



Australian Government

Implementing the *Modern Slavery Act 2018*

The Australian Government's Annual Report

1 January 2021 – 31 December 2021



The third report of the Australian Government on the
implementation of the *Modern Slavery Act 2018*

Acknowledgement of Country

The Australian Government acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures, and to Elders past, present and emerging and extend that respect to other Aboriginal and Torres Strait Islander people.

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Ministerial Foreword

Human Trafficking and all forms of modern slavery have no place in our society. Australia is not immune to this global challenge, which impacts millions of victims around the world. Many of those vulnerable to modern slavery practices exist in the supply chains of the goods and services we use every day. This has only been exacerbated during COVID-19, and with natural disasters and economic impacts around the world. This has to change.

This third annual report on implementing Australia's *Modern Slavery Act 2018* (the Act) sets out the progress made during a period of continued global upheaval. The report refers to activities undertaken in the 2021 calendar year that are to be reported in 2022.

Most notably, the report captures the first full mandatory reporting period under the Act, which concluded on 30 June 2021. With modern slavery statements made public online, Australians were given an opportunity to see how large Australian and multinational businesses were doing in combating modern slavery in their supply chains.

The Act aims to increase transparency of modern slavery risks in the global supply chains of big business and to pave the way for continued improvement in addressing these risks. The implementation of the Act forms part of Australia's response to modern slavery. Steady improvements have been made in the early years of the Act as more and more entities have reported, and transparency has increased. We have learned more about how the scourge of modern slavery pervades our supply chains.



While there are encouraging signs, there is clearly more work to be done. The rate of non-compliance is far too high. That's why the Albanese Labor Government took a suite of reforms to the 2022 election to strengthen responses to modern slavery, including an Anti-Slavery Commissioner and the introduction of penalties for non-compliance with the requirements of the Act. I look forward to working with stakeholders in implementing these important reforms.

Looking ahead, the Government's statutory review of the Act, currently underway, will provide a pathway for how the Act can be further strengthened. I congratulate all those involved in the significant work to date.

A handwritten signature in blue ink, which appears to read "Mark Dreyfus". The signature is fluid and cursive.

The Hon Mark Dreyfus KC MP
Attorney-General of Australia

Introduction

Australia's *Modern Slavery Act 2018* (the Act) entered into force on 1 January 2019, marking a new era of transparency in the goods and services we purchase every day in Australia. In 2021, the Act moved beyond its foundation phase to reach the first full period of reporting on 30 June 2021.

Consistent with the Government's commitment to monitoring the ongoing implementation of the Act, this third annual report details the Government's actions over the 2021 calendar year. This work was led by the Modern Slavery Business Engagement Unit (MSBEU), which was established in January 2019 to oversee the implementation of the Act and compliance with the Act's reporting requirements.

In 2021, over 3700 statements were assessed with 2900 statements published to the Online Register covering more than 20 industry sectors from 42 countries. Over the first reporting period, the Government focused on working with reporting entities to ensure they understood their obligations under the Act. Where instances of apparent non-compliance were identified, the Government engaged with entities to support them to comply. To assist further, the MSBEU published 9 additional guidance materials and provided compliance feedback to over 870 entities. The Government's commitment to working with reporting entities has improved compliance over the first reporting period and the Government continues to work closely with key stakeholders.

The Government also released its second *Commonwealth Modern Slavery Statement* for the 2020-21 period, which details the actions the Commonwealth undertook to assess and address modern slavery risks across its procurement and investment activities. The Government was conscious of the added pressures placed on suppliers and manufacturers during times of crises, including the impacts of COVID-19. It developed a Rapid Response Framework to support procurement officials to identify and manage potential modern slavery risks during large-scale, short turnaround procurements, which might be necessary in emergency situations such as a pandemic or natural disaster.

The actions taken by the Government throughout 2021 in support of these key milestones builds on the actions undertaken in the 2019 and 2020 calendar years across four key work streams:

- Supporting entities to understand their compliance obligations under the Act;
- Awareness-raising and promoting best-practice responses to modern slavery;
- Developing and maintaining an Online Register for Modern Slavery Statements; and
- Combating modern slavery risks in public sector procurement.

The Government continues to take a collaborative and proactive approach to implementing the Act. Drawing on industry and government expertise has helped shape the Government's approach to awareness-raising, developing targeted guidance, and supporting overall compliance with the Act over 2021.

KEY WORK STREAMS



Supporting entities to understand their compliance obligations under the Act, including by developing and maintaining detailed guidance materials.

Objective: To ensure reporting entities are aware of and comply with their obligations under the Act.



Awareness-raising and promoting best-practice responses to modern slavery, including through domestic and international engagement activities.

Objective: To assist reporting entities, suppliers, civil society and consumers understand the purpose of the Act, how modern slavery can manifest in supply chains, and assist entities take meaningful action to assess and address modern slavery risks in their global operations and supply chains.



Developing and maintaining an Online Register for modern slavery statements.

Objective: To ensure modern slavery statements are housed in a single location which is accessible to the public and easily searchable.



Combating modern slavery risks in public sector procurement, including through collaboration with international and domestic counterparts.

Objective: To ensure the Australian Government leads by example in assessing and addressing modern slavery risks in its procurement and investment activities, including through the development of the Commonwealth modern slavery statement.

Overview of key implementation outcomes achieved in 2021



Supporting entities to understand their obligations under the Act

- Developed a suite of practical guidance notes in response to emerging compliance trends.
- Published supplementary guidance for entities reporting under the Act on specific reporting criteria.
- Monitored and published information on compliance trends with the Act to drive good-practice.
- Provided feedback to more than 870 reporting entities.
- Responded to more than 1,500 requests for assistance from businesses, academics and the public.



Awareness-raising and promoting best-practice responses to modern slavery

- Established an Intergovernmental Network to address modern slavery risks in public procurement across state, territory, and Commonwealth jurisdictions.
- Convened a workshop on addressing modern slavery risks in government supply chains to officials from 23 Commonwealth portfolio agencies.
- Conducted over 40 face-to-face and virtual awareness raising workshops and presentations to assist businesses, civil society and governments.
- Held 4 meetings of the Modern Slavery Expert Advisory Group (Expert Advisory Group) to provide strategic advice to Government on the implementation of the Act.



Developing and maintaining an Online Register for modern slavery statements

- Reviewed and published all modern slavery statements submitted in the first reporting period under the Act.
- Published 19 tranches of modern slavery statements required of businesses reporting under the Act.
- Supported the publication of approximately 2,900 modern slavery statements to the Register.



Combating modern slavery risks in public sector procurement

- Published the Government's *Commonwealth Modern Slavery Statement 2020-21*.
- Partnered with industry specialists, Electronics Watch, Sedex, and the Cleaning Accountability Framework to increase transparency and awareness of risks in the Government's procurement of ICT hardware, textiles, construction, and cleaning services.
- Developed a Monitoring and Evaluation Framework for assessing the effectiveness of actions taken under the Commonwealth Statement.
- Developed model modern slavery tender clauses for use by government procurement officials.



Work Stream One: Supporting entities to understand their compliance obligations under the Act

The Government continues to work with business, the Expert Advisory Group, industry and other reporting entities to support entities to comply with the Act. During 2021, the first reporting period under the Act came to an end, marking a key milestone in its operation.

Initial estimates considered that approximately 3,000 businesses would be required to report under the Act. However, by 30 June 2021, the Government had assessed over 2,300 statements, covering close to 4,400 entities from 36 countries, outlining the broad reach of the Act. This included businesses that chose to submit a voluntary modern slavery statement to do their part in driving positive change through supply chains.

A summary of reporting periods comprising the first full reporting period of the Act to 30 June 2021 is provided below, including the three-month COVID-19 reporting extensions.

Reporting periods under the Act	First reporting period under the Act	Due date for statements	Due date for statements with 3 month extensions
Australian Financial Year (1 July – 30 June)	1 July 2019 – 30 June 2020	No later than 31 December 2020	No later than 31 March 2021
Calendar Year (1 January – 30 December)	1 January 2020 – 31 December 2020	No later than 30 June 2021	No later than 30 June 2021
Foreign Financial Year - including United Kingdom and Japan (1 April – 31 March)	1 April 2019 – 31 March 2020	No later than 30 September 2020	No later than 31 December 2020

Table 1. Reporting deadlines for first reporting period.

To assist data comparison between the full and part reporting periods during the 2021 calendar year, this section will look at modern slavery statement compliance over the first reporting period (1 July 2020 to 31 June 2021) compared with data from the first six months of the second reporting period (1 July 2021 to 31 December 2021).

