

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into dress codes and uniforms in Victorian schools

Melbourne—25 June 2007

Members

Mr M. Dixon (from 18 September 2007)	Dr A. Harkness
Mr N. Elasmarr	Mr S. Herbert
Mr B. Finn (1 March – 18 September 2007)	Mr G. Howard
Mr P. Hall	Mr N. Kotsiras

Chair: Mr G. Howard

Deputy Chair: Mr N. Kotsiras

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Executive Officer: Ms K. Ellingford

Research Officer: Ms J. Hope

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Witness

Mr A. C. Sterpin, managing director, PSW Pty Ltd (Primary School Wear).

The CHAIR—Welcome, Anthony, and everybody to the Education and Training Committee hearing this morning. As you are aware, the present inquiry relates to school uniforms. There are a broad range of issues that we have been covering in regard to uniforms, so we are very interested in your contribution, Anthony. We are taping everything that is said so that we can use the transcript to follow up on any issues that you raise. You are also covered by parliamentary privilege for the things that you say in here. I do not know whether that is relevant to you today. That applies when you are in the room but not for things that are said outside. We will get under way, Anthony, and thank you for coming along.

Mr STERPIN—Thank you, Mr Chairman, and members for giving me the opportunity to talk about school uniforms. I am predominantly going to read from a prepared speech and I welcome you asking me any detailed questions, given my depth of knowledge of the industry as a supplier. My name is Anthony Charles Sterpin, and I am the managing director of PSW or, as most people know us, Primary School Wear. PSW employs 125 people in Victoria; produces both locally and overseas; supplies approximately 1,700 schools; and has been in business for 17 years. Its core business focus is the school-wear industry only and PSW has donated to or subsidised significantly organisations like State Schools' Relief over the years.

I intend to have a quick recap of my submission and then explore a couple of areas further. Before I start, it is acutely obvious that as a supplier we have a motivation on profitability, but I wish to stress that for over 20 years I have had an involvement with this industry and started business when uniforms were not that popular. I have also an absolute passion for giving children a start in life by providing an exceptionally high-quality product. I believe that the confidence to parents by being provided with such a quality product has led to much of the conformity to uniforms that we see today. I believe that school communities drove the change to compulsory uniforms, rather than it being driven from above. PSW believes that uniforms should be compulsory for a myriad of reasons, which I will cut back at this stage, and it also believes that democratically elected school councils—whom you would presume are representatives of the community's values and beliefs—are best positioned to define a school's policies and directions, which is the current model.

I have four other main points to draw to your attention: creating equality; quality; safety; and no redundancy of stock. Within this framework, I will discuss briefly the impact of these on the costs of uniforms as well. Equality in children: all children need to be seen to be equal. There should be an abolition of disadvantaged children going into schools. It is unfair that some students should be disadvantaged in the eyes of other children because of what they can and cannot afford to wear. I went to a non-uniform primary and secondary school, was always a bit bigger in the legs, and consequently I could not afford the fashion clothes of slim-line fits or the cool runners because my mum was a working-class single woman.

Furthermore, all children need to be given a fair go, whether their parents received it before them or not. They are our future and, while sometimes unlucky to be brought up in a poorer or dysfunctional family, they should still have a sense of pride and opportunity moving forward. Unfortunately, some parents choose to focus on their own needs instead of their children. A compulsory school uniform forces a parent to buy a proper one, hence giving their children some sort of a head start. Where a parent is in genuine financial need, there are many facilities currently open to them from the school to get help and support, like State Schools' Relief. However, from our perspective, I must reiterate that we believe that there should be much more assistance given to those in genuine need. One way would be to ensure that any profit made by schools on the uniforms goes into a uniform pool of funds for welfare purposes.

Interestingly, the average spend of a government school, who buys their full uniform from us, averages \$60 per head in a primary school and \$90 per head in a secondary school. That is derived by dividing the school spend with their student numbers. It appears that currently some parents simply make their product last for several years and/or pass things down to siblings or buy some peripheral products elsewhere. At private schools of significant reputation, the cost is approximately \$350 per head amortised annually. Therefore, cost is not a significant burden in government schools compared to private schools. The biggest concern for a parent is that the cost is not spread over the year but, rather, more concentrated in that January buying period after most people have been on holidays and not generating income.

The cost of uniforms in the main are very inexpensive compared to normal fashion items. Most focus from the respondents to this inquiry has been placed on the percentage of the community who cannot afford the cost. It would be fair to say that these people generally struggle to get by with many things and need assistance

regardless. I would not presuppose what percentage of the population this is. However, there is the next tier of people who struggle to get by now through sheer hard work and perseverance and want to get ahead. It will be them who will be most disadvantaged if they have to buy more casual clothes for their kids. They will not let their kids wear Kmart clothing due to pride, but they simply cannot afford \$60-plus for a basic T-shirt from a designer surf-wear company that has not been designed to last.

I will move onto quality. Students are generally highly active and wear their clothes hard almost every day. Therefore, the clothes need to be built to last. I have often said that the students would probably wear their uniforms harder than any other industry, apart from miners, due to their activity in playgrounds. It is our strong knowledge that, in the main, the quality of uniforms nowadays is significantly better than those in any fashion manuals or those cheaper uniforms from major department stores like Target. The difficulty in producing uniforms anywhere is the control of the quality and keeping an absolute consistency. Let us look quickly at the Macquarie Dictionary definition of 'uniform': 'having one form; having always the same formal character; unvarying; without diversity in appearance, colour' et cetera.

When buying from the cheaper sources you no longer have uniformity or consistency within a school and it defeats the purpose of having uniforms in the first place. We strongly believe, therefore, that quality can and should be mandated by government. There are Australian standards for textiles on how a product should perform: things like colour fastness to washing, peeling; colour fastness to light; consistency of colour to the master; and other key performance factors. These do come at a cost but this cost is not significantly higher in raw material components but, rather, in the quality control procedures. The mandate can be done by either government legislation or in the form of a contract between supplier and the school. It is not too hard. This would help eliminate the cowboys from the industry who come and go and put nothing back into it. PSW is absolutely committed to exceptionally high-quality products; the highest in the industry, in fact. The small cost of the initial purchase should therefore be seen as an investment into the child's future. PSW also has no objection to having industry standardised pricing under these conditions.

Moving onto safety, as a result of the SunSmart policy, we know that children need to wear hats to school. Over the years, we have seen children suffer significant injuries to their chins, due to rope burns when their approved SunSmart slouch hats get caught on things like playground equipment, fences, trees et cetera. In the US alone, the US Safety Council reports, on average, 100 deaths of children a year due to strangulation of this type—it is actually 99; but roughly 100—and Europe has similar numbers. PSW has spent thousands of dollars in the R&D department to find a solution. We found one last summer, after many years of research, and released a new safety slouch that releases the cord when placed under two kilos of applied pressure. For such an essential item, the price difference to the parent was less than a dollar.

We are also currently in development with the Australian wool industries on a new wool-jumper product that could revolutionise the industry. It has all the insular properties of the current jumper but with a quicker laundering time and up to 20 per cent savings to parents. We are also investigating a revolutionary type of transfer system for logos which, when fully implemented, will perform as well as current products but reduce the sale price to parents. That is expected within 12 months.

Another key point is: no redundancy of stock. One of the biggest problems with many schools from a supplies perspective is the constant change they make to their uniforms or logos, which impinges on costs and leftover stock. Often they consider the views of a small section of the community only or go mad about a new product and then decide in a short time that they do not like it any longer or it is not popular. The cost of producing short-run work is significant, regardless of where it is produced. It is enhanced when a school has little or no commitment to that inventory and, as a result, the loss of such is borne by the supplier. Ultimately the supplier passes this back onto schools across the board. Therefore, there needs to be a sensible contract that again takes away these stock redundancies. That means basically a contract obligation to make schools more responsible in what they are buying or designating to be sold as part of a uniform.

I have a very large secondary school who asked us to produce a wool jacket for them. Of the 350 jackets we produced for them four years ago, we still have 260 in stock at a cost of approximately \$100 each. I have many examples of this sort of situation. That \$26,000 cost of inventory is being absorbed into other products. Basically, the school has no care and no responsibility. However, the community has been paying more in other product as a result.

A sensible contract would discipline the schools not to change every five minutes, otherwise they would own the cost burden of that stock. It would also give surety when a contract is at an end to still provide appropriate service levels for the community. If the product quality is mandated, hence consistent quality with any incumbent, then there should be no reason why a continuation of service by any new supplier could not occur quickly and easily. As it is now, every time the school changes supplier, there is a burden somewhere stockwise for a parent.

I have mentioned contracts several times now. We believe that a sensible working pro forma contract developed between all stakeholders and government is the responsible thing to do. Today it does not actually exist properly. What we have, rather, is a master-servant type of relationship. Without some sort of professional contract, we have suppliers who do not perform and third parties who rip off uniforms, and ultimately the school community suffers via inconsistent or inferior quality, slow service or unavailability of product.

Being an industry leader, I now welcome any questions from the committee regarding this discussion, my submission or areas such as the supply chain to schools, the suppliers' concerns, the cost of products, the quality of products and the clothing and textile industry in general. Thank you.

The CHAIR—Thanks, Anthony. Who wants to start the questioning?

Mr FINN—Thank you very much indeed for that very informative report. I am interested to hear your comments on cowboys in the industry, because I must admit it is something that I had not given any consideration to. What do these cowboys get up to? Where do they come from? Where do they go? Would government regulation be the answer to eliminating these cowboys?

Mr STERPIN—Let me answer the last part of that first. There is a simple answer to it. If the school contracted their IP, being their intellectual property in their school logos, to a designated third party, they could control it. The third party then has control of the IP for a designated period for designated products and can sue any people who breach the usage of the intellectual property.

There are a number of cowboys in the industry. There are backyarders who have screen printing operations, and parents go and buy garments and bring across their garments to these people. There are suppliers who have designated contracts with schools and then there are third party small outlets who are selling the same type of product without the guarantees, the consistencies and the quality components, and they are fairly significant. People think of the production of school uniforms as being a simple process. I will use a quick example of a production manager that I have. She has worked for us now for four years, and she is a fairly well-profiled production person in the rag trade. After joining, she said to me, 'I thought, "How hard could school uniforms be?" I have been doing fashion for a long time, but this is the hardest job I have ever had in my whole life,' because the whole essence is to create the same, the same, the same, and you have to build around a set of standards in terms of your product. So if you have any sort of variation, you are in trouble. It is very difficult to keep consistency.

What happens with the cowboys, coming back to that, is that they do not have the same standards or the manuals to be able to produce these products. Consequently, they will go and buy near-as and sell it for \$10 less, in a highly formal garment in particular—because they have picked a price point that the supplier is currently selling at—and then try to capture the market that way. The schools often go back to government to try to force these people to stop selling their products accordingly.

That is the general process with the cowboys. There are no fly-by-nighters. They do not come in, set up for two months and then go. They do not have an opportunity to establish ground in that particular area. But you will find smaller—and I have to be careful with the term 'smaller' because I think everyone in the school wear industry is in some way smaller. Whilst we are market leaders, we are still only a \$15 million company, so we are not huge by any rag trade perspectives.

There are these people that set up and then undercut other suppliers, who are putting the right things together in terms of their uniforms.

Mr FINN—How many of these cowboys would you imagine there are?

Mr STERPIN—In Victoria alone—if we call them anklebiters from our perspective—I know of about six very prominent ones, but I would say there are about 20 of them.

Mr FINN—About 20?

Mr STERPIN—Yes.

Mr FINN—How many of those deal directly with the schools? Is that a common occurrence?

Mr STERPIN—They do not often deal with schools. In fact, they do not often have contracts with those people. Some of them may have one or two unofficial school uniform contracts, so to speak, but they do not really run the uniform gambit per se.

