



Friday, 3 August 2018

## Penalties necessary for effective Modern Slavery laws

Financial penalties should be levied upon entities that fail to report their modern slavery risks under the proposed legislation, the Law Council will tell a parliamentary committee today.

The Law Council has long-supported the establishment of a Modern Slavery Act and welcomed the inclusion of a requirement for certain organisations to report on modern slavery risks in their supply chains. However, the peak body is concerned the Bill does not include:

- penalties for non-compliance with the legislation;
- a proposed revenue threshold for reporting requirements set no higher than \$60 million (rather than the proposed \$100 million);
- an independent Anti-Slavery Commissioner to provide guidance to organisations required to report, conduct outreach and coordinate Australia's response to modern slavery; and
- access to a national compensation scheme for victims of modern slavery.

Law Council of Australia President, Morry Bailes, will tell the [Senate Legal and Constitutional Affairs Committee inquiry](#) that the absence of financial penalties in the Bill is counterproductive to the mission to eliminate slavery and slavery-like conditions.

"There ought to be some guarantee that companies will comply with this legislation and take the steps necessary to stamp-out modern slavery in their supply chains. The UK experience with modern slavery legislation has shown the reputational damage companies risk for non-compliance is not enough to encourage reporting," Mr Bailes said.

"The most effective way to ensure compliance is to include penalties that can be levied as a last resort for entities that fail to report."

The Law Council believes a national compensation scheme would provide an effective remedy for victims of modern slavery and compensation for the harm they have suffered.

"There are people living in slavery-like conditions in Australia today. This may include forced labour, wage exploitation, involuntary servitude, debt bondage, human trafficking, forced marriage and other slavery-like exploitation," Mr Bailes said.

"Victims of modern slavery are often vulnerable and lack support. They can be found in domestic work, hospitality, agriculture, and construction.

"The inclusion of an independent Anti-Slavery Commissioner would also be a useful point of contact for all matters relevant to modern slavery in Australia. An independent Commissioner could provide community outreach and education to stakeholders involved in Australia's response to modern slavery, including law enforcement, civil society and the private sector."

The Law Council is urging the Australian Government to amend the Bill or enact other legislation to include these matters or, at the very least, to consider including these matters when the legislation is reviewed in three years.

Furthermore, the Law Council hopes that the government will move towards implementing the United Nations Guiding Principles on Business and Human Rights, or UNGPs, in Australia.

**The Law Council's appearance in front of the parliamentary committee can be [viewed live at 1.30pm today](#). The [opening statement](#) will also be available after 1.30pm.**

**The Law Council's Modern Slavery Bill 2018 submission is available [here](#).**

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