

# Modern slavery: Get ready now

New Modern Slavery laws are now in place and you may be legally required to submit an annual modern slavery statement.

## WHY?

As part of a global movement to eradicate modern slavery, the Federal Government requires many profit making entities to prove effort has been taken to reduce or remove modern slavery within their operations and supply chains.

## WHO IS AFFECTED?

Entities with an annual revenue of \$100 million plus per financial year. Entities include:

- individuals
- body corporates
- body politics
- partnerships
- unincorporated associations or body of persons
- trusts
- superannuation funds
- deposit funds

## YOUR STATEMENT

- The reporting period is the first Australian or international financial year after 1 January 2019
- Statements must be submitted within six months after this date

## NEW LAWS FOR NSW

NSW also took action against modern slavery by introducing new laws, however these laws have been tabled and are unlikely to commence in its current form. If commenced, this will be the first statutory scheme globally to apply penalties for non-reporting. As it stands, you do not need to submit a statement under the NSW Act if already submitting one under the Federal Act. Further monitoring is required.

## THE NUMBERS

# 40.3 million

At any given time in 2016, an estimated **40.3 million** people are in modern slavery, including **24.9 million** in forced labour and **15.4 million** in forced marriage.<sup>1</sup>



It means there are **5.4** victims of modern slavery for every **1,000** people in the world.<sup>1</sup>



**1 in 4** victims of modern slavery are **children**.<sup>1</sup>

Women and girls are disproportionately affected by forced labour, accounting for **99%** of victims in the commercial sex industry, and **58%** in other sectors.<sup>1</sup>



# 24.9 million

 people trapped in forced labour:

**16 million** are exploited in the private sector such as domestic work, construction or agriculture.<sup>1</sup>



**4.8 million** in forced sexual exploitation.<sup>1</sup>



**4 million** in forced labour imposed by state authorities.<sup>1</sup>

Annual profits in Australia generated by forced labour estimated to be:

# \$12 billion USD<sup>2</sup>

<sup>1</sup>Source: Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, Geneva, September 2017 <http://www.ilo.org/global/topics/forced-labour/lang--en/index.htm>

<sup>2</sup>Global Slavery Index 2018

## MODERN SLAVERY: GET READY NOW



Allocate resources and set up an internal multi-disciplinary team who will be responsible for modern slavery reporting and compliance. Engage senior management, executive and the Board



Map and assess existing (and any upcoming) operations and supply chains to assess where the modern slavery risks lie



Consider engaging a Human Rights expert or non-government organisation to assist in tackling supply chain issues (including how to handle complaints and corrective actions if modern slavery practices are uncovered)



Revise current supplier terms and policies and current employee codes of conduct and policies to cover these new obligations



Provide training to employees on modern slavery risks



Create due diligence frameworks to continually monitor risk both internally and within the supply chains already mapped



Look for markers of modern slavery, e.g. unlawful withholding of wages or identity/travel documents or lacking appropriate clothing or safety equipment for work



Increase supplier awareness and engagement to ensure that supply chain participants are aware of these new obligations, and encourage ongoing communication and collaboration on tackling modern slavery issues that may arise

### GET IN TOUCH

Speak to one of our specialist lawyers about preparing for these new laws.



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