

# Modern Slavery Statement

FY22

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“ We will not tolerate any forms of Modern Slavery in our direct business activities and will work with our subcontractors and suppliers to identify and address instances of Modern Slavery that may exist in the construction and infrastructure supply chains.”

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## Structure, Operations & Supply Chains

Colin Joss and Co Pty Ltd (Joss, the Company) is a family owned business based in Albury NSW. Originally a Partnership established in 1975, it was converted to a limited liability company in 1988.

Since its inception, Joss has established itself as one of regional Australia's premier construction and facility management companies, servicing both government and private Clients throughout New South Wales, Victoria and the Australian Capital Territory.

The growth of the Company can be attributed to the reputation Joss has developed as a trusted and experienced contractor capable of successfully delivering complex and challenging projects.

In response to the changing needs of the industry and our Clients, Joss has established two main divisions within the business, Joss Construction and Joss Facility Management, to enable the delivery of specialised services reflective of the experience and skill sets of our staff.

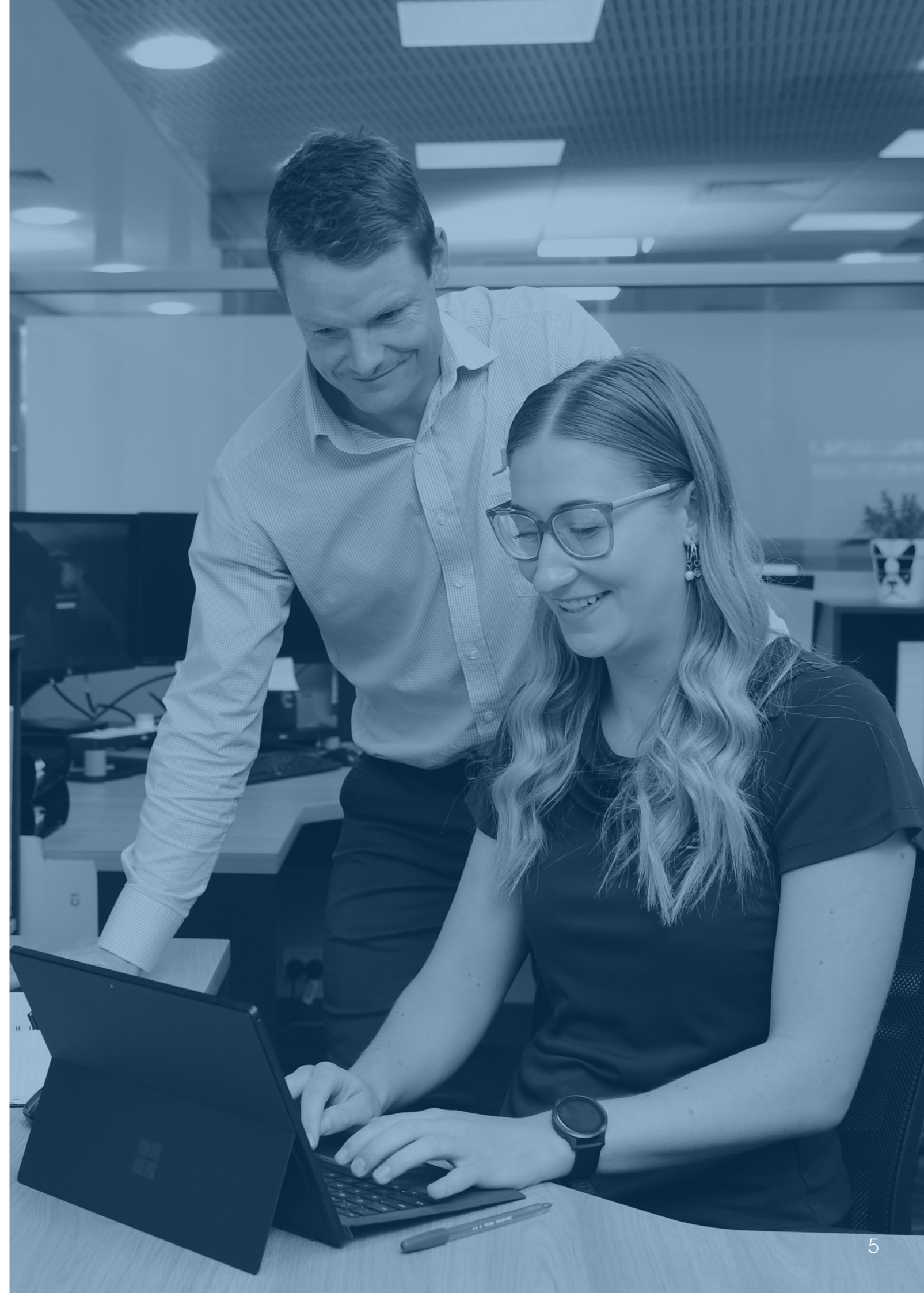
**2,531**  
EMPLOYEES  
which includes:

