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M&S Submission into Australian Parliamentary Inquiry into Modern Slavery to the Joint Standing Committee on Foreign Affairs, Defence and Trade

On the 3rd May 2017, M&S met with a cross parliamentary delegation at Australia House, London to share M&S perspectives on benefits of UK Modern Slavery Act and we agreed to summarise some of the key points in a submission to the enquiry

M&S publicly acknowledged Modern Slavery is a global and growing issue given the rapid rise in migration, it exists in every region in the world and in every type of economy, whether industrialised, developing or in transition. No sector or industry can be considered immune or untainted. M&S has a zero-tolerance approach to Modern Slavery of any kind within our operations and supply chain. We all have a responsibility to be alert to the risks, however small, in our business and in the wider supply chain. Our employees are expected to raise concerns, using the appropriate reporting channels, and management are expected to act upon them.

M&S published our first [Modern Slavery statement](#) in June 2016, and in the past year we have continued to increase the depth and breadth of our work on Modern Slavery, deepening our understanding of risk, and ensuring we have in place the most effective responses to that risk. Vital to our progress is collaborating with other businesses, civil society and government.

M&S welcomes the Joint Standing Committee's inquiry and efforts to identify international best practice for the prevention of modern slavery and human trafficking and your examination of the relevance and effectiveness of the UK legislation; with a focus on possible improvements should the Australian government choose to enact similar legislation.

We have worked closely, for over 15 years, with the UK government and key stakeholders Trade Unions, civil society, food producers and labour providers to establish and support the Gangmaster Licencing and Abuse Authority to enable legitimate labour providers to have, a "level playing field" in order to compete fairly within the law and to establish effective action to prevent rogue businesses from undercutting legitimate labour providers, either through tax evasion, worker exploitation or both. To this end, retailers like M&S and our supply chains fully support an intelligence-led, risk-based proportionate enforcement regime that facilitates a fair, competitive trading environment.

The Modern Slavery Act was a natural next step; one we fully support and has been game changing for many businesses. The public disclosure of an Annual statement for businesses with a turnover of more than £36m, has forced businesses yet to consider ethical practices in their own businesses to rapidly get started and those with more mature systems to get greater time on the board agenda to discuss how to embed more effectively in their

organisations. The UK governments decision not to determine what should be in the statement, has led businesses to greater internal debate rather than filling in a predetermined template. Recent analysis by [Ergon Associates](#) is highlighting on year on Modern Slavery Statements, are generally longer and slightly more detailed than a year ago. Companies are producing more informative reports about their structure, operations, supply chains and modern slavery policies. There is also more information about training on human rights and modern slavery. It's also interesting to note that 10% of statements have been for companies under the £36m threshold who want to show purchasers that they too are taking the issues seriously.

Compliance with Modern Slavery Act is not costly, given our established monitoring programmes and risk management approach. It is though, testing the effectiveness of our existing approaches to spot the hidden nature of forced labour particularly given that its often several stages removed from our own operations. For some small to medium enterprises (SMEs), with less developed systems for reporting social impacts in their global supply chains, it may pose more of a challenge. For our own extended supply chain, we have produced a simple toolkit which we will be making open source in June 2017, along with a short awareness film from our recent modern slavery conference and our latest modern slavery statement. More needs to be done collaboratively to support supply chain and victims, our 2017 statement lists many of the initiatives M&S are working with support our efforts. We would encourage the Australian government to think about what practical support can be given to business to raise awareness, aid risk assessments and effective due diligence and avoid where possible duplication of efforts. As founding members of a number of multi stakeholder initiatives including [SEDEX](#), the [Ethical Trading Initiative](#) and [Consumer Goods Forum](#) (CGF), M&S have benefited from working with like-minded organisations to develop our ethical trade programmes, so that they give a common message to our connected supply chains making it easier for businesses to understand and implement necessary management systems.

Whilst M&S is a strong advocate for transparent disclosure, from a business perspective we are concerned that parallel legislative requirements in different parts of the world (including Australia) could create duplication in effort or multiple, varied approaches. This should be avoided. We would recommend that the Committee examine how future legislation would complement the UK Modern Slavery Act, and bring greater clarity to which businesses are required to issue a statement and what is the material penalty if they do not.

We believe strong national action to tackle Modern Slavery supported by comprehensive legislative framework is essential, if we are to eliminate slavery on a global scale. Also, that governments that share a common interest and concern over modern slavery in relation to global supply chains, should work collectively to agree a standard reporting approach, help scale effective enforcement against the perpetrators and help create environment with improved victim support.

Thank you for the opportunity to submit to this inquiry, we look forward to hearing the results of the Committees work.

May 2017