Types of entities with obligations to report under the Act

Entities who are required to submit a statement under the Act come from a variety of industry sectors. Certain industry sectors may have higher modern slavery risks because of their characteristics, products and processes. When submitting a statement to the Register, entities indicate which industry sectors their operations fall under. For the first reporting period (1 July 2020 to 30 June 2021) and the first six months of the second reporting period (1 July 2021 to 31 December 2021) there was little change in the top seven industry sectors, this can be seen in Figure 1. The top industry sector represented by total number of statements in both periods is financial, insurance and real estate activities. The number of different industries covered highlights how the Act drives the coverage of a wide range of global supply chains.

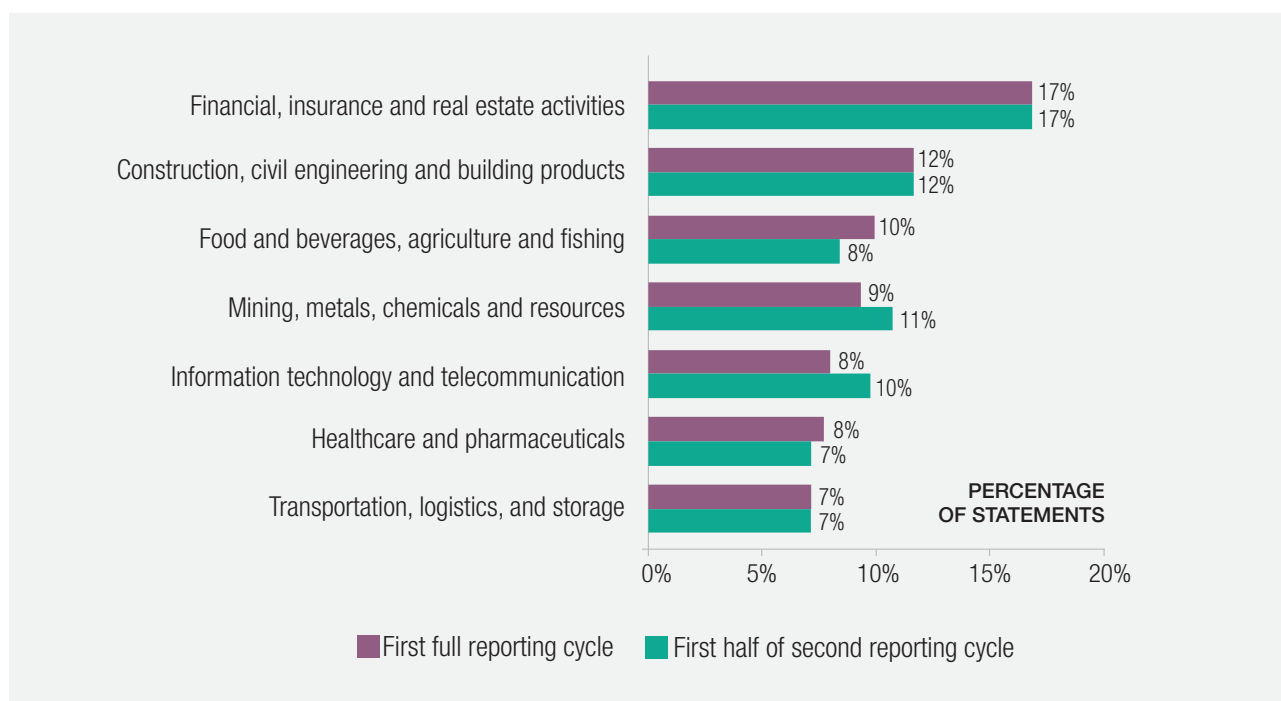


Figure 1. Breakdown of top 7 industry sectors per statements.

Under the reporting requirements of the Act, large entities with over AU\$100 million annual consolidated revenue that operate in Australia must prepare annual Modern Slavery Statements. The requirements are intended to encourage large entities to meaningfully comply and use their leverage to influence positive change in their supply chains. Analysis of the different annual revenues for entities showed a consistent trend throughout the first reporting period (1 July 2020 to 30 June 2021) and the first six months of the second reporting period (1 July 2021 to 31 December 2021). Figure 2 below demonstrates that the two highest represented revenue brackets for both periods were the 100-150M and 1BN+ brackets, with a number of entities covered between these two financial brackets.

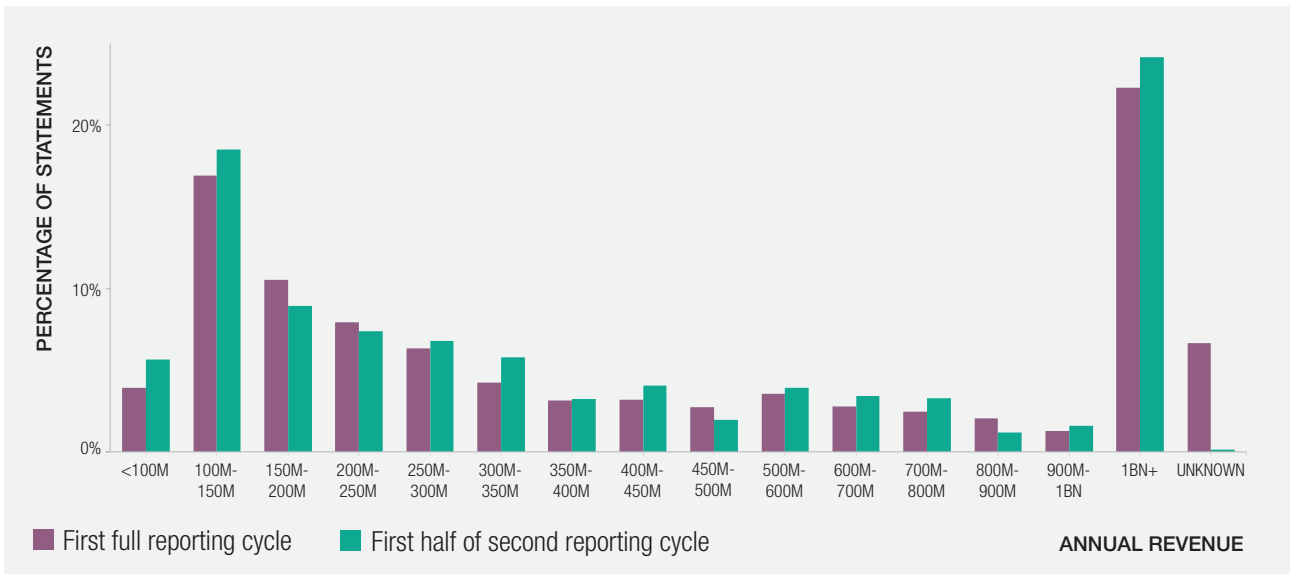


Figure 2. Annual revenue breakdown for statements.

Globally, a number of other countries have enacted legislation to drive responsible business conduct. Figure 3 below shows an increasing number of entities (4%) have obligations to report under other overseas legislation. Continued work has been undertaken internationally to consider harmonising global approaches to reporting obligations where feasible, which will assist in setting consistent standards for those multinational businesses.

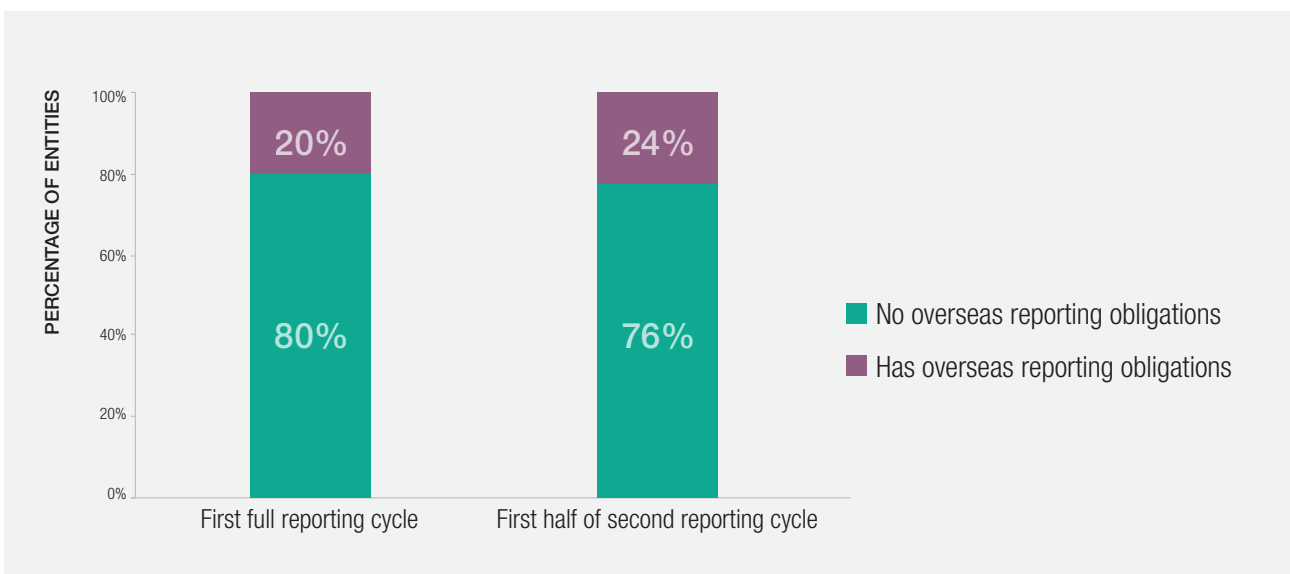


Figure 3. Percentage of entities with overseas reporting obligations.

