

1st April 2013

Dr Richard Chadwick
General Manager
Adjudication Branch ACCC
GPO Box 3131
Canberra ACT 2601

Email: adjudication@acc.gov.au

Dear Richard

Re: Homeworker Code Committee application for reauthorisation of amended Code – interested party consultation

Thank you for the opportunity to make comment on the application by the Home Workers Code Committee (Committee) for re-authorisation (application for revocation and substitution) which includes proposed substantive changes to the existing Home Workers Code of Practice (Code).

The TFIA represents 1,800 businesses in the textile and fashion industries in Australia who are members or affiliates of the Council of Textile & Fashion Industries of Australia (TFIA) - the peak industry representative body for the Textile, Clothing and Footwear (TCF) industries. TFIA have supported the Code since its inception.

Since our previous correspondence TFIA against its expressed wishes were removed from the Committee on a conference call meeting held 28th February 2013 - however, we have received no formal written confirmation from the HWCC to date. TFIA was given 15 minutes to defend its actions for advocating industry's issues with the new proposed Code and consultation process. Much of the accusations made were based on hearsay including the allegation that TFIA represented itself to ACCC as ECA.

TFIA was denied its request to see the legal advice on which the claims were justified and subsequently prompted the action taken by the HWCC Chair (TCFUA) and the Ethical Clothing Australia (ECA) representative, as well as denied its right under the rules of association to a mediation process. TFIA believes the recent action taken highlights the risk associated with sanctioning a Code which operates as a monopoly in the market place.

On reading the HWCC application for reauthorisation, it is also disappointing that TFIA's name has been removed from the list of Code signatories. TFIA wishes to state on record that as a significant stakeholder it wants to remain a signatory to any new Code if it is granted reauthorisation and as a result to retain its place as a HWCC member.

And as stated in our earlier letter dated 1st March 2013 in all previous reauthorisations TFIA have been supportive of the Code. This is the first time that we have raised issues on behalf of industry and in so doing reflects the level of concern expressed by TFIA members and the broader TCF sector about the proposed changes and the impacts that have been felt since the introduction of a much strengthened TCF IR Regime.

The TFIA would like its earlier correspondence dated 1st March 2013 relating to interim authorisation and the evidence provided in the letter to be considered as part of this interested party submission for reauthorisation of an amended Code. As part of the TFIA submission also attached is a table outlining comments about changes to Part 1 (Manufacturers) and Part 2 (Retailers) of the new proposed Code.

In addition, this letter addresses;

1. **ACCC Correspondence 8th March 2013** in which it is stated that the “Code continues to be a voluntary code”¹ and infers this is so for all companies that participate in the ECA accreditation process when this is not the case. The TFIA wishes to make clear that the Code is voluntary only to those that make the initial application i.e. brands and retailers (principals who are in the minority) which then make demands of their supply chains i.e. manufacturers, suppliers or homeworkers (the majority) to participate in a compliance process overseen by ECA and undertaken by the TCFUA.

Despite claims made otherwise in the HWCC application most of these suppliers, makers and homeworkers are left with little or no choice but to comply with the onerous paperwork and compliance regime when an approach is made by principals because their market is dwindling and they need the work. It is not the established brands e.g. Cue or the sole operators e.g. Mr K, which are experiencing the greatest hardship. It is the makers in the middle that provide a valuable CMT service whose orders have contracted in the last 2 years from quantities of 1000 plus to well below 200 units per batch. With margins of \$10 to \$12 per unit they are not able to meet their commitments. This is having repercussions further down the supply chain. (Refer to accessory supplier MRecht submission)²

Why is this of such concern to the industry? Because the loss of makers (and the subsequent loss of knowledge and skill base) creates a barrier to growth of the TCF sector. It also reduces competition especially amongst ethical suppliers. Is the Code alone responsible for this? No, but the ACCC authorisation of the Code which as a consequence sanctions an aggressive and burdensome compliance regime, is of concern because currently an ACCC sanctioned accreditation ensures compliance with a much strengthened TCF Regime that was introduced in 2010 and

¹ ACCC Interim Authorisation Decision letter 8th March 2013 page 4 Para 4

² Attachment 1 - MRecht_LetterACCC_Apr2013 Since 2010 MRecht local accessory supplier has reported a loss of over 500 customers

further strengthened in 2011.

The additional obligation on employers and the inflexibility of not being able to use contractors creates considerable incentive for brands to abandon an ECA accreditation³ and their local supply chains which in turn further reduces competition. The burdensome and heavy handed ECA process has been repeatedly reported to the TFIA as the final tipping point.

Any new proposals to strengthen and broaden the Code will compound the issues. Especially the addition of sanctions such as those proposed in Part 1 Clause 6 – Role of TCFUA which would give protection from prosecution for normal TCFUA activity such as recruitment for membership (See HWCC Submission HWCP Part 1 - Schedule 6 Letter to Homeworker which is part of the documentation required to be distributed by the employer for an ECA accreditation) or checking Award compliance.

The Code is not voluntary for businesses which tender for Government procurement contracts, where an ECA accreditation (or pending accreditation) is mandatory (introduced 2009). The Australian uniform and workwear market is valued at \$1.1bil⁴ and the local share of that market is estimated to be worth 18%. Contracts with Defence and Centrelink are the largest Government tenders but health, law enforcement, fire fighting, and emergency services also figure significantly in local clothing procurements. The local uniform procurement market is significant enough to refute any assertion that the Code is voluntary for all. It is also a key contributing factor to the increase in applications for ECA accreditations.

In a final point, the underlying assumption of the *ACCC Assessment and Conclusion C. The possible harm if interim authorisation is granted or denied* assumes that without the ACCC sanction, ECA accreditation could not exist and those businesses currently in the process of accreditation would be disadvantaged. TFIA submits as evidence that other comparable international Corporate Social Responsibility (CSR) programs that comply with local IR laws operate in Australia successfully without ACCC protection e.g. Oekotex⁵ STeP and WRAP. Why should ECA enjoy exemption from competition exerted by these global schemes?

Whereas ECA is funded by the Federal Government and is not subject to normal competitive market forces therefore it acts like a monopoly with protection for normal

³ Leading brands and longtime supporters of local industry Just Group, Scanlan & Theodore and Pas Group have all reduced their local sourcing in 2012

⁴ TFIA member Pacific Brands independent research into Australian Uniform & Workwear markets - summary results 2012

⁵ Launched Mar 2013 Sustainable Textile Production (STeP) by OEKO-TEX® STeP is the new certification system by OEKO-TEX® for sustainable textile production. STeP analyses and evaluates existing production conditions with respect to the use of environmentally friendly technologies and the assessment of working conditions. <https://www.oeko-tex.com/en> Oeko-Tex has an office in Melbourne.

union activity. There is no guarantee that funding will always be forthcoming and while it enjoys ACCC protection there is no incentive for the HWCC to act otherwise.

To ensure the sustainability of ECA, TFIA believes it needs to shift to a commercial service delivery model where the normal competitive forces would demand a more efficient process and behavioural change in personnel focused on a better customer service.

The question needs to be answered, should the Code enjoy indefinite sanction from the ACCC? And would authorisation of a broader scope of the Code contribute to competition? TFIA submits that to foster competition the Code should be narrowed to support only the protection of vulnerable Homeworkers (described by the Minister for Employment as non-English speaking migrant women⁶) to ensure they receive their entitlements, based on detailed analysis and evidence from compliance audits conducted by the auditors assigned by ECA.

