

Modern Slavery Statement

A joint statement on behalf of NSW Health Entities

[NSW Local Health Districts, Specialty Networks and the Cancer Institute NSW]

Contents

Introduction	1
Overview	3
COVID-19 Impact	3
NSW Health Reporting Entities.....	4
NSW Health Structures, Operations & Supply Chains.....	5
NSW Health Operations	6
NSW Health Organisations – Reporting Entities	6
NSW Health Supply Chains.....	7
Risks of Modern Slavery Practices in Operations & Supply Chains.....	9
Operations.....	10
Supply Chains	10
COVID-19 Impacts on Supply Chains.....	10
Actions Taken to Assess & Address Risks of Modern Slavery in Operations & Supply Chains	11
Actions completed to address Modern Slavery Risks	12
Actions planned and underway to address Modern Slavery Risks	13
Assessing the effectiveness of the actions taken to assess and address modern slavery risks	14
Consultation	16
Approval.....	16

1

Introduction

NSW Health Formal Apology

Held annually on 26 May since 1998, National Sorry Day honours the resilience and self-determination of Aboriginal people who have been impacted by the forced removal of babies and children from their families.

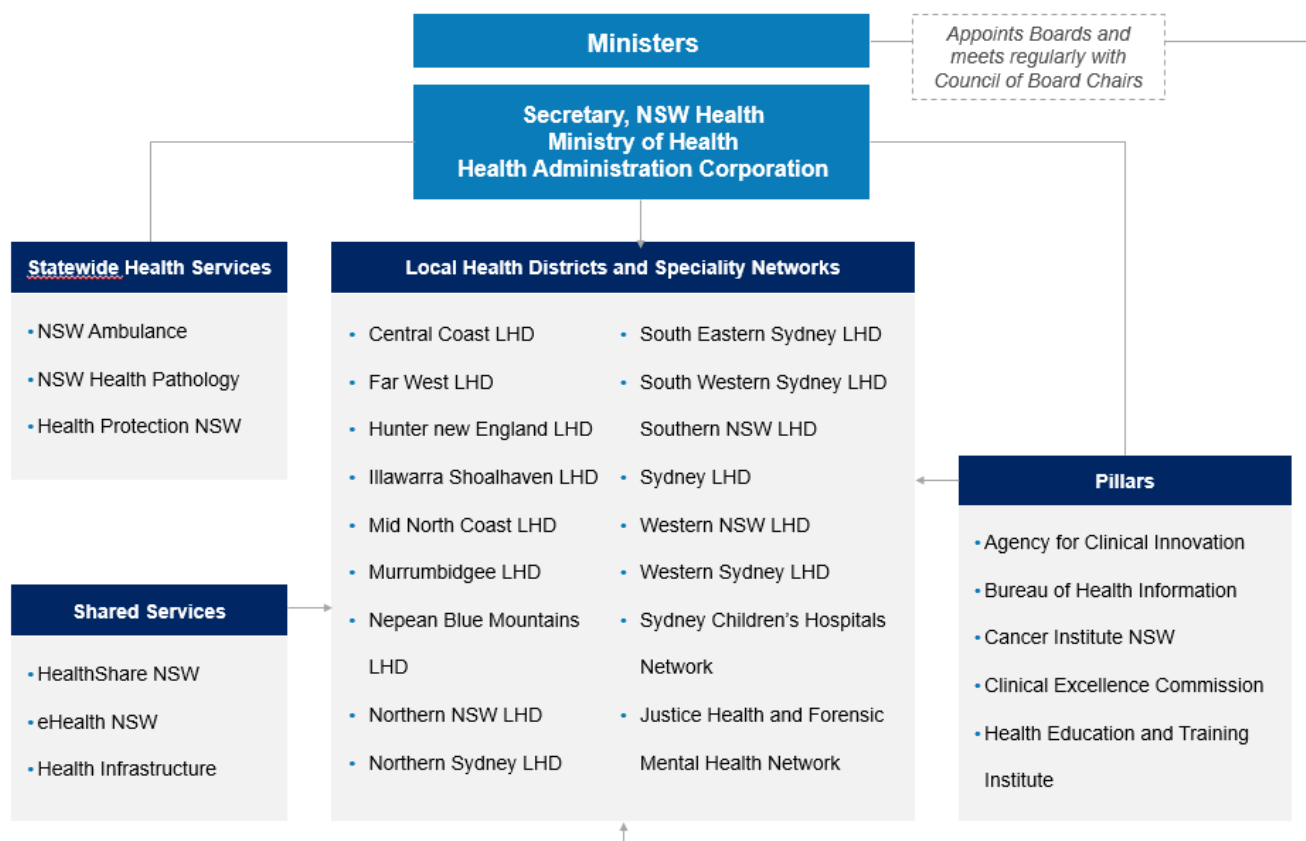
This year, the Secretary, NSW Health, Susan Pearce, made a formal apology on behalf of the NSW Health system to survivors of the Stolen Generations and acknowledged the many Aboriginal children who were admitted to our hospitals and never returned to their families and communities.

