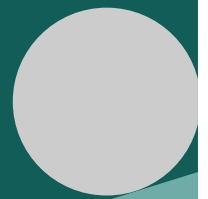


Guide to Modern Slavery Laws for the Communications Industry



Maddocks



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Introduction to this guide

We are proud to publish this first edition of our ‘Guide to Modern Slavery Laws for the Communications Industry’ for entities in the telecommunications and wider Communications Industry.

We produced this Guide because you told us loud and clear that you needed it. When the Australian Government (**Government**) introduced the new Modern Slavery Laws, requiring large organisations to identify, assess and report on modern slavery risks in their operations and supply chains, many of our clients came to us wanting to do the right thing but felt completely overwhelmed with the task at hand.

This universal feeling of being overwhelmed is completely understandable:

- modern slavery is a multifaceted and significant global problem – [The International Labour Organisation and Walk Free Foundation](#), in partnership with the International Organization for Migration, estimates 40.3 million people were victims of modern slavery in 2016.
- on home soil alone, the Government estimates there were 1,567 modern slavery victims in Australia between 2015 and 2017 and makes clear modern slavery can occur in every industry and sector.
- players at all layers of the Communications Industry carriers, carriage service providers, Internet service providers, data centre operators, field service labourers, corporate services, device manufacturers, retailers and others all face unique industry challenges and often have complex operations and supply chains involving thousands of other entities.
- the COVID-19 pandemic has not only increased the risk and complexity of modern slavery risks across the globe, but many organisations now have, at least temporarily, fewer resources and capacity to tackle new and complex compliance obligations. It is important that this work is not de-prioritised. Although there is a longer time frame for reporting, there is a lot to do in that time to understand your obligations, develop your compliance strategy and implement a long term compliance framework.

At Maddocks we have a long history of working hand-in-hand with the Communications Industry to help solve complex problems and navigate new compliance challenges. We created this Guide specifically for you. It’s based on our extensive experience advising clients in this emerging area of law and applies our deep knowledge of the Communications Industry and sector.

Drafted in plain English, with useful checklists and practical examples, this Guide is intended to cut through the complexity of the legislation and

regulatory guidelines and be a straightforward and informative tool to assist those in the Communications Industry understand what modern slavery actually is, what the new laws actually require and how to design, implement and operationalise a compliance roadmap that works for your organisation within its budget and strategic vision.

We also produced this Guide because we genuinely care about human rights and wanted to make a very practical contribution to raise collective awareness within the Communications Industry about this important issue.

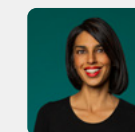
So whether you are an in-house counsel, regulatory compliance specialist or working in procurement, finance, comms, HR or another business function with an interest or role in Modern Slavery Law compliance, we hope you find this Guide a helpful resource in your day-to-day work and medium to long-term planning.

We also want to hear from you. What have been your challenges as you take steps towards submitting your first modern slavery statement? How have you tackled your risk assessment? What challenges have you faced and would you like to collaborate at the industry level? Please let us know.

Yours sincerely,



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The Fundamentals

This section explains the key requirements of the Modern Slavery Laws.

What is Modern Slavery?

Before looking at the requirements of the Modern Slavery Laws, it is helpful to take a step back and ask what does modern slavery actually look like in the Communications Industry?

Modern slavery is where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. It covers all types of slavery and servitude. Unfortunately, modern slavery is a global and local problem involving grave human rights abuses for victims and can occur in the operations or supply chains of any organisation.

Modern slavery can occur in every industry and sector. However, the nature of the Communications Industry means that its supply chains and operations involve inputs such as cobalt, which are recognised globally as involving higher modern slavery risks.

In the Communications Industry, Apple, Microsoft and Dell have been [subject of a legal complaint](#) on behalf of 14 families from Congo for allegedly being part of a system of forced labour, leading to the serious injury and death of children in cobalt mines.

But the scope of modern slavery means it can also occur much closer to home. So what does modern slavery actual look like in the Communications Industry? The following table highlights four key types with industry specific examples:

1.