The CHAIR—So how do they market their product?

Mr STERPIN—Through their local networks. You will not find them set up in Brighton or Hampton or in those areas, but you will find them set up in some of the lower socioeconomic areas where a parent can probably save \$2 on a uniform. Again, it comes back to that issue of consistency of quality. You do not have any of it at that stage. There are no guarantees on performance, there is no pass-down and there is a lack of uniformity.

The CHAIR—Are schools generally aware of those sorts of issues and do they try and advise their school community about that?

Mr STERPIN—They are very aware. In the Frankston and Cranbourne areas it is fairly prominent at present. Interestingly, we have been working on a new submission to government with a new contract, and IP is the way that we have gone about getting around that third party issue. Five, six or seven years ago there was a major *Today Tonight* story on this exact issue with a person in the Cranbourne area, and we appeared on the show.

Mr KOTSIRAS—Is there a difference in quality between uniforms manufactured overseas and those manufactured here?

Mr STERPIN—That is a very interesting question. The answer is that it can be both ways. It depends on how you have set up your operations. Predominantly we would be talking China, because that is the manufacturing hub for clothing nowadays. China has a very interesting culture. If you do not want to put any systems in place and you want to buy a cheap product, you will get it. If you put your systems in place as though you have a manufacturing plant locally, then you will get that as well.

There are areas of my quality which are significantly better ex China, particularly quality control components, than what I used to produce locally here but it is more difficult to produce. There are standards. It is a bit like saying, 'If I had a plastic injecting mould, would it be the same if I injected it in China or in Australia?' The answer is yes, because the mould is precast. There is no difference in China; you need to control it, and the controls are a little harder.

Mr KOTSIRAS—One of the arguments against school uniforms is cost. Would schools themselves make a profit from the sale of uniforms?

Mr STERPIN—It depends on the angle that they work from with uniforms. Let me take the two traditional methods that are used: we supply the school and the school supplies the parent, which is called the wholesale model; or we own the contract from the school and onsell it from the school, or from a retail third party outlet, to the parent. In the second model, the retail model, the school will generally receive a rebate on sales of between three and 10 per cent. Some schools charge up to 20 per cent, which goes onto the end sell price, and I am not comfortable with that component. The wholesale margin will vary. The majority of

schools top-up their pricing by 50c to a dollar. However, if I was running the budget at the school, I would be showing the school how they are losing money because they often have redundant stock and often purchase stock in advance. An average small sized primary school would have between 10 and 15 grand of stock at cost and I would say that, in my experience over the years, 25 to 50 per cent of that would be redundant stock. Are they really making money in the wholesale model? No, they are not really making money. They are making a profit but they are not making money; they are losing money. In fact, they are losing resources for the school.

Mr KOTSIRAS—Which model would you recommend?

Mr STERPIN—For a school?

Mr KOTSIRAS—Yes.

Mr STERPIN—It is a question of how well the shop is run. I would recommend the wholesale model for a school because there is standardised pricing in the industry that they can charge, but most of them choose not to. In a retail environment, a good secondary school could turn over \$80,000 a year and at, let us say, five per cent, that school could make \$3,600 per year. It is generally negligible funds and they put that into the general budget, like good governments do. I would probably like them to put it into welfare specifically, into uniform projects, because it then allows them to facilitate money for uniforms for the school. I might add that there are secondary schools who can turn over \$150,000 to \$200,000.

Mr KOTSIRAS—Do you give back some money to the school relief fund?

Mr STERPIN—State Schools' Relief?

Mr KOTSIRAS—Yes.

Mr STERPIN—We give them a significant donation annually, plus we contribute towards a number of principal conferences.

Mr KOTSIRAS—Is that a percentage?

Mr STERPIN—No.

Mr KOTSIRAS—It is just an amount.

Mr STERPIN—It is just an amount. We also supply State Schools' Relief with product at approximate cost. They do have settlement terms on that process.

Mr KOTSIRAS—I will ask a very naive question: why do you do it?

Mr STERPIN—It is very simple: I have a very strong passion for children. That is why. I have known the heads of State Schools' Relief for a long time—David Schmidt who you have seen, and Terry Green before him, and the gentleman before him—and I think that what they do is driven by a passion for helping children. If I did not have a conflict of interest—being a supplier—I would probably go on their board, and I do speak to them fairly regularly. They also have a number of charity days—golf days and stuff like that—where we supply all the hats and embroidered product, and outfit their staff along the way. It is my way of giving back to a certain degree. People will donate to certain areas; I donate to children's charities generally. World Vision is another one that we support.

The CHAIR—I would like to ask about the safety slouch hat concept. What sort of acceptance has that got across the school community at this stage?

Mr STERPIN—It is not perceived as being a significant winner. I will give you a quick background on this. About five or six years ago, all the Catholic schools in the northern metropolitan region—I do not know about the rest of Melbourne but I certainly know about the north-western region of Melbourne—instructed the kids to cut off all the cords on their hats because of the severe rope burns. There was a recent

one in the Northern Territory which was a prominent sort of case, and we went to the Northern Territory and donated product to the people there. It has not been widely accepted, ironically. There has been good coverage and we sell something like 70,000 slouch hats a year, so it is fairly substantial.

The CHAIR—But in terms of the overall usage of hats, it is small.

Mr STERPIN—It is still small, yes.

Mr FINN—You mentioned rope burns and the figures that you gave us from the US quite horrified me, I must say. Are you aware of similar incidents in Australia? Have there been any deaths recorded in Australia as a result of the cords?

Mr STERPIN—Not on the hats directly that I have heard, but I have heard some gruesome stories over the years where toggles have been caught through throats and the children have survived. Those figures have come from one of the government safety councils—either the Victorian government or Canberra government. My marketing department has been in strong contact with them over the years and when we were developing this product.

Mr FINN—So severe injury is not uncommon with the hats?

Mr STERPIN—No, it is not uncommon. The best way of putting it is that, whilst a child has not died that I know of—and I am putting this from that perspective—if a child who is five years of age came home from school with severe bruising right across the neck, you would have pretty hysterical parents at the end of the day.

The CHAIR—That is right.

Mr FINN—Absolutely.

The CHAIR—In terms of SunSmart products, are there others that you have been involved with that you think are successful? We certainly have got a challenge with secondary students and hats and those sorts of issues.

Mr STERPIN—The bucket hat has been a successful hat, and that was not covered by the Cancer Council regulation. I find that the SunSmart council have a conflict of interest because they are suppliers and also create policy. I think that is an issue and we have taken them to task on things like the bucket hat in the past, which they have finally approved as a SunSmart product, because basically it sits very low on a person's head. Whilst it does not have a crown as wide as a slouch hat, if you look at the shading components, it is a better protector in some components of it. The bucket hat is the only other option for a secondary child. If it is general behaviour not to wear a hat, then there should be other practices put into place, such as suncream issues for kids, because at that age—particularly at the secondary level—they are going to want to rebel and tell people that they are not prepared to be told about everything that they have to do. So give them other behaviours to learn.

The CHAIR—In terms of the discussions that you would have with a school when designing a uniform, how might that typically happen with your company?

Mr STERPIN—Primary or secondary?

The CHAIR—I am interested to see how much real consultation takes place, or whether there is discussion with people like you in the industry—'We're looking at our uniform. What advice have you got?'

Mr STERPIN—In a secondary marketplace there are preferred products that a school would be looking for. So you know them; they are fairly universal. You would start off with a blank storyboard on a number of those products, and then you would start to colour them in for the school. A storyboard is basically a board so big which has design models on it, generally hand-drawn, which have sketches of various products. Then you start to colour them in. So you give the school a visual appearance of what a product would look

like within their community. You would then refer to its acceptance by other schools in the marketplace and popularity with other kids. We do not deal with kids at all. Most schools will bring the student representative council in at a secondary level to assess whether a product would be acceptable amongst the kids.

The CHAIR—In terms of discussion about what is in the school's interests in terms of the way they contract the product or in terms of fabric quality and so on, presumably you provide advice to them.

Mr STERPIN—With respect to product quality, we will not release the product unless it has a quality component in it in the first place. It is rarely a discussion unless they are raising it. At PSW—I have said we are more informally known as Primary School Wear—we have had a very big uptake in the secondary market over the last six years. Generally, it is because most people have not been able to perform in a quality component. When they go in and feel the products and when they have their kids working through the products, it has been fairly easy to get that transition component through.

If they ever want to see the test reports on qualities, they can, but it will be noticed in the playgrounds. We have had product that has not performed in some areas, and it has gone through the system somewhere along the way. When it does not perform, you simply make good with the school and the parents. That is your obligation, and you need to do it. It is part of your risk removal as well for a parent.

Behind the scenes—behind the theatre production, so to speak—there is a massive set of specifications for all the product that you are putting together: master books, consistency charts and that sort of stuff. We had an example very early this year where we had a school dress fabric for which the tartan was not identical to the master, but it had to get out. It was a very late contract—in December—and it still had to get out to the school. So we said to the school, 'Put these dresses on the girls for four or five weeks until we can replace them with the correct stock.' The variation was minor, and when the correct stock came through we gave the parent another dress and they gave the old dress back to the school. That kept the kids in uniform, and the school was aware of the supply issue.

The CHAIR—Do the schools ever suggest that they would like a product Australian made as opposed to—

Mr STERPIN—When we moved to overseas products seven years ago, or thereabouts, we had lost one school in our database, which is a fairly extensive database. Ironically, it was Sydney Boys High School, and the only two products they bought off us were products that we could not produce overseas anyway. Would people have a preference? I think around this table we would, but when it gets down to the crunch, do we really look at every label and see where things are made? I can go into a long history as to why we cannot produce the product locally any longer. We simply do not have the industry. Give us back the textile industry—which is somewhere between five per cent and 10 per cent of what it was 15 years ago—and we will produce here again. But we cannot. We do not have the textile industry to produce here.

The CHAIR—Do you stand behind a code of practice, or is it just your name that you stand behind in terms of quality and those sorts of issues?

Mr STERPIN—In terms of the outworker code of conduct, we have not signed the agreement at this stage. We believe that there are a couple of inconsistencies with its format, in that it allows purely 100 per cent importers to sign the documentation. We are working towards signing the documentation. It has been an outcome for the operations department.

The CHAIR—If there are no further questions, thank you for your contribution, Anthony. It has been very interesting.

Mr STERPIN—Thank you.

Witness withdrew.

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Ms M. O'Neil, state secretary, Textile, Clothing and Footwear Union of Australia.

The CHAIR—Would the TCF Union people like to come forward. There is just one of you making a presentation and the rest looking on to see that you say the right thing.

Ms O'NEIL—No, they are in fact here for the subsequent presentations.

The CHAIR—I see.

Ms O'NEIL—They just want to hear what I have to say and check that they agree.

The CHAIR—You are Michele?

Ms O'NEIL—I am Michele O'Neil. I am the state secretary of the Textile, Clothing and Footwear Union of Australia.

The CHAIR—Thanks for coming along. It is good to get your perspective in regard to issues associated with school uniforms and dress codes. You know that we are taping this for our follow-up information and that things that are said here are covered by parliamentary privilege. Those sorts of things would not apply outside, but obviously you are able to talk about things pretty freely in here, and we are certainly interested in what you have to say, Michele.

Ms O'NEIL—Thank you for the opportunity to address you this morning. I hope you have had a chance to look at the submission that we provided to the inquiry. The reason that the Textile, Clothing and Footwear Union decided to provide a submission is in relation to two of your terms of reference in particular that we thought were relevant to our members and our industry and the situation of workers in the state as well as children in the state. Those two terms of reference are those that relate to the most cost efficient and practical uniform procurement arrangements and matters which need to be considered to ensure dress codes and uniform policies are consistent with both antidiscrimination and health promotion policies.

