



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**PROOF**

**BILLS**

**Modern Slavery Bill 2018**

**Second Reading**

**SPEECH**

**Wednesday, 28 November 2018**

BY AUTHORITY OF THE SENATE

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## SPEECH

<b>Date</b> Wednesday, 28 November 2018	<b>Source</b> Senate
<b>Page</b> 22	<b>Proof</b> Yes
<b>Questioner</b>	<b>Responder</b>
<b>Speaker</b> Singh, Sen Lisa	<b>Question No.</b>

**Senator SINGH** (Tasmania) (11:51): I rise to contribute on the Modern Slavery Bill 2018 after a hard-fought campaign by a wide range of stakeholders that Labor has listened to and responded to. The clothes we buy and the food we eat in Australia is often imported or includes imported parts. Many countries from which it is sourced do not benefit from the labour regulations we enjoy here at home. Indeed, new research published in the journal *Nature Communications* found that fishing crews all over the world are working excessive hours for little or no pay in horrific conditions. Modern slavery is real, it is pervasive and it is everywhere. There are more people in slavery or slavery-like conditions in 2018 than at any other time in human history. Many of these are children. The International Labor Organisation has estimated that about 168 million children worldwide are engaged in child labour.

Two-thirds of the 45.8 million people trapped in slavery worldwide are in the Asia-Pacific region. Many of them are stuck in the global supply chains of products and services that Australians use every day. They are victims of exploitation in private sector activities like manufacturing, construction, agricultural and fishing. Even in Australia, an estimated 4,300 people are currently trapped in slavery or slavery-like conditions. They are migrant workers, international students, backpackers and women; they are people working in horticultural industries, our convenience stores or for labour-hire companies.

As a nation, we rightly find the notion of slavery abhorrent. It conjures images of subjugation, pain and fear. As a society we know this is unacceptable. Modern slavery is the worst abuse of humanity by humanity. We are all shamed by this shocking reality. Modern slavery harms people of all ages, genders and races. It deprives people of their autonomy, their freedom, their potential and their dignity. It harms their physical and mental wellbeing. Eighty per cent of the 75 million people who make our clothes are women between the ages of 18 and 35. Often these women live in poverty, suffer from exploitation and verbal and physical abuse and work for as little as the equivalent of A40c an hour. That is why a number of countries, including the UK, France and the Netherlands, have acted with legislation to curb the rise of slavery in business supply chains.

While this modern slavery legislation introduced by the government is welcome, it is indeed very much overdue and it does lack the teeth contained in models adopted elsewhere. The lack of an independent antislavery commissioner or adequate penalties makes it a lost opportunity to identify, prevent and mitigate adverse human rights impacts broadly and child labour in particular. Its major legislative omissions will substantially curtail the success of the implementation of this act. No person wants to purchase goods tainted by slavery. No business wants slavery in its supply chains. With this legislation, turning a blind eye to allegations of slavery will no longer be an option, and that is a very good thing.

Legislative change in Australia has been the culmination of advocacy across a multitude of sectors by people dedicated to ensuring human rights in Australia are respected, and it should be no surprise that it has been Labor that has been very supportive and has been listening to that sector and leading every step of the way. In 2016, I initiated an inquiry into human trafficking as part of my role as deputy chair of the Joint Committee on Law Enforcement. It ended with key recommendations to prevent such instances and provide support to victims. This was then followed in 2017, as part of the Joint Standing Committee on Foreign Affairs, Defence and Trade, with an inquiry into establishing a modern slavery act in Australia. The committee held public hearings in Mildura, Melbourne, Sydney and Canberra, and its recommendations were consistent with those of the Joint Committee on Law Enforcement's inquiry into human trafficking.

The committee found that there are serious gaps in the way victims are identified and supported as well as in the ways our criminal justice agencies cooperate to bring perpetrators to justice. Particularly concerning were the reports by stakeholders of serious misconduct in overseas residential institutions and within Australia, particularly in the horticulture and labour hire companies. For example, in Mildura, the committee heard from Mr Turaga of Fiji. He had been promised the opportunity to work in Australia and to earn a fair living, with the

opportunity to study and the ability to send money back home to his family. Instead, he had his passport taken upon arrival, he was told he had to pay back a debt associated with the cost of him coming to Australia, he was forced to work over 12 hours a day and his wages were not repatriated to his family.