While past government policies very much still impact the health and wellbeing of our Aboriginal families today, we hope that our Apology marks a significant milestone in our history and embraces truth-telling and the ongoing process of healing for our Aboriginal communities.

Overview

NSW Health is committed to the eradication of all forms of modern slavery and human trafficking, including exploitation, forced labour, child labour and servitude. Collaborating closely with our teams and suppliers across the Health System, NSW Health is working through its operations and supply networks to seek to identify and eliminate modern slavery risks.

The NSW Ministry of Health supports the executive and statutory roles of the Health Cluster and Portfolio Ministers as illustrated below.



COVID-19 Impact

The COVID-19 pandemic has significantly impacted on all NSW Health entities and on the actions taken to assess and address modern slavery risks. COVID-19 has also highlighted the importance of

managing the risks within our global supply chains, including potentially increased risks of modern slavery due to economic and supply chain pressures.

NSW Health Reporting Entities

While the Ministry of Health is not a reporting entity under the Commonwealth Modern Slavery Act 2018 (the Act), the Act applies to the following Reporting Entities: 15 NSW Local Health Districts, the Sydney Children's Hospitals Network, the Justice Health and Forensic Mental Health Network, and the Cancer Institute (NSW). Given the Ministry's role in relation to the Reporting Entities, it has prepared this Joint Statement on behalf of, and in consultation with, the following Reporting Entities, HealthShare NSW and eHealth NSW.



Health
Central Coast
Local Health District



Health
Mid North Coast
Local Health District



Health
Southern NSW
Local Health District



Health
Far West
Local Health District



Health
Nepean Blue Mountains
Local Health District



Health
South Western Sydney
Local Health District



Health
Hunter New England
Local Health District



Health
Northern NSW
Local Health District



Health
Sydney
Local Health District



Health
Illawarra Shoalhaven
Local Health District



Health
Northern Sydney
Local Health District



Health
Western NSW
Local Health District



Health
Murrumbidgee
Local Health District



Health
South Eastern Sydney
Local Health District



Health
Western Sydney
Local Health District



Cancer
Institute



Health
Justice Health and
Forensic Mental Health Network



The Sydney
children's
Hospitals Network
care, advocacy, research, education

Together, for the purposes of this Statement, the Reporting Entities and non-Reporting Entities are collectively referred to in this Statement as NSW Health. All NSW Health entities are obliged to use the policies and processes promulgated by NSW Ministry of Health.

This Statement provides a single, consolidated description of the actions taken to assess and address the risk of modern slavery in the operations and supply chains of the NSW Health Reporting Entities for the reporting period 1 July 2021 to 30 June 2022.

2

NSW Health Structures, Operations & Supply Chains

NSW Health Operations

The NSW public health system provides high quality, safe healthcare to the people of NSW. It is the biggest and busiest public health system in Australia, with 228 public hospitals, and 155,725 (133,629 Full Time Equivalent) dedicated staff who are supported to deliver the very best care to our patients, consumers and clients.

The health system impacts every NSW citizen, from care in hospitals to care in our community, and provides the full spectrum of physical and mental health care. NSW Health's purpose is to plan for the provision of comprehensive, balanced and coordinated health services to promote, protect, develop, maintain and improve the health and wellbeing of the people of NSW.

NSW Health Organisations – Reporting Entities

More detail on each of the Reporting Entities is outlined below:

- **Local Health Districts (15 Regions)**

Local Health Districts are established as distinct corporate entities under the *Health Services Act 1997 (NSW)*. Eight districts cover metropolitan NSW, with seven covering rural and regional NSW. They provide hospital, community and population-based healthcare services that meet the needs of their local community. Providing a comprehensive range of medical specialties, the districts deliver in-hospital care, outpatient services, mental health services, child and family health services, oral health services, Aboriginal health services, and drug and alcohol rehabilitation.

