



Latrobe Regional Health

MODERN SLAVERY STATEMENT

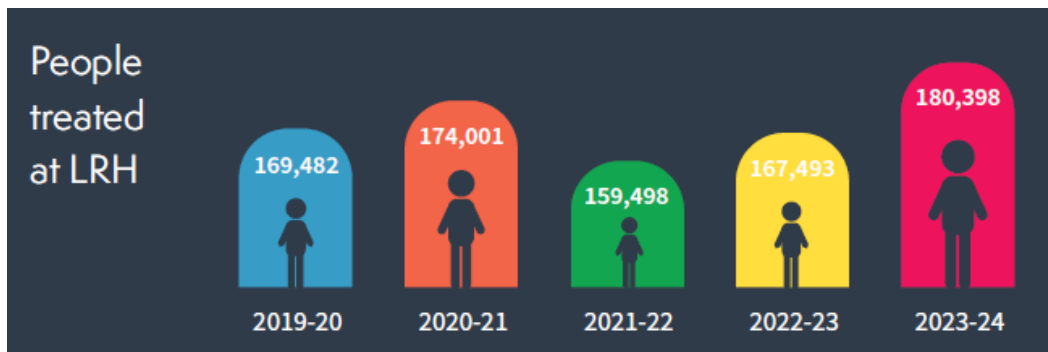
This Modern Slavery Statement is made pursuant to the Commonwealth *Modern Slavery Act 2018* (the Act) by Latrobe Regional Health and relates to the financial year 1 July 2023 to 30 June 2024.

1. Identify the reporting entity.

Latrobe Regional Health (LRH) is located 150km east of Melbourne at Traralgon West and is recognised as the regional provider of specialist health services in Gippsland.

We are a public health service established under the *Health Services Act 1988 (Vic)*. This followed the amalgamation of public hospitals in Traralgon and Moe and a nursing home in Morwell in 1991. LRH became the major provider of acute mental health services in the region in 1995, taking over from Hobson Park Hospital, Traralgon.

We provide public hospital services in accordance with the principles of the National Health Care Agreement (Medicare) and the *Health Services Act 1988 (Vic)*.

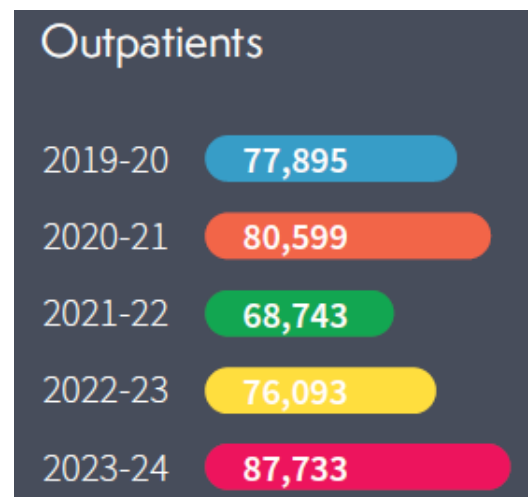


Latrobe Regional Health's Annual Reports can be found here [Annual Reports](#)

LRH cares for a population of approximately 300,000. Our catchment covers about 42,000 square kilometres from Phillip Island to Mallacoota in the far east.

We offer cardiac care, surgery, medical, renal, emergency and intensive care, aged care, women's and children's services, pharmacy, allied health and rehabilitation. Medical and radiation oncology are offered by the Gippsland Cancer Care Centre on site. Specialist outpatient services are provided by the LRH Consulting Suites. LRH also has a growing research and clinical trials program.

We offer inpatient care to people experiencing mental illness and community mental health services extend across the Latrobe Valley, Sale, Bairnsdale, Yarram, Orbost, Warragul and Wonthaggi. Our Macalister Unit has 10 acute beds for older people with complex needs relating to mental illness as well as 10 nursing home beds.



2. Describe the reporting entity's structure, operations and supply chains.

Latrobe Regional Health is located in regional Victoria at 10 Village Avenue, Traralgon West, 3844, ABN: 18 128 843 652, is a public health service established under the Health Services Act 1988 (Vic).

We provide public hospital services in accordance with the principles of the National Health Care Agreement (Medicare) and the Health Services Act 1988 (Vic).

Health Share Victoria (HSV) is a state-wide procurement organisation that partners with Victorian public health services to procure best-value goods and services. HSV works in partnership with public health services to understand their requirements, facilitate large-scale collective tenders and manage common-use contracts on behalf of the state.

