Preparing a Modern Slavery Statement

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Version 1.1

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1. Introduction to preparing your Modern Slavery statement
   1. The *Modern Slavery Act* *2018* (Cth) (the Act) commenced on 1 January 2019 and established a national Modern Slavery Reporting Requirement. Australian entities with an annual consolidated revenue of at least AUD$100 million must prepare an annual Modern Slavery Statement.
   2. The Modern Slavery Statement must set out the reporting entity’s actions to identify, assess and address modern slavery risks in their operations and supply chains. Your first reporting period Modern Slavery Statement (Statement) reflects **foundational actions**. Subsequent reports should demonstrate progress and outline **implementation actions**.
   3. As your Statement is reviewed by the Australian Border Force and is also publicly available, it is important to be transparent and honest regarding your stage of implementation.
   4. If no implementation actions have commenced or you are still at the initial stages, reference the reasons why i.e., continuing impact of COVID-19 on the health sector and on your health service as well as any other factors that limited your ability to undertake or progress modern slavery actions.
   5. This Guide provides information on the type of information to include in your reporting period statements. It is a guide only, and depending on your stage of implementation, not all the suggested information may be applicable.
2. Modern Slavery statement checklist
   1. The following checklist can be used when preparing your annual statement to ensure all required criteria are addressed and included.

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|  | **Checklist** | | |
| Disclosure Area | | Demonstrate progress\* | **✔** |
| Identify reporting health service | | Static |  |
| Health service description | | Static |  |
| Structure | |  |
| Operations | |  |
| Supply chain | |  |
| Modern slavery risks description | | Yes |  |
| Operations | |  |
| Supply chain | |  |
| Actions taken to assess and address description | | Yes |  |
| Policy | |  |
| Due diligence | |  |
| Remediation | |  |
| Contracts | |  |
| Training | |  |
| Assessing effectiveness description | | Yes |  |
| Consultation (if relevant) description | | Only if applicable |  |
| Other information | | Only if applicable |  |

\*First reporting period outlines foundational actions, with subsequent periods outlining implementation actions that demonstrate progress.

1. Information to include for each criterion and how to demonstrate progress

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| Reporting Criterion 1: identify the reporting entity |
| * Ensure health service name is easily visible, for example, use large font, place on first page. * Avoid using small font on bottom of page. * Include health service name and logo. |
| Reporting Criterion 2: describe the reporting entity’s structure, operations, and supply chains |
| Structure |
| * Health service form (e.g., trust, company) * Country location * Details of registered office * ACN/ABN details * Whether part of a larger group, and if so, where in the group the health service sits * Number of employees * Gender percent break down of employees (if such information is captured) * Whether health service owns or controls other entities * Link to Annual Report |
| Operations |
| * Type of health service’s activities (i.e., the health-related services provided) * Sector/s health service operates in * Location of operations (i.e., where abouts in metropolitan Melbourne or regional Victoria) * Whether any joint venture partnerships entered |
| Supply chain |
| * Goods or services procured * Country location for tier 1 suppliers * Source countries for goods procured   + Use information provided in your Modern Slavery Risk Assessment Reports   + Further, current general sector understanding     - E.g., gloves manufacturing usually occurs in Malaysia, Thailand, and Sri Lanka     - E.g., manufacturing of surgical equipment such as scissors, scalpels and forceps mostly occurs in Pakistan     - E.g., manufacturing of garments such as linens, gowns and patient clothing mostly occurs in India and Pakistan     - E.g., healthcare equipment manufacturing mostly occurs in Asia   **Note:** in relation to HSV contracted suppliers, HSV will provide this information to you in your Annual Modern Slavery Risk Assessment Report. |

