Collective Fashion Justice submission into the Australian Parliamentary inquiry into greenwashing

Introduction

Collective Fashion Justice (CFJ) is grateful for the opportunity to contribute to the Australian Government’s inquiry into greenwashing, a pressing and deeply important issue. Our ACNC registered charity exists to create a ‘total ethics fashion system’, one which prioritises the life and wellbeing of people, our fellow animals and the planet we share before profit. Greenwashing is an enormous issue in the fashion industry, and CFJ will share insights with particular reference to this industry, which is plagued by this serious problem.

CFJ and its members are experts on the topic of greenwashing, as well as the lesser known subcategory of greenwashing, ‘ethics-washing’. We work internationally, consulting with fashion bodies, major brands and governments to improve sustainability and ethics in fashion. In 2021, our organisation contributed to the writing of a now passed law in New York City, designed to support the city council in making environmentally preferred textile purchases. Over the past few years, we have released a number of reports which explore greenwashing issues in the fashion industry, and our founding director, Emma Hakansson, has lectured both locally and internationally on the issue (Swinburne University and LCI in Melbourne, London College of Fashion, Institut Français de la Mode, with other CFJ lectures and presentations given across Parsons, NYU, and many other schools). Most recently, CFJ contributed to the US Federal Trade Commission’s review of its Green Guides, with our insights highlighted by The Fashion Law and other respected industry commentators.

As part of our submission, we have:

1. Explored the importance of defining greenwashing clearly and broadly

2. Analysed instances of greenwashing within the Australian fashion industry

3. Reviewed Australian government capacity to prevent greenwashing, and compared this to international government works towards the same goal
4. Produced polling exploring the Australian publics’ risks of being deceived by greenwashed claims (findings can be found throughout this report, supporting our claims and recommendations)

5. Recommended legislative options to protect consumers

1. Exploring the importance of defining greenwashing clearly and broadly

The Australian Government cannot effectively prevent greenwashing and related consumer deception across industries unless greenwashing is clearly defined, and the breadth of greenwashing methodology is understood.

Defining greenwashing

Based on our wide review of relevant literature, Collective Fashion Justice defines greenwashing as a complex and multifaceted phenomenon which always involves misleading consumers in relation to the environmental practices of a company, product or service.¹ ²

Defining the subcategory of ethics-washing

As recognised by the United Nations endorsed concept of ‘one health’,³ the wellbeing of humans and our fellow animals is essential to environmental health. The one health approach is growing in recognition and is endorsed by the UN’s Food and Agricultural Organization,⁴ which adheres to its definition as ‘an integrated, unifying approach that aims to sustainably balance and optimise the health of people, animals and ecosystems. It recognizes the health of humans, domestic and wild animals, plants, and the wider environment (including ecosystems) are closely linked and interdependent.’

Fashion-related research highlights this interconnectedness, with one relevant academic hypothesis proposing that raising the world’s 35 million garment worker wages just an extra $100 a week would immediately cut 65.3 million metric tons of CO2 out of the global economy.⁵

---

² https://journals.sagepub.com/doi/abs/10.1525/cmrr.2011.54.1.64
⁴ https://www.fao.org/one-health/en
Similarly, modern slavery and particularly environmentally destructive industries (such as those tied to deforestation) have been found to be frequently linked.⁶

As such, and with recognition of ‘sustainability’ as relating not only to what can be ecologically sustained, but to what is justly sustained, we also define ‘ethics-washing’. Ethics-washing is a subcategory of greenwashing, in which consumers are misled in relation to the treatment of people and animals of a company, product or service.

This inclusion of ethics within a view of sustainability is important to Australian consumers. Collective Fashion Justice commissioned polling found that 92% of surveyed Australians believed that sustainable products should protect the planet, people and animals alike, rather than just one of these, as ‘it’s all connected’.⁷

**Methods of greenwashing and ethics-washing**

Greenwashing can occur regardless of whether or not it is the intention of a company, though it is more insidious when this intention drives consumer deception. Greenwashing can occur whether or not any consumer is indeed misled, so long as it is likely to mislead.⁸

Methods of greenwashing and ethics-washing can include diverting attention, overstating impacts, twisting the truth, omitting key information, providing vague or ambiguous communications as well as outright inaccuracies, the promotion of empty green claims, dubious certification, co-opted NGO endorsements and misleading visual imagery.⁹

These tactics, used to both ethics-wash and greenwash, deceive consumers into buying products they may not otherwise, or into paying a premium for a product they believe is better for the planet, people and animals than it really is. For businesses, these tactics unfairly disadvantage those spending more money and time on creating more genuinely responsible products, compared to those that do not, but that market themselves as though they are producing responsibly anyway, unfairly advantaging themselves. Regardless of the type of ‘washing’, the tactics and impact are the same, and trust in the market is eroded.

2. Analysed instances of greenwashing within the Australian fashion industry

**The importance of addressing the fashion industry**

---

⁶ https://doi.org/10.1016/j.erss.2021.102096
⁷ https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
⁹ https://journals.sagepub.com/doi/abs/10.1525/cmr.2011.54.1.64
The fashion industry is responsible for up to 4-8% of global greenhouse gas emissions,\textsuperscript{10} an estimated 20% of the world’s wastewater,\textsuperscript{11} as well as significant biodiversity destruction and deforestation,\textsuperscript{12, 13} and major chemical pollution.\textsuperscript{14} Both pre- and post-consumer waste is a significant industry problem, and there is not enough data available to fully understand the scale of these serious issues. Additionally, fashion’s global supply chains are fragmented, not transparent, and often untraceable,\textsuperscript{15} with both raw material and garment production in fashion posing high risks for modern slavery.\textsuperscript{16} Finally, the fashion industry is also tied to the often exceptionally cruel exploitation and slaughter of over a billion mink, foxes, crocodiles, snakes, cattle, sheep, goats, alpaca, ostriches, geese and ducks each year.\textsuperscript{17}

As consumer interest in more sustainable and ethical fashion production rises internationally and in Australia,\textsuperscript{18, 19} it is perhaps unsurprising then that greenwashing and ethics-washing is also particularly prevalent in fashion. In lieu of similar Australian-specific data, we highlight that in 2021, The International Consumer Protection and Enforcement Network found that 40% of the industry’s environmental claims could be misleading consumers making purchasing decisions.\textsuperscript{20} Changing Markets Foundation’s peer-reviewed ‘Licence to Greenwash’ report highlights the pervasiveness and importance of tackling greenwashing in fashion.\textsuperscript{21} It is critical that the fashion industry is paid particular attention to, in efforts to combat greenwashing and ethics-washing.

