



MODERN SLAVERY STATEMENT

1 JULY 2022 - 30 JUNE 2023





TAFE NSW acknowledges Aboriginal and Torres Strait Islander Peoples as the Traditional Custodians of the Land, Rivers and Sea. We acknowledge and pay our respects to the Elders; past, present and emerging of all Nations.

Hyams Beach, Wandj Wandian Country,
South Coast, NSW: traditional lands of the Jerrinja people.

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INTRODUCTION

The New South Wales Technical and Further Education Commission (TAFE NSW) has developed this Modern Slavery Statement (Statement) in line with the Modern Slavery Act 2018 (NSW), Modern Slavery Act 2018 (Commonwealth), and the Office of the NSW Anti-Slavery Commissioner's inaugural Working together for real freedom - NSW Anti-slavery Commissioner's Strategic Plan 2023–2026.

TAFE NSW does not own or control any other entities therefore the requirement to consult with other entities under our ownership or control does not apply.

The Statement outlines the action TAFE NSW has taken to identify and address modern slavery risks in the organisation's operations and supply chain during the reporting period 1 July 2022 to 30 June 2023, and the future steps proposed to strengthen our approach.

ABOUT TAFE NSW

TAFE NSW is Australia's largest provider of Vocational Education and Training (VET) and was established as a statutory agency by the Technical and Further Education Commission Act 1990 (NSW). With over 400,000 annual student enrolments, over 10,000 employees, and operating across 155 locations, we aim to provide high-quality VET to build prosperity, sustainability, and innovation throughout NSW. We are passionate about developing our learners' skills and supporting them to achieve a successful future, which in turn will contribute to a strong and viable economy.

The supply chain at TAFE NSW is varied, diverse and complex, delivering hundreds of courses across the state. TAFE NSW spends over \$550 million each year with more than 3,500 suppliers, located within Australia and overseas. It is important that TAFE NSW supports its teachers and learners by supplying ethical, sustainable and value for money goods and services.



MESSAGE FROM THE MANAGING DIRECTOR

At TAFE NSW we are aware modern slavery is a serious human rights issue that affects millions of people around the world. We maintain a strong commitment to upholding human rights and promoting ethical business practices in all aspects of our operations, including our buying and contract management. We recognise the devastating impact of modern slavery on individuals, communities, and society, and are working towards preventing any form of slavery, forced labour, human trafficking, or exploitation in our supply chain.

Over the past 12 months TAFE NSW has taken significant steps to address modern slavery. This includes:

- **Updating the procurement framework:** We have updated our procurement policies, procedures and processes to consider modern slavery across the planning, sourcing and management phases.
- **Standard conditions:** TAFE NSW contracts have been amended to include appropriate conditions that hold suppliers contractually accountable for addressing modern slavery.
- **Supply chain analysis:** We have identified categories of spend that are deemed high-risk for modern slavery, and are partnering with suppliers to assess the risk and apply additional due diligence and appropriate controls.
- **Training and awareness:** We have increased our organisational awareness of modern slavery and engaged subject matter experts to deliver a range of training and information sessions to our employees.
- **Collaboration:** We are leveraging our unique relationships with NSW Government and industry experts to collaborate, share resources and work together to address modern slavery.

While TAFE NSW has worked hard to implement some very practical and appropriate initiatives that help to identify and address modern slavery risks, there are still many challenges we need to address over the coming year. This includes advancing initiatives to ensure we establish and maintain a supply chain that is ethical and sustainable.

I look forward to sharing our progress with you in 2024.



Stephen Brady
Managing Director, TAFE NSW

OUR OPERATIONS

TAFE NSW spends over \$550 million per year across the following three portfolios:

- Corporate Goods and Services
- Information, Communication, Technology; and
- Property and Infrastructure Services.