Reporting Periods	Voluntary	Mandatory
Reporting Period 1 (1 July 2020 – 30 June 2021)	12.3%	87.7%
First Half Reporting Period 2 (1 July 2021 – 31 December 2021)	13.3%	86.7%

Table 2: Type of Statements Published on the Online Register.

Certain entities may volunteer to comply with the requirements of the Act by submitting a voluntary modern slavery statement to the Online Register. Entities have the option of selecting ‘voluntary’ statement when submitting their statement on the Online Register.

Table 2 above indicates the percentage of voluntary reporting entities continues to increase, as awareness of the Act increases through reporting obligations, awareness raising activities conducted by the Government, stakeholders, and by entities engaging directly with their suppliers.

When statements are submitted by entities they are assessed into three categories:

- **Statements likely to be compliant** – Statements appears to meet all of the mandatory criteria set out in section 16 of the Act.
- **Statements likely to be non-compliant** – Statements does not appear to meet all of the mandatory criteria set out in section 16 of the Act.
- **Statements unsuitable for publication** – Statement does not appear to meet the requirements for principal governing body approval and signature set out in section 13(2) and 14(2) of the Act.

Statements assessed as unsuitable for publication due to apparent non-compliance with approval requirements are considered to be not properly submitted. When these statements are re-submitted with correct approval processes, they are re-assessed for compliance against the mandatory reporting criteria as outlined in the Act. The resulting likely compliant / non-compliant figures as outlined in Table 3 further in the report, provide the final assessed compliance rate in statements meeting the mandatory reporting criteria.

Compliance Trends

During the first reporting period (1 July 2020 to 30 June 2021), the MSBEU assessed:

- Over **2,300** statements;
- **43%** of statements as likely to be compliant;
- **30%** of statements as likely to be non-compliant (refer to Figure 4); and
- **27%** of statements were assessed in the initial assessment as unsuitable for publication due to approval compliance.

During the first six months of the second reporting period (1 July 2021 to 31 December 2021), the MSBEU assessed:

- Over **1,700** statements;
- **52%** of statements as likely to be compliant;
- **28%** of statements as likely to be non-compliant (refer to Figure 4); and
- **20%** of statements were assessed in the initial assessment as unsuitable for publication due to approval compliance.

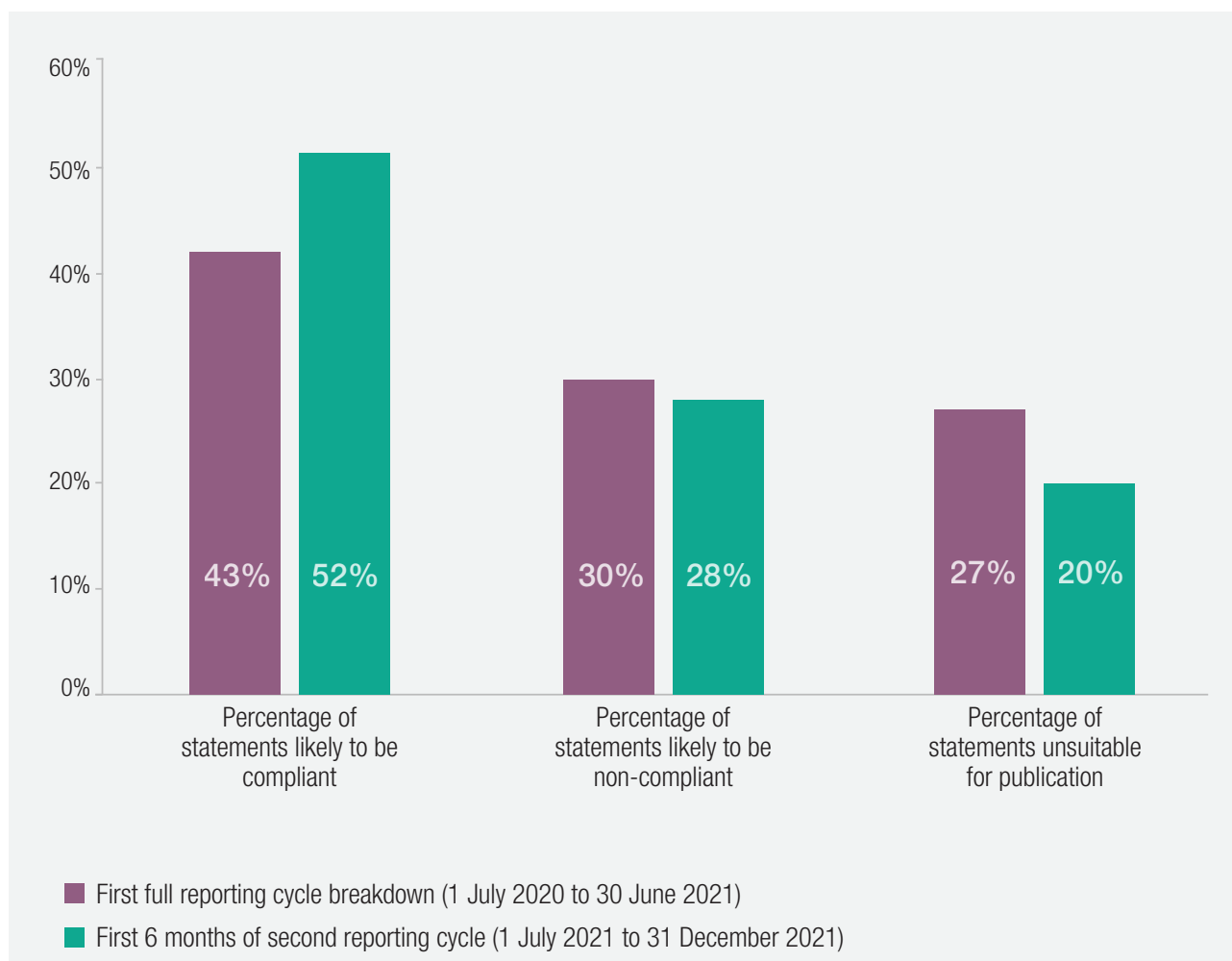


Figure 4. Comparison of statements assessed in the first full reporting cycle (1 July 2020 to 31 June 2021) and the first 6 months of second reporting cycle (1 July 2021 to 31 December 2021).

Timeline of statement submissions

Over the first full reporting period, 11 tranches of statements were published on the Online Register. A breakdown of the assessments approved by tranche is provided in Figure 5. The data demonstrates that the majority of statements for the first full reporting period were submitted and assessed in April 2021 (Tranche 6 and Tranche 7, 23% of statements) and June 2021 (Tranche 10 and Tranche 11, 24% of statements). The April surge in statements is due to entities reporting on the Australian financial year timeline that were provided a three-month COVID-19 reporting extension to 31 March 2021.

