INQUIRY INTO PROCUREMENT PRACTICES OF GOVERNMENT AGENCIES IN NEW SOUTH WALES AND ITS IMPACT ON THE SOCIAL DEVELOPMENT OF THE PEOPLE OF NEW SOUTH WALES

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ETHICAL CLOTHING AUSTRALIA

SUBMISSION TO THE INQUIRY INTO THE PROCUREMENT PRACTICES OF GOVERNMENT AGENCIES IN NSW AND ITS IMPACT ON SOCIAL DEVELOPMENT OF THE PEOPLE OF NSW THE STANDING COMMITTEE ON SOCIAL ISSUES

January 2024

Submission prepared by

Ethical Clothing Australia

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About Ethical Clothing Australia

Ethical Clothing Australia is a not-for-profit accreditation body which delivers a program designed to prevent exploitation of workers in the local textile, clothing and footwear industry, including outworkers. The accreditation program has been delivered since the year 2000, and ensures that Australian workers receive fair wages, all their legal entitlements and are working in safe conditions. This is achieved through an accreditation and labelling system which provides business, government, and consumers with a way to identify and support ethically made Australian TCF products.

Ethical Clothing Australia is a multi-stakeholder initiative which fosters a collaborative approach between business, industry and union. The Homeworker Code Committee Inc. ('The Committee') is the governance body overseeing Ethical Clothing Australia, and currently consists of representatives from the Construction, Forestry, Mining, Maritime, Energy Union Manufacturing Division, NSW Business Chamber, Australian Industry Group, and ECA-accredited businesses Blue Gum and Australian Defence Apparel.

Ethical Clothing Australia currently has approximately 120 accredited textile, clothing and footwear businesses. There are currently 16 accredited businesses whose head office is based in New South Wales. These businesses range from sole traders to major iconic Australian businesses producing a broad range of TCF products including uniforms, Personal Protective Equipment, first responder clothing and uniforms, defence clothing and apparel, as well as luxury fashion and everyday clothing items. In addition to Ethical Clothing Australia accredited businesses, Ethical Clothing Australia also works with approximately 218 many more compliant suppliers in the supply chain of accredited businesses. This means the scope of the Ethical Clothing Australia accreditation program goes well beyond the 120 accredited businesses. Many Ethical Clothing Australia accredited businesses provide a significant volume of procurement to government departments and agencies across Australia.

² Ethical Clothing Australia | Submission to the Inquiry into the Procurement Practices of Government Agencies in NSW and its Impact on Social Development of the People of NSW

Endorsement of this submission

The following Ethical Clothing Australia accredited businesses who are listed on the Victorian Government Ethical Supply Register¹ in part or fully endorse this submission:

Amare Safety Pty Ltd P & B Bulte (NO 2) Pty Ltd T/A Aquaterro Advanced Product Supply Australian Defence Apparel Pty Ltd T/A ADA Australian Health 888 Pty Ltd T/A Healthone Protect AusMed Health Pty Ltd Shanghai Rebel PTY LTD T/A Assembled Threads Bluegum Clothing Co. Pty Ltd Care Essentials Pty Ltd Cargo Crew Pty Ltd T/A Cargo Crew Compu Knit Hosiery Australia Pty Ltd T/A Compu Knit Hosiery Australia / Class Hosiery / Bosun / Soxy Beast Hellweg Pty Ltd The Trustee for Gundy Family Trust T/A Hip Pocket Workwear and Safety (Castlemaine) Ktena Knitting Pty Ltd trading as Ktena Knitting Mills Lee St John Uniforms Pty Ltd The Trustee for The Doyle-Cox Family Trust T/A Platypus Outdoors & Militaria M and S Sisley Pty Ltd T/A Sisley Clothing Australia Softmed Manufacturing Pty Ltd Sphinx Australia Pty Ltd The Trustee for S and H Unit Trust T/A Stewart and Heaton Clothing Co The Social Studio Tripler Trading Co Pty Ltd T/A Loop Leather Co

Tuffa Workwear Pty Ltd

Med-Con Unit Trust T/A Med-Con Pty Ltd

Wilderness Wear Australia Pty Ltd T/A Wilderness Wear

¹ This list is current as of January 2024.

