's interesting that those words may become a bit of a cage. Even though in these dialogues it's important to be clear about what those words mean and how to put it into effect, at a consumer level they aren't always the best tool to get where we need to go.

LS Some people may say it's a bit patronising that we will use them at an industry or debating level but we won't use them to the consumer.

LC I don't think it's patronising. So the word sustainable, ok, I'll say it, it doesn't necessarily mean that you market it as sustainable. You just say in my practice it needs to be financially and ecologically sustainable. I think it's totally fair to have a lexicon in the production and business of making something which isn't how you sell a product.

LS How have you got that across with your brands like North Circular?

LC We make it more about storytelling and provenance and the stories of the people. With North Circular we get grandmothers, predominantly in the UK, to handknit the goods and we make it about the grandmothers and the shepherds as well, the human stories behind the products. It makes it more human and emotional and interesting when you know that Sheila knitted this hat. It's a lot harder to feel ok about taking advantage of Sheila when you've got a name and face and maybe a quote from her. So we've gone down the more storytelling route.

DW I'll say sustainability, rather than sustainable, is something we shouldn't shy away from because the principles of sustainability are really about turning everything upside-down. It's about valuing the commons, viewing things holistically, so I don't think we should shy away from the notion and principles behind it. I think it's been bastardised in all sorts of ways and we've got to be strong enough to reconceptualise it. We also need to think about how we can do things differently. Fashion Revolution is an amazing way of doing things differently and a testament to how we do need to have a range of different ways in which we are talking about fashion. Talking about fashion as being something that is very political. Linking back to something we were doing a few days ago, being able to engage people in the political process through what they are wearing is what fashion has always been about. Maybe we've lost some of that along the way in

recent years. As I grew up, what I was wearing said a lot about what I thought politically. By politicising fashion and talking about what we stand for and stand up for, we start to talk about issues of sustainability without just using that one word. But we shouldn't lose the word itself.

LS: Catarina, is politicising fashion something you are going to get involved in?

CM: Not really, no. I think it's about what you do. It's like raising kids, it doesn't matter what you say, it's what you do. For us it's been very much, we call it conscious as a word, about creating fashion that's more sustainably made with more sustainable fabrics and so on. The best example is our Conscious Exclusive collection where we innovate with our suppliers. It takes us a year and a half to source those fabrics every time, but it's really beautiful and the most glamorous collection we have. We engage with the customers who love the way it looks, but the added value of the sustainable fabrics and sustainable production is becoming really important.

LS You poll your customers quite a lot I understand. What is the feedback from them about what they understand about conscious and sustainability?

CM We know that sustainability or conscious is an important added value and is increasing. Most customers are willing to pay extra for a more sustainable product.

LS So they are willing to pay extra? And obviously we know there is a disconnect between what people say and what they do.

4. LS: The next question comes from Livia Firth of Eco Age, who is not here in person so will be asked by myself. It's a long one, with some context. Our panelists need to be brief in their responses but also give us some context.

Q: "We may all agree that modern capitalism has been the most successful anti-poverty programme ever – what has made the difference in China, India, Bangladesh, Indonesia and elsewhere has been trade. However, trade is not just a matter of chasing the cheapest possible goods regardless of the human cost.

The scandalous truth is that the majority of workers in the global fashion industry cannot afford to live with dignity, and earn no more than *£5 a day in an industry worth over £28 billion across Europe. (*From "Tailored Wages UK", a report by Labour Behind the Label published in March this year)

In the pursuit of profit major brands sell us cheap goods in the name of democracy. So while owners of fast fashion brands make their billions – their garment workers are still going to bed hungry and can't afford to send their children to school. How can this be considered acceptable?

JH. Well, it can't be considered acceptable. Actually the figures are way far worse than that in many cases. £5 a day. I just did the calculation for Bangladesh this morning and it's less than £2 a day. It's shockingly low and you may think that in Bangladesh the cost of living is cheaper but it doesn't work out that way. The monthly wage in Bangladesh at the moment is \$68 and the unions reckon to make it moderately affordable for workers to live it's got to be at least \$120 which is more or less double what it is now. So we can rest assured that in many countries the wages are desperately low. But the question is how can this be changed and what's the responsibility for it? I think it's clear that the brands that have driven this sort of sourcing model have not paid any attention to wages in what really counts: not the nice sustainability efforts but in the production, where the contracts are signed with the factories. Up until fairly recently brands paid no attention whatsoever as to what the wage component in what they paid was. On a typical pair of jeans sourced out of Bangladesh, it might be quite a range of retail prices, but the price that the worker actually gets for it is small, it's like 10c which seems absolutely incredible, but the volume which is being produced in these factories means they can be made very cheaply. But when the brand places an order of several thousand jeans from a factory, the amount the worker receives for those jeans appears nowhere in the contract.

