

The story of a £4 Boohoo dress: cheap clothes at a high cost by [Sandra Laville](#)

Online retailers such as Boohoo and Missguided are booming, but critics say there is a hidden price
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It comes in red, mustard and black, in sizes 6 up to 16; the bandeau bodycon minidress, is, according to the online retailer [Boohoo](#), “perfect for transitioning from day to play”.

It is not so much the styling and colour, but the price of the £5 dress – reduced this week to just £4 – which attracts thousands of the thriving retailer’s 5 million UK customers to add it to their online

shopping bag, click and pay.

Products and prices like these have driven Boohoo’s profits to a record £59.9m, bucking the trend of struggling high street fashion stores across the country.

Made in the UK, at factories in Leicester and Manchester, the £5 dress epitomises a fast fashion industry that pumps hundreds of new collections on to the market in short time at pocket money prices, with social media celebrity endorsement to boost high consumer demand. On average, such dresses and other products are discarded by consumers after five weeks.

Missguided, an online rival to Boohoo, which also sources products from Leicester, took the low pricing even further this week by promoting a £1 bikini, which proved so popular with customers that the website crashed.

But behind the price tag there is an environmental and social cost not contained on the label of such products. “The hidden price tag is the cost people in the supply chain and the environment itself pays,” said Sass Brown, a lecturer at the Manchester Fashion Institute. “The price is just too good to be true.”

A report by MPs into the fashion industry put it bluntly: in terms of environmental degradation, the textile industry creates 1.2bn tonnes of CO₂ a year, more than international aviation and shipping combined, consumes lake-sized volumes of water, and creates chemical and plastic pollution – as much as 35% of microplastics found in the ocean come from synthetic clothing.

Socially, the booming fast fashion industry is often built on low wages paid to women working in factories abroad, but also increasingly in the UK, in cities such as Manchester, Birmingham, London and Leicester. There is no evidence that factories in the Boohoo and Missguided supply chains pay illegal wages. However, some garment workers in Leicester are paid an average of £3 an hour – way under the national minimum wage – MPs heard in evidence.

MPs found that the Modern Slavery Act was not robust enough to stop wage exploitation at UK clothing factories. There was a lack of inspection or enforcement, allowing factories – none of which are unionised – to get away with paying illegal wages.

In the UK, we buy more clothes per person than any other country in Europe – five times what we bought in the 1980s, which creates 1.3m tonnes of waste each year, some 350,000 tonnes of which is dumped in landfill or incinerated.

Yet despite the overwhelming evidence gathered by the environmental audit committee (EAC), ministers this week rejected every recommendation for tackling abuses across the fashion industry, including a ban on incinerating or landfilling stock that can be recycled and a 1p charge on each garment to raise £35m a year for better clothing collection and sorting, a move supported by many in the industry.

Theresa May said in parliament the government already had measures in place, including a multimillion-pound grant scheme to help boost the recycling of textiles and plastic packaging.

But the response of the government was met with anger by many within the industry, where ethical fashion firms come up against others who produce at lower costs on the back of exploitative wage structures and environmentally damaging production models.

Phoebe English, the English fashion designer, said: “It is extremely alarming to see that our government has failed to grasp the true extent of the consequences of the fashion industry carrying on the way it is.

“It is a vastly damaging industry that has been spiralling unchecked for far too long. The Earth and the people on it are exploited and damaged at every single step of the chain, and this culminates with unimaginable mountains of unused excess stock or badly made broken waste clothing with nowhere to go other than landfill or incineration.”

English said it was up to the industry to pull together to regulate itself and urgently put an end to bad practice.

But others are less sure that voluntary measures will tackle what they say is a systemic power imbalance between brands and manufacturers, which leads to worker exploitation, or address the enormous environmental footprint of their trade.

“The knowledge is out there. We know the scale of those impacts and we know what some of the solutions are,” said Dr Mark Sumner, a lecturer in retail and fashion at the University of Leeds. “What we need is the government to come up with some clear policy, whether it’s around legislation, or voluntary initiatives to incentivise a change of behaviour by brands.”

With growing scrutiny of their business model, brands are beginning to promote an ethical face. This week Boohoo promoted its recycled brand For the Future, using fabrics made from synthetic waste saved from landfill.

“They are moving in the right direction, but this is a micro-percentage of their output,” said Brown.

While Boohoo is promoting its “green” credentials, repeated attempts by the trade union Usdaw to talk to workers at its delivery centre in the UK about union rights are being rebuffed by the company.

Mary Creagh, the chair of the EAC, said: “If brands want to be ethical, they should start by allowing a trade union into their premises rather than barring the door.”

Prof Nikolaus Hammer, associate professor in work and employment at Leicester University, carried out research into the fashion industry in Leicester, where he found employees working in appalling conditions, with no employment contracts, earning on average £3 an hour. It was the brands, he said, who held all the power over manufacturers to keep cutting their prices. “They will go to the manufacturer and say that person down the road can do it for 1p less, and they get the job,” he said.

He doubted that any greening measures by brands could make them ethical and sustainable while still fulfilling the model of fast fashion.

“The fundamental problem with much of fast fashion is that its social and environmental costs are not taken into account. The environmental costs of materials and fabric are mostly offshored. The production that takes place in the UK often only pays half the legal minimum wage.

“So, who is accountable for water and chemical pollution abroad, precarious work and employment, the undercutting of compliant manufacturers, the pollution from delivery and lack of recycling at home? Brands might find it difficult to make £5 fast fashion dresses and be socially and environmentally sustainable.”

Carol Kane, the co-founder of Boohoo, told MPs the £5 dress was a “loss leader” drawing people to the website. She said the company employed three people in Manchester, three in Leicester, and 10 in China to carry out audits at their producer factories each month to ensure proper working practices.