



Australian Government

Australia
Council
for the Arts 

Modern Slavery Statement

2019–20

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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Foreword

The Australia Council recognises the fundamental importance of protecting human rights. All people should be able to live with dignity, freedom, equity and justice, including the right to participate in a cultural life. We believe in the power of arts and creativity to connect and empower us, to build empathy and civil society, and to enable individuals and communities to reach their fullest potential.

Modern slavery is the antithesis of this, and its gravity and reach are sobering. Globally, there are estimated to be more than 40 million people trapped in modern slavery on any given day. This includes almost 25 million people exploited in forced labour that feeds global supply chains – G20 countries collectively import US\$354 billion worth of products at risk of being produced by modern slavery each year. Modern slavery disproportionately impacts women and girls and one in four of its victims are children.¹

The latest Global Slavery Index has shown modern slavery to be more prevalent in countries like Australia than we previously understood. No country, industry or individual is immune from the risk of modern slavery in the supply chains we use and the products we buy.

The responsibility falls on all of us to recognise the human suffering that may be implicit in the actions we take, and to make changes to address this. Education, transparency and accountability are key to unravelling what has previously been an invisible problem to many of us.

We commend the Parliament of Australia's *Modern Slavery Act 2018* and the awareness, accountability and change it will engender. We 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.

The Australia Council has robust decision-making and procurement processes in place to ensure fair, transparent and ethical dealings that maintain our integrity and reputation. While we have assessed the modern slavery risks in our operations and first tier supply chains as low, we have added a standard modern slavery clause to all Australia Council contract templates. In 2019–20 we also began work to develop a comprehensive Modern Slavery Policy to ensure we continue to expand and strengthen safeguards and increase our awareness and vigilance.

We are pleased to submit the first modern slavery statement on behalf of the Board and staff of the Australia Council for the Arts, for the 2019–20 reporting period, and to be part of the global response to end modern slavery.



Sam Walsh AO
Chair



Adrian Collette AM
Chief Executive Officer

¹ Based on 2016 estimates. Walk Free Foundation 2018, *The Global Slavery Index 2018*.

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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 funding 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 Aboriginal and Torres Strait Islander 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.

Our inaugural modern slavery statement covers the Australia Council for the 2019–20 reporting period.

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 2019–20, our responsible minister was the Hon Paul Fletcher MP, Minister for Communications, Cyber Safety and the Arts.²

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.³

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.⁴ 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.⁵ 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/>