2. **ACCC correspondence dated 15th March 2013** in which interested party consultation is sought for the HWCC application and requests for evidence of detriments and / or refuting of claims about benefits have been made to include the following points;
 - (i) *Impact of Code in reducing exploitation* - Having been an initial signatory, the TFIA bears witness to the impact of the Code and agrees that the current Code has contributed to a reduction in exploitation. This could be easily proven given that the definition of exploitation extends to all Award infringements (including minor breaches) such as failure by a maker to keep proper specification records. This breach of the Award does not necessarily directly relate to the conditions of Homeworkers of which the Code was formed to protect.

Disappointingly statistics on breaches are not reported and therefore it is difficult to gauge where offences occur. Anecdotal evidence suggests that most offences relating to Homeworkers are related to WH&S issues and incorrect Skill Level payments (Homeworkers should be on Skill Level 3 unsupervised but are often on Skill Level 1). Addressing these issues specifically would most certainly improve Homeworker conditions.

The Code however does not act in isolation, but rather it interacts with a suite of other measures such as the TCF Regime, multi-stakeholder support and increased funding by the Federal Government to ECA and hence TCFUA in performing the compliance role. The TFIA submits that the later funding support has had the biggest impact.

TFIA also believes that its own education role (now less than 5% of funding provided to ECA) in advising employers about their obligations in complying with the complex TCF Regime has also contributed to a reduction in exploitation. Especially its recently

⁶ Forward Fair Work Amendment (TCF) Bill 2011

launched initiative of an e-Learning tool delivered in its 'Plan for People'⁷ training programs. TFIA also recognises the contribution made by the TCFUA activity and the ECA accreditation process.

But it is concerned about the impacts on the local supply chain of additional sanctions of a strengthened regime that is far broader than the original remit of the Code and refutes any claims that there is *no evidence that the arrangements have had any adverse effect on competition in any market over the past 2 years*.⁸ ECA National Coordinator was in attendance at the TFIA organised industry consultation held 27 February 2013 and heard first-hand the complaints of industry (refer again to MRecht submission).

Unfortunately most of the review processes conducted into the various measures/ instruments that make up the TCF Regime etc investigate the impacts of the individual instruments and fail to take a holistic approach about how they work together and the impact this has on the local TCF industry. TFIA seeks support from ACCC in examining the implications of reauthorising the new Code by taking into consideration how the Code interacts with the TCF Regime and the access and protection this is giving to the TCFUA, a Code signatory. TFIA rejects any unsubstantiated claims that attempt to establish the benefits of a much broader Code without proper data and hard evidence to support the claims. There is no hard evidence in the HWCC submission that justifies broadening of the Code remit particularly in adding Clause 6 – Role of TCFUA and believes the request for a 5 year period are politically motivated.

(ii) Other beneficial impacts as set out in the HWCC submission

The HWCC submission claims that an ECA accreditation *provides a platform for businesses to promote their ethical credentials to the growing consumer base interested in purchasing goods that are made in Australia under fair working conditions*. This is true but the effect is minimal because of the lack of awareness amongst consumers.

The large volume of imported product (1.4bil units of apparel p.a.) swamps the local market. And the funds spent⁹ on marketing campaigns to educate consumers about ethical brands, is simply not sufficient to have an impact. The use of the social media distribution channels does alleviate this and will continue to grow but whether this will

⁷ Fashionable is an e-learning platform launched January 2013 which has had very positive feedback and means a much broader audience can be reached in advising employers esp. SMEs of their obligations. The tool can be viewed at <http://c-learning.com.au/studio/tfia/launch.html>

⁸ 1.2 Anti-competitive effect page 8 "There is no evidence that the arrangements have had any adverse effect on competition in any market over the past 2 years".

⁹ Meet your Maker Campaign 2010 was 8% of annual \$1mil budget. Majority of budget is expended on compliance

be in time to support the local industry remains to be seen. At the current rate of contraction it will be too late and given the rate of new ECA accreditations per annum (approx. 25) the ECA platform will not be sustainable in the long term without bipartisan support.

(iii) Costs of compliance for each of signatories (retailers, suppliers and makers).

The issues raised by industry are about the cost of providing evidence (in particular the time taken up convincing non-English speaking business owners and workers to sign statutory declarations¹⁰) and the frequency with which registration and evidence is required. The biggest cost to all signatories is procedural and can be attributed to the frequency of having to provide evidence as listed in the ECA Accreditation Checklist.¹¹

In the new proposed Code much of this has been relegated to the operational guidelines and can be changed at committee level. However the problem with that is that industries views when raised by TFIA are largely ignored at Committee level. The Committee is unbalanced¹² in its representation and ECA fails to perform its role as an honest broker whenever industry raises serious concerns (case in point TFIAs recent ousting from the Committee). TFIA has also raised the issue of Statutory Declarations being invalid at Committee meetings only to be ignored.

According to advice TFIA received from the NSW Department of Attorney General and Justice a Statutory Declaration can only be about past or present tense. It's not a future state, therefore rendering schedules in the new Code Part 1 Manufacturers - Schedule 1 & 2 as invalid as both documents bind signatories to a future state. The main barriers as reported by industry to a timely compliance audit are the need for signed Statutory Declarations. TFIA submits that they are unnecessary and reducing the number required from 6 to 4 is not a solution.

Retailers do not have representation on the committee despite TFIA having written to the Committee in 2011 nominating an ARA representative when an industry position became vacant.

(iv) Burden of paperwork required in complying with the Code.

How much evidence is required to verify whether or not an employer in the TCF sector is meeting all of their obligations? How often should the evidence be collected? And why must the whole of the TCF sector be subjected to an IR regime that doesn't permit contractors to work from home?

¹⁰ See Appendix 1 Average Cost to Small Business in Establishing & Maintaining an ECA Accreditation

¹¹ Attachment 2 - ECA Accreditation Checklist Part A & B which contains approx. 50 fields

¹² Attachment 3 - TFIA letter to ECA dated 16th Nov 2011 where it raised the issue of an imbalance of employer / employee representation and the lack of retail representation

A table (Appendix 2) setting out *the Average Cost to Small Business in Establishing & Maintaining an ECA Accreditation* identifies procedural costs as the main burden to businesses. And yes this can be attributed to Award compliance (and not the Code) however the ECA accreditation process dictates the need for Statutory Declarations, evidentiary material and the frequency of compliance checks. In the table are estimates that the time spent per annum in establishing and maintaining an ECA accreditation for an SME and their supply chain to be 578 hours (approx. 11 hours per week) and the cost at just under \$40,000 per annum. The need for amount of evidentiary material and frequency of visits does not compare favourably with global CSR programs such as WRAP.¹³

WRAP has certified facilities (primarily apparel manufacturing and distribution with a few HQ offices) in 72 countries since inception in January 2000. Over 9,000 factories have variously participated in WRAP from initial application through full certification. Some get certified and stay certified year after year. Others get certified, drop out after a few years, and then come back.

WRAP initially grew slowly during the first few years but has grown at a 10%+ rate over the past six years. At last count, over 2500 factories were actively certified around the world.

The cost to certify a facility is variable based on the number of employees. However, for an average gauge, the application fee for all facilities is US\$1,195. Once the application is complete and sent to WRAP along with payment, a six-month clock starts in which the facility must complete its first third party audit. If a corrective action plan (CAP) results from the audit, the facility generally needs to complete that CAP and move toward full compliance within the following three months.

The cost of an audit is an additional cost to the factory and is based on the number of employees. Most average size factories (500-1200 employees) require a two-day audit. ICG charges US\$600/man day plus travel expenses (if over 50km from our closest office) to conduct the audits.

For initial audits, factories receive either a Silver (six months) or Gold (one year) certificate. If they receive Gold certificate for three consecutive years – with no corrective action plans (i.e., full compliance audits), then they are eligible for a Platinum (two year) certificate. The recertification process is essentially the same as the initial certification.