Forced labour

The victim is not free to stop working or not free to leave their workplace.

A device manufacturer employs people to make its mobile phones in an overseas factory. The device manufacturer demands that the factory workers work for 14 hours each day in order to prepare for the launch of its new device. When the workers complain about the hours, the factory supervisor tells the workers that they will harm the workers' families if they refuse to work.

3.

Servitude

The victim's personal freedom is significantly restricted and they cannot stop working or leave their workplace.

A data centre operator obtains copper cabling from a supplier in China. The data centre provider does not know that the supplier predominantly uses migrant workers to manufacture the copper communications cables and locks those workers in the workplace after hours.

2.

Debt bondage

The victim is working to pay off an excessive debt or the length of services is unlimited.

A carriage services provider decides to offshore some of its customer support services as a cost-cutting measure. It decides to outsource the customer support work to a third party contractor in India. The contractor hires some staff to provide the customer support services but tells them that they will need to pay a recruitment fee, which will be deducted from their wages. After the staff have worked for one month, they have not received any wages. When a staff member questions his supervisor about his wages, his supervisor tells him that he has not received any wages because his recruitment fee has not been paid off yet.

4.

Worst forms of child labour

Children are exploited through slavery or similar practices; engaged in hazardous work; or used to produce or traffic drugs.

A device manufacturer makes laptops and tablet devices. It needs cobalt for the lithium batteries in those devices. It procures the cobalt from a supplier. That supplier has used child labour in its cobalt mines, which has resulted in some children suffering life threatening injuries.

What is required by the new Modern Slavery Laws?

The *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) requires large organisations (those with a consolidated revenue of at least \$100 million) and the Commonwealth to submit a modern slavery statement which must cover the following 7 criteria:

1. Identity of reporting entity.

2. Reporting entity's structure, operations and supply chains.

3. Risks of modern slavery practices in the operations and supply chains of the reporting entity and any controlled entities.

4. A description of the actions taken by the reporting entity to assess and address these risks including due diligence and remediation processes.

5. A description of how the reporting entity will assess the effectiveness of its actions.

6. A description of the process of consultation with any entities that the reporting entity owns or controls.

7. Any other relevant information.

The Department of Home Affairs has released detailed, non-binding guidelines (**Commonwealth Guidelines**) on how to address each mandatory criterion.

At its core, the Modern Slavery Act is a reporting regime. It does not make acts of modern slavery themselves a criminal offence (this is covered under different legislative regimes).

The Government has made clear that the Modern Slavery Laws are a continuous improvement regime. Reporting entities are only able to report on the steps they have taken in the relevant reporting year.

The Modern Slavery Laws do not carry a financial penalty. Instead, the primary drivers for compliance are investor pressure, reputational costs and benefits.

A State of Confusion – The NSW Modern Slavery Act

The NSW Modern Slavery Act was passed in June 2018 but is not yet in force.

We have seen this cause a great deal of confusion with clients trying to navigate developments at the Commonwealth and State level.

The NSW Modern Slavery Act was referred to the Standing Committee on Social Issues for inquiry (**Inquiry**) to determine whether the NSW Modern Slavery Act is necessary; and whether inconsistencies or duplication between the NSW Modern Slavery Act and the Modern Slavery Act have been sufficiently addressed by the *Draft Modern Slavery Amendment Bill 2019* and *Draft Modern Slavery Regulation 2019* (NSW).

On 25 March 2020, the Committee presented its final report, which supports the commencement of the NSW Modern Slavery Act on or before 1 January 2021 following some amendments. The NSW Government has six months from the publication of the Inquiry's report to consider whether it adopts the recommendations of the Committee. Should the NSW Government decide to pass the NSW Modern Slavery Act and Draft Regulation, the intention is for commercial organisations with \$50 million to \$100 million in annual turnover (which the Committee has recommended be changed to 'consolidated revenue') to submit a modern slavery statement with the Anti-Slavery Commissioner of NSW.

