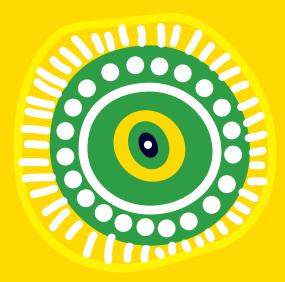
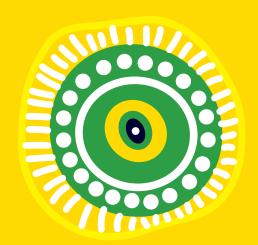


## MODERN SLAVERY STATEMENT







#### **Australian Sports Commission Acknowledgement of Country**

The Australian Sports Commission (ASC) acknowledges the Traditional Custodians of the lands where its offices are located, the Ngunnawal people and recognise any other people or families with connection to the lands of the ACT and region, the Wurundjeri Woi-wurrung people of the Kulin Nation, the people of the Yugambeh Nation and the Gadigal people of the Eora Nation.

The ASC extends this acknowledgment to all the Traditional Custodians of the lands and First Nations Peoples throughout Australia and would like to pay its respects to all Elders past, present and future.

The ASC recognises the outstanding contribution that Aboriginal and Torres Strait Islander peoples make to society and sport in Australia and celebrates the power of sport to promote reconciliation and reduce inequality.

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#### Foreword

The Australian Government is actively assuming a significant leadership role in the fight against modern slavery. Much like other human rights violations, modern slavery is a pervasive issue that can remain hidden in plain sight and permeate every sector and industry. We all bear a collective responsibility to uphold a sustained commitment to eradicating modern slavery. For the Australian Sports Commission (ASC), this marks the release of our fourth Modern Slavery Statement (Statement). This Statement sets out further actions to build on the framework developed through previous statements. These actions further entrench our clear position — there is no place for modern slavery in the Australian community or in any supply chains of Australian goods and services.

The ASC envisions a nation where sport is accessible to every Australian, delivering achievements that evoke national pride. This vision can only be realised by maintaining a strong emphasis on creating safe and enjoyable sporting environments. The ASC is steadfast in its commitment to ensure that our procurements and purchases are derived from supply chains free from exploitation. Nurturing closer relationships and fostering collaborative partnerships throughout our supply chains are integral to achieving this.

Our primary focus is on establishing a robust foundation to address modern slavery risks and developing strategies for preventing slavery and human trafficking within our operations and supply chains. In the pursuit of this cause, we will persist in raising awareness across the sport sector and supporting the diligent efforts of our industry peers through an array of strategic initiatives.

With this commitment in place, we present the 2022-23 ASC Modern Slavery Statement. Approved by the ASC's Chair of the Board of Commissioners.

Josephine Sukkar ASC Board Chair

#### Introduction

This Modern Slavery Statement (Statement) is prepared by the Australian Sports Commission (ASC) in accordance with section 13 of the *Modern Slavery Act 2018* and covers the period 1 July 2022 and 30 June 2023.

At the ASC, we are committed to the principles of transparency, ethical conduct, and social responsibility. As an organisation deeply involved in the world of sports, we recognise the importance of our role in fostering a fair and just society, both on and off the field.

The ASC is committed to ensuring that slavery and human trafficking have no place in our organisation or in any of our supply chains. By sharing our Statement, we aim to foster greater awareness, accountability, and collaboration in the fight against modern slavery, ensuring that our sporting endeavours are grounded in the fundamental principles of justice and dignity for all.

#### Our Organisation

This section details content to satisfy mandatory criteria 1(a), 1(b) and 1(f) under section 16 of the Act, including identification of the reporting entity, a description of its structure, operations and supply chains.

#### **Identification of the Reporting Entity**

The Australian Sports Commission (ASC) is the Australian Government agency responsible for supporting and investing in sport. It was established in 1985 under the *Australian Sports Commission Act 1989 (ASC Act)* and operates in accordance with the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

The ASC is governed by a Board of Commissioners appointed by the Minister for Sport. The Board determines the ASC's overall direction, decides on the allocation of resources and policy for delegated decisions and is accountable to the Minister for Sport.