At TAFE NSW, the procurement function is centralised under a team of accredited and skilled professionals who handle engagements exceeding \$250,000. For engagements below this threshold, business stakeholders have responsibility, backed by the support of the Procurement team's resources, processes, and technology. The TAFE NSW Procurement Framework is comprehensive and consists of the following key documents to drive behaviour and decision making:

- TAFE NSW Procurement Policy
- Procurement Planning Procedure
- Procurement Sourcing Procedure
- Contract Management Procedure
- Simple Procurement less than \$250,000 procedure
- TAFE NSW Code of Conduct
- TAFE NSW Delegation Manual

TAFE NSW has achieved the highest level of competency accreditation for Goods and Services and Construction Procurement from the NSW Procurement Board. This formal recognition confirms that TAFE NSW possesses the required capability and capacity to deliver value for money, efficiency, and effectiveness in government procurement, ensuring excellent service delivery. The procurement function at TAFE NSW complies with the [NSW Government Procurement Policy Framework](#) and is committed to meeting the goals and objectives that underpin the Framework.

OUR SUPPLIERS

Due to the range of courses we deliver, our significant geographic footprint, and high spend across our three procurement categories, we engage a total of 3,900 suppliers spread across 33 countries.

Of the suppliers that TAFE NSW engaged in the past 12 months:

- 96.7% are based in Australia
 - Australia is considered a low-risk location
- 3.3% are based in countries outside of Australia
 - 0.9% are high-risk locations
 - 0.6% are moderate-risk locations
 - 1.8% are low-risk locations

Most goods and services purchased on behalf of TAFE NSW originate from low-risk geographical locations such as Australia, the United States of America and Great Britain. A small portion of suppliers are based in overseas countries such as China, Vietnam, Brazil and India. These international suppliers are primarily involved in assisting TAFE NSW with the recruitment of international students who come to Australia to learn at TAFE NSW. TAFE NSW's expenditure with international suppliers is less than \$160,000 annually.

"TAFE NSW has a complex supply chain, buying diverse goods and services to support teachers to deliver courses and training. It's critical that we take accountability and assess modern slavery risk in our procurement activities."

Director, TAFE NSW Procurement

TAFE NSW SUPPLY CHAIN

TAFE NSW has thoroughly examined the goods and services purchased within each portfolio and pinpointed specific categories that pose a high risk of modern slavery practices. To effectively mitigate these risks, we concentrate our efforts on these areas by raising awareness, fostering collaboration, and implementing rigorous due diligence measures.

Approximately half of TAFE NSW suppliers fall under 10 distinct commodities, with building and facility maintenance, educational equipment and management and administrative services being the most significant, accounting for 30 per cent of all suppliers.

The map below highlights where TAFE NSW suppliers are based.