We think these two terms of reference require you, as a committee, to consider the issue of where the uniforms that schoolchildren wear, or may wear in the future, are made and the conditions of the workers that make them. We say that for a number of reasons. Firstly, in relation to the issue of cost, the question of cost efficiency and practical uniform procurement is one that we think needs to consider the whole of product cost—not a narrow notion of cost in terms of how many dollars per uniform but the cost to the Victorian community of government procurement policies which do not address issues in terms of the conditions of the workforce that actually makes the uniforms and the subsequent cost to the community in this state, as in the rest of the country, of the many thousands of workers producing clothing—including school uniforms—who are being paid between \$3 and \$5 an hour to work as home based outworkers.

These are some of the most exploited workers in the country. They make a range of products, but some of the products—and I am happy to take you to prosecutions that the union has made—include school uniforms. These workers are not only working alone at home but the other issue in terms of the consideration of the cost is that often their children are involved in the production of these uniforms as well. So you have the issue of needing to consider the whole of cost in government procurement policy rather than a narrow notion of cost and then, secondly, the issue of antidiscrimination and health promotion.

The majority of home based outworkers are migrant women. The majority of them do not have English as a first language—speak, read and write very little English. The type of treatment that this group receives as home based outworkers is a systemic form of discrimination. In relation to the health promotion policies of the government, many studies have now been done that identify home based outworkers as being at greater risk in terms of their own health and safety and likely injury and also, of course, the risk to their children and their families as a whole because of the nature of this work and the nature of the workplace. We reckon it puts it squarely in your court as part of the consideration of this committee.

I will not take you to all of the reports that have been done now over nearly two decades that identify the level of exploitation of this group of workers. It would be well beyond the time that is allotted to us today to do so. But I will briefly take you to the findings in what I think are the reports that are relevant for your consideration.

There have been government studies done at a federal and state level that address the situation of home based workers, and the ones that I will take you to are in terms of the Victorian Ethical Clothing Trades Council report that was done in 2004. That report showed that these workers received very low piece rates which would translate to low hourly wage rates contrary to any standards; that were characterised by late payment or nonpayment of wages; that there was unreasonable and improper rejection of work by the employers. There was a lack of basic industrial entitlements, such as paid annual leave. They worked long hours without appropriate rates, impossible or unreasonable deadlines for the work, and the work standards and environment—including their health and safety—was negatively affected. And there was a strain associated with combining work and family.

The other study that I would take you to, if you want to have a look at it, is a study undertaken by Dr Christine Cregan from Melbourne University. Some of the findings were that 97 per cent of these workers were women, over 80 per cent had worked for more than five years as outworkers, and that the average hourly rate of pay for these workers was \$3.60. It also documented that barely any of these workers received holiday pay or public holiday pay, and 62 per cent of them spent seven days a week sewing.

I want to briefly give you a couple of quotes from the outworkers themselves that have been found in these studies and that relate to the issue that you are looking at. This is a caller to an information line about outworkers:

We came to Australia to try to make a better life for our children. Now we have no choice but to ask our children to help sew because otherwise we will have no way of paying the bills. Often we have to work late into the night to finish the work. My daughter is a good student, but I worry that her study will be affected because she is tired the next day, and doesn't have time for homework and play like her school-mates.

The daughter of a worker said:

I wake up early in the morning and go to school. Then after school I go down to the garage to help my parents until dinner-time. After dinner we continue our work till about 9pm. I juggle school-work while I do my sewing. Often, when the day's been rough, I still have to stay up and finish my homework for the next day. Sometimes I have to skip school because I can't get up for the next day.

And, lastly:

After I come home from school, my parents give me time to do my homework. After I finish my homework I help my parents from four hours to six hours of work. I basically do some of the sewing and I help my parents pack up. When there's a rushed job I spend more time helping my parents and sometimes I stay up really late to help them finish. Sometimes until one or two in the morning. At other times I go on all night. I can't go out with my friends. My only fear is that I can't make it into higher education and have to do this for the rest of my life.

Government procurement is an important policy tool for a whole range of things. It is important in relation to this industry in particular because it is an opportunity for the government to apply broader policy objectives in terms of how they spend taxpayers' money. In Victoria, we have a number of policies that address this issue but you will see as part of our submission that we think it does not adequately address the problem and deal with it in a way that is both systematic and effective in terms of using government procurement as a way of improving the lot of these workers and the situation that they face. There are two policies that are relevant: one is the Ethical Purchasing Policy which has been in place in Victoria for a number of years. It is a policy that does not specifically apply to the textile, clothing or footwear industry, but applies across the whole of government procurement. It requires that those companies that have been found to be in breach of particular health and safety or industrial laws are excluded from the opportunity to tender for government work for a period of time.

The problem with this policy, and I believe the reason behind the government last year introducing another level to it, is that in many cases companies that breach industrial and health and safety laws do not necessarily find themselves at a point where they are prosecuted to the end result. What I mean by that is that the Victorian branch of the union, over the last five years, has prosecuted 167 companies in the Federal Court for breaches of the outwork provisions of the Clothing Trades Award. That is for 1,100 breaches of those award provisions that are about protecting outworkers. Out of those prosecutions, only three went to the point of finally being heard by the court. The reason that only three were finally heard by the court—and in each of

those three cases the companies were found to have breached the provisions—was because all of the other companies, when provided with the evidence that the union laid before them in the court case, agreed to settle the matter because they were very concerned about the impact of it going to the court and the potential for not only reputation impact on their companies but also the costs, given that the court has taken the matter very seriously.

The last time that a matter proceeded to the court, the court awarded a \$110,000 fine against the company for these breaches. So the Federal Court sees this as a really serious matter, the union sees this as a serious matter and, as I said, the overall Ethical Purchasing Policy did not address the detail enough. Last year the government introduced an additional mandatory safety net that is applying to a number of industries in Victoria. That includes the textile, clothing and footwear industry. It puts another layer of requirement on companies that are tendering for government work in this industry to show that workers receive fair pay and conditions. Our submission says that that still does not go far enough to address this issue.

The Victorian government has announced that they will introduce a mandatory safety net that will apply to retailers in the industry. It was announced by the government last year and in fact was confirmed earlier this year by the Minister for Industrial Relations. If the government is going to require the private sector to have a mandatory safety net in place, a mandatory code that requires companies to ensure that their contracting chain is transparent and that workers are treated properly, then it is essential that the government leads the way. So our submission is that it is important that, in relation to the purchasing of uniforms—and school uniforms are a prime example of this—the government should put in place a system that is similar to the Queensland code of practice.

The Queensland government has an extensive code that deals with the purchasing of textile, clothing and footwear by government and it specifically covers the purchasing of school uniforms. We would say that this would be not only setting a new standard for Victoria in terms of properly dealing with a complex contracting chain and how you regulate it but also sending the example to the industry to say, 'Well, we're just not telling you to clean up your act. We're going to ensure that every cent of taxpayers' money is also spent in a way that ensures government uniforms, government school uniforms, school uniforms, are purchased so that those children, their parents, the schools and the community at large can be assured that the work that went into those uniforms was done in an ethical manner, that the workers received fair treatment.' And this is an opportunity for this committee to assist in furthering the government's commitment to this area.

I heard some earlier comments about the question of purchasing offshore. We have evidence that shows a significant number of uniforms in the state are still made here in this state. The industry is quite capable of making the uniforms. There are a number of school-wear companies that operate and manufacture here in Victoria and in Australia, some of which manufacture out of reputable factories where fair wages and conditions apply. Two companies at least have been subject to prosecutions by my union over the last two years, where we have found products that are being made in workplaces where those companies are in breach of the legal standards in terms of outwork provisions of the awards. We have workers who are participating in English language classes, who are home based outworkers, who are working at home for the same sorts of low conditions that I outlined earlier, who are making school uniforms.

I can tell you that, as I sit here today, we personally are in contact with workers who are receiving these extraordinarily low rates of pay and working long hours, making uniforms that are worn by schoolchildren in Victoria, and we do not think that that is acceptable. I do not think that the children who are wearing the uniforms would think it was acceptable. I do not think that their parents or the school community would think it was acceptable. I also hope that the Victorian government and parliament would not think it was acceptable. I will leave it at that, and I am happy to answer any questions.

The CHAIR—Thank you, Michele.

Mr KOTSIRAS—Has your union done any modelling on the cost of the uniform? I assume there will be an increase if all your recommendations are taken on board and put into place. Do you have any indication? In Queensland, when they introduced a code, there was a percentage increase on the purchase of uniforms.

Ms O'NEIL—Interestingly, it does not have a cost impact. The way the industry works is through a very long contracting chain. Once you introduce methods that require companies to pay attention to making that change transparent, identifying the obligations at each step within it, what you quickly find is that the length of the chain reduces. At the moment, you might have the person placing the order, or the school placing the order, saying, 'We need this many uniforms.' It is likely to go through three, four, five hands of contractors before it finally gets to a worker either sitting in a factory or sitting in their garage or lounge room making the product.

If you require transparency and accountability in terms of each step of that chain, then often the principal manufacturer will say, 'The only way I can control this is to ensure that I directly contract to the person who is doing the work, or employ the person who is doing the work, or I do that in a factory where I can see where the work is being done and ensure that it is being done ethically and reputably.' Rather than necessarily adding a price component to the product, it is more likely to reduce the number of people in the contracting chain.

Mr FINN—How long have the standards that you spoke of in Queensland been in place? No doubt your union has approached the Victorian government with a view to introducing similar standards. What has been the reaction from the Victorian government?

Ms O'NEIL—I am just checking in relation to Queensland. I am happy to come back with the exact date, but from memory it has been in place for about six or seven years in Queensland. I am happy to confirm that for you. In relation to your second question, my union has been involved in many discussions with the state government around the procurement issue, and there have been commitments made on a number of occasions in terms of the government having its own code of practice. They have not come to fruition. These other approaches have been taken.

For example, the Victorian government's introduction of the Outworkers (Improved Protection) Act dealing with the exploitation of these workers was a significant improvement, as was the introduction of this mandatory safety net. The problem is that it is very generic. It does not deal with the clothing industry and the particular characteristics of trying to regulate work and conditions in that industry. There have been in principle commitments previously given as far as having a procurement code that deals with the textile, clothing and footwear industry similar to Queensland and New South Wales, but that is not in place as we speak. We would like to see this as an opportunity to revive interest in having a specific code that deals with the situation in terms of our industry.

Mr FINN—How long ago were you given those commitments?

Ms O'NEIL—Those commitments have been given over a number of years.

Mr FINN—Seven? Eight?

Ms O'NEIL—Probably.

Mr FINN—You are still waiting, though.

Ms O'NEIL—That is right.

The CHAIR—There is progress being made, I heard you say. In regard to some of those issues, Michele, in terms of the present procurement policy which says that you will not buy from companies that have been prosecuted, you sort of implied there was a problem in that. I am not sure I necessarily agree. I think that it is a great backstop. In relation to those who have not gone to prosecution but have settled, doesn't that mean that in the shorter term they have addressed those issues and therefore there should not be ongoing issues of ethical concern? Otherwise you would proceed with prosecution again. Presumably, in settling, they have addressed those issues. Is that not the case?

Ms O'NEIL—There are two things. The only basis upon which we would withdraw from a prosecution would be if we had commitments in terms of meeting all legal requirements in relation to the outwork provisions. One of the companies I gave you an example of that is a school uniform manufacturer we

prosecuted initially in 2005. They agreed to meet all of those requirements, and we are still chasing them in 2007. Part of the problem we have with decreased vigilance at a federal level in terms of inspectorates and the like—these are federal award provisions. As you know, we have no state award system any more that would also have provided for state inspectorates in relation to this issue. It is left to my union to be the body that takes prosecution action in relation to this.