Given 86% of the TCF sector employ 20 people or less TFIA submits that the current regime is onerous for SMEs that make up the majority of the sector. Because ECA is not subject to normal competitive market forces it acts with authority because the Code is sanctioned by the ACCC.

¹³ WRAP Worldwide Responsible Accredited Production <http://www.wrapcompliance.org/>

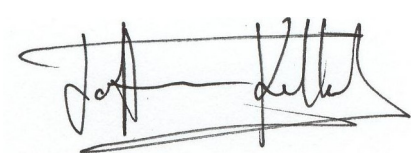
This puts it in a powerful position and by default authorises the heavy handed behaviour of compliance officers who also by law are legitimised. TFIA therefore is extremely concerned about any attempts to broaden the remit of the Code to include all workers in the sector. This is also outside of the original intent of the Code which was established to protect vulnerable Homeworkers and which also at the time had widespread industry support.

(v) Consistency with the previous aims and objectives of the Code and the practices of the HWCC, ECA and TCFUA

Please find attached pdf document¹⁴ (HWCP_TFIAAnalysis_Apr2013) that examines changes to the Code Part 1 – Manufacturers Clause by Clause. TFIA believes the new proposed Code is broader than the previous aims and objectives for the reasons stated in the attachment. TFIA would like to be part of a working group to re-examine the proposed changes if the opportunity presents itself.

In conclusion TFIA reiterates its commitment to protection for vulnerable Homeworkers. It has not missed one quarterly HWCC meeting since 2008 (unlike other industry representatives¹⁵) and yet it has been removed from that same Committee for raising its legitimate concerns. The Committee has failed to act on the legitimate concerns and recommendations of the TCF sector. Given that the TCF sector has not been able to effect these changes through the Committee structure we ask the ACCC to take them into account and act in response to protect the interests of all stakeholders.

Yours sincerely,



Jo Kellock
CEO

¹⁴ Attachment 4 – HWCP_TFIAAnalysis_Apr2013

¹⁵ Cue was appointed to the HWCC 2012 AiGroup attended

Appendix 1:

Average Cost to Small Business and their Supply Chain in Establishing & Maintaining an ECA Accreditation

COST OF COMPLIANCE ACTIVITY FOR AN ECA ACCREDITATION (does not include ECA accreditation fee)						
<ul style="list-style-type: none"> Based on SME / Brand contracting work out to 3-5 makers (pa) who engage an average 2-4 outworkers each Includes emails, phone calls, compliance visits and meetings to all stakeholders including time taken in securing Statutory Declarations Maintaining manual records and generating manual reports in compliance with code (outside of existing systems and databases) such as value volume data calculations for each order Monitoring of entire supply chain to ensure records are kept by all parties 						
<i>Task</i>	<i>Cost Category</i>	<i>Frequency</i>	<i>Number of Times Performed</i>	<i>Time Required</i>	<i>Labour cost per hour</i>	<i>COST TO BUSINESS</i>
Set up, meetings and understanding ECA / Regulatory Obligations	BOR Notification	Start-up	1 (involves on average 3-5 staff)	76 hours	\$75	\$5,700
Completing Mandatory Fields & Forms for each new order/agreement including value volume data calculations & Stat Decs	Procedural	Weekly	28 per week (average)	30 mins each (728 hrs p.a.)	\$40	\$29,120
Filing and Storage of Records/ Compliance	Monitoring Supply Chain	Weekly	1	1 hours	\$40	\$2,080
Reporting to ECA, BOR & TCFUA	Reporting	Annual	2	15 hours	\$75	\$2,250
Annual Cost to Business						\$39,150
Annual Hours Spent on Compliance						578 hours
Average hours per week per business						11 hours

Suppliers and Distributors of Accessories to the Clothing and Textile Industry

M. Recht Accessories Pty Ltd ABN: 70 005 949 146

Head Office

53-57 Cambridge Street, Collingwood, Melbourne, Victoria, Australia, 3066
PO Box 288, Abbotsford, Victoria, Australia, 3067
Telephone: (613) 9419 9419 Facsimile: (613) 9419 8679
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27th March 2013

ACCC

Re: HWCC application for reauthorization of amended Code – Interested party consultation.

Dr Richard Chadwick

General Manager

Adjudication Branch ACCC

G.P.O Box 3131

Canberra ACT 2601

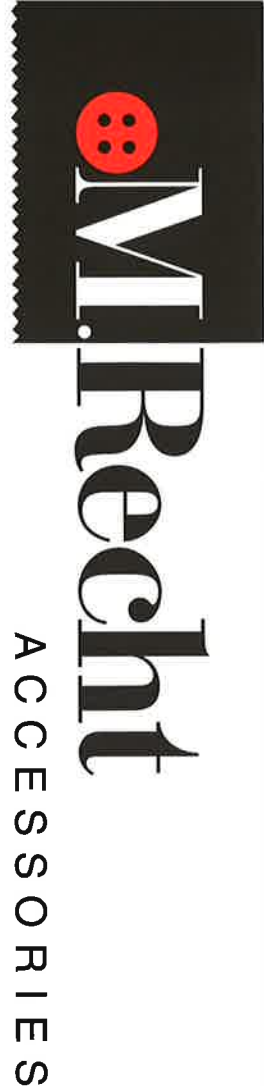
Dear Sir,

Thankyou for the above opportunity to comment on how the above HWCC has affected my business; M.Recht Accessories P/L was founded some 60 years ago by my father (Michael Recht). I took over my father's business (I, being Alan Recht) in 1986 and so have been involved with the TCF industry during my childhood up until now. M.Recht Accessories is in the "supply chain" of the TCF industry, supplying manufacturers their accessories needs, such as sewing threads, zippers, elastic , buttons, should pads, cords, interlinings etc etc. The list goes on. I have seen changes in the industry during my time, and still enjoy the challenges this industry brings to this great country.

However never have I experienced the despair, discrimination, and frustration which has surfaced in the past 2-3years in light of the new HWCC/ECA ruling.

The Ruling has undermined the integrity of businesses within the TCF. It has unfairly assumed that every business exploits home workers employed in the industry. It has unfairly targets only these home workers within the TCF and no other industry.

The accusation of exploitation is questionable. As I said earlier, we have supplied both factories and home workers(outdoor workers) for over 60years.I have personally of course had the please and honour of working closely with homeworkers, the majority



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being immigrants who arrived here with little or no money, only the opportunity to start a new and successful life (as did my parents when they arrived after the Nazi occupation of Europe) I have witnessed the waves of immigration that followed into the TCF industries, the Italians, then the Greeks, then the Vietnamese. It was this industry that gave them life, health, success, happiness and opportunity! They worked hand and hand successfully with factory owners and made a good income in which to educate and feed their families. No doubt there were those who were exploited, but that was and still is, the exception rather than the rule. Working at home gives them independence, flexibility, security, something we would all like with our terms of employment!

But this no longer applies. The new HWCC/ECA ruling that came into effect with little industry consultation has virtually put an end to the viability of a homemaker let alone the survival of a factory in the TCF industry of today. It cannot continue in the same format as was last passed.

I do not need to go into detail of the legislation, suffice to say it has caused pain and disruption to the lives of so many- including myself.

To see these people with whom I have dealt with for years, manufactures, and homeworkers, be so unfairly targeted by the TCFUA, made me often wonder if we still live in a democracy here? Hopefully the ACCC will attest to this and give me hope that is still the case in this country.

Their livelihoods have been turned upside down and their business suffering loss after loss due to large supply companies choosing to go offshore to manufacture rather than deal with the cumbersome and unfair compliance of the HWCC/ECA.

