ETHICAL CLOTHING AUSTRALIA'S IMPACT

FINANCIAL YEAR 2024/25

ACCREDITATIONS AND WORKER ENGAGEMENT

$794,402 returned to workers

Across unpaid wages, superannuation, and workers' compensation

Carried out 1,230 compliance audits across Australia

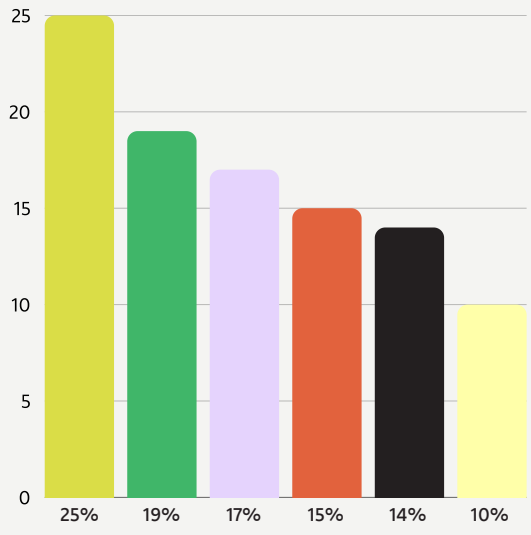
Checking factories and homes for breaches under the relevant Australian workplace laws

Resolved 3,341 compliance breaches

Across the supply chain, ensuring that all breaches were resolved before confirming the accreditation

Types of compliance breaches discovered and resolved (n=3,341)

- 25% (n=835) health and safety
- 19% (n=635) wage records
- 17% (n=568) supply chain
- 15% (n=501) entitlements
- 14% (n=468) superannuation
- 10% (n=334) workers' compensation





Audited 279 businesses

Covering the entire local supply chain of all Ethical Clothing Australia accredited businesses

Engaged with 2,971 workers

Including in-house manufacturing related staff working within factories, head offices, and warehouses

Conducted 751 outworker outreach visits

Auditing and assisting people working from home

20+

New accredited businesses were added to our accreditation program

VISIBILITY

Increased consumer brand recognition by +6%

According to polling by Pure Profile in September 2024 and YouGov in July 2025





Ethical Clothing Australia Week generated an estimated 5,600,000 impressions of our content nationally to the public

Across digital channels, community radio, print, digital billboards and street posters



Delivered 32 events across Australia

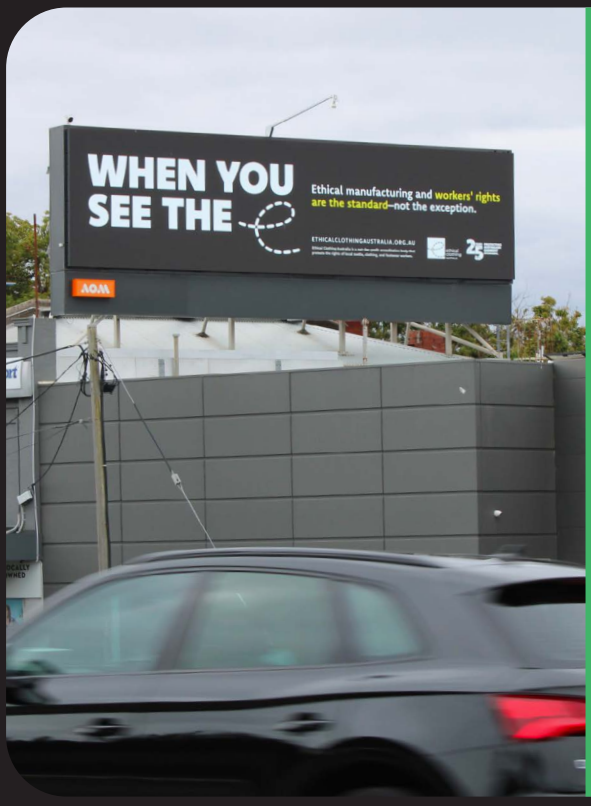
Including an event at Parliament House, our first brand and manufacturer showcase, a film screening, walking tours and a storytelling event

Grew our Instagram following by +195%

Helping us to engage with more consumers on workers' rights issues



VISIBILITY



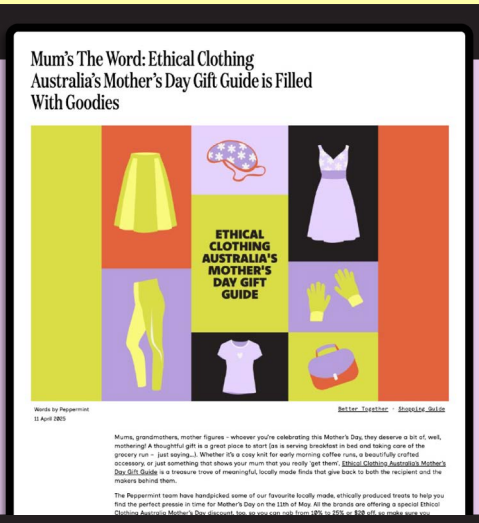
Reached 1.25 million individual social media accounts and had an estimated 19,149,414 impressions across our posters and billboards

Through our When You See the ‘e’ brand awareness campaign

Received 3,200 views of our Gift Guides

Encouraging consumers to buy ethical gifts during peak shopping times




Mum’s The Word: Ethical Clothing Australia’s Mother’s Day Gift Guide is Filled With Goodies

ETHICAL CLOTHING AUSTRALIA'S MOTHER'S DAY GIFT GUIDE

Mentioned in the media 26 times

Helping us reach new audiences outside of our regular supporter base



WORKER IMPACT STORIES

Outworker underpayment and no entitlements

An outworker (person working from home) had been receiving sewing work from a clothing company for over 12 months. She was making complete garments including jackets, pants, and jumpers in both woven and knitted fabrics, which takes significant skill.