In relation to government agencies, the NSW Modern Slavery Act (if it commences) will enable the NSW Procurement Board to issue directions about modern slavery, and requires annual reporting by government agencies about actions taken to ensure that goods and services procured are not the result of modern slavery.

In a nutshell, a significant number of additional entities in the Communications Industry will likely have modern slavery reporting obligations if the NSW Modern Slavery Act comes into force.

Watch this space!

When do reporting entities need to submit their modern slavery statements?

Under the Modern Slavery Act, reporting entities are required to submit their first Modern Slavery Statements within six months after the first financial year that commenced after 1 January 2019, and for each subsequent year, within six months after the relevant financial year.

Temporary extension of time due to COVID-19

The Department of Home Affairs has temporarily extended the reporting deadlines under the Modern Slavery Act by an additional three months for all entities whose reporting periods end on or before 30 June 2020.

This extension of time recognises that many organisations have been adversely affected by COVID-19 in their efforts to prepare and submit their modern slavery statements and may need more time. The new deadlines are below:

Reporting period	Original deadline for submission of modern slavery statement	New, extended deadline for submission of modern slavery statement
1 April 2019 – 31 March 2020 (Foreign Financial Year)	30 September 2020	31 December 2020
1 July 2019 – 30 June 2020 (Australian Financial Year)	31 December 2020	31 March 2021
Reporting periods ending after 30 June 2020.	The six month deadline for reporting periods ending after 30 June 2020 remains unchanged.	

Why should the Communications Industry care?

You may be wondering why the Communications Industry should care about the Modern Slavery Laws. Here are 5 reasons why.



Five reasons why the Communications Industry should care

Much has been made of the fact that the Modern Slavery Act does not have financial penalties so why care?

At Maddocks we think human rights are important and it makes sense for the Communications Industry to care about these new laws and take compliance obligations seriously by using a prioritised, risk-based approach.

Organisations who take their compliance obligations seriously can potentially improve human rights outcomes. But there are some other key reasons why your Modern Slavery Law compliance should not be an afterthought for organisations within the Communications Industry:

- 1. It's a board issue**
Your board will have to approve your modern slavery statement before it is submitted.
- 2. Human rights**
Human rights organisations advocated strongly for the new Modern Slavery Laws so they will be closely watching how large organisations like carriers, carriage service providers, Internet service providers and device manufacturers respond to the new obligations, particularly if they are 'big name' brands or 'house hold names'. The Modern Slavery Act is a significant 'step up' from similar legislation in force in the United Kingdom.
- 3. Getting it wrong is a 'front page news' risk**
Apple, Dell, Microsoft, Tesla and Google have all had negative press due to a US court case alleging that the companies aided and abetted those involved in the death and serious injury of children working in cobalt mines in their supply chains.
- 4. There is a compliance 'knock on' effect**
Even if your organisation does not need to comply with the new laws now, chances are you will still be impacted. You may provide goods or services to organisations or government departments who do need to comply and need to respond to their customers' questions about your supply chains. For example, if you supply inputs to larger players in the Communications Industry such as the Government, NBN Co, Telstra, Optus, Vodafone and others you may be asked whether you have any systems, procedures and policies in place to identify, monitor and address modern slavery risks in your business and broader supply chains or be required to enter into contractual obligations regarding modern slavery issues.

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graph LR; A[Reporting entity who is required to comply (such as Commonwealth or large organisation).] --> B[Obligations from entity A passed on to entity B. This impacts entity B, even if not captured by the law.]; B --> C[Obligations from entity B passed on to entity C.]; C --> D[NSW Government also importing MS considerations into procurement despite NSW laws on hold.]; D --> E[This impacts entity E who supplies goods to the NSW Government, even though entity E is not captured by the law.];
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- 5. Investor pressure**
Consumers and investors are increasingly concerned about ethical procurement and human rights. Gone are the days where investors only cared about a company's financial performance. In fact, investor pressure is seen as one of the main drivers for compliance.

