

# West Gippsland Healthcare Group Modern Slavery Statement for financial year 2020-21

## Introduction

The 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<sup>st</sup> July 2020 to 30 June 2021.

## The Reporting Entity

West Gippsland Healthcare Group ABN 39 261 883 406

## West Gippsland Healthcare Group's structure, operations, and supply chains

### Our Structure

West Gippsland Healthcare Group 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. Our annual reports can be viewed [here](#).

### Our Operations

Our operations includes the Hospital, Community Health Services at Warragul and Rawson, Andrews House Residential Aged care, Cooina Lodge Residential Aged Care, and the Warragul Linen Service.

### Our Supply Chain

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. West Gippsland Healthcare Group purchases the goods and services it requires 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.

## Risks of modern slavery practices in operations & supply chains

There is growing evidence that demonstrates a high occurrence of modern slavery in the sourcing of raw materials and in 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. Daily, health services use these goods to ensure the overall health and well-being of Australians. Australia is reliant on these imports from global supply chains for the supply of these essential products to health services.

The sourcing of raw materials and the production of these health care goods often involves hazardous working conditions, labour exploitation, child labour and other abuses. There is a high-risk that Australian businesses are exposed to modern slavery risks and that Australian goods and services are tainted by modern slavery. This risk may be heightened for large companies and other entities with extensive, complex and/or global supply chains.

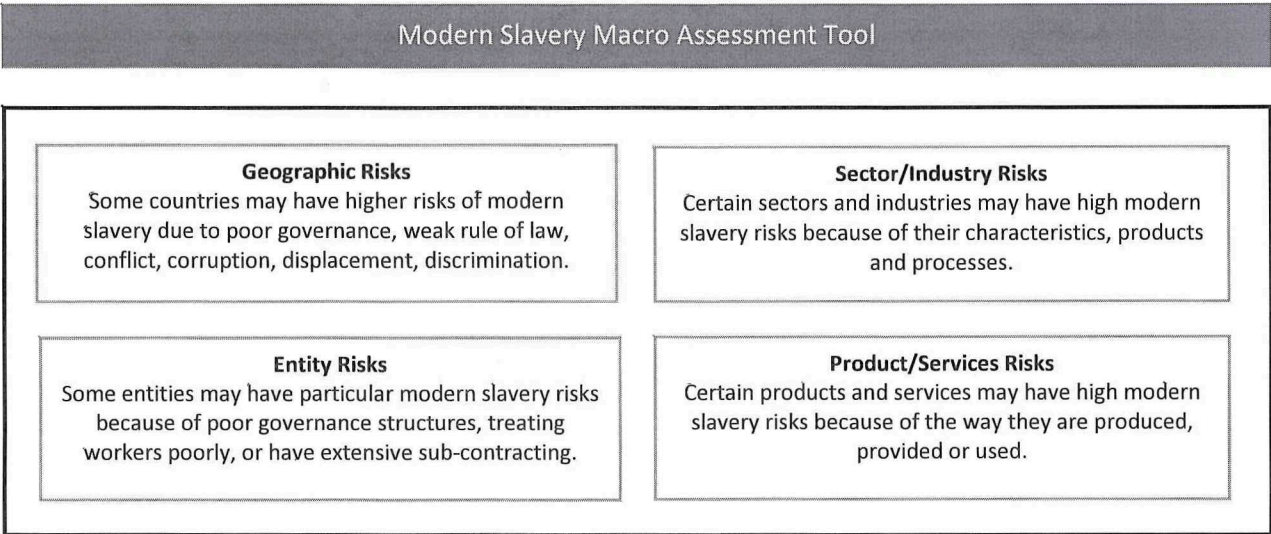
The COVID-19 pandemic has heightened the risk of modern slavery in the health care sector. The International Labour Organisation has predicted that between 20.1 million and 35 million more people will be in working poverty than in the pre COVID-19 estimate. The COVID-19 pandemic has posed unprecedented challenges, disrupting supply chains, causing many workers to lose their jobs, and being forced to look for opportunities in informal economies, which are rife with exploitation. Businesses are contending with difficult human rights trade-offs to secure their financial viability. The COVID-19 pandemic has also provided employers with stronger incentives and greater latitude for exploitation as there is reduced scrutiny of labour standards.

