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Ndeivr Human Rights supports clients responding to the *Modern Slavery Act 2018 (Cth)* and offers human rights services to reduce risk, protect stakeholders, and access value-add opportunities.

Modern Slavery Action Tracker

Issue 5 | July 2021

This Report provides analysis of key statistics and performance relating to modern slavery reporting in Australia based on data provided through the Australian Government's Online Register for Modern Slavery Statements. We also provide suggestions for preparing second-year statements.



Modern Slavery Action Tracker

All organisations in Australia with an annual consolidated revenue of more than AU\$100 million must publish a statement assessing and addressing modern slavery risks in their operations and supply chains to comply with the [Modern Slavery Act 2018 \(Cth\)](#) (MSA). The three most significant reporting deadlines (determined by an entity's financial year) for first-year Modern Slavery Statements passed on 31 December 2020, 31 March 2021, and 30 June 2021.

This is our fifth report tracking modern slavery reporting in Australia based on data from the Government's public [Modern Slavery Online Register](#) (the Register). This issue provides Ndevr Human Rights' independent analysis of the data now that the first reporting year has passed, as well as suggestions on how to prepare and submit successful second-year modern slavery statements. Our aim is to provide consolidated information for those interested in following Australia's modern slavery response and a resource for organisations required to publish their own Modern Slavery Statements and response strategies.

Total Reporting Effort and Progress

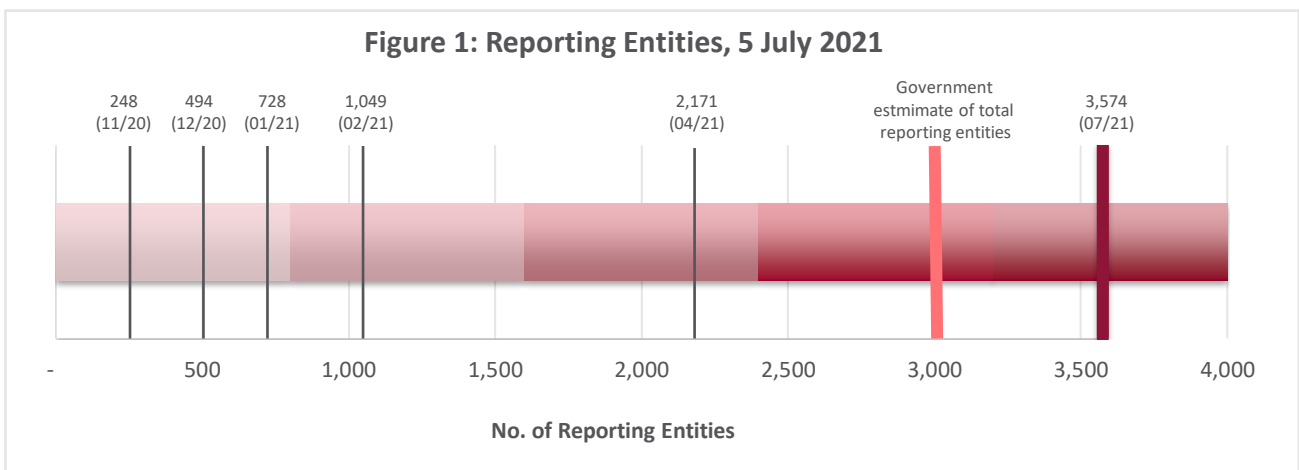
As of 5 July 2021, 1,856 statements covering 3,574 reporting entities were submitted and uploaded to the Government's Register.

This means that the Commonwealth's initial estimates of 3,000 entities captured by the Act has been exceeded by a few hundred entities, and is still rising as more statements continue to be

reporting against Australia's Modern Slavery Act.

A key unknown here is the economic effects of COVID-19 which caused some entities to fall below the revenue threshold, while others grew rapidly and surpassed it.

The low level of non-compliance means there has been tremendous effort by Australian



processed and posted. We cannot, however, provide a perfectly precise indication of reporting entities over the government's earlier estimates, because the total includes 220 voluntary statements that represent an unknown number of entities.

