



AUSTRALIAN CHAMBER OF
COMMERCE AND INDUSTRY

22 December 2011

Committee Secretary
Senate Education, Employment and Workplace Relations Committees
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

By email: eevr.sen@aph.gov.au

Dear Committee Secretary,

The Australian Chamber of Commerce & Industry (ACCI) and its members consider the inquiry into the *Fair Work Amendment (Textile, Clothing and Footwear Industry) Bill 2011 (the Bill)* as matter for a significant public policy debate not limited to the TCF industry. The proposals have significant implications for all sectors in terms of governing the working arrangements of independent contractors. The Bill makes complex and technical amendments to the *Fair Work Act 2009*, some of which appears to result in changes which are not practical, will add costs throughout the supply chain and create uncertainty in existing commercial arrangements. We also find it extraordinary that the Government is proposing such changes without consulting key industry stakeholders and seemingly without regard for their impact on an industry already struggling to maintain a presence in Australia.

Through our membership, ACCI represents over 350,000 businesses nationwide, including over 280,000 enterprises employing less than 20 people, over 55,000 enterprises employing between 20 -100 people and the top 100 companies. This includes businesses operating in the TCF sector.

On 20 December 2011 the Minister for Employment and Workplace Relations, Hon. Bill Shorten MP, announced that the Government would request a Panel to conduct a Post Implementation Review (PIR) of the *Fair Work Act 2009* with its final report due to Government by 31 May 2012. The terms of reference indicate, *inter alia*, that the "review is to be an evidence based assessment of the operation of the Fair Work legislation, and the extent to which its effects have been consistent with the Objects set out in Section 3 of the Fair Work Act". The review will report on "areas where the evidence indicates that the operation of the Fair Work legislation could be improved consistent with the objects of the legislation". ACCI will be providing a formal submission to the Panel once it releases its discussion paper. Details of the PIR including terms of reference are attached (**Attachment A**).

Given that the Panel will conduct an inquiry into the operation of the fair work laws, we consider that the Committee would be best placed to await its report before progressing with its inquiry. Once the report is complete and the findings are known these results should inform any legislative response Government may then choose to make. ACCI would therefore recommend that the Committee not progress the legislation until the review process, as announced on 20 December, is fully completed.

In the interim, and should the Committee proceed with its inquiry (contrary to ACCI's position), we wish to indicate that at this stage we do not support the measures for the reasons attached to this letter (**Attachment B**). It should

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therefore be considered as a submission to the Committee inquiry, if the Committee does not defer consideration of the Bill.

Should you require further information please do not hesitate to contact Daniel Mammone, Manager – Workplace Relations and Legal Affairs, in ACCI's Melbourne office on

Yours sincerely,

David Gregbry / \ /

Director - Workplace Policy