#### Draft modern slavery clause options for Commonwealth entities

The table below sets out the short, standard and long form versions of the draft modern slavery clause. The clauses support the Commonwealth's compliance with its obligations under the Modern Slavery Act 2018 (Cth) (the Act).

- The short form clause is appropriate for contracts where the risks of modern slavery existing in the relevant supply chain have been assessed as low. It imposes more basic or general obligations on the supplier. (Black text)
- The standard clause builds on the basic obligations from the short form clause and includes obligations about particular Modern Slavery risks, the provision of training and the preparation of a risk management plan. (Additional obligations in orange text)
- The long form clause is more detailed again. It would be appropriate for contracts where the Commonwealth customer considers there is a higher risk of modern slavery and therefore it is appropriate to take additional steps to ensure these risks are being identified and mitigated. The clause builds on the obligations in the standard clause, but provides the Customer with a right to review and suggest amendments to the risk management plan. (Additional obligations in green text)

The clause is drafted for use with the Commonwealth Contracting Suite (CCS) templates and is intended for inclusion in Finance's Commonwealth ClauseBank – accessible here: https://www.finance.gov.au/government/ procurement/clausebank. The clause uses terminology consistent with the Commonwealth Contracting Suite (CCS) templates. For example: 'Supplier'; 'Customer'; 'Contract' and 'Goods and/or Services'. This is the same approach taken in other ClauseBank clauses.

The terminology is also consistent with definitions and concepts in the Act or relevant international policy materials. For example: 'Modern Slavery' has the same meaning as set out in the Act; 'Recruitment Fees' is from the International Labour Organization's General Principles and operational guidelines for fair recruitment and definition of recruitment fees and related costs'; and 'Grievance Mechanism' is from the United Nations' Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework.

Each clause also includes brief drafting notes. These drafting notes remind Users that terminology may need to be changed to align with their contract and lists other issues which they should take into account when including the clause in a contract.

		Option 1 – Short form			Option 2 - Standard		
X.1	In this clause X:		X.1	In this clause X:		X.1	In this clause X:
	Guiding Principles on Business and Human Rights	means the United Nations' <i>Guiding Principles</i> on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework available at https://www.ohchr.org/documents/publications/ guidingprinciplesbusinesshr_en.pdf.		Grievance Mechanism	means a process for handling a complaint or grievance about Modern Slavery practices that is consistent with the criteria set out in the Guiding Principles on Business and Human Rights.		Grievance Mechanism
	Modern Slavery	has the same meaning as it has in the <i>Modern Slavery Act 2018</i> (Cth).		Guiding Principles on Business and Human Rights	means the United Nations' <i>Guiding Principles</i> on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework available at https://www.ohchr.org/documents/publications/ guidingprinciplesbusinesshr_en.pdf.		Guiding Principles on Business and Human Rights
				Modern Slavery	has the same meaning as it has in the <i>Modern Slavery Act 2018</i> (Cth).		Modern Slavery
				Personnel	means any person who is an officer, employee, contractor (including subcontractor) or agent of the Supplier involved in providing the Goods and/or Services.		Personnel

#### Table 1: Modern slavery clause options

## **Option 3 – Long form**

means a process for handling a complaint or grievance about Modern Slavery practices that is consistent with the criteria set out in the Guiding Principles on Business and Human **Rights**.

means the United Nations' Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect. Respect and Remedy" Framework available at https://www.ohchr.org/documents/publications/ guidingprinciplesbusinesshr en.pdf.

has the same meaning as it has in the Modern Slavery Act 2018 (Cth).

means any person who is an officer, employee, contractor (including subcontractor) or agent of the Supplier involved in providing the Goods and/or Services.

