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Speaker Jennifer Westacott, chief executive, Business Council
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MODERN SLAVERY

Thank you for that kind introduction, and the invitation to speak here today on how business is taking a leading role to end the scourge of modern slavery.

Slavery is a crime in Australia under the criminal code.

It is morally reprehensible.

I start my speech today with a belief that every life has value.

Every person has dignity and every life must be given the opportunity for dignity.

Enslavement of people, be it in an economic sense or a sexual sense, is one of the most undignifying things you can do to another human being.

So, I am assuming we are all in this room today with that fundamental belief – that every life has purpose, dignity, and value.

Slavery has been in existence for as long as humans have.

Once the spoils of conquest, now an unacceptable part of the production of goods and services.

In whatever form it takes, we must act to eradicate it.

The idea that one group of people can declare themselves superior to another based on the colour of their skin, their birthright, their economic circumstances, or their geography is immoral.

It's abhorrent.

And, it has left a stain on human history.

Think of the impact of those on the wrong side of the ledger; those with no control over their lives or their circumstances. Those with an unbearable burden.

Think of the words of Ol Man River:

"I'm tired of living

"And scared of dying.

Today modern slavery is an economic issue. And, this is why business is best placed to take the lead on ending this odious practice.

Zero tolerance on modern slavery isn't virtue signalling.

Modern slavery forcibly robs another human of their freedom and their dignity, and denies them value and purpose.

It consigns people to an existence in the shadows, between life and death.

Modern slavery isn't about cheap labour.

Having said that, let me be super clear on these points:

- we do not believe people should work for conditions or wages that are below what they are entitled to;
- we do not believe that people should be exploited in the workplace;
- and, we believe working people wherever they work around the world are the foundation of a modern, prosperous country - and they should be treated with dignity and respect.

But slavery is a different thing.

It effectively means you own another person.

The idea that one person is a commodity and another person can own them is something that is so abhorrent to human nature.

Slavery is about a person being indentured to another, and that's what we are talking about here today.

It involves the serious and gut-wrenching crimes of:

- child sex slavery;
- trafficking humans;
- the worst forms of child labour;
- forced marriage;
- and debt bondage.

It centres on people being:

- exploited;
- unable to refuse or leave work because of threats;
- violence;
- coercion;
- abuse of power;
- or deception.

Stamping out modern slavery isn't a feel-good exercise.

How can anyone who respects the human condition condone these practices?

How can anyone turn a blind eye?

Like all crimes, how do you stamp them out?

You follow the money.

And this is why business is absolutely essential.

The slave trade is global in nature, be it child sex slavery or economic slavery.

We therefore need global action.

It is businesses, and large businesses, that can influence those global supply chains.

This international scourge is often shielded by the complexities of global trading relationships.

Increased global trade has lifted millions out of poverty and delivered higher standards of living to all Australians.

But it has also increased the risk that supply chains are tainted by the use of forced labour.

Large businesses with the might of their purchasing power have the means to uncover modern slavery in their supply chains and the economic firepower to cut it off at the source.

At this point, I'd like to commend the tireless work of my friend, Andrew Forrest and his eldest daughter Grace who co-founded the Walk Free Foundation.

This global organisation is tasked with the mission of ending modern slavery in our generation.

The foundation, in partnership with community, religious and business leaders, led the campaign for a Modern Slavery Act to be introduced in Australia.

They were successful late last year.

Australia is only the second jurisdiction in the world, after the United Kingdom, to introduce national legislation to address the risk of modern slavery in tainted supply chains.

And I'd also like to applaud the efforts of Australia's former Ambassador to the Holy See, John McCarthy who is here today.

John has worked for many years to shine a light on the hidden scourge of modern slavery, and currently serves as the Chair of the Sydney Archdiocesan Anti-Slavery Taskforce.

So how widespread is the problem of modern slavery?

The Global Estimates of Modern Slavery, produced by Walk Free and the International Labour Organization in partnership with the International Organization for Migration, estimates there are 40.3 million people in the world subject to conditions of modern slavery.

This includes an estimated 25 million in forced labour, and 15 million people, predominantly women and girls, in forced marriage.

