

# Modern Slavery and Ethical Purchasing

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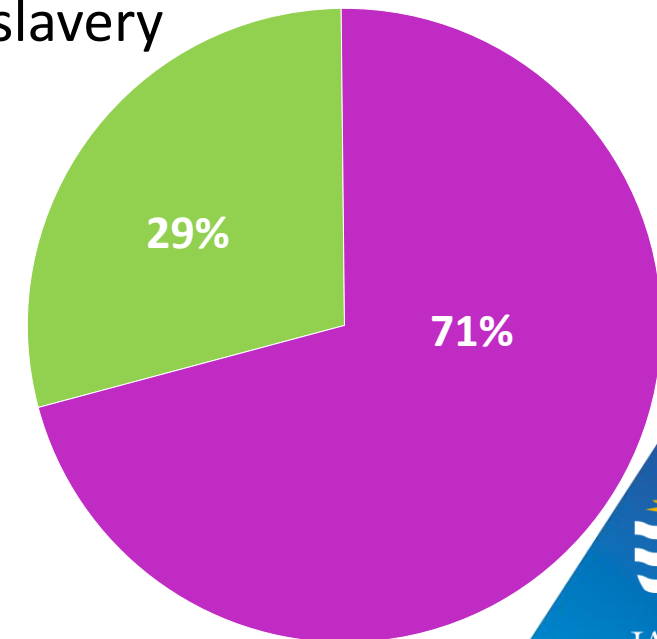
Bachelor of Business (Economics)



## Issue: Modern Slavery

# What is Modern Slavery?

- No globally agreed upon definition of modern slavery
- Umbrella term: *human trafficking, forced labour, child labour, forced marriage, debt bondage, removal of organs and other slavery-like practices*
- In 2016 - 40.3 million men, women and children trapped in slavery
- 71% women and girls
- 25 million in forced labour, 15 million in forced marriages