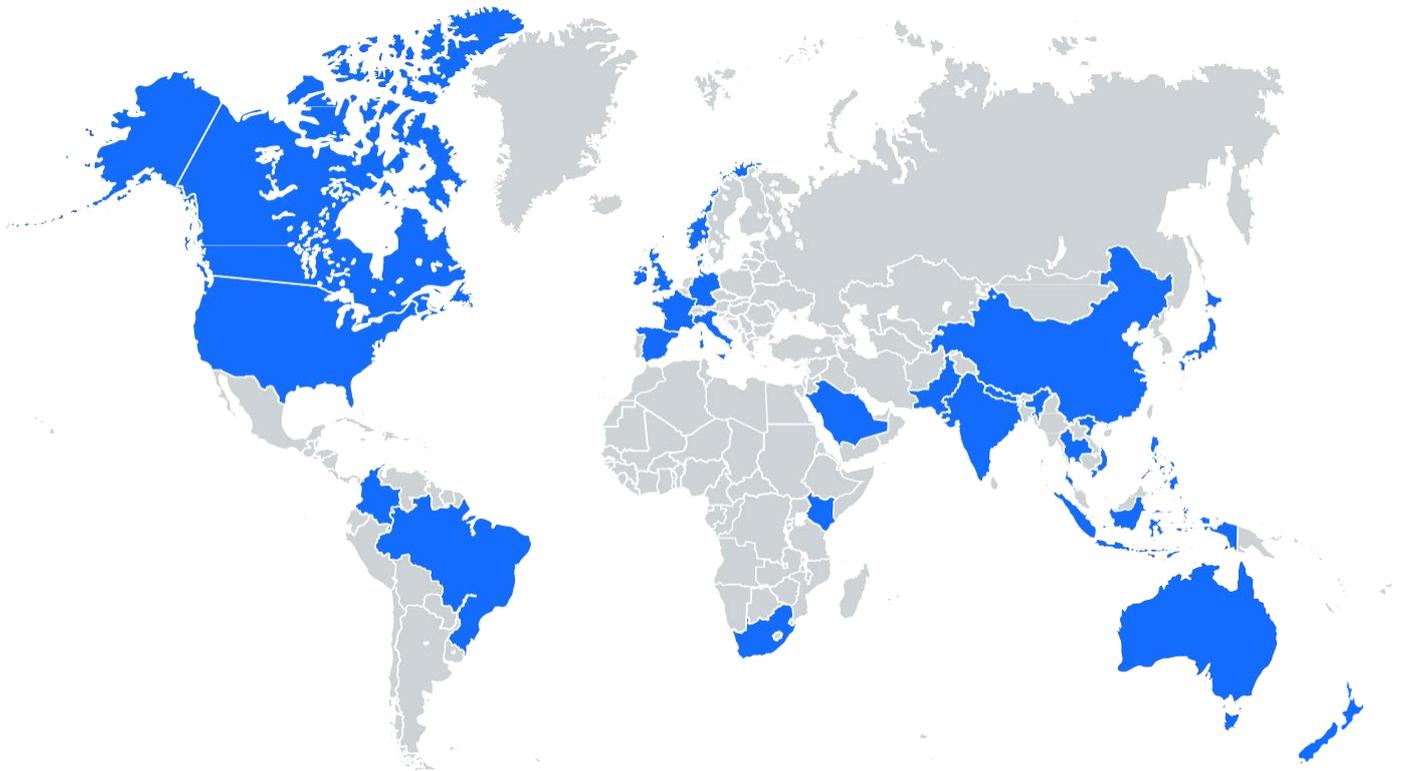


Figure 1 - Geographical locations of TAFE NSW suppliers

TAFE NSW SUPPLY CHAIN

TAFE NSW has established partnerships with suppliers for frequently purchased goods and services. Additionally, ad hoc engagements occur with suppliers for low value and low risk needs.

This chart provides an overview of the annual spend per category.

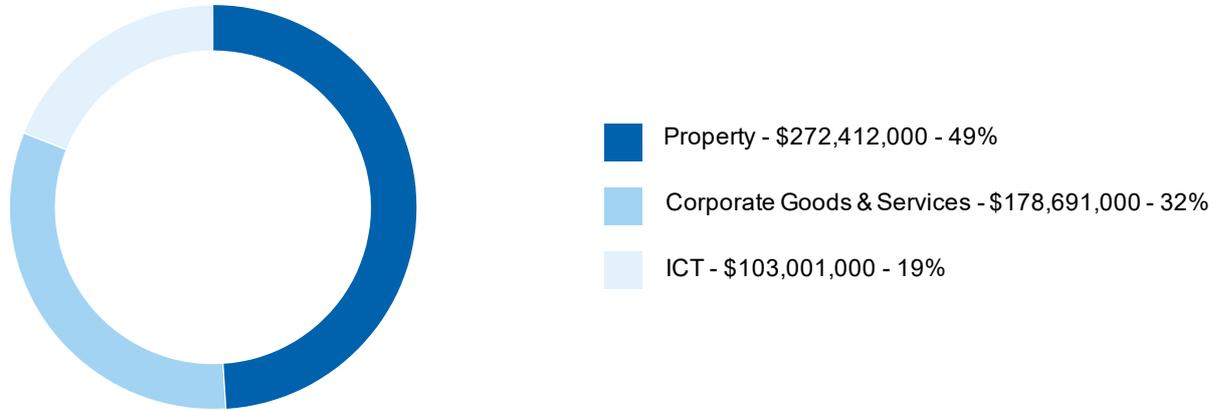


Figure 2 - 2022/2023 spend with suppliers per category

TAFE NSW is working towards consolidating its supply base and implementing modern slavery due diligence as part of contract management activities.