Even so, it is possible the government estimate has been surpassed by as many as 350 reporting entities. **These numbers make clear that non-compliance is relatively low for the first year of**

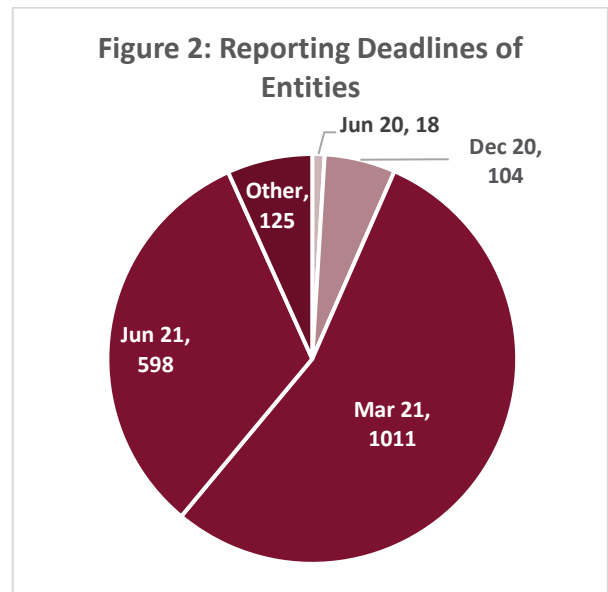
organisations ahead of the final deadlines this year to submit statements. Organisations, in general, appear to be complying with their legislated duty to address modern slavery.

We hope to validate this finding in September during a Roundtable event with the Australian Border Force. To do so, we will question the government's earlier estimates of 3,000 reporting entities affected by the Act to see if there are more accurate and current numbers available, perhaps

derived from tax data.

As first year reporting becomes nearly complete, we can see clearly that March is the most common reporting deadline for organisations (see Figure 2), as over 50% of statements were lodged by entities operating on the Australian financial year. June is the next largest deadline. Statements on those schedules increased by 357 and 322, respectively.

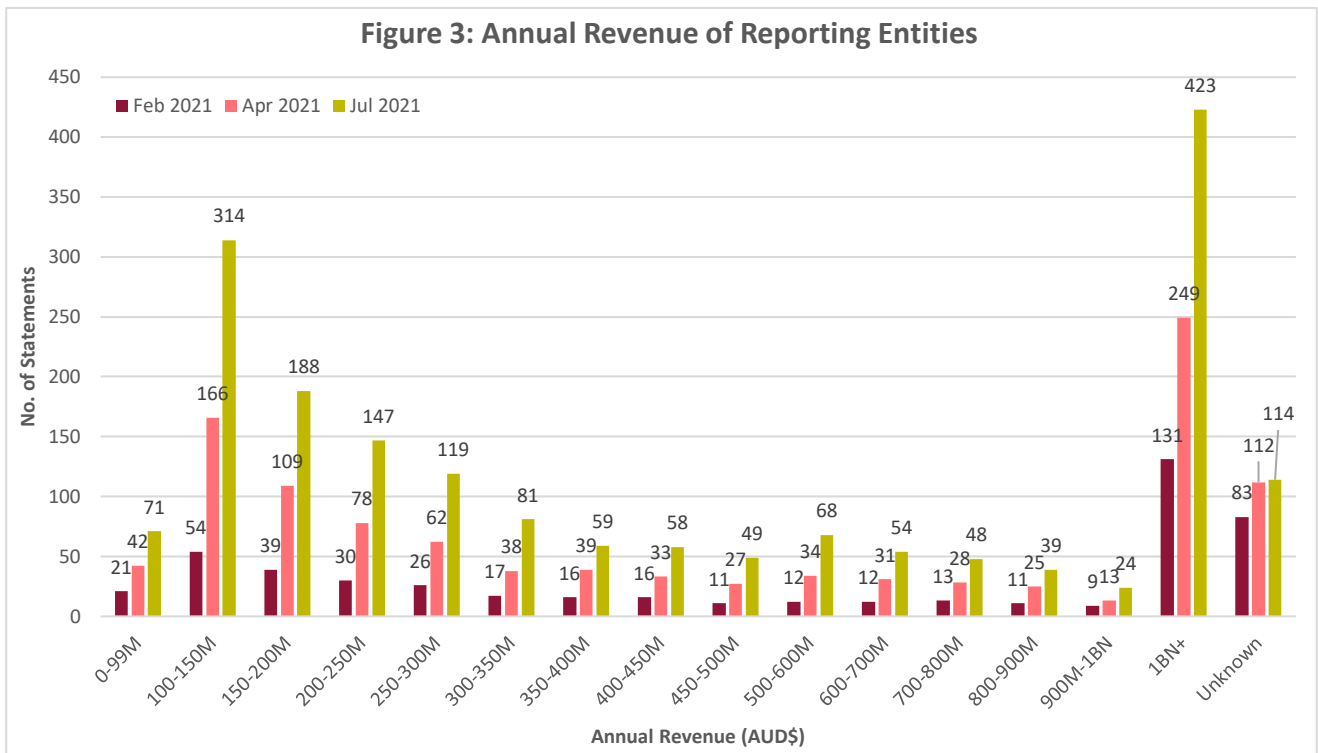
It is encouraging that already, we can see four statements on the register for the second (2022) reporting year of the Act. These were submitted early by *Darling Harbour Live*, *Teys Australia*, *Growthbuilt*, and *Multimedia Technology Pty Ltd*.