My business has suffered immeasurably also. My sales are down over 30% since 2010 with orders obviously down, turnover down in line with decreased sales, and staff are concerned for their jobs as they see the repercussions of what has transpired due to these changes in the law within the TCF industry. I have recently put off 5 employees entirely due to the downturn in business caused by the limitations caused by the HWCC. I am now clearly struggling to keep my head above water and wake up everyday wondering what will be next... who is going offshore today, or next week? Which factory is closing down? What will be of this industry?

Today I have 1,180 active accounts. However since 2010 almost 550 accounts have been closed, and although not all can be attributed to the legislation more than 65% are a result of changes within the TCF since the legislation took force.



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New accounts have been small operators who, although welcome, can't even come close to making up the sales /turnover my business has suffered. I can provide further details if required.

I am not a sophisticated person, but common sense tells me that in any country we need manufacturing. We need to nurture it, as it is the backbone for employment and makes the economy stay healthy. Also common sense tells me that if a person wishes to work from home and they are happy to do so, then so be it!

They have the democratic right to agree to their own terms and conditions to have that privilege (with obvious protection by law) yet this has been taken away from them. The same applies to the factories! How can a factory guarantee 15-20 or 38hrs work in this industry. The fashion industry is seasonal- always was and always will be. High season, low season!

Homeworkers gave manufactures the flexibility to stay competitive during low season. Everyone was aware of the situation and worked within its' seasonal changes quite happily. Homeworkers helped by giving manufactures quick turnarounds to meet strict delivery deadlines imposed by major retailers. Now both are victims in a loosely thought out change – the law brought about by the TCFUA/ECA.

The irony is that unions are supposed to protect workers, however in this industry they have managed to quickly disseminate the numbers employed in this industry. Where's the reasoning in that? So the government then becomes more reliant to dish out unemployment benefits and all the other benefits that go with an unemployed workforce. This leads to the next generation suffering the consequences of unemployed parents, their own lives similarly affected.

This submission is a plea to listen to everyday small businesses like mine in the TCF industry. We love what we do but we also need common sense to prevail. With 35 employees under my belt, I fear their future and that weighs very very heavily on my conscience. It also destroys the fabric of our society. We need manufacturing to stay alive and well and not to be stymied by poor legislation

Thankyou,

Alan Recht



SECTION 7 - ORGANISATION/ENTERPRISE - CONTACT DETAILS

Name

Manufacturing Skills Australia

Street address

Level 7, 80 Arthur Street

Suburb/Town

NORTH SYDNEY

State/Territory

NSW

Postcode

2 0 6 0

Phone

0 2 9 9 5 5 5 5 0 0

Fax

0 2 9 9 5 5 8 0 4 4

ISC contact details

Title

Mr

Name

Nick Juniper

Email

nickjuniper@mskills.com.au

SECTION 8 - LEAD ORGANISATION/ENTERPRISE - ORGANISATION/ENTERPRISE DETAILS

Legal name of lead organisation/enterprise

NEWFURN FLOOR COVERINGS LIMITED

Australian Business Number (ABN)

6 3 0 0 4 6 5 0 6 6 8

Trading name

NEWFURN FLOOR COVERINGS LIMITED

Registered business or company address details

Street address

22 - 24 Manningham Road West

Suburb/Town

Bulleen

State/Territory

VIC

Postcode

3 1 0 5

Same as street address

Postal address

PO Box 214

Suburb/Town

Bulleen

State/Territory

VIC

Postcode

3 1 0 5

Contact details for the project - contact who would be available and have the authority to answer any queries about this project.

Title

Mr

First name

Owen

Surname

Jourdan

Position

Business Advisor

Phone

0 3 9 8 5 0 9 2 1 1

Mobile

0 4 0 4 8 9 7 7 0 5

Fax

0 3 9 8 5 0 9 4 9 9

Email

ojourdan@choicesflooring.com.au

Please indicate which industry sectors your project addresses

- | | |
|---|---|
| <input type="checkbox"/> Agriculture or Forestry or Fishing | <input type="checkbox"/> Accommodation or Food Services |
| <input type="checkbox"/> Administrative or Support Services | <input type="checkbox"/> Arts or Recreation Services |
| <input type="checkbox"/> Construction | <input type="checkbox"/> Education or training |
| <input type="checkbox"/> Electricity or Gas or Water and Waste Services | <input type="checkbox"/> Financial or Insurance Services |
| <input type="checkbox"/> Health Care or Social Assistance | <input type="checkbox"/> Information or Media or Telecommunications |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Mining |
| <input type="checkbox"/> Professional or Scientific or Technical Services | <input type="checkbox"/> Public Administration or Safety |
| <input type="checkbox"/> Rental or Hiring or Real Estate Services | <input checked="" type="checkbox"/> Retail Trade |
| <input type="checkbox"/> Transport or Postal or Warehousing | <input type="checkbox"/> Wholesale Trade |
| <input type="checkbox"/> Other | |

Please provide further detail if the categories above do not reflect the sector you work in

You must limit your response to 30 words

0/30 words

In order of priority identify up to five workforce plan priorities that your project addresses for example:

- Retention of existing workers
- Recruitment of new workers
- Training to support new job roles
- Training to support the use of new technology
- Training to improve the quality of service/products
- Increasing participation of particular labour market segments
- Innovative and responsive training delivery

You must limit your response to 100 words

Choices Learning & Development Strategy is aimed at creating a clear learning and development pathway within the organisation to attract, develop and retain employees.

1. Increase participation of females in our stores (particularly after having children)
2. Improve the quality of services offered by our businesses (many employees in our stores are unskilled and unqualified)
3. Retain existing employees, particularly in regional areas and Western Australia (provide a clear development path to stop the loss of younger employees to higher paid opportunities such as mining)
4. Address the loss of knowledge and skills as older employees retire

93/100 words

The program guidelines indicate all applicants are required to submit documentary evidence to support the claims made in the proposal. Where applicable, please indicate whether you have submitted:

- Yes No Evidence of a co-contribution by participating employers
- Yes No Justification and evidence of the cost of training
- Yes No/NA If proposed training is for skill sets, evidence as specified in the program guidelines
- Yes No/NA If the qualification is not on the priority occupations list, evidence of local need as specified in the program guidelines
- Yes No/NA Evidence of support from an employer where the project involves new workers
- Yes No/NA Declaration concerning alternative funding where an application is seeking funding that would normally be provided from other sources
- Yes No Evidence of enterprise level workforce planning

Project name

Certificate III Interior Decoration (Retail Services)

Project description

Please provide a short description of your proposal and a rationale that identifies the following.

- Current and future business needs of the employer
- Proposed training solutions and recruitment actions to address these needs
- Outcomes/benefits that you would expect to achieve for the employer(s) and trainee(s) if the proposal is successful and the training occurs

You must limit your response to 800 words

Proposal

Choices would like to propose to act as the lead organisation in overseeing the coordination, delivery and quality of the training and provide feedback to DEEWR as required throughout the duration of the training. Choices will also notify DEEWR should any changes to the contract be necessary. This program will create a clear career path for people who are looking to enter or who are already employed within the industry.

Business

Newfurn Floorcoverings Ltd is a National Retailer of 136 stores trading as Choices Flooring, located in each State and Territory. Each store is independently owned and operated. Collectively Choices stores employ over 600 people with turnover in excess of 280 million. Choices is a Co-Operative and its Central Office is run on minimal funding and provides services for its members. Choices Central Office operates a small team of dedicated support staff to assist members run their businesses effectively.

Challenges

Specialist skills are required for team members working in stores. The skills are not just in professional selling but also interior decoration, product knowledge and technical flooring installations. In their roles it is necessary to advise customers of the correct product and installation solutions for their need and then inspect jobs in their home, measure and quote. Learning to be competent in this industry takes at least 12 months and normally occurs informally in stores. In a recent survey of sales staff less than 10% had any relevant formal qualification for their role.