Latrobe Regional Health purchases the goods and services it needs from the suppliers who are party to HSV collective agreements. As such, it is recognised that HSV has a significant role in health service supply chains.

HSV contracts cover a broad range of services, equipment and supplies across a number of categories including ventilators, beds, mattresses, patient trolleys, treatment chairs, hypodermic needles and syringes, gloves, pharmaceutical products, IV fluids, agency labour, catering supplies, laundry and linen services and non-emergency patient transport.

As part of our operations LRH purchases include (but not limited to) medical consumable products, medical equipment (including maintenance), pharmaceuticals, food and nutrition, linen services, utilities, agency labour, radiology services, vaccine and pharmaceuticals, PPE, textiles, consultancy services, facility management, IT and marketing.

3. Describe the risk of modern slavery practices in the operations and supply chains of the reporting entities that the reporting entity owns or controls.

Latrobe Regional Health understands that Modern Slavery can occur in any country, sector or industry, and at any stage of a supply chain, including parts of a supply chain located within Australia.

Exploited workers are present in a wide range of sectors, with most forced labour occurring in the lowest tiers of the supply chain in areas such as extraction of raw materials and the production of goods. Within the health care sector, this is represented by industries involved in garment production, surgical instruments and electronic health care equipment.

Worldwide, approximately 75 million people are employed in the garment industry, with workers involved in the manufacture of textiles, leather, and allied goods for the purpose of assembling garments and footwear. In the health care sector this includes goods such as patient clothing, uniforms, sheets, towels, gloves and other textiles such as footwear. Often these manufacturers operate in locations where laws protecting human rights do not exist, are weak or are not enforced, leading to exploited workers with minimal avenue for redress. Daily, health services use these goods to ensure the overall health and well-being of Australians. Australia continues to be reliant on these imports from global supply chains from the supply of these essential goods to health services.

The sourcing of raw materials used in the production of surgical instruments and electronic goods and the significant use of labour hire companies in the production of pharmaceuticals contributes to exposing the medical goods sector to high risk. A combination of risk factors including high risk geographies from which these goods are sourced, the vulnerable populations used to produce the goods and the arrangements under which these vulnerable populations are accessed, contributes to significant risk of human rights abuses. There is a high-risk that Australian businesses are exposed to modern slavery risks through their sourcing of these medical goods. This risk may be heightened for large companies and other entities with sourcing of these medical goods. This risk may be heightened for large companies and other entities with extensive, complex and/or global supply chains.

Health Share Victoria (HSV) is committed to assisting mandated health services to minimise modern slavery risk and as part of its role in this regard, it conducted a risk assessment of suppliers on HSV collective purchasing agreements to evaluate the potential of modern slavery risk in the health service supply chains.

HSV identified 384 suppliers from Supplier Spend Data for the period **FY23-24**.

The supplier risk assessment was undertaken by way of a questionnaire provided to all identified suppliers. The methodology applied is consistent with the previous period, providing an opportunity for highlighting shifts in the identification, assessment and addressing of modern slavery risk by suppliers. The questionnaire included 26 core questions, with further questions posed in cases where the initial responses provided by the supplier gave an opportunity for further specific information to be gathered from their understanding and approach to modern slavery.

The risk assessment was split into two sections:

1. Supplier details – questions regarding the supplier’s details such as organisational structure, manufacturing location/s, industry sector etc. The responses in this section attract a twenty per cent (20%) weighting to the overall risk rating of the supplier.
2. Modern slavery risks – questions which specifically focus on the supplier’s response to modern slavery risks, actions taken, etc. These questions accounted for a weighting of eighty percent (80%) of the overall risk rating of the supplier.

An additional section was included in this year’s risk assessment focusing on continuous improvement. Where a supplier provided a response which could be improved upon from a risk rating perspective, the Continuous Improvement Plan (CIP’s) section at the end of the risk assessment provided further ‘prompts’ for the supplier to consider. These were aimed at fostering ongoing enhancements by the supplier in their approach to modern slavery risk.

These prompts for improvement also provide an additional insight into the level of engagement suppliers have with modern slavery risk and were not weighted for purposes of the overall supplier risk rating.

Analysis over the comparison periods (FY22-23 & FY 23-24), indicates that the Australian healthcare sector is moving forward post-pandemic and working with suppliers globally. With the current suppliers, not only has manufacturing in global destinations increased, but also locally within Australia.

