

From: seaborne clothing mfg p/l [mailto:sxspence@bigpond.net.au]
Sent: Tuesday, 20 May 2008 4:41 PM
To: TCFReview
Subject: Brisbane Forum

Dear Sir/Madam

I am sending you this email so that you may be able to pass on to Professor Green my concerns and thoughts regarding the future of the TCF industry as a whole.

I attended the conference in Brisbane but I was reluctant to voice my thoughts at that time as I was fearful that they, i.e. my thoughts, could have disrupted proceedings for it may have upset the Union representatives and caused a bun fight.

It seems to me that the general consensus of the industry and the government is in effect to increase production in this country by whatever means that are available to us.

That's fine except what happens when this increase in production occurs who is going to sew the garments or curtains or whatever. In the past machinist were trained by the larger companies and through whatever reasons those trained people found themselves working for smaller manufacturers like myself. However as you are fully aware all these larger companies have now gone offshore with the obvious loss of training in Australia. Therefore we now have an acute shortage of trained machinists which in effect makes industry growth impossible.

I know this point was touched on at the conference but no one suggested that the TAFE Colleges should look to run actual sewing courses. There are plenty of designer's courses but what's the point of having all these wonderful young designers if there is no one to sew their product. The government should also look to subsidies small businesses that take on trainees.

Yes we can import labour but clearly this is not the answer. The answer is to train our own people.

Now this brings me to the unions. As I have said machinists were trained by the larger firms and these same people are now middle aged but do not wish to work for a company but chose to establish their own small sewing business working from home. What these ladies do is register a business and obtain an ABN and subsequently register their new business with the ATO. They also ensure that they have the necessary insurances applicable to them.

Everything would seem fine and that a manufacturer who is expanding his business but struggling to find the necessary number of employees to handle this increased production could simply engage one or more of these independent contractors to help with the production.

However it is extremely important to note that I am referring to bona-fida common law contractors (as you will find in any industry) and most definitely NOT referring to outworkers. There is a huge difference between these two categories.

Now having said all that a manufacturer cannot under the Clothing Trades Award use a genuine contractor because the award says you can't and if you do you will be prosecuted by the union, as scores of businesses have found out, myself included. I however unlike the others didn't pay the out of court settlements that the union wanted and I went to court. All charges were subsequently dropped by the union without any penalties or fines being imposed for it was proven that the award was ultra vires and therefore had no legal right to place any legal restrictions on how two legal entities could trade with each other.

The long and the short of it is those same ultra vires clauses in the award are still there and must as a matter of urgency be amended so that companies in the TCF industry can use contractors like any other industry without the union threat hovering over them.

The future for many small TCF companies lies in the use of LEGITIMATE contractors as a viable workforce and to enable that to happen sections 46, 47, 48 and 49 of the Federal Award must be amended but still retaining its protection of outworkers.

Kind regards

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