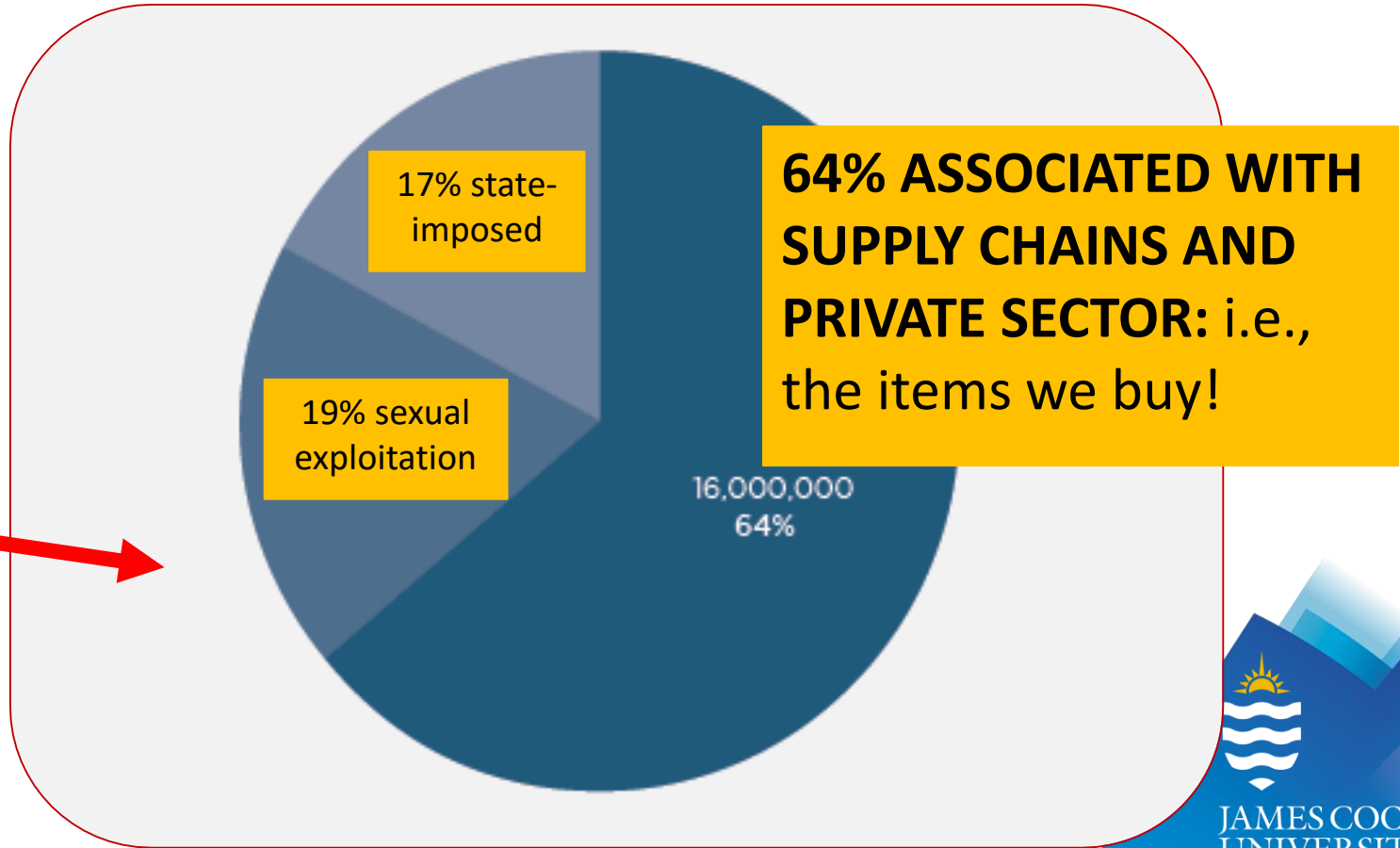


# Issue: Modern Slavery

## What is Modern Slavery?



### Forced labour



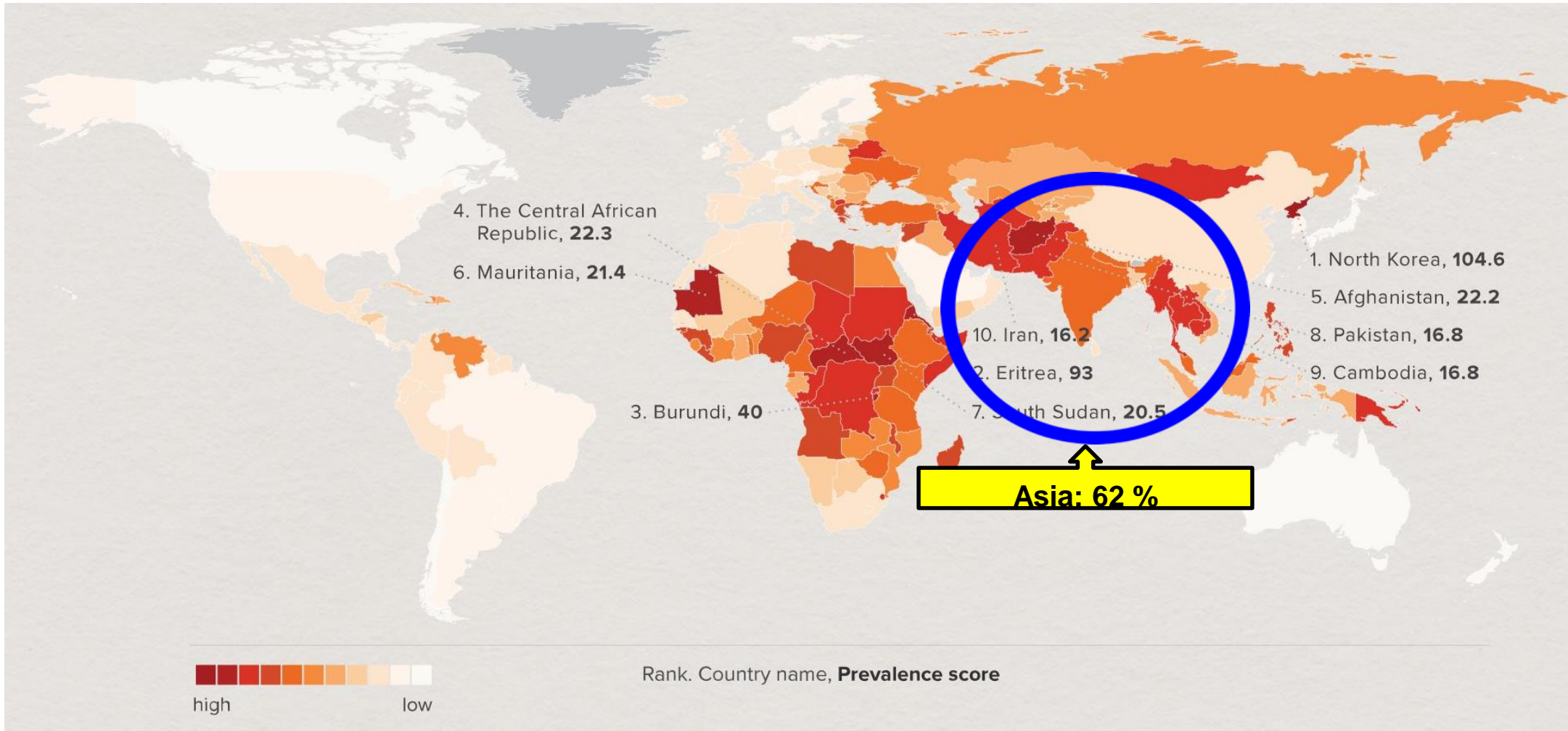
## Issue: Modern Slavery

### Where does it exist?

- All over the world
- Most prevalent in Africa, Asia and Pacific region (Global Slavery Index, 2019)
- Generally in countries with lax labour laws
- However, also in Australia – nail salons, migrant labour, seasonal farm work, prostitution (Hidden in Plain Sight, 2017)
- 15,000 people in slavery in Australia in 2016 (Global Slavery Index, 2016)
- Australian Modern Slavery Act

# Issue: Modern Slavery

## Where does it exist?



# Issue: Modern Slavery

## Where does it exist?



**COTTON:** Kazakhstan, Tajikistan, Turkmenistan, Uzbekistan



**BRICKS:** Afghanistan, India, Myanmar, Nepal, Pakistan



**GARMENTS – APPAREL & CLOTHING ACCESSORIES:** Argentina, Brazil, China, India, Malaysia, Thailand, Vietnam



**CATTLE:** Bolivia, Brazil, Niger, Paraguay



**SUGARCANE:** Brazil, Dominican Republic