- **Cancer Institute NSW**

The Cancer Institute NSW is a board-governed organisation established under the *Cancer Institute (NSW) Act 2003 (NSW)* and is deemed to be a statutory health corporation for the purposes of the *Health Services Act 1997 (NSW)*. The Institute is tasked with improving the prevention, early detection and treatment of cancers in NSW, and improving quality of life for people with cancer and their carers. The Cancer Institute NSW provides the strategic direction for cancer control across the state, which is driven by the goals of the NSW Cancer Plan: to reduce the incidence of cancer, to increase the survival rate of people with cancer, and to improve the quality of life of people with cancer.

- **Justice Health & Forensic Mental Health Network**

Justice Health and Forensic Mental Health Network is a state-wide service that provides healthcare to adults and young people in contact with the forensic mental health and criminal justice systems in NSW. It is established as a specialty network governed health corporation under the *Health Services Act 1997 (NSW)*.

- **The Sydney Children's Hospitals Network**

The Sydney Children's Hospitals Network is committed to providing world-class paediatric health care in a child and family-centred environment by helping children and young people live their healthiest lives. This is achieved by ensuring that children have access to specialty care for treatment of cancer, heart conditions, severe burns, HIV/AIDS and other complex medical disorders where children may require organ, bone marrow or cord blood transplants. It is established as a specialty network governed health corporation under the *Health Services Act 1997 (NSW)*.

NSW Health Supply Chains

The NSW Health system is the largest public health system in Australia. A summary of procurement spend by reporting entities is included below.

Procurement Spend by the Reporting NSW Health Entities

LHD/Entity	Goods & Services \$'000
Central Coast	222,454
Illawarra Shoalhaven	317,492
Nepean Blue Mountains	322,828
Northern Sydney	651,586
South-Eastern Sydney	556,007
South-Western Sydney	611,190
Sydney	898,701
Western Sydney	697,750
Far West	37,780
Hunter New England	696,020
Mid North Coast	221,512
Murrumbidgee	236,415
Northern NSW	245,477
Southern NSW	154,823
Western NSW	295,939
Cancer Institute	42,237
The Sydney Children's Hospitals Network	244,009
Justice & Forensic Network	65,916
Total	6,519,135

NSW Health procurement is undertaken through the following three broad methods:

1. Centralised Procurement

HealthShare NSW and eHealth NSW are the central points for NSW Health's procurement activity and their key functions include procurement of clinical and non-clinical goods and services, contract and supplier management, supply chain services on behalf of Local Health Districts, Statutory Health Corporations and the Ministry of Health. HealthShare NSW and eHealth NSW work in partnership with the NSW Health organisations to understand their requirements, facilitate large sourcing activities and appoint common use suppliers that meet their requirements.

2. NSW State Government Common Use Agreements

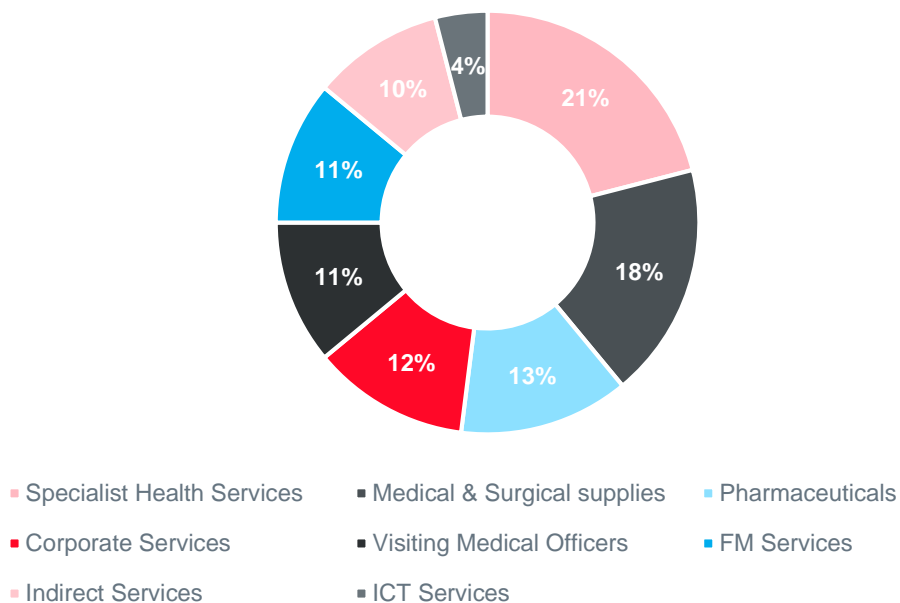
The NSW Government has several common use arrangements that cover a substantial proportion of common spend across NSW from which the NSW Health entities purchase. Some of these arrangements are established and managed by HealthShare NSW and eHealth NSW.

