**Modern Slavery Position Statement**

Addressing modern slavery in the Victorian healthcare sector

# Modern slavery and the healthcare sector

* 1. Modern slavery is a serious crime, involving grave human rights impacts. Global estimates suggest there are up to 49.6 million people experiencing modern slavery, of which an estimated 17.3 million people are exploited in supply chains in the private economy. In Australia, over 1,900 people are victims of modern slavery, however, only 1 in 5 people experiencing modern slavery are identified.
	2. The healthcare sector is considered high risk for modern slavery practices in the procurement of healthcare goods and in operating activities. The intersection of multiple factors, such as, raw material and manufacturing country locations, low visibility over supply chains, extensive sub-contracting, and informal outsourcing, heighten vulnerability for modern slavery practices.

Serious crime

49.6 million global victims

Only 1 in 5 victims identified

17.3 million private sector victims

1. 1. Operating activities, including cleaning, construction, food services, and security services also expose health services to the risk of modern slavery practices.
	2. The COVID-19 pandemic has further exacerbated this risk with the drastic demand for healthcare goods and services within short timeframes.

# Our role in combatting modern slavery

* 1. HealthShare Victoria (HSV) is an independent public sector commercially orientated provider of supply chain services that partners with Victoria’s public health services and suppliers in delivering best-value health related goods and services.
	2. HSV upholds the Australian Government’s position on modern slavery. There is no place for modern slavery in the Australian community or in supply chains of Australian goods or services.
	3. HSV is in a unique position to use our substantial leverage over the conduct of suppliers and market practices to drive positive change to address modern slavery risks in the healthcare sector supply chains.
	4. HSV is committed to providing leadership to the healthcare sector through the introduction of a Modern Slavery Risk Mitigation Program **(Program)**. This Program aligns with our vision of **Health.Safety.Value. In everything we do.**

# Implementing a modern slavery risk mitigation program

* 1. From December 2022 to the end of 2024, HSV will implement a Program for our direct and indirect suppliers through a modern slavery function.
		1. This Program will embed modern slavery risk considerations and mitigation actions in our end-to-end procurement cycle.
	2. The Program will establish a minimum set of mandatory standards (**Standards**) for conduct for suppliers and require suppliers to commit to and demonstrate progressive realisation of the Standards.
		1. The Standards align with the universally recognised UN Guiding Principles on Business and Human Rights,
		2. the expectations of the *Modern Slavery Act 2018* (Cth), and
		3. the Victorian Government Supplier Code of Conduct.
	3. The Program requires suppliers to understand the risks of modern slavery in their operations and supply chains and take appropriate action to identify and address those risks.

|  |
| --- |
| **Standards** |
| **Policy** | **Due Diligence** | **Remedy** | **Training** | **Effectiveness** |
| A policy commitment to meet their responsibility to respect human rights (modern slavery) | A modern slavery due diligence process to identify, prevent, mitigate, and account for how they address their modern slavery impacts | A process to enable the remediation of any adverse modern slavery impacts they cause or to which they contribute | Training for personnel in relevant business functions in their own operations and supply chain | To verify whether adverse modern slavery impacts are being addressed, track the effectiveness of their response |
| Progressive realisation |

* 1. **Strengthening procurement process for prospective suppliers**
		1. We will require suppliers to complete a set of questions aligned to the Standards as part of our market approach and supplier selection process. This will assess their policies and practices to identify, assess and mitigate the risk of modern slavery practices in their operations and supply chains.
		2. We will develop and incorporate appropriate evaluation methodologies to contribute to modern slavery issues in a meaningful way to the evaluation process.
		3. Once awarded, suppliers progress towards realising the Standards. Commitment to the Program will be a condition of participation and a contractual requirement.
	2. **Strengthening requirements for awarded and existing suppliers**
		1. Suppliers will be subject to an annual modern slavery assessment and, where risks are identified, HSV will require suppliers to enter an improvement action plan. HSV will adopt a risk-based approach to action plans.
		2. Our assessment will measure the progress of suppliers towards realising the Standards within a continuous improvement context. Suppliers must provide evidence of proportionate progress relative to their size, operational context, supply chain complexity and internal resources. We will work collaboratively with suppliers to support them in addressing modern slavery risks.

# Supporting health services

* 1. We will support health services to implement the Program for their suppliers. This will include facilitating modern slavery risk assessments and guidance on recommended mitigation actions to assist health services to implement and monitor improvement actions with their suppliers.
	2. We will also assist in risk mitigation in health services’ operations through enhanced capacity building, including our community of learning, template documents and training for health services’ employees.

# Value alignment

* 1. The Program will align with our vision and values, including accountable and customer-centric.
	2. The Program strengthens the integrity of the HSV supply chain and supports HSV, health services and suppliers to meaningfully address the risks of modern slavery practices in health supply chains.