**GOLD:** Democratic Republic of the Congo, North Korea, Peru



**CARPETS:** India, Pakistan



**COAL:** North Korea, Pakistan



**FISH:** Ghana, Indonesia, Thailand, Taiwan, South Korea, China, Japan, Russia<sup>10</sup>



**RICE:** India, Myanmar



**TIMBER:** Brazil, North Korea, Peru



**BRAZIL NUTS / CHESTNUTS:** Bolivia



**COCOA:** Côte d'Ivoire, Ghana



**DIAMONDS:** Angola



**ELECTRONICS – LAPTOPS, COMPUTERS, & MOBILE PHONES:** China, Malaysia

List of products with identified risk of forced labour.

Source: Global Slavery Index, 2019

# Issue: Modern Slavery

## Where does it exist?

<b>Product at risk of modern slavery</b>	<b>Import value (in thousands of US\$)</b>	<b>Origin countries</b>
Laptops, computers, and mobile phones	7,023,185	China, Malaysia
Apparel and clothing accessories	4,520,010	Argentina, Brazil, China, India, Malaysia, Thailand, Vietnam
Fish	368,108	China, Ghana, Indonesia, Japan, Russia, South Korea, Taiwan, Thailand
Rice	40,625	India
Cocoa	22,558	Côte d'Ivoire, Ghana

