

**Submission  
No 24**

**INQUIRY INTO MODERN SLAVERY ACT 2018 AND  
ASSOCIATED MATTERS**

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**Submission to the NSW Legislative Council Standing Committee on Social Issues  
Inquiry into the Modern Slavery Act 2018 (NSW) and associated matters**

**Mr Robin Mellon**

**CEO, Better Sydney (NSW)**

**Member, Australian Government Modern Slavery Expert Advisory Committee**

**Member, Waverley Council Environmental Sustainability Advisory Committee (NSW)**

**Special Advisor, Supply Chain Sustainability School of Australia**

Thank you for the opportunity to make a submission on this important legislation, and I write to express my support for the:

- Introduction and intentions of the Modern Slavery Act 2018 (NSW) (“the Act”)
- Turnover bracket within the Act
- Reporting period and report due date
- Publication of statements on the public register as outlined
- Role of the NSW Anti-Slavery Commissioner
- Inclusion of criminal penalties as detailed
- Voluntary reporting of businesses falling below the \$50 million turnover threshold and who choose to comply with its requirements.

**Experience and resources**

Over the past five years I have been closely involved with the provision of sustainability e-learning, information and face-to-face training for property, construction and infrastructure suppliers, contractors and service providers, much of which has been connected to human rights and modern slavery in their supply chains. I have also been a member of the Australian Government Department of Home Affairs Modern Slavery Expert Advisory Committee.

In addition, I have spoken at numerous Australian and international events, including the Bali Process Symposium on Supply Chain Transparency in Jakarta, Indonesia, and the Australian Government’s ‘Implementing Australia’s Modern Slavery Act: Knowing Your Supply Chain’ conference in Sydney, NSW, (both in June 2019) about sustainable procurement, human rights and modern slavery, and how the property, construction and infrastructure sectors can start to assess and address modern slavery risks in their operations and supply chains.

From 2016-2019 I was the CEO of the Supply Chain Sustainability School, to which organisations signing up can access a wealth of free resources and tools to meet increasing sustainability demands and performance benchmarks, and to help build clever, collaborative and competitive construction and infrastructure sectors: [www.supplychainschool.org.au](http://www.supplychainschool.org.au)

The School’s partners’ and members’ operations, supply chains and project supply chains across property, construction and infrastructure initiatives are often long, complex and international. There are already hundreds of different resources on the School’s website, many of which are directly relevant to human rights and modern slavery, including videos, case studies, documents to download, e-learning modules, links to different tools and initiatives, definitions and guides, with more added every month. Please note in particular:

- i. The School’s Modern Slavery landing page and resources:  
<http://supplychainschool.org.au/resources/modern-slavery.aspx>
- ii. The School’s ‘Where might modern slavery be hiding in your supply chains?’ short video:  
<http://supplychainschool.org.au/resources/online-resources/videos/46/Where-might-Modern-Slavery-be-hiding-in-YOUR-supply-chains>

iii. The School's Modern Slavery e-learning module (accessible to all after free registration):  
<http://supplychainschool.org.au/resources/e-learning-modules/64/An-introduction-to-Human-Rights-and-Modern-Slavery-/>

### **Better Sydney working with the Property Council of Australia on the Supplier Platform**

Better Sydney has recently been working closely with the Property Council of Australia, Informed365 and Edge Environment to create a platform to ask key property and construction suppliers about the actions they are taking to assess and address human rights issues and modern slavery risks across shared operations and supply chains. The information will help organisations put together an accurate assessment of actions in line with the Commonwealth Modern Slavery Act 2018: <https://campaign.propertycouncil.com.au/supplierplatform>

An important element of the Property Council Supplier Platform is the potential for continuous improvement in the ability of businesses to assess and address modern slavery risks in their operations and supply chains. You can watch two short videos, produced by Better Sydney, that highlight this issue at <https://youtu.be/hakRsMficN4> and [https://youtu.be/TLU\\_1qcJP-Y](https://youtu.be/TLU_1qcJP-Y).

### **The need for continuous improvement**

It is important to note that industry engagement around modern slavery within supply chains is not a binary issue in which organisations are either 'ignorant of' or 'expert in' the issues concerned. Instead, NSW public and private sector organisations need to commit to a process of continuous improvement around modern slavery issues over many years, with clear actions around awareness, engagement, support, transparency and, where appropriate, certification.

As some of the largest procurement organisations in Australia, the Australian Government and NSW Government have vital roles to play in addressing the potential for modern slavery across its supply chains, and I would encourage federal, state and territory, and local governments to take a leadership view in the context of transparency, due diligence and commitments around modern slavery, as well as around continuous improvement of their own procurement practices (see point 6, on page 4 of this submission).

### **Increasing awareness and engagement across NSW businesses**

It is important for the success of NSW businesses, particularly those reporting under the Act and supplying to organisations reporting under the Act, that sufficient time and resources be dedicated towards raising levels of awareness, engagement and support around the topic as early as possible. Awareness can be as simple as defining the topic, explaining its relevance, outlining what should be done differently, and directing the audience towards further resources. Engagement can include help for small, medium and large enterprises to start asking questions of their own supply chains, and to use more standardised methods of reporting objectives and outcomes. Support can include encouragement for small, medium and large enterprises, including government agencies, to make public and transparent commitments to the examination for and elimination of modern slavery across their NSW, Australian and international supply chains.