Further, extensive mainstream and industry media coverage charts the rise of greenwashing practices among marketers in the industry.\textsuperscript{22, 23, 24} While a number of campaigns have been established to raise awareness of the issue, this responsibility should not be left to the charitable sector.\textsuperscript{25} The importance of addressing fashion is also cemented by the Australian Competition & Consumer Commission’s March 2023 research, in which the textiles, garments and shoes sector had the second most ‘concerning environmental claims’.\textsuperscript{26}

\textbf{Instances of greenwashing and ethics-washing in the Australian fashion industry}

\textsuperscript{10} https://www.mckinsey.com/industries/retail/our-insights/fashion-on-climate
\textsuperscript{11} https://www.sciencedirect.com/science/article/pii/S2452223622001225#bib32
\textsuperscript{12} https://www.mckinsey.com/industries/retail/our-insights/biodiversity-the-next-frontier-in-sustainable-fashion
\textsuperscript{13} https://stand.earth/resources/nearwhere-to-hide-how-the-fashion-industry-is-linked-to-amazon-rainforest-destruction/
\textsuperscript{14} https://www.cdp.net/en/research/global-reports/interwoven-risks-untapped-opportunities
\textsuperscript{15} https://www.fashionrevolution.org/about/transparency/
\textsuperscript{16} https://www.walkfree.org/reports/beyond-compliance-in-the-garment-industry/
\textsuperscript{17} https://www.collectivefashionjustice.org/non-humans
\textsuperscript{18} https://www.collectivefashionjustice.org/articles/heres-how-fashion-purchases-have-changed-since-the-pandemic
\textsuperscript{19} https://baptistworldaid.org.au/2021/07/26/australians-value-ethical-fashion-but-struggle-to-take-action/
\textsuperscript{21} https://www.sciencedirect.com/science/article/pii/S2452223622001225#bib32
\textsuperscript{22} https://www.fastcompany.com/90385370/hm-zara-and-other-fashion-brands-are-tricking-consumers-with-vague-sustainability-claims
\textsuperscript{23} https://www.forbes.com/sites/retailwire/2022/07/13/hm-case-shows-how-greenwashing-breaks-brand-promise/?sh=19cc91b31171
\textsuperscript{24} https://www.businessofashion.com/articles/sustainability/greenwashing-fasion-marketing-sustainability-hm-regulation/
\textsuperscript{25} https://greenwash.com/
\textsuperscript{26} https://www.businessofashion.com/articles/sustainability/greenwashing-fashion-marketing-sustainability-hm-regulation/
The below instances of greenwashing and ethics-washing all relate to brands which are either Australian owned and operated, or which sell a considerable amount of stock to Australian consumers.

**Example/Issue 1: The Iconic’s ‘Considered’ collections**

A number of instances of green-washing within one site, the Australian retailers’ ‘Considered’ collection highlights more 'socially and environmentally responsible' products. While there is value in pointing consumers towards products with less negative impacts during production than others, a problem arises when broad labels are placed on products minimising only some such negative impacts. In reference to the earlier listed methods of greenwashing, this can result in ‘overstated impacts’ tied to ‘omitting key information’.

Terms like ‘eco-friendly’, ‘eco-production’ and other ‘eco’ terms are designed to seem synonymous with ‘sustainable’. CFJ commissioned polling from May 2023 shows that the majority of surveyed Australians believe that if a product is labelled as ‘sustainable’ it means that the ‘product is made without any harm to the environment’ (38%) or that such a product actually ‘helps to protect the environment’ (25%).

Despite this, the ‘eco-production’ section of The Iconic’s website includes:

*Products, such as a ‘stretch’ blazer from Bassike, made of main materials derived entirely from plastic and fossil fuels.*

The blazer, used as an example of a broader issue, is made with a main material made of 94% polyamide and 6% elastane. The rampant use of synthetic, petro-chemical derived materials by the fashion industry is harmful to climate impact mitigation efforts. A product made of virgin fossil fuel materials is in no way sustainable, and yet the ‘eco’ label is likely to sway consumers to believe the opposite is true.

*A number of boots and leather products from R.M. Williams, made of Australian cow skin leather.*

While R.M. Williams has recently published more information about its sustainability commitments and targets, its broad sourcing of Australian leather has significant harmful consequences to biodiversity and the climate. The company has no public policy in relation to deforestation, despite cattle ranching being the leading cause of deforestation in the country: responsible for as much as 73% of clearing in Queensland, with this clearing tied to species endangerment, including for the iconic koala.

---

27 https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
30 https://www.collectivefashionjustice.org/synthetics
33 https://static1.squarespace.com/static/5f5f02dd9b510014ee4fc4f/1/64025b58f16f565c702635cf/1677876106157/Leather%27s+impacts+on+the+planet+report.pdf
Additionally, the carbon equivalent emissions associated with cattle rearing and leather production are extremely steep, contributing far more to the climate crisis than alternative material production systems. Without addressing these significant environmental risks and impacts, reference to such boots as ‘eco’ is very likely to mislead consumers.

The Iconic’s website also includes a ‘sustainable materials’ category:

_This category includes Leather Working Group (LWG) certified and vegetable-tanned leather._

Neither LWG or vegetable-tanned leather products address issues including significant methane emissions, deforestation, species endangerment and biodiversity destruction, significant water usage, or plastic-coating of leather which is common in the industry. In fact, research has tied numerous fashion brands, including those selling in Australia (Zara, Nike, UGG, Adidas, LVMH and others) working with LWG leather, to Amazonian deforestation.

CFJ commissioned polling highlights that half of people assume that a product labelled as ‘sustainable’ or ‘eco-friendly’ ‘does not result in deforestation, significant greenhouse gas emissions, or other negative environmental impacts’. Another 38% of people believe that at least some of these impacts would not be attached to the production of such items. This understanding of the term ‘sustainable’ and ‘eco-friendly’ is reasonable, and yet LWG leather labelled as such has been tied to deforestation, significant greenhouse gas emissions and other negative environmental impacts.

_This category also includes recycled polyester._

Products made partly from recycled polyester and partly from virgin polyester are accepted, and it appears there may be no minimum requirement for recycled content. Some products, such as the listed bike shorts from Nike are not labelled with content specifications in relation to this breakdown, but the Nike website states that ‘at least 50% recycled’ fibres are used. As a result, as much as half of the product could be derived from new fossil fuels, and will not be able to break down, shedding plastic microfibers as they are washed.

The Iconic’s website also includes an ‘animal-friendly’ category of its ‘Considered’ collection.
A number of products, including a parka from The North Face and sweat pants from Icebreaker, are derived from raw material supply chains which slaughter animals.43, 44

CFJ polling highlights that the majority of Australians think the term ‘animal friendly’ and other similar terms like ‘cruelty-free’ mean that ‘no animals are hurt or killed’ in the creation of a product.45

The North Face jacket is made with goose feathers, sourced from slaughterhouses profiting from the sale of these feathers. The feathers are Responsible Down Standard (RDS), supposedly assuring no live-plucking occurs, however investigations have highlighted the failure of RDS certification to eliminate the practice, and birds remain in factory-farm conditions, without adequate access to water for floating, despite being a semi-aquatic species.46 Similarly, the wool sweatpants from Icebreaker use non-mulesed wool. While mulesing is a cruel mutilation practice, it is not the only animal welfare issue associated with wool, and Icebreaker uses ZQ accredited wool,47 which still permits tail docking without pain relief in some instances, including with a hot iron which sears through skin and bone.48 Additionally, the certification permits animal slaughter in the wool supply chain, and wool can be sourced post-slaughter.

Positively, some Iconic categories do present brands aligned with their promised values. For example, the ‘Fair Production’ category refers to the Ethical Clothing Australia accreditation and Fairtrade certifications.49 These are much more stringent and aligned with the promise of fair labour practices and payments than the environmental and animal-related claims on the website are with their associated outcomes. While fair labour should include the entire supply chain rather than tier one (where garments are sewn) alone,50 this is a significant improvement beyond industry standard, less likely to mislead.