Reporting Entities

Reporting entities at either end of the revenue spectrum are the primary sources for additional statements lodged since the end of April, as

between April and July 2021. While starting from a lower baseline, there is an approximate doubling of statements on the register by mid-sized

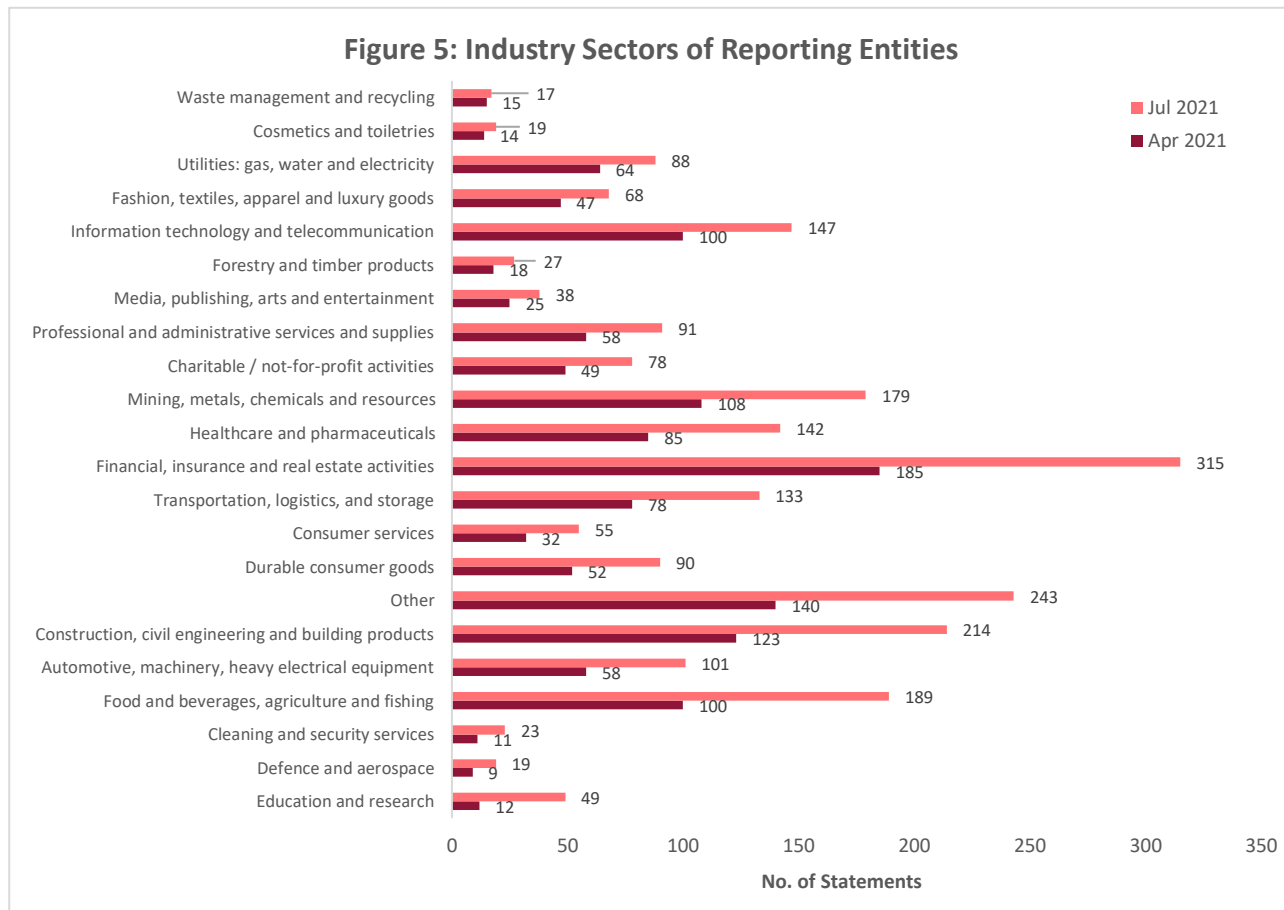


demonstrated in Figure 3. Collectively, reporting amongst entities in the AU\$100 to 300 million revenue brackets increased by 353 statements, while at the other end of the spectrum, 174 additional statements were lodged by organisations with revenue above \$1 billion

organisations in the AU\$250 to 350 million, and AU\$500 to 600 million brackets.

A number of well-known global and Australian brands that had not yet reported have now done so, including **Alcoa, Asahi Beverages, Volvo Group Australia, and Ford Australia.**

universities (out of Australia’s 43 total) have now reported, including prominent universities like **Deakin, University of Sydney, Swinburne, Curtin, La Trobe** and the **University of Melbourne.** We will monitor closely to determine if any more



The financial, insurance and real estate sector remains the leading industry for reporting entities. The construction, mining, information technology and food and beverage sectors remain in the top five for reporting entities.

The sectors with the most significant increases in statements by percentage, however, are education and research, defence and aerospace, and cleaning and security services, all of which have more than doubled since the April update. Note that cleaning and security services are generally considered a high-risk industry in Australia.

While late to submit, an additional 37 statements by entities operating in the education and research sectors are now reflected on the register. This marks a 308% increase from April. In that, 18

universities are added to the Registry in the coming weeks.

Some newly uploaded statements from global giants in the defence and aerospace and the cleaning and security service sectors include **Saab Technologies, Boeing Australia, ISS Facility Services, and Ecolab.**

29 additional statements have been lodged since April by charitable and not-for-profit organisations. Only two of those appear to have been lodged on a voluntary basis: **Aboriginal Community Housing** and **Stop The Traffik.**

Of the organisations now on the Registry, they operate across 33 countries on all populated continents. Of the 1,856 statements, 17% were lodged by entities that also report on modern slavery risks overseas.

Where to from here? How to Tackle Year-2 Reporting in Compliance with the Act