Throughout the last decade there has not been one prosecution of a clothing company by the federal government in relation to the exploitation of home based outworkers. The amount of work that we can do in terms of prosecution activity is a drop in the bucket, because it is a huge industry. Much of this work, as you would appreciate, is underground and hard to find. There is a serious resource issue about the amount of prosecution work that the union can do. So to suggest that that is an indication of the level of the problem I do not think is right. In fact, the great bulk of companies manage to continue to avoid obligations without enough scrutiny of the fact that they are doing so.

What tendering and government procurement does, and the Queensland model does, is allow an extra level of scrutiny in a proactive way. Instead of saying, 'If you're a baddie, we'll take you off the list,' it is actually saying, 'We want to give work to reputable companies to make government uniforms, school uniforms, but we want to do that where you, as part of the tendering process, show us that you're operating in an ethical manner.' So it puts the onus back on the company to provide information as part of the tender, which I think is a much more proactive and positive approach, rather than, 'Let's create a sort of black list of those people who won't get work.'

The CHAIR—You talked about the two pieces of legislation that have come through from the government over recent years—the Outworkers (Improved Protection) Act and the safety net. It was certainly my understanding, particularly in relation to the outworker legislation, that a significant sector of the outworker population would be in the textile industry.

Ms O'NEIL—I will clarify my comments. The outworker legislation is directly targeted to our industry. It is for home based outworkers in the clothing industry. The ethical purchasing policy is not targeted to the textile, clothing and footwear industry. The mandatory safety net, as part of the ethical purchasing policy—which is not legislation but an additional policy initiative—has the TCF as one of its elements. It was only introduced in the second half of last year, and the problem with the implementation of the mandatory safety net is that again it does not drill down enough in terms of the requirements for tendering to deal with the complexity of the contracting chain.

The outworker legislation is a requirement that adds to federal requirements, and there is cross-party support for this at a federal level. In fact, the federal government and the opposition have had a fair amount of agreement in relation to these types of issues for outworkers in Australia. But when it comes to government procurement, it really does provide the opportunity for government to lead the way in terms of the private sector. If the government is going to require the private sector to behave in a certain way, it should take the initiative and lead.

The CHAIR—I understand your point now more clearly, thanks. No other questions? Thank you, Michele.

Ms O'NEIL—Thank you.

Witness withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into dress codes and uniforms in Victorian schools

Melbourne—25 June 2007

Members

Mr M. Dixon (from 18 September 2007)	Dr A. Harkness
Mr N. Elasmarr	Mr S. Herbert
Mr B. Finn (1 March – 18 September 2007)	Mr G. Howard
Mr P. Hall	Mr N. Kotsiras

Chair: Mr G. Howard

Deputy Chair: Mr N. Kotsiras

Staff

Executive Officer: Ms K. Ellingford

Research Officer: Ms J. Hope

Committee Administrative Officer: Ms N. Tyler

Witnesses

Mr T. Clarke, project officer, Homeworkers Code of Practice; and
Ms G. Harrison, Victorian Schoolwear Manager, Lowes.

The CHAIR—This is a good opportunity to follow on with the homeworker code of practice issues. I will ask you to introduce yourselves in a moment. I welcome you to this hearing and thank you for coming along. You have heard that we tape the information as you share it with us so that we can follow up on the detail in your oral submissions. It is very useful the way things have flowed this morning in terms of the issues associated with the textile industry and we are very interested to hear your contribution. Thank you.

Mr CLARKE—Thank you for having us. I am Tommy Clarke. I am the project officer at Homeworkers Code of Practice, and joining me is Gwen Harrison who is a school-wear consultant. I invited Gwen to come along because she distributes and does the selling for a company called Poppets Schoolwear, which is accredited to our system. The owner of Poppets, Elizabeth Kingston, is on our committee of management but was unable to come today, so I have asked Gwen. You might have some questions that Gwen might be able to follow up.

The CHAIR—Thanks. Yes.

Mr CLARKE—I thought I would give you a run-down of how the code works. It is a joint union and industry initiative, obviously aimed at reducing the exploitation unfortunately found in the clothing and fashion industries. The key principle behind the code is that, if companies can make their production chains transparent, exploitation is going to be more easily identified and addressed. Our committee is made up of representatives from organisations such as the TCFUA, the Australian Industry Group, Australian Business Ltd, the Textile and Fashion Industry Association, as well as a number of commercial reps such as Poppets Schoolwear, Yakka and Hunter Gatherer, which is the Brotherhood of St Laurence's retail store or fashion label. Obviously there is joint union and industry support that we benefit from.

There are three sections of the code. The main section that I deal with is Part 2, which deals with the manufacturers. It is a certification process. A company comes to us to become accredited. We go through their supply chain and effectively map the supply chain and identify the different relationships that a principal company would have with its suppliers, and the contractors themselves would then employ subcontractors who might employ subcontractors, and so on. Sometimes we have these really quite amazingly long supply chains that we go through and try to make sure that there are adequate agreements in place at every link of that chain. In the case of when a homeworker is employed, we require documentation which shows that homeworkers receive things like superannuation, annual leave, sick pay, and all of their award conditions.

Mr KOTSIRAS—Do they pay a fee for you to go through that?

Mr CLARKE—Yes, that is right. For Part 2 they pay a \$2,000 annual fee. That covers the admin cost of us accrediting their supply chain. If the application is successful, we list them as an accredited company and include them in our promotion and publicity efforts to promote local, ethical manufacturers. By becoming accredited, a company becomes eligible to use the No Sweat Shop label. We basically have a licensing agreement where the company can then sew that label into their Australian produced garments and the idea there is obviously, as well as having the company do the right thing, making sure that their supply chains are transparent. We are also giving consumers a way to recognise whether the garment is Australian made and whether it is made in an ethical fashion. It is aimed at bringing various players into that process.

I would like to correct a statement that was made earlier to you. We only accredit Australian manufacturing. A company can have offshore manufacturing but we are only accrediting their Australian based supply chain and, therefore, the label is only allowed to be used on the Australian made garments. Likewise with the retailer section of the code, which is a little less stringent but still very useful in reducing exploitation: retailers sign up to an agreement and, if evidence has shown that one of their suppliers has subaward conditions, that retailer will act either by pulling the stocks off the shelf until the situation is fixed or working directly and promptly to have that situation fixed. Having retailers with a substantial amount of clout can really help to pull manufacturers into line, and there is no fee for the retailer section. Again, only retailers with suppliers who manufacture in Australia are entitled to become signatories to that part of the code.

As you have noticed in our submission, the key argument is not whether school uniforms should be mandatory or not, but obviously if school uniforms are worn, we feel that school communities deserve to be confident that students are wearing garments that are exploitation-free, and we feel that a good benchmark would be the

Homeworkers Code of Practice. The Victorian state government has an opportunity, through enhancing its procurement policy, to set an appropriate benchmark and, by giving schools that incentive to support local and ethical manufacturing, we think that has flow-on benefits to the local economy. If that benchmark was the Homeworkers Code of Practice, it would give a lot of incentive to companies not just to step up to the plate and make sure that their supply chains are ethical but it would also support the code's wider efforts to address exploitation.

As I mentioned earlier, I have invited Gwen to talk about or answer any questions about Poppets Schoolwear. I will give you a run-down on them. They are based in New South Wales but supply uniforms in Victoria as well as in New South Wales. They have been accredited to the Homeworkers Code of Practice since it was formed and take quite an active role in the code; they sit on our committee of management. Poppets' success and ongoing support of the code demonstrates that our standards are achievable, that they are effective, and that they help various communities get involved in the collective efforts. That is really relevant in terms of today's discussion about school communities. On one hand we do have the manufacturers that get their lines accredited but obviously the consumers—in this case, the school community—should have a say in choosing whether or not they want to purchase ethical garments. The No Sweat Shop label is the mechanism that allows consumers to make an informed choice.

Finally, the Homeworkers Code of Practice believes that the Victorian government should introduce a policy that will ensure that, if Victorian students are wearing a uniform, it is made locally but, more importantly, that it is made in an ethical fashion.

The CHAIR—Okay. Would you like to make some comments, first of all, Gwen, and then we will ask some questions?

Ms HARRISON—Yes. I would like to clarify what I actually do. I am the Victorian school-wear Manager for Lowes. Poppets supply Lowes with the Bear and Ley label, so I am their school-wear consultant and I deal with Poppets on a regular basis; probably every couple of days. I help design and set up school uniforms and that type of thing. I am employed by Lowes but Poppets is part of Lowes. Do you understand my situation? It all sounds a bit confusing.

The CHAIR—Yes. Poppets is a subgroup. You are not responsible for Poppets but you work with Poppets.

Ms HARRISON—Yes. And I am representing them. It is a very ethical factory. They are good to work for. I find that schools that I go to now very much want Australian made garments. We have a lot of imports coming into the country now and there are a lot of backyarders. If you hear of a uniform that is selling for \$30 and it costs Poppets \$30 to make, you know that your opposition is using backyard workers. There is not much I can do about it at this stage.

The CHAIR—What would be the comparison then for the \$30 backyard uniform with something that Poppets would produce?

Ms HARRISON—We might have to make it for \$28. But we have to pay for superannuation, workers compensation, fabrics and everything and, if your opposition is selling it for that, you know that they have backyard workers.

The CHAIR—Yes, but what would be your final price for a similar item?

Ms HARRISON—Probably around \$40-\$50. There is a difference. Poppets are quality assured as well, which is a major thing. They deal with the community. They do business conferences in schools up in the Illawarra area. They like to put back into the community as much as possible. Poppets are interested in the kids, as well as the school uniforms. They service at least 3,500 schools throughout Australia, because they go all the way down the east coast of Australia. They supply school uniforms through all the Lowes stores, and they have 160 stores throughout Australia.

The CHAIR—So Poppets do not use outworkers at all in manufacturing—

Ms HARRISON—No, not at all.

The CHAIR—in a factory situation?

Ms HARRISON—No. That is why they are part of the Homeworkers Code of Practice. They employ 144 people down at Fairy Meadow, which is where their factory is. They would be the largest school wear manufacturing company in Australia, I would say. They have the latest machinery. They have just purchased a new Pathfinder cutting machine, so they really keep up to date with their machinery. I am all for the Australian made product and I find schools are too. A lot of the schools find that if they pay a bit more for the uniform, qualitywise it wears well. They outlast a lot of the imports. We have baled out a lot of schools that have been left with imports or products made in backyards, which is mainly what we hear about.

The CHAIR—We might just leave it at that and, with our questions, we can follow up on issues.

Mr CLARKE—Can I add to that. I often find in conversations I have with schools that, I agree, there is a desire to have Australian made and ethical garments. It is more about lacking the procedure or a system to know how to do that. So there is a sense of helplessness of, 'Sure, we would love to have Australian made or ethical garments. How do we do that?' Schemes such as the code really give that confidence to school communities to say, 'Actually, there is a system in place that we can follow.'

Ms HARRISON—Principals will often say to me, 'We'd like to have Australian made garments, but the opposition is selling them for such-and-such. What can we do about it?' Schools do not feel comfortable about people buying garments that have been made by workers that have been exploited. Parents are now buying them, so supporting the exploitation of workers'. That is something that they are not comfortable about, but if we are selling a skirt for \$60 and down the road they are selling same skirt for \$38, there is nothing the school can really do about it.

Mr KOTSIRAS—Do you sell them directly to schools?

Ms HARRISON—We do wholesale as well as retail.

Mr KOTSIRAS—If you sell them for \$60, what would the school then sell them onto the students for?

Ms HARRISON—It depends on what mark up they decide to put onto them, but they would probably sell them for \$45 or something like that.

Mr KOTSIRAS—So most schools will make a profit?