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| Reporting Criterion 3: describe risks of modern slavery practices in operations & supply chains |
| Foundational Action |
| In your first reporting period statement, you should express a commitment to develop a risk assessment tool, or disclose you are in the process of, or have developed a risk assessment tool.  Depending on your progress, you may also list out details of implementation actions in your first statement.  If for subsequent reports, no implementation actions have commenced or you are still at the initial stages, reference the reasons why. |
| Implementation Action |
| If you are in the progress of or have developed a risk assessment tool disclose:   * Design features, notably the macro and micro assessment components * The risk scoring approach (e.g., 3 = high risk, 2 = medium risk, 1 = low risk) * The operational form of the tool (e.g., questionnaire) * Business units consulted or involved in the design process   If you have operationalised the risk assessment tool, in addition, disclose:   * Scope – tier level and number of suppliers approached for risk assessment * Response rate * Overall, general, risk findings, i.e., % very high, high, medium, low, very low suppliers   It is also important to note when you have supporting information, to include in your Statement that your health service has not caused or contributed to modern slavery practices, but rather, your health service is linked to risks which exist offshore and in high-risk geographies.   * Further, current general sector understanding   + Highest risk is in procurement of medical goods, surgical equipment, and medical supplies (raw materials and manufacturing)   + Often involves hazardous working conditions, labour exploitation, child labour and other abuses particularly at lower tiers of a supply chain and in countries with less human rights regulation   + E.g., gloves manufacturing usually occurs in Malaysia, Thailand, and Sri Lanka where forced labour is high risk   + E.g., manufacturing of surgical equipment such as scissors, scalpels and forceps mostly occurs in Pakistan where child labour is prevalent   + E.g., manufacturing of garments such as linens, gowns and patient clothing mostly occurs in India and Pakistan where forced and child labour is high risk   + E.g., healthcare equipment manufacturing mostly occurs in Asia   **Note:** in relation to HSV contracted suppliers, HSV will provide this information to you in your Annual Modern Slavery Risk Assessment Reports |

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| Reporting Criterion 4: describe the actions taken to assess and address risks of modern slavery |
| Policy |
| Foundational Action |
| In your first reporting period statement, you should express a commitment to develop a modern slavery policy, or disclose that you are in the process of, or have, developed a modern slavery policy.  Depending on your progress, you may also list out details of implementation actions in your first statement.  If for subsequent reports, no implementation actions have commenced or you are still at the initial stages, reference the reasons why. |
| Implementation Action |
| If you are in the progress of or have developed a modern slavery policy disclose:   * Formation of a working group to formulate the policy * Business units consulted or involved in policy design * External expertise sought * Current stage of policy development (e.g., final drafts, awaiting Board approval)   If you have implemented a modern slavery policy, disclose:   * Main content of the policy   + Date policy introduced   + Application of the policy   + Prohibited conduct   + Monitoring and oversight responsibilities   + Breach consequences   + Review period   + Link to the policy * Executed implementation actions   + Staff training (number and roles)   + Updating governance procedures and frameworks to embed oversight responsibility   + Communication of policy to suppliers (number and tier level)   **Note:** HSV provides a Modern Slavery policy template for health service use via the Modern Slavery Risk page on the HSV website |

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| Reporting Criterion 4: describe the actions taken to assess and address risks of modern slavery |
| Due Diligence |
| Foundational Action |
| In your first reporting period statement, you should express a commitment to embed modern slavery risk mitigation in your procurement processes.  Depending on your progress, you may also list out details of implementation actions in your first statement.  If for subsequent reports, no implementation actions have commenced or you are still at the initial stages, reference the reasons why. |
| Implementation Action |
| If you commenced, or are in the process of, or have completed embedding modern slavery risk mitigation in your procurement processes disclose information in relation to:   * Updating of procurement policies, procedures, systems * Updating of tender documents * Designing or operationalising supplier risk assessment tool – refer in your statement to reporting criterion 3 response * Designing corrective action engagement plans   + Prioritisation process   + Supplier communication   + Oversight responsibilities   + Non-compliance framework   **Note:** in relation to HSV contracted suppliers, HSV writes to all very high risk, high risk and medium risk suppliers identified in HSV Annual Modern Slavery Risk Assessments. Providing these suppliers with tools and resources to develop/enhance their modern slavery risk management systems. HSV also outlines their contractual obligation under Collective Purchasing Agreements and expectation under the Victorian Government Supplier Code of Conduct to respond to modern slavery risk in their operations and supply chain. As time progresses HSV will also look to remediation activities as appropriate. |

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| Reporting Criterion 4: describe the actions taken to assess and address risks of modern slavery |
| Remediation |
| Foundational Action |
| In your first reporting period statement, you should express a commitment to review your protected disclosure / whistle-blower or complaint policies to include modern slavery grievances.  Depending on your progress, you may also list out details of implementation actions in your first statement.  If for subsequent reports, no implementation actions have commenced or you are still at the initial stages, reference the reasons why. |
| Implementation Action |
| If you commenced or progressed reviewing your protected disclosure / whistle-blower or complaint policies disclose information in relation to:   * Formation of a working group * Business units consulted or involved * External expertise sought * Current stage of review (e.g., final drafts, awaiting Board approval)   If you completed the review, in addition disclose:   * Review findings and recommendations * Specific victim protection measures (e.g., confidential, access to support) * Status of any action items (i.e., implementing recommendations)   If you have updated your policies, in addition disclose:   * Communication of policy changes to staff * Link to the policy * Review period * Number and type of modern slavery grievances received (no victim identifying information)   **Note:** HSV provides guidance for health services on remediation via the Modern Slavery Risk page on the HSV website |