How do I comply with the Modern Slavery Act?

This section offers practical guidance on how to design, implement and operationalise a compliance roadmap in order to address the mandatory criteria in your modern slavery statement.

Minimum legal requirements of the Modern Slavery Act

The bare minimum legal requirements of the Modern Slavery Act are fairly simple. Reporting entities captured by the act must submit a modern slavery statement addressing mandatory criteria by the relevant deadline.

The release of the extensive Commonwealth Guidelines quickly saw our clients panic as it became apparent that actually addressing the mandatory criteria requires considerable thought and pre-planning.

Working with many clients over the past 2 years, we have found that it is helpful to take a project based approach in order to meet the minimum legal requirements of the Modern Slavery Act. That is, forming a core project team within the business to design, implement and operationalise a fit-for-purpose compliance regime.

To illustrate how members of the Communications Industry could create a roadmap for Modern Slavery Laws compliance, we will use the following hypothetical case study.

Hypothetical Case study

Brigitte is the General Counsel of a large carrier in Australia called Customers First Telco.

She is responsible for advising the Large Enterprise, SME and Consumer business units at Customers First Telco on a range of regulatory issues spanning telecommunications, competition and consumer and privacy laws.

When the Modern Slavery Act came into effect on 1 January 2019, Brigitte thought that Customers First Telco was likely to meet the threshold for reporting under the Modern Slavery Act based on previous years' revenue (see threshold assessment below).

Corporate structure

Customers First Telco is headquartered in Australia but has subsidiaries in the UK, US and China that it owns and controls.

Operations

Customers First Telco provides fixed broadband, mobile, data centre and mobile devices to large enterprises, SMEs and consumers in Australia. It employs over 10,000 staff in Australia.

Supply chains

It has a global supply chain of over 1000 direct and indirect suppliers. For its core products and services, Customers First Telco obtains ICT services and products, construction services, network infrastructure maintenance services, mobile devices and telco cabling. It also needs office supplies, professional services, travel, cleaning and catering services. For its customer support hotline, it does not directly employ workers but uses a contractor in India to run the hotline.

Figure out if your organisation needs to report

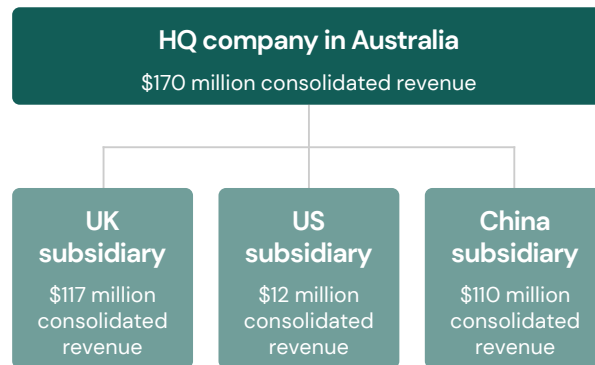
The first thing an organisation should do is to figure out if it meets the threshold to report and if so, identify which entities are the reporting entities and when your first modern slavery statement is due.

An 'entity' needs to report if it:

1. is either an 'Australian entity' or 'foreign entity carrying on business in Australia'; and
2. has a consolidated annual revenue of \$100 million for the relevant reporting period.

'Entity' is broadly defined to include an individual, body corporate, body politic, unincorporated association or body of persons, trust, super fund and approved deposit fund.

In relation to Customers First Telco, as illustrated in the diagram below, it has its HQ in Australia with subsidiaries in the UK, US and China. Brigitte decides that the subsidiaries do not meet the legal test for a 'foreign entity carrying on business in Australia' so are not reporting entities. Only the Australian HQ company meets the \$100 million consolidated revenue criteria.



Although US, UK and China subsidiaries do not need to submit modern slavery statements, the Australian HQ company of Customers First Telco still needs to describe the modern slavery risks in the operations and supply chains of the subsidiaries and how these subsidiaries have addressed these risks.

