

West Gippsland Healthcare Group Modern Slavery Statement

Introduction

This Modern Slavery Statement is made pursuant to the Commonwealth Modern Slavery Act 2018 (the Act) by West Gippsland Healthcare Group and relates to the financial year 1 July 2019 to 30 June 2020. Due to the impact of the COVID-19 pandemic, an extension have been granted to 31 March 2021.

The Reporting Entity

West Gippsland Healthcare Group ABN 39 261 883 406

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

WGHG is a public hospital established under section 181 of the Health Services Act 1988 (Vic). The incorporation came into effect in May 1997 when services across the community came together under the one umbrella name, West Gippsland Healthcare Group. These include the Hospital, Community Health Services at Warragul and Rawson, Andrews House Residential Aged Care, Coinda Lodge Residential Aged Care, and the Warragul Linen Service.

Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls

West Gippsland Healthcare Group has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to conduct a detailed risk assessment of our operations and supply chains. West Gippsland Healthcare Group recognises the importance of this activity and will endeavour to conduct a risk assessment in the FY2020-21 reporting period. In the interim, West Gippsland Healthcare Group has engaged with HealthShare Victoria to understand the general modern slavery risks within our supply chains.

West Gippsland Healthcare Group recognises that the extensive nature of our global supply chains may expose us to modern slavery risks. Given HealthShare Victoria's significant role in West Gippsland Healthcare Group's supply chains, HealthShare Victoria has helped identify the general risks of modern slavery that may be present. HealthShare Victoria has scoped the general modern slavery risks in health service supply chains by drawing on academic research and international and domestic reports and analysis. West Gippsland Healthcare Group may be exposed to a number of modern slavery risks due to the diversity of products and services sourced by HealthShare Victoria and the associated geographic locations, industries and regulatory systems further down those supply chains.

Some of the general risk areas present in West Gippsland Healthcare Group's supply chain include:

- Labour practices in offshore manufacturing facilities, some of which are located in South-East Asia;
- Labour practices in the sourcing of raw materials, including cotton and rubber; and
- Industry risks associated with textiles, electronics and cleaning services.

In addition to general risks, HealthShare Victoria has identified the following high risk areas specific to the healthcare sector:

- Surgical and examination gloves;

- Surgical instruments; and
- Linens and gowns.

Given the level of complexity in such extensive supply chains, HealthShare Victoria will continue to refine its risk assessment methodology to further improve the visibility of high-risk areas within health supply chains in Victoria.

HealthShare Victoria also recognises that COVID-19 may have increased modern slavery risks in some supply chains.

These risks include:

- Increased global demand due to supply chain shortages, particularly in the category of personal protective equipment;
- Shorter production windows;
- Increased unemployment and a fear of loss of income;
- Factory closures; and
- Inability of vulnerable migrant workers to return to home countries.

HealthShare Victoria will continue to assess and address additional risks within healthcare supply chains caused by the COVID-19 pandemic.

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

West Gippsland Healthcare Group has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to undertake actions to assess and address modern slavery risks in our operations and supply chains. West Gippsland Healthcare Group recognises the importance of this activity and will endeavour to undertake these actions in the FY2020-21 reporting period. In the interim, West Gippsland Healthcare Group has engaged with HealthShare Victoria to understand the actions that HealthShare Victoria has undertaken to assess and address the modern slavery risks in West Gippsland Healthcare Group's supply chains.

In recognition of the significant role that HealthShare Victoria has in health service supply chains and the substantial resourcing constraints placed on West Gippsland Healthcare Group as a result of the COVID-19 pandemic, HealthShare Victoria undertook numerous activities between 1 July 2019 and 30 June 2020 to address modern slavery risks in West Gippsland Healthcare Group's supply chains. HealthShare Victoria has established a modern slavery program of work and appointed a Supply Chain Risk Manager to implement the program and support Victorian health services to address modern slavery risks in their operations and supply chains. The program encompasses health service education and support, supplier engagement, due diligence and remediation, amongst other activities.

HealthShare Victoria upholds the Australian Government's position on modern slavery. HealthShare Victoria has updated its Procurement Policy to include a statement on combatting modern slavery in health supply chains and capturing allegations of modern slavery practice(s) in its remit of complaints management, enabling the development of remediation processes. The Procurement Policy is an important internal document that outlines HealthShare Victoria's position on procurement governance and activities, including its response to Government policy.

The amendment to the Procurement Policy consolidates HealthShare Victoria's position on modern slavery, which will in turn inform other internal governance amendments and educational resources for the health sector. The modern slavery section of HealthShare Victoria's website contains information and resources to assist reporting entities required to submit a Modern Slavery Statement

As part of its due diligence, HealthShare Victoria has included a modern slavery clause in some Invitation to Supply (ITS) documentation to ensure prospective suppliers acknowledge their responsibility to health services that are reporting entities pursuant to the Act. In addition to its inclusion in the ITS, this clause has been incorporated into select executed contracts.