3. Other Procurement Activity

NSW Health entities are required to comply with the NSW Health Procurement Policy which permits entities to undertake procurement for low-risk and low-value goods and services.

The following graph shows the NSW Health procurement spend split by percentage across key procurement categories.

Percentage of spend by key category – FY2021/22



3

Risks of Modern Slavery Practices in Operations & Supply Chains

Operations

There are a wide range of roles and staffing arrangements across the NSW Health Reporting Entities, which could present labour or modern slavery risks if not well managed. In order to minimise any operational risks of modern slavery, NSW Health has a comprehensive range of recruitment, selection, employment and Human Resources policies in place. Additional information on specific actions is included in Section 4 of this Statement.

Supply Chains

NSW Health's supply chains include suppliers with world-wide operations. This can increase the chance of modern slavery risk exposure due to the varying regulatory frameworks and practices within the overseas locations. In addition, these global supply chains are often several layers deep, making it difficult to assess the modern slavery risks that may exist.

The following NSW Health procurement categories are considered to include a higher risk of modern slavery:

- Personal Protective Equipment, including masks and gloves
- Linen
- Medical equipment, including surgical instruments
- Cleaning
- Electronics
- Security Services.

The potential risks within these procurement categories relate to the following general modern slavery risk areas:

- Labour practices in overseas manufacturing facilities
- Labour practices in sourcing such material as cotton and rubber
- Labour practices in low paid contracted workforces
- Industry risks associated with cleaning, textiles and electronics.

COVID-19 Impacts on Supply Chains

There has been an increased demand worldwide for urgent supply of Personal Protective Equipment due to the COVID-19 pandemic. As a result, NSW Health's incumbent contracted suppliers were unable to supply many products, leading NSW Health to source from outside normal channels. This may have increased the risk of modern slavery within supply chains, as the need to respond to the pandemic reduced the organisation's ability to conduct detailed due diligence on some new suppliers.

4

**Actions Taken to
Assess & Address
Risks of Modern
Slavery in
Operations &
Supply Chains**

Actions completed to address Modern Slavery Risks

Operations

NSW Health has a range of processes and policies in place to minimise the risk of modern slavery across the operations of the Reporting Entities, including:

- Established procedures for pre-employment screening including identity checks, criminal history checks and confirmation of entitlement to work in Australia for direct hire employees.
- A comprehensive set of policies, guidelines, accreditation and employment award requirements are in place to provide consistent governance across all aspects of employment and labour practice.
- Written employment and human resources policies and procedures are available to all staff through the NSW Health Intranet.
- NSW Health maintains records of employees' work visas and authorities to work in Australia.
- Western Sydney Local Health District has recruited two of three planned Contract Implementation Specialist positions that will be responsible for contract compliance including Modern Slavery compliance.

Supply Chains

The ongoing COVID-19 pandemic heavily impacted on operations of the NSW Health system and provided limited opportunities to explore and implement modern slavery minimisation tactics during the reporting period. The following actions were undertaken to assess and address risks of modern slavery in NSW Health's supply chains:

- HealthShare NSW and eHealth NSW tender documentation has been updated to ensure all respondents comply with applicable laws relating to modern slavery.
- HealthShare NSW and eHealth NSW contracts include specific compliance clauses and requirements for suppliers to report any breaches, including the results of any investigations and remediations.
- HealthShare NSW and eHealth NSW has established the right to audit a supplier through its supplier contracts, enabling immediate termination of rights for breach.
- HealthShare NSW has an extensive Supplier Relationship Management program, which includes the ongoing management of contract compliance and KPIs, including compliance with modern slavery requirements and the Supplier Code of Conduct.
- NSW Health conducts business with many large multi-national suppliers who are required to report under the *Commonwealth Modern Slavery Act 2018* and to confirm their compliance with the Act as a condition of supply.
- Western Sydney Local Health District has established a complaints handling process for patients, consumers, or members of the public to raise concerns about modern slavery.
- NSW Health has also engaged the support of a specialist 3rd party to assess the effectiveness of our plan, assist with implementation of any outstanding actions, and embed modern slavery risk management within the organisation.
- For contingent workforce, all Reporting Entities use the prequalification scheme for contingent workforce administered by NSW Treasury.
- In relation to cleaning services, NSW Health now employs most of its own cleaners to reduce risks including in relation to modern slavery.

