

Modern slavery still not a priority for one in five Australian businesses

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Women and girls account for 71 per cent of modern slavery victims with one in four being children. Credit: Pixabay - Public Domain Images

When the clock strikes midnight on December 31, one in five large businesses will likely fail to comply to their legal obligations under Australia's Modern Slavery Act (2018), according to new research from the University of South Australia.

Evaluating how businesses assess their effectiveness in relation to identifying and eliminating modern [slavery](#) risks, UniSA's Dr. Katherine Christ and ANU's Professor Roger Burritt found that many businesses are struggling to understand how they should tackle modern slavery. Confusion, a lack of knowledge and disinterest are marring any significant progress.

The Modern Slavery Act (2018) stipulates that businesses operating in or from Australia (with revenue above \$100 million) must submit a modern slavery statement by end of year on the actions they've taken to address modern slavery risks in their operations and supply chains.

Globally, more than 40 million people are working in conditions of modern slavery. About 25 million are trapped in corporate supply chains, 16 million in private sector forced labor, and four million in state-imposed forced labor. The remaining 15 million are locked into forced marriage.

Women and girls account for 71 percent of modern slavery victims with one in four being children.

UniSA researcher Dr. Katherine Christ says while some companies are progressing well in this space, others are lagging.

"Modern slavery affects and implicates every country and every industry in the world, with corporate supply chains often entangled in this unethical and illegal practice," Dr. Christ says.

"Governments, including Australia, have enacted legislation to combat modern slavery in supply chains, but without knowing if the actions they're taking to tackle the problem are effective it's unlikely that progress will be made to end this modern scourge.

"Some companies are proactively addressing modern slavery and taking a 'beyond compliance' approach, yet it's clear that the majority are either confused, unsure or uninterested in assessing whether their actions to identify and eliminate modern slavery are actually effective.

"One in five entities ignored their modern slavery obligations to assess their effectiveness completely, despite it being an explicit requirement of the Modern Slavery Act (2018).

"Without addressing the effectiveness of businesses approaches to combatting modern slavery, global efforts to stop this terrible practice are unlikely to be successful," Dr. Christ says.

Australia is one of the most recent countries to adopt legislation requiring certain businesses to publish Modern Slavery Statements and report on the effectiveness of their actions, but there are no metrics or guidelines that specify how to do this.

UniSA's Australian-first research offers businesses a framework to help work through their current strategies and actions and transform them into an effective, valid, and transparent modern slavery statement.

Developed from information in 255 modern slavery statements published on the Government Modern Slavery Register to the end of 2020, the framework encompasses both qualitative and quantitative methods.

"As companies move forward to address the key requirements of the

Modern Slavery Act, this framework will help them clarify and validate their strategies and actions," Dr. Christ says.

"There is no one-size-fits-all solution to end modern slavery; it requires a multi-faceted and adaptable response. But big business plays a key role, and if we're able to clarify and refine some of the more complicated or challenging processes for these entities, then we are taking an important step towards elimination of [modern slavery](#) in Australia."

The research was published in *The British Accounting Review*.

More information: Katherine L. Christ et al, Exploring effectiveness of entity actions to eliminate modern slavery risk – Early Australian evidence, *The British Accounting Review* (2021). [DOI: 10.1016/j.bar.2021.101065](#)

Provided by University of South Australia

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