Walk Free's Global Slavery Index estimates that 62 per cent of all people who are enslaved are in the Asia-Pacific Region, on Australia's doorstep.

And it estimates 15,000 people in Australia are enslaved.

Because of Australia's close ties to the Asia Pacific, the Walk Free Foundation believes Australian businesses and consumers are most likely unknowingly benefiting from modern slavery:

- in the food we purchase;
- the clothes we buy;
- the suppliers we choose;
- and the businesses in which we invest.

Australian businesses have to – and are – taking the lead on this issue.

Here's one example of making a difference:

Target and Kmart from Wesfarmers are buying partners of the International Labour Organisation and International Finance Corporation's Better Work Program.

This involves ethical sourcing teams from Kmart and Target working in partnership with the Better Work Program on long-term improvement plans for factories in the garment industry.

Wesfarmers directly sources products from 10,000 suppliers in Australia, China, Bangladesh, New Zealand, India, Thailand, Vietnam and other countries.

The supply chains are complex but the company's aim is to ensure human rights are understood, respected and upheld.

I proudly sit on the board of Wesfarmers, and I'm a member of the audit committee.

The audit committee regularly goes through detailed reports of every serious breach of ethical sourcing.

We take this incredibly seriously, as do other companies such as Woolworths.

Woolworths has developed an annual supplier risk assessment as part of its Responsible Sourcing Standards.

This means some suppliers, depending on their level of risk, are required to attend training and education sessions, answer questions, and can be subjected to announced and unannounced factory inspections.

The introduction of the Modern Slavery Act in Australia last year means that large businesses will be required to report on the potential risks of modern slavery across their entire structure, operations and supply chains.

And, these businesses with an annual revenue of more than \$100 million will need to outline the actions they've taken to assess and address those risks.

It is not about ticking a box.

Shining a light on these practices will make a difference to the lives of people around the globe.

The annual reports from about three-thousand corporations, trusts, partnerships and other entities will be made freely available online through a central government-run register.

We expect to see the first of these by statements by next year.

Australian business leaders have long believed that Australians deserve to have confidence that the supply chains and production processes for our products and services have not been exposed to modern slavery.

Many companies already voluntarily disclose modern slavery issues and work to continuously improve the governance of their supply chains and operations.

Companies such as BHP, Wesfarmers and Rio Tinto publish an annual statement in accordance with the UK Modern Slavery Act.

This will be similar to what they'll now be required to do under Australian law.

For example, BHP's most recent Modern Slavery Act statement recognises the importance of talking to and working with suppliers and regulators to improve their understanding of modern slavery risks throughout the supply chain.

With more than 22,000 suppliers, BHP has a complex global supply chain.

The company has also introduced human rights due diligence in its global contracting management system to further assess risks.

BHP engages with its direct suppliers to assess those risks and encourages continuous improvement in their capacity to manage problems with their subcontractors and broader supply chain.

The business community welcomes the introduction of the Modern Slavery Act in Australia.

Legislation that requires all larger businesses in Australia to forensically examine their operations and those of their suppliers – both here and overseas - for the risk of modern slavery.

Legislation that requires them to address those risks and publicly report every 12 months on their activities to stamp out any exploitation occurring on their watch.

And, finally legislation that will give Australians confidence that the goods they buy here have not been tainted by the misery and degradation of modern slavery.

The reason we believe there needs to be a careful start to Australia's new reporting regime is that - first of all - organisations have to be willing to discover whether a problem exists.

If the law is too burdensome there will be, particularly in remote supply chains, companies that are not willing to dig deeper.

We have to inspire a culture of discovery.

We have to want to know whether there are practices in our supply chains that involve the shocking exploitation of people in order to stop it.

And, we have to accept that in some countries where we are going to source products there are real risks of these practices occurring.

Many will say don't source the products from these locations but that's not how the world of mass consumer markets work. And it would be unfair to the workers in those countries.

Many Australian consumers want to buy a t-shirt for a few dollars, and that can't be produced in Australia.