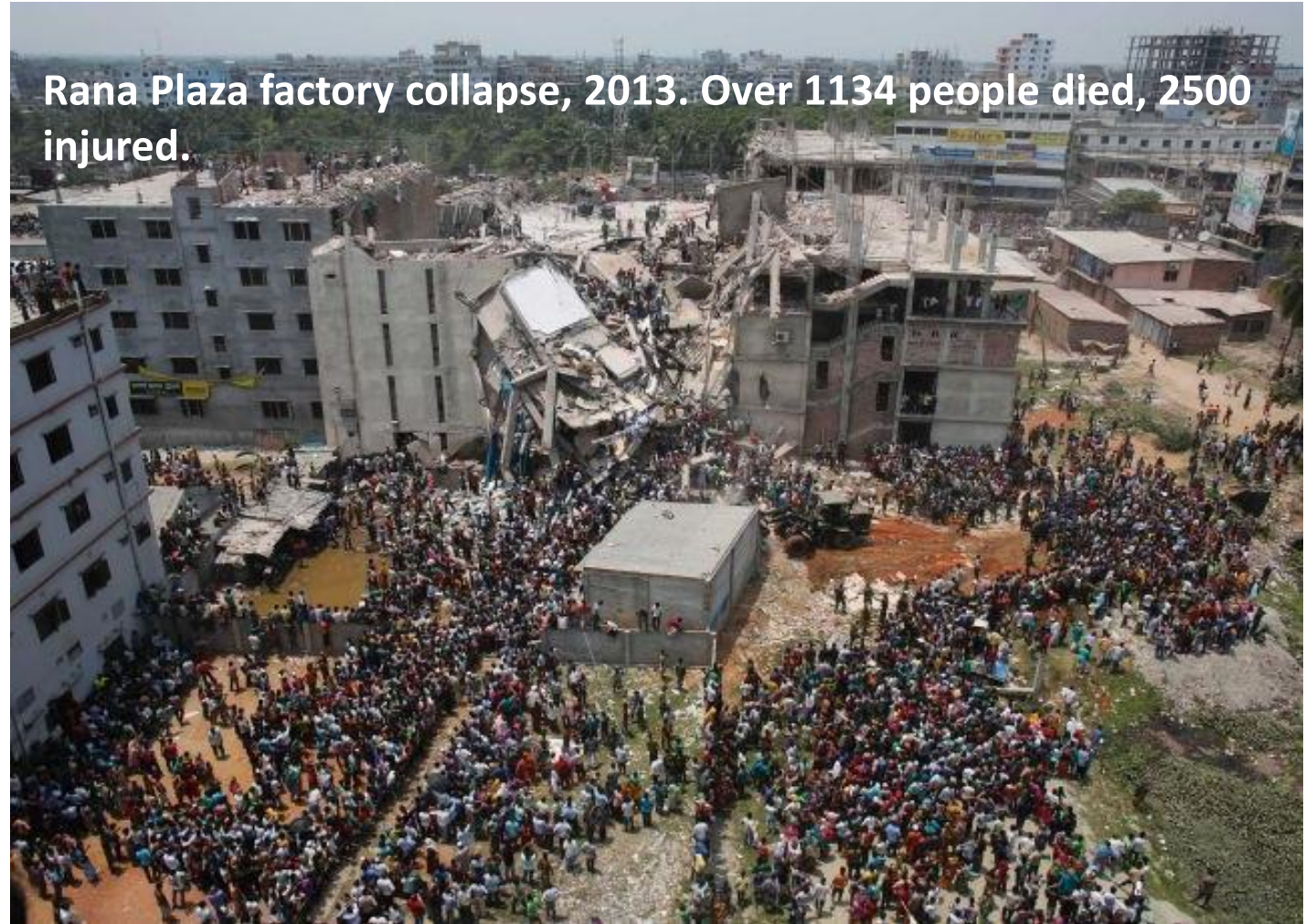
Source: Global Slavery Index, 2019

Imports of products at risk of modern slavery in Australia.