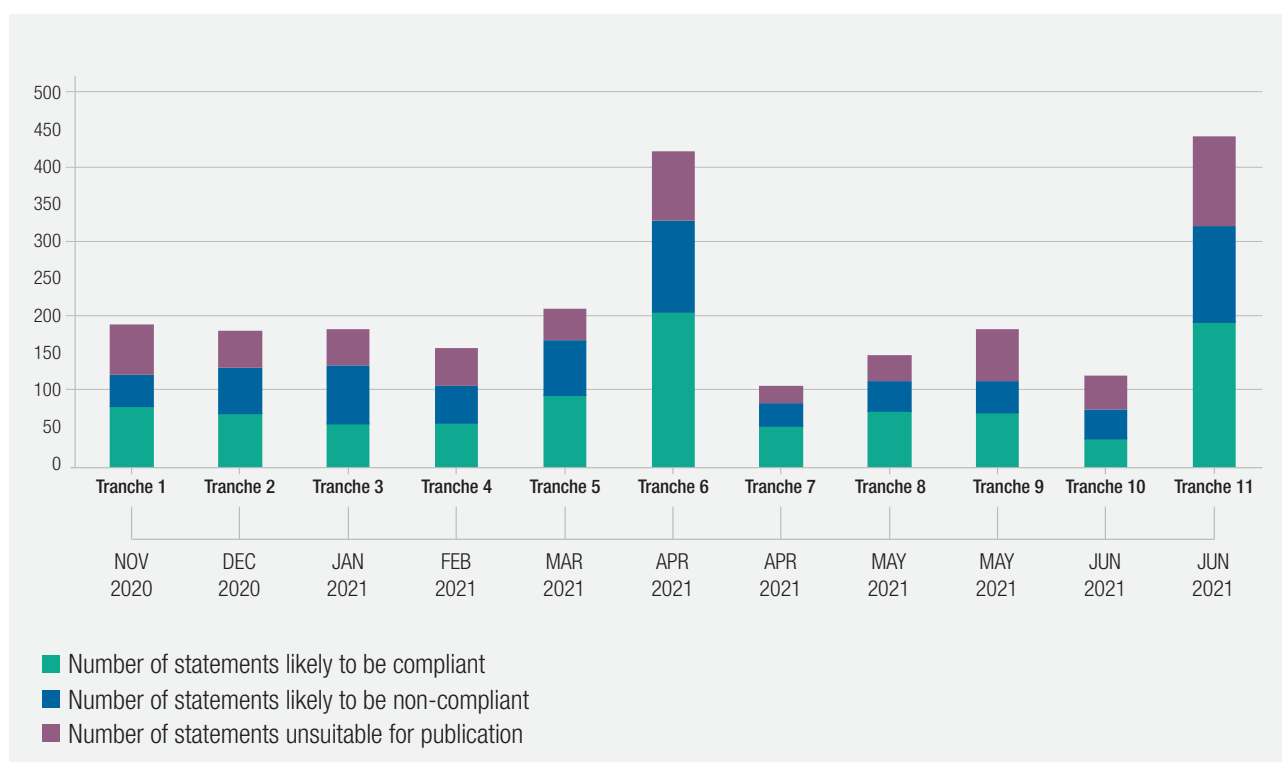


Figure 5. First full reporting cycle breakdown by tranche (1 July 2020 to 31 June 2021).

Over the first 6 months of the second reporting period (1 July 2021 to 31 December 2021), 10 tranches of modern slavery statements were published. A breakdown of the assessments approved by tranche is provided in Figure 6. The data demonstrates that the majority of statements were submitted and assessed in July 2021 (Tranches 12 and 13, 36% of statements) and December 2021 (Tranches 19, 20 and 21, 29% of statements). This indicates that the majority of statements relate to the Calendar and Australian Financial Year reporting periods respectively.

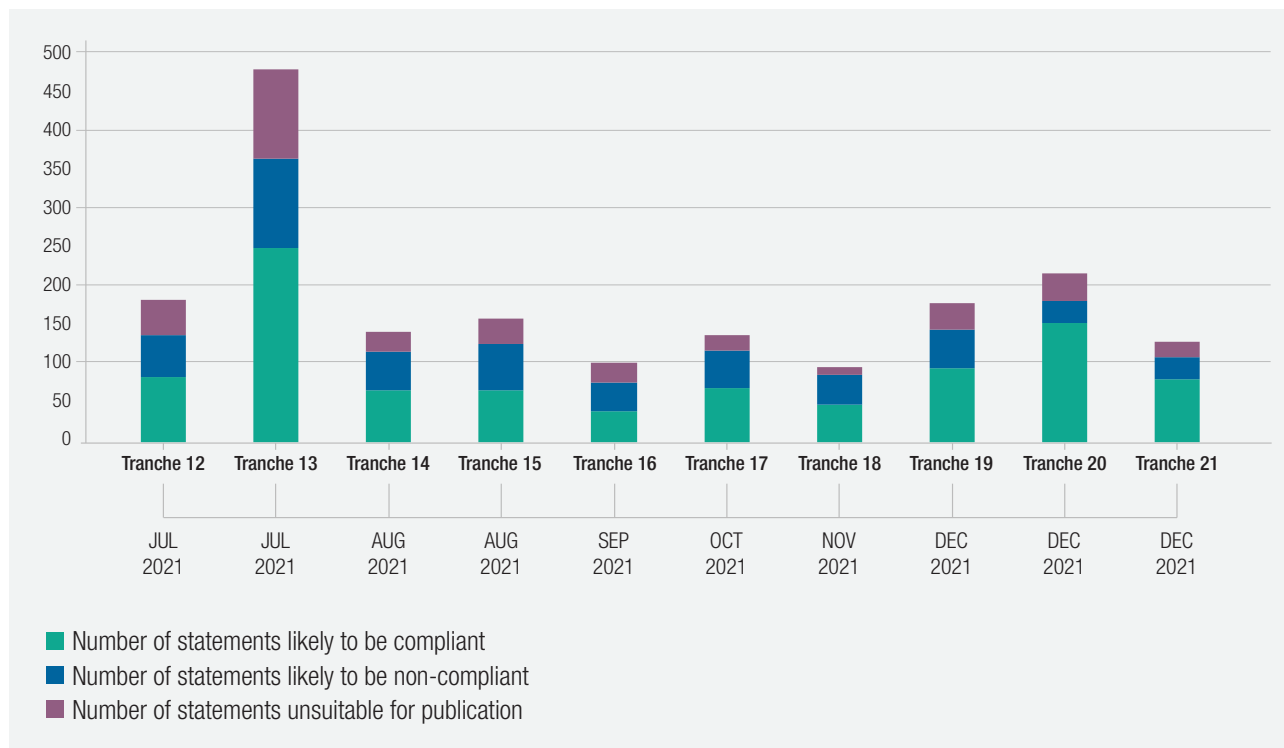


Figure 6. First 6 months of second reporting cycle by tranche (1 July 2021 to 31 December 2021).

Identified good practice principles and providing feedback

Following the end of the first full reporting period on 30 June 2021, the MSBEU identified a range of good practice trends and areas for improvement, which informed the feedback provided to more than 870 reporting entities.

Good practice trends included:

- Clearly addressing the mandatory criteria for content through headings or tables showing which section of the statement aligns with specific criteria.
- Including clear plans to measure effectiveness.
- Addressing impacts of COVID-19.
- Providing detailed case studies of the identification of modern slavery risks and the actions taken to address those risks.

In terms of compliance with the Act, the MSBEU assessed a number of cohorts of statements likely to be non-compliant over the first reporting period, which required improvement.

Failure to address signature and approval requirements

The MSBEU generally does not publish statements that do not meet the Act's requirements for approval and signature. In cases where a modern slavery statement does not have the appropriate approval requirements, the MSBEU will notify the reporting entity and request that they resubmit their statement with a signature from a responsible member and principal governing body approval. Statements that do not meet these requirements are considered to be not properly submitted.

