

FAIRSUPPLY

MODERN SLAVERY REPORT

# Modern Slavery

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## a brief summary of a complex, global issue





Modern slavery is a widespread violation of human rights, that despite occurring in every country and many industries around the world, is often hidden from view. Modern slavery affects all of us through the food we eat, the clothes we buy, and the goods we consume. Below, we unpack the context, causes, and victims of modern slavery.

## What is modern slavery?

Modern Slavery is a severe form of exploitation of individuals for the purpose of personal or commercial gain and is prohibited under Article 4 of the UN Declaration of Human Rights. Walk Free estimates 50 million people are currently enslaved around the world.

Slavery is not always as obvious as shackles and chains (although this does occur), it is often hidden from view where vulnerable people are being exploited through coercion, deception, and threats.

## Types of modern slavery

The Modern Slavery Act 2018 (Cth) identifies eight serious forms of modern slavery: trafficking in persons; slavery, servitude; forced marriage; forced labour; debt bondage; the worst forms of child labour; and deceptive recruiting for labour or services. Forced labour is defined as a worker who has not offered their services voluntarily and who faces the threat of a penalty. For example, a worker may have been trafficked to another country for work and told that they will be harmed if they attempt to flee.

## Where does modern slavery occur?

The Global Slavery Index notes more than half the men, women, and children living in modern slavery globally are in the Asia and the Pacific region (29.3 million). However, Modern Slavery can occur in any country. The GSI estimates that approximately 8,000 people are enslaved in New Zealand.

While developed countries often have lower rates of slavery, they are at a higher risk of contributing to modern slavery through international trade and business partnerships.



## What does modern slavery look like?

Modern slavery can occur on a large or small scale, from one person to thousands. An individual who has been trafficked to work as a servant in a family home, a child who is working in a factory sweeping the floors, a person working off a debt at a rate they will never be able to repay. Modern slavery can also occur on a larger scale; government enforced work or large businesses who rely on forced labour in their factories, farms, or mines.

## What are the risk factors of modern slavery?

Informed in part by ILO (2012) Hard to see, harder to count. While the presence of poor labour practices does not in itself constitute modern slavery, the following risk factors may be an indication or precursor to modern slavery. The presence of multiple risk factors occurring at once heightens the risk of modern slavery.

- Large proportion of casual or temporary workers.
- Large proportion of migrant workers, particularly from developing countries. Migrant workers are more vulnerable because they may lack knowledge about local workers rights, where to go for help, or experience a language barrier. Employing migrant workers may also be an indication of human trafficking.
- Base skilled or low skilled workers
- Use of third-party labour hire services and recruitment agencies
- Sourcing products/services from high risk countries (e.g. limited respect for human rights or labour rights, weak rule of law, dictatorship)
- Substantially lower prices or faster turnaround times than competitors
- High risk industries (e.g. mining, agriculture, apparel)
- Immature, weak, or nonexistent company processes and policies
- Limited visibility over suppliers or subcontractors
- 'Hidden' workers such as those working in rural areas, at night, or in otherwise low visibility settings
- Multiple risk factors coexisting



# What are the signs of modern slavery? How to identify red flags?

Modern slavery can be extremely difficult to spot, especially when it is happening in supply chains on the other side of the world, or hidden behind closed doors in our very own backyard. While this is by no means an exhaustive list, here are some red flags to look out for that may indicate the presence of modern slavery:

- A company's refusal to acknowledge or investigate claims of exploitation or mistreatment.
- A lack of transparency about company practices, subcontracting arrangements, past audit results, or sanctions.
- Refusal to participate in audits or on-site inspections.
- Workers who appear frightened, withdrawn, or reluctant to speak to authorities.
- Company involvement in 'economic relief' or 'labour transfer' programs in countries with poor human rights records. These programs can involve forced migration of vulnerable populations, forced labour, and poor working conditions.
- Company involvement in vocational training or work experience programs in countries with poor human rights records. These programs can involve forced and unpaid child labour.
- Workers paying recruitment fees or 'deposits' in order to secure their position.
- Companies withholding workers pay or making excessive deductions.
- Holding workers to unrealistic production quotas. This tactic is used to 'justify' withholding payment or forcing workers to work unpaid overtime to complete their quota.
- Confiscation of workers identity documents
- Restriction of movement or association. This may include workers living on-site or in company provided accommodation that they are not free to leave, or restricting communication between workers and their families or unions.



## How do people become slaves?

Modern slavery occurs when a vulnerable individual or group are exploited for commercial or personal gain. Factors such as poverty or economic hardship, limited access to education, forced migration, discrimination, conflict, and corruption can make people vulnerable to slavery and exploitation.

Perpetrators use tactics such as intimidation, coercion, manipulation, and deception to enslave victims. Modern slavery can occur in any country, any industry, to any one.

Due to the varied nature of modern slavery there is no clear answer as to how people become slaves. A child from an impoverished family may be forced to work long hours on a cocoa farm on the Ivory Coast. A young woman may be promised a waitressing job in another city, but upon arrival find herself being sold into a human trafficking ring. Or migrant workers in a Malaysian factory may have their wages withheld, forced to work excessive overtime by bosses who threaten violence if they try to leave.



# Want to minimise the risk of modern slavery in your supply chain?

[Book a Demo](#)

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Get in touch with an ESG specialist

[info@fairsupply.com](mailto:info@fairsupply.com)

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