Dear Dr Chadwick

Re: The Homeworker Code Committee Incorporated applications for revocation of
authorisation A90975-A90978 and substitution of new authorisations A91252-A91255 –
interested party consultation

I refer to your letter dated 20 October 2011 inviting FairWear Australia, as an interested party,
to comment on the Homeworker Code Committee’s application for “reauthorisation”.

FairWear welcomes the opportunity for consultation on this matter, and it is our position that
the public benefits of the HCC arrangements far outweigh any possible public detriment.

This submission in support of the HCC’s application will outline:
- FairWear’s interest and authority to comment
- The evidence of homeworker/outworker exploitation in Australia
- The role of the HCC in addressing exploitation of outworkers
- The public benefits of authorisation of the HCC
- The likely effect on competition or other public detriment

The FairWear Campaign
The FairWear Campaign was launched in December 1996 in Melbourne. We are a national
coaition of churches, community organisations and unions working to address the exploitation
of workers who make clothing at home in our Australian community. As a consumer campaign
we encourage and support consumers to ask for better working conditions for the workers who
make their clothes, and for greater consumer choice in ethical clothing. As a workers rights
campaign we provide education, training and advocacy to clothing outworkers to help them
better understand and organise for their workplace rights.

Evidence of outworker exploitation in Australia
Over the past fifteen years numerous state and federal inquiries, research papers and reports
have consistently found that outworkers remain an extremely marginalised and exploited sector
of the Australian workforce. Outworkers are grossly underpaid, rarely receive any of their
entitlements such as superannuation, workers compensations for injury, or holiday leave, and
work long hours under stressful conditions.
For detailed evidence of the exploitation of outworkers please see:

**Inquiries**
- Senate Inquiry into Outwork in the Garment Industry 1996
- NSW Legislative Council Standing Committee on Law and Justice, Inquiry into Workplace Safety 1998
- Review of Senate Inquiry into Outwork in the Garment Industry 1998
- NSW Pay Equity Inquiry 1998
- Full Bench AIRC Decision on Outworker Clauses in Clothing Award 1999
- Victorian Government Inquiry into Clothing Outwork 2002
- Family and Community Development Committee Inquiry into the Conditions of Clothing Outworkers in Victoria 2002
- Senate Standing Committee on Education Employment and Workplace Relations Inquiry into the Fair Work Bill 2008

**Research**
- Mayhew and Quinlan, "Outsourcing and Occupational Health and Safety: A Comparative Study of Factory Based and Outworkers in the Australian TCF Industry", Sydney Industrial Relations Research Centre, University of NSW, 1998
- Cregan Christina, "Home Sweat Home", Melbourne University, 2001
- Cregan Christina, "Outworker narratives: stories of despair" Melbourne University, 2002
- Sue Scull, "Vietnamese Outworkers in Queensland, Exploring the Issues" Boilerhouse, University of Queensland, 2004

**Reports**
- Hidden Cost of Fashion - Outworkers tell the real fashion story TCFUA 1995
- Homeworkers Code of Practice - an Industry wide voluntary scheme of monitoring the supply chain from the retailer to the homeworker 1996
- Behind the Label Issues Paper (NSW Government) 1999
- The Story of the No Sweatshop label - Homeworkers Code Committee 2000
- 12 month Report of the NSW Ethical Clothing Trades Council 2003
- 12 month Report of the Victoria Ethical Clothing Trades Council 2004

**The Homeworkers Code of Practice**
The Homeworkers Code of Practice (the Code) plays an essential role in addressing the exploitation of outworkers in Australia. As a joint union and industry initiative, the Homeworker Code Committee administers the Ethical Clothing Australia accreditation and labelling scheme which provides assistance to textile, clothing and footwear businesses in Australia who choose to take practical steps to ensure that workers throughout their supply chain receive the correct pay and entitlements according to the relevant Australian laws.

**Public benefits of the arrangements**
The public benefits provided by the Code include:
- increased compliance with relevant Australian laws by textile, clothing and footwear businesses;
- improved flow of information to outworkers about their entitlements;
- reduced risk of exploitation of outworkers;
- increased access to award pay and conditions for outworkers;
- improved occupational health and safety for outworkers;
- improved quality of life for outworkers and their families.
**Effect on competition or other public detriment**

The only possible adverse effect of the Code is on unscrupulous employers who refuse to comply with Australia laws and continue to exploit outworkers. The level of extreme exploitation in the textile, clothing and footwear industry has lead to these measures needing to be taken.

We submit that textile, clothing and footwear businesses should be competing on skill, innovation, design and quality, rather than by flouting the law and exploiting outworkers.

FairWear therefore submit that the public benefits of the HCC’s authorisation far outweigh any potential public detriment and we unequivocally support the HCC’s application for reauthorisation.

If you require any further information about FairWear or this submission, please do not hesitate to contact Amity Lynch on 02 9793 9150 or by email on fairwear@awatw.org.au.

Your sincerely,

Amity Lynch
FairWear NSW Campaign Co-ordinator.