Actions planned and underway to address Modern Slavery Risks

The ongoing focus of NSW Health on responding to the COVID-19 pandemic has impacted on the timing of implementation of actions from the last reporting period

1	Spend Analysis and Segmentation	Undertake a detailed spend analysis and supplier segmentation process based on modern slavery and supply chain risk.
2	Supplier Risk Assessment	Conduct a risk assessment to identify priority supplier risks based on Criticality, Geography, Industry and Product.
3	Stakeholder Engagement Sessions	Run a series of stakeholder engagement sessions at a Category level focused on Modern Slavery and Sustainable Procurement education, gaining insights, validating risk assessment results and exploring opportunities for improved performance.
4	Supplier Self-Assessment Questionnaire Design and Delivery	Develop and deliver a tailored Self-Assessment Questionnaire (SAQ) designed to understand how Modern Slavery and related risks are being managed by suppliers identified as higher risk through the Supplier Risk Assessment process. Key focus areas to include: <ul style="list-style-type: none"> • Policy and controls • Employment conditions • Child labour • Forced labour, bonded labour and human trafficking • Supply Chain risk management
6	Modern Slavery Education and Training	Undertake a Modern Slavery Training Program for staff, including Awareness Training for general staff, more intensive training for key supply chain personnel, and develop training and protocols to identify victims in a health setting and embed them into training and inductions.
7	Modern Slavery Risk Management Program	Develop a long-term Modern Slavery Risk Management Program to build modern slavery risk management into processes, technology and systems to ensure prevention and minimisation of risks, demonstrate continuous improvement and meet regulatory requirements.
8	Supplier Communication	Undertake periodic supplier communication to promote Modern Slavery Risk Management throughout the supply chain.
9	Peer Networking and collaboration	Work with other Health services and relevant agencies to identify opportunities for collaboration in managing modern slavery risks across common supply chains.
10	Supplier Relationship Management	Continue to strengthen integration of Modern Slavery requirements into the HealthShare Supplier Relationship Management Programs, including KPIs, supplier education, Action Plans and Audits where required.
11	Policy, Process and Governance	Establish clear organisational roles and reporting procedures for any potential Modern Slavery issue and a governance structure to manage the Action Plan. Continue to strengthen Modern Slavery requirements at supplier selection, onboarding and contract establishment. Western Sydney Local Health District will undertake cyclical audits of suppliers to ensure compliance with Modern Slavery requirements.

Assessing the effectiveness of the actions taken to assess and address modern slavery risks

NSW Health is committed to continuing to assess the effectiveness of the actions taken to assess and address modern slavery risks. Key activities will include:

Annual Risk Assessment and SAQ Process	Continue to undertake Supplier Self-Assessment Questionnaires as part of an ongoing program to reassess the Modern Slavery Risks within our supply chains
Risk Management Program Review and Reporting	Review the Modern Slavery Risk Management Program annually, including tracking our progress against key deadlines, but also assessing the impact made and continuous improvement achieved as a result of the work undertaken. Report annually to the Executive and CEs of the Reporting Agencies on progress.
Ongoing Supplier Feedback	Engage with suppliers to provide periodic communication and information, as well as seeking their feedback on our progress and approach. Regularly review supplier specific action plans.

5

Consultation &
approval

Consultation

NSW Ministry of Health led the preparation of this Statement on behalf of the NSW Health Reporting Entities. HealthShare NSW and eHealth NSW also supported the development of the Statement as these entities undertake a substantial proportion of procurement on behalf of the Local Health Districts.

All Reporting Entities were consulted through the provision of a draft version of this Statement and afforded the opportunity to provide feedback.

Approval

This Statement has been approved by the Health Secretary pursuant to section 14(2)(d)(ii) of the Act (on the basis the Secretary “is in a position, directly or indirectly, to influence or control each reporting entity covered by the statement, whether or not the higher entity is itself covered by the statement” and is therefore the “higher entity” for the Reporting Entities). Under the Health Services Act 1997 (NSW), the functions of the Health Secretary include providing governance, oversight and control of the public health system and statutory health organisations within in it (section 122(1)(c1)).

Signed by the Health Secretary (as the higher entity for the Reporting Entities) under section 14(2)(e)(ii):



Susan Pearce
Secretary, NSW Health

28/11/20