2 Since December 2020, Minister for Communications, Urban Infrastructure, Cities and the Arts.

3 As defined under section 13 of the PGPA Act.

4 Sections 15 and 8, PGPA Act.

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



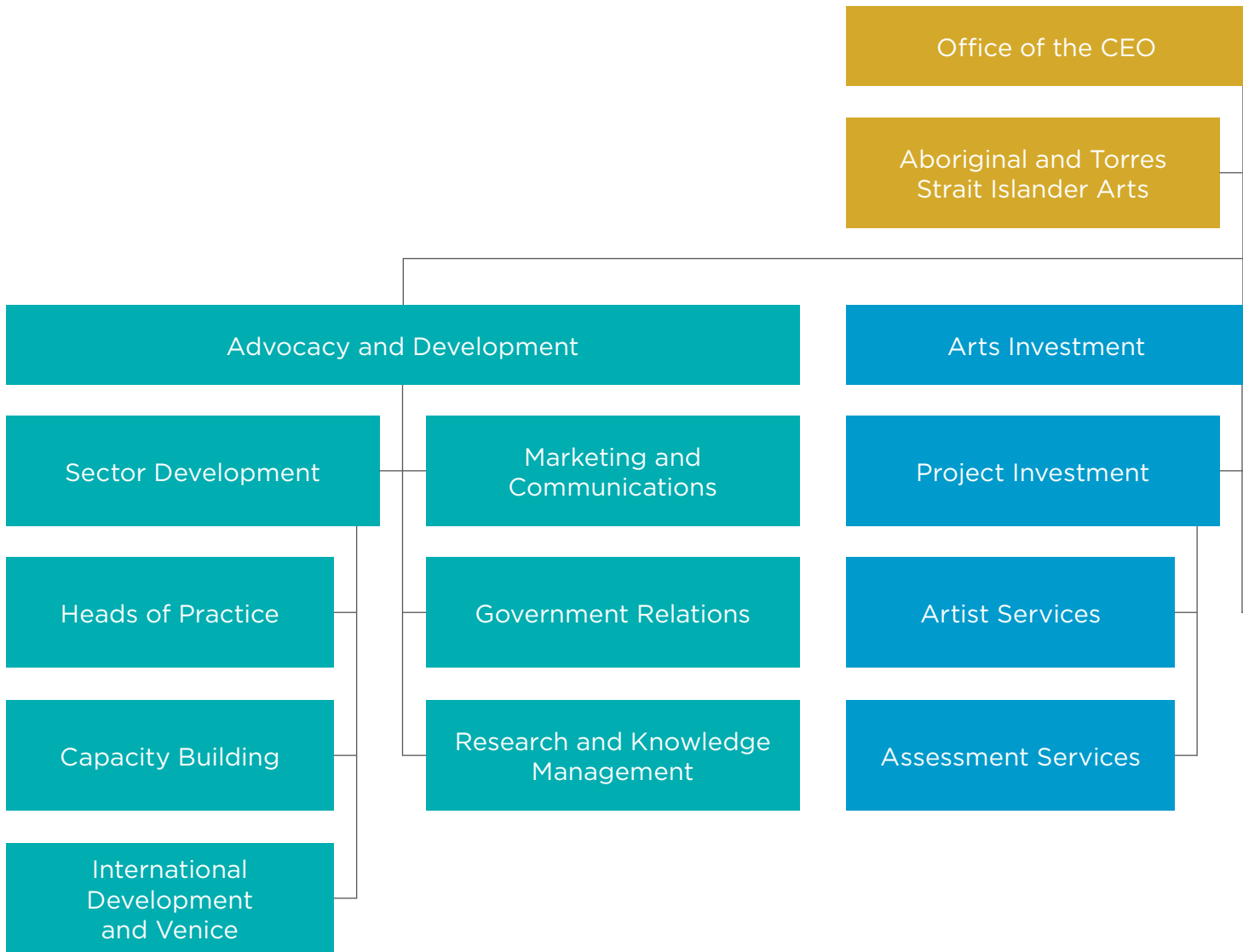
Our organisational structure

The Council has four divisions:

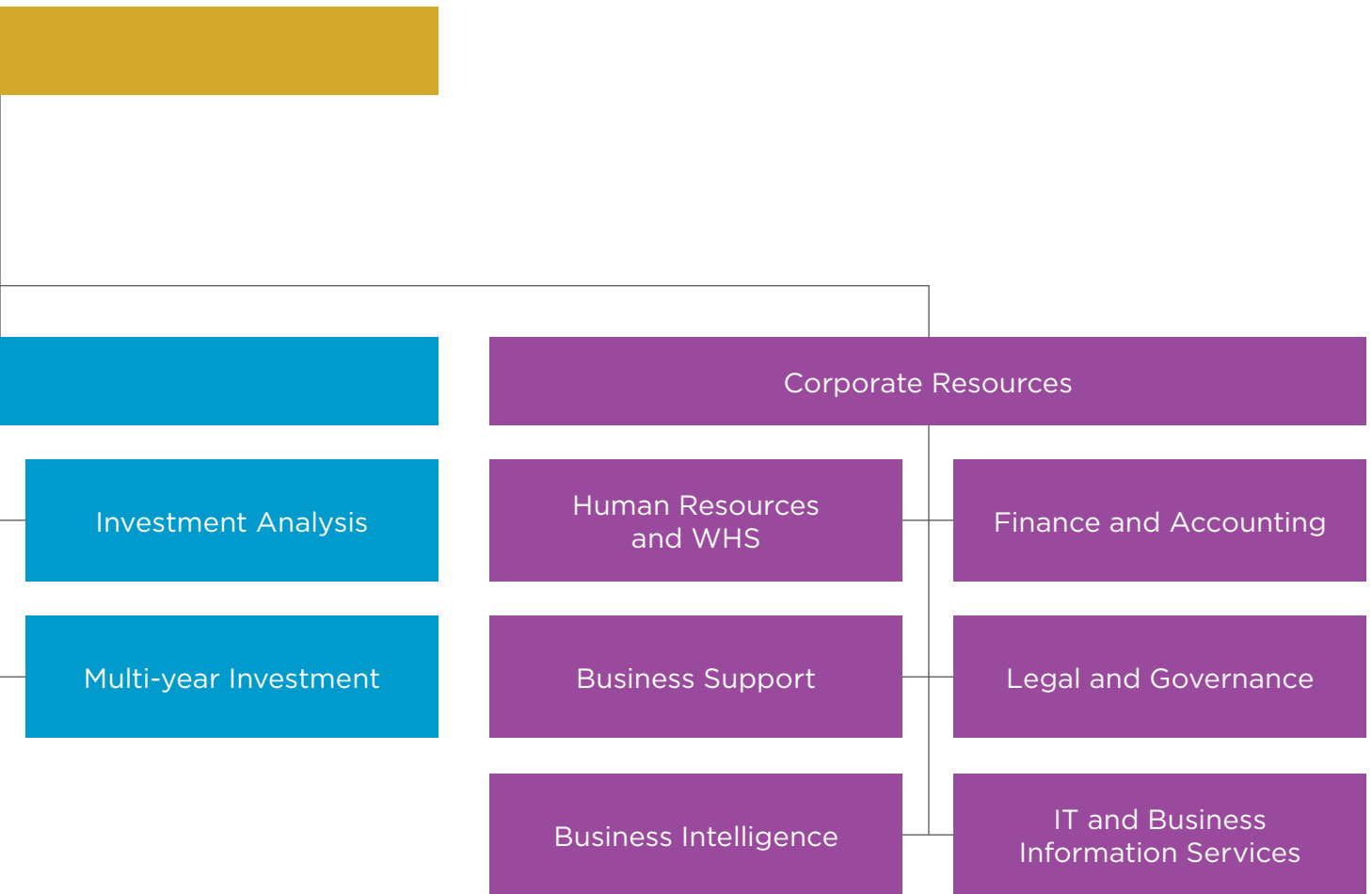
- Office of the CEO, which includes Aboriginal and Torres Strait Islander Arts
- Advocacy and Development
- Arts Investment
- Corporate Resources.

During 2019-20, the Council had an average of 107 employees.

Figure 1: Australia Council organisational structure



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, Council 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 2019–20, the Australia Council was engaged in 145 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 2019–20, 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.⁶

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 taking place.

⁶ Department of Home Affairs, *Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities*, Appendix 1, Table 5.

Risks in the Australia Council's operations

The Australia Council has assessed the risk of modern slavery in our operations as low.⁷ This includes our suite of activities to champion and invest in Australian arts and creativity (which also draw on the supply chains discussed below) and the employment of officials who carry out this work.

Legislative and industrial frameworks govern and regulate Australia Council 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.

The Australia Council's Workplace Forum is a group of Council officials committed to contributing to the development of a purposeful and engaging working environment for Australia 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. This assists to mitigate the risk of modern slavery practices within our operations.

⁷ Having considered the guidance in the Department of Home Affairs, *Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities*.

