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14 July 2004.

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

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Dear Sir or Madam,

RE: Senate Committee Inquiry Into the Textile, Clothing and Footwear Strategic Investment Program Amendment (Post-2005 scheme) Bill 2004.

Oxfam Community Aid Abroad would like to express its concerns about the above Bill, which we understand is currently the subject of an inquiry by your Committee.

As an organisation whose approach to development is based on the protection of internationally recognised human rights, Oxfam Community Aid Abroad has long been concerned about the rights of workers. Of particular concern to us at the moment is exploitation and precarious employment in the garment industry worldwide. We have recently joined with the Australian Council of Trade Unions and the FairWear Campaign to highlight this issue, including the rights of home-based workers in Australia. It is in this context that we comment on this Bill.

Our key concerns are as follows:-

The proposed assistance package leaves out of consideration home-based garment workers, despite the fact that they account for some 90 percent of clothing production in Australia. Assistance provided under the Bill must recognise the special needs of this mostly migrant, non English speaking, female, home-based workforce in order to be effective.

Home-based outworkers in the clothing industry in Australia are reporting considerable hardship at the moment, due to decreased work, and employers using the threat of taking orders off-shore as a way of squeezing wages even further. Family responsibilities and low levels of English will leave many outworkers with no other viable options for employment unless significant assistance is provided for them to access retraining. Industry assistance is clearly needed to assist outworkers, as well as factory workers and companies, to respond to the many consequences of increased overseas competition.

We therefore ask for the Senate to pass the Strategic Investment Program (SIP) Bill with the following amendments -

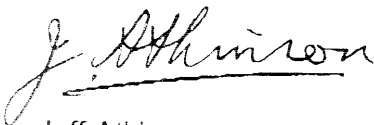
- Access to SIP funding should be conditional on companies first becoming accredited to the Homeworkers Code of Practice, as per the recommendation of the Review of the Senate Economics Committee Inquiry into Outwork in the Clothing Industry (1997).
- Smaller businesses should have access to SIP funding, so as to facilitate the restructuring of the intermediary (subcontractor) levels of the industry towards greater efficiency and Award compliance.
- Funding should be allocated to assist outworkers to establish 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 the fashion houses and manufacturers to support such cooperative businesses.

We also ask the Senate to enact a Textile Clothing and Footwear (TCF) Labour Adjustment Program (LAP) Bill to create a labour adjustment program that includes provision for the following:

- twelve months of vocational retraining;
- an additional twelve months of English language and literacy training for workers who are disadvantaged by their non-English speaking background and/or their poor literacy;
- a non-means tested TCF Special Allowance for the duration of retraining;
- inclusion of outworkers in the guidelines for those who can access the program (as was the case in the previous 1991-96 LAP).

We urge the Senate to act to protect outworkers and others who will be disadvantaged by this Bill in its current form.

Yours sincerely,



Jeff Atkinson
Advocacy Coordinator.