



Modern Slavery Statement 2020–21





The Australia Council for the Arts proudly acknowledges all First Nations Peoples and their rich culture of the country we now call Australia. We pay respect to Elders past and present. We acknowledge First Nations Peoples as Australia's First Peoples and as the Traditional Owners and custodians of the lands and waters on which we live.

We recognise and value the ongoing contribution of First Nations Peoples and communities to Australian life, and how this continuation of 75,000 years of unbroken storytelling enriches us. We embrace the spirit of reconciliation, working towards ensuring an equal voice and the equality of outcomes in all aspects of our society.

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Australia Council Modern Slavery Statement 2020-21.

Foreword

Modern slavery is a global phenomenon, and Australia is no exception to its pervasiveness. It is estimated more than 1,900 people are victims of modern slavery in Australia, and that globally more than 40 million people are trapped in modern slavery on any given day.

To make matters worse, COVID-19 has likely exacerbated modern slavery in all its forms.¹ Many people have lost jobs, livelihoods, have limited access to adequate healthcare and are more vulnerable to exploitation.² With less than ten years until the United Nations' Sustainable Development Goals deadline, more can be done to reduce the risks of modern slavery.

As the Australian Government's principal arts investment, development and advisory body, the Australia Council for the Arts firmly believes that all people should be able to live with dignity, freedom, equity and justice, and recognises the importance of protecting human rights.

We commend the Parliament of Australia's *Modern Slavery Act 2018* and are committed to ensuring, to the best of our ability, that the Australia Council's operations and supply chains are free from the risks of modern slavery practices.

To ensure fair, transparent and ethical dealings that maintain our integrity and reputation, the Australia Council has robust decision-making and procurement processes in place. We are committed to continuing to expand and strengthen these safeguards and to increasing our awareness and vigilance.

We are pleased to submit our second modern slavery statement, which has been approved by the Board of the Australia Council for the Arts, for the 2020-21 reporting period.



Robert Morgan
Chair



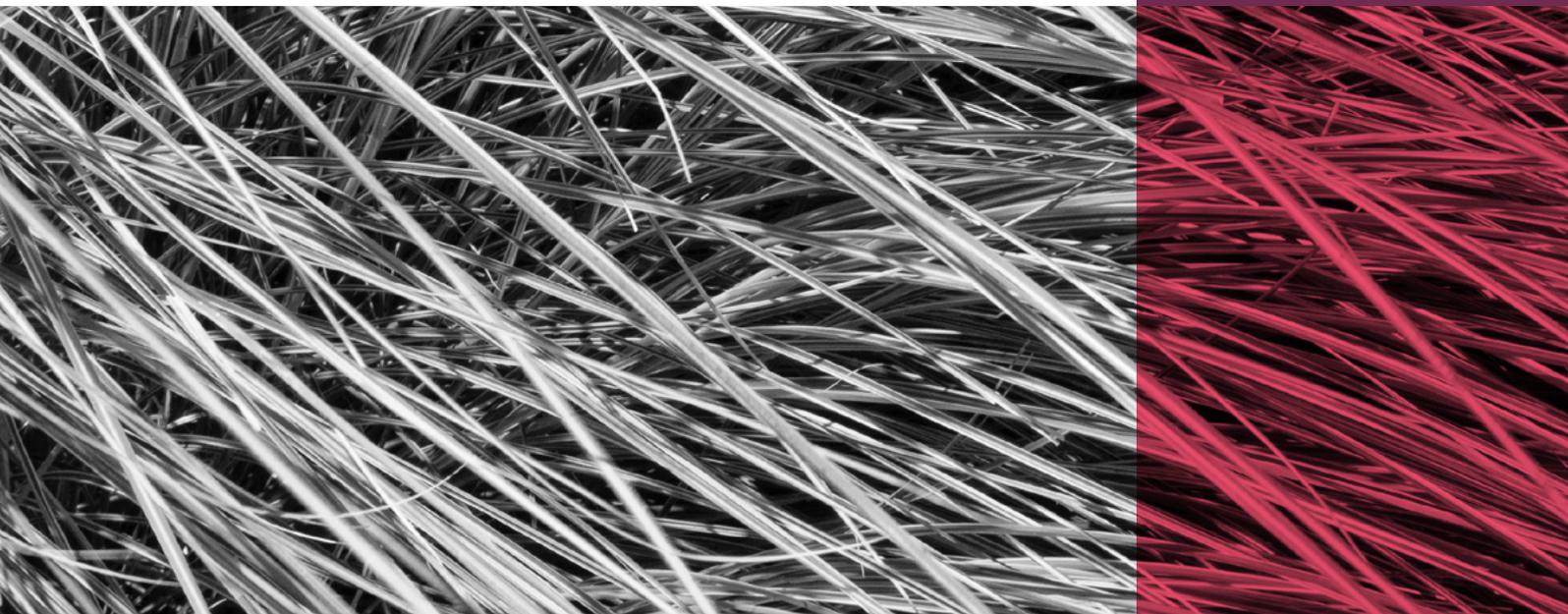
Adrian Collette AM
Chief Executive Officer

¹ Walk Free Foundation 2021, *Walk Free update evidence base on programs to end modern slavery*, viewed 16 November 2021 <https://www.walkfree.org/news/2021/walk-free-update-evidence-base-on-programs-to-end-modern-slavery/>

² Walk Free Foundation 2020, *Protecting People in a Pandemic*.