3. Risks

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 assessed the risk of modern slavery in our first-tier supply chains as inherently low.⁸ The nature of our operations means that we do not regularly engage with suppliers considered most at risk⁹. When we do, we take active measures to engage with the provider further and to better understand their business and operations.

Case study: mitigating modern slavery risks in our supplier relationships

The Australia Council has a contract with an office cleaning company. In Australia, cleaning is an industry that has been identified as having cases of forced labour exploitation.

Industries most at risk in Australia are those that employ a high percentage of migrant workers, many who do not speak English, who enter Australia through its temporary visa scheme designed to fulfil Australia's labour shortages.¹⁰

The Council maintains an active and transparent relationship with the cleaning company we engage. We reviewed the company's modern slavery statement which provided us with assurance, as far as possible, that modern slavery practices are not occurring within this company.

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

⁹ 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*.

¹⁰ Walk Free Foundation 2018, *The Global Slavery Index 2018*.

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 2019–20, the Australia Council took a number of actions in response to the introduction of the *Modern Slavery Act 2018*. These included:

- Council officers responsible for procurement and legal compliance completed the Australian Government’s online e-learning module on modern slavery.
- We added a standard modern slavery clause to all the Australia Council’s contract templates.
- The Council’s General Counsel attended a Modern Slavery Act Forum hosted by the Australian Border Force, Canberra.
- We assessed the Australia Council’s contracts and supply chains during the reporting period with specific reference to the Department of Home Affairs’ *Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities*.
- We undertook KPMG’s Modern Slavery Benchmark self-assessment. The assessment determines the maturity of an organisation’s approach to managing modern slavery risks in their operations and supply chains, with results benchmarked against established elements of international good practice in human rights due diligence. We implemented some of the recommendations during 2019–20 and will continue to introduce further recommendations at a later stage.
- We undertook research and preparation to develop a comprehensive Modern Slavery Policy during the 2019–20 reporting period. The policy was approved by our Board in December 2020 (2020–21 reporting period).

4. Actions

Due diligence

Several procedures and frameworks assist the Australia Council to identify, address and mitigate modern slavery risks.

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 internal operations include officials who are responsible for our finance, risk management and legal functions. These officials ensure compliance with both relevant laws and internal policies across the organisation and are required to regularly report to the Executive, the Audit and Risk Committee and the Board on these matters.

To support the Australia Council's governance frameworks, a number of policies relevant to addressing and mitigating modern slavery risks are in place. In 2019–20 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
- Managing Performance and Conduct Challenges
- Problem Solving Policy
- Procurement Guidelines
- Public Interest Disclosure Policy and Procedure
- Risk Management Framework
- Risk Management Policy
- Recruitment and Selection Policy
- Work, Health & Safety Policy
- Workplace Forum Charter.

Remediation processes

In 2019–20, the Australia Council mapped current protocols in place for an allegation 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.

In 2019–20, the Council developed our Modern Slavery Policy which was approved by our Board in December 2020. Our 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

Since the 2019–20 reporting period, the Australia Council has implemented our Modern Slavery Policy and a Supplier Code of Conduct. Modern slavery has also been added to our Risk Management Framework.

In-house training is being developed to build Council officials' skills and capacity to understand, recognise and respond to modern slavery risks.

At the next review of the Australia Council's Procurement Guidelines, we will closely consider and further embed risk mitigation for modern slavery.

When each internal policy undergoes its scheduled review, we will seek, consider and embed opportunities to include and strengthen the Australia Council's commitment to addressing and mitigating modern slavery risks.

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

5 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 early stages of implementing the *Modern Slavery Act 2018* and the initial assessment of the low risk of modern slavery practices occurring within the Australia Council's supply chains, an assessment of the effectiveness of actions taken to address modern slavery during the first reporting period was not practicable.

We will continue to monitor the actions we implement in 2020-21 onwards and will consider opportunities to review their effectiveness in future statements.

6 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.

7 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 inaugural modern slavery statement beyond our commitment to progressing work to address modern slavery risks.



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