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| Reporting Criterion 4: describe the actions taken to assess and address risks of modern slavery |
| Contracts |
| Foundational Action |
| In your first reporting period statement you should express a commitment to update commercial agreements to include modern slavery clauses  Depending on your progress, you may also list out details of implementation actions in your first statement.  If for subsequent reports, no implementation actions have commenced or you are still at the initial stages, reference the reasons why. |
| Implementation Action |
| If you have commenced updating commercial agreements, disclose:   * Type of clauses/s being updated * Non-compliance consequences * How supplier contracts will be prioritised for amendment (e.g., high risk first)   If you continued updating commercial agreements in the reporting period, in addition disclose:   * Number of contracts amended in this reporting period to show you are progressively increasing coverage of your supply chain * Whether any breaches occurred * Actions taken for contractual breaches (e.g., suspension, termination, remediation action plan)   **Note:** HSV provides model clauses for health service use via the Modern Slavery Risk page on the HSV website |

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| Reporting Criterion 4: describe the actions taken to assess and address risks of modern slavery |
| Training |
| Foundational Action |
| In your first reporting period statement, you should express a commitment to staff training and awareness raising for suppliers.  Depending on your progress, you may also list out details of implementation actions in your first statement.  If for subsequent reports, no implementation actions have commenced or you are still at the initial stages, reference the reasons why. |
| Implementation Action |
| If you have commenced or progressed training design and development disclose:   * Staff training materials * Evaluation tools * Specific training topics * Staff and supplier resources (e.g., fact sheets, guidance documents)   If you have delivered training and supplier awareness, in addition disclose:   * Specific training topics * Number of session/s held * Number of staff trained * Roles of staff trained (e.g., legal, procurement) * Number and tier level of suppliers who received awareness raising information * Number of staff who have completed the HSV eLearning modules   **Note:** HSV provides access to health services and suppliers to a suite of eLearning modules via the HSV website. Having relevant health service staff complete these modules demonstrates progress under staff training. Referring suppliers to these modules demonstrates that your health service is creating supplier awareness. If your health service has been attending HSV’s Community of Learning Sessions, you can also indicate this to show your commitment to increasing Modern Slavery awareness at your health service. |

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| Reporting Criterion 5: describe how the reporting entity assesses effectiveness of actions |
| Foundational Action |
| In your first reporting period Statement, you should express a commitment to develop indicators that assess the effectiveness of modern slavery risk actions.  Depending on your progress, you may also list out details of implementation actions in your first statement.  If for subsequent reports, no implementation actions have commenced or you are still at the initial stages, reference the reasons why. |
| Implementation Action |
| If you commenced design and development of indicators in the reporting period, disclose:   * Indicator type – quantitative or qualitative or both * Areas considered for assessment (e.g., procurement, legal, training program) * Oversight mechanism * How outputs will inform continuous improvement   If you have operationalised indicators, disclose:   * Areas assessed * General findings * How the findings will be used to ensure continuous improvement   Other ways to assess effectiveness include:   * Regular review by senior management * Regular feedback from key internal stakeholders (e.g., legal, sourcing, human resources) * Partnering with external auditors |

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| **Reporting Criterion 6: describe the process of consultation with related entities** |
| Reporting criterion 6 only needs to be addressed if applicable to your health service.  If applicable:   * Type of forum * Business units involved * Frequency of meetings * Topics discussed * Action points and status |
| **Reporting Criterion 7: provide any other relevant information** |
| * Discuss any operational impacts affecting your health service i.e., impact of COVID-19, Code Brown declaration * If applicable discuss any future plans, and support or advocacy for human rights, e.g., partnering with civil society or NGOs |

1. Disclaimer

The information presented in this document is general in nature and based on HealthShare Victoria’s interpretation of the *Health Services Act 1988 (Vic)* *and Modern Slavery Act 2018 (Cth)* and any ancillary legislation and regulations in effect at the time, and should not be relied upon as legal advice. Please consider seeking professional and independent advice from your legal representative as to the applicability and suitability of this information and the legislation to your own business needs or circumstances.