

**BUILDING SERVICE CONTRACTORS ASSOCIATION OF AUSTRALIA
SUBMISSION TO SENATE EDUCATION AND EMPLOYMENT COMMITTEE
INQUIRY INTO THE EXPLOITATION OF CLEANERS WORKING IN RETAIL CHAINS
12 JULY 2018**

Who is the BSCAA?

The Building Service Contractors Association of Australia (BSCAA) is the national representative body of the contract cleaning industry.

BSCAA represents almost 75% of the industry as measured by numbers of cleaners employed. In simple terms BSCAA speaks for the vast majority of the cleaning industry.

What is the remit of BSCAA?

The Association has been in existence for 54 years albeit under slightly different branding. It has been representing employers in the industry as the BSCAA for over 20 of those 54 years.

The remit of the Association is to represent the interests of cleaning businesses across Australia. Those businesses range in size from genuine single household enterprises right up to national companies employing thousands of cleaners in each state.

What are the guiding principles of BSCAA?

The Association recognises that the workplace is ever-evolving. Over the last ten years we have witnessed:

- The International Bill of Human Rights
- The International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
- The United Nations Guiding Principles on Business and Human Rights

In Australia the Fair Work Act 2009 will have been in place for a decade next year.

Despite all this we still encounter situations such as the 711 Store exploitation scenario which was revealed to the public only a year ago.

BSCAA has a simple set of principles that apply to all members:

- A. Australia has well developed laws and regulations governing employment.
- B. All BSCAA members are expected to abide by those laws and regulations.
- C. If a contract is presented that can only function through non-compliance with the Australian laws and regulations in relation to employment then that contract is not a contract which should be entertained.

What does BSCAA say about exploitation of cleaners in retail chains?

The Association is aware that on some occasions over the last decade there have been proven instances of cleaners being engaged in retail chains on contracts of employment or engagement which are obviously in breach of the law. It would be naïve to say otherwise.

No one wants to see cleaners exploited. BSCAA members do NOT gain out of that, indeed it is worth noting that none of the players in recent retail chain exploitation incidents are BSCAA members. BSCAA and its members have a strong and consistently stated preference for complaint contract conditions.

Exploiting cleaners by paying them sub-standard wages or trying to force them into illegal sub contract relationships damages the very fabric of the industry. BSCAA members depend on cleaners being ready, willing and able to attend at work each day and clean productively. That will not happen if the cleaners are compelled to work in exploitative conditions.

It seems apparent that a number of the more florid of recent examples of cleaner exploitation in retail chains have taken place within the confines of certain cultural enclaves. Exploitation so often occurs when members of a particular cultural or national background are able to opportunistically prey on less well of members of that same background. BSCAA members are completely opposed to this. It creates no value in the cleaning industry and on one argument, deprives the industry of people who would otherwise be effective, productive and long serving workers within the contract cleaning industry.

Does BSCAA work with the industry union in relation to these matters?

The Association is in regular contact with United Voice, the industry union for cleaning. The parties have strived to obtain workplaces where compliance is never an issue. Has that goal succeeded? Not completely. However BSCAA would submit that it finds common cause with United Voice more often than it does not. The relationship is ongoing and vibrant and that can only be to the long term benefit of everyone in the industry.

Why does exploitation occur in retail chains?

This is an oft asked question. Retail in Australia is dominated by a small handful of large players. Those large players set rates, conditions and the overarching economic paradigm of the retail industry. Suppliers of cleaning services are very much price-takers in such an environment. No one would seriously argue that cleaning service suppliers are price - setters!

That said, how is it that exploitation can occur in relation to cleaners? It is a matter for speculation but perhaps everyone in the industry would benefit from looking honestly and objectively at how contract conditions are set in retail chains and what the expectations are for those contracts. Perhaps such an honest and open appraisal might conclude that a different approach would go a very long way to eliminating the exploitation of cleaners.

Can exploitation be completely eliminated?

BSCAA submits that it can. As mentioned above, it has not been BSCAA members who have carried out practices of exploitation. BSCAA would benefit, its members would benefit, the cleaners would benefit if all contracts for cleaning in retail chains were of sufficient value that exploitation ceased.

BSCAA believes that cleaners in retail chains should have the same wage and conditions opportunities as every other worker in the industry. That can happen if a few simple principles are enacted:

1. All retail-based contracts should provide that compliance with the Fair Work Act 2009 and the Cleaning Services Award 2010 are mandatory.
2. The large retail chain operators should engage with BSCAA to establish a regime of contract pricing that enables compliance. This can be done with relative simplicity and, by going through the Association, the retailers can be assured that no ACCC issues can arise.
3. The process described in 2 above should include United Voice as a party of legitimate interest.

BSCAA does not want to see one more headline about non-compliant situations in the cleaning of retail chains. What BSCAA and its members want to see is contracts that give the retailers clean premises at an affordable price which allows contractors to make reasonable profits and cleaners to be paid in accordance with the Award. That is eminently achievable if, we respectfully submit, the principles in 1,2 and 3 above are enacted.

Dated this 10th day of July 2018