And more importantly, whether people want to admit it or not, Australians buying cheap garments that are made overseas are spreading the buying power of Australian consumers into developing countries.

You're creating work and economic activity.

The challenge is to source products ethically from developing countries, while ensuring the scourge of modern slavery is eradicated.

I've mostly talked about economic slavery, focusing on issues in global supply chains.

But I do want to say something about the other heinous forms of slavery, in particular child sex slavery.

I am by no means an expert on this area, but the whole concept of it is just so abhorrent.

I believe the Church and business should do whatever they can as moral institutions to put an end to this type of repulsive exploitation.

And, this brings me to why I believe we need to do more than just act on our global supply chains.

We need to build the social capital of developing countries because when people are vulnerable, they are open to abuse from the worst types of people.

People who are pure evil.

To combat situations where a child can be forcibly taken and sold into the abject misery of a brothel, we can either call on the moral goodness of people or we can chase the money.

When we are operating in developing countries, we must make sure we are providing alternative pathways such as education.

For example, the Kmart Australia Sourcing team in India supports the Salaam Baalak Trust for street children in New Delhi.

Funding from Kmart enables the NGO to provide accommodation, education, and health and emergency programs for some of India's most disadvantaged children.

In China, Kmart has supported the Half the Sky Foundation for the past eight years which cares for orphaned children. It is the official partner of the foundation's children's centre at Changzhou.

So, let's not just check our own conduct, but build social capability in these communities so that young girls are not sold into the torment of sex slavery.

Let's help provide opportunities where they can be empowered through education and build the lives they want.

We cannot sit in judgement.

We cannot imagine the desperate circumstances that some people find themselves in.

But we can imagine the nature of the people who exploit them.

We have to tackle the destitution in these countries – the type of poverty that is unimaginable to everybody here today.

We have to have a better approach to global development.

Julia Gillard's work with the Global Partnership for Education is a leading example of how education is helping to break down the barriers for impoverished children.

By bringing together developing countries, donors, international organisations, teachers, and the private sector, the global fund aims to dramatically improve the lives of children by putting them in school and learning.

But as a community we ought to be doing more.

Which brings me to my check-list – what should business do.

I've cited some great examples of companies that I am proud to represent.

I think Australian companies are leading the world on some of this but we can do more.

First of all, we must discover what is in our supply chains because discovery and disclosure are the pathways to ending this.

We must make sure that discovery takes place on the ground including overseas, and we resource teams on the ground properly.

But we have to do more than just check.

We have to build the social capability in the communities of the countries where we source products or operate.

It is our generation's responsibility to end this criminal abuse of human rights.

We in the room today represent two institutions that have come under some self-inflicted reputational catastrophes.

Let's not dust over those things.

But the courage of mistakes and the courage of failure is acceptance, correction, and atonement.

Conspicuous atonement for our failures.

Here is an area where we can collaborate.

Here is an area where the Church and the business community should be absolute allies and absolute partners because non-government organisations are on the ground in a way that the business community is not.

Many of these countries are religiously connected, particularly to this Church.

And, we ought to set ourselves a very clear common purpose that we are going to stamp out modern slavery in all its reprehensible guises.

We are going to use our religious power, and we are going to use our economic power, so together we can stop these abuses.

In order to understand a complex human problem, you have to imagine yourself in the shoes of those who are affected.

You have to imagine what it must be like to get up every day of your life and have absolutely no control over what you do, how you work, to be exploited and vulnerable.

You have to put yourself in the position of the young girl who is taken from her family and is assaulted every day for hours.

You have to put yourself in the position of someone who does not choose to get up to go to work, they are forced to work.

You have to put yourself in the position of someone who is working in a factory in stifling heat in a shockingly unsafe environment.

Someone who has absolutely no control or power to do anything about it.

You have to put yourself in that person's shoes to understand the pure indignity of that type of existence.

And, I come back to my starting point – surely the essence of humanity is dignity.

So, we must do all we can to eradicate this appalling exploitation of vulnerable people who are forced into the indignity of working as slaves.

Because our dignity is diminished when we allow others to be robbed of theirs.

Media contact:

Rheuben Freeland
(02) 8224 9214