As well as specific modern slavery provisions, suppliers wishing to conduct business with HealthShare Victoria, public hospitals or any other branch of the Victorian Government must aspire and commit to meet the Supplier Code of Conduct. Under the Supplier Code of Conduct, suppliers are expected to proactively identify, address and – where required by legislation – report on risks of modern slavery practices in their business operations and supply chains.

To further enhance its approach to due diligence, HealthShare Victoria is developing a Supply Chain Management dashboard. The dashboard will synthesise and analyse HealthShare Victoria supply chain data, providing additional capability to detect and prevent modern slavery risk in health supply chains. This platform will enable HealthShare Victoria to:

- Conduct in-depth supply chain mapping (tier one+);
- Develop detailed modern slavery risk analysis and dashboard reporting;
- Screen prospective suppliers for modern slavery risk as part of ITS due diligence activities;
- Assess incumbent suppliers on modern slavery risk through tailored supplier questionnaires; and
- Manage remediation actions arising from due diligence or supplier questionnaires.

In addition to these activities, HealthShare Victoria has facilitated training workshops for HealthShare Victoria staff and key health service stakeholders on modern slavery practices and the requirements of the Act.

The significant impact that COVID-19 has had on health procurement and supply chains has meant that HealthShare Victoria has had to postpone planned supplier engagement activities, however these remain an important part of the modern slavery program of work. While the priority for the first reporting period was to implement actions to address identified high-risk areas, HealthShare Victoria will continue to investigate what actions it can take in response to the modern slavery risks caused by the COVID-19 pandemic.

Case Study

HealthShare Victoria was made aware of allegations of forced labour in the manufacturing of a clinical product currently sourced under HealthShare Victoria's collective agreements. HealthShare Victoria did not have a direct relationship with the manufacturer and it engaged all tier-one suppliers within the category to determine if the manufacturer was involved in their supply chains and, if so, what corrective actions were implemented to address any modern slavery risks.

Suppliers were asked to provide evidence of their commitment to the Supplier Code of Conduct, which requires suppliers to proactively identify modern slavery risks. HealthShare Victoria received detailed survey responses from all suppliers, including details of social responsibility audit non-conformities

and remediation actions. This information was used to assess all tier-one suppliers and will inform future engagement activities.

Describe how the reporting entity assesses the effectiveness of these actions

West Gippsland Healthcare Group has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to implement mechanisms to assess the effectiveness of actions taken to address our modern slavery risks. West Gippsland Healthcare Group recognises the importance of this activity and will endeavour to introduce assessment mechanisms in the FY2020-21 reporting period. In the interim, West Gippsland Healthcare Group has engaged with HealthShare Victoria to understand the effectiveness of the assessments they have conducted.

HealthShare Victoria has introduced several mechanisms for monitoring the effectiveness of the actions it has taken to date. Representatives from mandated health services who attend training sessions on the requirements of the Act periodically complete surveys to self-assess their progress against several criteria. The results are used to measure the success of engagement programs, inform future workshop content and identify potential gaps in training.

In addition to this, HealthShare Victoria's senior leadership has taken ownership of the modern slavery program and progress is regularly discussed at senior committees. Feedback from committee members is used to inform decision making and future activities within the program.

The impact of the COVID-19 pandemic has delayed the implementation of further monitoring activities, however HealthShare Victoria aims to define modern slavery key performance indicators within the FY2020-21 reporting period.

Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)

West Gippsland Healthcare Group does not own or control any other entities.

Provide any other relevant information.

In order to support the implementation of the Act within health services, HealthShare Victoria has developed a toolkit to assist with meeting the requirements under the Act. The toolkit will contain:

- A modern slavery plan to support the implementation of the governance structures, policies, processes and risk registers needed to underpin a successful modern slavery framework;
- Advice on implementing a modern slavery policy;
- A modern slavery risk register to capture and address the key modern slavery risks that a health service might cause, contribute or be directly linked to;
- A modern slavery risk assessment tool, including advice on modern slavery risk assessments, supplier questionnaires for ITS due diligence and incumbent suppliers and advice on how to interpret questionnaire results;
- A modern slavery fact sheet to facilitate staff training; and
- Supplier contract considerations, including the addition of modern slavery clauses in contracts.

The rollout and implementation of the toolkit will support health services to conduct their own risk assessment, due diligence and remediation activities.

West Gippsland Healthcare Group intends to implement the toolkit once it becomes available.

Closing statement

West Gippsland Healthcare Group is confident that the steps taken this year have built a strong foundation for a robust modern slavery framework. We recognise there is more to do and West Gippsland Healthcare Group is committed to continually improving our approach, partnering with our stakeholders and working to eradicate modern slavery.

This statement was approved by the Board of West Gippsland Healthcare Group on 25/02/21

Signature:

A handwritten signature in black ink, appearing to read 'Christine Holland', written in a cursive style.

Christine Holland - Board Chair