Further investigations revealed that this kind of exploitation was not isolated. The committee heard that such passport seizures, wage theft and violations of even the most basic workplace health and safety laws had become a business model for labour hire companies. As a result, the foreign affairs committee's report recommended a series of changes to the way Australia's victim support programs operate, including the introduction of a national compensation scheme; improvements to how victims are supported in the visa process; the delinking of this support from criminal prosecutions; and the introduction of a national labour hire licensing scheme.

The committee listened to stakeholders and recommended the establishment of an independent antislavery commissioner, the introduction of global supply chain reporting requirements and penalties for their breach. The committee also made a series of recommendations to improve coordination and training for Australia's law enforcement and criminal justice agencies.

Labor supported these recommendations. In fact, the recommendations were in lock step with Labor's policy to introduce a modern slavery act in Australia, announced by the Leader of the Opposition and the shadow justice minister, Clare O'Neil, in June last year. Labor's proposed Australian modern slavery act includes supply chain reporting requirements for major Australian companies and the establishment of an antislavery commissioner. A Labor government would enforce supply chain reporting requirements for all major businesses, ensuring that no Australian company is either directly or indirectly engaged in modern slavery. Major Australian companies will be required to comply by reporting annually to the government with a slavery and human trafficking statement detailing the steps they've taken to ensure that modern slavery is not occurring in their business or their supply chain. Each statement must include specific information about the company's supply chain: where risks have been identified in that supply chain, what steps are being taken to ensure slavery is not part of that supply chain, training provided to staff on these matters, and whether slavery has been found in the supply chain and what action has been taken. The list of companies in Australia who are required to report under Labor's Australian modern slavery act will be publicly available. A central repository of statements will be established, and, most importantly, there will be penalties for noncompliance with the act.

Labor will also establish an office of an Australian independent antislavery commissioner, recognising the importance of this role in ensuring the effectiveness of the legislation. A Labor government, unlike this government, will introduce an independent antislavery commissioner to monitor and scrutinise the government's work in tackling modern slavery and to help address the gaps in enforcement and victim support. Key stakeholders, including ACRATH, Anti-Slavery Australia and the ACTU, have joined Labor in the call for the establishment of such a role. Labor's commissioner will work with victims of slavery to receive inquiries and complaints. Labor's commissioner will assist business in building and improving best practice in protecting their supply chains from the taint of slavery. Labor's commissioner will work with civil society to help prevent and detect slavery in Australia. Labor's commissioner will lead Australia's global efforts to fight slavery, including working with other countries and international organisations. The legislation before us does not achieve any of this. The government's decision to reject an independent antislavery commissioner in favour of a business engagement unit shows that their primary concern, unfortunately, as always, is with protecting big business.

The absence of civil penalties in this bill is baffling. Leaving companies to police themselves has not been effective in any other jurisdiction. The banks didn't do it, and neither did the insurance companies, and companies aren't doing it in the United Kingdom. Evidence provided to the Senate inquiry into this bill showed that, in the UK, where there are no penalties, the percentage of businesses that are reporting still hovers at around 30 per cent of those that supposedly have had an obligation to do so. That is not good enough. Conforming to the law cannot be an option. It is important to achieve the right balance to ensure companies are encouraged to undertake best practice and scrutinise their suppliers to ensure that they are also compliant. Regardless of size, all businesses have a responsibility to ensure that they are not trading in the misery of modern slavery, and penalties will ensure this. Penalties should include: a civil penalty provision for failure to report, with an immediate start date, focused on the fact of reporting rather than the content of the report, to give business time to build compliance procedures and gain familiarity with these new requirements; a civil penalty provision for submitting an inadequate report, with a delayed start date of two years from the date on which the bill receives royal assent; and a requirement that the minister report annually to the parliament on the companies that have failed to comply with the act.

Stakeholders who provided evidence to the Senate inquiry into the bill also raised a number of further concerns, including the threshold for reporting. The reporting requirement in the bill will apply to entities with consolidated annual revenue of more than \$100 million. Some stakeholders have called for a lower threshold of \$25 million, to align with ASIC's definition of 'a large corporation', or \$50 million, which is closer to the United Kingdom's model. Labor is committed to reviewing changes suggested by stakeholders at the Senate inquiry, including the threshold for reporting, as part of a three-year review provided for in section 24 of this bill.