The factory owner who also wants to make a profit out of this wants to see where they can squeeze. Often

they can't squeeze the materials because the brand can specify what the materials are and where they come from, they can't squeeze on overhead costs like rent, electricity, taxes. So where does the squeeze come? There's really only two areas: their own profit margin or workers' wages. And this is not something that the brands have ever really unpacked. They are being forced to do it now because there is much more emphasis on the living wage, but how you actually tackle that requires a much more systemic approach e.g what can a brand do in relation to its own individual factories, and the answer is that in a country like Bangladesh there is 4500 factories producing for the export market. If you take a factory by factory approach, you're never going to solve the systemic problem. So what we're talking about, we don't talk as much about sustainability about rights. It's about the rights of workers to negotiate a wage that they can live on. In over 90% of garment factories around the world workers have absolutely no right to bargain collectively with their employer over wages, so that's where we are starting to tackle the problem at an industry level in each individual country, rather than a factory by factory approach.

LS So Jenny, we've heard from Catarina, she mentioned the CEO of H&M has had discussions about wages with high ranking officials in Bangladesh. So are those discussions helpful? If you say it's about unwrapping the Freight on Board price, are those individual discussions helpful?

JH We've seen a recent example of this in Cambodia where the wage-fixing mechanism is a government process which involves factories and unions. It has been very violent and a number of people died last year in wage protests. So what happened when the government was reviewing what the new minimum wage level should be? A group of brands including H&M made a joint approach with us to the Cambodian government and said we want you to raise minimum wage and we will pay the difference between what the wage is now and a decent level. The wage was well below the minimum wage and the poverty wage. Around that time the ILO put out a study saying that the poverty wage in Cambodia was \$120, employers were arguing it should be \$110 and the government was going to pitch it around \$121 to get just over the poverty line but nowhere near a living wage.

As a result of this joint lobbying by the unions and by the brands the final figure was \$128, which is still nowhere near where the unions say it should be which is \$177. So it is complicated but I think we have to understand the wage fixing mechanisms. It can't be done factory by factory on the basis of goodwill, it has to be done in a way that is enforceable and applies across the industry because we talk about taking wages out of competition. A factory that unilaterally raises wages to a living wage while others don't will not survive long because the business will simply go to the factories where it is cheaper, so the only way to solve that is to make sure that all of the wages rise together. The only way to do that is either through a national minimum wage-fixing mechanism which involves the government, which can be good or bad, or what we say is industry-level collective bargaining where the employers and the workers come together to decide what the wage should be. We also have to involve the brands in that discussion to make sure they pay the difference.

MC It's interesting listening to Jenny because it shows that at the end of all this it's a discussion about politics and inequality and I think that a lot of our discussion has focused on what is essentially structural violence against poor people. I think it's really important that we unpack this because who is it impacting? People who are already disadvantaged. It's impacting on women and children, on people who are already in debt bondage, it's impacting on women who work for 3 years for no pay and then get their dowry at the end of 3 years. All of these types of work are not what we accept in our country, and if we don't accept it in our country we shouldn't be accepting it for people in other countries.

We need to really shine a light on this and in a more globalised world we are able to go in with our phones and people are able to talk much more freely. 20-30 years ago you couldn't send a photo and publish it online within seconds and connect with tens of thousands of people around the world who say "I really don't like children sewing on sequins on my kid's clothes. I'm definitely not buying that." We've got to make it very simple to appeal to people's consciences, but we've also got to encourage companies to move into this political space and actually, in my dealings with companies, they are just here to make business. We want a regulatory environment which brings us all up to the level of the best and we have a duty as politicians to set that enabling framework. We also have a duty to work with our ambassadors in this country to say, actually we've got a problem in your country if we don't get the right answer.

5. LS: on a similar theme about responsibility for an outsourced workforce, let's hear from journalist Yasmin Khatun:

YK 'what else can be done by civil society and government here to ensure that 'host' countries in developing and emerging economies are not taken advantage by UK based brands and businesses?'

[MC;JH; CM]

AS: I lead for us in the Department on the principle of the good company, how we strengthen private sector development, promote workers' rights, clean up supply chains. That's how the relationship came about with Fashion Revolution and the brainchild of the event today.

I think first we need to ask what can civic society do? I think we've seen from Fashion Revolution that disasters can grip public imagination and interest and it takes civic society to get in behind that and shine a light on bad practice and help promote best practice, because what politicians fear most is public pressure. So, if we can build public pressure it can help shape our policies and priorities and this is why we're having this event today.

