

13 July 2004

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

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

I have a number of concerns about the tariff reduction bill and SIP bill for the Textile Clothing and Footwear industries currently before Parliament.

I believe that the industry needs increased support such as through an appropriately amended SIP Bill, but this should not be linked to tariff reductions.

Tariff reductions are part of an ideologically driven strategy that is increasingly discredited by academic commentators. Further tariff reductions will not lead to cheaper products, only to less equitable distribution of rewards within the industry, with workers both here and overseas losing ground, and small business increasingly squeezed by large. Tariffs are an appropriate protection for our social values and standards, as long as we cannot ensure adequate minimum standards for foreign workers. The Australian TCF industry has already suffered considerably under tariff reductions, and further reductions are not now warranted.

The SIP bill should be uncoupled from the tariff reduction bill, and the latter should be rejected.

The SIP bill should be amended to acknowledge outworkers, who are the overwhelming majority of Australian clothing workers.

Support through SIP should be dependent on manufacturers' accreditation to the "Homeworkers Code of Practice, as recommended by the Review of the Senate Economics Committee Inquiry into Outwork in the Clothing Industry (1997). It is timely that a government incentive to accreditation be introduced, since the mechanisms for accreditation and monitoring have been put in place almost two years ago, with very slow uptake by the industry.

SIP support should be accessible to small businesses.

I support the amendments to the SIP Bill proposed by the TCFUA and by the Fair Wear Campaign.

Yours sincerely,
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