**1,765**  
FEMALE  
EMPLOYEES

**182**  
INDIGENOUS  
EMPLOYEES

**81**  
EMPLOYEES WITH  
A DISABILITY

The Company now operates 15 regional offices throughout New South Wales and the ACT. The head office, main depot, and workshop are located in Albury.







## Joss Construction

The commercial construction, civil and infrastructure division of Joss complete a wide variety of projects including commercial and industrial buildings, educational, sporting and health facilities, residential property development, refurbishment and renovation of existing buildings, roads, water treatment and services infrastructure works for a variety of customers including all levels of government and private enterprise. The division employs a permanent team of qualified and experienced personnel who plan, co-ordinate and manage subcontractors to deliver projects under Managing Contractor, Lump Sum, Early Contractor Involvement, Design and Construct, or Design Construct and Manage contract arrangements.

Joss Construction's supply chains may include consultants, subcontractors, material suppliers and indirect suppliers.



## Joss Facility Management

The Facility Management division of the Company was established primarily to service NSW Government facilities, but has since diversified to provide planned maintenance and reactive maintenance, cleaning, refurbishment works as well as deliver smaller construction projects for all levels of government and private enterprise.

Over the past 25 years, Joss has established a base of approximately 1,800 prequalified Subcontractors who, under the co-ordination, supervision and management of Joss, undertake maintenance and servicing works across more than 15,000 sites on behalf of our Clients.

Unlike the Asset Maintenance component of the Facility Management division, the cleaning works undertaken by the division is undertaken predominantly by employees, with specialist Subcontractors only utilised to undertake complex periodic work.

Joss Facility Management's supply chain includes subcontractors, material suppliers, and indirect suppliers.



**1,250**  
CONSTRUCTION  
SUBCONTRACTORS  
& SUPPLIERS



**14**  
PROJECTS  
COMPLETED DURING  
THE PERIOD



**1,792**  
FACILITY MANAGEMENT  
SUBCONTRACTORS &  
SUPPLIERS



**15,189**  
PROPERTIES SERVICED



# Risks of Modern Slavery in the Operations and Supply Chains


**During the FY22 we continued to undertake a more detailed assessment of our Subcontractors and Suppliers utilising various approaches to match the type, volume and risk of the various services.**


## Operations


The scope of operations undertaken by the Company did not change from the previous financial year and Joss have again assessed the risk of Modern Slavery within our Operations to be low.


A documented assessment was undertaken by the Joss Human Resources team utilising an internally developed tool. The assessment focusses on the identification mechanisms for Child Labour, Forced Labour, Bonded Labour, Human Trafficking and Employment Conditions as well as Grievance and Redress Mechanisms. This Assessment is currently being undertaken annually.

In addition to this documented assessment, the following factors supported the determination of a low risk rating:

 The Company employs a qualified and experienced team of human resources personnel that have created, implement, monitor and continually develop our robust employment policies and procedures. These systems have been established to both ensure and demonstrate compliance with legally mandated employment entitlements and awards across our entire workforce.

 The Company has established a diverse and layered approach to site inspections comprising of Senior Management Inspections, Site Manager/Supervisor Inspections and HSEQ personnel inspections/audits to monitor work practices on our sites. Joss also periodically engage the services of external consultants, predominantly Health and Safety Consultants, to inspect our sites and review our systems and practices.