The problem with collections such as ‘Considered’ is not the attempt to encourage more responsible purchases, but the conflation of ‘some reduced impacts’ with ‘sustainable’ or another positive identifier, without specificity.

Example/Issue 2: Recycling claims

As synthetic, fossil fuel derived materials continue to be relied on by the fashion industry, a small but growing portion of these synthetics (as well as other fibres) are being recycled and reused. While recycled materials undoubtedly result in less negative environmental impacts, such as emissions, than their virgin counterparts,51 total sustainability is more complex, requiring

---

44 https://www.collectivefashionjustice.org/down
45 https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
48 https://www.collectivefashionjustice.org/articles/wool-standards-explained
50 https://www.fashionrevolution.org/transparency-beyond-tier-one/
consideration of end-of-life and use impacts.\textsuperscript{52} Too, many brands use ‘recycled’ labels on products that may mislead consumers.

CFJ commissioned polling shows that 45\% of surveyed Australians believe that if a product is labelled as ‘recycled’, then ‘it is made only from recycled materials’. In fashion, this is largely never the case. Another 27\% of consumers believed such a garment would be made ‘from a majority recycled materials’, but just 19\% recognised that this label may be used on a garment made with any portion of recycled content.\textsuperscript{53}

With these findings in mind, numerous Australian brands are likely greenwashing their products. Country Road, for example, offers a collection of cotton garments that, unless composition details (rather than listed product names) are checked, are labelled simply as ‘recycled’. Just 50\% of the overall composition is recycled.\textsuperscript{54} Glassons similarly presents their 50\% recycled denim with a ‘recycled fibres’ badge,\textsuperscript{55} and Nasty Gal titles garments as ‘recycled’ despite their being made from just 52\% recycled content.\textsuperscript{56} Even brands which produce garments with far improved practices over the industry standard, such as Nobody Denim, refer to some denim garments as made with ‘recycled’ denim, in a prominent product page position, when expandable product detail information shows that just 20\% of the composition is in fact recycled.\textsuperscript{57}

The issue here is not with using a blend of recycled and virgin materials, as this can support product longevity (because virgin fibres are longer than those which are recycled), but with inaccurate labelling. A garment made wholly from recycled materials should not be labelled the same way as one which is not made even from a majority of recycled materials, particularly given the perception of what ‘recycled’ labels mean.

Additionally, some brands also refer to materials (rather than products) as 100\% recycled, when this claim is dubious. Elk, for example, refers to one of their bags as made from 100\% recycled leather.\textsuperscript{58} While this may in itself be accurate, additional complexity comes into such labelling when the composition of materials such as ‘recycled leather’ are considered. Recycled leather cannot be produced without the addition of some form of binder, which is often resin plastic.\textsuperscript{59, 60, 61} The product listing also states that ‘leather is a natural material’, leaving consumers unaware that they are purchasing a bag made from a leather and synthetic blend (or that hide processing generally renders leather unnatural).\textsuperscript{52} Not only product composition, but material composition should be more clearly and accurately presented to consumers.

\textsuperscript{53} https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
\textsuperscript{54} https://www.countryroad.com.au/search?q=recycled#catpage=2 (see end for screenshots)
\textsuperscript{55} https://www.glassons.com/p/recycled-low-rise-straight-leg-jean-jd54236-pdmn-last-rodeo-indigo (see end for screenshots)
\textsuperscript{56} https://www.nastygal.com/au/recycled-ribbed-high-neck-tank-top/6G501000.html?color=105 (see end for screenshots)
\textsuperscript{57} https://nobodydenim.com/products/robyn-denim-shirt-ecru (see end for screenshots)
\textsuperscript{58} https://au.elkthelabel.com/products/leni-large-bag (see end for screenshots)
\textsuperscript{60} https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7866253/
\textsuperscript{61} https://www.linkedin.com/pulse/ultimate-guide-recycled-leather-娇娇-林
Example/Issue 3: ‘Natural’ claims

CFJ commissioned polling shows that many Australian consumers believe that if a product is labelled as ‘natural’ it is ‘made from nature without harm to nature’ (44%), with another 10% of respondents believing a ‘natural’ product is inherently ‘good for nature’.\(^63\) However, a ‘natural’ product can come from nature and also harm nature.

Research shows that the ‘natural-is-better’ bias leads many consumers to believe something that is ‘natural’ is more environmentally beneficial, regardless of whether or not this is the case.\(^64\) For example, a material like Tencel lyocell can have a far smaller land, water and climate impact than both cotton and wool,\(^65\) but due to the closed-loop chemical processing involved in Tencel manufacturing which is not ‘natural’, consumers may prefer cotton or wool, even if it is not sustainably grown or even if it is inherently inefficient to produce. Despite this, many Australian brands refer to ‘natural materials’ and their sourcing as a fundamental part of their sustainability strategy, without additional qualifiers.

Misuse of the term ‘natural’ is also a concern. Alias Mae, for example, seems to refer to the beige, sand-toned leather shoes they sell as ‘natural leather’. The brand uses the term ‘natural’ to refer to a colour in a way which is likely to make consumers believe the leather itself is natural (no information about leather sourcing is provided on the product page), and despite this leather likely being artificially coloured to this tone, as is most common.\(^66\)

Another example of misuse is found in relation to material processing which renders a once ‘natural’ material no longer so. Superwash wool is wool which is coated with a thin layer of plastic resin, allowing for it to be easily machine washed.\(^67\) As a result, this process renders the wool no longer natural. Despite this, some brands using superwash wool, including Sweaters Australia, refer to superwash wool garments as using ‘natural fibres’.\(^68\)

Example/Issue 4: ‘Sustainable’ labelling on harmful products

Bold claims of product sustainability are often marketed to Australian consumers with the use of vague terms such as ‘sustainable’, or ‘eco-friendly’, despite a lack of evidence to support this, or poor evidence which runs contrary to the best available data. A number of examples have been provided:

'Sustainable' leather labelling based on 'dubious certification' or through 'overstating impacts'.

\(^63\) https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
\(^64\) https://www.sciencedirect.com/science/article/pii/S2352550922002664
\(^65\) https://www.researchgate.net/publication/50925966_Life_Cycle_Assessment_of_man-madeCellulose_fibres
\(^66\) https://aliasmae.com.au/collections/all/natural (see end for screenshots)
\(^67\) https://www.collectivefashionjustice.org/shear-destruction
\(^68\) https://sweatersaustralia.com.au/collections/v-jumper-super-wash (see end for screenshots)
At Manning Cartell, LWG certification is again used to justify a ‘sustainable leather’ promotion, alongside REALGRADE™ certification, without acknowledgment of climate impact, lack of biodegradability after processing, or other negative impacts. ⁶⁹, ⁷⁰

At Nelson Made, the use of vegetable-tanned leather is referred to as a choice made as part of a ‘commitment to sustainable material choices’. ⁷¹ Again, no deforestation risks, climate impact, water wastage or eutrophication risks are addressed in a simple switch to vegetable-tanning, which may have similar environmental impacts to conventional tanning, and which also renders hides non-biodegradable. ⁷²

‘Sustainable’ and similar labels provided without any justification

At French Connection, a skirt which appears to be made of 100% virgin synthetic materials (labelled as 72% acetate and 28% polyester) is promoted in the brand’s ‘sustainable product’ collection, despite being made entirely from fossil fuels. The same collection also includes a range of cotton products that are only labelled as ‘100% cotton’, meaning that they may be produced using conventional practices which harm the environment. ⁷³, ⁷⁴, ⁷⁵

Example/Issue 5: Happy animals and ‘cruelty-free claims’

As earlier highlighted, CFJ commissioned polling also highlights that 62% of Australian citizen consumers assume a product labelled as ‘cruelty-free’ is free from any harm to or killing of animals. ⁷⁶ A large number of Australian brands continue to ethics-wash their use of animal-derived materials, including fur.

