

Modern Day Slavery in Supply Chains

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In more recent years the approach advocated by Walk Free, www.walkfree.org, several humanitarian organisations and some Government legislation has focused the emphasis on Corporate and Government responsibility in Corporate Supply Chain management. The aim is to hold companies to account to ensure they Know all aspects of their resource and goods suppliers – that all steps and providers in the supply chain are known and that there are no goods sourced from where slave labour has been part of the extraction, production and supply process.

From the US Free The Slaves www.freetheslaves.net analysis, the estimates are that 78% of slavery victims are in labour slavery, where manual labour is needed, such as logging, mining, various farming, ranching, fishing, brick making and in service industries, dish washers, janitors, gardeners and house maids and then 22% trapped in forced prostitution or sex slavery. The estimate is that 26% of those in slavery are under the age of 18 years, which in most jurisdictions are considered children or adolescents. They view slavery as the result of vulnerability. It flourishes where people cannot meet their own basic needs and lack economic opportunity, they lack education, health care and may not have an honest local government or community officials. Slaves usually come from the poor, the desperate, the uneducated, the marginalised and the unprotected. People are forced to work without pay, under the threat of violence and they are unable to walk away. Children are far easier to manage than adults. They are exploited and their freedom denied.

The Walk Free Global Slavery Index 2016

www.globallslaveryindex.org estimates there are 45.8 M in slavery, which calculates to approx 11.9M under 18 Years, in child slavery. (Suggestion, read the forward by Andrew Forrest.)

The emphasis on Corporate and Government responsibility in Corporate Supply Chain Management holds companies to account to remove modern slavery from corporate supply chains. It requires them to drill down through their suppliers, through their sub contractors and the subcontractors' suppliers, etc, all the way down to the raw material source and then back up the production supply process, all the steps until product receipt. The approach is to Know The Chain <https://knowthechain.org> and understand all the players, the full supply chain from raw material sourcing through the refine, manufacture / production and procurement chain, up to distribution including retailing.

This may sound easy but each step can also be camouflaged by various and many participants, subsidiaries, agents, sub contractors, employment agencies with separate legal entities which can hide transparency. Corporations can depend upon operational practices which can include – relying on the labour of migrant workers who have been recruited by labour agents / brokers for a fee – debt bondage e.g. Construction in the Middle East. Sourcing: Cotton harvesting Uzbekistan

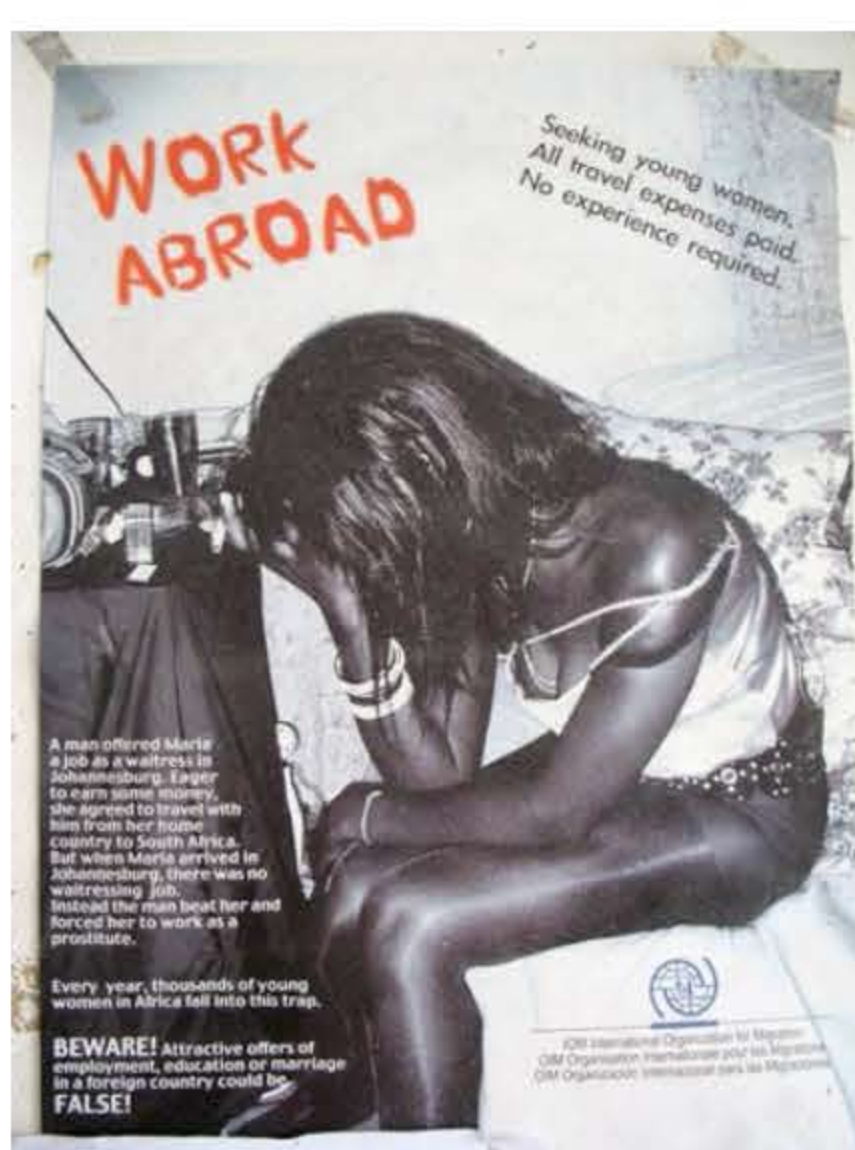
http://www.antislavery.org/english/campaigns/cottoncrimes/forced_labour_in_uzbekistan_background.aspx