³ Ethical Clothing Australia | Submission to the Inquiry into the Procurement Practices of Government Agencies in NSW and its Impact on Social Development of the People of NSW

Terms of Reference

This submission will address the following Terms of Reference of the Inquiry:

(c) current capacity of procurement officials in government agencies to assess suppliers and ensure they, and their subcontractors deliver value for money and comply with relevant policies and regulation, including labour laws, at the qualification or contract stage and throughout the contract management stage

(d) any opportunities that may exist for co-regulation, and other incentives to improve labour market governance and enforcement through the procurement process to ensure the process delivers both value for money and social outcomes

(e) the evaluation criteria used in tenders and how they are weighted in making a decision to award a contract, in particular consideration of:

- (i) local content
- (ii) value for money
- (iii) social, economic and labour market outcomes
- (iv) environmental considerations, such as sustainable sourcing, energy efficiency and
- (v) waste reduction
- (vi) innovation
- (vii) subcontracting arrangements

EXECUTIVE SUMMARY

The textile, clothing and footwear industry, both locally and globally, contains significant risk of products being manufactured using exploitative labour practices along the full continuum from breach of workplace laws through to products being made under conditions constituting modern slavery.

The complexity of the supply chain structure of the textile, clothing and footwear industry creates significant vulnerabilities for workers, particularly outworkers due to the nature of their working conditions and their invisibility in supply chain management and risk mitigation strategies. This is both locally and globally.

Ethical Clothing Australia has been delivering an accreditation program to protect, uphold and safeguard the rights of local textile, clothing and footwear workers for more than 20 years. This program ensures local workers are paid the correct wage, receive all their legal entitlements and are working in safe conditions. An accredited business can utilise an Ethical Clothing Australia trademark which provides assurance to consumers and major purchasers that the business has undertaken a rigorous audit to confirm they have adhered to Australian workplace laws.

The New South Wales Government should consider implementing a policy which directs the NSW government to only procure textile, clothing and footwear products made locally to mitigate the significant risk they are exposed to in procuring offshore textile, clothing and footwear products. This policy should mandate that local businesses tendering for government contracts must be Ethical Clothing Australia accredited. This will reduce the administrative and financial burden placed on procurement officials while also ensuring government textile, clothing and footwear procurement has been made ethically.

In doing so, New South Wales would adopt a policy of significant innovation, leading to enhanced social outcomes for the people and communities of New South Wales which cuts across multiple policy areas including local manufacturing and job creation, human rights due diligence, and gender and inclusion policies.

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RECOMMENDATIONS

RECOMMENDATION 1: That the NSW Government recognise the international textile, clothing and footwear industry is a high-risk industry for exploitative labour practices, including modern slavery.

RECOMMENDATION 2: That the NSW Government recognise the local textile, clothing and footwear industry supply chain structure is complex and can be a high-risk industry for exploitative labour conditions.

RECOMMENDATION 3: That the NSW Government adopt a policy which mandates procurement of locally manufactured textile, clothing and footwear garments.

RECOMMENDATION 4: That Ethical Clothing Australia accreditation is a minimum requirement for local TCF businesses to tender for NSW government contracts relating to textile, clothing and footwear including uniforms and personal protective equipment.

RECOMMENDATION 5: That the NSW Government provide funding to Ethical Clothing Australia to support the development and the implementation of this policy in NSW.

RECOMMENDATION 6: That the policy mandates TCF procurement must be from local suppliers, irrespective of price point due to the broader social and economic outcomes which go beyond financial incentives.

Part A: Background- The Textile, Clothing and Footwear Industry

This section will address the following Term of Reference:

(c) current capacity of procurement officials in government agencies to assess suppliers and ensure they, and their subcontractors deliver value for money and comply with relevant policies and regulation, including labour laws, at the qualification or contract stage and throughout the contract management stage

1. About the Textile, Clothing and Footwear Industry globally

The textile, clothing and footwear ('TCF') industry is recognised globally as a high-risk sector for exploitation and modern slavery. The 2023 Commonwealth Government Modern Slavery Statement identified the procurement of textiles as a high-risk area.²

Overarching risk factors associated with textiles procurement may include, but is not limited to:

- Modern slavery in offshore TCF manufacturing;
- Use of forced labour in supply chains including of ethnic minority groups such as the Uyghur's;
- Raw materials used in textiles which may be harvested overseas using modern slavery, including forced labour practices;
- Unreasonable work expectations and increased demand on workers due to supply chain shortages;
- Unsafe working conditions;
- Limited visibility of textile supply chains; and,
- Exploitation of women working in garment manufacturing.