Most sales staff in our retail stores are male and over 50 years of age. This presents a challenge as it is a rapidly ageing workforce and replacing retiring team members is difficult. Young people are reluctant to enter the industry as it is considered

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neither glamorous or a serious career choice. We also wish to attract more female team members to our stores.

Choices stores face challenges in recruiting experienced team members, particularly in regional and mining areas. When inexperienced team members are recruited there is a high turnover of these new employees as they are often not adequately supported in their new roles. Formal training is not available and small business owners are not well equipped to provide this training directly to new employees.

The cost of quality training for small business owners is high. It is for this reason we seek funding to subsidise the cost of delivery of professional, accredited training to address the above challenges.

Training Trials

A number of new and innovative training programs were trialled during 2011 and these were well received by both participants and business owners.

These courses were run in capital cities and regional areas and addressed areas of need including professional sales, interior decoration and flooring installation technology. These courses were heavily subsidised by Choices Central Office. Demand from Choices stores is high to run more of these courses in the coming year but there is a limit to the amount Choices can subsidise and stores can afford to pay.

Solution

Certificate 3 Interior Decoration (Retail Services). The units of competency contained within this Certificate 3 course map very closely to the businesses need and also the trial courses that were run last year. With the inclusion of some additional units for sales and technical flooring knowledge this course will suit our members' needs perfectly.

This course should attract to our employment mature age females who are returning to the workforce. This group of potential employees' work well in our stores as they communicate effectively with our target customer group and are often interested in interior decoration.

Future development of the Choices training program will look to build on the Certificate 3 Interior Decoration (Retail Services) by offering Certificate IV in Small Business Management.

Outcomes

Providing the Certificate 3 in Interior Decoration (Retail Services) to our members will;

- Assist them retain existing staff particularly in regional areas by providing further personal development with a Nationally recognised qualification.
- Attract new sales staff by offering a Nationally recognised qualification specifically tailored to suit the needs of retail flooring industry employees.
- Accelerate the learning for new employees making them more effective in their roles, faster. This will deliver productivity gains to our small business owners.
- Attract new mature age female sales staff who want flexibility in their return to work but need to be offered a career path that they will find fulfilling.
- Offer employees a career path to progress to supervision, management and ultimately store ownership roles.

Choices are seen as leaders in the retail flooring industry and believe the provision of this new Certificate 3 course will be no

RTO details

(a) Main site of training delivery

Name of participating RTO	TFIA Business Services										
ABN	2	9	0	7	1	5	7	5	1	1	4
NTIS number	4	1	3	2							
Location	Metro										
Address	Unit 16, 23-25 Gipps Street										
Suburb, State, Postcode	Collingwood					VIC		3	0	6	6
Training delivery	RTO based/offsite										
Postcode of training delivery	3	1	0	5							

For each RTO engaged you are required to add another section, click the + button.

(a) Name of recruitment organisation/s within partnership

Name of the recruitment organisation	
Address of the recruitment organisation	
ESA where new workers will be recruited	

For each employment service provider within the partnership please add another section, click the + button.

For each additional recruitment organisation within the partnership please add another section, click the + button.

(a) Name of other partner member/s

Name of other partner member	
Organisation type	
Role in partnership	

For each additional partner member within the partnership please add another section, click the + button.

Please indicate which of the following labour markets your project will target

- Indigenous Australians
- Youth
- Mature age
- People living with a disability
- People from a non-English speaking background
- Parents on return to work
- People living in a regional area
- Women seeking training in a non-traditional female occupation
- Men seeking training in a non-traditional male occupation

NSW TRAINING PROJECT WORKFORCE DEVELOPMENT ITEMISED BUDGET

Itemised budget - please complete itemised budget that identifies the number of participants in training and the funding sought for training delivery and assessment including RPL. You may add as many lines as required. All amounts should be quoted as GST exclusive.

Note: No portion of the budget can be allocated to the purchase of capital equipment

Participating employer	ABN	Existing workers to be trained	New workers to be trained with position	Average cost of training per learner	Size of participating employer's workforce (FTE)	Australian Government contribution	Participating employer contribution	Total
		<input type="button" value="+"/> To add another row, click the + button.						
Choices Flooring by Albany Interiors	881492333034	4	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Albion Park Rail	790626260643	3	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00
Choices Batemans Bay	900503274942	2	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00
Choices Bulleen	960070399385	5	0	\$5,000	1-99	\$16,750.00	\$8,250.00	\$25,000.00
Choices by Dallimore	481896953341	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices by Lamberts	201056651014	4	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices by Paulis	860104535952	2	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00
Choices by Stolz (Mansfield)	290696802861	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Castle Hill	171132929161	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Centenary	591128265984	4	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Coffs Harbour	620621533794	4	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Colac	825647534913	3	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00

Choices Dubbo	340734941613	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00
Choices Edwardstown	981512764724	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Armidale	646824361723	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00
Choices Flooring Burnie	871236970129	0	\$5,000	1-99	\$30,150.00	\$14,850.00	\$45,000.00
Choices Flooring by Boxal	530971813904	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Flooring Bendigo (Homecentre)	769584473763	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00
Choices Flooring by Gumlays	132889887623	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00
Choices Flooring by Smiths	510046570415	0	\$5,000	1-99	\$16,750.00	\$8,250.00	\$25,000.00
Choices Flooring by Swirtons (Warrnabool)	720583873944	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Flooring by Thomsons Euroa	590606710072	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00
Choices Flooring by Darwin	910096497631	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Flooring by Echuca	220950918934	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Flooring by Geraldton	480089266181	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Nowra South	882689507811	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Flooring by Port Macquarie	814092437462	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00
Choices Ruthersford	310005421294	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Forster	45121822821	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Heathbrae	310005421293	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00

Choices Helensvale	7	7	1	1	2	2	8	5	2	4	2	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00	
Choices Joondalup	8	0	6	2	8	2	4	3	6	2	4	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00	
Choices Kalgoorlie	4	8	0	7	3	9	4	6	1	3	9	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Kingsmeadow	1	6	1	2	5	3	4	0	4	0	9	9	0	\$5,000	1-99	\$30,150.00	\$14,850.00	\$45,000.00
Choices Kotara	3	1	0	0	5	4	2	1	2	9	5	0	\$5,000	1-99	\$16,750.00	\$8,250.00	\$25,000.00	
Choices Leongatha	3	9	0	5	4	6	3	7	4	4	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00		
Choices Mackay	1	5	9	6	4	1	0	7	4	9	2	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00	
Choices Mt Barker	1	7	4	9	2	5	7	0	9	2	4	2	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00
Choices Niddrie	9	6	0	7	0	3	9	9	3	8	5	0	\$5,000	1-99	\$16,750.00	\$8,250.00	\$25,000.00	
Choices Noosaville	6	0	1	1	5	0	7	1	8	5	3	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices North Bega	2	6	1	0	6	5	4	1	2	4	5	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00
Choices Port Stephens	3	1	1	0	8	9	6	8	9	4	9	2	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00
Choices Sandgate	3	1	0	0	5	4	2	1	2	9	3	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00	
Choices Shepparton	6	2	4	6	3	3	0	7	1	6	5	3	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00
Choices Tamworth	7	2	9	5	4	0	9	7	4	8	5	4	0	\$5,000	1-99	\$13,400.00	\$6,600.00	\$20,000.00
Choices Warners Bay	3	1	0	0	5	4	2	1	2	9	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00	
Choices Wodong	5	3	1	0	7	4	0	5	5	0	1	0	\$5,000	1-99	\$3,350.00	\$1,650.00	\$5,000.00	
Choices Wonthaggi	3	9	0	5	4	6	3	7	4	2	0	\$5,000	1-99	\$6,700.00	\$3,300.00	\$10,000.00		

Newlum Floorcoverings Ltd	6	3	0	0	4	6	5	0	6	6	8	3	0	\$5,000	1-99	\$10,050.00	\$4,950.00	\$15,000.00
TOTAL													146	0	\$489,100.00	\$240,900.00	\$730,000.00	

Do any of the participating employers in the partnership currently access any other Commonwealth or State funded training?