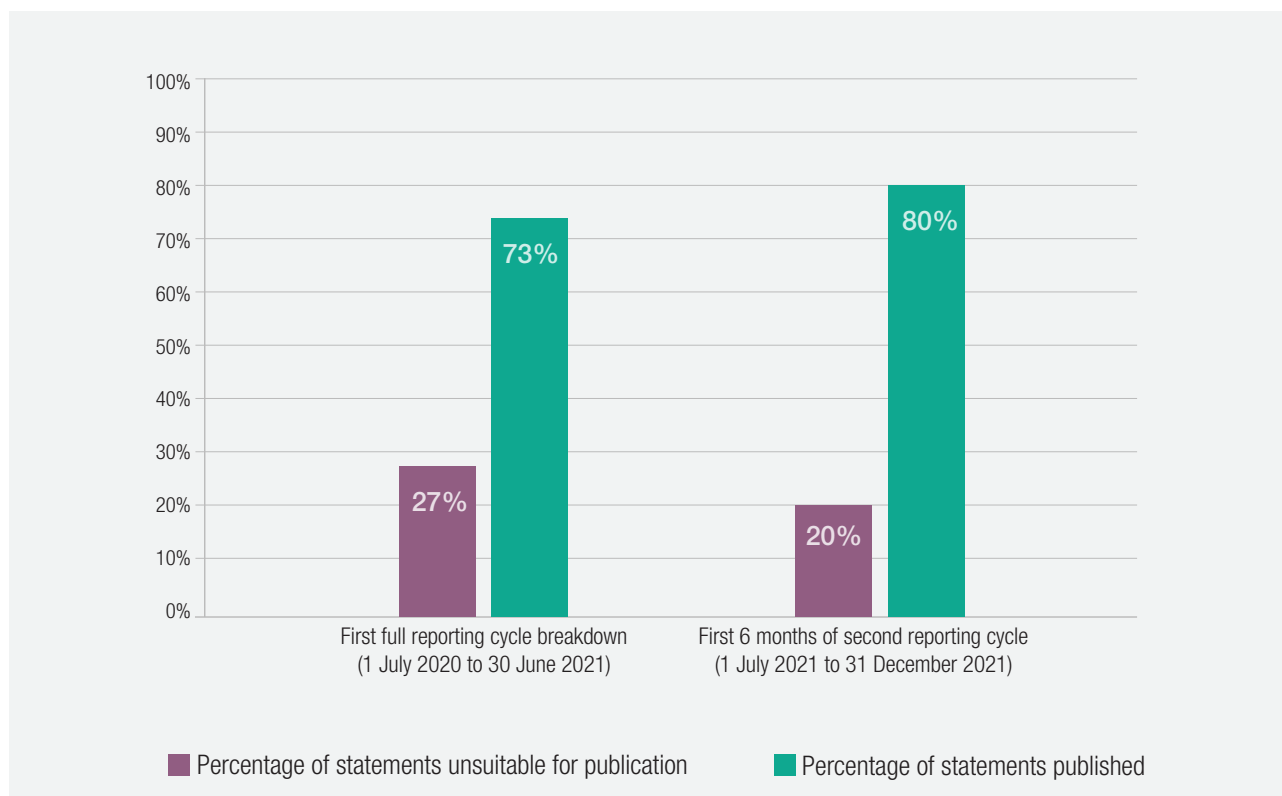


Figure 7. Comparison of publishable and non-publishable statements during first full reporting cycle (1 July 2020 to 31 June 2021) and first 6 months of second reporting cycle (1 July 2021 to 31 December 2021).

- Overall, Figure 7 demonstrates that 73% of statements submitted in the first full reporting period were assessed as suitable for publication, compared to 80% of statements submitted in the first six months of the second reporting period that were assessed as suitable for publication. This data demonstrates that overall there was 7% increase of statements being assessed as suitable for publication when submitted. During 2021 the MSBEU continued to work with reporting entities to further reduce the incidence of entities failing to submit statements with the correct approval and signature requirements.
- During the first reporting period (1 July 2020 to 31 June 2021), 27% of statements were assessed and returned to entities to address the approval and signature requirements set out in section 16(2) of the Act. A breakdown of the non-publishable statements is provided in Figure 8, which demonstrates that the majority of instances were due to lack of principal governing body approval (79% of non-publishable statements).
- During the first six months of the second reporting cycle (1 July 2021 to 31 December 2021), 20% of statements were assessed and returned to entities to address the approval and signature requirements set out in section 16(2) of the Act. A breakdown of the non-publishable statements is provided in Figure 8, which demonstrates that the majority of instances were due to an apparent lack of principal governing body approval (81% of non-publishable statements).

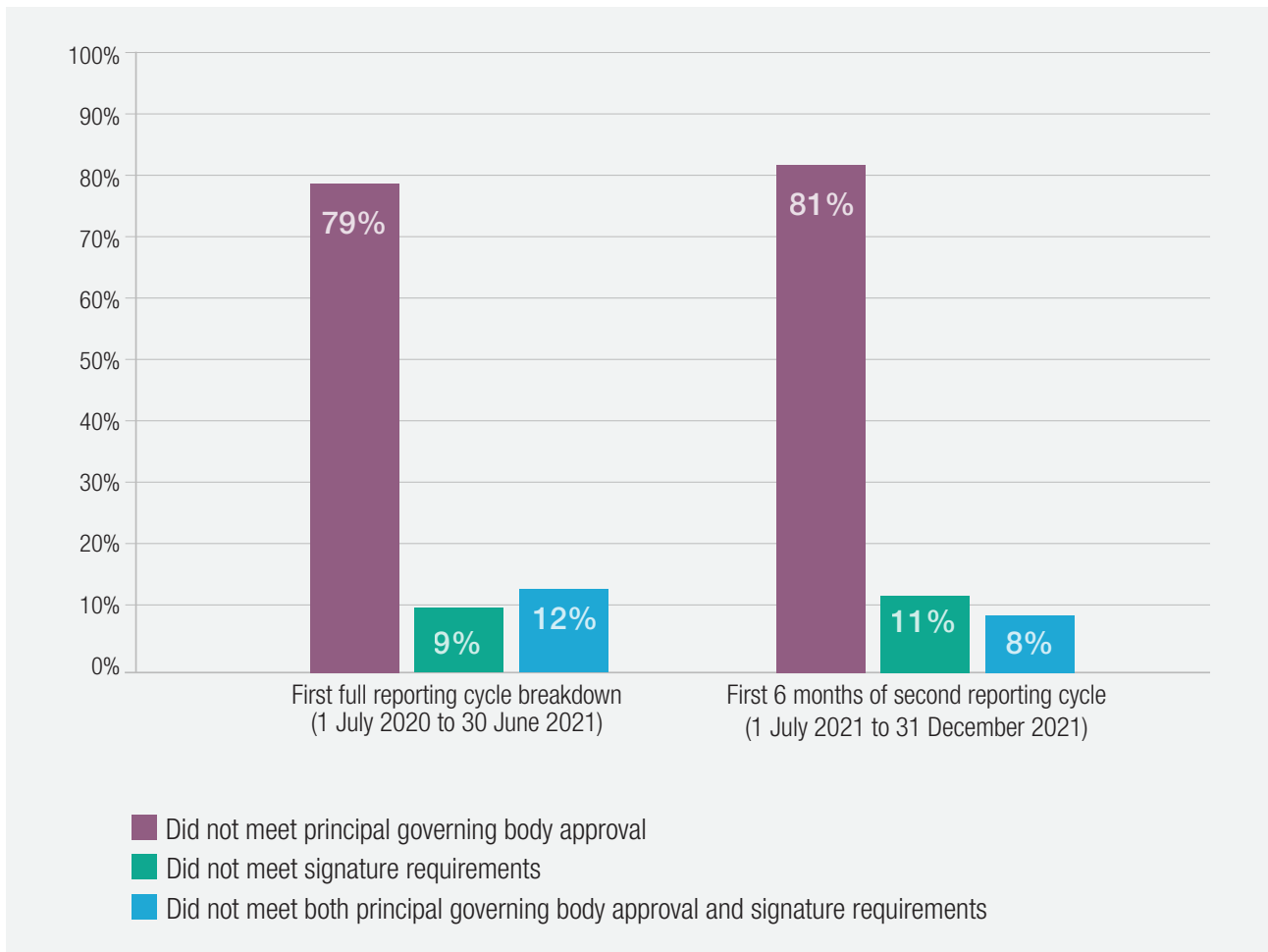


Figure 8. Breakdown amongst non-publishable statements missing signature and/or principal governing body approval during first full reporting cycle (27% of statements from 1 July 2020 to 31 June 2021) and first 6 months of second reporting cycle (20% of statements from 1 July 2021 to 31 December 2021).

The MSBEU assessed non-compliance with these requirements as likely resulting from a lack of clarity or understanding about the reporting requirements. For example, many entities had received the appropriate principal governing body approval for their statement, but had failed to demonstrate this in their statement. Once the statement was returned to them, many entities were able to include evidence of appropriate approval and have their statement reassessed and published.

87% of statements that were returned for not meeting principal governing body approval and/or signature resubmitted their statement for reassessment and publication (refer to Figure 9).