Commodity	No. Suppliers
Building and Facility Construction and Maintenance Services	506
Musical Instruments and Games and Toys and Arts and Crafts and Educational Equipment and Materials and Accessories and Supplies	393
Management and Business Professionals and Administrative Services	259
Education and Training Services	143
Engineering and Research and Technology Based Services	114
Transportation and Storage and Mail Services	110
Service Industry Machinery and Equipment and Supplies	99
Tools and General Machinery	79
Food Beverage and Tobacco Products	71
Editorial and Design and Graphic and Fine Art Services	69

TAFE NSW SUPPLY CHAIN

The below table categorises the types of goods and services we purchase in each of the portfolios, and details areas that typically have a higher probability of modern slavery occurring.

Portfolio	Categories	High modern slavery impact areas
Corporate Goods & Services	<ul style="list-style-type: none"> • Course delivery resources • Travel • Fleet services • Marketing • Recruitment 	<ul style="list-style-type: none"> • Office consumables and promotional merchandise • Garments • Call centre services and business process outsourcing • Hospitality and catering services and consumables • Recruitment and contractor services
Information & Communication Technology	<ul style="list-style-type: none"> • Technology and data • Telecommunications 	<ul style="list-style-type: none"> • Software and cloud services • Desktop and Audio Visual Hardware (computers, projectors, smart screens, phones) • IT Professional services • WAN, LAN and Mobile hardware
Property & Construction	<ul style="list-style-type: none"> • Construction • Facilities maintenance 	<ul style="list-style-type: none"> • Construction services and supplies • Landscaping and maintenance requirements, utilities, contractors • Cleaning and Waste management services • Furniture

Figure 3 - TAFE NSW Categories with a high risk of modern slavery

MODERN SLAVERY FACTORS

Having carefully considered the various factors contributing to modern slavery, TAFE NSW has identified those more likely to be prevalent within our supply chain. We have prioritised our focus on these areas of concern by evaluating the perceived risk and considering our vulnerability.

To combat modern slavery effectively, we are enhancing awareness, fostering collaboration, and implementing robust due diligence practices. By taking these measures, we are committed to building a modern slavery-free supply chain that upholds ethical standards and safeguards human rights.

- Recruitment:** Recruitment practices carry inherent risks of modern slavery, including exploitative actions such as recruiters charging high fees, withholding workers' passports, and using false promises to trap vulnerable workers. A vulnerability exists where TAFE NSW works with international agents that oversee engagement with international students.

TAFE NSW is ensuring that internal stakeholders are aware of the potential risks and address these with the agents.
- Migrant Workers:** Migrant workers brought into a country without proper documentation, limited language skills, and isolated from their families and communities are at greater risk of being exploited. A vulnerability exists in high-risk categories such as cleaning and security, where employees may be on minimum wages.

TAFE NSW is conducting third-party due diligence reporting to better understand and address the risks for applicable contracts.
- Subcontracting:** Subcontracting within the supply chain can introduce risks, with delayed payment to workers leading to financial strain. TAFE NSW seeks to minimise subcontracting across major facility maintenance contracts.

TAFE NSW complies with the *Building and Construction Industry Security of Payment Act 1999 (NSW)* to ensure prompt cash flow to subcontractors.
- Lack of transparency:** Immature, weak or non-existent company processes can contribute to obscuring supply chain transparency, making it challenging to identify and address modern slavery risks. However at TAFE NSW, modern

slavery is assessed during the planning, sourcing and managing phases of all significant procurements valued at more than \$250,000.

