



# Modern Slavery Statement

2022-2023



# About this document

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

**Mandatory Criteria 1 and 2: Identify the reporting entity and describe its structure, operations, and supply chains.**

Albury Wodonga Health (ABN 31 569 743 618) is an Australian health service established under section 181 of the Health Services Act 1988 (Vic).



Total number of beds:

**337**

Number of mental health beds:

**95**



ED presentations

**68,687**



Number of patients:

**41,037**



Number of surgeries:

**17,034**



Number of staff:

**3314**



Population receiving health care from AWH

**296,799**



Number of sites where services provided

**24**

Other services:

- Range of community based residential facilities and community health centres.
- Care delivered across North East Victoria and Southern NSW.
- The Albury Wodonga Health Board of Directors is made up of eight members, of which 63% are female.

Albury Wodonga Health's annual report can be found at: [AWH Annual Reports](#).

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.

Albury Wodonga Health purchases the goods and services it needs from a range of suppliers who are party to HSV collective agreements. As such, it is recognised that HSV has a significant role in health service supply chains.

A full list of HSV's sourcing categories can be found at [Contracts and documents » HealthShare Victoria](#). The breakdown of Albury Wodonga Health's spend is:

#### Warehouse items:



- 57% of purchase through HSV contractual arrangements – including schedule 1 and schedule 2 items
- 43% of purchases through non-HSV contractual arrangements.

#### Non-warehouse purchases:



- 10% of purchases through HSV contractual arrangements
- 90% of purchases through non-HSV contractual arrangements.

During the 2022-23 reporting period, Albury Wodonga Health engaged with approximately 1800 suppliers across a wide variety of services including warehousing items for medical consumables and non-warehouse items and services such as ventilators, beds, mattresses, patient trolleys, treatment chairs, pharmaceutical products, IV fluids, catering supplies and services such as agency labour, laundry and linen services and non-emergency patient transport. The non-warehouse purchases also include electricity providers, legal services, and consultancy services.

Albury Wodonga Health and HSV acknowledge that the COVID-19 pandemic has heightened the risk of modern slavery in the health care sector. The International Labour Organisation's has predicted that between 20.1 million and 35 million more people will be in working poverty than in the pre COVID-19 estimates. 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 economics, 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 strong incentives and greater latitude for exploitation as there is reduced scrutiny of labour standards.

**Mandatory Criteria 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity own or controls.**

The focus of this reporting period under the Modern Slavery Act 2018 (Cth) was to undertake supplier risk assessments within HSV Collective Purchasing Agreements. In the next reporting period, Albury Wodonga Health intends to work collaboratively with the health service’s own suppliers and HSV to identify mitigation efforts to combat modern slavery risks, and foster collaboration between Albury Wodonga Health and suppliers to seek to address these risks.

Albury Wodonga Health will work with the health service’s top 30 suppliers in terms of spend data, along with any other suppliers identified as potential high risk, to gather information on the suppliers own modern slavery supply chain risk. This will include performing individual risk assessments for each supplier, working with suppliers who are identified as very high to high risk and assisting them to increase awareness of modern slavery risk through directing them to training resources and guidance provided on HSV’s supplier resource page.

Albury Wodonga Health has not caused or contributed to modern slavery practice, but rather, Albury Wodonga Health is linked to risks which exist offshore and in high-risk geographies. HSV has developed a supplier risk assessment tool that Albury Wodonga Health will use to collect data from the health service’s top 30 suppliers and others as identified above, to categorise the suppliers’ risk.

The supplier risk categorisations reflect the outcomes of combined macro and micro components with assigned weightings.

The micro assessment will consider 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. The micro assessment also considers whether the nature of the supply chain model carries a greater risk of modern slavery. This type of assessment provides a general understanding of the scope of modern slavery risk that suppliers may carry. This means, for example, that suppliers with a “very high” risk categorisations may not have provided training on their modern slavery policy to their staff and suppliers, and/or had limited supply chain visibility, and/or did not intend to implement prequalification processes. In contrast, suppliers with a “low” risk categorisations have such measures in place.



Albury Wodonga 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.

Additionally, this approach has enabled Albury Wodonga Health to continue addressing areas of higher modern slavery risk. As a health service with a largely skilled workforce, Albury Wodonga Health considers the risk of modern slavery within its direct business operations to be relatively low. In line with a risk-based approach, these risks will be further examined in subsequent reporting periods.

Albury Wodonga Health recognises that the extensive nature of our global supply chains may expose us to modern slavery risks. Given HSV's significant role in Albury Wodonga Health's supply chains, HSV has helped identify the general risks of modern slavery that may be present. Albury Wodonga Health may be exposed to several modern slavery risks due to the diversity of products and services sourced by AWH and HSV and the associated geographic locations, industries, and regulatory systems further down those supply chains.

Some of the general risk areas present in Albury Wodonga Health's supply chain include:

- Labour practices in offshore manufacturing facilities, some of which are in South- East Asia;
- Labour practices in the sourcing of raw materials, including cotton and rubber; and
- Industry risks associated with textiles, electronics, catering, security, and cleaning services.

