



ZOIC Environmental Pty Ltd
ABN 23 154 745 525
Suite 1, Level 9
189 Kent Street Sydney 2000
Phone: +61 2 9251 8070
www.zoic.com.au

24 April 2017

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Sir,

Submission to Senate Inquiry into Modern Slavery

A. Introduction

Zoic Environmental is a consulting company specialising in environmental and sustainability management. Our Principal Consultant for Sustainability (Cheng Phang) has over 15 years of working in the area of sustainability management has worked on human rights management issues in Asia for a variety of industrial sectors, including oil and gas, construction and development, textile and garment manufacturing, electronic and electrical manufacturing, and plantation and food manufacturing, amongst others.

In the course of this work, Cheng has developed human rights management systems looking at at-risk countries such as Myanmar, Thailand and Indonesia within company management – procurement practices, management practices and community programmes – through to supply chain practices. Arising from this, we believe that we bring value-add perspective to the national inquiry on the necessity for an Australian Modern Slavery Act.

B. Our submission

We concur in general with the recommendations of Trafficking in Persons: The Australian Government Response (1 July 2015 – 30 July 2016), and Research Paper LWC302 Should Australia pass legislation that compels corporations to disclose the actions they have taken to eradicate the presence of Modern Slavery in their Supply Chains?

While majority of the human rights issues occurs beyond the shores of Australia, there are incidences (and increasing number of) of human rights abuses which occur within the supply chain within the boundaries of Australia. Reference <http://www.antislavery.org.au/>, <http://afn.org.au/slavery-in-australia/>, and <http://endslavery.salvos.org.au/>.

We note that there are gaps in the recommendations and information provided which would be important to enable the development of suitable legislation pertaining to the Modern Slavery Act:

1. There is difficulty in obtaining necessary statistics with regards to:
 - i. Number of registered migrant workers in temporary work visas
 - ii. Number of registered organisations licenced to employ these migrant workers



- iii. Number of registered migrant workers working for registered organisations in Australia on a sectoral and locality basis
- iv. Level of salaries/benefits provided to migrant workers within the Australian industrial sector

We suggest that there are no appropriate guidelines available to potential/current employers on the proper management, provision of housing and treatment of migrant workers.

We have identified that there appears to be a lack of intergovernmental cooperation in identifying and tracking the movement of workers (legal and illegal). Notably to this is the recent cases of Malaysian illegal farmworkers ill-treatment reported by the ABC www.abc.net.au/4corners/stories/2015/05/04/4227055.htm.

Currently there is no current mechanism to enable monitoring and tracking of placement and wellbeing of temporary workers in the various work environments, which should be included within legislation.

Inclusion of a registrar for organisations employing temporary workers to reduce lack of accountability would be beneficial.

We consider that the lack of these requirements by function of law, means that despite the enactment of an Australian Modern Slavery Act, there will be endemic and systematic problems in (a) organisations/corporations seeking to reduce the incidences within their supply chain, and (b) regulatory authorities (Immigration, Border Police, FairWork) being able to enforce the law.

C. Way Forward

Based on our experience, to enable the enactment of a successful Modern Slavery Act (MSA) in Australia, function of law needs to include the ability to conduct due-diligence within a legal framework (either by the organisation/company or government) to ensure identified cases of slavery are managed and mitigated.

It is our opinion that the definition of supply chain should include both product and service providers.

We are also of the opinion that the Act should include details of penalties for non-compliances.

We note that LWC304 provides for consideration of the types of companies which will need to comply with the transparency requirement of the MSA. We concur with the findings that the UK MSA application conditions should be applied. However, given that the UK MSA has already undergone stakeholder engagement with regards to the appropriate trading threshold, and precedence with regards to implementation from the UK, California and Brazil, it is Zoic's opinion that learnings from these cases should hold in good stead for the threshold level to be implemented. Further, it is Zoic's opinion that it should follow the ASX listing requirements for companies, given that majority of public listed companies in Australia have some exposure through their supply chain to Asia-Pacific.

The establishment of an Anti-Slavery Commissioner in tracking company performance and managing non-compliances is a necessity and would be a crucial part in enforcing the MSA. The Commissioner should be independent, and should be supported by legislation, and the Government. The office of the Anti-Slavery Commissioner should have oversight on the performance and implementation of the National Action Plan to Combat Human Trafficking and Slavery, in conjunction with other responsible governmental agencies.

To ensure that the right individual is appointed to the position, the experience of the Commissioner should be carefully examined to include (i) experience in the area of human rights/



anti-slavery legislation/abuses/ investigation, and (ii) non-affiliation to any political party, amongst others. Should this be not possible, it is Zoic's opinion that a panel of three independent commissioners be appointed to ensure that there are adequate checks and balances within the Office of the Anti-Slavery Commissioner.

The Office of the Anti-Slavery Commissioner should have an oversight/advisory committee made up of members from the various organisations working on anti-slavery issues within Australia, including non-governmental agencies, faith organisations, academia, and members of the business community.

The monitoring and tracking of reported company performance on compliance with the Modern Slavery Act should be conducted by an independent third party organisation, which would be able to benchmark and provide public scrutiny of company performance.

A training programme should be developed within the purview of the Anti-Slavery Commissioner's office, and provided by independent verified/creditable third party organisations to raise awareness and train relevant agencies, businesses and organisations on the technicalities of identifying and managing human rights risks in businesses and communities. A specific training programme should be developed for the Border Police, Immigration and other enforcement agencies in identifying, managing and investigating human rights abuse cases.

The accepted methodology should be based on the UN Human Rights Management programme, which is internationally accepted. There should also be provisions within the enactment for the need to develop Key Performance Indicators to enable monitoring, tracking and reporting of human rights management performance for companies, employers and registered employment agencies.

D. Conclusion

In conclusion, Zoic is pleased to lend its support to the establishment of a Modern Slavery Act in Australia.

We believe that it is a step forward to encourage corporate and the Australian Government to facing the responsibilities of eradicating modern slavery today.

Should you have any queries or wish to discuss any points, please do not hesitate to contact me.

Yours sincerely,

cheng.phang@zoic.com.au

Cheng Phang
Principal Consultant
Zoic Environmental Pty Ltd



E. References:

SLAVERY IN THE SUPPLY: Should Australia pass legislation that compels corporations to disclose the actions they have taken to eradicate the presence of Modern Slavery in their Supply Chains?

Author: Narelle Sherwill s240244, Research Paper LWC304, Summer Semester 2016

Modern Slavery Act, UK, 2015

EU Non-Financial Reporting Directive 2014/95/EU Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016, the European Union

The Modern Slavery Act Review, Caroline Haughey, 31 July 2016

The Case for an Australian Modern Slavery Act, WalkFree Foundation, 2017

A quick guide to Australian discrimination laws, Australian Human Rights Commission