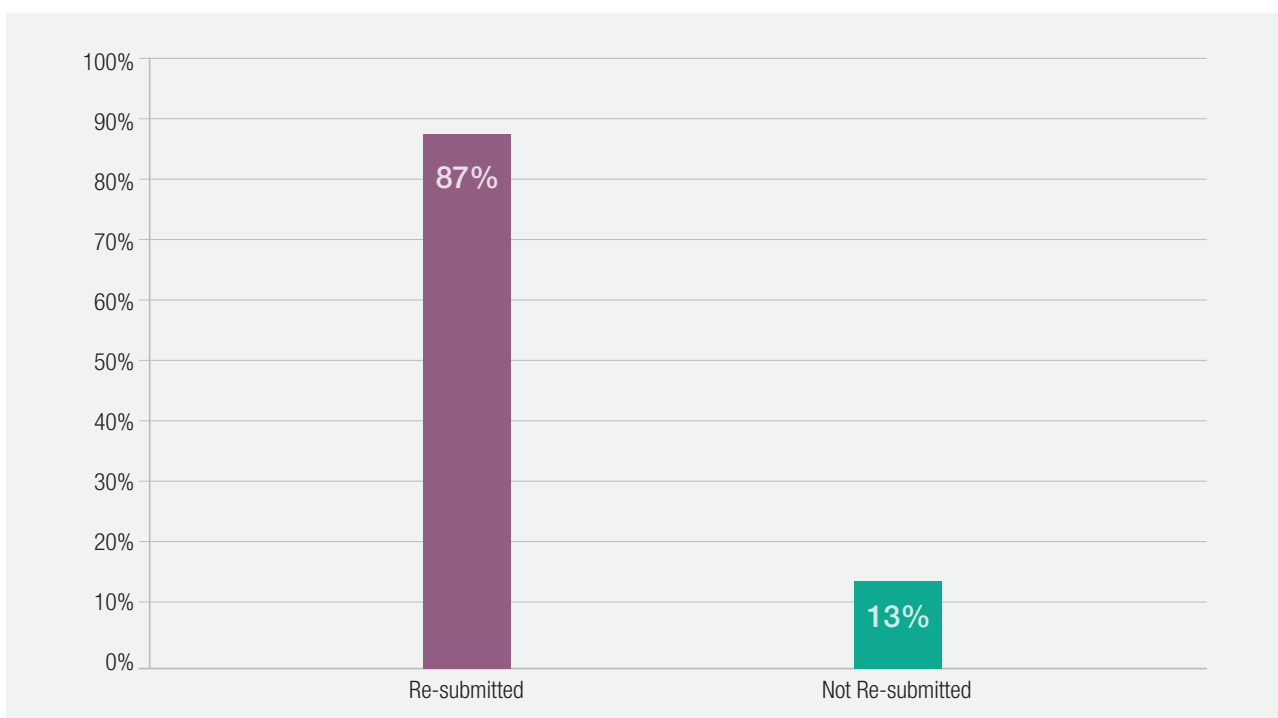


Figure 9. Re-submission rates of non-publishable statements due to missing signature and/or principal governing body approval during first full reporting cycle (1 July 2020 to 31 June 2021).

Note: Figures correct as at 31 December 2021

Likely to be compliant and non-compliant findings

As indicated in Table 3, over the first reporting cycle (1 July 2020 to 31 June 2021):

- **59%** of statements were assessed as likely to be compliant, meaning they were considered to have addressed the mandatory criteria and met the approval and signature requirements; and
- **41%** of statements were assessed as likely to be non-compliant with the Act, meaning they did not address one or more of the mandatory criteria.

Over the first six months of the second reporting cycle (1 July 2021 to 31 December 2021):

- **65%** of statements were assessed as likely to be compliant, meaning they were considered to have addressed the mandatory criteria and met the approval and signature requirements; and
- **35%** of statements were assessed as likely to be non-compliant with the Act, meaning they did not address one or more of the mandatory criteria.

	First full reporting cycle breakdown (1 July 2020 to 30 June 2021)	First 6 months of second reporting cycle (1 July 2021 to 31 December 2021)
Percentage of Statements likely to be compliant	59%	65%
Percentage of statements likely to be non-compliant	41%	35%

Table 3: Compliance status over the first and second reporting cycle

In relation to compliance figures, statements deemed unsuitable for publication due to issues with approval, when re-submitted with correct approval processes, are re-assessed for compliance with the mandatory reporting criteria as outlined in the Act.

The resulting likely compliant/non-compliant figures outlined above in Table 3 provide a better overall compliance rate for statements meeting the mandatory reporting criteria. The figures highlight a positive trend upwards in the compliance rate from reporting period one to midway in reporting period two.

The MSBEU have published statements that were assessed as likely to be non-compliant with the Act. The decision to publish these statements in accordance with Section 19(2) of the Act is to provide greater transparency to the public by registering statements that have met the appropriate requirements for principal governing body approval and/or signature.

This approach maximises public transparency and assists civil society, consumers and other interested stakeholders to see the extent to which entities are responding to their obligations with respect to combating modern slavery in their operations and supply chains.

Following the first full reporting period the MSBEU has written to more than 870 entities that appeared to fail to address one or more of the mandatory reporting criteria in their modern slavery statement, and provided additional guidance.

Overview of failure to address mandatory criteria:

Mandatory Criteria (a)	Identify the reporting entity.
Mandatory Criteria (b)	Describe the structure, operations and supply chains of the reporting entity.
Mandatory Criteria (c)	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.
Mandatory Criteria (d)	Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.
Mandatory Criteria (e)	Describe how the reporting entity assesses the effectiveness of such actions.
Mandatory Criteria (f)	Describe the process of consultation with: i) any entities that the reporting entity owns or controls; and ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement.

Table 4: Mandatory criteria as set out in section 16 of the Act.

Likely non-compliance in addressing mandatory criteria findings

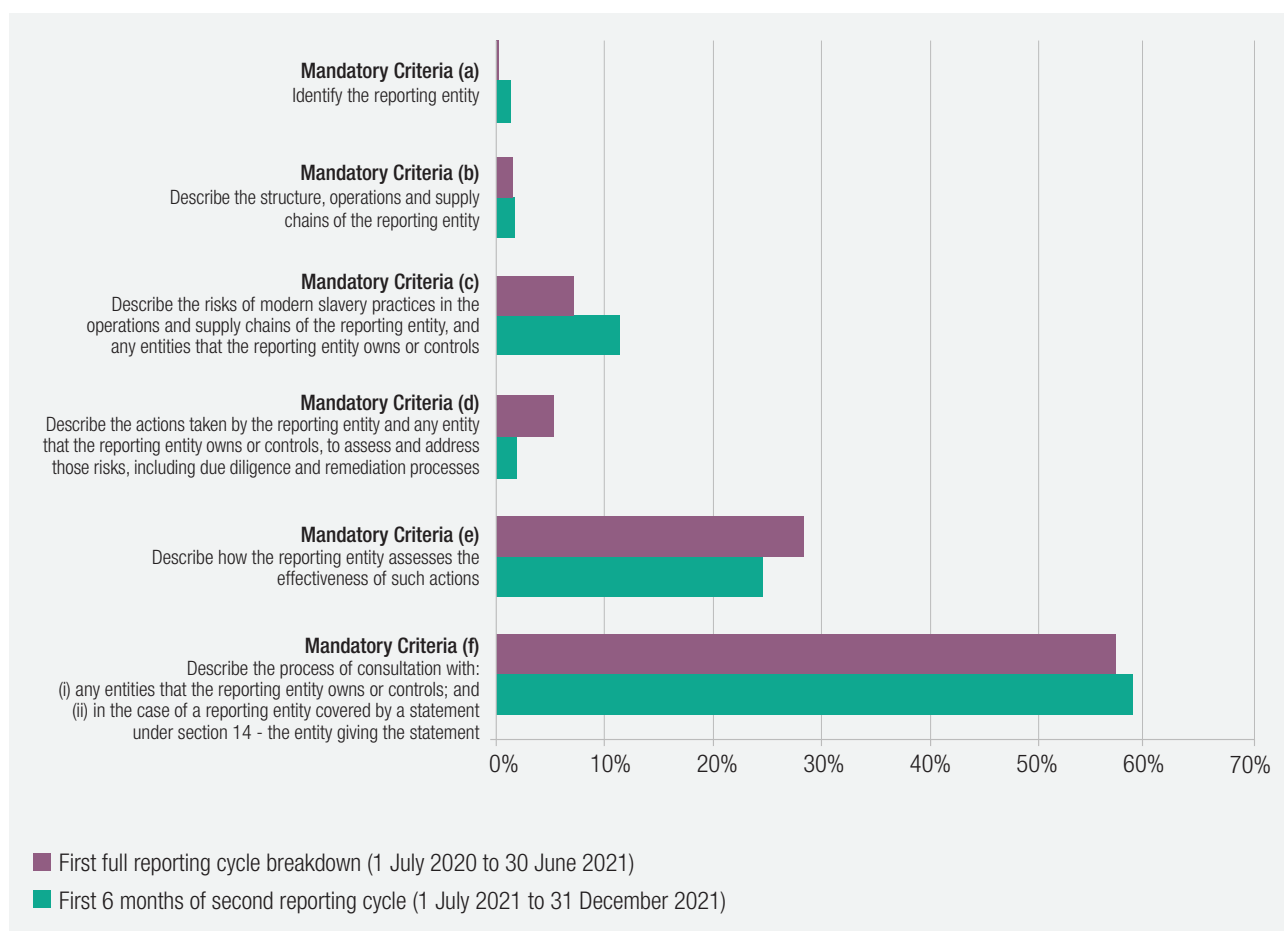


Figure 10. Non-compliance breakdown by mandatory criteria likely to be not met (1 July 2020 to 31 June 2021) and first 6 months of second reporting cycle (1 July 2021 to 31 December 2021).