- Minimal Action:** A lack of education, awareness and capability can negatively impact on an organisation and individual's ability to be accountable and effectively address modern slavery. TAFE NSW is committed to increasing awareness of modern slavery through various initiatives, including collaboration with suppliers, as well as education and training for TAFE NSW staff.
- Discrimination:** Discrimination based on race, gender, or other factors can create conditions that make individuals more vulnerable to exploitation. [TAFE NSW Code of Conduct](#) provides a framework for all employees to use when facing legal and/or ethical questions around what is and isn't discrimination in the workplace.

IMPACTS OF COVID-19

The COVID-19 pandemic had significant ramifications on modern slavery, directly and indirectly affecting TAFE NSW.

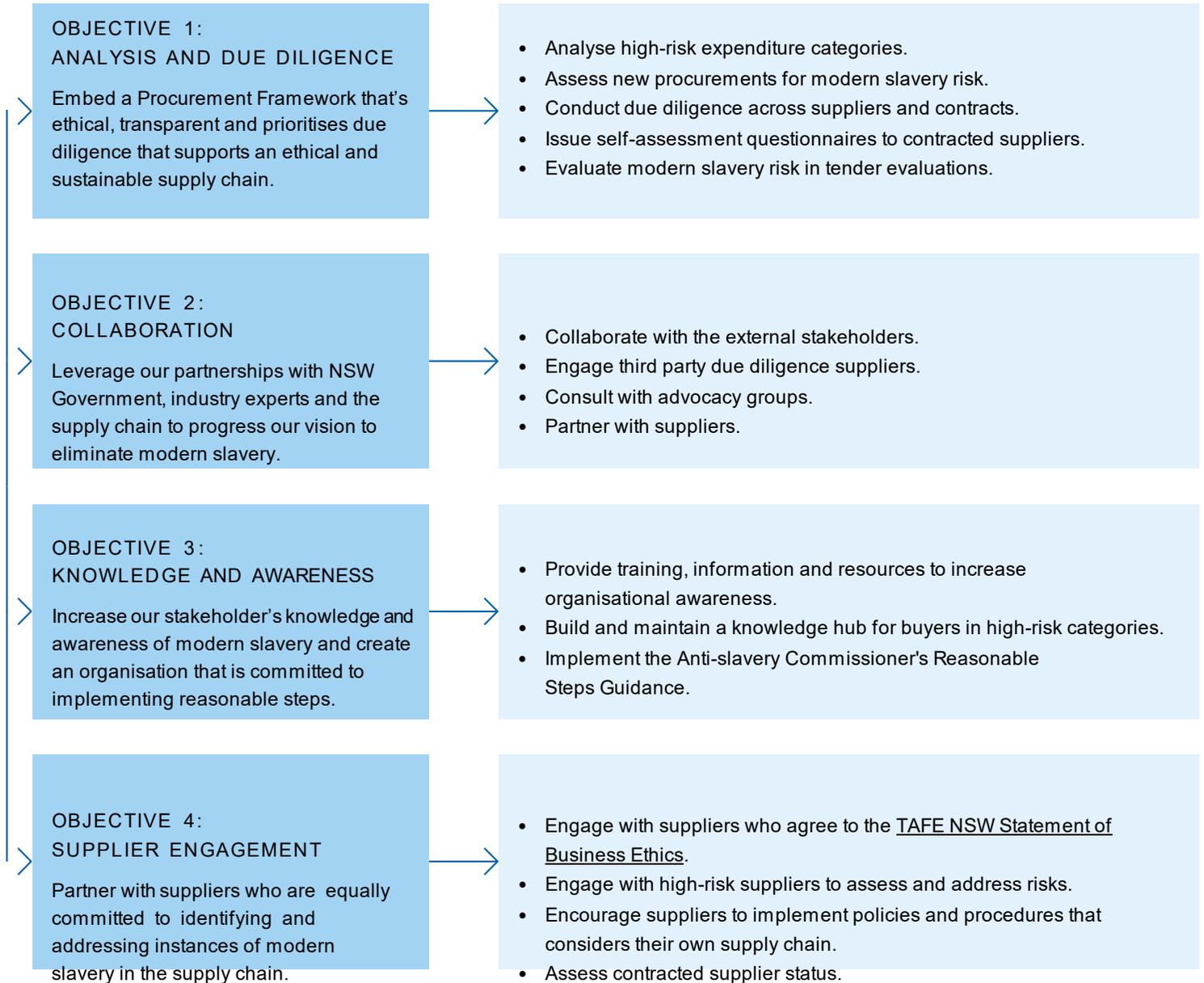
The widespread economic disruption resulted in job losses, business closures, and reduced incomes for many households. Consequently, TAFE NSW faced challenges across categories, as suppliers tried to deal with materials and labour shortages by looking to alternate manufacturing and distribution processes to meet demand and manage financial pressures.