So what specifically can governments do? In our last year in government we spent £56m on private sector development in developing countries. That's expected to rise exponentially to £1.8bn 1/5 of development budget in 2015/16. At the moment the ideology that is used is that we make the investments and hope that some of that money will trickle down and that will in turn improve workers pay, workers conditions, clean up supply chains. But that's the wrong way around. Any investments we make should be made in terms of minimum standards, minimum pay of workers' standards, of minimum pay, of clean supply chains so we get an actual return on a development basis, not just a profit basis. Secondly, in terms of how that impacts on British business, at the moment there isn't a level playing field for British business as multinational companies can undercut SMEs in a much deeper way because of the size and scale of their businesses and can target those cheaper suppliers. If you create that level playing field by having that transparency of where people are doing business, what taxes they are paying in what countries, how they are doing their supply chains and back that up with public pressure, that in itself gives British businesses a level playing field that they currently just do not have.

LS So what can brands do and where do you sit on brands like H&M who are working in low wage economies? What do you need from them to ensure that this happens?

AS I think that the honest answer is that this is not just about saying it's government's responsibility to put in adequate rules and transparency and people's responsibility to ask the questions. Companies have responsibilities as well. They absolutely have responsibilities to their shareholders in terms of a profit line and a turnover but they also have a responsibility to the common good as well, so that's a responsibility to people in this country in terms of people having confidence that the clothes they wear haven't been made in a sweatshop and no-one has been injured or risked their lives in the process of making their clothes, and also a responsibility to the countries where they are working in like Bangladesh to ensure that they do have a minimum level of pay, that they have rights to join trade unions so that they can negotiate their rate of pay and their conditions. At the moment we are leaving companies out and we have to put responsibility on them as well.

LS Do you feel left out Catarina?

CM No, absolutely not. We need a more holistic approach. Our CEO has been to see the governments in Bangladesh and Cambodia. In 2013 we felt that development was going a little bit too slowly so we introduced our Fair Living Wage Roadmap which is more about incentivising than compliance. It is a collaboration between us, the factory employees, the factory owners, the trade unions and the government, of course. The way we have done it so far is that we have all had to improve our practices i.e H&M has improved our purchasing practices to level out peak times which helps planning and efficiency in productivity in general and, of course, the overtime problem. Then we have worked closely with the Fair Wage Network to structure wages to be negotiated around skill and experience rather than everybody having the same

wage. We have invested heavily into training for textile workers, technical skills, further education, social dialogue skills which is very important for negotiating and for those democratically elected representatives to negotiate and have a constant dialogue with factory employers and trade unions.

LS Can we not just have a list of the things you have done. Where are the opportunities, again?

CM The opportunities are that we have worked with role model factories and collaborated with the government, of course, for labour laws so that we can legislate for having annual revisions of wages. The result of that is that we have working practices in a number of our role model factories that we want to scale up to all of our 700 factories. Overtime has gone down, dialogue between workers and employers is becoming a lot better, efficiency and productivity is going up and everyone is quite happy with this new system. What we are trying to do now is to engage with other brands, which we already do, and the goal is that by 2018 all our 18,500 textile workers within our operations, we don't own any factories but the suppliers we work with, are on a fair living wage, but it has to be up to them to negotiate, not us.

LS Jenny, is this enough? Is this in the right direction? I

JH We've had discussions with H&M about this. It is a good step because it is setting up good management structures but it's not going to deliver a living wage because you are still taking a factory by factory approach. There is incremental change by getting skills recognised for wage payments, all of that stuff is good, but all of that is good if you already have a living wage, and then you pay for skills on top of that, you pay for productivity improvement on top of that. But if your wage is way down here, and I'm under the table here, you are never going to get to a living wage by management processes. There is nothing wrong with that, better communication between workers and management in the factories is very good, but you are never going to deal with the systemic problems which I mentioned before which makes it impossible for individual factories to step too far outside the wage norm which cuts across the industry. Plus you have the additional complication of many suppliers supplying to many different brands within the same factory and who do they listen to? This is a political issue. Wages are a political issue.

LS You heard what Catarina said, we don't own the factories, so there is a limit to what she can do. If you are not going to get to a living wage because Jenny categorically says you aren't going to get to a living wage..

AS But there is a key issue here. If you allow it to purely be the companies who are going to give you a race to the top, it's not going to happen. Here in the UK is the perfect example. We were having a wage struggle in the UK until the government legislated to have a national minimum wage and that was 13, 14 years ago. And this is in the UK - imagine what is happening in the poorest countries in the world. Unless we can strengthen institutions we can't assume that companies will accept good practice and out of the goodwill of their heart will make things happen in the right way for them. It has to be a partnership with companies but also strengthening governance and legislation.