Viktoria & Woods, for example, states on their website that their use of Leather Working Group (LWG) certified leather works ‘to ensure the animals are treated with the utmost care’. ⁷⁷ This is undoubtedly misleading, as LWG accreditation does not include a single animal welfare related requirement. ⁷⁸ Standard practices in the leather industry include painful dehorning with sharp tools or hot cautery irons and no pain relief, hot iron branding, castration without pain relief, and

---

⁷⁰ https://static1.squarespace.com/static/5f5f02dd9b510014ee4f4c4f/t/64025b58f16f565c702635cf/1677876106157/Leather%27s+impact+on+the+planet+report.pdf
⁷² https://static1.squarespace.com/static/5f5f02dd9b510014ee4f4c4f/t/64025b58f16f565c702635cf/1677876106157/Leather%27s+impact+on+the+planet+report.pdf
⁷⁵ https://www.collectivefashionjustice.org/conventional-cotton
⁷⁶ https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
⁷⁸ https://www.collectivefashionjustice.org/articles/what-is-the-leather-working-group-certification-and-does-it-make-for-sustainable-and-ethical-leather
of course, ultimately slaughter.\textsuperscript{79} Some of the top skin production countries in the leather supply chain are responsible for particularly egregious cruelty to animals such as cattle, while others, such as China, have no nationwide laws regulating animals and protecting them from cruelty. Important to note here, animal welfare laws in most countries specifically exempt farmed animals and leather is a profitable co-product which contributes to the funding of these supply chains.\textsuperscript{80}

Olga de Polga claims that their angora is ‘cruelty-free’.\textsuperscript{81} Angora is made from rabbit fur that in a large number of instances, is ripped from the skin of rabbits.\textsuperscript{82} The brand claims (without certification or supplier transparency to support the claim) that their angora is shorn. However, a number of other cruelty concerns are associated with opaque angora production, which mostly occurs in China, Argentina, Chile and the Czech Republic, according to leading animal welfare organisation, FOUR PAWS.\textsuperscript{83} Conditions are similarly cruel in wealthier nations such as France.\textsuperscript{84} Angora rabbits are confined in small, individual cages year round, despite being gregarious animals. Rabbits are killed when they are no longer profitable, and many farms kill male rabbits soon after birth, as their fur yield is likely to be low.\textsuperscript{85} Meanwhile, Birds of a Feather Co, which is available both online and through Australian brick and mortar retailers, refers to their rabbit and raccoon fur coats as ‘ethical’, as the fur they use aligns with the International Fur Federation’s self-regulated requirements, which allow for metal caging and anal electrocution of animals for fashion.\textsuperscript{86, 87}

Gorman swing-tags on wool products claim that they are ‘happily made with wool… no harm or discomfort was felt by these curly creatures. The sheep say thank you’.\textsuperscript{88} Despite a claim as large as ‘no harm’, which has also been made by Sheep Inc (‘zero harm\textsuperscript{89} and ‘humane’ treatment\textsuperscript{90}), again, both brands source wool through certification which in some instances permits castration and tail docking without pain relief, as well as the slaughter of non-productive, or financially burdensome animals.\textsuperscript{91} Some Gorman wool is not accredited with a standard such as RWS or ZQ, but only assured to be non-mulesed, allowing for other cruel and legal practices in merino wool production such as the clubbing of lambs who are weak and unwell, live export

\textsuperscript{79} https://static1.squarespace.com/static/5f5f02dd9b510014ee4f4cf4tf/63fe6c7a4305dc76ee40a43c/1677618365889/Leather%27s+imp%act+on+animals+report.pdf
\textsuperscript{80} https://static1.squarespace.com/static/5f5f02dd9b510014ee4f4cf4tf/63fe6c7a4305dc76ee40a43c/1677618365889/Leather%27s+imp%act+on+animals+report.pdf
\textsuperscript{82} https://www.wpet.org.uk/issues/animals-not-wear/angora/#:~:text=Angora%20rabbits%20are%20typically%20kept,the%20fur%20on%20their%20heads.
\textsuperscript{83} https://www.four-paws.org.au/campaigns-topics/topics/animals-abused-in-fashion/the-cruel-reality-behind-angora-wool
\textsuperscript{84} https://one-voice.fr/en/our-fights/fashion/angora/explanation.html
\textsuperscript{85} http://www.livestocklibrary.com.au/handle/1234/19571
\textsuperscript{86} https://birdsofafeathercouture.com/pages/sustainability
\textsuperscript{87} http://fureurope.eu/wp-content/uploads/2015/02/Good-practice-foxes-15042013.pdf
\textsuperscript{88} Please see in-store image of swing tag attached at end of document
\textsuperscript{89} https://au.sheepinc.com/pages/design-approach
\textsuperscript{90} https://au.sheepinc.com/pages/animal-welfare
\textsuperscript{91} https://www.collectivefashionjustice.org/articles/wool-standards-explained
of cast for age sheep, and again, pain relief-free mutilation such as tail docking with a hot knife.\textsuperscript{92, 93, 94}

These kinds of ethics-washed claims span species, with MacPac also referring to their use or Responsible Down Standard as ensuring ‘ethically sourced’ feather down,\textsuperscript{95} despite the Standard allowing for, as earlier mentioned, factory-farm conditions, and the killing of ducks,\textsuperscript{96} which does not align with consumer understanding of what ethically related and cruelty-free terms mean when used in reference to animals. Just 16\% of surveyed Australians thought that animals may be killed in the production of products labelled as ‘animal friendly’ or ‘cruelty-free’.\textsuperscript{97}

Example/Issue 6: ‘Fair wage’ claims and poverty pay

The issue of ethics-washing is not limited to animals, but persists in relation to labour conditions. In fact, 18\% of Australian consumers believe the aforementioned ‘cruelty-free’ labels also relate to humans, and show that no people were harmed in the making of a product, either.\textsuperscript{98}

As few as 2\% of garment workers around the world are paid a living wage.\textsuperscript{99}

A living wage is defined as ‘the remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events’ by the Global Living Wage Coalition.\textsuperscript{100} Given the definition of a ‘living wage’, it is reasonable to consider anything less than a living wage a ‘poverty wage’, given that, while poverty is a ‘relative concept’, it is used to describe the experiences of people that ‘cannot participate in the activities that most people take for granted’,\textsuperscript{101} and that ‘absolute poverty’ is defined by an inability to meet basic living needs (according to Poverty and Inequality, an organisation from the Australian Council of Social Service and UNSW Sydney).\textsuperscript{102}

Baptist World Aid reporting on the Australian fashion industry highlights that just 10\% of top brands assessed pay living wages.\textsuperscript{103, 104} A vast number of brands which received Baptist World