2. About the Textile, Clothing and Footwear Industry in Australia

The TCF Industry in Australia is also recognised as an industry with complex supply chains. This reflects the nature of the industry, where various components of a garment can be outsourced to different manufacturers and/or suppliers. The industry has a high percentage of people from migrant, refugee and asylum-seeking backgrounds, where English is an additional language.

Oftentimes, TCF workers may not be aware of their social rights, and if they are, they may not have an avenue of remedy, should they recognise they have experienced exploitation. Further, and unique to the TCF industry, are a cohort of workers known as outworkers. Outworkers can often be invisible in the supply chain, working in isolation from their homes. Outworkers are exceptionally prone to experiencing exploitation due to the lack of visibility over the conditions in which they are employed.

The Fair Work Ombudsman ('FWO') conducted a National Textile, Clothing and Footwear (TCF) Campaign in 2015. This was divided in to two distinct phases which consisted of an education phase commencing in March 2015 which aimed to 'increase awareness of workplace laws at all levels of labour supply chains (including outworkers) in the TCF industry'.³ This was followed by a compliance phase in June 2016 where FWO Inspectors revisited businesses the FWO had interacted with in phase 1.

² Australian Government, *Commonwealth Modern Slavery Statement 2021-22*, 10.

³ Fair Work Ombudsman, Textile, Clothing and Footwear Compliance Phase Campaign Report, January 2019 3.

⁷ Ethical Clothing Australia | Submission to the Inquiry into the Procurement Practices of Government Agencies in NSW and its Impact on Social Development of the People of NSW

Research from the first phase indicated the local TCF industry has the following features:

- pressure on the price of local production, rendering those at the lower levels of the supply chains particularly vulnerable;
- relatively high levels of female workers, including from migrant, refugee and asylum-seeking backgrounds who may not be aware of their rights and entitlements; and
- a high contravention rate of industry awards and legal obligations (40%), which may reflect difficulties in navigating supply chain arrangements, which are both varied and fragmented.⁴

The findings from phase 2 are detailed in their 2019 report *Textile, Clothing and Footwear Compliance Phase Campaign Report* which outlined the following:

The FWO found that of the 371 audits conducted during this phase:

- 48% were in breach of some aspect of their workplace relations obligations, whether monetary, non-monetary, or both.
- 31% of all breaches related to the underpayment of the hourly rate of pay
- 20% of breaches related to the failure of businesses to provide pay slips to workers with the required information or within the required time
- non-compliance relating to penalties, allowances and overtime accounted for 5% of all breaches.

Fair Work Inspectors issued:

- 107 Formal Cautions
- 31 Infringement Notice
- four Compliance Notices.⁵

The FWO research supports Ethical Clothing Australia's own compliance audits on TCF businesses as a part of the Ethical Clothing Australia accreditation program (detailed in the next section). During the period 1^{st} January – 30^{th} June 2023, a total of 403 compliance visits were conducted across 161 individual businesses.

Of these businesses, 56 were accredited with ECA and a further 105 businesses were non-accredited businesses who constituted a supply chain member of the accredited business.

Across the 161 businesses visited by ECA's compliance team, there were approximately 1,788 people working within the businesses and supply chains of the businesses.

During this reporting period, the compliance team found:

- 32% (n=119) of non-compliance in relation to entitlements;
- 37% (n=140) of non-compliance with wage records;
- 54% (n=214) of non-compliance with health and safety;
- 38% (n=144) of non-compliance with superannuation;
- 20% (n=75) of non-compliance with workers compensation; and,
- 37% (n=140) of non-compliance with wage records.

⁴ Australian Competition & Consumer Commission, *Determination: Application for revocation of A91354-A91357 and the substitution of authorisation AA1000418*, AA100418, 30 August 2018, i. ('ACCC')

⁵ Fair Work Ombudsman (n 2) 4.

⁸ Ethical Clothing Australia | Submission to the Inquiry into the Procurement Practices of Government Agencies in NSW and its Impact on Social Development of the People of NSW

Both the FWO reports and the Ethical Clothing Australia accreditation program compliance data supports the notion that the local TCF industry remains somewhat uncompliant with the Textile, Clothing, Footwear and Associated Industries Award ('TCFAI Award') and other workplace laws, despite ongoing support and education to build their awareness of their legal obligations.

Both FWO and Ethical Clothing Australia have long-standing subject matter expertise in the TCF industry. It is feasible that NSW Government procurement officials may not have the same level of expertise to understand the complex structure of supply chains in the local and global TCF industries and subsequently have limited capacity to identify and adequately assess risk. As a result of this, it may increase the likelihood that procurement of TCF products by the NSW Government has been manufactured utilising exploitative labour practices.