 As a result of the industries we work in, and the Clients we perform work for, Joss is regularly subjected to external assessment of our workplace practices and employment arrangements. These assessments may be by external Health and Safety Audits for State or Territory prequalification schemes, third party surveillance audits of our Certified Management Systems by SAI Global Assurance Services, Client initiated audits, visits by the Australian Building and Construction Commission (prior to its role being transferred to the Fair Work Ombudsman) and the NSW Code Compliance Unit, ACT's Secure Local Jobs Certification, annual financial audits required by ASIC or periodic state government payroll tax audits.

 For more than two decades Joss has utilised consultation as a mechanism to identify issues, obtain feedback, disseminate information, and explore improvements. The Company's support of a Consultation Committee made up of elected Health and Safety Representatives from the various workgroups, combined with documented and communicated Grievance Procedures, facilitates a worker safety net that may be utilised directly or anonymously.

In addition to the documented self-assessment, these entrenched practices and mechanisms all assess for common indicators of modern slavery.

## Supply Chains

During the reporting period Joss continued to utilise a combination of approaches to assess, monitor and educate our supply chains. One approach is a Modern Slavery survey of subcontractors and suppliers providing goods or services on projects when the value of the procurement is more than \$50,000 and who had not previously completed a questionnaire. Due to the continued use of the same suppliers and subcontractors this resulted in 53 surveys compared to 135 surveys completed in the previous year.

The surveys for the period identified:

- Only 2 businesses in the assessed supply chain were subject to the Modern Slavery Legislation and only 5 others turn over more than \$50M per annum.
- 2,229 workers were employed by those assessed.
- None of the businesses are participants in any responsible sourcing third party certification schemes.
- Only 21 businesses had a policy, process or other commitment to eliminate Modern Slavery and only 8 of those firms had undertaken any form of Modern Slavery Training.
- Only 1 business did not have mechanisms for workers to confidently raise concerns related to labour conditions or workplace grievances.
- 35 were aware they were utilising imported materials, but only 6 firms were importing materials directly themselves.
- Steel and steel products, light fittings and electrical components were the most common materials. Other reported imported items included flooring products, HVAC plant, fixings, irrigation components, door hardware and glass.
- Where products were sourced from overseas, more businesses were aware of the country of origin than in previous surveys. Germany, Austria, China, New Zealand, England, Spain and Italy were named but also some businesses simply blanketed the continents of Europe and Asia.

The surveys and research online confirm that Joss may have exposure to modern slavery in our supply chains through the engagement of Subcontractors and Consultants as well as through the procurement of goods and materials (plant, equipment, vehicles, consumables and building materials).



## Subcontractors and Consultants

The Assessment identified that there was an increased awareness within the industry about Modern Slavery which we believe can be directly attributed to assessment and education activities undertaken by those subject to the Legislation.

Despite this increased awareness, there still appears to be a minority of businesses who are simply unaware of the extent or source of products imported into Australia. (Refer to Case Study 1.) This highlights that in secondary levels of our supply chain, we have a lack of visibility of overseas manufacturing and may be exposed to risks of modern slavery.

As in previous years, there was frustration amongst subcontractors and suppliers that consultants are specifying products that are sourced from overseas without any clarifications or references within the specifications to risk assessments that they may have already made. This is placing a further administrative burden on small businesses which could be avoided.

As noted in our previous Modern Slavery Statement, Colin Joss and Co Pty Ltd is a regional contractor who utilise predominantly local regional Subcontractors. More than 99% of these are classified as Small and Medium Enterprises (SME's). Being regional ourselves, our permanent staff in our regional offices have the benefit of becoming familiar with the firms and their employees. This background knowledge, either directly or by referral, supplements our existing assessment and induction processes.

Joss' ongoing monitoring of insurance arrangements and declarations relating to wages and entitlements, supervision on our sites and structured inspections provides some level of assurance to the correct employment practices by our subcontractors.

As a result, although a low possibility, Joss does recognise the potential within the Subcontractors we engage for forced labour and other practices that may lead to Modern Slavery.

