

ETHICAL CLOTHING AUSTRALIA'S IMPACT

FINANCIAL YEAR 2025/26

ACCREDITATION PROGRAM AND WORKER ENGAGEMENT



**Returned \$926,166
to workers**

Across underpaid wages, superannuation, entitlements, and incorrect skill level classification. We recovered an additional **+\$131,764** compared to 2025



**Completed 1,606 compliance
audits nationwide**

Inspecting factories and other workplaces to check compliance with Australian laws



Identified and resolved 4,446 compliance breaches

This was an additional **+1,105** breaches compared to 2025

Types of compliance breaches resolved (n = 4,446)

- 26% (n= 1,176) health and safety
- 16% (n= 725) supply chain
- 16% (n= 709) wage records
- 16% (n= 691) superannuation
- 14% (n= 629) entitlements
- 12% (n= 516) workers' compensation

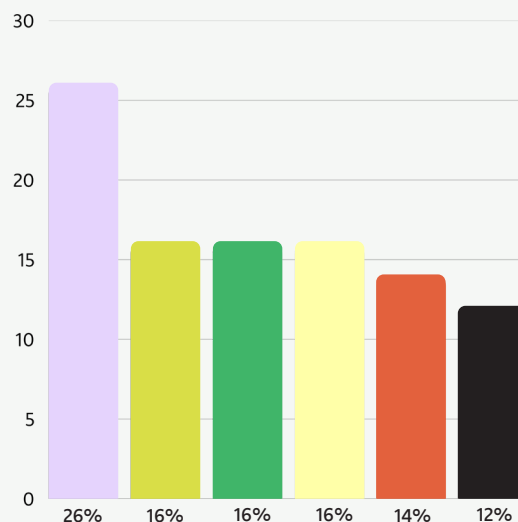




Image taken at an accredited business factory



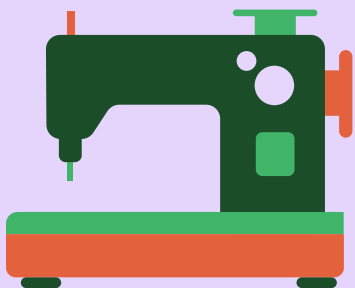
**Completed
2,000+ visits**

Across **280 businesses**, including
accredited businesses and those
in their local supply chains



Engaged with 2,675 workers

Including manufacturing staff
from design to dispatch, working
in-house within factories, head
offices, and warehouses



**Conducted 846 outreach
visits to 1,004 outworkers**

Who are employees working from home.
This was **+95 visits** compared to 2025



New businesses became accredited
with Ethical Clothing Australia

VISIBILITY

Our social media posts **were viewed 3,871,062 times** and reached **1,919,517** people across 4,048 posts on Facebook, Instagram, and LinkedIn



Our LinkedIn grew by +1,066 followers



Sharing content focused on industry leadership, procurement, and partnerships

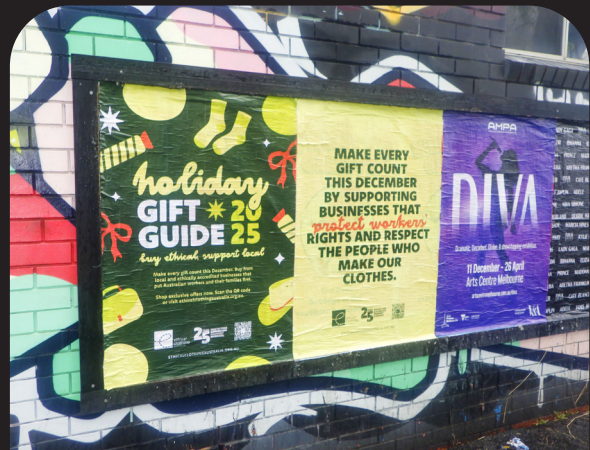
Our digital ads reached 855,828 users and were displayed 1,790,589 times

Across our awareness advertising campaigns for businesses and consumers alone



Hosted or participated in 32 events across Australia

Including a 25-year anniversary event, human rights roundtable, ethical manufacturer tour, film screening, education presentations, and more



Had 16,240 views across three Gift Guides

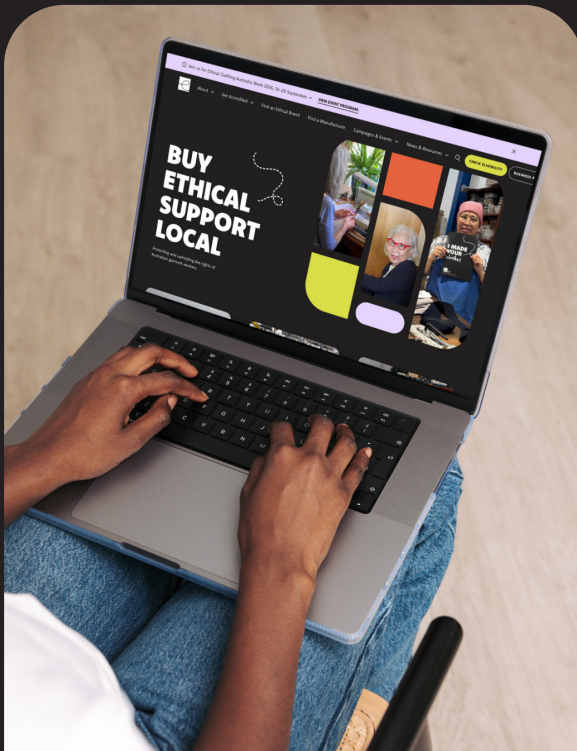
Encouraging consumers to buy ethical gifts during peak shopping times - Mother's Day, Father's Day and the end of year holidays. This was an **increase of +13,040** compared to 2025