\textsuperscript{92} https://gormanshop.com.au/pages/socia-ethical-animal-welfare
\textsuperscript{94} https://www.collectivefashionjustice.org/wool
\textsuperscript{95} https://www.macpac.com.au/responsible-down.html
\textsuperscript{96} https://www.collectivefashionjustice.org/down
\textsuperscript{97} https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
\textsuperscript{98} https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
\textsuperscript{99} https://www.collectivefashionjustice.org/garment-workers
\textsuperscript{100} https://globallivingwage.org/about/what-is-a-living-wage/
\textsuperscript{101} https://povertyandinequality.acoss.org.au/poverty/
\textsuperscript{102} https://povertyandinequality.acoss.org.au/faq/#poverty-definitions
Aid rankings as low as under 25 out of 100 (in a relatively lenient scoring system which rates brands against an industry standard, rather than best practice) for ethical practices claim online to pay ‘fair’ wages, to ensure workers are employed ‘ethically’ or to the ‘highest standard of ethics’. Such brands include TOMS, Nude Lucy, Blundstone, Seed Heritage, Sportsgirl, Sussan, Suzanne Grae, and Myer. Brands such as Bardot and Forever 21 also made such claims, while scoring just a 5 or less out of 100.

CFJ commissioned polling shows that 65% of Australian consumers assume that clothes sold and marketed as ‘fair’ or ‘ethical’ mean that ‘workers are paid a genuinely fair wage that affords them all basic living costs’.

Without paying genuinely fair living wages, all of these brands are ethics-washing and exaggerating their positive treatment and payment of the workers who make their clothes.

Example/Issue 7: Fashion magazines and their contribution to greenwashing and ethics-washing

It’s not only brands but publications within the fashion industry which can contribute to the greenwashing and ethics-washing of garments. Fashion Journal, for example, has referred to a number of brands as ‘sustainable’, despite environmentally harmful materials being used by those listed. For example, Karmeleon was listed as ‘sustainable’, but the majority of their garments are made from virgin synthetic materials like lycra.

Similarly, an article from Marie Claire states that natural fibres will have a ‘much lower environmental impact’, in an article about ‘sustainable clothing’, despite this not always being true, as outlined earlier. This same article refers to brands including GANNI and Nagnata as ‘ethical’ despite the former not paying worker’s living wages and lacking transparency in production in countries with high risks of forced labour, and the latter using a large portion of wool accredited with a certification that permits tail docking without pain relief in some

---

111 https://www.seedheritage.com/sustainability/
115 https://investor.myer.com.au/Corporate-Governance/?page=Sustainability&_gl=1*15m7r39*_ga*MTEzNzEzMTYwMl4xNjg0NDczMjg0*_ga_QYB18V4LW2*MTY4NDQ3MzI4MMy4xLjAuMTY4NDQ4MzI4MT4wLjA.
118 https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
120 https://karmeleon.com/collections/all
123 https://directory.goodonyou.eco/brand/ganni
instances, and which does not include specifications beyond the law in relation to the slaughter of sheep.\textsuperscript{123, 124}

Meanwhile, Now to Love refers to fast fashion brands including H&M, Glassons and Lovehoney as ‘affordable sustainable’ brands,\textsuperscript{125} relying on their use of some recycled synthetic materials, and vague brand claims. Such claims include that Glassons ‘aims to have 30 per cent of their range sustainably sourced’ by a particular date, or that H&M now has a ‘full sustainable range’. This claim is certainly not accurate when considering the massive scale of production by these brands, and the questionable inclusion of materials such as ‘cotton’\textsuperscript{126} (zero qualifying details provided, despite conventional cotton from many countries often being both environmentally and socially harmfully produced\textsuperscript{127}), and ‘recycled fibres’ (in a garment labelled as ‘recycled’ when only 50\% is such,\textsuperscript{128} and in another garment also labelled as 50\% recycled, while failing to provide any composition labelling related to the makeup of the ‘faux leather’ element of the garment\textsuperscript{129}).

Numerous Now to Love listed brands use animal-derived materials which are not transparently sourced and which are produced with no assurances for animal welfare which could at least minimise suffering, even while brands claim otherwise, such as in the earlier listed case of Viktoria & Woods and their leather.\textsuperscript{130, 131}

\textbf{Example/Issue 8: Brands excluding overall impacts from their sustainability communication}

Almost a third of surveyed Australian consumers believe that if a brand labels its products as ‘sustainable’, ‘conscious’, ‘ethical’ or some similar term, the entire brand is so, rather than that specific product.\textsuperscript{132} With this in mind, ‘conscious’ collections from brands and retailers with overall harmful impacts must be carefully labelled to avoid greenwashing. The impact of this belief is highlighted by the inclusion of brands such as H&M on ‘sustainable fashion’ lists shared by Australian media, as previously noted.

\begin{itemize}
  \item \textsuperscript{123} https://nagnata.com/pages/caring-for-country
  \item \textsuperscript{124} https://www.collectivefashionjustice.org/articles/wool-standards-explained
  \item \textsuperscript{125} https://www.nowtolove.com.au/fashion/fashion-trends/sustainable-clothing-brands-australia-65985
  \item \textsuperscript{126} https://www.glassons.com/p/ribbed-crop-tank-tv48890-pcot-white (accessed 19 May 2023, see screenshot at end of document)
  \item \textsuperscript{127} https://www.collectivefashionjustice.org/conventional-cotton
  \item \textsuperscript{128} https://www.glassons.com/p/recycled-carpenter-jort-sw106506-rcrp-coyote-blue (accessed 19 May 2023, see screenshot at end of document)
  \item \textsuperscript{129} https://www.glassons.com/p/denim-and-faux-leather-zip-up-corset-top-bv96757-rd-p-ashton-black (accessed 19 May 2023, see screenshot at end of document)
  \item \textsuperscript{130} https://viktoriaandwoods.com.au/journal/v-w-sustainability
  \item \textsuperscript{131} https://www.collectivefashionjustice.org/articles/what-is-the-leather-working-group-certification-and-does-it-make-for-sustainable-and-ethical-leather
  \item \textsuperscript{132} https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
\end{itemize}
3. Reviewed Australian government capacity to prevent greenwashing, and compared this to international government works towards the same goal

A review of the Australian government’s current capacity to prevent greenwashing, and what is lacking

Greenwashing in Australia is primarily addressed by two bodies, the Australian Competition and Consumer Commission (ACCC), and Ad Standards. The latter is not a government entity but is funded through a government levy system. While Ad Standards can force companies to withdraw or amend advertising, ACCC has enforcement powers allowing it to investigate, fine and even initiate litigation based on greenwashing, as it falls under deceptive or misleading claims and conduct.

Currently, while ACCC and Ad Standards are pursuing the same outcome of eliminating misleading claims on the market, different criteria are used across the two bodies to assess claims. Based on Ad Standards’ current code and its own admission to CFJ, it appears they do not apply ‘legal tests’, but rather work with a community panel to assess whether something may mislead the average consumer. Meanwhile, it appears that ACCC applies ‘legal tests’ among other considerations. Whether or not Ad Standards’ community panel has expertise on complex environmental issues is unclear, and without such expertise, this poses a risk that even the panel will fall prey to greenwashing or ethics-washing, unable to produce an accurate outcome. CFJ understands that Ad Standards is currently updating its code.