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## Case Study 1

Case Study 1 is a small bricklaying firm with 15 employees located in regional NSW. Based on the survey they completed during the period, they have entered into an Enterprise Bargaining Agreement that established the wages and working conditions for their employees as well as grievance mechanisms. They do not employ any foreign workers, nor do they deduct wages, withhold payments or entitlements in any way.

In our assessment of the firm, what stood out was their statement regarding their supply chain, 'we use only Australian made materials, all our materials used are generally made and sourced locally.'

Further contact was made with the firm, as most of our subcontractors and suppliers indicate that they 'try' or 'make an effort to' procure locally but are aware that this is not always possible. This follow up identified a passionate couple who genuinely believed that they were doing their best to support Australian enterprises and indirectly minimise support of potentially improper practices overseas.

Their bricks, blocks, sand and cement were all local however, when discussing deeper into what they procured, they failed to consider other consumables such as ties and fixings, plasticisers, PPE and clothing, or the source of phones and office equipment. For them, this exercise increased their awareness but also, like a significant number of firms, they were frustrated with the ease in which foreign products (those with a higher risk for modern slavery) blend in on the shelves of our local suppliers.



## Goods and Materials

Despite being a very small component of the Company's expenditure (less than 5%), the Company does directly procure vehicles, small plant and equipment, cleaning consumables and IT equipment. Although not significant, uniforms and apparel also represented a portion of expenditure.

As a building and maintenance contractor, building materials, plant and equipment are utilised extensively to deliver the projects we construct and the services we provide. Although the majority of materials, plant and equipment are sourced by subcontractors, this represents secondary levels of our supply chain. The surveys of our own immediate subcontractors and suppliers confirmed the use of imported materials and although again we have not determined any specific evidence of transgressions, it would be naïve to discount the potential existence of modern slavery in some portion of the supply chain.

Covid-19 and the Ukraine war demonstrated clearly the reliance on a complex web of international transactions. Delays in products from a manufacturer in one country in some cases caused by raw materials or component delays in another. This was most evident for the general public with new vehicles, but for ourselves also with the availability of HVAC plant and control equipment. Similarly, despite utilising Australian sourced forest products where possible the shortage of imported timbers impacted on this local supply in both price and availability. (Refer to Case Study 2)

Colin Joss and Co Pty Ltd is aware that the three predominant manufacturers of its directly procured IT equipment (Hewlett Packard, Apple and Samsung) have all acknowledged the potential of Modern Slavery in their supply chains and the Company shall continue to monitor the steps they are taking to eradicate its prevalence.



# Case Study 2

Case Study 2 is a franchisee of a multinational chain, they employ 13 staff and operate out of a single outlet in regional NSW. The franchise chain operates out of 70+ sites throughout Australia and New Zealand and employs over 150 people.

Several years ago whilst Joss was mapping its supply chains, this firm was identified as an importer of products from various countries around the globe. As the firm was a direct supplier of products to Joss (generally our subcontractors procure materials), the Joss Manager in charge of this procurement, rather than simply sending off a questionnaire, took the time to go through the introduction of the Federal Modern Slavery Legislation Act with the supplier and provided information and resources to assist making them aware of the role that they play in raising awareness and potentially eliminating Modern Slavery. Joss has also travelled to the firm’s premises several times as part of the business relationship development and to assess their operations.

Both the franchisee and the chain remain below the Federal Act’s mandatory Modern Slavery reporting threshold, so it is important to note that despite this, the chain have put in efforts beyond their legal responsibilities in this regard.

Since the initial contact, and we assume through similar enquiries from their other clients, the firm, with the additional guidance and resources of the franchisor, has embarked on raising the awareness of Modern Slavery within their organisation, mapped their supply chains back to their place of manufacture, developed their own Modern Slavery Policy and implemented a Code of Conduct for all their suppliers.

Most importantly for Joss, the firm actively communicates actual and potential supply issues to Joss, including potential alternative products and supporting product information to assist decision making. This understanding of our needs and their efforts to assure supply has been especially valuable over the past few years with significant product shortages and delivery delays due to the COVID-19 pandemic.