The ASC is administered from Canberra at the Australian Institute of Sport (AIS) Bruce campus and has offices in Melbourne and Sydney. The AIS campus is a 65-hectare multipurpose facility with sporting, administration, commercial and residential functions. The AIS also operates the European Training Centre in Varese, Italy, and high-performance sports training facilities at Pizzey Park on the Gold Coast.

To address mandatory criteria 1(f) under section 16 of the Act. The ASC does not own or control any other entities and is therefore not required to provide description of the process of consultation in the development of the Statement with any entities owned or controlled.

You can learn more about the ASC by visiting ausport.gov.au.

#### **Our Operations**

The ASC fulfills a crucial role in promoting and sustaining sports across various levels. Our mission centres on bolstering sports participation and fostering enduring international athletic excellence by spearheading the development of a cohesive and effective sports sector. This is achieved through targeted financial support and the operation of the AIS.

At the heart of our mission lies a dedication to celebrating the intrinsic value of sports. We actively encourage Australians from diverse backgrounds, age groups, and skill levels to participate in sports and enjoy the benefits of physical activity. Our organisation takes on a pivotal leadership role in the broader sports sector, marked by extensive collaboration and strategic direction. We work in close partnership with national sporting organisations (NSOs) and national sporting organisations for people with disabilities (NSODs), as well as our State and Territory partners, which include the National Institute Network, and our key high performance Games partners, the Australian Olympic Committee, Paralympics Australia and Commonwealth Games Australia.

The ASC allocates various grants to support high performance and national sports participation programs, performance pathways, people development, well-being initiatives, and research and innovation. We oversee high performance activities at the AIS Campus in Canberra, providing support for seven National Training Centres of Excellence, along with the European Training Centre (ETC) in Italy. In addition, we provide individualised support to numerous athletes and collaborate closely with dozens of Australian sports, offering guidance and assistance.

#### **Our Supply Chains**

The ASC operates in a diverse and dynamic industry and relies on a complex network of suppliers and partners, both domestic and international, for supply of various goods and services to maintain operational requirements. All ASC contracts valued at or above the reporting threshold of AUD\$100,000 (GST inclusive) are published on the ASC website biannually and tabled in Parliament as required under the Senate Order on Entity Contracts (Murray Motion).

Some of the top service categories of ASC's supplier engagements include:

- Cleaning
- · Catering and hospitality
- Building utilities supply
- Minor construction works
- Building preventative and reactive maintenance services
- · ICT equipment, hardware and software
- · Manufacturing of sporting equipment
- · Uniform and merchandise production
- Labour hire contractors
- Consultantservices

Each of these supply chains is vital for the smooth operation of the AIS campus and the ASC's broader activities. The ASC aims to establish a relationship of trust and integrity with all suppliers engaged. With regards to invoices spend, the majority of our direct (tier 1) suppliers are Australian businesses. We have not been made aware of any allegations of slavery or human trafficking activities against any of our suppliers.

#### Risk of Modern Slavery Practices

This section details content to satisfy mandatory criteria 1(c) under section 16 of the Act, describing the risks of modern slavery practices in the operations and supply chains of the ASC.

The ASC recognises that modern slavery risks can be linked to particular indicators such as geographical locations, some goods, and certain industries or sectors. Following an assessment of the potential for modern slavery risks in the ASC's operations and supply chains, we identified services such as cleaning, catering and hospitality, uniform and merchandise production, minor construction works and the manufacturing of sporting equipment to have the highest potential exposure.

- Cleaning service providers may employ low-skilled and vulnerable workers, who may be at risk of
  exploitation, including forced labour or underpayment of wages. Workers may face poor working
  conditions, lack of safety measures and long working hours, making them susceptible to abuse.
- Catering and hospitality providers often rely on temporary or seasonal workers, who may be more vulnerable to exploitation and uncertain employment conditions.
- Uniform and merchandise suppliers may source materials and labour from multiple countries, leading to
  potential modern slavery risks in countries with weaker labour regulations. The production of clothing and
  sportswear can involve long hours, low wages, and poor working conditions, especially in low-cost
  manufacturing regions. There is also a risk of child labour in the production of textiles and apparel,
  especially in countries with less stringent child labour laws.
- Minor building remediation or construction subcontractors may not adhere to ethical labour standards, leading to exploitation or unsafe working conditions. Construction providers often employ a significant number of migrant workers who may be at risk of exploitation due to language barriers and limited knowledge of labour rights. The construction industry can involve hazardous tasks, and the risk of unsafe practices and accidents can increase the vulnerability of workers to modern slavery risks.
- Manufacturers of sporting equipment may not provide adequate safety measures and protective
  equipment, putting workers at risk of harm or exploitation. The demand for sporting equipment production
  may lead to excessive working hours and forced overtime for factory workers. Workers in the
  manufacturing sector may receive low wages, which can increase the risk of labour exploitation and make
  them vulnerable to modern slavery practices.

