

# Why is primark clothing unsustainable?



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This report focuses better future in next few years Primark have to look forward and need to work towards social responsibility and sustainable environment. The main focus of achieving this is finding innovative solutions. For this, first it is critical to recognize the issue. This business report is intended to know about the social and environmental impacts of the Fashion and Textile industry to this world and the sustainability challenges in this industry.

The next one is complex as it involves global supply chain. Primark has various stages of manufacturing often taking place in many parts of the world. It can either buy clothing directly from suppliers or through agents and/or vendors. Before to that, most of the raw materials such as fabrics (wool, cotton etc.) are bought on global commodity markets. Being high turnover (Mintel 2009) also means that keeping track of items can be difficult and if Primark don't know the origins of the stock, it is very difficult throughout the supply chain to identify and ensure standards of sustainability.

Fibres of cotton are blended and sold from different origins around the globe so tracing of its origin is very difficult. This complication in the supply chain makes the incorporation of sustainability more challengeable. There are lot of pesticide used in the production of cotton and has many side effects on workers(Black 2008; McDonald 2006; Allwood et al 2006), soil degradation and loss in biodiversity.

In the production of cotton there is great need of water so it is also known as thirsty crop. For making 1 pair of jeans some times 10 tonnes of water is

required for the enough cotton (EJF-2007). This much use of water in harvesting of cotton has great impact on sustainability (Black2008; Allwood et al 2006). Although there are a few side effects with cotton but also there are benefits engaged with cotton as employment and economic benefits to the developing countries.

The Textile workers in Bangladesh are working at as low as 5pence an hour for Primark, according to a recent study. (K. Alam 2008). This is largely due to workers being prevented from forming and joining trade unions. Poor treatment of labour can include people working for unreasonably low wages, excessive hours or overtime, in dangerous conditions and employing child workers.

Boycotts can upset the production cycle and can damage the brand, the staff morale, and retention of both consumers and employees, and to a very large extent sales and share prices.

High street working conditions is a concern (CR- 2007). Primark is a victim of 'Audit fatigue' (A. McMullen 2009) as they get to asked to fill in multiple questionnaires from different retailers and brands. Even if supply chains can be traced, the auditing, monitoring and enforcement of standards is often weak. Just being compliant is complex for suppliers.

Recommendations:-

Image. 5. Source. <http://www.corbisimages.com/Enlargement/Enlargement.aspx?id=42-24589458&caller=search>

## **Raising standards:**

In 1998 UK government set up the Ethical Trading Initiative to raise the standards. This organisation composes of trade unions, NGOs and companies who work together to improve working conditions. The members of Ethical Trading Initiative are not proof of mandatory standards but committed towards better standards. Also there is SA8000 standard which includes standard for working conditions and many companies are adapting this standard.

Many fashion retailers and brands have called to come together and draw up regulations to enforce minimum standards to draw a baseline for competition. This helps in real leaders to seize opportunities to seize more. To date 968 facilities have been certified worldwide. (SAI 2010)

## **Transparency:**

Transparency is very crucial. Retailers and brands now include information on how they assess and how many they have conducted and what actions they have taken in their annual corporate social responsibility (CSR) / sustainability reports

## **Support for suppliers:**

It is the solution to help combat audit fatigue and improve conditions along the supply chain. There are various tools like the e-textile box emerging that provide suppliers with the manual to be able to adhere with various different codes. The website provides guidance on setting up very basic management systems like how to measure water use. It explains the business benefits for improving social and environmental performance

In supply chain the retailers are on the top and have the power to facilitate the social and environmental good practice through:

â- ☒ Primark needs to follow the fair pricing policies – fair trade clothing is an apparent solution, ensuring fair prices for manufacturers.

â- ☒ Primark has to start an incentive schemes for suppliers i. e. rewards for good practice and penalty for bad practice.

â- ☒ Commitments with suppliers should be for longer term.

â- ☒ Primark should start country of origin labelling on garments, suppliers to meet criteria.

â- ☒ Frequent audit, visiting and assessment should be carried out on garment suppliers, fabric, dye house and component suppliers.

â- ☒ IT based platforms/common questionnaires must be developed for suppliers to input there data.

â- ☒ Supply chain assessment conducted and action taken in their annual CSR/sustainability reports information can be included.

â- ☒ Operating systems and supply chain standards on health and safety, chemicals, labour standards can be published

## **Global fashion markets and trade**

The issues

â- ☒ Subsidies and quotas

â- ☒ Price pressures

â- ☒ Fair pay along the supply chain

Subsidies and quota should be provided to limit the economic impact and protect the domestic clothing industry. This means that many countries that currently produce clothing are being ‘protected’ from a free-market.

As ‘free-trade’ is introduced the transitions need to be handled carefully to avoid any set back to important industries in poor economies. The Textile and Fashion industries, which have large supply chains, have concerns over profit distribution (Oxfam 2004).

The chart explained below shows that even though most of the manufacturing occurs outside the UK, the retailers enjoy the largest gross profit throughout the clothing supply chain and because of this operating cost goes high in UK, also raises questions over fair pay further down the supply chain. (WFTO 2010)

Image . 6. Source:

[www.ifm.eng.cam.ac.uk/sustainability/](http://www.ifm.eng.cam.ac.uk/sustainability/)

Recommendations:-

Image. 7. source.

<http://www.corbisimages.com/Enlargement/Enlargement.aspx?id=U1416831&caller=search>

Lifting subsidies will help counter the downward pressure on price.

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Incentives should be given to command higher prices that may come from improving fibre quality.

Quality control in harvesting and efforts to improve the grade of cotton sent to market.

Reflect the terms of trade between buyer and seller through Fair Trade standards which exist through International Fair Trade Association (IFAT).

Fashion consumption: Disposal

Image. 8. Source.

<http://www.corbisimages.com/Enlargement/Enlargement.aspx?id=42-15373357&caller=search>

The issues

â- ☒ Unsustainable consumption

â- ☒ Clothes ending up in landfill when they could be recycled

Over the last decades Primark clothing is achievable and affordable to everyone as available in lower prices because of stern competition in industry (M. Gelb2005). Primark exploited this affordability by moving fresh collection as per seasons throughout the year. Because of much lower unit costs, Primark need to sell more products in order to maintain levels of turnover and market share i. e. People in UK are buying more clothes than ever before. This causes increase in clothing volume as turnover is very high.

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Increase in volume of clothing ends up in landfill (G. Tibbetts 2008) when it could be recycled or reused.

Recommendations:-

Raising awareness- show the impact of clothing disposal and making recycling as easy as possible.

Include promoting clothing hire and other entrepreneurial solutions.

Take care of the easy ways to win, by reusing coat hangers and carrier bags and reducing packaging waste.

4. In the longer term, government / industry could develop a 'producer responsibility' policy where customers can take used clothing back to where they bought it to be disposed of in the most appropriate way.

### **Conclusions:-**

These issues are inter-related and need to be considered in the wider economic context. Integration of the Primark clothing industry, regulators, designers, the recycling industry and consumers need to work together to deliver these improvements so that we can continue to enjoy fashion without damaging the environment and people. Primark can thus be productive and gain positive economic and sustainability contribution.