Increased life expectancy and an ageing population is expected to increase demand for health care goods and services in Australia in the years ahead, further increasing the risk of modern slavery within complex global supply chains.

Modern slavery supplier risk assessment

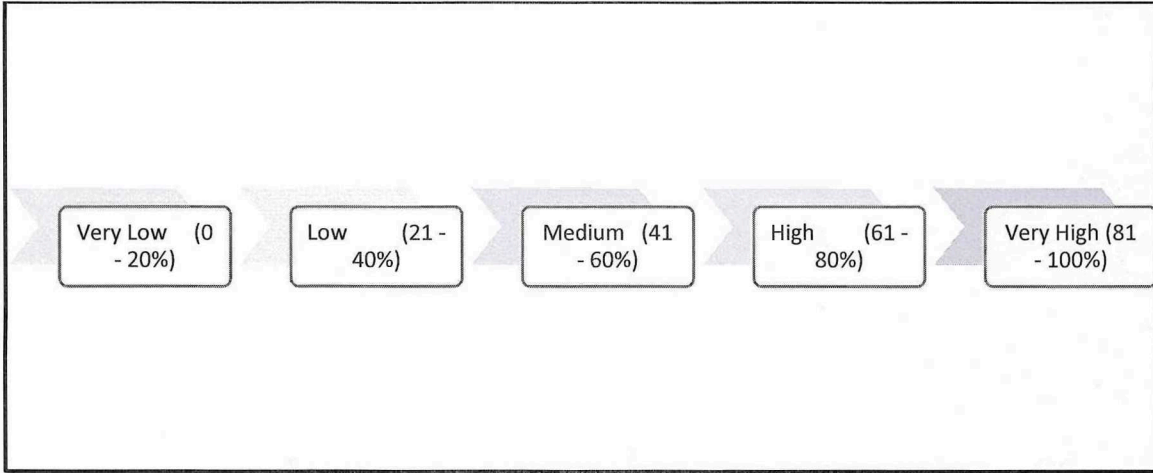
In assessing suppliers, a modern slavery risk assessment tool (Tool), comprising of macro assessment and micro assessment components was utilised.

The macro assessment identified modern slavery risks across four categories.



This involved considering whether there is a high prevalence of modern slavery in a particular sector or industry, or associated with a particular good or service, or in the location that the product or service is sourced or produced from. The macro assessment also considered whether the nature of the supply chain model carried a greater risk of modern slavery. This type of assessment provided a general understanding of the scope of modern slavery risks that suppliers may carry.

The micro assessment facilitated a detailed analysis by identifying and assessing possible modern slavery risk and in determining what risk mitigation strategies suppliers already had in place and what risks would need to be managed.

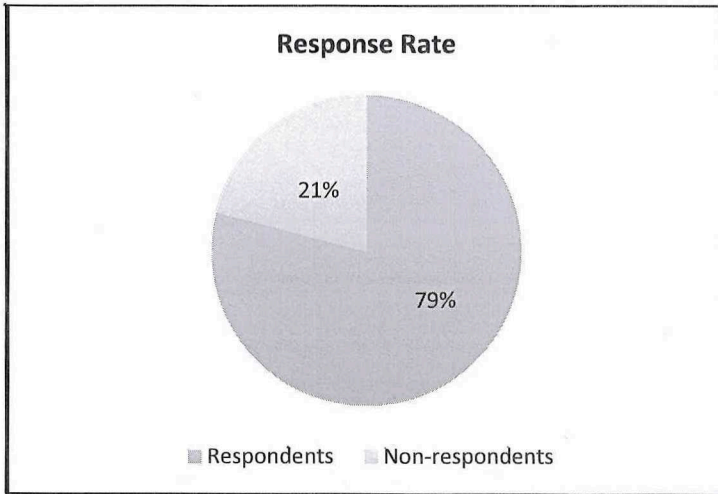


### Operationalisation

The Tool was operationalised in the form of a HSV Modern Slavery Supplier Questionnaire (Questionnaire) on the Informed365 platform, HSV's supply chain management platform. The Questionnaire was rolled out to all 75 suppliers on 3 May 2021 with a completion request date of 30 June 2021 to coincide with the conclusion of the second reporting period under the Act.