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1 About the Australia Council

Section 16(1)(a) of the *Modern Slavery Act 2018* requires modern slavery statements to identify the reporting entity or entities covered by the statement.

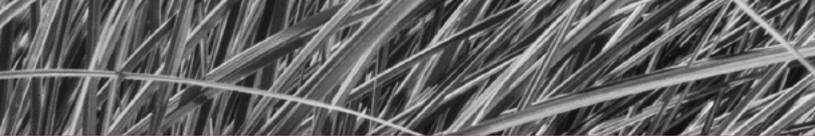
The Australia Council (the Council) is the Australian Government's principal arts investment, development and advisory body. We champion and invest in Australian arts and creativity. We support all facets of the creative process and are committed to ensuring all Australians can enjoy the benefits of the arts and feel part of the cultural life of this nation.

Under section 9 of the *Australia Council Act 2013* our functions are to:

- support Australian arts practice that is recognised for excellence
- foster excellence in Australian arts practice by supporting a diverse range of activities
- support First Nations* arts practice
- support Australian arts practice that reflects the diversity of Australia
- uphold and promote freedom of expression in the arts
- promote community participation in the arts
- recognise and reward significant contributions made by artists and other persons to the arts in Australia
- promote the appreciation, knowledge and understanding of the arts
- support and promote the development of markets and audiences for the arts
- provide information and advice to the Commonwealth Government on matters connected with the arts or the performance of the Council's functions
- conduct and commission research into, and publish information about the arts
- evaluate and publish information about the impact of the support the Council provides
- undertake any other function conferred on it by this Act or any other law of the Commonwealth
- do anything incidental or conducive to the performance of any of the above functions.

Our vision is that *Creativity Connects Us*. In a creatively connected nation, creative enterprise is entrenched across society, industry and government as the resource that powers our social, cultural and economic success.

* Formerly Aboriginal and Torres Strait Islander



2

Structure, operations and supply chains

Section 16(1)(b) of the *Modern Slavery Act 2018* requires modern slavery statements to describe the structure, operations and supply chains of the reporting entity.

Our structure

The Australia Council is a corporate Commonwealth entity of the Australian Government. In 2020–21, our responsible minister was the Hon Paul Fletcher MP, Minister for Communications, Urban Infrastructure, Cities and the Arts ('the Minister').³

Accountability

The Council's corporate governance arrangements are primarily determined by the *Australia Council Act 2013* and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Under the *Australia Council Act 2013*, the Council is established as a statutory authority and is governed by a Board of Directors appointed by the Minister.

The PGPA Act sets out the financial reporting, accountability and other rules that the Council must follow. The PGPA Act also prescribes the expected standards of conduct for 'responsible officials', which includes the Board and all Council employees.⁴

³ Prior to December 2020, Minister for Communications, Cyber Safety and the Arts.

⁴ As defined under section 13 of the PGPA Act.

The Australia Council Board

Board membership comprises a range of expertise across artistic practice, arts management, business, management, public policy, corporate governance and administration, regional issues, gender, multicultural and First Nations community participation in the arts, finance, philanthropy, legal affairs, corporate strategy and research.

Under the PGPA Act, our Board is directly accountable for the Council's resource management. This includes promoting efficient, effective, economical and ethical use and management of public resources.⁵ The Board is ultimately responsible for the successful performance and ongoing sustainability of the Council.

The Board has a maximum of twelve members, including the CEO who is an Executive (ex-officio) member. The CEO is appointed by the Board after consultation with the Minister.⁶ The CEO is responsible for the overall management of the organisation, its people and resources in accordance with the strategies, policies and plans approved by the Board.

The full biographies of our Board members can be found on the Australia Council website at: <https://www.australiacouncil.gov.au/about/our-structure/>

Our organisational structure

During 2020-21 the Council had four divisions:

- Office of the CEO, including First Nations* Arts
- Advocacy and Development
- Arts Investment
- Corporate Resources.

