

FACT SHEET: MODERN SLAVERY REPORTING REQUIREMENT

The Australian Government has introduced legislation to enact a **Commonwealth Modern Slavery Act** (MSA). The MSA will establish a Modern Slavery Reporting Requirement which will further strengthen Australia's robust approach to modern slavery¹.

MODERN SLAVERY REPORTING REQUIREMENT

The Modern Slavery Reporting Requirement (reporting requirement) will support Australian businesses to respond to modern slavery and increase information available to consumers and investors by providing a practical, risk-based framework for transparency. Reporting entities will be required to publish annual Modern Slavery Statements detailing their actions to address modern slavery. This will increase business awareness of modern slavery, reduce modern slavery risks in Australian goods and services, and drive a business 'race to the top' to improve workplace standards and practices. The Australian Government has run a comprehensive national consultation process to develop the reporting requirement, including 16 consultation roundtables with over 170 participants, 99 written submissions and over 50 direct meetings with key stakeholders.

Key features of the reporting requirement will include:

- **Application to a broad range of entities** to ensure a level playing field. This includes foreign entities carrying on a business in Australia.
- **Coverage of the Australian Government** which will lead by example by publishing an annual consolidated statement covering Commonwealth procurement. Commonwealth corporations and Commonwealth companies will publish separate Modern Slavery Statements if they meet the revenue threshold.
- **Reporting on all modern slavery practices** criminalised under Commonwealth law, including slavery, trafficking in persons, servitude, forced labour and forced marriage. Entities will also need to report on the worst forms of child labour.
- **A Government-run, public central repository** to ensure all Modern Slavery Statements are easily accessible. Reporting entities will need to publish Modern Slavery Statements within six months from the end of their financial year.
- **Mandatory reporting criteria** to provide certainty for business and ensure high-quality Modern Slavery Statements. These criteria will require reporting entities to provide information about: their structure, operations and supply chains; potential modern slavery risks; actions taken to assess and address these risks; and how they assess the effectiveness of their actions.
- **A reporting threshold of \$100 million annual consolidated revenue.** This threshold will cover approximately 3,000 entities.
- **Support and assistance for reporting entities** through a dedicated Business Engagement Unit in the Department of Home Affairs. The Unit will also promote best-practice, administer the central repository and undertake awareness-raising and training.
- **Clear and comprehensive guidance for business** about the reporting requirement and their obligations. Government will draft this guidance in consultation with business and civil society.
- **Commitment to a review of the reporting requirement and its effectiveness** three years after it takes effect to ensure it remains appropriate for the Australian context.

CONTACT DETAILS

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¹ Modern slavery is an umbrella term used to describe human trafficking, slavery and slavery-like practices, such as forced labour and forced marriage.