The factors of manufacturing location and industry, can be considered the ‘global’ factors to the extent that they are not capable of being readily influenced or changed by the supplier. Whilst significant in terms of the degree of modern slavery risk a supplier may be exposed to. These factors overall have a limited impact on the risk rating due to the methodology used by HSV. The methodology assumes that though global factors play a significant role in the degree of modern slavery risk that a supplier may face, other factors, inherent to the supplier and which the supplier has a higher degree of control over – are factors which are actionable and thus should be highlighted accordingly in the overall risk rating of the supplier.

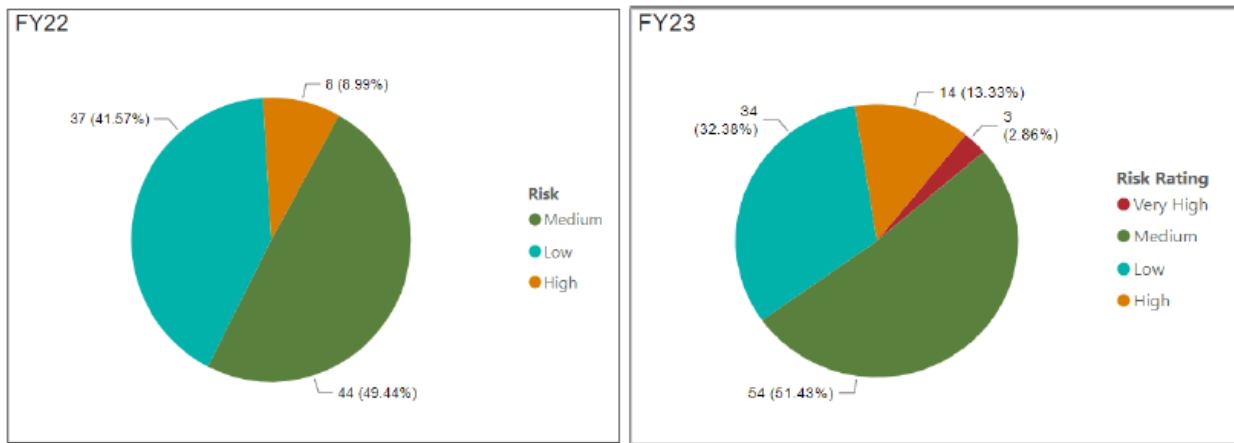
Of the total 384 suppliers identified for the risks assessment, 138 suppliers for Latrobe Regional Health were identified for the risk assessment survey for FY23-24 of which 105 responses were received equalling a response rate of 76%.

The top sectors by risk and number of suppliers remains ‘health care equipment’ and ‘health care supplies’.

A comparison of the last two financial years data shows that there is an increase in the total number of suppliers with high or very high-risk ratings. It is likely that this may be because suppliers, whilst conscious of the importance of taking actions to combat and response to modern slavery, were perhaps overstating their actions previously.