RECOMMENDATION 1: That the NSW Government recognise the international textile, clothing and footwear industry is a high-risk industry for exploitative labour practices, including modern slavery.

RECOMMENDATION 2: That the NSW Government recognise the local textile, clothing and footwear industry supply chain structure is complex and can be a high-risk industry for exploitative labour conditions.

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Part B: Ethical Clothing Australia Accreditation for NSW Government TCF Procurement

This section will address the following Term of Reference:

(d) any opportunities that may exist for co-regulation, and other incentives to improve labour market governance and enforcement through the procurement process to ensure the process delivers both value for money and social outcomes.

3. About the ECA Accreditation Program

Ethical Clothing Australia was founded in 2000. It is a joint union and industry collaboration which was established due to the high rates of exploitation in the local industry, and the desire to foster a more transparent and compliant industry which protected the rights of local workers, while highlighting businesses who had made a commitment to ethical and local manufacturing. It continues to be a joint union and industry collaboration.

The Ethical Clothing Australia accreditation program is a voluntary accreditation program which TFC businesses opt into and in doing so, commit to adhering to the *Ethical Clothing Australia Code of Practice incorporating Homeworkers* ('the Code'). The Code is designed to assist businesses to ensure that they, and all their outsourced supply chain comply with the industry specific Textile Clothing Footwear and Associated Industries Award 2020 ('the TCFAI Award') as well as the Fair Work Act 2009 and other relevant workplace laws.

The purpose of the Code is to require compliance with existing legal obligations rather than to extend their obligations, with one exception. Clause 9.4(d) of Part 1 of the Code extends the liability of some accredited manufacturers to cover unpaid remuneration to outworkers within their outsourced supply chains.⁶ This is in recognition of the high rates of exploitation outworkers experience.

In order to protect vulnerable workers, particularly outworkers, a business's operations are audited from design to dispatch including cut, make, trim and any value adding processes to ensure that local TCF workers, including outworkers, are being paid appropriately, receiving all their legal entitlements, and working in safe conditions.

To maintain accreditation, a business must undertake an annual compliance audit and may be subject to additional audits, should their operations change within the 12-month period from their last audit.

Under the Code, principal businesses that use suppliers who do not comply with their legal obligations may be required to boycott those suppliers in order to retain their accreditation.⁷ This action has been authorised by the Australian Competition & Consumer Commission.

However, the program is a designed to be collaborative, so when a business or a member of their supply chain are found to be in breach of the Code, the compliance officers will work with the businesses to rectify the issue. In doing so, local TCF workers are remedied for loss of entitlements or underpayments in a timely manner. If the breach cannot be rectified, then the business must be de-accredited.

⁶ ACCC (n 3) 1-2.

⁷ ACCC (n 3) i.

¹⁰ Ethical Clothing Australia | Submission to the Inquiry into the Procurement Practices of Government Agencies in NSW and its Impact on Social Development of the People of NSW

The Union, as part of the Ethical Clothing Australia accreditation program also conducts an outreach program to outworkers to ensure that they are aware of their rights and where they can report exploitation, should they experience it.

4. Australian Competition & Consumer Commission Authorisation

The Code has Australian Competition & Consumer Commission (ACCC) authorisation. Various versions of the Code have been authorised by the ACCC since 2000. The ACCC indicates that the Code has resulted in, and is likely to continue to result in, public benefits in the form of increased compliance by businesses with legal obligations relating to workers, efficiencies in the management of supply chains and efficiencies in businesses' signalling their compliance with legal obligations, which provides better information to customers.

The ACCC has considered whether the Code has resulted, or is likely to result, in public detriments including restricting competition between suppliers and increasing costs and administrative burdens for businesses. Since obtaining accreditation under the Code is voluntary, the ACCC considers the operation of the Code is likely to result in little if any public detriment.

In the most recent authorisation in 2018, the ACCC considers that the likely public benefits outweigh the likely public detriments. Accordingly, the ACCC reauthorised the Homeworker Code Committee, its committee members, and current and future accredited businesses to give effect to a revised version of the Homeworkers Code of Practice until 21 September 2028.

5. Ethical Certification Trademark

Businesses which successfully achieve accreditation or renewal are permitted to utilise insignias from the Ethical Certification Trademark series to promote their compliance to consumers and major purchasers.