The outworker was being employed as a contactor rather than an employee, and she was paid a very low rate, averaging $14 to $15 per hour. She received no superannuation or entitlements such as annual leave or personal carers leave. Under the Fair Work Act 2009 and the Textile, Clothing, Footwear and Associated Industries Award 2020 she should have been hired as an employee rather than a contractor, meaning she should have been receiving a higher rate of pay and all of her legal entitlements. She also had to pay for the cotton required to sew the garments, which should have been supplied by the business.

The outworker tried to ask her Production Manager for a pay rise. When the pay rise was refused, she called the Outwork Outreach Team for assistance. They provided her with advice and helped her create a record book to track her hours of work.

The National Compliance Officer worked with the business to resolve these issues. The outworker became employed by the business and started receiving set hours of work. Prior to this, the outworker's hours fluctuated significantly which made it difficult to anticipate her income.

As a result of this intervention, this outworker got all of the outstanding money that was owed to her, which amounted to over $30,000 including wages and superannuation. From that point on, she received all her legal entitlements including sick leave, annual leave, and superannuation.

Unsafe drinking water and facilities

During an annual compliance audit, a Compliance Officer spoke with some factory workers who raised concerns about the staff kitchen and restroom facilities.

After inspecting the areas, the Compliance Officer discovered that the business owners had obscured a non-compliant sink and tap and that the water supply was connected to a fire hydrant pipe, compromising the safety of the drinking water. They also discovered that the toilets were blocked and without sufficient lighting, and the eating area was unclean.

These issues amounted to a breach of the state's workplace health and safety laws. The state's laws say that an employer can receive an on-the-spot fine of between $33,000 and $165,000 if they fail to provide a safe working environment. If the matter goes to court, the maximum penalty can escalate significantly depending on the state. A body corporate can receive a fine between $165,000 and $1.7 million or more, depending on the gravity of the breach and whether it resulted from reckless conduct.

After these breaches were raised by the Compliance Officer, the company resolved all the issues by the required due date. The workers were given a new rest and meeting area in a different part of the building, and the issues with the drinking water and toilet facilities were fixed.

This situation shows how important the in-person compliance audit is to ensure safe facilities for workers. Without the discussion with the workers and the inspection, these issues would likely not have been resolved, and the business would have been liable for a large fine.

Inconsistent pay and casual workers

While inspecting the documents of a business as part of an annual audit, a Compliance Officer discovered some anomalies. Highly skilled workers were being paid at a lower hourly rate than less skilled workers and superannuation was not being paid monthly as mandated by the Textile, Clothing, Footwear and Associated Industries Award 2020. In a meeting with the factory workers, they also found that some casual workers had asked to become permanent staff, but their requests had not been addressed.

The Compliance Officer explained the obligations under the award to the company's management. Employers found breaching the modern award entitlements can face severe civil penalties of up to $19,800 per breach for an individual and $99,000 per breach for a corporation.

During this process, the Compliance Officer ensured that all workers were reclassified and compensated according to their correct skill levels. They also showed the factory workers how to check their payslips so they can identify and report any discrepancies in the future.

Following this review, all workers received an increase in their hourly rates, superannuation payments are being processed weekly through the Single Touch Payroll (STP) system, and casual workers have been converted to full-time positions. This process helped the workers receive their legal pay and entitlements, and strengthened the trust between employees, management, and the TCF Union Compliance Team.







ABOUT ETHICAL CLOTHING AUSTRALIA

Ethical Clothing Australia is a not-for-profit organisation that collaborates with local Textile, Clothing, and Footwear (TCF) businesses to protect and uphold the rights of Australian garment workers.

The TCF Union Compliance Team conducts detailed audits on a business's manufacturing operations including head office/s, any in-house manufacturing operations and all outsourced locations in Australia. This ensures that all local workers, including outworkers (people working from home), are being paid appropriately, receiving all their legal entitlements, and working in safe conditions.

The TCF Union Outworker Outreach Team meets with outworkers and delivers community engagement initiatives to provide information about workers' rights and what to do if they experience exploitation. This work helps to build trust with outworkers and empowers them to speak out about their experiences.

By advocating for a transparent industry, Ethical Clothing Australia's multi-stakeholder approach aims to set workplace law adherence and supply chain management as industry norms. The labelling system helps consumers and major purchasers easily identify and support locally and ethically produced TCF products.

ethical clothing AUSTRALIA

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ETHICALCLOTHINGAUSTRALIA.ORG.AU
INFO@ETHICALCLOTHINGAUSTRALIA.ORG.AU
ABN 88 997 259 919

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