

M Webber and S Weller (2001) *Refashioning the Rag Trade: Internationalising Australia's Textiles, Clothing and Footwear Industries*, Sydney: University of New South Wales Press. ISBN 0 86840 540 X.

This book looks at the restructuring of Australia's textiles, clothing and footwear (TCF) industries in the context of changing Commonwealth government approaches to the development of the national economy and the state. Webber and Weller initially outline the way in which the foundation of Australia as a nation was focused upon a strategy for economic growth and industrial development, which has consecutively built upon the basis of a white immigration policy, import-substituting industrialisation and centralised wage fixing. As in other nation-states, the form of intervention by national government in Australia has shifted in recent years to focus upon creating globalised industries able to compete in a global economy. In particular, there has been a shift from a specifically *industrial* policy to *economic* policies, aimed at creating an abstract competitive economy. The focus has therefore been upon creating an economically efficient economy and paying much less attention to the social consequences of such change. This shift has also put different sections of the Australian economy in opposition to each other. While the outward-looking internationally-oriented sectors of the Australian economy, such as mining, finance and latterly tourism, have been in favour of such policies, the domestically-oriented sectors, such as the TCF industries, have suffered a major decline.

The authors thus argue that changes in the TCF sectors have been driven by political shifts, especially towards a more neo-liberal stance on the economy, rather than as a response to changing circumstances within the sectors themselves. While initially national governments sought to restructure the TCF sectors along consensual lines, with an interventionist agenda, in time this lost out to an agenda focused upon economic competitiveness. However, it is argued here that neither of these two approaches has had an adequate understanding of the nature of the sectors and thus both have failed to predict accurately the consequences of their actions. Initially, the future of the industry was envisaged as following a post-Fordist, flexible accumulation model, assisted in the early stages by government-led restructuring. In part this helped gain both employer and union acceptance – the former saw it as improving the flexibility of labour deployment, while the latter saw it as a route towards new skills and an enriching of work. The fundamental flaw in this was that the Australian TCF sector had few of the characteristics of this model and policy paid little attention to the role of fashion and consumer demand. Webber and Weller argue that this lack of attention to the relationship between production and consumption was a fatal error. In particular, the role of retailers was not even considered, a key failing at a time when the Australian industry was becoming an entity encompassing retailing, wholesaling, manufacturing and raw materials processing, with lead firms (deriving their power from a combination of fashion knowledge, capital and supplier knowledge) acting as co-ordinators of these supply networks. As Webber and Weller state (p. viii) 'The TCF industry was in 1970 one of national firms making and selling locally and interacting through arms-length transactions. Now it is an industry of globally competing commodity chains, organised to secure the flow of profits to the major corporations that organise the chains'. As in countries such as the UK, Australian clothing sales are dominated by a small number of retailers, with the Coles-Myer group controlling around 60% of the clothing market. Simplistically

adopting the model of the Italian clothing industry, fashionable amongst both academics and consultants in the 1980s, was therefore not a realistic option. As the authors argue 'the directions and aims of policy were...generated from imported theories of industrial development rather than a detailed knowledge of the sector and its sources of power' (136-7).

The power of these retailers led manufacturers to adopt three main strategies. First, the option of *design-contract*, where the firm withdraws from manufacturing to concentrate on design and marketing. Second, cost-cutting strategies within manufacturing involving the intensification of work and greater amounts of homeworking. Third, a shift towards overseas sourcing strategies, although all three strategies rely, to varying degrees, upon increased offshore sourcing. Increasingly, 'many imports into Australia are organised by or on behalf of local managers of commodity chains rather than by overseas firms; many exports comprise activities undertaken within the framework of overseas assembly rather than for sale to final consumers' (p. 100). Not only does this give increasing power to these local managers, but also raises questions as to what is meant by, and how we define, terms such as industry and international trade.

While the adoption of the flexible firm model may have been problematic, the need for greater flexibility from the labour force has encouraged a series of changes involving greater use of outwork contractors and individual home- or outworkers. The impact of the change of policy hit the TCF industries hard, particularly so because of the high levels of protection they received from the mid-1970s until the late 1980s. Assistance to the sectors was 4-5 times higher than that for manufacturing as a whole. From the late 1980s onwards a number of sectoral plans were put forward to restructure the sectors, involving a move away from tariff, quota and bounty protection towards trade liberalisation. At the same time the sectors were given incentives to restructure, develop export markets and engage in labour adjustment programmes. The working out of these labour adjustment programmes forms the main focus of the final third of the book. The basis for these chapters is a longitudinal empirical study over five years undertaken for the Office of Labour Market Adjustment in the Department of Employment, Education and Training of 605 workers made redundant from the TCF sectors. Several changes have taken place within the sectors. The ethnic origin of the workforce has altered as post-war immigrants from Italy, Greece and the former Yugoslavia have given way to Asian immigrants, particularly from Vietnam. In locational terms, the pattern of the industry has altered to become much more metropolitan-based, particularly in Melbourne and Sydney, as firms and plants in more rural areas and smaller cities ("regional Australia") have closed down. In the latter areas, the impact has been particularly severe, given their previous heavy reliance on such manufacturing industry and the lack of alternative employment opportunities. Those workers made redundant were assisted by plans to ease workers' adjustment to the new conditions in labour markets, in particular to help them find new careers outside the TCF sectors. Much of this concentrated upon supply-side issues, providing training and new skills, rather than upon creating jobs. However, this had little impact upon labour market outcomes. More than of a third of the sample did not find another job. Perhaps not surprisingly, older people and those from non-English speaking backgrounds fared worst. Those who did gain employment were thrown into extremely unstable

employment patterns, with casual and unskilled work being a frequent experience and rising inequality being the overall outcome.

My main criticism is that for a book which focuses upon the employment outcomes and conditions within the sectors, there is very little here about what this has meant for individuals. As we are told 'retrenchment is the start of a period of profound instability in people's lives' (244). However, it is only in the chapter on outwork (Chapter 16) that we begin to get a sense of the personal impacts that occurred, with a few snippets from the interviews as to the change in individuals' circumstances. Some longer descriptions by the individuals concerned about how the changes affected them and their families, how they felt about adjusting to new labour market conditions and the value of the training they received would have provided us with a real sense of the outcomes of the drive for a efficient economy rather than relying upon the statistical analysis alone.

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