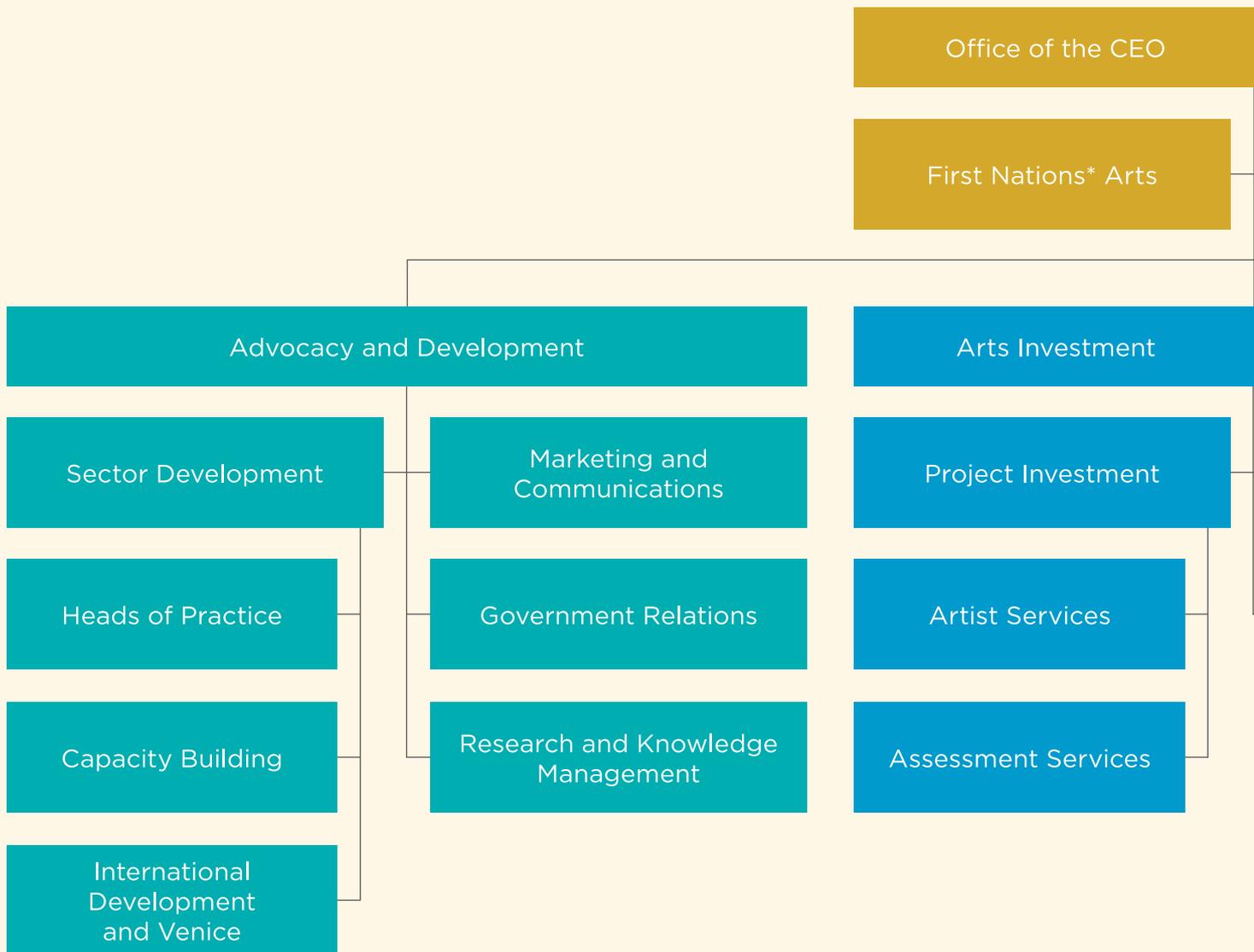
During 2020-21, the Council had an average of 106 employees.

* Formerly Aboriginal and Torres Strait Islander

⁵ Sections 15 and 8, PGPA Act.

