



Submission No 27

**Inquiry into Slavery, Slavery-like conditions and People
Trafficking**

Organisation: World Vision

SUBMISSION TO THE HOUSE OF REPRESENTATIVES JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE, HUMAN RIGHTS SUB-COMMITTEE INQUIRY INTO SLAVERY, SLAVERY-LIKE CONDITIONS AND PEOPLE TRAFFICKING

World Vision Australia is a Christian relief, advocacy, and development organisation; it is Australia's largest international non-government organisation, directly supported by more than 400,000 Australians.

A child-focused organisation, World Vision advocates a rights-based approach to child protection, particularly in relation to issues of trafficking in persons (TIP) and labour exploitation, especially that which directly impacts children.

World Vision Australia commends the Australian Government for their comprehensive international and domestic initiatives to prevent and respond to slavery, slavery-like conditions and people trafficking, especially for the recent amendments to domestic legislation, in the *Crimes Legislation Amendment (Slavery, Slavery-like Conditions and People Trafficking) Bill 2012*.

World Vision Australia appreciates this opportunity to make a submission to the Human Rights Sub-Committee. World Vision Australia fully endorses all recommendations detailed in the *Report of the Special Rapporteur on trafficking in persons, especially women and children, on her mission to Australia (2011)*.

In addition to endorsing the Special Rapporteur's recommendations, this submission also makes a number of additional recommendations outlined below.

Australia's efforts to address people trafficking

World Vision Australia (WVA) fully endorses all recommendations detailed in the *Report of the Special Rapporteur on trafficking in persons, especially women and children, on her mission to Australia (2011)*. WVA would like to encourage the Human Rights Sub-Committee to consider these at both national and international levels in order to ensure a complete and effective response to trafficking domestically, regionally, and internationally.

WVA commends the Australian Government's strong leadership and proactive approach through a range of AusAID programs that contribute to international best practice to address all forms of slavery, slavery like conditions and people trafficking. For example, in the Mekong sub-region the AusAID Project Childhood initiative combats the sexual exploitation of children in travel and tourism, taking a dual prevention and protection response (WVA is implementing the Project Childhood Prevention Pillar). AusAID also supports World Vision's regional End Trafficking in Persons Project, the largest anti-trafficking program in the sub-region which focuses on preventing children, women and men from ending up in trafficking situations, protecting, repatriating and reintegrating those victims that have been exploited, and advocating for policy and legislative change at national, provincial and local levels,

The government should maintain and upscale such efforts including continued support of stronger criminal justice responses to trafficking in Southeast Asia and globally. This can be specifically

achieved through a strong successor to the Asia Regional Trafficking in Persons Project, building on commendable achievements and relationships formed through that project.

Increased support for such initiatives could form part of Australia scaling up its commitment to official development assistance aimed at supporting less developed countries to tackle the root causes of human trafficking, including, but not limited to, the lack of social protection, child protection and demand for exploited labour.

Encouraging effective international action

International leadership

The Australian Government should continue to demonstrate strong leadership in tackling slavery, slavery-like conditions and people trafficking through a range of bilateral and multilateral approaches. As mentioned earlier, WVA encourages the government to maintain and upscale existing best practice aid initiatives to combat trafficking in persons and related issues.

The Australian Government should better leverage its leadership role in the Bali Process to ensure that not only are trafficking in persons issues fully integrated into all aspects of the process, but that greater care is taken to avoid conflation of trafficking in persons and migrant smuggling. The Australian Government should also support ASEAN in its current discussion around the development of a regional plan of action on trafficking in persons.

Finally, WVA agrees that the appointment of an Ambassador for Trafficking in Persons would demonstrate Australian commitment to and leadership on this issue, and complement the work of the Ambassador for People Smuggling Issues and the newly appointed Global Ambassador for Women and Girls, across the Pacific, Southeast Asia, and globally.

Industry engagement

Many academics, experts and civil society argue that Australia is lagging behind the rest of the other comparable countries in embedding strong corporate citizenship or Corporate Social Responsibility (CSR) into business, particularly in offshore operations and international supply chains. This is in part a product of the lack of national discourse or regulatory framework to encourage improved practices regarding human rights, labour rights, transparency and environment, such as those promoted through other governments such as the UK Corporate Governance Code, US Dodd-Frank Act and Alien Torts Act, The European Alliance for CSR (launched by the EC). There is an opportunity for the Australian Government to take a whole of Government approach to the range of corporate citizenship issues through establishing a body that promotes awareness of and builds capacity (through guidance and dialogue) in Australian corporations for improved practices. The discussion below highlights some of the areas in which this could occur.

Business and Human Rights

WVA recognises that Australian businesses can, even unwittingly, be complicit in fuelling trafficking and slavery as a result of their business practices and the practices of those with whom they do business. Minimising and eradicating forced labour is a crucial element in combating human trafficking.¹ The International Labour Organisation (ILO) identifies the trend of subcontracting, with

¹ Expert group on trafficking in Human Beings, Report of the Experts group on trafficking in Human Beings (Brussels European Commission/DG Justice, Freedom and Security 2004, 53.

complex and unregulated supply chains, as a primary mechanism which underpins forced labour practices.² There are a number of actions which the Australian Government can take to discourage Australian businesses from these practices including an open recognition of the Australian Government's duty to protect against human rights abuses by third parties.

