INQUIRY INTO MODERN SLAVERY RISKS FACED BY TEMPORARY MIGRANT WORKERS IN RURAL AND REGIONAL NEW SOUTH WALES

Organisation: Local Government NSW (LGNSW)

Date Received: 5 March 2025



SUBMISSION

Inquiry into modern slavery risks faced by temporary migrant workers in rural and regional New South Wales

March 2025





Local Government NSW (LGNSW) is the peak body for local government in NSW, representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the State.

OVERVIEW OF THE LOCAL GOVERNMENT SECTOR



Employ nearly **50,000 people**



Manage more than 1,800 community & **public centres**



Maintain more than 168,000km of roads & bridges



Manage more than \$220 billion of community assets



Recycle 1.75 million tonnes of waste



Spend more than \$2.5 billion each year on caring for the environment



Operate more than 380 libraries that attract tens of millions of visits each year



Make kerbside waste collections for more than 3.1 million households



Manage an estimated 4 million tonnes of waste each year



Spend more than \$2.4 billion on culture and recreation

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Introduction

Local Government NSW (LGNSW) is the peak body for local government in NSW, representing general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the State.

LGNSW welcomes this inquiry into modern slavery risks faced by temporary migrant workers in rural and regional NSW. This submission draws from conference resolutions, policy positions, and sector challenges.

This submission was endorsed by the LGNSW Board on 27 March 2025. The Modern Slavery Committee is asked to consider this version.

Terms of reference

This submission predominately rates to the following inquiry terms of reference:

- h) support and resources needed by local communities, NSW Government frontline agencies and non-government service providers to support at-risk and vulnerable temporary migrant workers, including education, training and cultural capability needs
- i) the impact of visa settings and conditions of employment on temporary migrant workers in rural and regional New South Wales
- j) adequacy of interjurisdictional/cross-government cooperation and data sharing in the provision of accommodation, medical care and other essential services to temporary migrant workers.

Background

The local government sector is responsible for numerous and diverse services, projects and infrastructure. There are 128 councils in NSW, servicing the day-to-day needs of close to 8.5 million people¹. Every person in NSW interacts with their council in some way, due to the variety of direct and indirect services provided. These services include planning and building approvals, roads, parking, footpaths, waste management, open spaces, recreation facilities, emergency management, libraries, arts and culture, and social cohesion programs. Councils strive to meet the diverse needs of their communities through these essential services.

¹ National, state and territory population, June 2024 | Australian Bureau of Statistics

The Local Government Act 1993 (NSW) guiding principles frame the intent and actions of councils when enacting functions or making decisions for their communities. The principles relevant to this submission include:

- (1) (g) Councils should work with others to secure appropriate services for local community needs.
 - (h) Councils should act fairly, ethically and without bias in the interests of the local community.
- (2)(a) Councils should recognise diverse local community needs and interests.
 - (b) Councils should consider social justice principles.
 - (c) Councils should consider the long term and cumulative effects of actions on future generations.²

Legislative environment

Exploitative practices including human trafficking, slavery, servitude, forced labour, debt bondage and forced marriage are all considered modern slavery and are serious crimes under Australian law. Modern slavery is defined in the *Modern Slavery Act 2018 (NSW)* as any conduct involving the use of any form of slavery, servitude or forced labour to exploit children or other persons taking place in the supply chains of organisations.

According to the Global Slavery Index, developed by *Walk Free*, a human rights group focussed on the eradication of modern slavery, the Australian Government is recognised as the second most proactive country, after the United Kingdom, in addressing modern slavery. Additionally, the Global Slavery Index estimated in its Global Slavery Index 2023 that Australia had 41,000 people in modern slavery conditions. 5

Since July 2022, the *Modern Slavery Act 2018 (NSW)* has imposed obligations on councils under the *Local Government Act 1993 (NSW)* to address modern slavery. From 2024, councils must also follow the NSW Anti-Slavery Commissioner's Guidance on Reasonable Steps, ensuring that goods and services procured are not the product of modern slavery.

² Local Government Act 1993, Section 8A

⁴ Global Slavery Index 2023, Walk Free, p. 29.

⁵ Global Slavery Index 2023, Walk Free, p. 118.

LGNSW's position

LGNSW's <u>Policy Platform</u> recognises the social justice principles of equity, rights, access and participation of all in the community. LGNSW's relevant positions include:

Position Statement 4.2 State and Commonwealth Government accept that rural councils will never be able to fund the basic standard of infrastructure and public services to which all Australians are entitled from own source revenue.

Position Statement 4.6 Incentives and measures to increase domestic and international migration to inland rural and regional communities, including for experienced and qualified staff.

Position Statement 19.2 (c) Funding for councils' roles, responsibilities and activities that support multicultural communities and promote social cohesion, including for refugee resettlement and seasonal workers.

