



**Australian
BORDER FORCE**

Australian Border Force Submission

Re: AA1000555 – Telco Together Foundation – submission

The Australian Border Force (ABF) welcomes the opportunity to make a submission on the Telco Together Foundation's (TTF) application for authorisation to cooperate to identify and address modern slavery practices in their operations and supply chains.

The ABF's Modern Slavery Business Engagement Unit (MSBEU) is responsible for driving implementation of the *Modern Slavery Act 2018* (the Act). The Act establishes a transparency framework to drive business action to identify and address modern slavery risks in their global operations and supply chains. It does this by requiring large businesses operating in the Australian market with an annual consolidated revenue of over AU\$100 million to prepare annual modern slavery statements (statements) setting out their actions to identify and address modern slavery risks in their supply chains. The MSBEU provides support and advice to businesses to help them understand and address modern slavery risks in their global operations and supply chains and report on these in accordance with the Act.

Accordingly, this submission is limited to the ABF's policy view on the public benefit of TTF's proposed conduct and its compatibility with the objectives of the Act. The ABF is not able to comment on the details of the TTF's proposed conduct, or the effects of TTF's proposed conduct on competition or related legal issues.

Compatibility with the objectives of the Modern Slavery Act 2018

The primary objective of the Act is to 'assist the business community in Australia to take proactive and effective actions to address modern slavery'.¹ It aims to increase business awareness and supply chain knowledge to change business behaviours to reduce or remove modern slavery drivers in supply chains, including by leveraging collective purchasing power across a particular sector or industry.

With this objective in mind, guidance material developed by the ABF to support reporting entities to comply with the Act encourages entities to 'consider how to engage with multi-stakeholder initiatives focused on addressing risks in particular sectors or geographic regions' as part of collaborative efforts to address modern slavery risks.² Businesses are

¹ Paragraph 2, Explanatory Memorandum, *Modern Slavery Bill 2018*.

² Page 87, *Commonwealth Modern Slavery Act: Guidance for Reporting Entities*, Australian Government, 2019.

encouraged to work together to share expertise and good-practice, increase their leverage with suppliers and pool resources where appropriate.

Unlike the reporting requirements, entities are not required to follow these practical recommendations in order to comply with the Act, however they are considered best practice recommendations in advancing the policy intent behind the Act.

On this basis, the ABF considers TTF's proposed conduct is consistent with the objective of the Act, although not required by it. It is also consistent with Guidance materials developed by the ABF for reporting entities.

Public benefit of authorising the proposed conduct

Further, the ABF considers that such measures may be in the public benefit. Modern slavery practices are major violations of human rights and serious crimes. The United Nations estimates that there are more than 40 million victims of modern slavery globally.³ Over half of these victims are exploited in the Asia-Pacific region, in which the supply chains of a significant number of large businesses operating in Australia are based. There is a high-risk that Australian businesses are exposed to modern slavery risks and that Australian goods and services are tainted by modern slavery. This risk may be heightened for large companies and other entities with extensive, complex and/or global supply chains.

In addition to the horrific impacts on vulnerable communities and workers, modern slavery in supply chains also distorts global markets, undercuts responsible businesses, and undermines supply chain security through the exploitation of unpaid labour and poor working conditions. Entities that take action to combat modern slavery in their operations and supply chains can protect against possible business harm and improve the integrity and quality of their supply chains. They may also increase profitability, investor and consumer confidence, and access to financing opportunities.

On this basis, the ABF considers that TTF's proposed conduct appears also in the public benefit.

³ *Global estimates of modern slavery Forced Labour and forced marriage*, International Labour Office, Walk Free Foundation and International Organization for Migration, Geneva, 2017.