In early 2019, Brigitte worked out that the first modern slavery statement for Customers First Telco is due on 31 December 2020 given that Customers First Telco's financial year is 1 July to 30 June of the following year.

However when the Government announced the temporary extension due to COVID-19, Brigitte and the project team determine they will take advantage of the extension and submit the first modern slavery statement of Customers First Telco on 31 March 2021.

* Tip

If you have more than one reporting entity in your organisation, there is an option to provide a joint statement covering all seven mandatory criteria and prepared in consultation with each reporting entity covered.

A joint statement is not always appropriate – for example, you may have an entity with higher modern slavery risks and decide for that entity to do a separate statement.

There is also an option to voluntarily report even if your organisation does not meet the threshold to report.

Get stakeholders involved early and form a project team

Modern slavery is not just a legal issue but an issue involving key business units such as Human Resources, Procurement and Regulatory.

Brigitte forms a core project team and enlists key stakeholders in the Large Enterprise, SME and Consumer business units at Customers First Telco, as well as the Regulatory, Procurement and Human Resources teams early on in the project. All project team members have assigned roles and responsibilities and the team meet regularly via video conference to track progress and agree on approach.

Consult with HQ about your approach

If you are a global organisation with an off-shore HQ, we have found it is important to consult HQ from the start to figure out what approach your organisation will take. Some organisations have taken a global approach by following the company's global policies that apply to all subsidiaries and relying on measures HQ has taken to identify, assess and address modern slavery risks. Other organisations have taken a local approach by carrying out measures to identify, assess and address modern slavery risks and adopting its own local policies for modern slavery.

* Tip

Exercise caution when dealing with an offshore HQ. In our experience, off-shore parent companies may not fully appreciate that the Australian regime is a step-up from the modern slavery law reporting regime in the UK. We have had many clients who have been directed by global UK to 'just use the UK modern slavery statement'.

Often a UK modern slavery statement does not cover local risk assessment issues and significant work is still required in order to create an Australian modern slavery statement that addresses the seven mandatory criteria.

Map your operations and supply chains

The second criterion of a modern slavery statement requires a reporting entity to describe its structure, operations and supply chains.

Operations

Operations are any activities taken by an organisation to pursue its business objectives and strategy in Australia or overseas. This includes the organisation's direct employment of its workers, production of products, delivery of its services, marketing and sales of its products or services.

In the case of Customers First Telco, its operations are its delivery of carriage services (fixed broadband and mobile), as well as data centre services and mobile devices to large enterprises, SMEs and individual consumers.

It supplies some wholesale services to RSPs for on-supply to those RSPs' own customers. Its operations also include Customers First Telco's employment of over 10,000 staff in Australia and its engagement through contractors and subcontractors of field staff and others to perform site acquisition services, build network and field staff to maintain its physical network equipment and attend service calls.

Supply chains

Supply chains consist of the products and services supplied to an organisation that contribute to an organisation's own products and services. This includes the products and services from Australia or overseas and products and services used by indirect suppliers in the organisation's supply chains.

In the case of Customers First Telco, its global supply chain includes over 1000 direct and indirect suppliers. In order to supply its core products and services, Customers First Telco obtains ICT services and products, construction services, network infrastructure maintenance services, mobile devices and telco cabling from 300 direct suppliers.

Those direct suppliers rely on their own suppliers (Customers First Telco's indirect suppliers) for goods and services e.g. the mining and refining of minerals used in electronic components purchased by the mobile device manufacturers. Customers First Telco also needs office supplies, professional services, travel, cleaning and catering services but these goods and services do not contribute to its core offering. For its customer support hotline, it uses a contractor (who employs its own workers) to run the hotline from India.