Yes No

Please complete the following table, ensuring for each new RTO, qualification, participating employer and job role you create a new DW.

RTO name	NTIS Number	Qualification/ Skill set	Qualification code	Participating employer	Cost/ learner	No. learners	Delivery method	Start date	End date	Total cost
+	-	To add another row, click the + button.								
TFIA Business Services	4132	Cert. III Interior Decoration (Retail Services)	L M F 3 1 9 0 8	Choices Group	\$5,000	146	Enterprise based/onsite	01/10/2012	31/03/2014	\$730,000.00
					TOTAL	146				\$730,000.00

Note: Training that is not an eligible qualification (see guidelines) will not be considered for funding. The following link provides detail of all eligible qualifications.

<http://www.ntis.gov.au/>

SECTION 7 - APPROPRIATION SUMMARY

Total cost of training	\$730,000.00	Total number of RTOs	1
Total number of learners	146	New workers to be trained with guaranteed positions	0
Average cost per learner	\$5,000.00	Existing workers to be trained	146

SECTION 8 - GENERAL AUTHORITY TO ACCEPT AND TO BE BOUND BY THE DECISIONS OF THE HEAD OF ORGANISATION

I, **Mr Owen Jourdian**
 as **Business Adviser**
 of **THE UNIVERSITY OF WAGGA WAGGA**

confirm that:

- I am a person authorised to make this declaration on behalf of my organisation and all relevant partner organisations mentioned have been consulted and have agreed roles and responsibilities.
- The information provided in this form and all appended documents is complete and correct and has been submitted on the basis of a comprehensive workforce plan being undertaken.
- I understand the financial commitment that participation in the National Workforce Development Fund places on the participating employer organisation/s.

The Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) is authorised to undertake the necessary steps to check the information provided in this proposal, and obtain additional information from:

DIISRTE and Other Commonwealth databases and records;

- State or Territory agencies;
- Law enforcement agencies;
- Credit reference agencies;
- Courts or tribunals;
- Any other appropriate organisation or person as reasonably required as part of these checks

To the best of my knowledge, there is no conflict of interest that would prevent my organisation from proceeding with this project.

I understand that should any new information arise (which may affect the outcome of the application) it must be submitted as soon as possible, in writing to the ISC contact listed in section A of this form

I understand that:

- My personal information on this form is collected by DIISRTE for the purpose of assessing my organisation's application for funding under the National Workforce Development Fund.
- My personal information may be disclosed to referees, security and law enforcement organisations and any other third parties who perform services on behalf of DIISRTE for the purposes of assessment.
- My personal information will not be otherwise disclosed without my consent unless authorised or required by law.
- Should funding be awarded to my organisation, my name, the proposed training activities, including location, timeframes, funding amounts may be published on the DIISRTE website.

Point #	Page	Reference	Issue	Old HWCP	New HWCP	Other Examples of References
1	1		Part 1/Part 2 Re-naming	Part 1- Retailers Code & Part 2- Manufacturers Code	Part 1- Manufacturers Code & Part 2- Retailers Code; this creates confusion in a number of circumstances where part 2 reference hasn't been changed to part 1 and creates confusion	Page 4, Page 6
2	2		Re-naming of the HWCP	Called "The Homeworkers Code of Practice" (HWCP)	While this new document mainly continues to be called the Homeworkers Code of Practice, in places it is referred to as "Draft TCF (Workers and Homeworkers) Code of Practice – With Track Changes 12/2/2013". The name and intent of the document should be 100% transparent, with it stated objectives. Further, through out the document the word "homeworker" has been removed and the words "Code of Practice"only used; suggest that we continue with the full term of "Homeworkers Code of Practice"throughout the document, so as to ensure its purpose is focused.	Page 25
3	4		Broadening of Scope of the HWCP	Called "The Homeworkers Code of Practice" (HWCP)	Following on from Point 2, industry is concerned at the broadening of the scope of the Homeworkers Code of Practice to include in-factory workers and homeworkers. This is contrary to the "HWCC Inc Rules of Association and Statement of Purpose" QUOTE: "to encourage retailers and manufacturers to sign and become accredited under a code of practice guaranteeing that homeworkers in the textile, clothing and footwear industry in Australia are not exploited in relation to Award wages and conditions". NO evidence has been presented to prove the need to bring this compliance requirement to in-factory workers.	Page 8 (4.12), Page 10 Clause 8
4	4		TCFAI Award	Now states TCF Award	The Award should be defined in it's complete form TCFAI; it looks like this is focused on the work/agenda of the TCFUA as a union organisation and not based on the the modern award regime.	Page 9 (4.8 & 4.19)
5	4		Increased Compliance paperwork	(e)Not required before (f) Statutory declaration/s of company seeking accreditation; Stat Decs are written in the past, present and future tense. (g) Contractors list or homeworkers list	(e) Provision of documentation for initial accreditation, annually and whenever a supply chain changes; this could require updates from industry daily. Suggest that the current quarterly BOR requirements are adequate; Supply Chain is a new term. (f) Statutory declaration/s of company seeking accreditation; Stat Decs are written in the past, present and future tense, they should only be written legally in the past and present tense and not used to make future commitments. All Stat Dec's need to reflect this or be removed from the process, as they waste alot of time. (g)Contractors list (Schedule 42, Attachment 1) or outworkers list; the words "homeworker"and "Outworker"are used throughout the document, and interchanged with no reason provided why. Suggest that only the term "homeworker" should be used for consistency.	(f) Page 4 (g), Page 8 (4.13), Page 10 Clause 8, Page 13 (9.4), Page 23 and page 24. (g) Page 8 (4.12), Page 14(9.4d)
6	5 k		Increased Compliance paperwork	payments, outworker superannuation and outworker workers compensation. Page 11/12 (8.3) Reaccreditation will be automatic based on the provision of either updated standard Statutory Declarations as set out in Schedules 3A, 4, 5 and 6 of this agreement or, if the Accredited Manufacturer's circumstances have not changed since the last time it was accredited or reaccredited,a Statutory Declaration as set out in Schedule 10 of this agreement, unless the Committee is satisfied that the manufacturer does not have a satisfactory compliance record.	Copies of outworker wage records, contractors'work arrangements and work records and satisfactory evidence of superannuation and Workcover payment; previously it was required to simply provide examples of documents, no copies of ALL must be provided. Board of Reference Quarter reporting to FWC and TCFUA should be adequate. Page 11 (8.2) Reaccreditation for an accredited business is required annually and does not occur automatically.	Page 13 (9.4a) TCFUA can request any paperwork it requires within 7 days. Page 24- requires businesses to provide copies of all agreements to ECA and then have to provide the TCFUA again if requested. Why can't the TCFUA get docs from ECA? Page 12(9.1), Page 15 (9.4e), Page 11/12 (8.3) Re-accreditation is automatic
7	7		4 Definitions	Ethical Supply Chain, Transparent Supply Chain and Sustainable Supply Chain not defined or used in the document. "Accredited Manufacturer" not defined	Objective: To facilitate for an accredited business, a transparent, ethical and more sustainable supply chain; Ethical Supply Chain, Transparent Supply Chain and Sustainable Supply Chain referred to but not defined. An Accredited Manufacturer is not defined - Is it a TCFAI Award compliant manufacturer who pays ECA fees?	