Government bodies related to specific industries, such as the Australian Securities & Investment Commission (ASIC) also have the capacity to address greenwashing relevant to it, such as greenwashing by super funds.

While Ad Standards has stated to CFJ (following a 2022 complaint against Sheep Inc, which states it causes ‘zero harm’ and ‘zero emissions’, which, despite CFJ’s unchanged view, was deemed by Ad Standards not to be misleading) that it is unable to address ethics-washing related claims (“these issues fall outside of the scope of the AANA Environmental Claims Code and the other Codes administered by Ad Standards”), ASIC does.

At the end of 2022, ASIC Deputy Chair Sarah Court stated that, “greenwashing is not limited to environmental claims but extends to misleading ethical propositions. Entities which seek to promote ethical investing must ensure their statements are accurate and able to be

---

133 https://adstandards.com.au/frequently-asked-questions#board
134 https://static1.squarespace.com/static/5f5f02dd9b510014ef4fc4f/i/621826dce4451524323d760/1645749995269/Ad+Standards+S heep+Inc+Complaint+--+PUBLIC.pdf
A review of international proposed and current government efforts to prevent greenwashing

A number of global governments address greenwashing with a heavier legislative hand than Australia, with new laws coming into place regularly. Some governments also provide more specific guidance to companies, in order to prevent greenwashing before it occurs.

The Federal Trade Commission’s Green Guides

In the United States, for example, the Federal Trade Commission’s (FTC) Green Guides include a range of definitions which companies should comply with when using environmentally-related language. Just some months ago, the FTC closed submissions for commentary on the revision of these Guides, posing questions to contributors on how it can be expanded and improved. Such questions explored the need to expand guidance relating to carbon offsets, how widely available composting facilities should be in an area a product is sold in order to justify a ‘compostable’ label, how to strengthen instructions related to the use of recycled content and organic claims, the need for a new definition for ‘sustainable’ and other terms, whether the FTC should initiate proceedings for a rulemaking related to deceptive claims, and more.

138 https://www.ftc.gov/news-events/topics/truth-advertising/green-guides
139 https://static1.squarespace.com/static/5f5f02dd9b510014eeff4fc4f/643f37a8bf6ca25a45a0a736/1681864617764/CFJ%27s+FTC+Green+Guides+commentary.pdf
In Collective Fashion Justice’s commentary on the Guides, a number of recommendations were made, and many of these would be valuable in the Australian context, too.¹⁴⁰ These shall be explored in Section 4 of this submission.

**French law and the banning and restriction of sustainability related terms**

As of 2020, France adopted anti-waste laws, which included a number of greenwashing prevention elements. For example, the term ‘environmentally friendly’ was outright banned, and heavy restrictions were placed on terms such as ‘recyclable’.¹⁴¹ This term may now only be used on products sold where recycling of the relevant materials is available state-wide.¹⁴²

In January 2023, France made it mandatory for the largest fashion companies operating in the country to provide detailed information about environmental and ethical characteristics of garments, such as where garments are sewn and materials are woven, as well as the specific proportion of recycled material included in a product. If a garment that is machine washed is made from more than 50% synthetic fibres, it is required to carry a warning that it will shed microplastic fibres when washed. The introduction of these laws is staggered, so that smaller brands have more time to comply. Financial penalties for noncompliance and threat of legal action exist.¹⁴³

French Climate and Resilience Law now also demands that products not be referred to as ‘carbon neutral’ or ‘carbon negative’ due to the use of carbon offsets without a clear disclaimer that the product and its manufacturing contributed to emissions release, but that these were offset.¹⁴⁴

**The United Kingdom’s Green Claims Code and active investigations by its Competition and Marketing Authorities**

The UK’s Green Claims Code (GCC) guidelines provide a guidance framework to help businesses make environmental claims properly, and protect consumers from misleading claims. Managed by the Competition and Marketing Authorities (CMA), the Code is used in active investigations pursued by the CMA itself, rather than only being used reactively following complaints. Legal action can occur against businesses found not to comply with consumer protection law. The GCC requires marketers to consider the full life-cycle of a product when

¹⁴⁰ https://static1.squarespace.com/static/5f5f02dd9b510014eeff4fc4/t/643f37a8bf6ca25a45a0a736/1681864617764/CFJ%27s+FTC+Green+Guides+commentary.pdf
¹⁴⁴ https://www.legifrance.gouv.fr/jorf/id/JORFTEXT0000043956924
making environmental claims, including during the use and end-of-life phases when a product is with a consumer.\textsuperscript{145}

The GCC outlines what environmental claims are and when they are misleading, the principles designed to clarify how the CMA translates consumer law into practice, both of which help to educate businesses and consumers alike, thanks to public education campaigns built on these. A large number of specific and in-depth examples are provided (for example, highlighting why it would be misleading for jeans to be claimed as ‘organic’ when just 35% of their material is from organic cotton). These efforts help to prevent rather than intervene with greenwashing.\textsuperscript{146}

As part of its investigations, the CMA has assessed a number of large retailers (two of which also sell a large quantity of products to Australian consumers, ASOS and Boohoo). The CMA’s capacity to open its own investigations is a proactive response to greenwashing.\textsuperscript{147}

While these works are positive, it should be noted that the UK’s Advertising Standard Authority has been scrutinised recently for their inconsistency and seemingly arbitrary decision-making process behind which advertisements are investigated and which are not – particularly in relation to high-impact industries like aviation and meat production.\textsuperscript{148} While many aspects of the UK’s approach to greenwashing would be beneficially replicated, this inconsistency is not one.

**Proposed Directive on Green Claims in the European Commission**

The EU’s March 2023 proposed rules would require companies in Europe to provide evidence for climate-friendly claims. A number of terms and labels would also be regulated, such as ‘natural’, ‘climate neutral’, and claims related to ‘recycled content’. As with in France, carbon offsets would require clear labelling should climate related claims be made. In order for such labels to be used, science-based assessment of all significant environmental impacts would have to be provided, or the claims would need to be verified under an independent environmental labelling scheme. Verifications and certifications would need to be accredited themselves, and would need to check claims before companies could legally use them publicly. ‘Self certification’, where brands create their own logos to highlight their own sustainability, would be banned.\textsuperscript{149, 150}

Under the proposed rules, full life-cycle assessments would need to be considered in environmental impact assessments. Trade-offs would need to be transparent when


\textsuperscript{146} https://www.gov.uk/government/publications/green-claims-code-making-environmental-claims/environmental-claims-on-goods-and-services

\textsuperscript{147} https://www.gov.uk/cma-cases/asos-boohoo-and-asda-greenwashing-investigation

\textsuperscript{148} https://www.badverts.org/latest/greener-world-meat-dairy-lobby-wins-against-oatly-ads

\textsuperscript{149} https://www.businessoffashion.com/news/sustainability/eu-proposes-clampdown-on-companies-using-fake-green-claims/

\textsuperscript{150} https://environment.ec.europa.eu/publications/proposal-directive-green-claims_en
environmental claims are made (for example, not stating that wool is better than conventional cotton because it requires far less water, without acknowledging that it results in far more greenhouse gas emissions). Financial penalties for noncompliance with all proposed rules would apply, with fines of at least 4% of annual revenues in offending markets proposed.\textsuperscript{151}