LC Can I just ask a question as to why do you feel countries like Bangladesh don't currently offer from a government's side a fair living wage, and is that because they feel they might lose out to other markets and other countries? Is there a bigger international issue we are talking about?

AS What happens at the moment is, because there is no minimum wage, it is just one country undercutting the other and it is a race to the bottom because they want to make sure they are attracting investment and money spent in their own countries. That is why it requires global leadership. So we've done some leadership in the UK around the minimum wage but as part of our Sustainable Development Goal negotiations, one of those being decent pay and fair work, we should be promoting a living wage and a working wage right across the country and also in developing countries and start a race to the top, rather than a race to the bottom.

LS How complicit are brands in this race to the bottom? You are attracted to countries for reasons aren't you?

CM Yes, absolutely. I think H&M are in Bangladesh to stay and we are a really big player there. We can use our size and influence to transform the industry there which is what we are doing with this programme. The

factories themselves will get behind the productivity and they are using the resources they have in much more efficient ways.

LS So you still believe that will be the fix?

CM It's not a fix. We have to engage the other brands and definitely not just, as you call them, fast fashion brands like the High Street brands but also more high end brands too who are working in the same factories. I think we all want to collaborate on this together.

DW I think as Anas says it has to be a mixture of all of these things. Ultimately collective bargaining, having the opportunity to be able to speak and change politics and change legislation through a greater social agenda in these countries is absolutely vital as well and what we can do here. Look what has happened with Benetton - we can campaign, we can sign petitions. That is another thing that now we can go online and do more of that. It has to be a configuration of all of those things at once. Also a notion of equity and, going back to what Mary said, I know that in this country we don't have the same level of problems but we do still have problems and we shouldn't overlook whether it is to do with workers' rights and inequality. Also this notion of thinking we are all equal as people and there is a bit of a rumbling in politics here that is really scary, the fearmongering that some people are more worthy than others, about other people being less equitable. This issue of equity is a political notion, it's about brands, it's about people.

LS Can you give me a more specific example without saying UKIP?

LC Can I just ask quickly on that point, do you know if there are any attempts at making an international standard, even if they are not being turned into real governance and practice. Are any organisations trying to make an international standard for a living wage which can set the marker against what companies are paying in different countries?

AS So the current perspective is that we have the Millennium Development Goals this year and we have the new Sustainable Development Goals later this year. It looks as if we will have 17 different goals and underneath that there are certain targets. This sets the framework for how the international community will tackle the current problems. This does not as yet promote a set national minimum wage as a minimum standard but, again, this comes back to global leadership.

JH Yes there is an international standard on the minimum wage which is set by the ILO. It's part of the ILO standards that people should have a minimum wage which is sufficient to feed their families and have some discretionary income.

LC But there is no number on it?

JH No there can't be a number on it because it is a political process. A lot of the work in the past has been campaigners trying to find this magic number that will solve all of the problems, which has been useful as it has highlighted the gap between what it is and what workers are currently earning, but it says nothing about how you get there. How you get there is the political process, through the unions, through the governments.

AS Take the UK as an example, your living wage in London is different to outside London, the exact same principle would apply. The point is having a national standard of countries having a minimum wage requires global leadership.

LS I'm sorry, we're going to have to move on because of time. We're now going to return to the rather rich textile heritage on these shores. Kate Hill from Make It British has a question for the panel.

KH: 'There is considerable appetite among brands to reshore and British manufacturing has a lot to offer in terms of quality and faster lead-times, but it's still too difficult to source and manufacture collections here, due to the lack of capacity and shortage of skilled workers. How do the panelists intend to seize this golden opportunity to rebuild the British apparel manufacturing industry?'

AS Again it goes back to my level playing field comment. Firstly, if you create that living playing field for

business it gives us a much better chance to be able to compete on the international stage. Secondly, with the rise of the BRIC (Brazil, Russia, India, China) countries where they can produce things way cheaper than we can in the UK, how do we compete with those countries? There are more IT graduates coming out of one small part of China than all of the UK combined. It is through having a skills-based economy here in the UK, invest in skills, that has to be our hope for people to come and invest in the UK. On quality, I don't need to tell anyone in this room that, based on fashion, quality matters and we can have a quality here in the UK that helps promote our brands. Fundamentally UK companies will be able to compete better in the domestic and international markets if they aren't undercut by large multinational companies who aren't playing by the same rules as you are. So large multinational companies who can dodge their corporation tax rates when other companies who are paying taxes feel they are being penalised as a result. Unless you tackle that in a much more transparent way we will never have that level playing field.