### **Education of the NSW construction and infrastructure sectors**

I would recommend that the NSW Government works closely with the Supply Chain Sustainability School of Australia, as well as with other private sector and non-governmental organisations such as the Property Council of Australia and Pointsbuild, on:

- raising awareness of modern slavery issues across Australian and NSW supply chains, particularly within the property, construction and infrastructure sectors;
- improving engagement around the topic and showcasing commitments from organisations to tackle the issue within a specific timeframe;
- establishing pathways to continuous improvement on supply chain transparency; and

- increasing support for companies tackling modern slavery through their workforce, supply chains, processes, products and materials.

Education of the property, construction and infrastructure sectors about the issue of Modern Slavery is incredibly important and needs increased focus and resources. As stated earlier, further materials for NSW organisations on how to assess and address Modern Slavery in their operations and supply chains, and balance the NSW and Australian Modern Slavery Acts, should join the free resources already available.

### Recommendations and suggestions

1. I would recommend that there is increased clarity and communications around the actions individuals and organisations should take when they suspect or find Modern Slavery in their operations or supply chains. The correct courses of action, whether gathering information, reporting the incident, obtaining legal, protection or welfare advice, escalating the report or initiating a grievance mechanism, should be made as clear as possible to those assessing and addressing modern slavery risks, as well as to the staff of all organisations raising awareness and making changes.
2. It is also important to put in place full and proper support for the victims of acts of modern slavery. Access to full and proper remedy for victims of Modern Slavery, in the context of NSW and Australian businesses and their operations and supply chains, needs careful consideration and more secure long-term funding. It is therefore vital to support and promote the role of the NSW Anti-Slavery Commissioner so as to raise community awareness of modern slavery, with a clear advocacy and educative function and as a 'critical friend' to encourage individuals and organisations towards better practices.
3. It should be clarified in documents, guidance and case studies that the Act requires NSW government agencies to identify and report on risks of modern slavery in their supply chains, and I would encourage the NSW Government to take a leadership view in the context of transparency, due diligence and commitments around modern slavery, as well as around continuous improvement for their procurement practices.
4. The Explanatory Paper sets out that "*The provision provides the Anti-Slavery Commissioner with the flexibility to require, for example, the completion of a PDF form that contains a checklist for commercial organisations to confirm that in preparing their statements they have complied with their reporting requirements, including the mandatory reporting criteria, or technical format requirements for lodgement. Any such requirements or advice will be detailed in guidance material for businesses issued by the Commissioner.*" With experience around such guidance material, I would recommend that the Supply Chain Sustainability School or I might be further involved in its development.
5. Mandatory Criteria 5 sets out that reporting entities should "*describe how the organisation assesses the effectiveness of such actions*". With experience gathered from conversations, events, workshops and training sessions I would suggest that this criterion is often misunderstood, underestimated or overlooked, and so there should be increased communications around the appraisal of effectiveness in this context.
6. The documents set out that "*all corporate entities of the Commonwealth or other State and Territory governments that meet the \$50 million total turnover threshold and have employees in NSW will be exempted from the reporting requirement*", yet I would suggest that including corporate entities of the Commonwealth or other State and Territory governments in the reporting requirement will help harness the considerable leverage of government procurement towards best practice supply chains.

7. As part of the move towards best practice, I would encourage and support voluntary reporting from businesses falling below the \$50 million turnover threshold and who choose to comply with its requirements.
8. More work needs to be done to clarify the connection and differences between the Australian Government Modern Slavery Act 2018, the NSW Act, and their application; as the document sets out, the NSW Government needs to work closely with the Commonwealth to resolve intersecting issues and harmonise the approaches taken in the NSW and Commonwealth Acts.
9. In line with the excellent Australian Government 'Guidance for Reporting Entities' released in late September 2019, the NSW Government needs to provide businesses with clear and practical guidance on the requirements in the Act and the regulations, with practical advice on how businesses should respond to their modern slavery risks and how they can use practical, simple and freely available resources to inform their employees, staff, networks and suppliers.
10. Whilst the documentation states that a key function of the NSW Anti-Slavery Commissioner will be to assess the effectiveness of the Act and other laws relating to modern slavery, it will be essential to clarify the ongoing consultation process to seek the feedback of stakeholders during the Act's operation – preferably with consultation every three years – so that feedback can be used to evaluate and improve the implementation and enforcement of the Act.

### **Conclusion and summary**

It is important that businesses across NSW are active contributors to those green building, sustainable community, property, development and infrastructure projects that respect human rights and labour rights, and uphold environmental and governance standards in their global operations, including throughout their NSW, Australian and international supply chains.

The NSW Government should continue to work with individuals, public and private sector, and non-governmental organisations on raising awareness of modern slavery issues across Australian supply chains, improving engagement around the topic, establishing pathways to continuous improvement on supply chain transparency, and increasing support for companies tackling modern slavery through their supply chains.

Please do not hesitate to contact me by e-mail at \_\_\_\_\_, should you have any questions relating to this submission.

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