Fortunately, as the impact of the pandemic recedes, the supply chain is stabilising and suppliers can effectively meet supply and demand through standard business operating procedures.

However, TAFE NSW is aware of the modern slavery risk that emerged during the COVID-19 pandemic within its procurement supply chain and operations, and is considering this as part of the approach to eliminating modern slavery.

PLAN ON A PAGE

MODERN SLAVERY VISION:
 We will proactively identify and eliminate modern slavery in our procurement operations and supply chains.



INITIATIVES

The initiatives listed below have been established for implementation and ongoing progression throughout FY23 and FY24. These initiatives will guide TAFE NSW to achieve its vision to eliminate modern slavery.

#	Focus Area	Key Initiative	Framework area	Activities	Accountable Officer	Status
1	Analysis and Due Diligence	Analyse high-risk expenditure categories	Data analysis	Analyse high-risk expenditure categories to determine if the risk profile suggests that they are vulnerable to being affected by modern slavery.	Director of Procurement Capability & Governance	Completed
2	Analysis and Due Diligence	Assess new procurement activities for modern slavery risk	Sourcing	Assess new procurement activities for modern slavery risk and include strengthened steps for buyers across plan, source and manage stages.	Director, TAFE NSW Procurement	Ongoing
3	Analysis and Due Diligence	Conduct due diligence at a Vendor Master level	Supplier management	Conduct due diligence at a Vendor Master level by engaging with third party due diligence analytical firms to provide an independent review of risks.	Director of Procurement Capability & Governance	FY24 Q2
4	Analysis and Due Diligence	Issue self-assessment questionnaire to contract suppliers	Contract management	Self-assessment questionnaire to contracted suppliers with a core set of questions that cover a combination of risk identification factors and mitigation systems.	Director of Procurement Capability & Governance	FY24 Q1
5	Analysis and Due Diligence	Evaluate suppliers involved in new sourcing activities	Sourcing	Evaluate suppliers involved in new sourcing activities to determine if they have the governance, stakeholder engagement, risk identification and management, monitoring and remedies to control modern slavery risks.	Director, TAFE NSW Procurement	Ongoing
6	Enhance Collaboration	Collaborate with the external stakeholders	Networking	Continue to collaborate with external stakeholders (e.g. Office of the Anti-slavery Commissioner, NSW Treasury, etc.) in working groups and pilot activities.	Director of Procurement Capability & Governance	Ongoing
7	Enhance Collaboration	Engage third party diligence suppliers	Due diligence	Engage third-party diligence suppliers to assist supplier review when warranted by risk assessment.	Director, TAFE NSW Procurement	Ongoing
8	Enhance Collaboration	Consult with advocacy groups	Networking	Consult with advocacy groups as nominated by the Office of the Anti-Slavery Commissioner.	Director, TAFE NSW Procurement	Ongoing