The accredited business must indicate whether their products are 100% made, a majority made or specific product lines are made in Australia. The use of the trademark is monitored by Ethical Clothing Australia to ensure the integrity of the trademark and to prevent social greenwashing.

6. Subject matter expertise and right of entry to undertake compliance audits Ethical Clothing Australia has a service level agreement with the Construction, Footwear, Mining, Maritime and Energy Union Manufacturing Division ('the Union'). The Union compliance officers undertake the accreditation compliance audits on accredited and applying businesses and their supply chain.

The Union compliance officers are highly skilled subject matter experts, often with their own personal experience of working in the local TCF industry. Furthermore, and critically, the compliance officers, as part of the Union have existing powers and operations under workplace laws, more specifically, the Fair Work Act and the TCFAI Award. These grant the Union wide powers to enter workplaces and inspect and copy documents.

Audits would be significantly more costly if a commercial auditor was engaged to undertake the audits. Ethical Clothing Australia is able to keep the cost of accreditation down as it is a not-for-profit which receives funding from state and commonwealth government to deliver the program, and subsequently, can subsidise the cost of the audit for businesses. Further, the Union provides pro bono support to deliver the program such as when legal issues arise and the Union can rely on its existing legal powers in order to access workplaces in order to conduct audits. Moreover, there is a credibility and national consistency in utilising the Union to conduct the audits.

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7. Support for the NSW Government for ethical TCF procurement

As outlined above, supply chains in the TCF industry both in Australia and globally are complex. This results in both the local and global TCF Industry being a high-risk industry for workers experiencing exploitation. This exploitation exists on the complete continuum, from breaches of local workplace laws right through to modern slavery.

Governments procure large volumes of textiles, such as clothing, fabrics and footwear, which are used in products, such as uniforms and Personal Protective Equipment ('PPE'). The effectiveness of the NSW government and agencies to be able to adequately assess suppliers and their subcontractors to comply with relevant policies and regulation, including labour laws is inhibited by their potential lack of knowledge of the local and global TCF industry. This includes the complex nature of supply chains and, a lack of awareness and understanding of the intersecting vulnerabilities workers, particularly outworkers can experience which increases their risk of experiencing exploitation.

Implementing a policy which mandates procurement of TCF products from Ethical Clothing Australia accredited businesses would result in significantly:

- reducing the risk of purchasing products which had been made utilising exploitative labour practices;
- reducing the due diligence burden on NSW government procurement officials in terms of gathering evidence of relevant certifications, and periodic auditing of compliance by an independent assessor; and,
- Reducing costs with managing risk associated with procurement of TCF products.

In addition to these direct benefits, mandating procurement of TCF products from Ethical Clothing Australia accredited businesses would result in:

- Ensuring more local TCF workers had their rights upheld, protected and safeguarded through increased demand for locally and ethically manufactured TCF products;
- Creation of jobs, particularly for women from migrant, refugee and asylum seeking backgrounds;
- Increased investment into the local economy by reinvesting government expenditure into the local economy;
- Assisting in reporting on due diligence mechanisms under the NSW Modern Slavery Act (2018); and,
- Reduce environmental impact through reduced transportation of TCF products.

RECOMMENDATION 3: That the NSW Government adopt a policy which mandates procurement of locally manufactured textile, clothing and footwear garments.

RECOMMENDATION 4: That Ethical Clothing Australia accreditation is a minimum requirement for local TCF businesses to tender for NSW government contracts relating to textile, clothing and footwear including uniforms and personal protective equipment.

RECOMMENDATION 5: That the NSW Government provide funding to Ethical Clothing Australia to support the development and the implementation of this policy in NSW.

¹² Ethical Clothing Australia | Submission to the Inquiry into the Procurement Practices of Government Agencies in NSW and its Impact on Social Development of the People of NSW

Part C: Strengthening an Existing Policy Framework

This section will address the following Term of Reference:

(e) the evaluation criteria used in tenders and how they are weighted in making a decision to award a contract, in particular consideration of:

- (i) local content
- (ii) value for money
- (iii) social, economic and labour market outcomes
- (iv) environmental considerations, such as sustainable sourcing, energy efficiency and
- (v) waste reduction
- (vi) innovation
- (vii) subcontracting arrangements

8. The Victorian Government Procurement Policy

In 2018, the Victorian Government made changes to their Procurement Policy by introducing the *Guide to procuring uniforms and personal protective equipment*. The guide mandated that all Victorian government buyers are to procure locally and ethically manufactured uniforms and PPE, *wherever possible* to create and retain local jobs. It also provides a risk mitigation framework for procurers to ensure products have been manufactured free from exploitative labour practices.