In addition to general risks, AWH and HSV has identified the following high-risk areas specific to the healthcare sector:



Given the level of complexity in such extensive supply chains, AWH will continue to refine its risk assessment methodology to further improve the visibility of high-risk areas within health supply chains in Victoria.

#### **Mandatory Criteria 4: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.**

Albury Wodonga Health recognises the importance of continuous improvement relating to assessing and addressing Modern Slavery risks in the health service's supply chain.

Albury Wodonga Health will roll out Modern Slavery training to key officers in the organisation including Board Members, the CEO and Executive group, the Procurement and Supply Chain team and contract managers of high-risk service areas.

HSV has established a modern slavery program of work and appointed a Supply Chain Risk Manager to implement the program and support Victorian health services to address modern slavery risks in their operations and supply chains. The program encompasses health service education and support, supplier engagement, due diligence and remediation, amongst other activities.

Albury Wodonga Health is mandated to uphold the Australian Government's position on modern slavery and will update its Procurement Policy to include a statement on combatting modern slavery in health supply chains and capturing allegations of modern slavery practice(s) in its remit of complaints management, enabling the development of remediation processes. The Procurement Policy is an important internal document that outlines Albury Wodonga Health's position on procurement governance and activities, including its response to Government policy.

The amendment to the Procurement Policy consolidates Albury Wodonga Health's position on modern slavery, which will in turn inform other internal governance amendments and educational resources for the health service.

As part of its due diligence, Albury Wodonga Health has included a modern slavery clause in the Invitation to Supply (ITS) documentation to ensure prospective suppliers acknowledge their responsibility to health services that are reporting entities pursuant to the Act. In addition to its inclusion in the ITS, this clause has been incorporated into select executed contracts.

As well as specific modern slavery provisions, suppliers wishing to conduct business with Albury Wodonga Health, must aspire and commit to meet the Supplier Code of Conduct.

Under the Supplier Code of Conduct, suppliers are expected to proactively identify, address and – where required by legislation – report on risks of modern slavery practices in their business operations and supply chains.

To further enhance its approach to due diligence, Albury Wodonga Health will work towards a standard approach to procurements and supply chain management by:

- Screening prospective suppliers for modern slavery risk as part of ITS due diligence activities;
- Assessing incumbent suppliers on modern slavery risk through tailored supplier questionnaires; and
- Managing remediation actions arising from due diligence or supplier questionnaires.
- Working towards mapping tier one suppliers and their risk profile.
- Introducing modern slavery clauses into all contract templates.

In addition to this, Albury Wodonga Health will also encourage the health service's top 30 suppliers to undertake the online Modern Slavery training provided by HSV.

In relation to HSV contracted suppliers, HSV has written to all very high risk, high risk and medium risk suppliers providing these suppliers with tools and resources to develop/enhance their modern slavery risk management systems.

HSV also outlined their contractual obligation under Collective Purchasing Agreements and expectation under the Victorian Government Supplier Code of Conduct to respond to modern slavery risk in their operations and supply chains.

**Mandatory Criteria 5: Describe how the reporting entity assesses the effectiveness of actions taken to assess and address modern slavery risks.: Describe how the reporting entity assesses the effectiveness of actions taken to assess and address modern slavery risks.**

Albury Wodonga Health recognises the importance of this activity and will endeavour to introduce assessment mechanisms in the FY2023-24 reporting period. In the interim, Albury Wodonga Health has engaged with HSV to understand the effectiveness of the assessments they have conducted.

HSV has introduced several mechanisms for monitoring the effectiveness of the actions it has taken to date. Representatives from mandated health services who attend training sessions on the requirements of the Act periodically complete surveys to self-assess their progress against several criteria. The results are used to measure the success of engagement programs, inform future workshop content, and identify potential gaps in training.

In addition to this, HSV's senior leadership has taken ownership of the modern slavery program and progress is regularly discussed at senior committees.

Feedback from committee members is used to inform decision making and future activities within the program.

**Mandatory Criterion 6: Describe the process of consultation with any entities the reporting entity owns or controls.: Describe the process of consultation with any entities the reporting entity owns or controls.**

Albury Wodonga Health does not own or control any other entities.

**Mandatory Criterion 7: Any other relevant information.**

To support the implementation of the Act within the health service, Albury Wodonga Health will use the toolkit developed by HSV to assist with meeting the requirements under the Act. The toolkit contains:

- 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 Albury Wodonga Health to conduct our own risk assessment, due diligence, and remediation activities.

In addition to this, Albury Wodonga Health is working toward introducing a Procurement and Contract Management Governance Committee which is imperative to contribute to the broader organisation's knowledge and understanding of the risk and impact of Modern Slavery on the health service.

**Closing statement**

Albury Wodonga Health 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 Albury Wodonga Health 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 Albury Wodonga Health on:

**21 December 2023**

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Date:



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Signature:

**Jonathan Green**

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Name:  
Board Chair