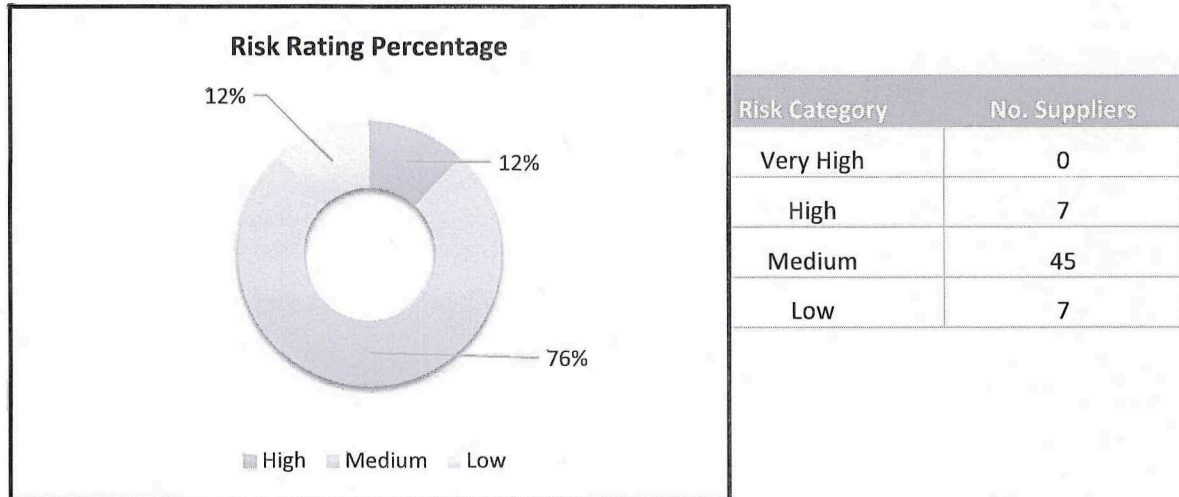
### Response rate

There were 59 respondents and 16 non-respondents, providing an overall response rate of 79 percent.



## Modern slavery supplier risk ratings

This section illustrates the all-inclusive, combined macro and micro assessment outcomes for suppliers, outlining the risk categories in which the suppliers fall.



## Actions taken to assess and address risks of modern slavery

### Policy

During our reporting period we have put in place the following measures, introducing our groups first Anti Modern Slavery Policy; we are in the process of revising and updating our internal policies; and reviewing supplier engagement processes and principles.

### Due Diligence

The focus of our second reporting period under the Modern Slavery Act 2018 (Cth) was to undertake supplier risk assessments within HSV Collective Purchasing Agreements. In the third reporting period, WGHG intends to work collaboratively with HSV to identify mitigation efforts to combat modern slavery risks, and foster collaboration between WGHG and suppliers to seek to address these risks.

### Contracts

In the 20/21 financial year, WGHG has ensured that all major tenders to contract incorporate the Modern Slavery Act within their supply chain and declare their position. WGHG continues to engage HSV to ensure compliance.

### Training

WGHG has been engaged in various workshops with HSV. To date, the engaged staff members are the Contracts Managers, General Manager (Corporate & Financial Services) and the Director of Corporate Services.

WGHG is looking at rolling out targeted education in conjunction with the Policy. With priority areas for persons associated with our supply chain.

## Assesses effectiveness of actions

During this reporting period, our focus was to gain a better understanding of our modern slavery

risks and how such risks may be present in our operations and supply chains. At this early stage, we are unable to adequately assess the effectiveness of measures we have undertaken. However, we have commenced and will continue to work on developing frameworks and processes to ensure we can review the effectiveness of the actions we are taking to assess and address modern slavery risks in our operations and supply chains.

## Process of consultation with related entities

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

## 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:

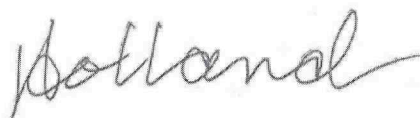
- A modern slavery plan to support the implementation of the governance structures, policies, processes and risk registers needed to underpin a successful modern slavery framework;
- Advice on implementing a modern slavery policy;
- A modern slavery risk register to capture and address the key modern 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. WGHG is working closely with HSV to look at the implementation by the 3 reporting period.

## 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 **16<sup>th</sup> December 2021**.



Signature:

Christine Holland - Board Chair