Ms HARRISON—If they wish to, yes.

Mr KOTSIRAS—Do the schools that you know make a profit?

Ms HARRISON—At a secondary level, if they do wholesale, they normally make money out of it, because they put the uniform in at wholesale to make money as a fundraiser. They will use uniform as a fundraiser.

The CHAIR—And they are carrying the risk if they do the wholesale concept.

Ms HARRISON—Yes, they do. Sometimes they will get companies, (us included—although we do not do a lot of it)—on site and then suppliers pay them a rebate for having uniform on site.

Mr KOTSIRAS—So by the end the cost of the uniform could be \$90 compared to the backyarder who is selling it for \$30.

Ms HARRISON—Yes. It depends on what mark-up they decide to put on it, yes. Some of the private

schools will have a much larger mark-up but most of the secondary colleges will stay around the retail level or just under, from my experience with the ones we deal with.

The CHAIR—I wanted to follow up on the sorts of schools you might sell into. I have a pretty conceived notion in my mind that there are the schools in the better-off socioeconomic areas that would particularly link into this, but I might have it completely wrong, whereas other schools recognise that they have a significant challenge—a number of low-income families—and therefore there is greater pressure to try and deliver uniforms at a lower cost. I am interested to get some feedback—whether I am wrong in that preconception.

Ms HARRISON—We deal with the low economics right up to the private schools. The state secondary colleges would be our biggest sector. I am not just talking about Victoria; I am talking about the company as a whole. In the low-economic areas, when you are consulting about the uniform you are aware of what the area is like. The children might go into a polo shirt. You work out what is cost effective to put them in. Whereas up in the private sector they will have a much larger range of uniforms and more designer type uniforms. We really cover the whole spectrum, but I would say that the majority would be the state secondary and the primary schools. In Sydney we do Catholic colleges as well, and some of the more private colleges, but the majority—

The CHAIR—But not many of the privates in terms of comparison.

Ms HARRISON—Not a lot of the privates, no. Mainly the secondary colleges, yes.

The CHAIR—If you were able to put a percentage on it, Tommy, what would be the percentage of schools that would be (1) aware of what you do and (2) latch onto it?

Mr CLARKE—To clarify, my main role is more in the accreditation process. The main percentage of our work is more looking at the accreditation process and making sure that the production chains are—

The CHAIR—Yes, in the broad textile sector as opposed to school uniforms being a pretty small component.

Mr CLARKE—That is right. Although part of my role is obviously promoting the code and raising public awareness, at the moment that is probably a smaller component of my work.

Mr KOTSIRAS—Who funds the organisation?

Mr CLARKE—The fees?

The CHAIR—No, the overall funding base.

Mr KOTSIRAS—You survive on the fees?

Mr CLARKE—That is right.

Mr KOTSIRAS—Your office and the people working in your office survive on the fees?

Mr CLARKE—To clarify—and this partly answers your question—it is a part-time staff of myself and an admin assistant. The fees that the accredited companies pay, yes, basically fund our operations, but we do get support from our committee members. For example, the TCFUA provide me with an email address, phones, access to photocopying and that kind of stuff. Meanwhile, the Textile and Fashion Industry Association does our bookkeeping and our accounts and all of those kinds of things.

Mr KOTSIRAS—Do you have an office?

Mr CLARKE—I have a desk at the TCFUA office, yes, and a filing cabinet.

The CHAIR—And a phone line, yes.

Ms HARRISON—When I mention the Homeworkers Code of Practice or the FairWear Campaign or whatever at schools, I find that quite a few principals have heard of them but have not seen any documentation. It would be really good if out there in the workplace everyone had to comply and, if you are supplying school uniforms, you had to be part of the Homeworkers Code of Practice. It would keep everyone on such a level that the backyarders would not be out there. It would make it harder for them

The CHAIR—Or at the very least within guidelines that the government might provide to schools, ensuring that they are aware of them and are considering them as part of their policy making.

Ms HARRISON—Because school uniform is usually worked out, as I said, to a community level anyway where cost is concerned. In relation to the quality of the Australian made garments, I know ours is very good and it will last for a long time. Parents seem to know this. So often I have to bale schools out that have bought from companies that have had garments cheap and it either does not fit properly or the zips are all falling out or the seams are coming undone.

Mr KOTSIRAS—It is a problem. When you pay for a school shirt in the private school sector, they want \$100 just because of the school's emblem.

Ms HARRISON—\$100? That is too expensive.

Mr KOTSIRAS—You can buy the same shirt without the emblem for a third of the price, so parents are just saying, 'Why are we paying the extra amount?'

Ms HARRISON—That is exactly right. The company I work for, you would not pay \$100 for a logo on a shirt, but I know what you mean. The only ones I know of that can do that sometimes are the private schools. In the secondary college and the average suburbs around Melbourne et cetera, we have to be very realistic and the company I work for is realistic where prices are concerned.

Mr CLARKE—Can I say that the school obviously has some choices there to make itself, in that embroidery would be a more involved approach than, say, printing the same logo or that kind of thing. Schools are obviously making their own decisions about what they want to do with their uniform, which will impact on the price.

Ms HARRISON—They use uniform as fundraisers for the school.

Mr KOTSIRAS—Do you think it is a good way to raise money? Do you think uniform should be used as a fundraiser?

Ms HARRISON—I do not really think so myself. It depends, I suppose, on the school's situation. But I think there is fundraising and fundraising, isn't there?

The CHAIR—One of the other things I am interested in is that you only look at companies producing in Australia. Is there any work being done on imports in looking at the outworker issue and so on? That will be my first question.

Mr CLARKE—Sure. In terms of the Homeworkers Code of Practice it is purely focused on Australian manufacturing, the reason there being obviously we will start with local manufacturing in terms of our resources and times. We could not really embrace a wider international system. Also it is quite safe to say that labour standards in places like China, Thailand and India are obviously well below Australia's standards. That goes without saying but then, having said that, within the Australian manufacturing system we have, through governments, procurement policy and labour standards, a lot more scope to regulate that industry and rid it of exploitation.

Ms HARRISON—It is hard to control the quality from overseas. Some companies have factories overseas and I guess they can have someone over there for quality control but I know that, in dealings the

company I work for has had with imports, what comes in this year may be a bit different next year, so unless you have really tight controls overseas, it is very hard to stay on top of imports.

The CHAIR—Yes. We still know that there is going to be a significant component there and what efforts we can make to be able to make a comparison and push those issues is still something that is there; but I understand the limitation of where you are with your starting point. I did not know whether there might be any other bodies out there that you might be aware of that are pushing that issue.

Mr CLARKE—Of international supply chains? I think FairWear who are talking today as well are working along those lines. Just to clarify in terms of the conditions, we are talking about are people getting paid \$2 or \$3 an hour in Australia. People often think, 'Yes, sweatshops. That happens in Thailand and India and it's a terrible thing,' and fail to realise that it is actually happening in our suburbs.

The CHAIR—With the international thing, it is harder to measure what is fair in a different economy and so on.

Mr CLARKE—That is right and the difference is, in this case, that the Victorian government has power over what is manufactured or how it is manufactured in Australia.

The CHAIR—The only other thing I wanted to clarify is that we understand Poppet do not employ any outworkers.

Ms HARRISON—No.

The CHAIR—But some of the manufacturers you would be accrediting do have outworkers?

Mr CLARKE—That is right.

The CHAIR—What is the number of accredited companies you now have, and what percentage would use outworkers?

Mr CLARKE—Just to clarify, our system definitely allows for companies to use homeworkers within their supply chain but there are guarantees that those homeworkers are getting their award conditions. Under law, a home based worker is entitled to all of the same entitlements as a factory worker. Our system caters for that arrangement. However, across the board we do find that factory based workers often experience less exploitation than home based workers. So if a company such as Poppet is doing all of their work in-house or on their own factory premises, the accreditation process is a lot more straightforward, because checking those records and following up the complex supply chains is not as much of a challenge. In answer to your question, we have about 35 accredited companies—that is, successful applicants.

The CHAIR—Of those, how many might produce school uniforms? Any idea?

Mr CLARKE—I think we have two at the moment: Poppet and I cannot recall the other name. Then we have probably about 60 or so pending applications. We have more companies going through the process of accreditation than we have completed the accreditation. I think the earlier speaker talked about a company who was prosecuted; so, just to clarify again, sometimes we have companies that approach us and say, 'We want to do the right thing and become ethical. How can you help us?' And we will help them to become accredited.

Other times they might come to us more through the results of legal proceedings where they have actually been found to be in breach of the award and have an obligation to fix that situation. In those cases, if they have a very complicated production chain, then that process of accrediting them can be quite challenging and take a long time.

The CHAIR—I am interested that you were implying that there is a fixed fee of \$2,000. I would have thought for some companies it is pretty easy to accredit them, others there is a great deal of work associated. They are all just charged \$2,000 are they?

Mr CLARKE—Currently, yes.

The CHAIR—That has been very interesting, thank you.

Ms HARRISON—Thank you.

Mr CLARKE—Thank you.

Witnesses withdrew.

Hearing suspended.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into dress codes and uniforms in Victorian schools

Melbourne—25 June 2007

Members

Mr M. Dixon (from 18 September 2007)	Dr A. Harkness
Mr N. Elasmarr	Mr S. Herbert
Mr B. Finn (1 March – 18 September 2007)	Mr G. Howard
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Witness

Dr G. Barrington, director, C. E. Wise Pty Ltd.

The CHAIR—I will reopen formally after that little break. Graham, thanks for coming along and speaking to us. That is terrific to add to our investigations in regard to school uniforms and dress codes. You are aware we are taping things that are said so that we can follow up on detail later, so everything you say could be taken down in evidence. But you do have parliamentary privilege in here. I do not know whether that is relevant to what you say but it does apply when you are speaking within the parliamentary confines to the inquiry, but of course not outside. We are interested to gain your perspective from C. E. Wise Pty Ltd and welcome that contribution.

Dr BARRINGTON—Thanks very much for inviting me to come along. I am happy to help to the degree that I can in your research. There will be many others who will be able to say more, broadly across the range of questions that you are interested in. It would be useful first to give a bit of information about myself and the business. I am a director at C. E. Wise but my background is broader than that. I do not put the term managing director down there because I try to stay out of direct management as much as I can. I am a doctor at the Children's Hospital in paediatrics and my background recently is in child and adolescent psychiatry. I am past medical director at Box Hill and Mercy Hospitals here.

My background in terms of training, apart from medical, is an MBA at the Melbourne Business School and a Master of Public Health at the University of New South Wales. In the education area, apart from being involved in this business of C. E. Wise which is essentially a family business—it has been around since 1925—I am also vice-president of our local Ivanhoe East Primary School council, so it gives me a little bit of perspective of what councils do in considering issues to do with uniforms. I am co-holder of a large ARC grant on autism and narrative, which I work with the Catholic Education Office to research. In addition to that, I am a director of the Victorian Tenants Union and the chair of the strategy committee. VTU gives me a little bit of involvement with union types.

The CHAIR—Very broad ranging in your activities.

Dr BARRINGTON—In regard to C. E. Wise, it is a small independent family owned Australian manufacturer of school wear. We have been around since 1925. We are based in Thornbury, Victoria. We principally produce blazers and skirts. We target the higher cost ticket items in the uniform range and we go for a couple of items over a broad range of markets rather than trying to produce everything for everyone. Everything is manufactured locally. I believe we are the oldest clothing manufacturer in Victoria, if not Australia, but I say that on the basis of not knowing anyone who has been around before 1925. We are small and only employ 10 to 20 people. We supply retailers, school shops and direct to parents. About two-thirds of the sales are in Victoria and one-third in other states. The perspective that I can offer you here from a small family owned manufacturer of school wear in Australia may be of interest to you.

