Submission to the Senate Legal and Constitutional Affairs Legislation Committee Inquiry into the provisions of the Modern Slavery Bill 2018

The Ethical Trading Initiative is delighted that the Australian parliament is in the final stages of deliberations of its Modern Slavery Act. Below we provide a contribution to the public consultation. We believe the Modern Slavery Bill 2018 will be an important contribution in global efforts to address modern slavery.

We believe it is vital that governments establish a strong legislative and regulatory framework that protects workers from exploitation and abuse. We believe governments should level the playing field for the private sector, and should create an effective enabling environment for responsible and ethical business operations. Modern slavery thrives in an increasingly fast and competitive global economy, and it is incumbent upon governments to align their efforts and impose legislative measures that help to prevent, mitigate and manage the risks of modern slavery.

Modern slavery legislation that focuses on transparency and reporting of their actions is important because it has the potential to drive businesses and public bodies to take seriously their responsibilities to protect and respect human rights, and subject them to greater levels of public scrutiny and accountability. However, the effectiveness and value of this relatively light-touch legislation relies on government will and capacity to ensure full compliance with the legislation.

ETI’s recommendations to the Australian Parliament for the next phase of deliberation around the Modern Slavery Act are contained in the joint Advisory Committee of the Modern Slavery Registry Submission to the Senate Legal and Constitutional Affairs Legislation Committee Inquiry into the provisions of the Modern Slavery Bill 2018 and are not repeated here.

We are committed to collaboration, policy coherence and harmonisation of effort to achieve long-term change. We recognise that the subject of the current inquiry is proposed provisions of a Modern Slavery Reporting Requirement, and note the key features that have been included in the Fact Sheet: Modern Slavery Reporting Requirement.

The Ethical Trading Initiative has made two submissions to the Australian Parliament’s consultations on establishing a Modern Slavery Act in Australia. See link to a previous submission in May 2017 which contains many of our key messages that are still relevant to this legislation. We also refer you to the Submission by the Advisory Committee of the Modern Slavery Registry to this consultation, as well as to the previous Submission by the Advisory Committee of the Modern Slavery Registry to the Joint Standing Committee on Foreign Affairs, Defence and Trade for the Inquiry into Establishing a Modern Slavery Act in Australia and to the Response by the Advisory Committee of the Modern Slavery Registry to the Department of Home Affairs’ Public Consultation Questions.

The key messages in the current Joint Submission include:

- Our strong support for public list of companies required to report under the MSA
• The requirement for Modern Slavery Statements to be published on company websites
• The endorsement of mandatory criteria for reporting, including the requirement for conducting due diligence
• Strong support for the establishment of an official Modern Slavery Register that meets certain criteria (set out in the joint submission) where all Modern Slavery Statements should be posted and registered
• Requirements for the prohibition of public procurement from suppliers that fail to comply with the legislation, with appropriate provisions for smaller operators that are proportionate with their size, leverage and human rights impacts
• Clear and comprehensive guidance for businesses and public awareness raising, and
• Financial penalties for companies that fail to comply with the reporting requirement

We applaud the recent Modern Slavery Act passed by the Australian Legislative Council of New South Wales (NSW). We are particularly pleased to see amongst other things, the provisions for:

• collaborative action to combat modern slavery
• mandatory reporting of risks of modern slavery occurring in the supply chains of companies and financial penalties for those that fail to report or provide misleading information
• measures to ensure detection and exposure of risks and incidence of modern slavery
• regular assessment of the effectiveness and appropriateness of laws prohibiting modern slavery and improving the implementation and enforcement of these laws
• an Independent Anti-slavery Commissioner and
• raising public awareness and providing training on modern slavery

Finally, we want to commend the Australian government in its efforts to align with, and strengthen other international legislation on modern slavery, transparency, human rights and due diligence reporting. It is now more urgent than ever that governments demonstrate their leadership and commitment to tackling the crime of modern slavery, and to ensure that their actions make a material difference to the lives of vulnerable people at risk or victims of modern slavery.

Further information

The Ethical Trading Initiative is an internationally leading alliance of companies, trade unions and NGOs that have committed to working collaboratively to increase respect for workers’ rights and end exploitation and abuse of workers in business operations and global supply chains. Companies commit to advancing and demonstrating year-on-year improvement against the ETI Base Code, which is based on nine ILO Conventions (including forced and child labour). ETI has a dedicated programme of work on modern slavery: leading collaborative action in specific supply chains, producing guidance, providing advice, training, research and enabling sharing of good practice.

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