# Problem

## Why is it a problem?

- Perpetuates the poverty cycle
- Loss of lives
- Men, women and children are harmed



Source: The Guardian, 2013



## Problem

# How do we contribute to the problem?

- Not doing a thorough check of suppliers/companies
- Driving prices down while expecting the same/more quantities of goods
- Suppliers try to and offset their losses by passing it down the supply chain
- Huge environmental cost



## Problem

# Why should WE do something about it?

- First MSA report due end of 2020 for JCU
- We are a university
  - ✓ Innovation/ ideas that change the world
  - ✓ Practice what we preach – teach courses on human rights and sustainability
  - ✓ Raising the next generation of leaders
- Increased competition among universities
- Millennials and Gen Z, sensitive to hypocrisy
- Global business is not a zero sum game – we all lose in the long term
- JCU’s Statement of Strategic Intent, *“Creating a brighter future for life in the Tropics...”*
- Commitment to the Sustainable Development Goals
- QLD procurement policy
- Only 2 choices – do something about it or perpetuate the problem

We do business with ethically, environmentally and socially responsible suppliers.

## Problem

# Why should WE do something about it?



# Solution

## What can we do and how?

- No easy fix
- Some suggestions – remember it is a STAGED approach

1. Low hanging fruit – short term wins

2. Collaborate

- ✓ Engage with the community – students, academics, NGOs
- ✓ Work with the Procurement Team
- ✓ Choose from Procurement approved suppliers
- ✓ Ethical and sustainable alternatives
- ✓ Ask questions – don't be satisfied with vague language
- ✓ Use your influence for positive change – work together to fix the issue
- ✓ Organisations such as Stop The Traffik, Fair Trade
- ✓ Inspire your people, raise awareness

### JCU sphere of influence

- 3519 suppliers used in 2018 (\$190M)
- 680 of those are under contract (\$83M in 2018)
- JCU has a total of 8000 active suppliers in MyReqs



# Solution

## What can we do and how?

- No easy fix
- Some suggestions – remember it is a STAGED approach
  1. Low hanging fruit – short term wins
  2. Collaborate
  3. Practice what we teach
  4. Support businesses doing the right thing
    - ✓ Companies are aware of customer behaviour
    - ✓ Source fair trade, ethical made, environmentally responsible, local

Source: LOHAS report, Mobium Group

“Why is it that over **90% of Australians say they care about the environment**, but only **10%** actively follow through with sustainable purchasing and lifestyle choices that reflect this concern?”

*“You tell us not to use our children to help on our farms and then you tell us you are going to pay us 40% less for our cocoa – how does that work? We are not bad parents, we are just trying to survive”*  
*(Stop The Traffik, 2019)*

## Solution

# What can we do and how?

- No easy fix
- Some suggestions – remember it is a STAGED approach
  1. Low hanging fruit – short term wins
  2. Collaborate
  3. Practice what we teach
  4. Support businesses doing the right thing
  5. Explicit procurement policies and principles
  6. Buy LESS stuff, buy BETTER stuff
    - ✓ Lowest price should not be your only way to decide
    - ✓ T-shirt should NOT cost less than your coffee!



"Australian's are the world's second largest consumers of fashion. On average, they consume 27kgs of new clothing and textiles every year."

The Green Hub

## Solution

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# Solution Recommendations



- Some suppliers : For example, ETIKO
- Stop The Traffik's website : many resources, videos, self assessment charts and links to other organisations fighting slavery in specific ways