8	7	3	Broadening of Scope of the HWCP	The Homeworkers Code of Practice is a voluntary Code established to ensure homeworkers receive appropriate award entitlements and legislative protection.	now reads: "To provide a mechanism to an accredited business to achieve, and ensure ongoing compliance with the TCF Award and relevant legislation". This is in line with point 3 in broadening the scope of the code, and while the name of the Homeworkers Code of Practice has not changed, it's objectives have, in including all workers including homeworkers. This should refer to TCFAI Award (schedule F) and relevant homeworker legislation.	Page 8 (4.12), Page 10-Clause 18, Page13-Clause9.4, Page 30-bottom of the page, Page31, and page 34
9	7	4.5	Inconsistency terminology with the TCFAI Award	Broad use of the terms businesses, manufacturers, contractors, design houses or wholesalers, which are no longer used in the TCFAI Award.	Contractor means a business engaged to produce or arrange the manufacture of products in the textile, clothing and footwear industry. Using the term "contractor" is inconsistent with the TCFAI Award which only refers to Homeworkers and Principles - not businesses, manufacturers, contractors, design houses or wholesalers. This documents should only refer to Principles and homeworkers to save confusion.	Page 8 \$.14), Page 14(9.4), Page19, Page 17 (formerly 10.2), Page 25-Schedule2 10.2, Page28-Schedule 3 Education, Page 34 Schedule 5, Page 37.
10	8	4.7	Definitions	Not previously included or defined	4.7 "Manufacturer" means a manufacturer business that manufactures or arranges the manufacture of TCF products in Australia (including the value adding onto Australian made product). A value adding manufacturer cannot be ECA accredited, so shouldn't be included in the HWCP.	
11	6		Homeworkers Code of Practice Committee	"CLAUSE 1 - AGREEMENT between; The Textile Clothing and Footwear Union of Australia (TCFUA), and The Council of Textile and Fashion Industries Ltd (TFIA), and The Australian Industry Group (AiGroup), and The New South Wales Business Chamber"	The Textile Clothing and Footwear Union of Australia (TCFUA), and The Australian Industry Group (AiGroup), and The New South Wales Business Chamber". Removal of the The Council of Textile and Fashion Industries Ltd (TFIA) from the HWCC, was against the stated purposes and Rules of Association of the HWCC "2.5 Discipline :: The association may not discipline members in their capacity as members of the association." Further that assertions made by the HWCC were based on hearsay and no tangible evidence was provided. The removal of the TFIA was not legal, and funding from the HWCC should not have been used to fund this type of legal advice.	
12	8	4	Definitions	"4.7 "Contractor" means a person engaged to produce or arrange the manufacture of products."	"4.5 "Contractor" means a business engaged to produce or arrange the manufacture of products in the textile, clothing and footwear industry." Industry prefer for the ability of a person to operate as a Contractor i.e. principle to remain.	
13	8	4.9	Broadening of Scope of the HWCP	4.9 "Products" means the whole, or part of any male or female (including children's) garment; or any article of wearing apparel;	any garment; or any article of wearing apparel; or any article of footwear; or any textile product; Footwear and Textiles not included in current HWCP compliance regime - no evidence of homeworkers operating in this sector of the industry, and no evidence of major in-factory non-compliances in these or the clothing sector. Beyond this there has been no significant industry consultation that has been heard by the committee formally, in broadening the scope of the HWCP to include textile and footwear production.	
14	8	4.1	Removal of industry standard	4.10 "Rate per product" is the rate calculated using the appropriate Award skill level 3 rate under in accordance with the Textile Clothing Footwear and Associated Industries Award, the GSD (or other similar agreed method of measurement) minute value for the relevant classification of product within the ABS product category.	4.1110 "Rate per product" is the rate calculated in accordance with the Award 2010(outworker provisions), This is determined by reference to the skill level classification, and the 'Time Standards and payment' outworker provisions in the Award. Removal of a recommended method of measurement of Standard Minute Value means that the TCFUA can use whatever method of measurement they choose. We should maintain the clause " the GSD (or other similar agreed method of measurement) minute value for the relevant classification of product within the ABS product category." Note: Page 9 Clause 5 removes "Developing and maintaining a standard product specifications (sewing time) manual (Schedule 9 refers to the process for development of this product specifications manual) through the establishment of an expert working party, which will report to the Committee", reiterating the removal of industry standards.	
15	N/A	N/A	N/A	N/A	N/A	N/A

16	4		Broadening of Scope of the HWCP	Workers not previously referred to or defined	A business is complying with the Code of Practice when its workers and its supplier's workers (including outworkers) are receiving their lawful pay and entitlements under the TCF Award 2010 and relevant legislation. Page 9 (4.16) "Worker" means a person who performs work on, or in relation to products in the textile, clothing and footwear industry. This implies that it doesn't matter whether a worker is working in the factory or as a homeworker. Workers should be removed from the HWCP. The HWCP is about homeworkers not factory workers.	Page 7 -Clause 4, Page 8 (4.12), Page 14(9.4d), Page 28-Schedule3 (point2)
17	9	5	Homeworkers Code of Practice Committee	The Committee comprises an equal number of representatives from the TCFUA and a combined group of employers party to the Agreement, and has a maximum of six members. Decisions of the Committee are made by a majority vote.	The Committee comprises an equal number of representatives from the TCFUA and a combined group of employers party to the Agreement, and has a minimum of six members. Decisions of the Committee are made by a majority vote. Don't suggest that it's an issue to changing the minimum or maximum wording, however, because the worker representatives are all from the TCFUA, the TCFUA always vote as a block, in fact I can't quote any instance where they didn't. However, because industry may have differing views, it only takes one industry member to vote with the TCFUA or to not show up -like AIG for the past 3 years- for the TCFUA to always get their way. This is not democratic.	
18	9	5	Homeworkers Code of Practice Committee	"Settling any disputes that may arise in relation to the operation of this agreement, this may include the participation of an independent mediator, where agreed (where the committee cannot resolve a dispute the matter will be referred to the agreed independent mediator for resolution)" Page 11 "Any entity represented on the Committee has the right to raise concerns (including without limitation, contractual arrangements between retailers and manufacturers which do not enable the appropriate award rate to be paid in accordance with this Agreement) and request the Committee to review the accreditation of any Accredited Manufacturer at any time."	"Settling any disputes that may arise in relation to the operation of this agreement, which may include the participation of an independent mediator, where agreed (where the committee cannot resolve a dispute the matter will be referred to the agreed independent mediator for resolution)." Considering the way that TFIA were removed from the HWCC, any member of the committee should be able to request an independent mediator at any point, if they deem it necessary. Page 11 ; this clause has been removed, suggest it is reinstated.	
19	9	6	Role of the Compliance Auditor	Clause 6 is a new clause and outlines the Role of the TCFUA	CLAUSE 6 - ROLE OF THE TCFUA The TCFUA shall have the responsibility for enforcing compliance with labour standards under this Agreement. Compliance activities, consistent with this Agreement, shall include:" Considering that the TCFUA is a provider under their service level agreement for compliance auditing. This Role should be about the responsibilities of the Compliance Auditor, not the TCFUA. The word ensuring not enforcing should be used. The law and courts are the enforcers of the law not the TCFUA, or any compliance auditor.	
20	N/A	N/A	N/A	N/A	N/A	
21	10	6	Broadening of Scope of the HWCP	Clause 6 is a new clause and outlines the Role of the TCFUA	"Identifying incidents of non-compliance with the TCF Award and relevant legislation and/or this Agreement;" This should be only with reference to Schedule F and relevant homeworker legislation, and not in all TCF factories.	
22	10	6	Role of the Compliance Auditor	Clause 6 is a new clause and outlines the Role of the TCFUA	"Securing compliance through the promotion of this Agreement" Should use the word Ensuring not securing.	
23	10	6	Broadening of Scope of the HWCP	Clause 6 is a new clause and outlines the Role of the TCFUA	"Ensuring compliance with the TCF Award and relevant legislation by non-accredited businesses;" This should be only with reference to Schedule F and relevant homeworker legislation	
24	10	6	Role of the Compliance Auditor	Clause 6 is a new clause and outlines the Role of the TCFUA	"Ensuring ongoing compliance with this Agreement by accredited businesses" - suggest to add "who choose to be accredited".	
25	10	6	Role of the Compliance Auditor	Business are required to co-operate with TCFUA during compliance checks	Suggest to add counter clause to the Compliance Auditor's Role "Co-operating with the principles regarding compliance checks"	