It should be noted that some consider this draft too vague, both not protecting consumers from deceptive enough, and increasing legal risks for companies, even as they attempt to comply. This is an important consideration: regulation must be stringent but it must also be very clear. Without clarity and robustness, it has been warned that greenwashing will be replaced with 'green hushing'.\textsuperscript{152}

**New York’s Fashion Act Bill**

In New York State, a highly publicised draft bill is gaining support. This bill would demand all major global brands selling garments in the area to complete mandatory due diligence for a number of harm categories, to provide publicly available information about their supply chains, such as how their workers are paid, chemical management and water impacts in the supply chain, and climate impacts. Transparency is a critical defence against greenwashing, and further, this information would be required to be used to set science based targets for environmental action and to measurably improve the lives of people making clothes.\textsuperscript{153}

Noncompliance with this legislation would result in a fine, which currently is proposed to be funnelled into non-governmental efforts to support those impacted by the environmental crisis perpetuated by the fashion industry.\textsuperscript{154}

This bill has been proposed due to the failure of 'soft-law initiatives' to enact real change, as they rely on voluntary participation, are non-binding and lack monitoring and enforcement.\textsuperscript{155}

**The United Nations Environmental Programmes’ draft greenwashing guidelines**

While not legislation, the UNEP provides guidelines for providing product sustainability information which may be beneficial for consideration.\textsuperscript{156} Currently, draft guidelines specific to sustainable fashion communications are being written, and Collective Fashion Justice has contributed feedback to this process, as a part of the UN’s Conscious Fashion and Lifestyle Network.\textsuperscript{157}

\textsuperscript{151} https://environment.ec.europa.eu/publications/proposal-directive-green-claims_en
\textsuperscript{152} https://environment.ec.europa.eu/publications/proposal-directive-green-claims_en
\textsuperscript{153} https://www.thefashionact.org
\textsuperscript{154} https://www.thefashionact.org
\textsuperscript{155} https://www.thefashionact.org/back grounder
\textsuperscript{156} https://wedocs.unep.org/bitstream/handle/20.500.11822/22180/guidelines_product_sust_info.pdf?sequenc
\textsuperscript{157} https://www.unep.org/news-and-stories/story/communication-must-play-critical-role-fashions-climate-response
4. Recommended legislative options to protect consumers

Collective Fashion Justice’s commissioned polling also shows us that Australians want action against greenwashing:

- 87% of surveyed Australians believe that “product labels should warn you if something harms people, animals or the planet to make it.”

- Over 90% of these same Australians believe that “words brands use to sound sustainable and ethical should be better defined and regulated by the government, to make sure brands are not lying.”

The Australian Government has a responsibility to protect consumers, people more broadly, the planet and all those we share it with. Greenwashing and its prevalence within Australia, particularly in the fashion industry, runs counter to Australia’s commitment to the Paris Agreement, to the COP15 biodiversity pact, to its commitment against modern slavery, and to United Nations calls for global governments to take a ‘one health’ approach to combating our planetary crisis, which impacts us all, both humans and non-human species.

As such, we recommend a number of actions the government can take to prevent greenwashing effectively:

1. Legally define greenwashing and ethics-washing

The Australian Government should set and publicise a clear definition of greenwashing, alongside a clear list of methods of greenwashing, so that there is no question what constitutes greenwashing. This definition should be unique to existing broader legislation defining deceptive claims more broadly, that are applied to environmental claims.

As a part of this definition, the subcategory of ethics-washing should also be defined and recognised as a harmful form of greenwashing.

With such legal definitions in place, and clear examples of what kind of misleading marketing and communication can constitute it, it will be easier for action to be taken against all forms of greenwashing, and for this action to be consistent. All bodies working to eliminate misleading advertising should address all forms of greenwashing, including ethics-washing. Currently this is not the case, as is highlighted by Ad Standards’ inability to address some ethics-related claims. This must be rectified.

158 https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
159 https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
Additionally and importantly, the act of legally defining these terms will enshrine the importance of avoiding greenwashing and ethics-washing, setting a clear standard and expectation for the Australian community, as well as the global community. Products sold within Australia are made internationally, and thus influencing global understandings of the importance of addressing greenwashing is critical to improving the Australian landscape through proactive rather than reactionary means.

We encourage definitions to be those we have earlier cited, in this submission section named ‘exploring the importance of defining greenwashing clearly and broadly’.

2. Streamline the work of ACCC and Ad Standards, or at least, ensure expertise in case reviews and harmonisation of legal tests

Whenever environmental and ethical claims are being investigated in order to establish if a claim is misleading, experts should be included in decision-making. If Ad Standards’ community panel does not include experts, and Ad Standards does not pursue legal tests as ACCC does, there may be a case for greater knowledge sharing across Ad Standards and ACCC, or another form of collaboration to ensure the highest quality work.

3. Publish detailed guidance for both companies and consumers, to understand potential greenwashing

CFJ recommends that the Australian Government provide easily accessible and publicly available resources similar to those from the aforementioned UK’s CMA, outlining what may result in greenwashing, providing clear examples of greenwashing, alongside explanations of why such an example constitutes greenwashing, and how it can be prevented.

Such guidance would help to prevent rather than react to greenwashing, and with clearer guidance available, it may also support legal action against companies which continue to greenwash despite improved clarity. Currently, ACCC webpages do not readily highlight any form of greenwashing, speaking more broadly about misleading conduct and how this can occur (for example ‘bait advertising’, ‘fine print’, etc.).

This guidance should also include clear definitions of common environmentally and ethically related terms, similar to the definitions in the aforementioned and soon-to-be-upgraded FTC’s Green Guides. Terms including ‘recycled’, ‘recyclable’, ‘bio-based’, ‘by-product’, ‘natural’, ‘net-zero’, ‘carbon negative’, ‘compostable’, ‘cruelty-free’, ‘ethical’, ‘sustainable’, ‘fair’, etc. should be included. Proposed definitions for a number of these terms can be found in CFJ's
FTC submission.\(^{160}\) Providing such definitions and including legal boundaries for their use aligns with community expectations, as earlier highlighted, over 90% of Australians believe “words brands use to sound sustainable and ethical should be better defined and regulated by the government, to make sure brands are not lying.”\(^{161}\)

Definitions should be accompanied by guidance on how to use terms, including which terms should be avoided, or in the case of particularly vague terms (for example, ‘green’), banned from use in marketing. Such bans would align with aforementioned French legislation.

Legal action to prevent greenwashing, particularly when it is tied to financial penalties, should be highly specific and diligently explained, to ensure that it does not ‘scare off’ companies making positive steps forward from highlighting these efforts. Guidance can help to find the balance between supporting the development of company sustainability and ethical development, with a much needed firm crackdown on greenwashing.

4. Increase penalties for greenwashing, with fines supporting conservation and protection efforts for those impacted by the fined industry

CFJ supports existing proposed increases for penalties related to greenwashing, as highlighted in the ‘Treasury Laws Amendment (Competition and Consumer Reforms No. 1) Bill 2022: More competition, better prices’.\(^{162}\) This change should occur across all industries.

Additionally, CFJ recommends that penalty costs be redirected towards environmental conservation, human rights and animal welfare protection efforts, particularly those responding to harms caused by the penalised industry.