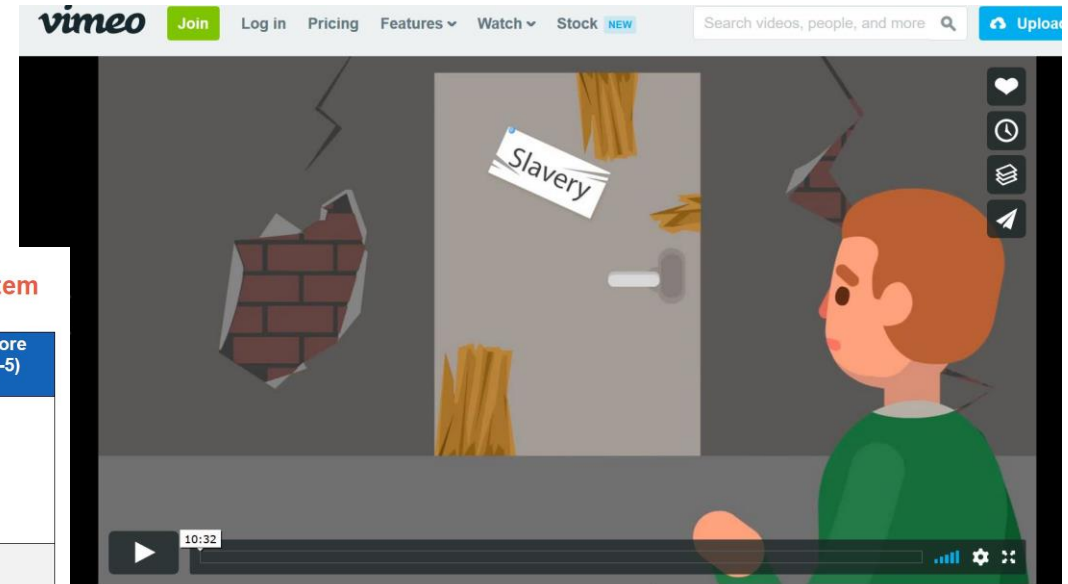


# Solution Recommendations



## Best Practice Self-Assessment Tool: Labour Rights Management System

Best Practice Indicator	Building (0)	Committing (2)	Acting (3)	Leading (5)	Score (0-5)
<b>1. Governance</b>	Labour rights issues are generally not engaged with by senior management.	Policy's pertaining to labour rights are signed off by senior management and/or members of the board.	In addition, appropriate resources and expertise are used to engage and manage labour rights risks in the organisation.	In addition, labour rights issues are periodically reported to and discussed by senior management.	
<b>2. Risk Assessment</b>	No risk assessment has yet been undertaken.	Labour rights risk assessment that considers regional or country level risk as well as specific product related risks has been conducted for the final manufacturing stage of the supply chain.	In addition, risk assessments cover all stages of the supply chain and include an understanding of factory level risks.	In addition, risk assessments have included input from potentially impacted groups and other relevant stakeholders, as well as drawing on relevant internal or independent external expertise.	
<b>3. Traceability</b>	The organisation has little or only partial knowledge of its final stage suppliers.	The organisation has fully traced final stage suppliers.	The organisation has fully traced final stage and input suppliers.	The organisation has fully traced all suppliers, including raw material suppliers.	
<b>4. Monitoring</b>	The organisation does not actively engage in auditing suppliers for labour rights risks.	The organisation has reviewed audits provided by their suppliers for labour rights risks.	The organisation audits all final stage suppliers on at least a 2-year cycle.	The organisation audits all suppliers at every stage of production on at least a 2 year cycle.	
<b>5. Broad Monitoring Results</b>	The organisation does not collect broad monitoring results such as instances of forced overtime, document withholding, payments of excessive recruitment fees by workers, excessive working hours, and underpayment of wages.	The organisation collects and analyses broad monitoring results, which are used for internal reporting.	The organisation does collect and analyse broad monitoring results, which are then actively used to create plans and strategies to redress trends in worker rights violations.	The organisation collects, analyses and publicly shares broad monitoring results, while demonstrating that this information is used to redress trends in worker rights violations.	