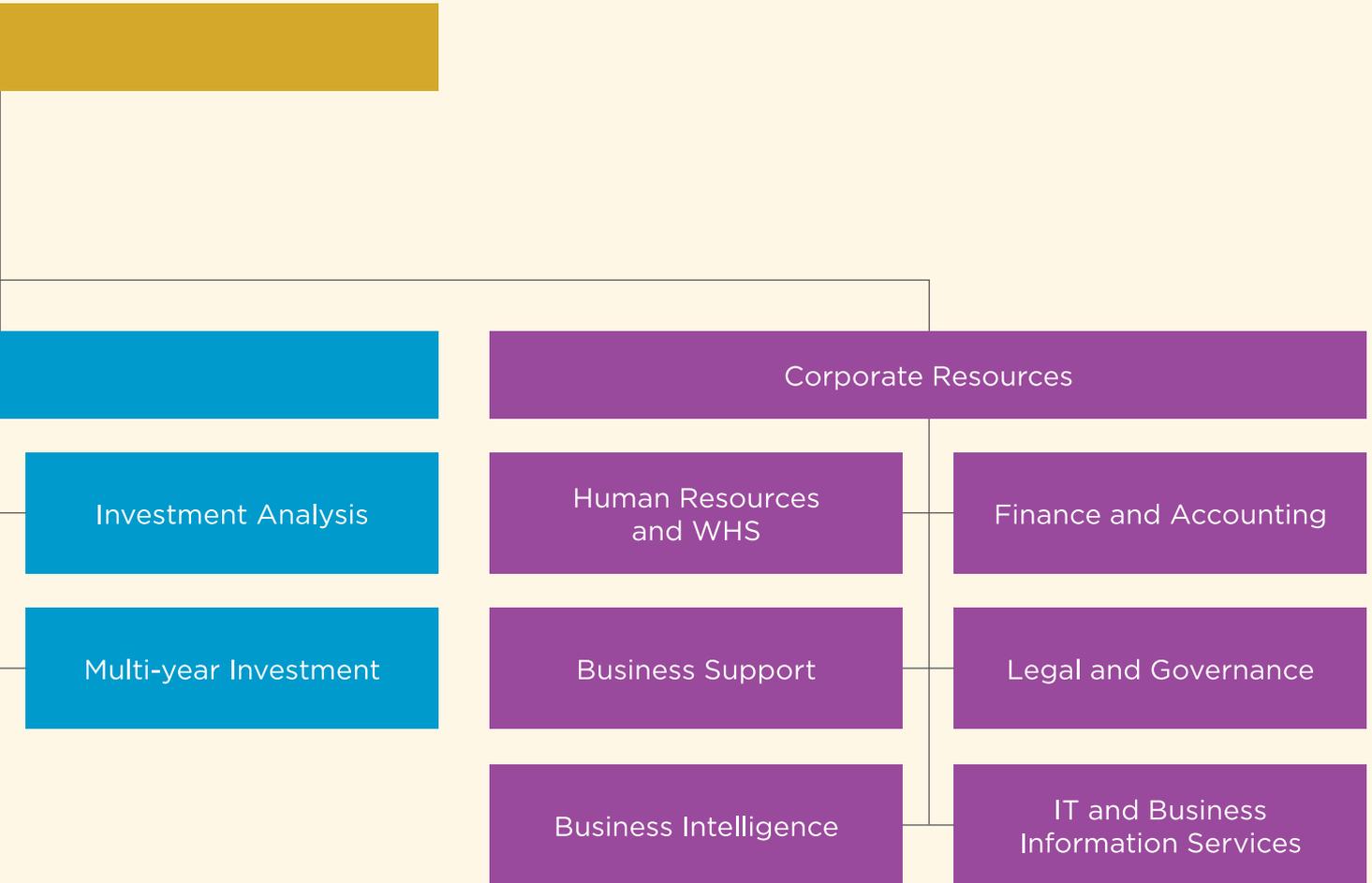
⁶ In accordance with the functions of the Board, Section 35, of the *Australia Council Act 2013*.

Figure 1: Australia Council organisational structure



* Formerly Aboriginal and Torres Strait Islander

2. Structure, operations and supply chains



Our operations

What we do

The Australia Council champions and invests in Australian arts and creativity through an integrated suite of activities:



we invest

in artists and organisations through peer assessed grants, fellowships and awards that enable art to be created and experienced



we deliver

strategic sector development initiatives that build industry capacity, networks and digital mobility and increase markets and audiences for Australian creative work



we advocate

for the social, cultural and economic value of the arts and creativity



we provide

advice to government on matters connected with the arts



we manage

Government-directed initiatives and frameworks in support of the arts



we conduct

research and analysis that deepens understanding of the role and value of arts and creativity



we collaborate

with state, territory and local governments



we partner

with others to increase investment in and support for creativity.

Our procurement guidelines

Our Procurement Guidelines set out the requirements for the procurement of goods and services for the Australia Council. They apply to all our employees, agents and contractors.

The aim of our Procurement Guidelines is to ensure all procurement activities we undertake are fair, transparent and ethical, and maintain our integrity and reputation. Under these robust guidelines, responsible officials are required to consider social procurement when procuring goods and services. Social procurement refers to procurement practices that generate social benefits and impacts beyond the goods and services required. This includes considering SupplyNation or other First Nations suppliers and BuyAbility, a network of Disability Enterprises and social procurement specialists.

Social procurement has the potential to create stronger connection between economic and social policy and outcomes. It can also help us deliver on sustainability and corporate social aspirations, including social inclusion, equity and fair trade.

For contracts with a value over \$50K, the Council's officials must conduct due diligence checks on prospective suppliers, including reference checks.