The clandestine nature of modern slavery makes it very difficult for authorities to detect, investigate and prosecute incidents when they occur, wherever they may occur. Victims of modern slavery are often incredibly vulnerable and face cultural, social, economic and language barriers. There are also significant gaps in the support services we provide for victims of modern slavery. Modern slavery acts and similar legislation are currently in place, as I said, in the UK, France, the EU and some states of the US such as California. A modern slavery act will encourage businesses to take every step they can to put pressure on suppliers and notify authorities, as well as ensuring that they are more careful about checking who their suppliers are and what kind of labour practices they are engaged in.

So, despite the shortfalls in this bill, it is an important piece of legislation and this parliament needs to enact it for the best interests of our community and communities elsewhere in the world. Vigorous consultation with stakeholders, including NGOs, the business sector and departments, has made clear that modern slavery is an issue which needs to be dealt with immediately. I want to sincerely thank all of the stakeholders who made submissions and appeared before the law enforcement committee, the Senate committee and the joint foreign affairs committee, particularly the Law Council of Australia and its former president, Fiona McLeod; ACRATH and Christine Carolan from there; the Walk Free Foundation, particularly former Senator Chris Evans; and the Salvation Army Freedom Partnership, particularly Heather Moore, who has worked tirelessly on this issue.

I acknowledge Fuzz Kitto of STOP THE TRAFFIK and the petition that was received by Senator Penny Wong and our shadow justice minister, Claire O'Neill, on 13 November, signed by tens of thousands of people from around the world, calling on this Australian parliament to be a global leader against slavery by enacting a strong and effective modern slavery act. I understand that Fuzz presented that petition to Senator Penny Wong and to Ms Claire O'Neill on 13 November. Fuzz, as the national co-director of STOP THE TRAFFIK, was doing so as a response to members of its Australian coalition, which represents over 30 organisations working together to prevent, disrupt and abolish modern slavery. I understand that STOP THE TRAFFIK has been actively engaging with members and senators on all sides of politics, as well as with business, industry, non-government organisations and consumers on this issue of a modern slavery act for Australia. That petition that Senator Wong then presented to this Senate was signed by some 52,719 people from around Australia and the world, coordinated by Freedom United. It commends the Australian parliament for taking bold first steps towards creating a modern slavery law that could greatly impact the lives of millions of people working under conditions of forced labour. It went on to outline how, as we know all too well, many workers in Asia endure forced labour to bring us, as I said, the garments, the food, the electronics and other goods we enjoy. I am very pleased that Senator Wong presented that petition to this parliament and I thank STOP THE TRAFFIK for presenting it to Senator Wong to do so.

There are many more, of course, who have fought for this legislation to end slavery for many years. There is no doubt that this legislation, limited though it is, will drive corporate change and will have a positive impact on countries around the world. It will create a framework for business, government and civil society to address modern slavery. I want to congratulate members throughout this parliament, particularly our shadow minister, Ms Clare O'Neil, but also the chair of the foreign affairs committee inquiry, Mr Chris Crewther, from the other place, and indeed my Senate colleague Senator Linda Reynolds, with whom I had the pleasure of working closely on this issue. I understand how passionate she is about this issue and I share her passion.

But the work is not over, and Labor is not ready to stop working. We will ensure that we are doing all we can to fight this horrific practice, rather than leave the job half done. We do not accept modern slavery in any form, whether in Australia, the Indo-Pacific region or anywhere else throughout the world. We do not accept slavery in the supply chains of companies operating in Australia. That is why we must legislate to ensure that the tragic stories we have heard are never, ever repeated. It is abhorrent to me—it is abhorrent to so many in this place—that in this day and age, 2018, we still have to deal with issues of slavery and slavery-like practices. The reality is that there is modern slavery within our communities and indeed within our region. It is real, it is pervasive, it is everywhere. We must stamp it out. We must end this practice. It is abhorrent. I commend the bill in front of us today and hope it can be improved upon in time to come.