There are only three of the inquiry's terms of reference that I thought we might be able to provide some input into, and they are (a) the benefits and costs of mandatory school uniforms, (c) the most cost efficient and practical uniform procurement arrangements and (g) the national trends. With the type of business that we run, because it is small and family owned, we have a direct relationship with employees. Employees stay with us for 10 years or more. We are not, and have never been, interested in homemaker-outworker arrangement at all. The perspective we take there is that, if it ever came to that, that would be the time to pack up and move somewhere else.

In relation to the benefits and costs of mandatory school uniforms, of course others will have listed benefits and listed the costs, there are a couple of points that I would like to make for your consideration. Firstly, the uniform has to be affordable and tailored to the expectations of the local school community. My view is that that should still be a matter for school councils to decide. If school councils are going to be given a direct role in deciding about supply arrangements, then they really need to be skilled and appropriately trained in how to manage those types of business relationships and be guided in the way in which tenders are run and be guided in terms of the changes that are made to uniforms—how that is done and what consultation is necessary to see that that is done in a fair way.

The benefit of mandatory school uniforms, and the benefit of school uniforms generally, is captured in the word 'uniform' of course. It is meant to be the same across the entire school population and will provide a quality fit, durability, access and equality for the whole school group. It is only going to be useful to the

degree that the enforcement policy is able to provide it as truly being a uniform across the school. We run into situations where government schools in particular have a uniform but it is not really fully promoted, and it is very difficult to plan for providing a uniform to that type of school in that setting.

Moving to term of reference (c)—cost efficient and practical uniform procurement arrangements—the main issue that we see as a manufacturer is that there is a benefit to everyone in providing the best quality and lowest cost uniform, to reduce the risk and to reduce the wastage that is associated with providing uniforms. What occurs, and what we have been exposed to, are changes which are made by schools where maybe a council or a school uniform operator makes a decision without consultation with the supplier to change the uniform or to change the supplier, from one supplier to another, and one can potentially be left with 500 metres of material relevant to that school only, and there are significant losses associated with that.

There is usually an arrangement, with some sort of sole supplier status or preferred supplier status, that a manufacturer has with a school. That becomes the main barrier to entry for any new supplier. In the past the minimum amount of material that you might have been able to source, especially if you were going to source it from overseas, might be 1,000 metres or it might be 500 metres. One of the changes which is occurring at the moment is that that minimum amount of material that can be sourced in any given fabric has come down considerably to 300 metres. That allows small producers to access markets that would not previously have been open. It also provides greater competition into the market.

At the same time, there is a process going on where large players, such as Gazal and Midford and others, who wish to buy into a school shop can take over sole supply status in that shop—would take control of that shop—and we potentially get locked out, but we get locked out by the risk associated with the uniform changing, in that if the school has an arrangement with one supplier it is not that other suppliers could not potentially supply that uniform, it is just that they will not be the ones that are told if there is a uniform change. So potentially you can be left with stock that you will not be able to sell. It is that fact—not sharing information—that really becomes the main barrier to having a greater degree of competition.

We need to have an open competition sort of arrangement, where the best quality product and the best cost product will be delivered to parents. The methods by which uniforms can be provided to schools are: a retail store outside of the school, which might supply a number of schools; outsourcing of the entire uniform sales and procurement activity to an independent contractor with a sole supplier status; outsourcing of the entire uniform sales and procurement activity to an independent contractor with a preferred supplier status; direct manufacturer sales online, supplemented by licensed mobile retail facilities on site; and of course a school can operate its own shop. The one which seems to be gathering more favour is the outsourcing with a sole supplier status, and I think there are ACCC issues involved there, in that the schools' interests and the parents' and students' interests are not necessarily aligned in those arrangements. I will leave it there and take some questions.

The CHAIR—Okay, we will go on to questions as a result of that.

Mr KOTSIRAS—How many people work for your company?

Dr BARRINGTON—About 15. It is a small company. It has varied between a dozen and three dozen over 30 years. Before that, I am not sure what the situation was.

The CHAIR—And you only produce blazers?

Dr BARRINGTON—We produce blazers and skirts, and that is it. We provide a small amount of retail to some schools direct, where we will take the entire range and source the stock from others.

Mr KOTSIRAS—Do you import anything?

Dr BARRINGTON—Not directly, no. We do not do any importing at all. Things like white shirts and so forth we will buy from somebody who is going to have imported it because you just cannot manufacture those things locally.

Mr KOTSIRAS—But the blazer?

Dr BARRINGTON—Your blazers, no. Everything is manufactured in Thornbury. Everything is manufactured locally. You have just heard from Tom Clarke. We abide by and would easily be accredited for the Homeworkers Code of Practice because not only do we not employ any outworkers or homeworkers, but I know directly that nobody who supplies to us uses them. I know that through taking a keen interest to make sure that that is not the case, so we are potentially a preferred supplier to schools that have an interest in knowing that their uniform is coming from a manufacturer that complies with that code.

A number of the church bodies that have been behind the Homeworkers Code of Practice and the effort to see that those issues are taken into account are the same church groups that are behind the main independent schools. So again, for the private schools at least, there is the potential for trying to at least see that there is an alignment between what their values system dictates should be the case and what their school uniform procurement policies actually show to be the case.

Mr KOTSIRAS—Do you sell blazers to government school students or is it mostly private schools?

Dr BARRINGTON—We do. If I go back to the 1950s when my grandparents started this business and my uncle and mother in that generation continued it. In the 1950s it would have been more about half and half. There was a time when uniforms were the norm in government schools. Since that time it would be far and away private schools; 90 per cent. But there are a number of government schools that we do supply and it depends on what the uniform policy is that is applied at that school.

People put forward research asking, 'Do uniforms provide better behaviour amongst students? Does a uniform stop them from gang associations and encourage better identification with the school?' A school that has a principal and a control over its policies to the degree that it can successfully introduce a school uniform already has a lot of characteristics that are beneficial to students. It is difficult to know whether the successful introduction of a school uniform or the type of school that can successfully introduce a school uniform is behind those better, more desirable behaviours and benefits to students.

The CHAIR—Can I just go back to the previous question for a second, to follow that. You could gain the homemaker accreditation if you chose to but at this stage you have not chosen to go down that path, presumably—I am interested to know but my guess would be—because you are a small operator and you promote yourself as yourself, so you are happy with a smaller, boutique market.

Dr BARRINGTON—In actual fact, no. We have gone down that path and it is likely that in another three months or however long the process takes that will be completed. I have spoken over six months ago about this to Tommy. As much as anything, the administrative process is quite onerous. The other consideration was that there are always little things which do not quite fit in.

For instance when I say 'no homeworkers ever', we have had one 82-year-old employee who was a friend of the family who was a pensioner. We would drive out to her home, four hours of work per week so that she could make enough; she was being paid the normal wage that she would be paid if she were working in the house, but she was too old to actually come in. For four hours a week, she would be given four hours worth of work and paid for that, normal conditions and so forth. But that does not comply with the code which has to have the minimum of 24. So she was effectively terminated because of that.

The other aspect to it is that a consideration is, 'Who runs this?' From a manufacturer's point of view, it is like getting an accreditation for being sane. 'I've got a certificate. I can say that I'm sane,' or 'I've got a certificate to say I'm not a wife-beater,' or something or other and then you are promoted as a certified non-wife-beater. These are the downsides. Where there is a manufacturer who is noncompliant, who is actually one of the bad guys and needs to be brought into line, after they have been successfully brought into line, they get an accreditation. So in some ways, you do not necessarily associate yourself with those with the best reputations by getting accreditation. But we still think it would be a good thing to do and it should be done well.

The CHAIR—One of the other issues I know that almost seemed paradoxical in terms of your presentation is that you were saying that uniforms should be low cost, whereas normally you then associate

with schools that have gone to blazers and that then adds an additional cost component to uniforms.

Dr BARRINGTON—Blazers are interesting in that they are the most expensive item of a uniform, if they do have a blazer. But blazers get recycled. Blazers go through two or three different uses. They go from one sibling to the next sibling. Most schools that have blazers have a second-hand uniform shop that is usually managed within the school. So a blazer might be sold at \$160, resold at \$120, resold at \$50 and then no longer used. Blazers, as with other of the higher cost and higher quality school wear items, like skirts, need to be manufactured to different specifications than are required for general fashion where something will just be used and maybe only worn a few times for special occasions. These uniforms are used every day and they are then passed down to the next sibling. From that point of view, over the total life of the garment, they are maybe not as costly as you might consider.

The CHAIR—That is a good point too. In terms of the schools that you deal with, there were two issues I was looking at: one is that they work with their school community and the other one is, where are they at with that concept of being able to understand the contracting issues and the broader issue of purchase? The second part is more significant in terms of your contribution, because you are raising the view that school councils, or those in the school who are responsible for the uniform policy, need to understand those issues associated with purchasing and contracting and their options. I am interested to see what you feel about that.

Dr BARRINGTON—I can give you an example there, which is a painful example for us, so I will not go into great detail; but it is worthy of note. I became more involved directly with this family business three years ago. We were in a situation where we had a long-term employee who, unbeknownst to us, commenced a business at home that he named very similar to our business and who then intercepted orders and put them through his business at home. For about a year, a number of schools were directly and knowingly putting work through a full-time employee of our business who was able to, without any overheads, take advantage of that. That is just a straight ethical thing that in any normal business you would not allow to occur.

What happens in schools is that you have a decision-making structure where there may be a school manager who may be a part-time employee, who may be a parent at the school, who may show an interest in doing that, and they may not have been exposed to the sorts of processes that you need to go through and the considerations that you need to have in business dealings, and yet they are representing that school's good name in the conduct that they engage in.

Another example is that they change materials. A school that we had for eight years had required from the school level the use of a 90 per cent wool fabric for its blazer, which made it more costly but that is what it wanted, with some nylon in it so that it was nicer wearing and a high-quality fabric. At a later stage that school, without any consultation with us, introduced a new manufacturer. That manufacturer was asked to comply with the normal school specifications but did not and produced a blazer with a lower quality fabric. That was then accepted as: 'Well, that offers a cost saving,' and we were not told. That leaves us with 500 metres of very expensive fabric. Those sorts of things are a risk. You know that in every dealing you are not necessarily dealing with somebody who is going to act appropriately.

The CHAIR—Obviously, you are dealing mostly with private schools as opposed to government schools that our report will more directly be able to—if the government takes it up—impinge upon. That is interesting to note but it may be something we cannot have a great deal of influence on. Any other questions? Okay, thank you very much for that. It was very useful.

Witness withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into dress codes and uniforms in Victorian schools

Melbourne—25 June 2007

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Witness

Mr D. Wilkinson.

The CHAIR—Welcome, David.

Mr WILKINSON—Thank you for the opportunity to come and talk to you.

The CHAIR—You have heard all of the bits of information that I have provided to others, so I do not need to go over that in terms of the taping and the parliamentary privilege. Thank you for your interest.

Mr WILKINSON—Thank you. I do not come with any background—political, religious, commercial or any other sort. My background is my experience in both education and in training and what I have learnt over a fairly long and pretty diverse career. I first started teaching in 1946, and I was struck then by the amount of time and energy which was put in by the school in enforcing that the boys wore ties and caps, for heaven's sake, which time and energy should instead have been diverted to actually teaching them. I have never since then found an example of a school uniform which does not conform to that same complaint. Let me say it again: school uniform means an enormous amount of time and teachers' energy diverted from what they should and need to do into all the rest of this stuff.