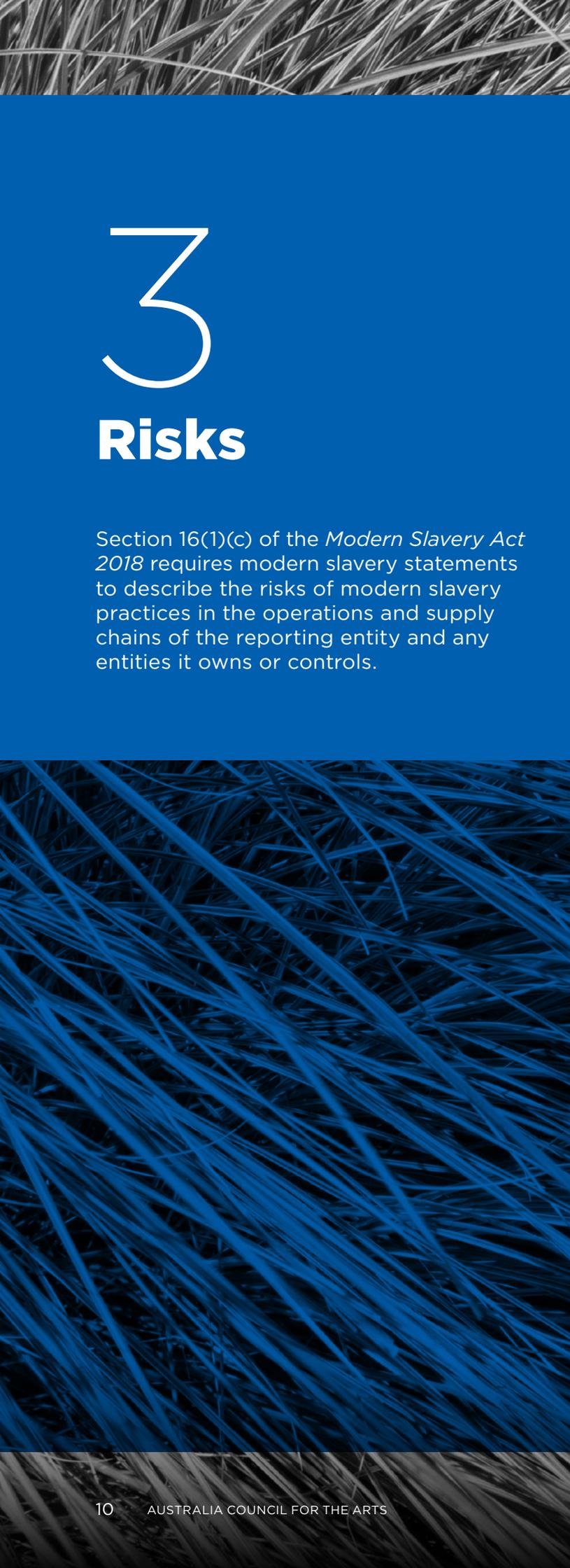
The Australia Council maintains open communication and transparency with our suppliers through a range of measures. These include following the Procurement Guidelines when making purchasing and acquisition decisions, ensuring contract performance reviews are conducted and adhering to reporting requirements throughout the duration of the contract.

Our supply chains

During 2020-21, the Australia Council was engaged in 235 contracts for goods and services with third party suppliers to support us in carrying out our operations. We procured goods and services from both local and international providers but primarily our contracts were with Australian suppliers.

During 2020-21, contracts for goods and services included:

- sponsorships and partnerships with external parties such as arts organisations and institutions and universities
- consultancy agreements
- information and communications technology (ICT) hardware and software contracts
- contracts for internal audit and legal advisory services
- facilities and property management service agreements.



3

Risks

Section 16(1)(c) of the *Modern Slavery Act 2018* requires modern slavery statements to describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.

What is modern slavery?

Modern slavery refers to situations where victims are subjected to coercion, threats, deception or exploitation to undermine their freedom, for the perpetrator's gain.

Modern slavery practices include:

- **trafficking in persons** – the recruitment, harbouring and movement of a person for the purposes of exploitation through modern slavery. Exploitation also includes the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs
- **slavery** – where the offender exercises powers of ownership over the victim
- **servitude** – where the victim's personal freedom is significantly restricted, and they are not free to stop working or leave their place of work
- **forced labour** – where the victim is either not free to stop working or not free to leave their place of work
- **forced marriage** – where coercion, threats or deception are used to make a victim marry or where the victim does not understand or is incapable of understanding the nature and effect of the marriage ceremony

- **debt bondage** – where the victim's services are pledged as security for a debt and the debt is manifestly excessive or the victim's services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined
- **the worst forms of child labour** – involves situations where children are exploited through slavery or similar practices, including for sexual exploitation or engaged in hazardous work which may harm their health or safety, or used to produce or traffic drugs
- **deceptive recruiting for labour or services** – where the victim is deceived about whether they will be exploited through a type of modern slavery.⁷

Modern slavery describes the worst types of exploitation. It does not include situations of poor working conditions or underpayment of workers, for example. However, these circumstances are likely to be unfair and unlawful and they may be an indication that modern slavery is also occurring.

Risks in the Australia Council's operations

Having reassessed the Australia Council's risk of modern slavery in our operations for the 2020-21 financial year, we have again measured this risk as low.⁸ In reaching this finding we considered the contractual arrangements and employment conditions of the officials who work at the Australia Council.

Legislative and industrial frameworks govern and regulate the Australia Council's employment conditions and all officials are employed under an enterprise agreement, individual employment agreement or employment contract determined by the Remuneration Tribunal. These instruments contain protective measures to ensure we comply with our industrial relations obligations which include preventing modern slavery practices.

⁷ Department of Home Affairs, *Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities*, Appendix 1, Table 5.

⁸ Having considered the guidance in the Department of Home Affairs, *Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities*.