Position Statement 19.9 Funding support for volunteers and volunteer development programs, including for community organisations that engage volunteers.

Position Statement 19.17 Funding and support for inclusive programs that enable all members of the community to safely participate

Relevant Annual Conference Resolutions are provided in Appendix 1.

Local Government Procurement

Local Government Procurement (LGP) is a wholly owned subsidiary of LGNSW and is prescribed by the NSW State Parliament to carry out group tenders on behalf of NSW local government. In response to modern slavery reporting requirements for councils, LGP has led a comprehensive body of work to upskill councils. Over the past four years, LGP has conducted annual modern slavery risk assessments across all their panel contracts⁶. The results of these assessments are used to assign modern slavery risk ratings to all approved contractors. These risk ratings help councils comply with the Guidance on Reasonable Steps (GRS) requirements and better manage modern slavery risks in their supply chains.

Responding to modern slavery is a resource intensive exercise for councils who often do not have adequate capacity or capability under their existing resourcing, especially smaller regional and rural councils.

⁶ LGP-Annual-Report-24.pdf

To address this, LGP has developed tailored resources for councils including the *modern slavery toolkit* to assist councils to identify, assess and manage modern slavery risks. These resources align with the NSW Anti-slavery Commissioner's GRS. The modern slavery toolkit for councils has been purchased by approximately 85-90 councils in NSW. LGP has also developed a modern slavery toolkit for small to medium sized enterprises (SMEs) as well as the following fact sheets for the Local government sector.

- Approved Contractor Fact Sheet: Modern Slavery Risk Assessment for LGP Contracts
- <u>Modern Slavery Risk Assessment for LGP Contracts: What You Need to Know –</u> Local Government Procurement

The NSW Anti-slavery Commissioner's Inherent Risk Identification Tool developed to assist reporting entities to assess modern slavery risks in supply chains, is based on the NSW Government procurement taxonomy. Local governments in NSW have different procurement taxonomy used throughout the sector, making identification of modern slavery risks in supply chains more difficult for councils to determine with the tool currently available. LGP has identified that appropriate tools, training and resourcing specifically tailored for local governments in NSW are needed for councils to more efficiently meet the reasonable steps reporting requirements.

Recommendation 1: That the NSW Government allocate funding for targeted training and appropriate tools designed for councils to help them undertake effective due diligence to ensure the goods and services they procure are not the product of modern slavery.

Recommendation 2: That the NSW Government provide funding to support a local government program that works with metropolitan, rural and regional councils on an ongoing basis to identify, manage and prevent modern slavery risks in their supply chains and local communities.

Prevention of modern slavery

Councils in NSW have shown a great deal of leadership in responding to the growing awareness and impacts of modern slavery in their communities. As a sector, local government has quickly adapted its procurement processes to meet legislative requirements.

Councils have also responded to the growing awareness of modern slavery-like situations that are potentially occurring in their communities. In some cases councils have engaged with services to run educational programs as well as other programs related to modern slavery including dowry abuse programs, and broader domestic and family violence programs.

These examples of trauma informed community education and awareness raising programs are critical in educating communities on identifying and preventing modern slavery situations.

Recommendation 3:

That the NSW Government fund ongoing trauma informed community education training programs targeting councils and communities to raise awareness on modern slavery, including forced marriage, dowry abuse, servitude, indentured labour and domestic and family violence primary prevention, and promote social cohesion.

Recommendation 3A:

That the NSW and Australian Governments adequately resource their agencies responsible for combatting modern slavery, including instances of sex trafficking

Rural and regional councils

For rural and regional NSW, the Pacific Australia Labour Mobility (PALM) scheme (which replaced the Seasonal Worker Program in 2022), working holiday makers and other temporary migrant workers are a vital source of workers and are highly valued by rural and regional communities. However, there have been some unintended consequences for employers, employees and the communities they live and work in.

The PALM scheme had an estimated 6,135 workers in NSW in 2024⁷, some of whom have become disengaged from the program. Participants disengage from the PALM scheme due to a range of reasons including dangerous working conditions, incorrect payments or wage theft occurring, unsafe or substandard housing, or limited access to medical, social, cultural services.

Disengaged workers rely on community goodwill, and host councils engaged in the PALM scheme have had to step up to fill service delivery gaps. In some instances, councils have provided accommodation, food, transport, English classes, and visa assistance to disengaged and undocumented PALM workers. The needs and the number of people needing assistance are unpredictable, making it difficult for councils to plan an appropriate response.

Additionally, councils have no extra financial or resourcing capacity to provide these services. LGNSW echoes the NSW Anti-slavery Commissioner's ask for the NSW Government to play a more active role in supporting host communities of the PALM scheme and providing initiatives such as 'welcoming committees' to support the successful integration of temporary workers into their host communities.

