

8 July 2013

Tanya Hobbs
Assistant Director
Adjudication
Australian Competition & Consumer Commission

Re: The feasibility and utility of including provision under the Code for an alternative auditor to the TCFUA, with the cost of the auditor to be met by the audited business.

Dear Ms Hobbs,

Oxfam Australia recommends that the Textile, Clothing and Footwear Union of Australia (TCFUA) remain the auditing body authorised to inspect supply chains as part of the Australian Homeworker Code of Practice.

Our recommendation is based on the following:

In Oxfam's experience working with garment workers, unions and labour groups workers are less likely to speak openly to company auditors than to staff who have existing relationships with outworkers, can speak the same language and relate culturally to the workers. The TCFUA has dedicated outworker staff who speak the relevant outworker languages and build long term relationships. As such they are likely to ascertain more accurate information on outworkers' wages and conditions relevant to Code compliance.

Auditors need industry expertise to know how to locate outworkers who are working in unregulated and often hidden supply chains. The TCFUA has extensive knowledge of where outworkers are located through their outreach activities, including English language and computer classes for outworkers. The union also distributes multiple language newsletters for the outworker community which provides outworkers with an important contact point.

The TCFUA has industry expertise and experience in terms of legal standards and compliance. Impartiality and rigour is not guaranteed where auditors receive money from the company they are auditing. Unfortunately there have been recent examples where auditing companies have failed to identify important safety issues. Recent examples include the factory fires and collapses in Bangladesh.

Two of the factories in the Rana Plaza building which collapsed on 24th April killing more than a thousand workers were audited by the Business Social Compliance Initiative, a commercial

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auditing company. The 2012 Tazreen factory fire in which 112 garment workers died had also been audited by a compliance company.

Lastly, the TCFUA has a unique level of access to workplaces and factories. Under the Fair Work Act and under Schedule F of the Federal Textile, Clothing, Footwear and Associated Industries Award, the TCFUA has powers to enter workplaces and request documents. Other commercial auditing companies do not have this same level of authorised power to enter factories and workplaces to find the necessary information to successfully uphold the Code.

For these reasons Oxfam Australia recommends that the TCFUA remains the sole Homeworker Code of Practice auditor.

Yours sincerely,

A handwritten signature in black ink that reads "Daisy Gardener". The signature is written in a cursive, flowing style.

Daisy Gardener
Labour Rights Advocacy Coordinator
Oxfam Australia