3. Risks

The Australia Council's Workplace Forum is a group of officials committed to contributing to the development of a purposeful and engaging working environment for Council staff. The Workplace Forum comprises up to four employee representatives and up to four management representatives. Membership is open to employees outside of the Executive and Senior Management teams.

The Work, Health and Safety Committee comprises both employee and management representatives with at least 50% of members being employee representatives. Each member is appointed for a two-year term which may be extended.

Both the Workplace Forum and the Work, Health and Safety Committee provide transparent and accessible avenues for Council officials to raise concerns. These further assists to mitigate the risk of modern slavery practices within our operations.

Risks in the Australia Council's supply chains

The Australia Council recognises the ethical and legal importance of protecting human rights when engaging with third parties to provide goods and services. We are committed to ensuring that as far as possible we address and mitigate any risks of modern slavery in our supply chains. We expect our suppliers to share and adhere to this position. Our standard terms and conditions of contract include compliance with the *Fair Work Act 2009* (Cth) and the *Criminal Code Act 1995* (Cth).

The Australia Council has again assessed the risk of modern slavery in our first-tier supply chains as inherently low.⁹ This assessment considered the contractual arrangements in place to support our activities and functions under the Australia Council Act 2013 (Cth) and determined the nature of our operations, ensuring that we do not regularly engage with suppliers considered most at risk.¹⁰ When we do engage with at-risk suppliers, we take active measures to engage with the provider further and to better understand their business, operations and supply chains.

⁹ Having considered the guidance in the Department of Home Affairs, *Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities*.

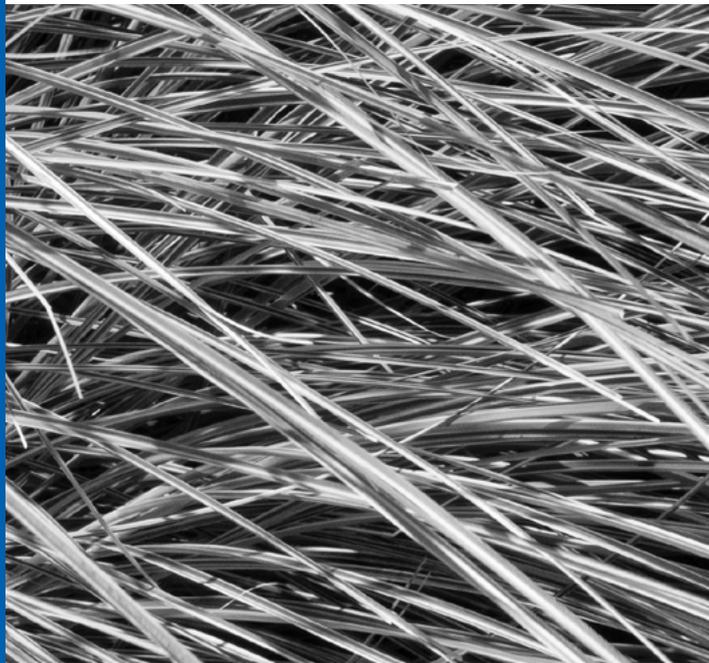
¹⁰ Refer to the list of products, industries and geographic regions which identify the highest risks of modern slavery in Walk Free Foundation 2018, *The Global Slavery Index 2018*.

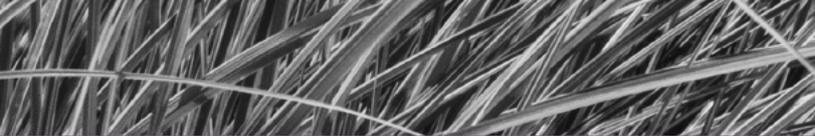
Case study: Mitigating modern slavery risks in our IT supply chain

The Australia Council has a long-standing contract with a multinational IT services company for support of our Skype for Business telephony platform. Globally, the IT sector has been noted as particularly susceptible to the risks of modern slavery due to the complex supply chains involved in making IT hardware and the geographical locations of these.

Following the introduction of the Australia Council's Modern Slavery Policy, the Council requested that the IT service company insert a clause into our support contract with them to gain assurance they considered modern slavery risks in their operations. The supplier initially would not agree to our request, arguing that the IT sector was not particularly labour intensive, and that as a UK-based company they were only subject to UK legislation governing slavery and human trafficking.

The Council did not accept this response, noting that the UK *Modern Slavery Act 2015* was irrelevant to us as the client, and that we had a requirement to comply with Australian legislation which compels us to report on our efforts to reduce risks of modern slavery in our supply chains, no matter the supplier's location. After further discussion and educating the supplier on the documented risks of modern slavery in the IT industry, we achieved a successful outcome with the IT service company agreeing to add the required clause to the contract.





4

Actions

Section 16(1)(d) of the *Modern Slavery Act 2018* requires reporting entities to describe the actions they have taken to assess and address the risks outlined in the previous section, including due diligence and remediation processes.