	Option 1 – Short form		Option 2 - Standard			
X.2	The Supplier must take reasonable steps to identify, assess and address risks of Modern Slavery practices in the operations and supply chains used in the provision of the Goods and/or Services.	X.2	The Supplier must take reasonable steps to identify, assess and address risks of Modern Slavery practices in the operations and supply chains used in the provision of the Goods and/or Services.	X.2	The Supplier must address risks of Mo supply chains used	
Not U	Used	X.3	The Supplier will ensure Personnel responsible for managing the		The Supplier will:	
			operations and supply chains used in the performance of the Contract have undertaken suitable training to be able to identify and report Modern Slavery.		(a) ensure Perso and supply cl have underta report Moder	
					(b) promptly noti complete this	
Not	Used	X.4	Within one month of the Contract Start Date, the Supplier will prepare and implement a Modern Slavery Risk Management Plan in relation to its performance of this Contract and, if requested by the Customer, provide a copy of this plan to the Customer. The Modern Slavery Risk Management Plan should at a minimum	an y X.5 d ery	The Supplier will provide the Supplier will provide the Supplier will supplier will supplier to the Custom for review.	
			detail: (a) the Supplier's steps to identify and assess risks of Modern	X.5	The Modern Slave detail:	
			Slavery practices in the operations and supply chains used in the performance of the Contract;		(a) the Supplier's Slavery pract	
			<ul> <li>(b) the Supplier's processes for addressing any Modern Slavery practices of which it becomes aware in the operations and supply chains used in the performance of the Contract;</li> </ul>		in the perform (b) the Supplier's	
			<ul><li>(c) the content and timing of training for Personnel about</li></ul>		practices of v supply chains	
			Modern Slavery; and		(c) the content a	
		X.5	<ul> <li>(d) the Grievance Mechanism/s available to Personnel.</li> <li>The Supplier must comply with the Modern Slavery Risk Management Plan in its performance of this Contract. For the avoidance of doubt, nothing in this clause derogates from the Supplier's other obligations arising under this Contract or otherwise in relation to the provision of the Goods and/or Services.</li> </ul>	X.6	Modern Slave	
					(d) the Grievanc The Customer may	
				Χ.υ	the Modern Slavery promptly make any promptly resubmit Plan to the Custom	
					The Supplier must Management Plan avoidance of doub Supplier's other ob otherwise in relatio	
X.3	If at any time the Supplier becomes aware of Modern Slavery practices in the operations and supply chains used in the performance of the Contract, the Supplier must as soon as reasonably practicable take all reasonable action to address or remove these practices, including where relevant by addressing any practices of other entities in its supply chains.	X.6	If at any time the Supplier becomes aware of Modern Slavery practices in the operations and supply chains used in the performance of the Contract, the Supplier must as soon as reasonably practicable:	X.8	If at any time the S practices in the ope performance of the reasonably practica	

# **Option 3 – Long form**

st take reasonable steps to identify, assess and Modern Slavery practices in the operations and ed in the provision of the Goods and/or Services.

sonnel responsible for managing the operations chains used in the performance of the Contract rtaken suitable training to be able to identify and ern Slavery; and

otify the Customer after all relevant Personnel his training.

prepare and implement a Modern Slavery Risk an in relation to its performance of this Contract. submit the Modern Slavery Risk Management omer within one month of the Contract Start Date

very Risk Management Plan should at a minimum

er's steps to identify and assess risks of Modern actices in the operations and supply chains used ormance of the Contract;

er's processes for addressing any Modern Slavery which it becomes aware in the operations and ins used in the performance of the Contract;

and timing of training for Personnel about avery; and

nce Mechanism/s available to Personnel.

ay provide comments to the Supplier in relation to ery Risk Management Plan, and the Supplier will ny amendments required by the Customer and it the revised Modern Slavery Risk Management omer for its further review.

st comply with the Modern Slavery Risk an in its performance of this Contract. For the ubt, nothing in this clause derogates from the obligations arising under this Contract or tion to the provision of the Goods and/or Services.

Supplier becomes aware of Modern Slavery operations and supply chains used in its he Contract, the Supplier must as soon as icable:

Option 1 – Short form			Option 2 - Standard			
		(a)	take all reasonable action to address or remove these practices, including where relevant by addressing any practices of other entities in its supply chains; and	(a)	promptly not practices and the Custome	
		(b)	take all reasonable steps to remediate any adverse impacts caused or contributed to by the Supplier from these practices in accordance with the Guiding Principles on Business and	(b)	take all reaso practices, inc practices of c	
			Human Rights.	(c)	take all rease caused or co in accordanc Human Righ	
				(d)	consult with clauses X.8(	
				(e)	provide upda or remove th impacts on a the Custome	
Not used	X.7		nout limiting clause X.6, in performing the Contract, the plier must:		hout limiting cla	
		(a)	not require Personnel to pay fees, charges, expenses or financial obligations incurred in order for the Personnel to secure their employment or placement (Recruitment Fees), regardless of the manner, timing or location of the imposition or collection of these Recruitment Fees;	(a)	not require P financial obli secure their regardless of or collection	
		(b)	not destroy or exclusively possess, whether permanently or otherwise, the travel or identity documents of Personnel; and	(b)	not destroy o otherwise, th	
		(C)	ensure Personnel can access a Grievance Mechanism to safely report any instances of Modern Slavery in the operations and supply chains used by the Supplier in its performance of this Contract.	(c)	ensure Perso safely report operations a performance	
Drafting Notes	Draft	Drafting Notes		Drafting Notes		
<ul> <li>having a low risk of Modern Slavery practices occurring in the performance of the contract.</li> <li>Users should consider the interaction of this clause with any provisions dealing with subcontractors – to ensure the Supplier imposes similar obligations on its subcontractors. Users should also consider this clause in the context of other provisions dealing with performance management and termination.</li> </ul>			e would be appropriate for contracts which are assessed as noderate risk of Modern Slavery practices occurring in the nce of the contract.	While use of this clause clause of this type in com of Modern Slavery involv Services. The clause includes oblig Personnel have suitable Modern Slavery Risk Ma with a right to review and Risk Management Plans		
			e includes obligations for the Supplier to ensure relevant I have suitable training about Modern Slavery and prepare a lavery Risk Management Plan. Where a contract already requirement for a risk management plan, an option would be rate the management of modern slavery risks in that plan –			
Standardisation of contractual text results in efficiencies for both parties to a contract. Before deciding whether a particular clause is appropriate,	There	e are	ust the relevant clauses accordingly. also obligations for the Supplier to manage specific risks of lavery as well as remediate any adverse impacts of modern	appropria	agement Plans tely managed. ent for a risk ma	

