

13 July 2004

The Secretary
Senate Economics Legislation Committee
Room SG.64
Parliament House
CANBERRA ACT 2600

www.aph.gov.au/senate economics

Submission to the Senate Committee Inquiry into the provisions of the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 scheme) Bill 2004 and the Customs Tariff Amendment (Textile, Clothing and Footwear Post-2005 Arrangements) Bill 2004

We are writing as leaders from the Chinese and Vietnamese Outworker Networks of Asian Women at Work. There are a total of 600 outworkers from the clothing industry involved in our networks. We are migrant women from non-English speaking backgrounds, with a high level of skill to offer this country but limited English with which to exercise these skills. Low rates of pay have forced us to work long hours over many years, which have stopped us accessing opportunities to learn English.

All the members of our group are acutely aware of the impact of overseas competition on our work. We are all finding it more difficult to get work these days. Some of us are not able to get work at all. Many of us have been told by our bosses that we have to accept low rates of pay or the work will go overseas. A couple of outworkers in our network who receive award rates of pay have been told by their boss that he doesn't know what will happen to his business after 1<sup>st</sup> January when the next tariff cut comes into effect. We often discuss this issue as it is causing great hardship to us.

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Through Asian Women at Work we became aware of the latest proposals in relation to the clothing industry.

In order to gain a detailed understanding of the proposed changes to the clothing industry tariffs and the associated support package we have held meetings with Tony Woolgar, National Secretary of the Textile Clothing and Footwear Union, Tony McDonald, who recently resigned as Executive Director of the Council of Textile Fashion Industry Association (TFIA) and Geoff Burfurd, an industry member of the TFIA Executive Council.

We are writing because we want the Senate Committee to know the hardship to outworkers which will be extended if further tariff cuts are undertaken.

Outworkers in our networks have been working in the clothing industry in Australia for between 5 and 25 years. Some of us worked in factories until they closed down. Others have only ever done outwork. Most of us are highly skilled, and can make whole complex garments without supervision. While some of us are in our 30s, most of us are in our 40s and 50s.

We are concerned about the government's plan to further cut the tariffs in the clothing industry because we will lose our jobs.

Without our jobs our families will struggle to survive. Many of us would lose our houses because we could not afford to pay our home loans. We would not have enough money to pay all our bills. We would have less money to contribute to our children's education and their education would also suffer due to increased stress in the family.

If tariffs are reduced further this story would be repeated in tens of thousands of households involved in outwork across Sydney.



Social security payments are not enough to live on and it would be very difficult for us to get another job without assistance because many of us have caring responsibilities with young children, elderly parents, sick husbands or disabled children. In addition, we don't speak English well, our age is a barrier and many of us do not drive.

## **Industry Support Package**

Outworkers have been left out all together from the industry support package. Big businesses are not the only ones being effected by competition from overseas. In our case, the only livelihood we have ever had in Australia is being taken away from us by this competition.

It is essential for money to be made available for re-training and support programs for the many outworkers like us who are losing our jobs. Training would need to include some bi-lingual support. Many outworkers would need child care or Home and Community Care services to allow us to access training courses. Income support during training will also increase our ability to attend. We suggest the Federal Government use the model developed in NSW under the *Behind the Label* strategy for the delivery of training for outworkers.

Extensive English language training is an important first step for outworkers to gain other employment. This should then be combined with vocational training in relevant industries. Through the NSW Government *Behind the Label* strategy aged care, child care, nails and cosmetics, hairdressing, hospitality, computer operation and customer service have been identified as possible employment options for outworkers given sufficient support and training. In addition, assistance in setting up small businesses using our existing skills to make gifts, decorations and craft work would be valuable. Some of us would be interested to upskill within the clothing industry to be able to do the niche jobs which are less exposed to overseas competition.

We ask that the Federal Government provide job creation schemes with work accessible to women with caring responsibilities. Resources for traineeships should be specifically made available for outworkers so that some income can be available while we are learning.

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## What we ask

Taking these issues and concerns into consideration we ask the Senate to –

- 1. Freeze tariffs in the clothing industry, preferably at their current level of 25%
- 2. Change the SIP Bill to ensure -
  - Access to SIP funding is tied to companies first becoming accredited to the Homeworkers Code of Practice, taking up the recommendation of the Review of the Senate Economics Committee Inquiry into Outwork in the Clothing Industry (1997).
  - Smaller businesses have access to SIP funding in order to facilitate a restructuring of intermediary (subcontractor) levels of the industry towards greater efficiency and Award Compliance – ensuring outworkers receive award wages and conditions.
  - Funding is allocated to assist outworkers in establishing Co-operative Businesses in conjunction with Fashion Houses which will guarantee outworkers award wages and conditions. This should be coupled with the provision of financial incentives to fashion houses and manufacturers to support outworker cooperative businesses.
- 3. Bring in legislation to provide a Labour Adjustment Program (LAP) which allows factory workers and outworkers who are losing their jobs because of overseas competition to get training that will help them find other employment. This should include English classes for migrant workers, job seeking skills and vocational training. A non-means tested TCF Special Allowance for the duration of retraining, and additional support with accessing child care and home and community care services and bi-lingual support in training programs should form part of the package. The Federal Government should consider the model developed by the NSW Office for Industrial Relations Behind the Label strategy for delivery of training programs to outworkers. Union based liaison officers should be appointed to help implement the LAP.



Thank you for your attention to our concerns. We ask that the Senate ensure that outworkers contribution to the clothing industry in Australia is not forgotten and that any legislation is enacted with our interests included in the process.

Yours sincerely,

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