For entities operating on the Australian financial year, the activity window for the second reporting year has already closed and the next round of statements should be lodged by the end of December 2021.

Many organisations are now considering what is expected from their second statement. As such, we provide in this section our top tips for preparing your Year-2 statement.

Our top tips for tackling annual reporting

- 1) **Adopt an action and reporting rhythm:** We believe it is key for organisations to settle into an annual rhythm of counter-slavery action and reporting by breaking down the financial year into quarters that allow for both action and reporting. Have a look at our detailed guidance here: [Annual Modern Slavery Act Reporting – How to Get into a Rhythm](#).
- 2) **Stick to a clear reporting boundary:** Resist the temptation to bolster your next statement by reporting on any actions that were implemented after the close of the financial year. This is not in line with the requirements of the Act and is also counter-productive, as it reduces the actions your organisations can report on in the next reporting cycle.
- 3) **Develop a multi-year strategy:** Capacity and resources to tackle modern slavery will vary from organisation to organisation, but all entities are likely to face some budgetary and human resource constraints. Developing a strategy for action over a longer time horizon

can help drive action. It's helpful to consider cross-dependencies of actions, such as revising policies before training staff on these.

- 4) **Consider performance against KPIs:** If your organisation has started collecting data on key indicators, use this to identify potential areas for future action, particularly where this process reveals areas of relative weakness. This way you can achieve progress where it matters most.
- 5) **Benchmark your organisation against peers and industry:** This is an easy way to gauge performance and gather insights into the kinds of actions your organisation might wish to consider. It also helps to learn from your peers, particularly about what aspects of their business and supply chain identified as high risk, as these may also be relevant to you.

Ndevr Human Rights supports clients responding to the Modern Slavery Act 2018 (Cth) and offers human rights services to measure and reduce supply chain risk; train personnel in identifying, assessing, remediating and mitigating modern slavery risk; protect stakeholders; and access value-add opportunities. [Contact us](#) now to find out how to best move strategically on this important issue.

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