It is unlikely that the ASC's current and immediate (tier 1) supply chains have risks of serious exploitation. However, the ASC acknowledges that we lack visibility on suppliers at tier 2 level and below and some overseas suppliers. This carries additional risks of modern slavery.

# Current Actions to Address Modern Slavery Risks

This section details content to satisfy mandatory criteria 1(d) under section 16 of the Act, describing the actions taken by the ASC to assess and address these risks, including due diligence and remediation processes.

With regards to the risks identified above, the ASC engages single providers for cleaning, catering and hospitality services under multi-year engagements. Rigorous modern slavery checks are conducted prior to engagement and model contract clauses are included in written agreements.

The ASC is currently in the process of assessing modern slavery risks involved with the supply of uniforms and merchandise for the AIS shop and expects this process to be finalised by February 2024. The ASC readily understands that the textiles and fashion industry carries a higher risk of exposure to modern slavery, and we will continue to investigate and work with suppliers to ensure these risks are reduced or eliminated.

The ASC's minor works and construction contracts include the requirement for suppliers to provide safe work method statements and comprehensive risk assessments to ensure the safety of their workers while on site. The ASC maintains and utilises highly specialised equipment which requires maintenance and servicing from skilled contractors. While modern slavery risks are often heightened for low-skilled workers, the specified personnel put forward to complete work for the ASC are required to be suitably qualified and skilled contractors. This lowers the ASC's inherent modern slavery risks for these supplier engagements. For contracts that have been identified as high risk, model clauses provided by the Department of Finance are added to the ASC's standard contract documents.

When seeking proposals from manufacturers of sporting equipment, the ASC will continue to conduct modern slavery risk assessments. For procurements from specific suppliers that have been deemed high risk, the ASC will issue the supplier with questionnaires at the request for quotation stage of the procurement process. The ASC understands the inherent risks of these engagements and the complex nature of the supply chains that produce some of the specialised and unique sporting goods required for our operation. The ASC will continue to strengthen our business relationships with tier 1 suppliers and work with the suppliers to mitigate against risks embedded within the complex supply chains.

#### **Additional Actions to Address Modern Slavery Risks**

Following the assessment of the potential for modern slavery risks in the ASC's operations and supply chains, the ASC has taken several proactive actions during this reporting period to address and mitigate the risks of modern slavery practices. These actions encompass due diligence, transparency, and remediation processes, including:

- improving the content available on the ASC intranet, aligning to guidance from the Department of Home Affairs Addressing Modern Slavery in Government Supply Chains Toolkit, including information on:
  - what modern slavery is;
  - what modern slavery looks like in government supply chains; and
  - what officials can do to assess and address modern slavery risks.
- facilitating face-to-face procurement training to raise awareness of modern slavery practices and the ASC's responsibilities and requirements to comply with the Act;

- increasing the number of procurements conducted through whole of government coordinated arrangements, with pre-existing assessments on modern slavery risks with suppliers;
- introducing a standard step-by-step process for ASC staff conducting procurements to address modern slavery risks through key stages of the procurement process, including:
  - assessing the level of modern slavery risk for each procurement through a risk screening tool which
    evaluates risk based on the types of goods or services, geographic locations, specific suppliers, and
    industries with a higher risk profile;
  - reviewing the Modern Slavery Statements Register to assess whether suppliers have addressed modern slavery risks in their global operations and supply chains, prior to conducting an approach to market; and
  - submission of a customised supplier questionnaire for high-risk procurements when approaching the market.