Supplier risk ratings and numbers

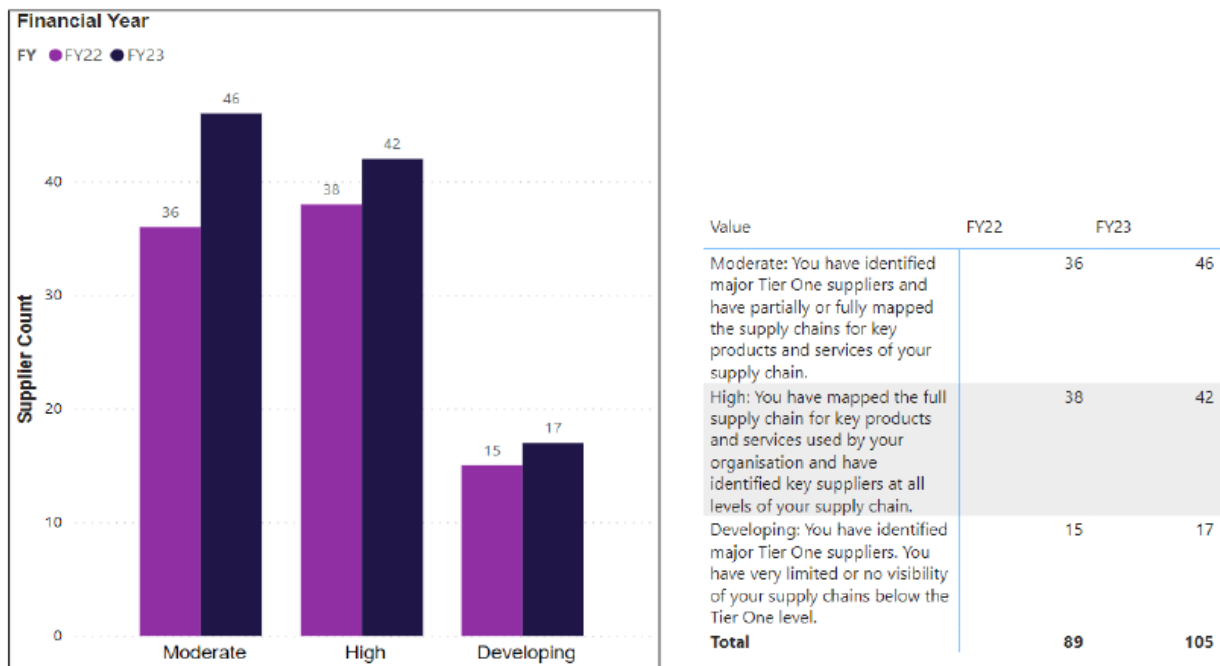
Risk Category	No. Suppliers	
	2022	2023
Very High	0	3
High	8	14
Medium	44	54
Low	34	37
Very Low	0	0



Suppliers were asked whether they had a policy in place to deal with modern slavery. Implementing a modern slavery policy is one of the many effective actions a supplier can take to raise awareness of modern slavery within its organisation.

Out of the 105 respondents, 89 suppliers have modern slavery policies in place and of those 78 communicated their policy to their own suppliers, encouraging increased awareness of modern slavery within their supply chain.

Suppliers were asked to rate their level of visibility over their supply chain. Increased visibility over one's supply chain means incidences of modern slavery risk are more likely to be uncovered in the lower tiers. Forty-two (42) state they have a high level of visibility and forty-six (46) have a moderate level.



In addition, suppliers were asked if they conduct risk assessments of the modern slavery risk of their suppliers. Seventy-one (71) suppliers responded that they do perform risk assessments of their suppliers.

Performing risk assessments provides crucial insight into what an organisation's suppliers are doing regarding their modern slavery risks and in the process identifying those suppliers who are high and very-high risk and who may need to be engaged with to a higher degree.

Of the 105 respondents, 67 suppliers indicated that they conduct audits of their suppliers that includes modern slavery and 64 suppliers advised they have remedy/action plans to respond to allegations of modern slavery.

Remedial action plans enable an organisation and its staff and suppliers and most importantly any affected individual, to understand how an allegation of modern slavery within the supplier organisation or is supply chain will be dealt with and remediated.

4. Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address those risks including, due diligence and remediation processes.

In our last statement Latrobe Regional Health advised that it would endeavour to undertake a risk assessment of our direct contracts using the risk assessment tool provided by HealthShare Victoria (HSV).

The risk assessment tool was sent out to 58 suppliers with direct contracts for goods or services with Latrobe Regional Health achieving a 50% completion rate. Of the 58 suppliers, 12 also had contracts with HealthShare Victoria and had therefore previously completed the assessment tool through HSV, resulting in some opting not to respond to our request.

As a result of some issues with the completion of the risk assessment tool (i.e. failure to follow the macro enabling instructions and or answer all questions) we were unable to get accurate overall risk ratings for the suppliers that responded. For the next reporting period HSV will be undertaking the LRH supplier risk assessments, so this should not happen in future.

Modern Slavery clauses were included in 100% of tenders created during this reporting period and are being included in a new suite of contracts. It is also planned to have modern slavery clauses included in contracts prepared by outside parties (suppliers/contractors).

A draft Modern Slavery Policy has also been developed to ensure compliance with the Modern Slavery Act 2018 and to confirm Latrobe Regional Health's commitment to preventing, detecting and responding with mitigation controls to the risk of modern slavery occurring within our supply chain or in any other business relationship.

To increase the awareness and understanding of Modern Slavery across the organisation our aim was to have 85% of nominated staff complete the HealthShare Victoria Modern Slavery training modules during this reporting period. Due to staff changes and the expansion of identified staff we achieved a 72% completion rate up from 41% during the previous reporting period.