## Actions taken to assess and address these risks

The work undertaken in previous years was further developed in the FY22 period with the continued implementation of training, assessment and risk mitigation activities. The Modern Slavery Advisory Group established early in FY21 continued to provide specific input into the procurement requirements and procedures within their various divisions as well as advice and monitoring of the Company’s Modern Slavery Policy and Procedures.

As described earlier, the Joss Human Resources Department undertook a documented internal assessment of our employment practices. There were no issues identified through this assessment nor by the various levels of site inspections and audits undertaken as part of our regular systems implementation monitoring.

Modern Slavery Awareness Training continued to be rolled out and all staff in procurement positions have now undertaken at least awareness training, with key positions also participating in more advanced training opportunities.

As per the documented procedures established by the Modern Slavery Group, the individual divisions implemented controls reflective of their individual requirements but also giving consideration to the following limitations:

- changing project needs and locations of construction works
- the high labour elements of Facility Management and Cleaning, and
- ‘like with like’ or ‘deemed to comply’ requirements of a number of existing Facility Maintenance contracts.

In summary this included:

Construction and Civil	Facility Management	Joss Cleaning
<p>Actions focussed on assessing all subcontracts and purchase orders over a set limit, the allocation of a risk rating and, depending on that risk rating, proceeding with procurement, escalation for further consideration or the identification of alternatives to eliminate or reduce the risk of supporting Modern Slavery to a lower level.</p>	<p>Due to the nature of the Facility Management works being predominantly labour intensive, Joss continued to utilise the extensive prequalification process coupled with contractual clauses, declarations, inspections and toolbox talks to monitor and facilitate the identification of Modern Slavery issues.</p>	<p>The Cleaning division of Joss is characterised by a predominantly in house labour force undertaking contract works. Joss do utilise a small number of specialist subcontractors and suppliers and because of this, the division utilised (in combination) the Modern Slavery Surveys, Modern Slavery Statements, site monitoring actions, offsite visits to supplier/subcontractor premises and subcontractor declarations to both identify and monitor Modern Slavery risks.</p>





## The effectiveness of these actions

The introduction of the Commonwealth Modern Slavery Act 2018 has helped to raise the level of awareness and commitment by the Australian business community to pursue more sustainable procurement practices. As a result of this initial legislation, other legislation such as the NSW Modern Slavery Act 2018 No 30, and the NSW Modern Slavery Amendment Bill 2021, it is hoped that the concerted worldwide pressure on Supply Chains will translate to a reduction and the eventual eradication of Modern Slavery.

For the construction industry in Australia where supply chains are both extensive and complex, progress will remain slow. As previously noted, the absence of a single consolidated approach to validate the origins of materials and practices utilised within industry supply chains has created a significantly less effective and inefficient approach that has also opened the door to potential exploitation by private consultants or application developers.

Colin Joss and Co Pty Ltd has established milestones and KPI's within its own modern slavery strategy to assist in the monitoring and measurement of the actions and initiatives that it undertakes in order to determine if they are effective. For the FY22 all of the established milestones were achieved including:

- ✓ The implementation of division specific procedures that reflected the nature of procurement and the heightened risks of the works or services being performed.
- ✓ The training of all new employees who may potentially procure materials or services in Modern Slavery Awareness.
- ✓ Completion of a documented Internal Modern Slavery Assessment and implementation of monitoring during Inspections and Audits.
- ✓ Assessment of the data obtained from our Subcontractors and Suppliers to assist in our decision making regarding Subcontractor engagement and procurement.
- ✓ Interaction with industry bodies and clients to raise awareness of the potential of modern slavery practices in the manufacture of products and materials that may be nominated in designs, specifications, or contracts.

For the FY23, the primary objective is to push further for a consolidated industry approach to addressing Modern Slavery through the sharing of data or improved communication and transparency within contracts and specifications.

Colin Joss and Co Pty Ltd shall continue to implement actions, report against milestones and KPI's, and identify further initiatives and outcomes in future Modern Slavery Statements.

This Statement was approved by the Joss Board on 15th December 2022.

**Paul Joss**

Managing Director

20th December 2022





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