

Eastern Health Modern Slavery Statement – FY 2022 - 2023

Introduction

This Modern Slavery Statement is made pursuant to the Commonwealth *Modern Slavery Act 2018* (the Act) by Eastern Health and relates to the financial year 1 July 2022 to 30 June 2023.

Eastern Health Structure, Operations and Supply Chain

Overview

Eastern Health is a health service established under section 181 of the *Health Services Act 1988* (Vic) and is one of Melbourne's largest metropolitan public health services. We provide a range of emergency, surgical, medical and general healthcare services, including maternity, palliative care, mental health, drug and alcohol, residential care, community health and statewide specialist services to people and communities that are diverse in culture, age, socio-economic status, population and healthcare needs.

A more detailed description of Eastern Health's mission, vision and values can be found in the [Eastern Health Annual Report 2022 - 2023](#)

Supply Chain

HealthShare 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. Eastern 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. A full list of HSV's sourcing categories can be found at <https://healthsharevic.org.au/contracts-and-tenders/contracts-and-documents>.

The risks of modern slavery practices in Eastern Health operations and supply chains

Given Australia's reliance on global supply chains for the production of health care goods, including: gloves; surgical instruments; patient clothing; uniforms and footwear of health care professionals; sheets, towels, and other textiles; and electronic health care equipment, Eastern Health's supply chain faces heightened geographic, industry and product modern slavery risks.

Some of the general risk areas present in Eastern Health'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, HSV has identified the following high risk areas specific to the healthcare sector:

- Surgical and examination gloves;
- Surgical instruments; and
- Linens and gowns.

Eastern Health's actions to assess and address Modern Slavery risks

Eastern Health has taken a targeted, risk-based approach to assessing modern slavery risks within its operations and supply chains, consistent with the UN Guiding Principles on Business and Human Rights. Eastern Health has begun undertaking risk assessments of its suppliers to determine potential modern slavery risks in its supply chain. Eastern Health has adopted the same risk assessment methodology as HSV to ensure there are common assessment criteria for all of its suppliers. The initial assessments were conducted of Eastern Health suppliers providing goods and services via HSV collective purchasing Agreements and this will be expanded in future years to progressively include all of Eastern Health's significant supplier base.

In line with the Act, Eastern Health's supplier risk assessment methodology considers a supplier's:

- Industry and operational location;
- Modern slavery policies;
- Due diligence procedures to mitigate modern slavery risk;
- Approach to modern slavery training and awareness within their organisation; and
- Provisions to investigate and remedy any allegations or issues identified.

The resulting assessment categorises the supplier as having Very Low, Low, Medium, High or Very High modern slavery risks. The 2022-23 survey of 177 suppliers resulted in 131 responses, a 74% response rate, and the following assessments:

Risk Rating	No. Suppliers
Very Low	0
Low	54
Medium	66
High	9
Very High	2

The relative low number of suppliers rated as High or Very High is encouraging. Eastern Health will monitor the on-going performance of the High/Very High risk suppliers and their impact on Eastern Health's supply chain performance.

Effectiveness of Eastern Health's actions being taken to assess and address modern slavery risks

Eastern Health continues to include modern slavery compliance provisions in all its supply contracts. At the end of the FY2022-2023 reporting period, the Eastern Health Contract Register contained 274 of 368 (74%) active supply contracts established since to Eastern Health's modern slavery reporting and adoption of mandatory modern slavery contract provisions. The remaining contracts are expected to be either replaced with compliant arrangements within the next two years when they expire or by having modern slavery clauses included in them.

Eastern Health has begun engaging with its suppliers as part of its regular contract management process to increase awareness and compliance. As a result of the engagement process, it has become evident that many of Eastern Health's smaller suppliers, especially those without a modern slavery reporting obligation under the Act, have little awareness of modern slavery issues and Eastern Health's communication is often the first exposure they have had to the topic. To this end, Eastern Health has been encouraging suppliers to undertake HSV's online Modern Slavery Risk eLearning modules improve their knowledge of the subject and assist them in meeting Eastern Health's contract and tender requirements in relation to modern slavery.

Eastern Health continues to monitor compliance with its Modern Slavery Standard both within the organisation and by its supplier network. The Eastern Health Modern Slavery Fact Sheet has been distributed to the key procurement staff to reinforce the importance of the issue in their day-to-day activities and there have been no reports of modern slavery grievances via establish complaint handling process.

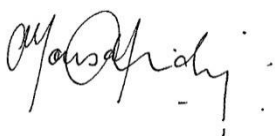
Consultation process with any entities Eastern Health owns or controls

Eastern Health does not own or control any other entities.

Closing statement

Eastern Health is cognizant of the risk of modern slavery practices in our supply chains and operations and continues to develop its staff awareness, training and operational processes to mitigate this risk.

This statement was approved by the Board of Eastern Health on 6 December 2023.



Tass Mousaferiadis
Board Chair