#	Focus Area	Key Initiative	Framework area	Activities	Accountable Officer	Status
9	Enhance Collaboration	Collaborate with contract suppliers	Contract management	Identify key contracted suppliers for further collaboration by reviewing the master contract register and identifying high-risk categories.	Director of Procurement Capability & Governance	Completed
10	Build capability and awareness	Provide refresher training and raise awareness to staff	Capability	Raise awareness, provide refresher training as well as developing a TAFE NSW Moodle for ongoing training of staff.	Director of Procurement Capability & Governance	FY24 Q2 & Q4
11	Build capability and awareness	Build a knowledge hub for buyers in high-risk categories	Capability	Build a knowledge hub for buyers in high-risk categories under a dedicated MS Teams channel.	Director of Procurement Capability & Governance	FY24 Q2
12	Build capability and awareness	Implement the Anti- slavery Commissioner's Guidelines	Policy	Implement the Anti-slavery Commissioner's July 2023 Guidelines.	Director of Procurement Capability & Governance	FY24 Q1
13	Engage and partner with suppliers	Update Statement of Business Ethics	Policy	Update the TAFE NSW Statement of Business Ethics to include a revised statement aligned to the NSW Government Supplier's Code of Conduct.	Director of Procurement Capability & Governance	FY24 Q1
14	Engage and partner with suppliers	Engage suppliers to raise awareness	Contract management	Engage with suppliers providing products or services deemed high-risk to raise awareness and manage ongoing modern slavery risk.	Director of Procurement Capability & Governance	Ongoing
15	Engage and partner with suppliers	Encourage suppliers to implement policies and procedures	Contract management	Encourage suppliers to implement policies and procedures through targeted engagement and contract management.	Director, TAFE NSW Procurement	Ongoing
16	Engage and partner with suppliers	Assess contracted supplier status	Contract management	Develop a questionnaire for contracted suppliers to keep TAFE NSW informed of their progress in managing modern slavery risks through regular contract performance meetings.	Director of Procurement Capability & Governance	FY24 Q1

SUMMARY

TAFE NSW is the largest vocational education and training provider in NSW, and boasts a vast geographical reach across the state. This extensive network allows us to collaborate with numerous suppliers, both domestically and internationally.

In line with our dedication to ethical business practices, TAFE NSW upholds a strong commitment to promoting ethical conduct in all aspects of our operations, including procurement. As part of this commitment, we have taken decisive steps to implement processes and procedures aimed at identifying, addressing, and eliminating any instances of modern slavery within our supply chain and operations. By actively combating modern slavery, TAFE NSW strives to create a socially responsible and ethically sound environment in which everyone can thrive.

In the last twelve months, TAFE NSW has taken significant measures to tackle modern slavery. These steps include amending and updating the Procurement Framework, analysing current buying behaviours, patterns and spend, identifying high-risk categories and suppliers, and uplifting our organisational awareness and understanding of modern slavery and its associated risks and impacts.

We know our work is not done.

In the coming year, we remain committed to advancing our efforts by further embedding a framework and culture that supports the eradication of modern slavery. Building on our data analysis and current contract management practises, we will implement additional due diligence in categories of expenditure that are identified as high-risk. We will investigate and develop our processes and technology to make it easy to support ethical procurement practices. Risk assessments will be conducted at every stage of the procurement process, ensuring a comprehensive approach to addressing any potential for modern slavery. We will equip our employees with the necessary skills, tools and resources so they can confidently assess modern slavery risks.

We will continue our collaboration with thought leaders across the NSW Government and implement reasonable steps within new antislavery guidelines. By building capability and awareness, we will equip our buyers with the necessary knowledge to make good business decisions. Finally, we will engage directly with our high-risk suppliers, and both challenge and work with them to develop a shared approach to managing risk.

At TAFE NSW, we will proactively identify and work to eliminate modern slavery in our procurement operations and supply chains.

"I had no idea modern slavery was such a big issue in our own country. I'll be thinking of this when I buy my classroom supplies. Thanks for providing such helpful information."

TAFE NSW Buyer



TAFE NSW Procurement

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