The Australian government should proactively engage with specialist networks and coalitions to ensure adherence to relevant international treaties and mandates, and actively ensure compliance with internationally recognised standards, including the United Nations' (UN) Guiding Principles on Business and Human Rights and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multi-National Enterprises. Equally, encouraging the adoption of reporting frameworks such as The Global Reporting Initiative (GRI) and that of The United Nations (UN) Global Compact would be a good first step.

The Australian Government should also consider developing guidelines for corporations based on the UN Global Compact principles and the "Protect, Respect and Remedy" framework, endorsed by the UN Human Rights Council to facilitate the creation of supply chains free from labour exploitation.

In order to address the issue holistically, the Australian Government may consider its role in encouraging responsible investment by influencing institutional investors and project financiers to consider their part in trafficking in persons and other environmental, social and corporate governance (ESG) issues, through promotion or and/or regulation to support the Principles of Responsible Investment and Equator Principles.

Legislative and regulatory change

We recommend the Australian Government consider legislative and regulatory change to ensure Australian businesses provide transparent, traceable and independently verifiable information on their supply chains and ensure they are free of labour of exploitation. This could include, but not be limited to:

- Mandatory disclosure of human rights actions and impacts on non-shareholders, in the annual reporting of all Australian Stock Exchange (ASX) listed companies.
- Establishing a mandatory reporting regime, requiring financial lenders to receive, consider, and report on information about the human rights practices of the corporations and associated supply chains, to which they lend.
- Mandatory disclosure of all human rights due diligence procedures and remediation mechanisms for Australian business operating in industries identified as being at a high risk of engagement with slavery, slavery-like conditions, and people trafficking.

Further, the Australian Government should consider revising the *Corporations Act 2001* to integrate director's duties with a human rights agenda, by introducing more specific obligations regarding several non-financial considerations, including express considerations of human rights impacts.

² Forced Labour: Critical Issues for US Business Leaders, Conference paper prepared for conference on 'Engaging Business: Addressing Forced Labour' Atlanta, Georgia, February 20, 2008, Roger Plant, Special Action Program to Combat Forced Labour, ILO, Geneva, Switzerland.

The Australian Government should also consider amendments to the *Criminal Code Act 1995* to explicitly impose criminal liability on corporations that knowingly accept or benefit from slavery, slavery-like conditions, or people trafficking throughout their supply chain.

Sustainable public procurement

While encouraging Australian businesses to ensure that their practices do not fuel trafficking and slavery, the Australian Government must in turn acknowledge and guard against its own potential contributions to trafficking and slavery by ensuring strengthened and transparent public procurement practices.

The Australian Government should consider bringing the Commonwealth Procurement Guidelines into line with other developed countries by specifically addressing child and forced labour. By incorporating criteria that ensure suppliers to government meet the International Labour Organisation's core labour standards, the Australian Government will demonstrate its commitment to protecting the rights of all workers, and ensure that it is not directly implicated in child labour, forced or trafficked labour or other exploitative labour practices and/ or human rights violations.

The ILO core labour standards emphasise the exclusion of forced labour and slavery, protection against discrimination in regards to employment and occupation, the exclusion of child labour, the freedom of association, and the right to organise. These fundamental labour standards should be reflected in all government procurement negotiations.

WVA further recommends that the Australian Government sign and ratify *ILO Convention 94 (C94)*, concerning Labour Clauses and Public Contracts. The primary objective of C94 is to remove labour costs as an element of competition between bidders for public contracts and to ensure that public contracts do not force wages and working conditions to fall below minimum labour standards. This will have a real impact on Commonwealth Procurement Guidelines, as C94 requires that all public procurement contracts awarded by central public authorities shall include appropriate labour clauses which set minimum standards for workers who are employed by a contractor. These clauses ensure wages, hours of work and other conditions of labour which are no less favourable than those established for work of the same nature in the same location in which the work is completed.

Key recommendations

In order to achieve international best practice to address slavery, slavery like conditions and people trafficking, WVA makes the following key recommendations:

1. The Australian Government should adopt the recommendations outlined in the *Report of the Special Rapporteur on trafficking in persons, especially women and children, on her mission to Australia* (2011).
2. The Australian Government should increase official development assistance aimed at supporting less developed countries in addressing the root causes of human trafficking, including, but not limited to improving social protection, child protection and addressing the demand for exploited labour, and maintain and scale up best practice aid programs addressing all forms of slavery, slavery-like conditions and people trafficking including root causes of trafficking.

3. The Australian Government must encourage Australian businesses to comply with internationally recognised human rights standards and ensure transparent, traceable and independently verifiable supply chains, free of labour of exploitation.
4. The Australian Government should consider bringing the Commonwealth Procurement Guidelines into line with other developed countries by specifically addressing child and forced labour.
5. The Australian Government should consider legislative and regulatory mechanisms that mitigate the risk of Australian businesses supporting slavery, slavery-like conditions, and people trafficking and provide support to victims.
6. The Australian Government should sign and ratify *ILO Convention 94 (C94)*, concerning Labour Clauses and Public Contracts.
7. The Australian Government establish a body for promotion of and capacity development to improved corporate citizenship such as holistic approach across human rights, labour rights, environment and anti-corruption within Australian organisations operating domestically and internationally.

World Vision Australia would like to thank the Human Rights Sub-Committee for this opportunity to provide input to this important inquiry. If any member of the Sub-Committee would like to discuss this submission, please contact Andrew Johnson, Government Relations Team Leader