LC Well I think it relates very much to the earlier point about why big, or well-known fashion companies manufacture outside the UK and it comes down to economics. The UK used to have a very strong manufacturing base to the community. The knitwear company I reference, The North Circular, we've had to revive mills and look at buildings which aren't being used anymore because the manufacturing industry here tended to collapse when it became much cheaper to have products manufactured abroad and I think this speaks to a much bigger and much more complex and subtle issue of capitalism in general and the economic necessities which will always tend to push things to the cheapest place possible to make them. I know that's not an answer. I think the answer lies in consumers a little bit, in seeing the value of things made locally, and maybe that means paying slightly more for products. There are some brands who manufacture in the UK and make that a selling point, but I don't think we can economically try to compete in a very unfair structural system globally.

DW We've got an opportunity not to think about replicating what we might make elsewhere here but think about what we can make better here with the resources we've got. Kate Fletcher is in the audience and her research on Fashion Ecology looks at that and people like Margaret Howell makes over 50% of her collection in the UK, not because they are looking at where they can make it cheapest, but they are going to a location, thinking about the resources in that area. As a designer that is how I first worked: you go to a location, you see what the skills are, what materials there are locally available and then you create something which is distinctive. It's different because of how it's made and where it's made and if we start to think of that in the UK, maybe we won't replicate what we had before but maybe we will find different resources and different things that we could do.

I think that the skills issue is a massive one and I think the skills around manufacturing became something that wasn't desirable any more and a lot of the courses about manufacturing, about garment tech, even at the University of the Arts, all disappeared and it was more about design courses. But actually we desperately need those courses and we have now got some support from the European Union through DISC that is about helping manufacturers create better quality, build new factories. This is a London-based initiative that London College of Fashion is developing which is where fashion designers and fashion manufacturers can have a closer dialogue to make things locally.

And it is happening with other brands. I was reading about Hermès. Hermès in China are actually going to locations in China, rather than just exporting from Italy, and they are looking at craftsmanship, local skills, and creating collections for the local market which are more in line with traditions, with culture, with the skills in that place, so I think there is a great opportunity for us here but we need more skills and we need to look differently and not just replicate what we could do

7. We move on now, panel to talking about consumption of fashion. Anna Fitzpatrick from the Centre for Sustainable Fashion has a question for us.

AF: "As consumers, we now view clothing as disposable rather than real fashion. Is it possible to reverse this collective mind-set? Does the panel worry that we've reached the point of no return?"

LS Catarina, you suggested that maybe the mind-set had moved on a little bit?

CM Yes, I think it's moving on definitely. It's more about personal style than fast moving trends and that will

contribute to longevity.

LS But you're not selling less?

CM We're not selling less, but it's not a question of us selling less. It's how trends are working these days.

LS Does the trend make any dent in consumption or will people still buy the clothes at the same volume?

CM Maybe they buy more from us as they know we are more responsible, I don't know. I think it is two different things, the volumes we sell and how much longevity the clothes we buy have because that's the main problem, that if they don't have design longevity then you end up wanting to get rid of your clothes in the near future.

LS Do you think that your consumer sees clothes as disposable?

CM Hopefully not. We are working very hard on raising the quality of our clothes. I wear all H&M clothes for a very long time and there is no reason why you should dispose of your H&M clothes.

DW I'm going to be a downer now. I think we have gone past the point of no return in lots of things. We have lost biodiversity. I think it's in the next 50 years that over 50% of the world's population are likely to be in water scarcity unless we change really dramatically. By 2034 it is expected we will go above 2 degrees increase in temperature rise. We are heading towards the cliff and whether we can do things differently... Hopefully we won't do things differently because we end up in chaos and there will be fewer of us in a less hospitable planet and then we will have to look at fashion differently. But I do think in answer to the question of the point of no return, yes we have really messed it up and we are in a time when humans are creating the change in the environment. There are lots of peoples lives lost, lots of things we can't turn back.

In my less bleak moments I do think that if anything can change culture then fashion can. Fashion and music can effect change in a positive way. We had an event in the House of Lords the other day to encourage first time voters to come in and talk about their concerns as we know up to 75% of them aren't thinking about voting. When we talked to them, most were concerned about the speed, the stress, being completely exhausted by the churn, so I do think there are already lots of examples about how we are stopping and thinking differently. We are seeing that with students – we've got a curriculum we are working on with a number of students across different disciplines and they really are reconsidering what it means to be designers, what it means to be wearing clothes and there are lots of different stories that we can tell of a better way of being, we just need to put them more into the limelight.

8.