In applying the risk screening tool and supplier questionnaire, the ASC acknowledges that:

- there is a risk of modern slavery further down the supply chain that are outside of the ASC's visibility and control; and
- modern slavery risks to the ASC will change over time as operational requirements change and our understanding of our supply chains improves.
- updating the ASC Procurement e-Learning module to assist with increasing the awareness of ASC
  officials and the identification of potential modern slavery risks in ASC procurements. The module
  includes an assessment to measure comprehension of the subject;
- inclusion of standard Australian Government Terms and Conditions in approach to market and contract documentation for supplier engagements deemed at risk of modern slavery practices;
- management and monitoring of major contracts to ensure consistency within the supply chain where the risks of modern slavery have been previously assessed; and
- arranging additional screening and qualification assessments for suppliers previously engaged without sufficient modern slavery assessments originally conducted.

The ASC conducts due diligence on all new suppliers prior to engagement, including where applicable, requesting relevant information on modern slavery compliance with Tier 2 suppliers.

Depending on the modern slavery risk profile for the engagement, Commonwealth Government modern slavery model clauses are applied to the contract documentation. This ensures suppliers respond to modern slavery risks and support the Government's efforts to address modern slavery in its own supply chains.

#### Working with our staff and stakeholders

The ASC will:

- Continue to work with sport industry bodies to raise awareness of modern slavery within and across sporting communities; and support stakeholder attention to supply chain due diligence by providing access to modern slavery tools, information, and resources.
  - The ASC has published modern slavery guidance on the ASC website <u>Modern Slavery | Australian Sports Commission (sportaus.gov.au)</u>; and
  - This guidance was also circulated through an email marketing campaign to over 3,500 ASC stakeholders including all NSO CEOs and Chairs.
- Continue to collaborate with the Australian Border Force and other Commonwealth Government entities in relation to a whole-of-government approaches to investigating supply chains for major government suppliers.
- Continue to review, update and improve our procurement processes and policies to raise staff awareness and ensure that modern slavery issues are addressed.
- Where higher risks are identified in an approach to market, we will assess the effectiveness of our actions and controls to mitigate risks and, if required, take further actions.

#### Effectiveness of our Actions

This section details content to satisfy mandatory criteria 1(e) under section 16 of the Act, describing the actions taken by the ASC to assess the effectiveness of these actions.

The ASC's dedication to maintaining ongoing awareness and reducing the risks involved with modern slavery is unwavering. We recognise the crucial need for continual review and improvement across our processes, with an ongoing exploration of enhancements to measure the effectiveness of our modern slavery processes for future Statements.

During the 2022-23 period, the ASC was able to assess the effectiveness of the implemented actions through a number of strategies:

- Monitoring engagement on the newly introduced intranet page dedicated to raising staff awareness of modern slavery. A significant initial increase was noted upon release, with a gradual increase of views in the following months;
- The ASC procurement team has documented increased compliance following the introduction of the stepby-step process for ASC staff to address modern slavery risks through key stages of the procurement process;
- Following the facilitation of face-to-face procurement training to raise awareness of modern slavery practices, the ASC procurement team has noted a significant increase in staff awareness and implementation of modern slavery measures documented in procurement templates;
- Following support provided by the ASC to stakeholders who met the reporting threshold for the
  development of their own Modern Slavery Statements, five of the six NSOs have now registered Modern
  Slavery Statements. The ASC will continue to work with other NSOs and NSODs who are close to the
  reporting threshold to assist them in understanding their obligations; and

 The ASC will continue to share and update its online library of information, articles and resources on human rights in sport on the Clearinghouse for Sport, our information and knowledge sharing platform for the Australian sport sector.

The ASC is regularly reviewing the effectiveness of our strategies and updating internal processes to reflect evolving modern slavery risks and the effectiveness of implemented measures. These additional steps will contribute to a more robust and adaptive approach in addressing modern slavery, aligning with our commitment to continuous improvement and proactive measures.

This statement was approved by the ASC Board in their capacity as the Accountable Authority for the ASC on 14 December 2023.

Josephine Sukkar

**ASC Board Chair** 



**Australian Sports Commission** 

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