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⁷ Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in rural and regional New South Wales p. 30

The <u>Mayoral Alliance for the Pacific</u> is an initiative of Welcoming Australia, in partnership with Leeton Shire Council. It responds to the growing demands on Leeton Shire Council and other councils to support PALM workers who have exited the scheme and require urgent services to meet basic needs.

In December 2023 LGNSW wrote to Minister of Employment and Workplace Relations, the Hon. Tony Burke MP, seeking additional local service hubs to provide seasonal workers with targeted programs. LGNSW welcomed the January 2024 response from Minister Burke that the department is increasing staffing in regions and areas with high numbers of PALM communities and introducing cultural competency training for PALM employees.

Rural and regional councils do not have the financial capacity to fill the service delivery gaps needed for seasonal workers who are moved to regions and not appropriately supported through their employment pathways.

Pilot programs such as the NSW Growing Regions of Welcome (GROW) program, which supports migrant families from Western Sydney to migrate to regional communities has reported positive benefits for the Murray and Riverina regions. Investment in employment programs that support growth in rural and regional areas must continue to beyond a start-up phase to see meaningful long-term outcomes for rural and regional communities.

Recommendation 4:

That the NSW Government collaborate with councils participating in the PALM scheme and adequately resource the service gaps that are emerging in host communities.

Recommendation 5:

That the NSW Government play a more active role in monitoring conditions and providing support needed for seasonal workers and their host communities.

Recommendation 6:

That the NSW Government consider providing funding for the development of community-level 'Welcome Committees' to help temporary migrant workers integrate more effectively with host communities and promote social cohesion.

Recommendation 7:

That the NSW Government continue funding programs such as the NSW Growing Regions of Welcome (GROW) program and implement the recommendations and findings from the pilot.

Recommendation 8:

That the NSW Government work with the Australian Government and approved employers to provide relevant councils with information about the number of seasonal workers expected in their LGAs and their countries of origin.

This will allow councils to plan accordingly, not only to provide a welcoming environment but also to consider needs such as for their Local Emergency Management Plans.

Recommendation 9:

That the NSW Government advise the *Modern Slavery Expert Advisory Group* to consider and fund any potential resourcing impacts on councils when making recommendations.

Conclusion

LGNSW appreciates opportunity to provide comment to the Modern Slavery Committee on councils' significant efforts in identifying and preventing modern slavery within their supply chains, services, and communities. LGNSW advocates for adequate resourcing to address emerging needs related to modern slavery. Based on conference resolutions, policy platform positions, and advice from Local Government Procurement and LGNSW, the following recommendations aim to enhance councils' capabilities in identifying, preventing, and responding to modern slavery issues.

For any further questions regarding this submission, please contact

For more details on Local Government Procurement, contact

Summary of Recommendations

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Appendix 1: LGNSW Annual Conference resolutions

2023: Resolution 48 - City of Sydney- Local council outreach services for seasonal workers

That Local Government NSW writes to the Hon Tony Burke Minister for Employment and Workplace Relations asking the Commonwealth Government to:

- Work with approved employers to provide relevant Councils with information about the number of Seasonal Workers expected and their countries of origin so Councils can understand their cultural needs, prepare the community for their arrival and consider and plan for their needs as part of their Local Emergency Management Plans;
- 2. Increase the frequency of check-ins by the Australian Government particularly to ensure living conditions meet the requirements outlined in the PALM Scheme Approved Employer Guidelines; and
- 3. Provide direct funding to Councils to establish dedicated local service hubs to provide Seasonal Workers with targeted programs, including by:
 - a. developing pathways and support outreach programs that connect Seasonal Workers to organisations that centre on the needs of migrants to assist Seasonal Workers to access culturally sensitive assistance to access relevant information, health and mental health;
 - b. culturally appropriate and non-biased Pastoral care through Australian South Sea Islander (ASSI), Aboriginal, Torres Strait Islander, Pacific and Culturally and Linguistically Diverse and Culturally and Racially Marginalised (CARM) community organisations that can demonstrate a deep knowledge of culture and the Seasonal Worker Program and its people;
 - c. working with local Australian South Sea Islanders (ASSI) and First Nations leaders, communities and/or organisations to provide the specific cultural awareness training and culturally appropriate introduction and networking to the traditional owners and other cultural authorities of the area; and
 - d. working closely with the law enforcement authorities in respective Councils to educate Seasonal Workers about law and order and Councils' regulations and by law on public order.

Special Conference 2022

Resolution 42 - Leeton Shire Council - Safeguarding the welfare of Seasonal Worker Programme workers

That Local Government NSW calls on the Australian Government to modify the implementation of the Seasonal Worker Programme (SWP) to improve welfare outcomes for workers to ensure councils are informed of worker arrivals and departures so that they can monitor their living conditions and welfare while they are in residence.