We now aim to achieve an 85% compliance rate of the Modern Slavery training modules by the end of the next reporting period and sustain or improve on this going forward.

In addition, we hope to increase the awareness of Modern Slavery within the community through posters in our Emergency Department and waiting rooms that will provide examples of Modern Slavery and who to contact for help or further information.

Subsequently, similar posters will be put in staff rooms and educational awareness sessions provided for frontline staff.

Relevant staff from Latrobe Regional Health continue to attend the Community of Learning sessions held by HealthShare Victoria throughout the year. Subject matter covered in these sessions includes demonstrating progress, HSV supplier risk assessments, modern slavery statement trends, and preparing and writing your modern slavery statement.

As part of HealthShare Victoria's modern slavery risk mitigation program, HSV in partnership with Health Services conducted modern slavery risk introductory sessions for all interested suppliers of which several of LRH suppliers attended. The aim of the sessions was to introduce suppliers to modern slavery, why it's important in the health care sector and ways in which suppliers can mitigate modern slavery risk in their operations and supply chains.

HSV are undertaking modern slavery policy reviews of suppliers identified as having a high to very-high risk ratings. Additionally, HSV has prepared supplier Mandatory Minimum Standard and is currently working through the process of implementation.

Latrobe Regional Health intends to continue working collaboratively with HSV to identify mitigation efforts to combat modern slavery risks, and foster collaboration between Latrobe Regional Health and suppliers to seek to address these risks.

5. Describe how the reporting entity assess the effectiveness of such actions.

Latrobe Regional Health (LRH) is continuing to expand its awareness and understanding of modern slavery across the organisation.

During the next reporting period the new suite of contracts with modern slavery clauses should be finalised as well as having modern slavery clauses included in contracts prepared by outside parties (suppliers/contractors).

With HSV conducting the risk assessments of LRH contracted suppliers/contractors during the next reporting will provide additional visibility over our supply chain and enable further actions to be targeted in accordance with the risk rating and profile of suppliers. Suppliers with a high or very high risk rating could be provided with correspondence advising them of their rating and actions that they can take to reduce their risk. It is anticipated that as suppliers understand their risks, actions they take will reduce their risk and this will result in improved risk rating in future.

Through our online education portal, we will be able to monitor the compliance rate of the Modern Slavery training modules throughout the year in order to achieve 85% or higher.

In addition, we would be able to track participation of frontline staff at Modern Slavery educational awareness sessions through attendance records.

6. Describe the process of consultation with any entities that the reporting entity owns or controls.

Latrobe Regional Health does not own or control any other entities.

Closing Statement

Latrobe Regional Health is satisfied with the steps taken this year to improve the understanding of Modern Slavery across our organisation and supply chain. We recognise there is more to do and Latrobe Regional Health is committed to continually improving our approach, partnering with our stakeholders and working to eradicate modern slavery.

MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of

Latrobe Regional Health's Board

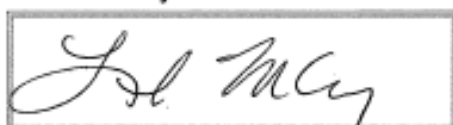
as defined by the *Modern Slavery Act 2018* (Cth)¹ ("the Act") on 18-Dec-2024

Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of

Linda McCoy, Board Chair

as defined by the Act²:



Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	1
b) Describe the reporting entity's structure, operations and supply chains.	2
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	2-4
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	5
e) Describe how the reporting entity assesses the effectiveness of these actions.	6
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).*	Do not own
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.**	6

* If your entity does not own or control any other entities and you are not submitting a joint statement, please include the statement 'Do not own or control any other entities' instead of a page number.

** You are not required to include information for this criterion if you consider your responses to the other six criteria are sufficient.

- Section 4 of the Act defines a principal governing body as: (a) the body, or group of members of the entity, with primary responsibility for the governance of the entity; or (b) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed body within the entity, or a prescribed member or members of the entity.
- Section 4 of the Act defines a responsible member as: (a) an individual member of the entity's principal governing body who is authorised to sign modern slavery statements for the purposes of this Act; or (b) if the entity is a trust administered by a sole trustee—that trustee; or (c) if the entity is a corporation sole—the individual constituting the corporation; or (d) if the entity is under administration within the meaning of the *Corporations Act 2001*—the administrator; or (e) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed member of the entity.