People's position to reject or to want school uniform is a reflection of their educational thinking. School uniforms originally started here in schools which had a religious background and a religious affiliation—a church of some sort. Of course, what uniforms are for is to take all these diverse individuals and make them into one team—to wear away any individualism they have and make them into a standardised product—and many of the church schools quite openly and unashamedly did that. But this is not the model for education in Australia in this century. We are on about something quite different. If you want to standardise everybody, as in some activities you do, uniform is a most efficient and effective way of doing it. I have had experience in using it.

A more contemporary view of education is that, in essence, education is to develop each separate student's individual talents and potential so that each student shall live his or her life more abundantly. In this context, uniforms and anything less than a most liberal dress code are specifically anti-educational. I see the distinction between uniforms as what is enforced in detail and a dress code as a more liberal version of it, and it can have all sorts of grades. A completely liberal one would not be a dress code at all, I suppose. There is a possibility—and I know of some practical examples, although not many—of a compromise in the middle, but not commonly. However, these days I am rather out of touch with those things.

School uniform also derives in part, I think, from the application to schooling of industrial mass production thinking that we want standard, reliable production outcomes, standardised and cost efficient, like we do with motor cars. Objection to school uniforms because of this first surfaced in Victoria, to my knowledge, around about the 1960s. It grew slowly, but I find that these days attitude to uniform is very much a generational thing. Let me give you an example. I come from Geelong.

The CHAIR—Good footy team!

Mr WILKINSON—This is from the *Geelong Advertiser* of 16 May 2007, and it is called 'Street talk'. They give you a photograph and they give you a name but they do not give you an age. The question was:

Should schools be able to dictate the style of students' hair?

One woman, who looks as if she would be roughly my generation, says:

Yes, I think there should be a standard. They shouldn't be outlandish.

Another woman, who would perhaps be 20 years younger, says:

Yes, if in uniform, they should have to as they're representing the school's name.

Get that! They should dress because they are representing the school's name. The school is more important than the students. The other four would all be late teens, early 20s. The first boy said:

No, you have to give students some freedom.

The second one said:

No, because if people want to look gay, just let them.

The third boy said:

No, it's their own style. They should do what they want.

The fourth one was a girl, and she said:

No, they shouldn't. Hair is a personal expression.

Meditate on that one! It is inevitable, when you prescribe a one-pattern-fits-all that some people will be helped and some people will be heavily disadvantaged.

I do not know if any of you went to the recent exhibition of the Australian impressionists. Any art teacher who did not take their children was neglecting their job. But this is where you see school uniforms. A school—and I do not know which one—which was there when I was there had this uniform with a shortish skirt and long black stockings and so on, and most of the girls looked pretty smart. One girl caught my eye. She was generously contoured, she had black hair, a dark-coloured skin and she was wearing this little skirt which sat out on her hips like a ballet tutu. That poor kid looked like some grotesque golliwog. How could the teachers of a student do that to her in public? Where is the education in that? Every time you put down an across-the-board rule that one size fits all, that is inevitably going to happen.

I started schoolteaching in an inner-suburban technical school in Victoria. I then went on some time later. In the technical school we used to make the kids wear ties, and none of the kids knew anybody who ever wore a tie, but a tie was seen as a step towards moving up the classroom. Many of the teachers in the technical school got to be teachers in the technical school by wearing ties, and other things. I went to teach in London, where they went mad about it. They even had a uniform for teachers in London. You had to take off your jacket as you walked in the front door and don your gown, and you had to eat your meal in your gown with the dangling sleeves. I took mine off and put it over the chair, but then I was a colonial.

I would like to pass this on: I had a *Road to Damascus* experience in London, which was the basis of this. I was on a London bus when it had a minor accident. I was up on the top at the front. When we got out, I congratulated the driver on his skill, and my name and address were taken. One Sunday morning months later, when I was settling down with my Australian mate to a bottle of Watneys brown, there was a knock on the door and there was a London bobby—pointed hat and the whole lot—come to interview me about the accident. 'Come on in. Would you have a drink?' 'No, no, no.' He asked me about the accident, laboriously copied it down, read it back, changed it and so on and I finally signed it. He took his hat off—his pointed helmet—and put it on the table. I did not get it, but my Australian mate did and asked, 'Would you like a drink?' 'Thank you very much.' He had a couple of beers and talked with us for about three-quarters of an hour about life in Australia. Get it? Constable Jones is not an individual; he is a unit of the London police. That is what his uniform says, and the London police are responsible for how he behaves. Take his hat off, he is not in uniform. Then he is Tom Jones, and you bet he'll have a drink with us on Sunday morning! That was my *Road to Damascus*, and I started to think hard again.

I went to Canada. I taught in two different schools in Canada, where no-one had ever thought of school uniforms. The sky did not fall in. In fact, most of the students were wearing what you would probably call here a dress code—not dictated by the school at all but dictated by the cost of clothes in the local stores. They all bought what was cheap and functional. But they made the decision; it was not made outside and forced on them. Commonplace! Can I read one piece to you, please.

The CHAIR—Okay, and then are you moving to your conclusion?

Mr WILKINSON—Yes.

The CHAIR—Good. Thanks.

Mr WILKINSON—The Prime Minister is quoted in the *Age* of 15 May:

What's increasingly clear from education debates around the world is that quality demands choice, diversity, specialisation, transparency and competition.

In this contemporary context, uniforms are not simply time wasting and unnecessary but anti-educational. Teaching is education that future Australia requires. It is about developing informed, self-competent citizens who are fit to exercise individual initiative, judgment and enterprise for the future of our democratic nation. We need to move on from what students should wear to what they need to know and then move on again to how, not what, they should think—process, not content. Our 21st century schools especially should be focused on students' ability to dress by standards of self-discipline, form independent opinions on the basis of their own reason and experience, evaluate factual evidence without bias and learn how to disagree with another person. How does this vision possibly live within an educational system that prescribes an identical depersonalising uniform for every student on every school day of every school year, not just the same for themselves but the same as all the other students for every school day et cetera?

The CHAIR—Thank you for that, David. Any questions? I think in your case there is not necessarily a need for questions, although I do have one. In terms of schools that do not have uniforms, we have found that there is still a sense that a dress code is required and therefore, although there is no policing in regard to a uniform as such, there seems to be a need for staff to police jewellery or some of those issues, which might be safety related and might be quite legitimate. What was your experience in Canada in terms of the concept that there are still some policing issues even if you do not have uniforms?

Mr WILKINSON—I never saw it in Canada when I was there. I taught in two different secondary schools in Canada, one in Toronto and one in a village in the north called Sturgeon Falls. No, I did not see that at all. I know of one school in Melbourne, which I have had a long-time connection with, where they have a sort of dress code. Year 7 kids wear what is virtually a uniform, and year by year it is modified. By the time they get to year 12, they can wear virtually whatever they choose to wear. I know of another school where they can wear what they want but they have to wear a school badge either on their clothes or, I think, on a string around their necks or something; I am not sure. This is a sort of dress code moving out. I have not run into this, but if there is a safety issue involved or a health issue involved, yes, without question.

Mr KOTSIRAS—If a school has a school uniform policy and a child decides not to wear the uniform, what do you think is appropriate action by the school?

Mr WILKINSON—I also saw this report of your committee on just that point. You do not want to take newspapers reports as being everything.

The CHAIR—No, absolutely not.

Mr WILKINSON—My view is that the appeal that the education department give these schools some power to pass the kid on is not in the interests of the child or of education or of the country—that those schools should be asked to stop and think, and say this to them: 'Give me one example anywhere in the world, anywhere in history, where the wearing of a uniform is not about depersonalisation, standardisation, being one of the mob.' I came up here on the train. On the station was a schoolgirl, 15 perhaps. She was wearing the whole school uniform and so on. She was one of the mob. The school's motto, embroidered on her blazer, was, 'Lead and aspire'.

The CHAIR—Okay, thank you, David, for your contribution. Clearly there are some significant philosophical issues there that the committee does need to be aware of and look at in regard to that.

Mr WILKINSON—I thank you for the opportunity.

Witness withdrew.

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Ms L. Thompson, campaign coordinator, FairWear Victoria.

The CHAIR—Lastly today, we have the people from FairWear.

Ms THOMPSON—Before I start, I am going to hand out this resource that was prepared with the assistance of Marian College in Sunshine. It is a DVD that the students put together about the issue of outworkers and exploitation in the garment industry. There is one for each of the members of the committee.

The CHAIR—Thank you. While those are being shared, I think you can begin. You have heard what we have said in terms of taping and parliamentary privilege. Welcome. It has been an interesting morning in terms of concentrating mainly on issues associated with the procurement of uniforms and those sorts of issues. Your addition in that line today is going to be very useful, I am sure.

Ms THOMPSON—In that respect, I will take my submission as read and also acknowledge that there is probably quite a bit of overlap between some of the issues raised in discussion with the TCFUA and the Homeworkers Code of Practice Committee, so I will try to elaborate on the impression that FairWear has of how school communities actually feel about this question and how it relates to uniform procurement. FairWear is a coalition of different community organisations and essentially we survive off funding grants. We also receive some auspicing and support from the Uniting Church.

Mr KOTSIRAS—Where do you get those grants from?

Ms THOMPSON—Charity organisations.

Mr KOTSIRAS—Governments, federal or state?

Ms THOMPSON—Sometimes. We have received, in the past, some state government funding for quite specific projects. A few years ago we received funding to employ a specific Fair School Wear coordinator, someone whose entire focus was on getting out to school communities and talking about the issue of uniform procurement. One of the resources we developed from that was a statement of commitment which was about enabling students and teachers to take to their school council and communities their desire to do something about the issue of exploitation in the garment industry.

We learnt from the Fair School Wear campaign was that school communities are probably our biggest audience. I am constantly emailing students, teachers et cetera, responding to queries, sending out the *No Sweat School* DVD and some of our other resources and speaking to school councils. We have a number of resources specifically for classroom use, for teachers to use for English classes, legal studies et cetera, covering issues to do with outworkers in all sorts of curriculum contexts.

One of the interesting things about the Fair School Wear campaign was that the level of commitment and interest from schools was phenomenal. We have had contact with thousands of students and hundreds of schools, not just in Victoria. We are always receiving queries about the *No Sweat School* DVD from schools in South Australia and Western Australia as well. We resource those schools as best we can. The problem that we found with the commitment from schools was that it only went so far. Students would be speaking and having uniform days that were about highlighting the issue of outworkers in the garment industry, but when it came to pressuring the school council to change uniform suppliers or to talk to uniform suppliers about their supply chain, school councils felt, I think, really confronted by that process, depending on the size of the school. If you are a school with 10 ovals and lot of power in a community, your uniform supplier may very well, if you say, 'Jump!' say, 'How high?'

In other school communities, the councils do not necessarily have the expertise to interrogate what everyone acknowledges is a very complex supply chain and the issue of homeworkers as well is that they are often invisible in that supply chain. So the process of having school councils interrogating their uniform suppliers about their supply chain was something that turned out to be incredibly difficult for school communities, despite the high level of commitment from student representative councils, teachers and even parents' associations et cetera. It was something a lot of school communities reported back to us: they just did not have the expertise. There would be phone calls they would have with their suppliers, who would say, 'Of course we pay all our workers properly.' They would say, 'Oh, okay.' That was where the conversation ended because as Graham was saying, that level of expertise, to interrogate the uniform supply chain and understand the way

the industry works, is not something that is necessarily there in a lot of school councils or school communities.

That was something that was interesting to us considering that there was such a high level of commitment from schools across the socioeconomic spectrum, religious schools and non-religious schools. We were all the time, and are still, sending out information to those schools and speaking to schools. They are really interested in information about outworkers in Australia and wanting to do something, but when it comes to the uniforms that students wear, that was difficult for school communities to act on. That is one of the reasons that we support not just, as an interim measure, the accreditation to the Homeworkers Code of Practice, but we think that government procurement is a way of the government and the broader community taking responsibility for those issues.