The government policy includes the requirement that Australian manufacturers of TCF goods applying for government tenders must hold Ethical Clothing Australia accreditation, or in the process of seeking accreditation and they must maintain their accreditation throughout the term of contract with the Victorian Government.

As part of this procurement policy, a publicly available <u>Ethical Supplier Register</u> has been set up which lists the contact details of manufacturers and their capabilities. When buying locally manufactured uniforms and PPE, Victorian government departments and agencies must procure from registered suppliers on the Ethical Supplier Register.

9. Evaluation criteria weighting and strengthening a policy to enhance outcomes for the people of NSW

The **wherever possible** caveat has led Victorian government departments and agencies to select price point over ethical procurement. Based on feedback from Ethical Clothing Australia accredited businesses, government departments and agencies have continued to procure TCF products from offshore manufacturers.

As it currently stands, states and territories are not reporting entities under the Modern Slavery Act 2018 (Cth) and without a state-based Act such as in NSW, there is currently no mandatory human rights due diligence legislation which requires the Victorian Government to report on their risk and risk mitigation strategies in relation to modern slavery in TCF procurement.

This has led to the scheme being under utilised as price point continues to drive decision making over ensuring the social rights of workers are upheld. However, NSW has an opportunity to adopt a much more rigorous policy, which draws on human rights due diligence legislation such as the NSW Modern Slavery Act 2018 to enforce a more rigorous policy which preferences people over profit.

¹³ Ethical Clothing Australia | Submission to the Inquiry into the Procurement Practices of Government Agencies in NSW and its Impact on Social Development of the People of NSW

10. Strengthening outcomes for the people and communities of NSW

This submission has emphasised how the Ethical Clothing Australia accreditation program protects, upholds and safeguards the human and labour rights of local TCF workers. It has also highlighted how implementing a policy which mandates Ethical Clothing Australia accreditation will drive demand for local manufacturing and by extension of this, create local jobs leading to enhanced social, economic and labour outcomes for the people of NSW and across Australia. The submission has also noted that while a model exists in Victoria, this model can be strengthened to further enhance such outcomes.

Ethical Clothing Australia would like to explicitly highlight that the local TCF industry consists of approximately 77% women, largely from migrant, refugee and asylum-seeking backgrounds, and who are often of an older generation. There are several Ethical Clothing Australia accredited businesses who are also social enterprises. Some of the social enterprises employ long-term unemployed or under-employed women or provide skill development and employment pathways into the TCF industry.

To this end, only considering the end price point in procuring TCF products is short sighted to the additional benefits procuring locally and ethically will contribute to in the community. Procuring from Ethical Clothing Australia accredited businesses would directly support the social, economic and labour outcomes for groups who are often the specific focus in government policy initiatives. To this end, the implementation of such a scheme suggested in this submission provides joined up thinking across government policy areas, and is likely to enhance outcomes for the following groups:

- Women;
- Migrant, refugee and asylum seeking people;
- Older people;
- Long-term underemployed or unemployed people; and,
- Other often marginalised and isolated groups.

Ethical Clothing Australia has been supported by the Victorian government to undertake research which will examine the social return on investment procuring from Ethical Clothing Australia accredited businesses has on the Victorian community. Ethical Clothing Australia would be happy to share this research with the New South Wales government once complete.

RECOMMENDATION 6: That the policy mandates TCF procurement must be from local suppliers, irrespective of price point due to the broader social and economic outcomes which go beyond financial incentives.

CONCLUSION

Ethical Clothing Australia believes that the Ethical Clothing Australia accreditation program is a solution for multiple intersecting public policy areas for the NSW Government.

Mandating that procurement of TCF products must be from ECA-accredited businesses will simplify due diligence processes for government officials, minimise risk for the NSW government, reduce cost, re-invest back into the local economy, while providing enhanced social outcomes for often marginalised populations.

The program is a joint union and industry initiative, which means there is the necessary buy-in, support and collaboration of and within the program. The program has the necessary frameworks underpinning it, such as the Code, the ACCC authorisation and trademarks and as such is a model which can be easily adopted by the NSW Government.

To this end, Ethical Clothing Australia submits that the NSW Government should adopt a textile, clothing and footwear procurement policy which mandates local procurement, and that Ethical Clothing Australia accreditation is a mandatory requirement for local businesses to tender for work with the NSW government.