Figure out the key risk areas

The third criterion requires a reporting entity to describe risks of Modern Slavery in its operations and supply chains and those of any controlled or owned entities. Modern slavery risks can be based on sectors, industries, the types of products or services, geography and entities. Going back to Customers First Telco, Brigitte and her project team conduct an internal survey of the key stakeholders in order to identify the following key risks:

- **Customers First Telco uses electronics** in the mobile devices that it procures and on-sells to customers, as well as to operate its data centres. Electronics has been identified by the Commonwealth Guidelines as a high risk industry.
- **Some countries have higher risks** of modern slavery due to their poor governance, weak rule of law, conflict, migration flows and socio-economic factors like poverty. Customers First Telco sells mobile devices and uses telco cabling that was manufactured in India, Bangladesh and China. Customers First Telco also relies on a third party contractor in India to provide IT services and operate the customer support hotline. The Global Slavery Index of [The Minderoo Foundation](#) recognises India, Bangladesh and China as having higher modern slavery risks.

- **Certain products and services** are recognised as having higher modern slavery risks because of how they are produced or used. The mobile devices that Customers First Telco obtains from device manufacturers contain lithium batteries, which were manufactured by a third entity using cobalt mined by another entity called Cobalt Mines 101. Customers First Telco's Procurement Team is unsure if the cobalt was mined using forced labour. Cobalt has been recognised globally as a high-risk product. Customers First Telco also procures uniforms for its retail staff. Textiles are recognised globally as high risk products for modern slavery.
- **Particular entities** may have modern slavery risks because they have poor governance structures or a poor track record in relation to treatment of workers and human rights. It has recently come to Brigitte's legal team's attention that a civil society organisation has discovered repeated breaches of workplace safety standards by one of Customers First Telco's cabling suppliers in China.

Knowing that Customers First Telco's resources are limited, Brigitte and her team decide to focus on the above key risks in the first two years of their compliance program.

Survey your suppliers

As part of identifying modern slavery risks, your organisation should carry out an external survey of your key suppliers. Brigitte and her team decide to survey the top 30 suppliers who are selected based on their importance in Customers First Telco's core products and services and risk profile due to their location, type of product or service they supply, organisation's compliance record or sector/industry.

Take action

Take action to assess and address modern slavery risks, including due diligence and remediation: Your actions will be what your organisation can report on to address the fourth criterion of the modern slavery statement. Given that the Modern Slavery Act is a continuous improvement regime, you can only report on your actions in the last 12 months. Customers First Telco's actions are examples of what your organisation could do.

Due diligence

- 1. Identifying and assessing actual and potential human rights impacts**
Customers First Telco amends its procurement procedures to screen new suppliers for modern slavery risks.
- 2. Integrating your findings across your entity and taking appropriate action to address impacts**
Customers First Telco updates its L&D to include modern slavery and introduces a new Anti-Modern Slavery Policy which includes a process for incident reporting.
- 3. Track your performance to check the impact you are making**
Customers First Telco will conduct an audit of the new supplier screening process in following years.
- 4. Publicly communicate what you are doing**
Customers First Telco publishes its statement on its website as well as producing an FAQs document - this is housed in the CSR section of its website.

Remediation = Making good the adverse impact

Customers First Telco updates its existing whistleblower policy so that staff can raise concerns.

Customers First Telco updates its Supplier Code of Conduct to set out its expectations on identifying and responding to modern slavery risks. The project team considers the Responsible Business Alliance's Supplier Code of Conduct when updating the Supplier Code of Conduct given that the RBA has had extensive experience in dealing with risks in the electronics industry. It also sets up a supplier hotline so suppliers can report issues.

Customers First Telco updates its supplier agreements to include clauses on modern slavery and ensures dispute resolution is covered.

Customers First Telco sets an internal remediation guide which sets out agreed procedures for responding to modern slavery cases. The Legal and Human Resources team devise general staff training to introduce the new Anti-Modern Slavery Policy, as well as training for Procurement staff so they know how to identify modern slavery risks.