Cobalt mining in the Congo www.amnesty.org.au/news/comments/41123

Seafood Thailand <http://ejfoundation.org/video/sold-sea-human-trafficking-thailands-fishing-industry-0>

Let's look at the available resources to assist Corporations and Governments. There is a link between some prime commodities and some of the worst forms of goods produced under forced and child labour.

www.verite.org/Commodities "Forced Labour Commodity Atlas" Click on each Commodity of interest to find a wealth of research information, e.g. Bricks, Charcoal, Cocoa, Coffee, Coltan Tungsten and Tin, Cotton, Granite, Palm Oil, Shrimp, Tobacco etc. Verite.org can provide Corporations and Governments consulting and auditing services to assist large Corporations and Governments in sourcing commodities via processes with ethical suppliers.



The Walk Free Foundation, have produced **A Guide for Tackling Modern Slavery in Supply Chains.**

business.walkfreefoundation.org It is a very comprehensive document which outlines a process and procedural tools of best practice for Corporations to follow. It was drawn up with input from a number of Companies and organizations, including BHP, General Electric, Rio Tinto, Safeway International, Credit Suisse, plus several others. The International Chartered Institute of Procurement and Supply UK, International Rights Forum and Price Waterhouse, have all assisted in its creation. There is considerable research, information and services available to guide Corporations in ethical sourcing to help prevent and remedy severe human rights violations and suffering.



In the **US and UK** the subject of Slavery, Child Slavery and Human Trafficking has had greater focus and they have taken Supply Chain Management further, with a Legislative Approach.

In 2010 **The California Transparency in Supply Chain Act** was signed into law.

www.dol.gov/ilab/child-forced-labor/California-Transparency-in-Supply-Chains-Act.htm The Act requires businesses with US\$ 100M in turnover locally or internationally, to disclose via a public statement the efforts they are making to eradicate human trafficking and slavery from their supply chains. Hundreds of large Corporations across many industry sectors do have such statements, including, Amazon, Colgate Palmolive, Bayer, Caterpillar, Chevron, Costco, Ford, General Electric, Lowes, Nestle, Nike, Safeway, Target and many more etc.

In March 2015 in the **UK**, **The Modern Slavery Act**

www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide was passed after several years of consultation and it requires Corporations with over 36M pounds in turnover to annually report – Directors to report – The statement must set out what steps they have taken during the financial year to ensure that modern slavery is not occurring in their supply chains or organisation. The Govt. has also appointed an Independent Anti- Slavery Commissioner. The aim is to ensure ethical business practices in supply chains and to increase transparency for the public, consumers and investors. Large Corporations are being held accountable and to be transparent in their operations as part of their social responsibility towards human rights, the environment as well as for their financial performance.

Slavery - So What Can Rotarians Do ? A view

a/ As humanitarians Rotarians are in a prime position to Raise Awareness, create public awareness to the plight of millions in Slavery, Child Slavery and Human Trafficking – with speakers at Clubs, Conferences and Conventions, covering Slavery, Human Trafficking and Ethical Supply Chains Management. (Gary Haugen, CEO International Justice Mission at the Seoul 2016 Convention, see Newsletter 65, <http://racsrag.org/>).

b/ As Consumers, Community and Industry Leaders, Employees, Investors, and Voters, Rotarians have considerable influence with a Corporations reputation and with Governments in their operational management and statutory compliance practices. We can hold them to account to ensure ethics and transparency in supply chain management. Large Corporations and Governments their Chairman, CEO and Leaders all have significant employee support resources along with purchasing power. (We know them. We work with or for them. We are them.) They and we are in a unique and very strong position to influence, speak out and lead, to alleviate and eliminate this evil practice.

c/ Rotarians make a significant humanitarian contribution across all the R I Areas of Focus through project work and a major strategy thrust, with enhanced attention could be aimed to assist regions of poverty. Reducing the extent of poverty and the vulnerability to slavery, by elevating the Area of Focus - Basic Education and Literacy, to be a priority. (A strategy direction priority set by R I ?) Take a village out of poverty, aim for sustainability (adopt a village projects) educate the children and you significantly reduce the children's need for migration and the potential of human trafficking and slavery. With 530+ Districts, 33,000+ Clubs, Rotary International could start a wave of change in Regions of poverty over the next decade and ongoing.