Of course, it's all very well talking around these issues and hearing from our panel members, but Joanna Blanco-Velo, a PhD student has a very important point to make here.

(Question asked by Jocelyn Whipple): "In July 2014, the UN's 10Year Framework of Programmes' 'Consumer Information Programme' was launched. (This is a global programme which aims to harness the power of consumers and drive sustainable consumption, through better-informed buying decisions) It proposes that the provision of (quote) "accurate" information about the social and environmental impacts of consumer products is a critical factor in driving consumers towards sustainable product choices. Will the fashion industry ever be able to, or willing to, provide accurate information about the provenance of its products?"

LS Catarina, do you think you provide enough accurate information. Do you know enough.

CM We do have enough information but I don't think we provide enough information. Of course, we have our green hang tags where we explain about our more sustainable fabrics and all of our suppliers are published on our website, but as a consumer to make it easier for you to compare and know both the social and environmental footprint of the garment which you buy needs a bit more work. We are right now working with the Sustainable Apparel Coalition to develop a tool called the Higg Index which we are in a pilot project

for, and we hope in a while to make that consumer facing, so you as a consumer can compare different products and different brands through this mark.

JH I have to confess I am a bit of a sceptic around the consumer power driving the whole thing. It's very nice that consumers can see from the label what it is that they are buying but I don't think that is going to bring about the shifts that we need in the time that we need those shifts to occur. I don't think we even know that when someone buys this Tshirt or that Tshirt they are doing it because it has a nice Eco label on it, they might just like the colour. So it's just another way of selling more clothes. I'm just worried that this approach can be a little bit of a smokescreen to prevent us from getting to the heart of real issues about development, about right of workers, about political power in the countries where these clothes are being made.

LS Need it be that direct? Can't it be quite a political driver, so you have consumers saying we demand to know XYZ about this product and that drives a legal mandate because we are lacking legal mechanisms?

JH I think that people, because we are all consumers of clothes, are fantastic drivers of change and making those demands to the companies is incredibly important, but not necessarily through purchasing choices. I think those demands should be explicit and should be made directly to the companies: this is what we expect, this is what we want you to be doing, but at the same time to make it towards government.

LS But if there was a consumer right to know how much the garment worker had been paid, I'm not sure that is even possible in the real world?

MC Well I went and bought 3 pairs of jeans from Hennes (H&M) before Christmas and they were lovely and they were great value and I was very happy with them. And now I find out they only cost 10c to make I'm really annoyed I pay £30. I'm joking, but that is the way the consumer thinks. Back to the previous question, the cost of clothes has come down massively over the last 30 years. We all remember when we were little, you had a little baby and it had a little woolly vest. One of my constituents was saying that he bought each of his children one vest when they were born and that was £8. That was in the 1960s, £8 for a child's vest, you can get packs of 10 for that now. You can get a school uniform from Asda for £11, we can get trainers for £15 and we've become used to those very cheap clothes and, in a way, cheaper food. That's a good thing for us as consumers. And you think about what's happened in China and the sort of clothes people wore in China 20 years ago and now the fact there is 200 buses coming a day to Bicester village. So manufacturing in China has created a middle class who can now afford air fares and who can come over and spend a lot of money in our country on stuff that's possibly made in China. There's an interesting dynamic happening there. Why is it cheaper to buy those garments in Bicester Village than it is in China.

I think we will never have this 'actually costs us X to buy and this is our profit margin', but what I think we do have with the Modern Slavery Bill and the debate around the Sustainable Development Goals is an opportunity to think about the sort of world we want to live in and how we can make it better. The world is very unequal and if companies want people in Bangladesh and Cambodia to be wearing their clothes and being their consumers as well as their manufacturers, they have to pay more money and the government has to support their workers in making that next step.

Our Industrial Revolution was in the 1800s fired by coal, steel, child labour and bonded labour to an extent in the Victorian age. We've moved on and we now sell fashion, design and creativity and we are a much more service based economy which means we don't have so many people doing horrible jobs, and if we want to end horrible jobs across the world, and there are far too many people working in horrible, lethal, unsafe jobs, manually cleaning latrines, if we want people to have dignity we have to be clear that we want a fair wage for the work that they do. If that means paying 20c for the jeans then I think that is a price that we can afford.

LC I am a little bit more optimistic about transparency and provenance. I see that there are massive obstacles to getting there but I don't think those obstacles should mitigate us taking whatever steps are needed in that process in getting towards more transparency because there is no reason in this day and age when we have digital technology and social media and we have the digital tools and facility to actually bring transparency much more to the fore, and the only reason we are not doing that is because of companies' agendas in that

process. If there is enough consumer buy-in to ask those questions and to have more transparency, we may not get down to the granularity of wages but you can start that process.