### Option 3 – Long form

otify the Customer of the Modern Slavery and provide any relevant information requested by ner;

sonable action to address or remove these ncluding where relevant by addressing any f other entities in its supply chains; and

asonable steps to remediate any adverse impacts contributed to by the Supplier from these practices nce with the Guiding Principles on Business and ghts;

h the Customer about its actions and steps under 8(b) and X.8(c); and

dates to the Customer of its progress to address these practices and remediate the adverse a regular basis and as otherwise requested by ner.

clause X.8, in performing the Contract, the

e Personnel to pay fees, charges, expenses or bligations incurred in order for the Personnel to ir employment or placement (Recruitment Fees), of the manner, timing or location of the imposition on of these Recruitment Fees;

or exclusively possess, whether permanently or the travel or identity documents of Personnel; and

rsonnel can access a Grievance Mechanism to ort any instances of Modern Slavery in the and supply chains used by the Supplier in its ce of this Contract.

se is optional, it may be sensible to include a contracts which are assessed as having a high risk colved in the provision of the Goods and/or

bligations for the Supplier to ensure relevant le training about Modern Slavery and prepare a Management Plan. It also provides the Customer and suggest amendments to the Modern Slavery n so that the Customer can ensure such risks are d. Where a contract already includes a management plan, an option would be to

Option 1 – Short form	Option 2 - Standard	
procurement officials should carefully consider the context of their procurement.	slavery practices identified in the Supplier's supply chain and operations.	incorporate the manage to adjust the relevant cl
Capitalised terms (unless otherwise defined) are based on the definitions in the CCS Glossary. Defined terms should be reviewed to ensure they align with the Contract terminology more generally – in particular, ensuring that terms are not duplicated and that the intended meaning and scope if consistent. Users may include any defined terms in the contract's general definitions clause.	Users should consider the interaction of this clause with any provisions dealing with subcontractors – to ensure the Supplier imposes similar obligations on its subcontractors. Users should also consider this clause in the context of other provisions dealing with performance management and termination. Standardisation of contractual text results in efficiencies for both parties to a contract. Before deciding whether a particular clause is appropriate, procurement officials should carefully consider the context of their procurement. Capitalised terms (unless otherwise defined) are based on the definitions in the CCS Glossary. Defined terms should be reviewed to ensure they align with the Contract terminology more generally – in particular, ensuring that terms are not duplicated and that the intended meaning and scope is consistent. Users may include any defined terms in the contract's general definitions clause.	There are also obligation Modern Slavery as well practices identified in the remediate any adverse the Supplier must const about its actions to add remediate the adverse Users should consider dealing with subcontract obligations on its subco in the context of other p and termination. Standardisation of cont to a contract. Before de procurement officials sh procurement. Capitalised terms (unle definitions in the CCS C ensure they align with t that terms are not dupli is consistent. Users ma general definitions clau

# Option 3 – Long form

gement of modern slavery risks in that plan – and clauses accordingly.

tions for the Supplier to manage specific risks of ell as notify the Customer about Modern Slavery the Supplier's supply chain and operations and to se impacts. Where Modern Slavery practices arise, nsult with and provide updates to the Customer ddress and remove these practices and its steps to e impacts.

er the interaction of this clause with any provisions actors – to ensure the Supplier imposes similar contractors. Users should also consider this clause r provisions dealing with performance management

ntractual text results in efficiencies for both parties deciding whether a particular clause is appropriate, should carefully consider the context of their

less otherwise defined) are based on the 6 Glossary. Defined terms should be reviewed to 6 the Contract terminology – in particular, ensuring 6 blicated and that the intended meaning and scope 6 hay include any defined terms in the contract's 6 ause.