In 2020–21, the Australia Council undertook a number of measures to enhance and build on the actions taken during the 2019–20 year to assess and address modern slavery risks. These included:

- implementation of our Modern Slavery Policy in December 2020
- implementation of a Supplier Code of Conduct in December 2020
- provision of training on modern slavery to all staff in February 2021
- ensuring modern slavery is discussed during the induction of new starters
- increasing our understanding of modern slavery risks across our operations, investments and first-tier suppliers
- continuing to embed and increase staff awareness regarding modern slavery risks in our procurement processes
- continuing to review policies and processes and identify opportunities to include consideration of modern slavery risks where relevant.

Due diligence

Many of the Australia Council's internal controls contribute to identifying, addressing and mitigating modern slavery risks in our operations.

The Australia Council's Executive oversee the Council's procurement and contract management processes. They are required to sign a compliance checklist every six months to confirm their respective divisions have complied with the Procurement Guidelines, among other responsibilities.

The Council's officials responsible for finance, risk management and its legal functions ensure compliance with both relevant laws and internal policies across the organisation and are regularly report on these to the Executive, the Audit and Risk Committee and the Board.

To support the Australia Council's governance frameworks and internal controls, a number of policies relevant to addressing and mitigating modern slavery risks are in place. In 2020-21 these included:

- Authorisations Framework
- Code of Conduct
- Contract Registers
- Credit Card Use Policy
- Cultural Engagement Framework
- Discrimination, Harassment and Bullying Prevention Policy
- Equal Employment Opportunity Policy
- Gifts and Benefits Policy and Register
- Governance Manual
- Fraud Control Policy
- Modern Slavery Policy
- Procurement Guidelines
- Public Interest Disclosure Policy and Procedure
- Risk Management Framework
- Risk Management Policy
- Recruitment and Selection Policy
- Supplier Code of Conduct
- Work, Health & Safety Policy
- Workplace Forum Charter.

4. Actions

Remediation processes

In 2020-21, the Australia Council reviewed its current protocols for allegations of modern slavery practices to be reported.

The Council's Feedback Management Policy provides guidance and assistance to stakeholders who wish to provide feedback to the Council, including complaints and concerns about our operations. The policy is located on our website and includes a dedicated email address.¹¹

In line with the *Public Interest Disclosure Act 2013* the Australia Council's Public Interest Disclosure Policy facilitates the disclosure and investigation of any wrongdoing or maladministration within the Council, by Council officials.

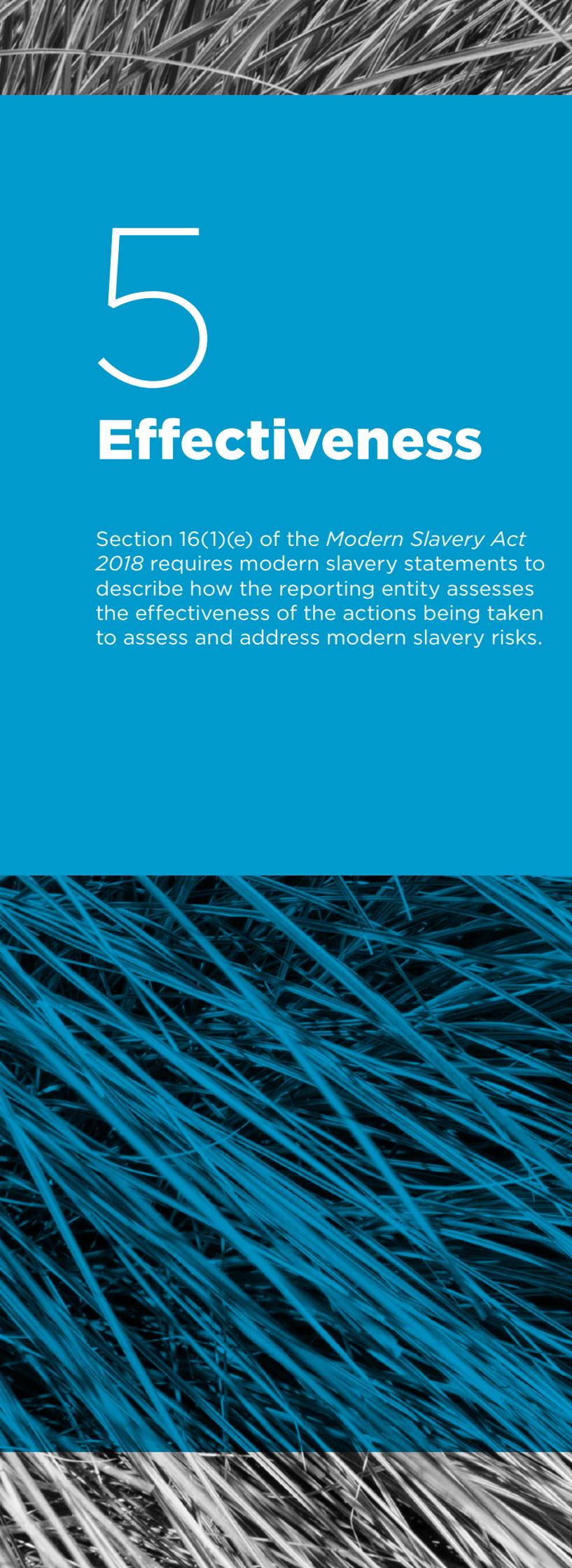
The Council's Modern Slavery Policy includes specific guidance on identifying and responding to reports of suspected and actual risks of modern slavery practices in the Council's operations or supply chains.