With my company Impossible we have been working with an organisation called Provenance, for example, looking at how you can use digital technology to increase transparency in supply chains. Our approach has been to work with companies that are proud of their production method and can demonstrate and set a bar of examples of transparency. Hopefully if you get consumer adoption of that model then that starts going into companies that might be less willing.

9. I'd like to take a question from someone who has worked on huge shows like X Factor knows a thing or two about what makes the mainstream tick. Stylist turned retailer, Grace Woodward.

GW: 'Sustainable fashion is struggling in the war for public acceptance and wardrobe share. big brands pay lip service and it's still too hard to dress well and ethically. Where is the support for retailers like me who are trying to make sustainable desirable and what are you doing to make this a bigger consideration?'

DW What you are doing Grace is beautiful and lovely and more people need to know about it - check out Graceland. There is a real case for being able to support young designers, small businesses. In London we've got more and more people setting up their own businesses now, more and more of our graduates are setting up their own businesses. We need more support from media, magazines like I-D having such a young editor, that is really going to help. The messaging around this as a freer approach to fashion rather than being dictated to is vital. Certainly we see with the students that they really aspire now to being able to work more independently and having this sense of freedom themselves. I think it's that media narrative; because of the advertisers, the space for young, new ideas that can't afford to advertise in a publication is really limited. Some of our graduates from London College of Communications are setting up independent magazines – Artefact magazine, Majestic Disorder, Vestoj that are starting to promote things. Vestoj doesn't even have any advertising. I think we are starting to see a breakthrough in that.

LS Do you need to be a disruptor then to launch into this sort of space, do you need that sort of mind set? By the way, there is absolutely no correlation between advertising and editorial, anywhere, ever! But do you need to have that rebellious, disruptive instinct?

DW To set up your own business you have to be pretty tenacious and I think as a collective here, being able to support each other is so important, having those networks, the small collective. I think it's great to see things like Etsy as well, to be able to have access to buy something from an individual maker, a craftsman, who couldn't afford to go and queue up around the block to supply Liberty but he can put them online and everyone can find out about them. Those sorts of channels are really brilliant as well.

LS Do you think that we need small fashion brands and entrepreneurs to move this agenda forward?

LC It's a tough question actually because I've got a couple of small companies and friends who run small companies and I know how challenging it is, especially when you are competing with not just big brands, but with margins, with producing offshore etc. I don't have any quick and easy answers but, that said, I do think they have a very important role to play so maybe I guess through editorial awareness, through consumer awareness. The thing that will really support small companies is adoption, is them finding their own audience, so if you can actively try to give an audience to smaller brands who are doing things in more maverick and interesting ways and being more thoughtful about their production processes, I think that's the beginning.

10. Our final question comes from Gavin Ellis, Foudier Hubhub.

GE: What will a sustainable fashion industry look like in 2020? What will have changed from 2015?

CM It's not that far away, it's only five years, but for us at H&M of course we will have reached some goals – that all of our cotton will come from sustainable sources, that we (minimise?) discharge of chemicals, our 850,000 workers will earn a fair living wage. Generally I hope that the awareness will have increased so consumers know and are informed about what they are buying and how they are consuming fashion, not

only in terms of the purchase but also how you care for their garments. We can all cut down our climate effect by better care like, lowering temperatures when we wash, avoiding tumble drying, by more than 50%. I hope that we can do all this and still remain passionate about fashion because in the end we want to make sustainability fashionable as well. I really enjoy fashion, the glamour it brings to every day life and the chance to express our own personality.

LS Catarina, do you still think H&M would be expanding at the same rate it is expanding now by 2020. Do you think you will be expanding your inventory and the number of shops you will be opening, or do you see that there will be a cap on that at some point?

CM I think that we will probably expand. We are starting more brands, more brands within more brands, so to speak, and of course we are moving into more markets.

LS So you will just keep getting bigger and bigger and bigger. Where does it end?

CM Yes, we wonder, yes.

DW Yes, 5 years, that is someone coming in as an undergraduate now and then finishing their Masters. We have just started a collaboration with Kering who are everything from Puma to Stella McCartney to Alexander Mc Queen and working with students with them to be able to see what might be and then see how we can apply what might be into what is. I do see that there is an opportunity to make some big changes. The fact that we have a big brand coming to us to say we would like you to talk about what fashion might be, I think that is going to change things on that scale.

