

## FAIR WORK ACT

30 April 2008

Adjourned debate on motion of Hon. R.D. Lawson:

That the regulations under the Fair Work Act 1994, concerning clothing outworkers, made on 18 October 2007, and laid on the table of this council on 23 October 2007, be disallowed.

**The Hon. A.L. EVANS:** I rise to speak on this important issue. I recall the debate that occurred in 2004 and early 2005 when the Industrial Law Reform (Fair Work) Bill was debated and the lobbying I received concerning outworkers. The intention at that time was for there to be regulations specific to outworkers, and it is amazing now that in late April 2008 we still do not have regulations and those that we have we are being asked to disallow. I can therefore understand the desperation and frustration of some people involved in the regulation-making process finally to see some regulations made.

We have received submissions from a number of groups and individuals, but perhaps the one I find most interesting is a submission that the Office of the Employee Ombudsman made. It is unusual in my experience for the Ombudsman to lobby on a bill, and I feel this carries considerable weight in this debate. We could argue whether it is appropriate, but it is a fact that Mr Brennan has lobbied us to oppose the disallowance, so this is a very important matter.

Family First has been told all sorts of things about these regulations. We are told on the one hand by the regulation supporters that they will have minimal impact upon retailers and manufacturers. Currently the Australian Retail Association supports the code. Furthermore, the award and contractual requirements for outworkers are such that these minimal standards impose no additional burden on business. On the other hand, some of the regulation opponents claim that outworkers do not exist or that they are well looked after and do not need this code of practice. The same supporters claim that more

time and consultation is required, but as I said from the outset it is now more than three years since we passed the bill that created the act under which these regulations have been produced.

Family First is satisfied that outworkers are being exploited in South Australia. Our consultation on the original bill and revisited during this debate demonstrates and satisfies us that this is the case. We are concerned about the standover tactics used by those who organise outworkers to produce goods such as clothing and the substantial cash economy that can exist in this industry. Outwork tends to happen in people's homes and therefore affects family life arguably more than work at different premises. Sometimes people providing the outwork visit the family home looking for the finished product or offering more work. The lines of work and family are distinctly blurred for outworkers, and an unhealthy working environment makes for an unhealthy family environment, and potentially a situation where the family is intimidated from saying anything against the outwork provider because, to use a phrase, 'it cuts a bit too close to home'.

Family First stands up for those without a voice, and in circumstances of a power imbalance that can occur in this industry there is a strong risk that there will be people without a voice. Outworkers, whether exploited or not, comprise a significant number in South Australia. Family First understands that, Australia wide in 2005, ABS data showed that there were 724,000 outworkers either full or part-time, with approximately 50,000 in full-time employment. South Australia's per capita share of that is significant.

The ATO data was different and suggests a lesser figure, but when you consider the cash economy I was referring to it is little wonder that there are fewer outworkers on the ATO books than on the ABS books. These regulations impose minimal standards for outworkers for the outwork industry. Family First is satisfied that these minimal standards will not be a huge impost on business. We are not giving outworkers—some significant part of them being new arrivals to our country—a fair go if we fail to provide minimal protections for them and their families. Family First supports the regulations and therefore opposes the disallowance.