Figure 10 provides an overview of the statements assessed during the first full reporting cycle (1 July 2020 to 31 June 2021) and the common likely non-compliant mandatory criteria. During the first full reporting cycle, many reporting entities appeared to fail to adequately address how the reporting entity assesses the effectiveness of their actions (29% of statements assessed as likely non-compliant) and to describe the process of consultation (58% of statements assessed as likely non-compliant).

Figure 10 also provides an overview of the statements assessed during the first six months of the second reporting cycle (1 July 2021 to 31 December 2021) and the rates of apparent non-compliant mandatory criteria. During the second reporting cycle, many reporting entities also appeared to fail to adequately address how the reporting entity assesses the effectiveness of their actions (25% of statements assessed as likely non-compliant) and describe the process of consultation (59% of statements assessed as likely non-compliant).

Overall, the compliance trends have improved with 6% more statements being assessed as likely to be compliant than non-compliant between the reporting periods.

Despite the increase in statements being assessed as publishable, across both reporting periods reporting entities appeared to have difficulties in adequately addressing mandatory criteria (e) and (f).

In many cases, apparent non-compliance appears to reflect a lack of familiarity and experience with the Act and the supporting guidance rather than deliberate non-compliance. To support entities to adequately address the mandatory criteria, the MSBEU published supplementary guidance on the Online Register in August 2021.

Non-submission

During the first full reporting period, the focus of compliance action has been to uplift the capability of reporting entities to report under the Act and to assist entities to comply with the mandatory reporting criteria of the Act. In preparation for future compliance activity, the MSBEU commenced data collection and analysis to understand the requirements and processes involved to identify those entities that failed to submit a modern slavery statement when they were required to do so. As revenues, business structures and reporting deadlines are not static, this is an ongoing process.

Reporting entities are required to self-identify for the reporting requirement and their reporting obligation is determined by their revenue threshold in the immediately preceding financial year. In the second half of 2021 the MSBEU commenced data gathering information relating to entities who appeared to fail to submit a modern slavery statement for the first full reporting period. This research and analysis is complex and detailed, and will continue well into 2022.

Late submission

The MSBEU is aware of a number of entities who submitted statements to the Online Register after their statutory reporting deadline following the first full reporting period.

A number of these late submissions were within 24 hours of the statutory deadline. The MSBEU understands that some entities may have underestimated the amount of time and details required to set up their account on the Online Register for their first statement. Over the second reporting period, entities should be more familiar with the Online Register and already have an account set up for their entity.

To further support entities to comply with the Act, the MSBEU presented at a number of face-to-face and virtual workshops with representatives from a range of business, academia, and civil society organisations to provide targeted information on modern slavery reporting requirements. In response to ongoing compliance trends, the MSBEU developed further guidance materials to assist entities with submitting compliant modern slavery statements. In 2021, 9 new guidance notes were developed and published including:

- Guidance on how to create accounts or edit statements on the Online Modern Slavery Register: to assist entities with using all elements of the Online Register and meet their reporting obligations by submitting a statement.
- Modern Slavery Statement Annexure: for use by reporting entities to clearly show where in their statements they addressed each of the reporting criteria set out in section 16 of the Act.
- Supplementary guidance on how to show signature of a Responsible Member and approval of a Principal Governing Body: providing guidance around how both components of statement approvals should be shown to ensure entities statements can be published on the Online Register.
- Guidance on how to address reporting criteria 3, 4, 5, and 6: including good practice examples on how entities can address the four most complex reporting criteria.

The MSBEU provided support to reporting entities, academics and the general public during 2021 and assisted over 1500 entities through the Government's Online Helpdesk. Through this help-desk, entities are able to seek direct assistance and advice on their obligations under the Act.

Over 2021, the MSBEU's engagement with the business community focused on supporting reporting entities to submit, in many cases, their first modern slavery statements to meet their reporting obligations set out under the Act.



Work Stream Two: Awareness-raising and promoting best-practice responses to modern slavery

The Government continued to raise awareness of the Act and promote best-practice responses to modern slavery. The MSBEU consolidated a frequently asked question document, which is available on the Online Register to assist with awareness raising.

Awareness raising for the 2021 period focused on compliance awareness raising, ensuring businesses were aware of their reporting obligations set out under the Act and could produce a modern slavery statement of the highest quality for their level of resources. To assist with these goals, the MSBEU worked closely with many entities who intended to submit statements or were seeking further discussion on the compliance feedback provided after statements were submitted.

The Government also engaged with a number of industry peak bodies, representative groups, civil society and government agencies to promote good practice in relation to implementing and complying with the Act. Groups represented a number of major business sectors including technology, construction, mining, food and financial services. During the 2021 reporting period, MSBEU officials presented at and attended over 40 workshops, fora and meetings across Australia and overseas. See Table 5 below for the breadth of entities engaged in these types of activities.

Entity / Forum	Location
CENTRL Webinar on Australia's Modern Slavery Act	Virtual
Meeting with Electronics Watch	Virtual
Department of Defence Modern Slavery Briefing	In person - Canberra
Meeting with Cleaning Accountability Framework (CAF)	Virtual
Meeting with Oritain	Virtual
Clean Energy Council Webinar	Virtual
Informed360/CIPS Webinar	Virtual
Global Compact Network Australia Community of Practice	Virtual
G100 Social Performance Virtual Forum	Virtual
Responsible Business Alliance Forced Labour Event	Virtual
OECD Roundtable on Regulatory Developments concerning Due Diligence for Responsible Business Conduct	Virtual
Telco Together Modern Slavery Workshop	Virtual
Queensland Resource Council Workshop: Combating modern slavery: Lessons for the resources sector from first year reporting under the Modern Slavery Act	Virtual
Meeting with Treasury	Virtual

Australian Food and Grocery Council Symposium - Sustainability Stream	Virtual
Leidos Facilities Management Australia Event	Virtual
Private Health Insurance Community of Interest Forum on Modern Slavery	Sydney / Melbourne
Private Health Insurance Consortium of Interest Webinar	Virtual
Australian Government Agency Presentations on the Modern Slavery Act and implications for business and government	Virtual
NBN Section at Department of Infrastructure	Virtual
Private Health Insurance Community of Interest	Virtual
Pharmaceutical Supply Chain Initiative (PSCI) & Pillar 2 Webinar	Virtual
Informed360/CIPS Webinar	Virtual
Victoria Health	Virtual
Interdepartmental Committee on Modern Slavery in Public Procurement	Virtual
Informed 365 Webinar	Virtual
Meeting with Electronics Watch	Virtual
Intergovernmental Network on Modern Slavery in Public Procurement	Virtual
Meeting with Canadian Government	Virtual
Briefing to Australian Red Cross Board	Virtual
Briefing to Sedex December Conference	Virtual
Meeting with DFAT and officials of the Federal Republic of Germany	Virtual
Telco Together Foundation	Virtual
Walk Free Foundation and Wikirate	Virtual
Global Compact Network Australia Community of Practice Forum	Virtual
Australian Institute of Company Directors	Virtual
NSW Department of Premier and Cabinet	Virtual
Walk Free Foundation	Virtual
The Salvation Army Australia	In person - Canberra

Table 5: MSBEU Engagement Activities

CASE STUDY

Tackling modern slavery in government supply chains

On 24 June 2021, the MSBEU convened a *Knowing your supply chains workshop on modern slavery* which brought together officials from 23 agencies across the Australian Government.

The workshop provided participants with comprehensive information about the Act, and promoted the importance of government action and collaboration to address modern slavery risks in the global supply chains and operations of non-corporate Commonwealth entities.

Attendees heard from a number of speakers who shared their experience and expertise in integrating modern slavery considerations in government and non-government procurements, including:

- Fair Work Ombudsman
- Department of Defence
- Australian Border Force
- ACT Government
- Electronics Watch
- Cleaning Accountability Framework
- Pillar Two

The workshop served as a practical training session for government officials and equipped participants with useful knowledge and skills around how to identify, assess, and address modern slavery risks in procurements they undertake.



Work Stream Three: Developing and maintaining an Online Register of modern slavery statements

The Online Register was launched in 2020 and provides a publicly accessible and searchable source in a single location. It provides users with an unprecedented window into the operations and global supply chains of businesses based or operating in Australia. By the end of 2021, there were over 500,000 searches on the Online Register, showcasing the success of the Online Register. It is accessible at <https://modernslaveryregister.gov.au>.