If you have a code, such as the Queensland code, which I am familiar with, you have the government taking responsibility for talking to suppliers about their supply chain and ensuring that that process is happening. That is a level of expertise that does rest with government. It is not necessarily something you are going to find in school communities. We know that there is a large amount of goodwill and support for outworkers amongst school communities. They just do not necessarily have the expertise to act on that in a very real way, which would be changing uniform suppliers and using uniform suppliers where they can feel there is a guarantee that those people are paying their workers properly, including outworkers.

That is something that we learnt when we were running the Fair School Wear campaign, which is still an integral part of FairWear, but when we had that one worker who was particularly dedicated to just making contact with schools, that was very much the feedback we got. We had statements of commitment flooding in from schools but in terms of those schools changing their uniform suppliers or feeling confident enough to talk to their uniform suppliers even, that was a real barrier. It was a hurdle that a lot of schools could not get over.

In the submission we talk about the fact there is a conception, and perhaps a mythology, that making the supply chain more transparent and engaging in ethical procurement practices will be more expensive, and maybe it is something that rich, private schools can do but perhaps government schools cannot. Michele O'Neill addressed that well in terms of saying that when suppliers are asked to clean up their supply chain, it is interesting that a lot of the middlemen and contractors might drop off, and that is where a lot of the cost is. That is why we have talked about, as well, the fact that a lot of the schools that contact us contact us because the kids in those classrooms are the children of outworkers. They are the schools in the poorer communities in the western suburbs: in St Albans, Sunshine, Springvale and Noble Park.

We are talking about thousands of school students whose parents are outworkers and that has an impact not just on the amount of time these kids have to do homework and whatever else, but as I have referred to in the submission—looking at the report by Mayhew and Quinlan that talked about the occupational health and safety issues that are associated with outwork and also Christine Cregan's report—it is not just that kids are having to help their parents, and so missing homework time and missing school, but the actual home environment for a lot of outworkers is unhealthy. There are asthma, hay fever and headaches associated with microscopic fibres et cetera in outworkers' homes. These are things that have a very real effect on the children of outworkers, on thousands of children in Victorian schools.

So when we talk about health promotion policies associated with school uniforms, it is all very well to have SunSmart campaigns but if you have kids who are suffering these kinds of illnesses because of the environment in their homes which is directly related to the nature of the garment industry as it is and the high level of exploitation, you are really undoing a lot of that good work. That goes back to the broader question of cost in terms of what is practical for school communities.

We cannot just see cost in terms of that balance sheet of dollars and cents. It is also the cost to the health of Victorian school students and to the broader health of the community—the problem that is outwork, and unregulated outwork—and that is something that we have had a lot of experience with in terms of talking to school communities and often being the people that teachers will contact. Just last week I got a phone call from a St Albans teacher saying, 'A lot of my students' parents are outworkers, and I know that they do not have much information about, or access to, their rights.' I have obviously put that teacher in contact with the

union, in terms of providing occupational health and safety information and information about outworkers' rights.

We have a lot of that direct contact with outworker families as well, and often it is through school communities. The communities that contact us directly about outworkers in their school community are the poorer schools. If there are costs associated with changing uniform suppliers et cetera with poorer government schools, we think that that is a cost that should be borne by the government and those schools should be assisted. Rich schools can afford to do this kind of stuff, but we do not address the people who are most affected by outwork, which are a lot of Victorian students in poorer schools and poorer school communities. I think there are a lot of myths around the costs associated with ethical procurement, which I think Michele O'Neil from the TCFUA addressed quite well.

The other point I thought I would pick up on, because you asked a question about it before, Chair, was the question of the overseas supply chain and whether or not anyone was addressing that. Our campaign does that and provides that information to Victorian schools. We recently received funding to put together a schools kit particularly about issues of sweatshop conditions in places like China and also Fiji, which has traditionally provided a lot of school uniforms and smaller-run uniform work. A lot of that stuff comes from Fiji. That is work that we do.

Mr KOTSIRAS—Where did you receive the money from?

Ms THOMPSON—We got a bit of money from the Sisters of Charity and the Reichstein Foundation. We get small bits of money from a number of different organisations. The Uniting Church has supported us as well to put that information together and to resource schools with that information.

The CHAIR—In terms of that, does it link the information about the sorts of practices with the suppliers? From a schools point of view, if you are aware of those sorts of things happening, then obviously you want to know, 'Does that mean we don't get anything from overseas or does it mean that there are some good overseas suppliers that are helping communities in countries that might value that support, or it might be good, and so we can see which suppliers supply which.'

Ms THOMPSON—That work of international codes is a very fraught area, and there are a lot of difficulties associated with it in some ways. Unfortunately, we cannot necessarily provide a list of suppliers that we can say are doing great things in Fiji or great things in China, but we do provide information to schools about the sorts of campaign organisations, many of which are better resourced than FairWear, that are doing that work and are talking directly with companies about how they can sign on to the various codes of practice, but also the verification processes that take place with that kind of stuff.

There is a myriad of international codes. One of those—SA8000—is a process by which individual factories are accredited and recognised as good places of work. In the information we provide to schools, we inform them about the campaign organisations we work with overseas, including Chinese labour rights organisations, to do some of that work. There is still a long way to go with a lot of that work, unfortunately. Recently there have been changes and improvements to Chinese labour law and discussions around that. It was interesting to see that Nike, which has been a big focus of the anti-sweatshop movement, distanced itself from a lot of other garment manufacturers and sportswear companies in the United States who were pushing against the move to improve Chinese labour law. Nike—I think because they have been under so much pressure—kind of put out a press release and put their hands up and said, 'We're not doing that. That's them over there. We're ethical. We're committed to this process.' Unfortunately, there is a long way to go.

The other thing about the overseas market and the overseas supply chain that is interesting, and difficult, is that Australian companies are needles in the haystack in a market like China. There is a lot of mythology and ideas put forward like, 'We shouldn't impose our ideas of labour rights overseas,' et cetera. I have recently been to an industry forum put on by the Australian Industry Group, which talked about opportunities in one of the trade development zones in China. When you go to these forums, you are provided with written information in English about exactly what Chinese labour law is, the amount of maternity insurance that is expected to be paid, the percentage of worker injury insurance that is expected to be paid. If a lot of companies simply followed Chinese labour law, that would be enough. It is not as if China is a free-for-all.

There is Chinese labour law that should be followed.

So we provide the kind of information that says, 'Look, people will say to you, "Gosh, it's all terribly difficult in China."' The problems of freedom of association and the lack of it in China are very real in terms of supporting workers' rights, but there are very simple things that companies can do to do the right thing, and that is the kind of information that we provide to school communities so they can ask the right questions.

The CHAIR—In terms of the information you provide to school communities, can you talk about the process. Do you write to all schools? How do schools know about you and what is the take-up rate?

Ms THOMPSON—We still have a list from the last time we sent out something to most Victorian schools, which was about four years ago, with updated information about the Fair School Wear Campaign. Probably every three weeks I am sending out DVDs or speaking at schools, so it is a constant process. Just in the past month, I would probably have sent out the *No Sweat School* DVD to about seven schools in Victoria, a couple in South Australia and one in Western Australia. It is quite constant. We will get statements of commitment back from those schools.

The CHAIR—Government schools? Private schools?

Ms THOMPSON—All. It is across the spectrum. The contact can be about different issues. If it is a school in St Albans, it will often be: 'I've got children of outworkers in my class. I'd really like to put these people in contact with the people they need to talk to to get information about their rights.' For other schools it is: 'Our social justice committee has decided that we want more information about workers' rights,' et cetera. Because we are associated, auspiced and supported by the Uniting Church, we have had access to those networks. Those schools know a lot about our campaign because the Justice and International Mission unit of the Uniting Church has always been a key supporter of FairWear, and so those Uniting Church schools are very familiar with our work, and we are kind of on a constant rotation going out to a lot of those schools. We go out and try and make contact with schools, but I am kept busy enough answering email inquiries from schools. They very often approach.

The CHAIR—How many people at FairWear?

Ms THOMPSON—I am the only paid employee of FairWear Victoria. There is enough funding at the moment for three days a week. Again, we get money from funding grants, and it is a constant process of begging for more money from different organisations. Amazingly, we have always survived on that funding, because we get a lot of support particularly from school communities and some of the churches associated with them.

The CHAIR—Is this the main article that you are providing to schools now?

Ms THOMPSON—Yes, that is the *No Sweat School* DVD, which was made in 2004. There is a video that is a bit older called *Twenty Pieces*, which is probably a lot more information-heavy and pitched at certain school age groups. The *No Sweat School* DVD is quite short, and there is a lot of good information that comes along with it. That is one of the main tools we use to get out to schools.

Mr KOTSIRAS—Is there a fee for schools to become 'no sweat' schools?

Ms THOMPSON—No.

Mr KOTSIRAS—How many schools have signed up to be 'no sweat' schools?

Ms THOMPSON—We have hundreds of statements of commitments around the country. As I said, it is not just Victorian schools. FairWear New South Wales has a paid coordinator as well. We have volunteers in South Australia and Queensland. We have probably contact from hundreds of Victorian schools. Sometimes it is SRCs who send us statements of commitment, sometimes it is the school councils. But we would have hundreds of those.

Mr KOTSIRAS—What do you mean, 'The students can assist students in organising creative events'? What is a creative event?

Ms THOMPSON—For example, part of the *No Sweat School* DVD is a fashion show that some students put on to raise money for the Sudan. Initially that was their project: to highlight what was going on in the Sudan and to raise money, but because they were talking about a fashion show and some of the students would talk about knowing outworkers and the children of outworkers, they got in contact with FairWear to put on that fashion show, but then became concerned about not wanting to promote fashion that was exploitative. It is often those kinds of things. A lot of the girls schools, in particular, will put on No Sweat fashion shows where they might get garments from Hunter Gatherer or the FairWear T-shirts and say, 'Look, there are ethical clothes that you can buy.'

Mr KOTSIRAS—Where do the funds go?

Ms THOMPSON—Usually back into the school fundraising projects. Any money raised from that fashion show went to the Marian College project where students were raising money for the Sudan. But they also highlighted the issue of what happens to garment outworkers. The money did not come back to us. We get a little bit of money back from the *No Sweat School* DVD. That goes back into our campaign funds and keeps things going for a bit longer. In terms of the projects the students put on, sometimes we get donations from schools but often we are supporting those initiatives and the money goes back into school projects or social justice community projects.

Mr KOTSIRAS—You also urge students to protest with actions outside retail shops, to capture media attention.

Ms THOMPSON—There have been some really good, creative actions from school students. We have had school students who have participated in the No Sweat carols. Sometimes we have Christmas carols that we sing outside retailers who have been found by the union to not be treating their workers fairly or facing prosecution. We have had students participate in some of those activities.

The CHAIR—We have not had a submission from Brotherhood of St Laurence, but we have heard today a bit mentioned about Hunter Gatherer clothing. Could you tell us more about that, so we get a feel about that? It is not the recycled clothing side of Brotherhood of St Laurence?

Ms THOMPSON—No. It is a label that is pitched at a particular fashion that is retro, funky, Brunswick kind of stuff. They have a couple of shops. The Hunter Gatherer label is accredited as a manufacturer under the Homeworkers Code of Practice.

The CHAIR—Are they producing school uniforms?

Ms THOMPSON—No. That is why we have not mentioned much about them. They do not produce school uniforms.

The CHAIR—All right. Any other questions? You have covered the key issues, Liz?

Ms THOMPSON—Yes, I think I have covered everything and I hope you enjoy the video.

The CHAIR—Thank you. There has been some really interesting stuff in today. We will end the public part of our proceedings there. We have some brief general business to deal with as a committee, so thank you very much for your attendance today.

Witness withdrew.

Committee adjourned.