VISIBILITY



Celebrated 25 years of protecting the rights of workers

With a special Ethical Clothing Australia Week launch event and exhibition at the Immigration Museum in Naarm/Melbourne and the release of a documentary about our history



Our website reached 113,723 new users

Visitors viewed our website pages **289,440 times**

Sent 80,983 newsletters to our supporters

Including **74,901** newsletters to consumers and **6,082** to accredited businesses



Received 30 media mentions

Which helped to share our work with new audiences, **+4 mentions** compared with 2025

WORKER IMPACT STORIES

Workers in the Industry

The Textile, Clothing, and Footwear Industry in Australia relies on a diverse workforce with a range of specialised skills. Workers can be employed in variety of roles, including machinists who sew together garments; patternmakers who translate a sketch of a garment into pattern pieces; or a wide range of other technical, production and support positions.

These workers might perform their role in a factory setting, or they might work from home as outworkers. Regardless of where work is performed, all workers have the same legal rights under the Textile, Clothing, Footwear and Associated Industries (TCFAI) Award 2020.

Ensuring that all workers receive their lawful wages, entitlements, and workplace safety protections is critical to maintaining ethical and transparent supply chains.

The images below are for illustrative purposes only and do not show the real people involved. Identifying details have been removed.





CASE STUDY 1: TEN YEARS WITHOUT ENTITLEMENTS

An outworker, with about ten years of experience, was working for a local clothing business. She had limited access to transportation and spoke little English, so she relied on an intermediary to arrange her sewing work. She was paid on a piece-rate basis, and was paid per item rather than per hour. This practice is common overseas but is not allowed under the TCFAI Award. She had never received superannuation, paid leave, or any other entitlements required under the TCFAI Award.

An outwork outreach officer from the TCF Union met the outworker and spent time building the trust needed to understand her full working situation as part of our accreditation program. The officer provided guidance on her legal rights and entitlements as an outworker. They worked together to establish a lawful contract with her employer and ended the intermediary arrangement.

After this, the outworker started receiving a lawful wage, superannuation contributions, and paid annual and personal leave. She contacted the outwork outreach officer to share that she had been able to take paid sick leave for the very first time. Her case is a reminder of how isolated home-based outworkers can be, and how much of an impact outreach can make to someone in that working situation.

CASE STUDY 2: WORKERS PAID THE WRONG RATE

During an annual compliance audit of an Ethical Clothing Australia accredited business, the compliance team from the TCF Union found that a group of employees had been classified as casual workers but were being paid permanent part-time wages.

Under the TCFAI Award a casual employee works irregular or intermittent hours, while a part-time employee works regular hours. General part-time employees are paid according to one of six skill levels and get entitlements like paid annual and sick leave. Casual employees work irregular or intermittent hours and get an extra 25% on top of their part-time hourly rate as compensation for not receiving permanent employee benefits.

In this case, the workers were being paid the lower rate, not receiving the benefits of a permanent employee, and as a result their superannuation payments were lower than they should have been. This was a breach of the employment and superannuation obligations, which could result in a fine starting from \$109,200 per underpayment for a business with fewer than 15 employees. Fines are much larger for bigger businesses and serious underpayments where the business was knowing or reckless.

Ethical Clothing Australia's annual compliance audit includes a review of pay rates, classifications, entitlements, and workplace practices. This process is designed to catch compliance breaches like this one. In this case, the employees were each back paid for \$900 in outstanding hourly wages, along with \$108 in outstanding superannuation contributions.

This situation shows the audit process is working as intended. Reviewing classifications and pay rates isn't just a compliance exercise – it directly protects workers' entitlements and holds businesses accountable across the supply chain. The Ethical Clothing Australia accreditation also means that a business that has gone through the accreditation process can demonstrate their compliance with external parties such as consumers and procurers.





CASE STUDY 3: LOST WORK

An outworker had been receiving regular sewing work from the same company for about four years. Over a six-month period, the amount of work gradually declined and eventually stopped altogether. When the worker asked for clarification about why this had happened, he was told that the company had engaged other workers and would no longer be providing him with sewing work. When this work was taken away without notice, the worker was put under significant financial stress, particularly given his long-standing working relationship with the company.

The outworker shared his concerns during a scheduled catch-up with a TCF Union outwork outreach officer. The officer met with the worker at his house to better understand the situation. During the meeting, the

outworker provided invoices, delivery records, and other documents to assist the Union in reviewing the matter and determining the appropriate next steps.

After the meeting, the officer supported the worker to understand and exercise his rights, ensuring that their employment conditions were brought into line with the requirements of the TCFAI Award. The worker regained his work and now has regular hours of work.

Building trust and providing clear information about legal rights is essential to supporting outworkers. Through regular engagement and outreach activities, outworkers gain more confidence and understanding of their rights, as well as an awareness of where to seek support if issues arise. The worker expressed his thanks for the assistance provided by the TCF Union.



ABOUT ETHICAL CLOTHING AUSTRALIA

Ethical Clothing Australia is a not-for-profit organisation that collaborates with local Textile, Clothing, and Footwear (TCF) businesses and industry 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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