This recommendation, in line with aforementioned New York’s proposed Fashion Act, supports a shift from purely punitive to restorative justice, which is sorely needed in a space related to harms against the planet, people and animals. Transparency in relation to the use of such penalty monies would be critical.

5. Strengthen existing labelling laws which do not demand transparency capable of minimising greenwashing

\(^{160}\) [Link](https://static1.squarespace.com/static/5f5f02dd9b510014ee6f4f4f/1/643f37a8bf6ca25a45a0a736/1681864617764/CFJ%27s+FTC+Green+Guides+commentary.pdf)

\(^{161}\) [Link](https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry)

Greenwashing would be more easily spotted by both government agencies and consumers if labelling laws demanded greater transparency. Currently, CFJ understands that in relation to textiles, only ‘country of origin’ labelling is mandatory, and composition labelling is no longer so at a federal level.163

At a minimum, CFJ recommends that specific composition and fibre content labelling becomes mandatory in all relevant industries, including textiles, footwear, accessories and apparel. This would include specific percentage breakdowns of included materials, labelling of plastic coatings in raw material processing, and specific fibre type labelling (such as process or species).

For example, the following content labels would be adequate under such reform:

- 90% chromium tanned cow leather, 10% polyurethane coating.
- 100% Desserto™ (70% cactus, 30% polyurethane).
- 60% post-consumer recycled polyester, 30% cotton, 10% certified organic cotton.
- 80% sheep wool, 20% bamboo viscose.
- 50% pre-consumer recycled cotton, 50% cotton.
- 60% cashmere, 30% cotton, 10% polyester.

The following content labels would not be adequate under such reform:

- 100% leather.
- Desserto.
- Synthetic-cotton blend (at least 60% recycled content).
- 100% bamboo and sheep wool blend.
- Recycled cotton.
- Cashmere blend.

Additionally, CFJ recommends mandatory labelling and warnings for products such as textiles which are likely to have significant and negative impacts on the planet, people and animals. This recommendation is in line with the aforementioned French laws which include warnings on labels.

Unless it can be shown otherwise through public supply chain traceability and due diligence or certification, warnings, like those now demanded by French legislation, should be provided for products that are:

- Deforestation-linked (viscose, lyocell, leather, etc.)
- Factory-farmed and/or caged (mink fur, crocodile skin, down, imported leather, etc.)
- Fossil fuel-based (acrylic, polyester, polyurethane, etc.)
- Live-plucked (down)
- Microfibre shedding (acrylic, polyester, neoprene, etc.)
- Modern slavery produced (based on lack of / payment of garment workers)

163 https://otexa.trade.gov/overseas_mkts/Australia.pdf
- **Mulesed** (wool)
- **Poverty wage produced** (based on payment of garment workers)

Consumers have a right to understand the impact of products being marketed to them. While in the EU, products derived from deforestation will soon be banned from sale altogether, and a farmed fur ban may follow, it is clear that at the very least, Australia can warn consumers of what they may choose to pay for, so an informed decision can be made. 164, 165

Importantly, this would also highlight the positive work of those companies which have made significant investment into ensuring such harms are not included in their supply chains. Such efforts should be rewarded.

As earlier highlighted, 87% of surveyed Australians believe that "product labels should warn you if something harms people, animals or the planet to make it." 166 This recommendation therefore aligns with community expectations.

6. **Mandatory disclosures**

In line with proposed legislation in New York, as mentioned, brands and companies should be required to publicly disclose information about their supply chains in a way that is accessible to consumers. Such information should include greenhouse gas emissions and chemical outputs from production systems, biodiversity impacts, water use, traceability and disclosure of slaughter and widely, publicly opposed practices against animals (live plucking, mulesing, etc.), payment of workers at tier one and across the supply chain.

As in New York, such disclosures could be mandated only for some of the most profitable brands, and could be staggered over some years, to allow time for compliance.

**Concluding statement**

Collective Fashion Justice thanks the Australian Federal Government for taking action against greenwashing. In all of its forms, including ethics-washing, greenwashing harms the planet, people and the animals we share it with. It exploits the willingness of consumers to make

---

166 https://www.collectivefashionjustice.org/articles/australians-are-being-misled-by-the-fashion-industry
167 https://academic.oup.com/af/article/8/1/14/4967586
purchases which are better for the planet and all those on it. Urgent action is required to counteract these harms.

CFJ is available to consult and support the Government in further work to prevent greenwashing and protect consumers against it.

Reference images for examples of greenwashing:

(52) Country Road garments labelled as 'recycled', made from just 50% recycled materials

(54) Nasty Gal ‘recycled’ labelled
product made from just 52% recycled materials

(55) Nobody Denim labelled ‘recycled rigid denim’ made from just 20% recycled materials

(56) Elk labelled ‘recycled leather’ bag,
which does not specify that recycled leather almost always includes virgin synthetic inputs.

(63) Alias Mae shoes labelled as made with ‘natural leather’, when ‘natural’ is only being used to describe a colour, not the processing of or the material itself.

(65) Plastic coated wool being referred to as a ‘natural fibre’
Buy Ansett V Neck Super Wash Woollen Jumpers Online Today!

Sweaters Australia is proud to offer Australian woollen clothing that is responsibly sourced and crafted from quality natural fibres. This results in premium knitwear, such as the Ansett super wash woollen jumpers, that are extremely comfortable, soft and enduring. On chilly days, you will feel warm and stylish in any of our mens Ansett wool jumpers. In fact, you’ll be better off buying multiple woollen jumpers to ensure your wardrobe is sorted for the winter period. If appropriately cared for, you will benefit from many years of wear in an Ansett wool mens V neck super wash jumper.

Just as the name suggest, the Ansett super wash mens V neck jumpers are easy to wash. Simply wash in a cold-water cycle, with a small amount of wool washing liquid. As soon as the wash cycle is complete, remove the jumper and hang to dry in an airy environment. The colour will stay true and the garment will continue to provide cosy comfort. We recommend storing you Ansett wool knit off the floor to ensure no insects or foreign materials attract to the natural fibres of the jumper. Keep it folded neatly in your closet for the next time you wish to wear it. For any further garment care tips feel free to contact us at Sweaters Australia.

(70-71) French Connection garments made from 100% virgin synthetic materials, and conventional cotton, listed within their ‘sustainable product’ collection.
Angora rabbit fur labelled as ‘cruelty-free’ despite the likelihood of it being produced in poor factory-farm conditions, in a slaughtering supply chain (this does not align with public expectation of this term).

Birds of a Feather Co, labelling fur most likely sourced from factory-farms killing animals specifically for their fur (including through the use of anal electrocution), as ‘ethical’

A Gorman sweater made from wool in a supply chain certified by a standard which, in some instances, permits tail docking without pain relief, which permits lamb clubbing and slaughter, as being ‘happily made’ from creatures who felt ‘no harm or discomfort’. 
(122) Glassons cotton singlet, labelled as ‘planet conscious’ without any justification.
(124) Glassons denim shorts labelled as made with ‘recycled’ fibres, made from only 50% recycled materials.

(125) Glassons garment labelled as made with ‘recycled fibres’, made from 50% recycled and 50% conventional cotton blend material, as well as unlisted, likely synthetic faux leather.