Develop ways to measure success

The fifth criterion for your modern slavery statement is describing how your organisation assesses the effectiveness of its actions to assess and address modern slavery risks. For example, this could be in the form of KPIs and regular review processes. Customers First Telco sets up KPIs based on the number of modern slavery training programs delivered; the number of supplier agreements with modern slavery clauses and the number of actions taken with electronics suppliers to improve their capacity to respond to modern slavery risks. As part of its longer-term planning, Customers First Telco sets up a process for feedback from key functions and review by the Senior Leadership Team.

Collaborate with industry

The Communications Industry already has the right infrastructure for an industry co-regulatory approach through a range of industry bodies including Comms Alliance, AMTA and others which also means that the sector is well-placed to take a collaborative approach on this important human rights issue. Collaborating with industry can be an important way to strengthen your organisation's response to modern slavery. You may be able to collectively address specific risks in sectors or geographic regions. A good example of industry collaboration is the Responsible Business Alliance (RBA), which has come up with the RBA Code of Conduct of social, environmental and ethical standards, training tools and self-assessment questionnaires and audits for the electronics industry. Brigitte is aware that the sales teams at Customers First Telco is heavily involved in Communications Industry focus groups. After speaking to the sales teams, the Legal team attends a couple of focus group meetings to exchange ideas with other Communications Industry members on how to address modern slavery risks.

Work with international and local organisations or civil society groups

These groups could help the industry members to obtain the most up to date and 'on the ground' advice on modern slavery risks and appropriate ways to minimise or remedy the harm caused. Customers First Telco engage a civil society group to provide advice about what is happening in off-shore factories which supply key components to Customers First Telco but which Customers First Telco has limited visibility over.

What if I am impacted by COVID-19?

No doubt, COVID-19 has hindered reporting entities' efforts to assess and address modern slavery risks in their operations and supply chains while putting more people at risk of becoming modern slavery victims. This section sets out what your organisation should do if it has been impacted by COVID-19.

The impact of COVID-19 on introducing new compliance framework

The Government has recognised that Covid-19 has had a major impact on managing the introduction of new compliance frameworks within organisations at a time when businesses are focussing on managing the financial and organisational impacts of COVID-19 and has granted an extension of time to submit modern slavery statements (see '[Temporary extension of time due to COVID-19](#)').

The Government (the Department of Home Affairs via the Australian Border Force) has also [released additional guidance](#) on how to address modern slavery risks and impacts during the pandemic.

Unfortunately, the COVID-19 pandemic has increased the number of people around the world who are at risk of becoming victims of modern slavery. According to the International Labour Organisation, global unemployment is set to increase by almost 25 million due to increased poverty and financial stress pushing people towards risky or exploitative employment.

This guidance sets out the Department of Home Affairs' expectation that organisations take steps to protect vulnerable workers in their global operations and supply chains as part of their broader response to the pandemic. Things your organisation should consider doing are:

Ask your suppliers for information about how they are protecting their workers in light of COVID-19

What steps have they taken to protect their workers from COVID-19? Do their workers have access to sick or carers leave? Do they provide their workers with protective equipment?

Avoid purchasing practices that may increase modern slavery risks

Organisations requesting short production timeframes, seeking excessive discounts or failing to pay for completed work could be increasing modern slavery risks.

Ensure workers continue to have access to grievance mechanisms

Collaborate with suppliers as well as workers, industry and civil society organisations to identify best practice approaches to protect vulnerable workers.

Importantly, the Department of Home Affairs via the Australian Border Force encourages reporting entities affected by COVID-19 to clearly explain in their modern slavery statements how COVID-19 has impacted their capacity to assess and address modern slavery risks during their reporting periods. This might include explaining:

- how your organisation was not able to attend to planned factory visits
- reduced auditing of modern slavery risks
- how you have deferred particular measures such as staff training or more comprehensive group-wide consultation to a later date.

Take action now

Submitting a compliant modern slavery statement and implementing an ongoing compliance program are the 'end game'.

Despite the extension of time, the clock is well and truly ticking for reporting entities to submit their first modern slavery statement.

The new Modern Slavery Laws are a continuous improvement process, so it is vital that your organisation designs and operationalises a long-term plan.