26	10	7	Role of ECA	Not currently defined	Ethical Clothing Australia (ECA) is established by the Committee to promote ethical behaviour in the textile, clothing and footwear industry, administer the Code of Practice and assist applicant and accredited businesses." Suggest to change the word behaviour to practices . And add a clause "To act as an honest broker in balancing the needs and consideration of both industry and homeworkers, in all matters, surrounding the HWCP. And support businesses to become compliant in a timely matter".	
27	9	5	Role of the Committee	Not currently defined	Suggest to add "Ensure that all providers of Service Level Agreements are complying with the terms of their agreement "	
28	11	8.3	Timeframes	Be accreditation not currently defined. Page 15 "The Committee may (but is not obliged to) cancel the accreditation of the Accredited Manufacturer twenty-eight (28) days after delivery of notice under the previous paragraph to the Accredited Manufacturer, if the Committee considers that the Accredited Manufacturer has failed to comply with this Agreement."	Be accreditation can occur if: The accredited business or its supply chain becomes non-compliant with the requirements of this Agreement; and/or" There needs to be a reasonable process around non-compliance which gives accredited companies an opportunity to become compliant for example; "3 strikes and your out", From an industry perspective, if you have a large defence contract, and your contractor becomes non-complaint, can the TCFUA stop you delivering the order?? Suggest a mediation process is also required for manufacturers who disagree with the TCFUA's interpretation of the law. Page 15 9.5 Breach of Agreement gives 14 days to resolve the issue or cease commercial dealings. Is this practical??	Page 11 (8.3)
29	12	9.1	Broadening of Scope of the HWCP	Not previously included or defined	The responsibilities of an applicant or accredited business include: <ul style="list-style-type: none"> □ Taking manufacturing offshore, moving location, changing contact or entity details, corporate restructure which impacts on the accreditation of individual brands within the accredited business." This doesn't make sense. But if the intention is that industry should advise ECA if they are taking orders off-shore at any level, then this is not reasonable. The accredited company is only obliged if they cease manufacturing in Australia. 	
30	12	9.2	Broadening of Scope of the HWCP	Not previously included or defined	The applicant, or accredited business must ensure that their in-house manufacturing workers are receiving, at a minimum, the legal wages and conditions as provided for under the TCF Award and relevant legislation (for example, National Employment Standards under the Fair Work Act 2009, superannuation and Work Cover entitlements, OH&S).Once legally compliant as confirmed by the TCFUA, the applicant or accredited business is required to provide to the ECA, a signed statutory declaration (Schedule 1 or Schedule 2), attesting they are and will remain compliant with this Agreement." "9.3 Obligations in relation to supply chain The applicant or accredited business must ensure that their entire supply chain is compliant with the obligations of the TCF Award and relevant legislation. This includes registration with the Board of Reference of the Fair Work Commission, if giving work out. Compliance extends from first and second tier suppliers through to all subsequent tiers. Once legal compliance is confirmed by the TCFUA, the applicant or accredited business is required to provide to the ECA, a signed statutory declaration (Schedule 2), and a Schedule 3, attesting they are and will remain compliant with this Agreement." Obligations regarding in-house workers and supply chain is beyond the scope of the Homeworkers Code of Practice and it's	
31	13	9.4	Broadening of Scope of the HWCP	Not previously included or defined	if an accredited business or any of its supply chain is giving work out to be performed by homeworkers, they must comply with the (Outworker and related provisions) of the TCF Award and requirements under this Agreement. Many of these obligations are cascading, and as such, apply to each business within a supply chain that gives work out to Outworkers." Supply chain is beyond the scope of the Homeworkers Code of Practice and it's stated purposes as per the HWCC Inc Rules of Association.	
32	13	9.4c	Definitions	Not previously included or defined	Define "appropriate" time standard.	Reference point 14 regarding removal of timing/sewing manuals. Page 13 9.4 a & b
33	14	9.4c	Role of the Committee	"The standard letter on union membership in accordance with Schedule 7."	The standard letter withas provided for in Schedule 6 . Should the TCFUA be using ECA funding for union business of recruiting members?? Should there be a Chinese wall within the union on how union dues are spent and how ECA/government funding is spent on compliance, and that information gathered during ECA Compliance Audits are not used inappropriately for union business. Is it the role of the HWCC to better manage this??	

34	14	9.4e	Role of ECA	Each accredited manufacturer who arranges for a homemaker to manufacture products must satisfy itself that all required records are maintained and are capable of being provided in accordance with Schedules 1 and 2."	"Each accredited business which arranges for a homemaker to perform work on products must satisfy itself that all required records are maintained and are capable of being provided as required by Ethical Clothing Australia ." All records should be based on the requirements of the TCFAI Award (schedule F) and relevant homemaker legislation and not as required by ECA- they are not an enforcement agency.	
35	16	Clause 11	Fees	"Licence fees shall be in accordance with Schedule 8 (Fee Scale) of this Agreement."	an annual accreditation fee as determined by the Committee." Why has the fees schedule been removed. This made the payment of fees transparent, it should be re-instated Schedule 8 (page 39)	
36	16	Clause 12	Contributions & Funds	"Contributions in kind by the TCFUA, TFIA, NSW Business Chamber & AIG"	"Contributions in kind by the TCFUA, TFIA , NSW Business Chamber & AIG". TFIA should be removed.	
37	16	Clause 13	Contributions & Funds	Any direct funds shall be allocated on the following basis: <input type="checkbox"/> To the TCFUA for compliance activities; <input type="checkbox"/> Towards education and publicity activities; <input type="checkbox"/> Towards the development of product specification standards"	Any direct funds shall be allocated on the following basis: <input type="checkbox"/> To the TCFUA for compliance activities; <input type="checkbox"/> Towards education and publicity activities; <input type="checkbox"/> Towards the development of standards accreditation tools and resources;". Suggest that first priority of funding should go to maintaining the ECA accreditation administration and not the TCFUA- an an entity.	
38	17	Clause 14	Contributions & Funds	"The parties will have further discussions as to the allocation of funds, if available funding falls below \$450,000"	This clause has been removed- Suggest it is re-instated.	
39	17	Clause 15	Contributions & Funds	"50% of any additional income, to a maximum of \$400,000, shall be directed to the TCFUA for compliance activities."	This clause has been removed- Suggest it is re-instated.	
40	28	schedule 3	Definitions	Not previously included or defined	"do nothing to undermine the Code of Practice Agreement". Require ECA to define	
41	28	schedule 3	Timeframes	Not previously included or defined	"shall cease further commercial dealings with the Contractor unless and until the Contractor has fully remedied the breach of the Agreement within 14 days.". Again of particular concerns for large contracts like Defence where ECA is mandatory.	Reference point 28 also