I think like Grace was saying in the previous question about lots and lots of small amazing things rather than one or two big amazing things is really exciting. What I said before about the higher number of our graduates starting their own businesses and doing it as collectives, so I think more and more of these collectives. Here Today Here Tomorrow is a group of our graduates doing different things but doing it in a collective space. It's about the relationships we have through fashion as well as the products. The relationships we are building through Fashion Revolution as well as through things like this, I think we are building a momentum for change. I think 5 years isn't that far – to transform things we are going to need to be a lot more disruptive and that is all that fashion ever has been when it is doing great things. Until those things are in place of what exists we are not going to make any real change, as if they are just additions then we are not actually changing anything.

LC I would hope that we see happen in fashion what we have seen in food in the last 10 years. I am sure there are a million issues still in the food industry but awareness of provenance in food, organic and fairtrade, has really moved the dial. I've been working a little bit in this space for 10 years now. I'm really optimistic that it feels a lot more fertile than it did 10 years ago. Some of the people in this room I met a very long time ago when there weren't many people like Orsola working in the sustainable brand space, but now to see big brand adoption, to see the government talking about these issues, I think shows a lot of optimism.

One last thing, with the company I have we are creating a platform to promote smaller brands that are doing things in a really sound way and help tell their stories. That's my small contribution to growing that space. That's where I am putting in a lot of time and I know that other people are working in that space too, so I'm hopeful that in the next 5 years we could have a big e-commerce online platform that will make it easier for a consumer to go in to a market and say here's 20, or 100, amazing brands that I can buy from and trust.

MC I'd like to see the whole sustainability, and I mean corporate sustainability, that's social responsibility and environmental sustainability and financial sustainability around paying taxes in the countries where these businesses are operating, because that's the only way the government will earn the revenue to provide the health and education systems to lift people out of poverty as well. That sustainability will be seen not as an add-on, not as a nice-to-have, but at the centre of corporate boardrooms, at the heart of your growth strategy because if sustainability is not at the heart of your growth strategy there will be no growth. A lot of the forward-thinking companies are waking up to that.

I also hope we will see this type of debate move from the niche to the mainstream because, as Lily said, it's only when big brands start to wake up to this that it becomes normalised. I'm very keen also that it doesn't become a premium thing, something only for rich people to think about. The problem with organic food is that it is only 2% of our food shop because everyone else will have non-organic stuff because usually it is bigger, riper, shinier etc and because there is a premium attached to organic. Whereas with Fairtrade bananas there is no premium so, of course, you buy Fairtrade bananas which is why they are 20% of the market now. So it's about making it the obvious choice for consumers and making it really easy for consumers to do that. And I hope we will have started to tackle the scandal of 168 million child workers.

JH The level of debate and sophistication and understanding in the UK is far in advance of other countries and you may have a perception here that is a bit more skewed towards the positive than I have looking at it from a global level. One of the challenges is to expand this discussion beyond UK shores. The UK obviously has a critical role to play both in terms of the government and in terms of the brands which are UK-based brands. The other thing I would like to say is that I hope we will see fewer garment workers dying. I have to refer back to Rana Plaza as the two year anniversary is coming up in April and the compensation fund is still \$9m short. You have probably seen the campaign to try to top it up and after two years this is an absolute disgrace and we are calling on all brands that source from Bangladesh, regardless of whether or not they were unfortunate enough to source from Rana Plaza –but, let's face it, it could have been anybody – to pay up so that we don't pass another anniversary without those workers and their families being compensated.

In terms of change, I think at the global level it is going to be incremental. Big changes like Bangladesh only happen when there is a big catastrophe and we don't want to see any more of those. Brands, and the big brands, are absolutely critical here. I very much admire and support all of the small brand initiatives, but it is big brands who really need to make a difference because of the scale of it and they really need to change the way that they do business as this is not really fundamentally going to the heart of how big brands buy and sell clothes at the moment. Hopefully by 2020 we'll see a shift.

AS All I want to say is that the purpose of this event was to help us to shape our own thinking in opposition and that's the relationship I want us to continue. We're not pretending we have all the answers, but with the collective talent in this room we can have the answers and try to make a transformative effect in the next five years.

LS We have so much that we need to tell you, we really do. Thank you so much to all of the panellists.

Orsola de Castro: Thank you so much to the panel and thank you so much to the audience. As Jenny pointed out, in the UK we are quite advanced and, as Dilys said before, it is about collaboration and quite a few of us in this room have worked together for quite a number of years, collaboratively. I do think that we have reached a momentum and the dialogue has drastically increased. Sustainability is relatively new as a science and I think that what we have seen today is that it is compelling, it is multifaceted, it is complex, and this is what makes it so interesting. What I hope is that the message for the new generations and for the consumers is that they aren't just inheriting a massive problem, but that we are collectively a huge part of the solution.

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