We have put together a Checklist of Practical Steps to Compliance in Appendix A that you can use as a tool to assist you with coming up with your organisation's Modern Slavery Laws compliance program.

We encourage you to start taking steps now.

Still need help?

Our modern slavery law specialists can assist you with your compliance program.

We appreciate that the Communications Industry has its hands full right now responding to the increased residential and business demand for communications services and managing increased applications for relief from customers experiencing financial hardship along with all of the other operational impacts of COVID-19.

We have developed a number of modern slavery compliance tools which are easy to deploy to assist clients with their compliance obligations. Our modern slavery law specialists can also assist you with auditing, training, risk assessment and drafting your modern slavery statement, including to deal with COVID-19 impacts.

Some of the work our modern slavery laws specialists can help you with are:

- assisting to develop an end-to-end compliance regime
- conducting a threshold assessment to determine whether your organisation needs to report under the Modern Slavery Act
- mapping your operations and supply chains and identifying modern slavery risks
- reviewing and updating your existing policies and procedures and/or creating new ones
- incorporating ethical sourcing obligations into your agreements
- developing tailored training materials for your board, staff and suppliers
- drafting your Modern Slavery Statement
- helping you to set up KPIs and a regular review process to ensure year-on-year improvement.

Contact us

We would also be happy to talk through the steps you have been taking and sense check your approach.



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Additional resources

We have put together a list of resources that you may find helpful in developing a Modern Slavery Laws compliance program for your organisation.

Modern Slavery Act 2018 (Cth)

Resource

Department of Home Affairs Modern Slavery webpage

Resource

Department of Home Affairs, *Commonwealth Modern Slavery Act 2018* – Guidance for Reporting Entities

Resource

A practical action plan for *Commonwealth Modern Slavery Act 2018* compliance (24 June 2019), Maddocks

Resource

NSW Minister has confirmed the NSW Modern Slavery Act is under review and could be canned (25 June 2019), Maddocks

Resource

Interim NSW Anti-Slavery Commissioner provides insight on potential future of the NSW Modern Slavery Act (9 July 2019), Maddocks

Resource

Inquiry may clarify the state of confusion regarding modern slavery laws (20 August 2019), Maddocks

Resource

Final Commonwealth guidelines for Modern Slavery Act reporting entities released (8 October 2019), Maddocks

Resource

NSW Modern Slavery Act is back on the agenda – inquiry recommends the NSW Act comes into effect (7 April 2020), Maddocks

Resource

COVID-19 increases risk of modern slavery and complexity of compliance – Government extends the deadline to report (14 May 2020), Maddocks

Resource



Appendix A

Checklist of Practical Steps to Compliance

- Have you done a threshold assessment to work out if you are required to report?
- Have you worked out when your first Modern Slavery Statement is due based on your financial year and taken account of the Government extension?
- Have you formed a project team and assigned roles and responsibilities?
- Have you informed your board about the need to submit a Modern Slavery Statement as they will need to sign off on it?
- Have you consulted with your head office to decide on your compliance strategy?
- Have you mapped out your operations and supply chains and identified the risks (e.g. geographic, product, entity and industry risks)?
- Have you identified and assessed the modern slavery risks in your operations and supply chains?
- Have you considered Covid-19 impacts and how you might cover these in your Modern Slavery Statement?
- Have you reviewed and updated your existing policies (e.g. Supplier Code of Conduct), procedures and contracts to deal with modern slavery risks?
- Have you created new policies and procedures and made them publicly available (where appropriate)?
- Have you set up remediation processes such as a staff hotline and remediation plan?
- Do you have KPIs for measuring your success? Given that it is a continuous improvement, prioritised, risk-based regime, expect your KPIs to change as time goes by.
- Have you conducted 'fit-for-purpose' training and education for your staff and potentially, suppliers?
- Have you considered how you will improve next year?
- Have you set up a regular review process to ensure your organisation is making year-on-year progress?



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