By 31 December 2021:



The MSBEU provided support to reporting entities and assisted over **1,500 entities** through the Government's Online Helpdesk.



The MSBEU assessed over **3,700 statements** submitted to the Online Register.



Over **2,900 statements** were published on the Online register.



Statements covered entities headquartered in over **42 countries**.

It was important that the Online Register stayed fit for purpose. To ensure this over the 2021 reporting period, the MSBEU worked with business and civil society to make enhancements where necessary to ensure the Online Register was user-friendly and easy to access, including through consultation and user feedback. This feedback was incorporated into a series of enhancements that were made over the second half of 2021.

Statements uploaded to the Online Register are fully keyword searchable and can also be searched by key categories, including; sector, revenue level, and country where the entity is headquartered.

Beyond providing a mechanism for lodging modern slavery statements, during 2021 the MSBEU increasingly utilised the Online Register as a data source for analysing compliance data and reporting on the Act. It will continue to make staged enhancements to the Online Register based on consultation, user feedback and MSBEU system requirements for improving compliance analysis and reporting.

Throughout the reporting period, MSBEU improved the "Resources" section on the Online Register by uploading additional guidance in line with the compliance trends being observed.

The MSBEU generally publishes statements submitted through the Online Register that meet the approval and signature requirements of the Act. If a statement is published on the Online Register, this does not mean that it has addressed the mandatory criteria set out in the Act. This approach maximises public transparency and assists civil society, consumers and other interested stakeholders to see the extent to which entities are responding to their obligations with respect to combating modern slavery in their operations and supply chains.



Work Stream Four: Combating modern slavery in public sector procurement

The Government continues to strengthen its approach to identifying, assessing and addressing modern slavery risks in the global supply chains and operations of the Commonwealth. During the reporting period, the Government worked closely with non-corporate Commonwealth entities (NCCEs) to undertake its reporting obligations under the Act. The Government built on its foundational response to addressing modern slavery risks in its procurement and investment activities established in previous reporting periods.

Throughout 2021, the Government focused on driving coordinated action across NCCEs to integrate modern slavery risk mitigation into current and future processes. The Government continued to raise-awareness of the Commonwealth's reporting obligations under the Act, through existing government fora and targeted engagements.

The below graphic highlights key work undertaken by the Government during the reporting period to address modern slavery risks across Commonwealth procurement.

Overarching actions



Published the second Commonwealth Statement on behalf of all 98 NCCEs for 2020-2021.



Engaged the Australian Institute of Criminology to develop a Performance Review Framework for assessing the effectiveness of actions taken under the Commonwealth Statement.

Training and awareness



Delivered briefings to NCCEs and government networks on integrating modern slavery considerations into procurement processes and practices.



Developed two online training modules for government procurement officials on identifying, assessing, and addressing modern slavery risks.







Convened a workshop on addressing modern slavery risks in government supply chains to officials from 23 NCCEs. The workshop provided participants with comprehensive information about the Act and insights from external expert presenters.







Engaged the Cleaning and Accountability Framework (CAF) to develop educational resources on modern slavery risks in the Government's cleaning services procurement.

Engagement

	<p>Convened meetings of the Intergovernmental Network on Modern Slavery in Public Procurement to drive action to address modern slavery at all levels of government.</p>		<p>Convened meetings of the Interdepartmental Committee on Modern Slavery in Public Procurement to drive the development of the Commonwealth Statement and the Government's broader strategic response to modern slavery risks in Commonwealth supply chains.</p>
	<p>Convened meetings of the Textiles and Construction thematic working groups to inform government action in these high-risk sectors of procurement.</p>		<p>Established a cross-government thematic working group on ICT hardware procurement to progress initiatives to address modern slavery risks in the procurement of ICT hardware.</p>

Procurement and contract management processes

	<p>Integrated modern slavery contract clauses into Clausebank and included modern slavery considerations in the Commonwealth Contracting Suite.</p>		<p>Developed model modern slavery tender clauses for inclusion in government procurement contracts.</p>
	<p>Amended the Commonwealth Procurement Rules to include reference to the Act.</p>		<p>Commenced development of a Rapid Response Framework to support procurement officers to identify and manage modern slavery risks during large-scale, short turnaround procurements.</p>

Supplier activities

	<p>Engaged Electronics Watch to undertake supply chain mapping and risk assessment of key ICT hardware suppliers to the Government.</p>		<p>Engaged Sedex to undertake supply chain mapping and risk assessment of key textiles suppliers to the Government.</p>
	<p>Engaged Sedex to undertake supply chain mapping and risk assessment of key construction suppliers to the Government.</p>		<p>Engaged CAF to undertake a risk assessment of cleaning services procured by the Government's property services providers.</p>
	<p>Delivered targeted supplier briefings on modern slavery to Commonwealth property service providers.</p>		<p>Developed an information sheet on modern slavery for suppliers, setting out government expectations of suppliers around modern slavery and outlining available government support.</p>

CASE STUDY

Rapid Response Framework

During the reporting period, the Government commenced development of a Rapid Response Framework (Framework) to be utilised by government officials in situations of rapid procurement of goods or services.

The Government engaged Pillar Two, a business and human rights advisory firm, to develop the Framework. The Framework sets out guiding principles and practical advice to support government officials working on procurements across the Commonwealth to identify and manage potential modern slavery risks during large-scale, short turnaround procurement. This includes by outlining practical actions procurement officers can take to assess and address modern slavery risks during urgent procurements.

The Framework is based on a four-stage methodology, spanning the procurement cycle and cover: reviewing risks; taking action to assess and address identified risks; considering an effective response through planning to respond to any modern slavery incidents that may be identified and evaluating the outcomes of the procurement from a modern slavery risk perspective.

The Framework will be finalised in early 2022 and is suitable for use by procurement officers in Corporate Commonwealth Entities and Australian state and territory governments.

CASE STUDY

Intergovernmental Network on Modern Slavery in Public Procurement

Collaboration between Commonwealth, state and territory governments is key to strengthening Australia's response to modern slavery risks in public sector procurement. In 2020, the Government established an Intergovernmental Network on Modern Slavery in Public Procurement (Network) comprised of government representatives from every state and territory jurisdiction.

The Network is a collaborative mechanism to facilitate harmonised and coordinated responses to modern slavery in public sector procurement at all levels of government. The Network met three times during the reporting period. During these meetings, each jurisdiction shared their current and upcoming work to address modern slavery risks. Members also heard from a number of expert industry speakers on approaches to address modern slavery risks and increase supply chain transparency.

The Network will support the Government's delivery of the *National Action Plan to Combat Modern Slavery 2020-25* and implementation of the Act.

Looking ahead

The Government will continue its work to administer the Act and support business compliance in future reporting periods, towards commencing a statutory three-year review of the Act. The below graphic highlights specific actions the Government will focus on during the 2022 calendar year.



Supporting entities to understand their obligations under the Act

- Undertake a statutory review of the Act, including through conducting a public consultation process, and tabling a final report in Parliament in 2023.
- Integrate modern slavery training modules into training platforms of non-corporate Commonwealth entities.
- Commence development of guidance to support engagement with suppliers.
- Explore options for remediation of modern slavery cases at the Commonwealth level.



Awareness-raising and promoting best-practice responses to modern slavery

- Plan a National Modern Slavery Conference for 2023.
- Monitor, access and publish information on compliance trends with the Act to drive good-practice.
- Deliver presentations and engage with stakeholders on the Act.
- Commence consultations on the role of a federal Anti-slavery Commissioner with respect to the Act, as part of the statutory review of the first three years of the operation of the Act.



Developing and maintaining an online register for modern slavery statements

- Review and publish modern slavery statements submitted in the second full reporting period under the Act.
- Publish additional supplementary guidance for entities reporting under the Act on specific reporting criteria.
- Commence updating the suite of detailed, practical guidance notes in response to emerging compliance trends.
- In stages, enhance the Online Register based on consultation, user feedback and Government requirements to improve usability, research and reporting.



Combating modern slavery risks in public sector procurement.

- Publish two online modern slavery training modules for government procurement officials.
- Publish the Government's Commonwealth Modern Slavery Statement 2021-22.
- Develop guidance for government delegates approving spending on large scale procurements.
- Finalise development of a Performance Review Framework for assessing the effectiveness of actions taken under the Commonwealth Statement.
- Work with the State and Territory Network on Modern Slavery in Public Procurement as a mechanism to share resources and information across different levels of government.
- Launch modern slavery tender clauses and accompanying guidance to be used in approach to market documents in procurements.