Next steps

The Australia Council's Procurement Guidelines are scheduled for review in 2022. At this time we will look at further opportunities to embed consideration of modern slavery risks into our procurement processes.

The Australia Council will continue to monitor our supply chains and take pre-emptive action when a supplier, or potential supplier, is identified as 'at risk' for modern slavery.

¹¹ See: <https://www.australiacouncil.gov.au/content/feedback/> email: feedback@australiacouncil.gov.au



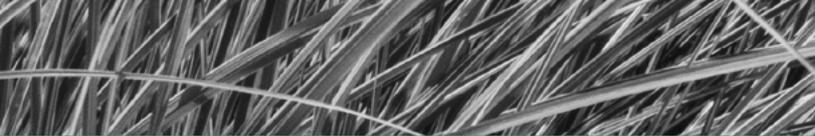
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Effectiveness

Section 16(1)(e) of the *Modern Slavery Act 2018* requires modern slavery statements to describe how the reporting entity assesses the effectiveness of the actions being taken to assess and address modern slavery risks.

Due to the assessment of the risk of modern slavery practices occurring within the Australia Council's supply chains remaining low, an assessment of the effectiveness of actions taken to address modern slavery has not been practicable.

We will continue to monitor the actions we implement in 2021-22 onwards and will consider opportunities to review their effectiveness in future statements.

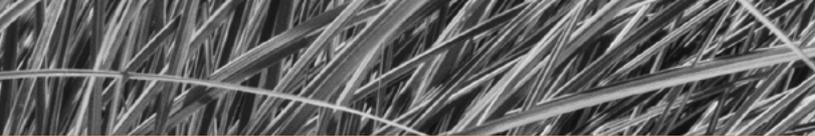


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Consultation

Section 16(1)(f) of the *Modern Slavery Act 2018* requires reporting entities to describe the process of consultation with any entities that the reporting entity owns or controls.

The Australia Council does not own or control any other entities.



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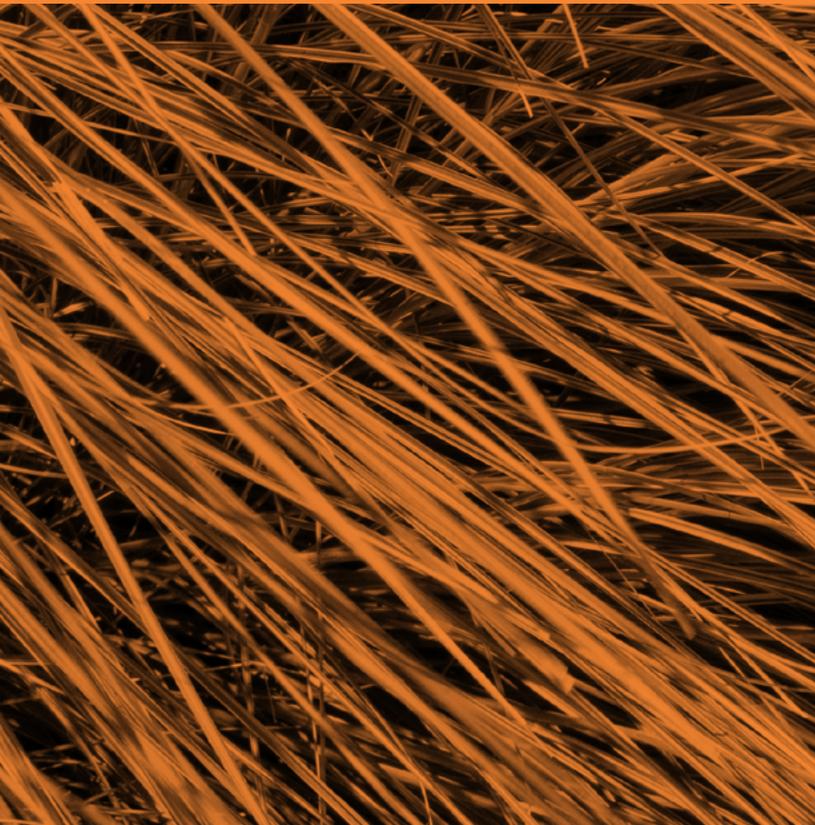
Related activities

Section 16(1)(g) of the *Modern Slavery Act 2018* allows for reporting entities to include any other relevant information that the reporting entity thinks is relevant.

For more information about modern slavery, see the Walk Free Foundation's Global Slavery Index at: <https://www.globalslaveryindex.org/>

For more information about the Australia Council, see: <https://www.australiacouncil.gov.au/>

The Australia Council has no further information to report in our 2020-21 Modern Slavery Statement beyond our current work and commitment to progressing work to address modern slavery risks.





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