## What is Modern Slavery?

10 months ago | More

STOP THE TRAFFIK Australia PRO + Follow

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What is Modern Slavery ... and how can I be part of ending it?  
 h Australia introducing a Modern Slavery Act, more and more people are seeking to

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- Sustainable and ethical directories: Good on you app, Thread Harvest, Biome
- Baptist World Aid's Ethical Fashion Guide, 2019



# Solution Recommendations

## Ethical Sourcing Grade

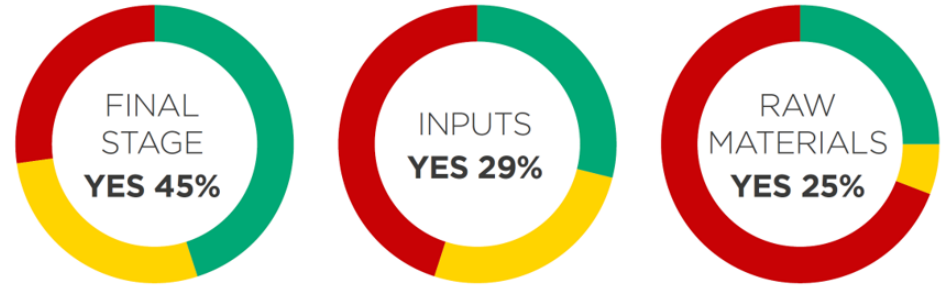
\*Non Responsive

## Ethical Sou

\*Non Re

Jack London	B-	Katies	D	Lorna Jane	C+
Jacqui E	C+	Kayser	A	Lover*	F
Jag	A-	King Gee	C	Lowes*	F
Jansport	B	Kipling	B	Lululemon Athletica	A-
Jasmine & Will*	F	Kmart	B+	L'URV	B-
Jay Jays	C+	Knights Apparel	A	Lynx	D
Jeanswest	B+	Kookai	A-	Macpac	B-
JETS Swimwear	C	Kowtow	A+	Made In.	B
JMS	A	Ksubi	B	Maggie T	D
Jockey (AU and NZ)	A	Kushyfoot	A-	Maidenform	A
Joe & Co.	B-	Label/Mix	B-	Majestic	B
Johnny Bigg	C+	Lacoste	C-	Mango	C
Jordan Brand	B-	Layla & Co	B-	Mantaray	C
Julius Marlow	C+	Lee	B	Marco Polo	C-
Jump*	F	Leggs	A	Marks & Spencer	B+

Does the company actively improve leverage and relationships with suppliers, through supplier consolidation and/or industry collaboration?



Key: YES (Green), PARTIAL (Yellow), NO (Red)

OVERALL GRADE	B	C+	B	A+	C+	F	A-	B+	C	A+	A+	D	B-	A-	B	B-	A-	D	B+
L Brands																			
Lacoste																			
Levi Strauss & Co.*																			
Liminal Apparel																			
Lorna Jane																			
Lowes*																			
Lululemon Athletica																			
Macpac																			
Marks & Spencer																			
Max*																			
Merric Apparel NZ*																			
Mighty Good Group																			
Munro Footwear Group																			
Myer																			
Nature Baby																			
New Balance																			
Next																			
Nike																			
Nobody Denim																			
Nonti B Group																			
Nudie Jeans Co.																			
<b>POLICIES GRADE</b>	A+	A+	A+	A+	B-	A+	A+	A+	A+	F	A+	A-	A+	A+	A+	A+	A+	A+	A+
<b>CODE OF CONDUCT</b>																			
<b>Q1</b> Does the brand have a Code of Conduct for suppliers that covers the ILO Four Fundamental Principles and Rights at Work?																			
<b>Q2</b> Does the code prohibit the use of regular and excessive overtime?																			
<b>Q3</b> Are suppliers required to ensure freedom of movement for employees and their right to enter and leave employment willingly and voluntarily? E.g. suppliers are prohibited from withholding employee identity documents, including passports.																			
<b>Q4</b> Does the code include provisions to protect worker health and safety?																			

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- Sustainable and ethical directories: Good on you app, Thread Harvest, Biome
- Baptist World Aid's Ethical Fashion Guide, 2019
- Engage with companies trying to do the right thing – help them grow
- Be flexible!



# Modern Slavery

- Q & A



# Modern Slavery

- Please feel free to contact me [trisha.striker@gmail.com](mailto:trisha.striker@gmail.com)
- Display fair-trade hoodie, shirt and tote bags
- Ethical Fashion Guides to take
- [Power of one](#)