

The Commissioner's agenda for action in 2020

CEOs must recognise modern slavery whistle blowers across their supply chains – Celebrate the heroes that have uncovered wrongdoing.

Companies like to talk about their robust human rights policies and zero tolerance for modern slavery, but to what extent is the wider workforce engaged in this agenda? What are the stories that are repeated in the organisation where modern slavery has been called out? Are the heroes recognised in the culture? Are these stories told at the water cooler? Clearly there are sensitivities around identifying victims, but it is important that those who challenge wrongdoing should be rewarded.

Boards must incentivise actions not words — Top-management bonuses should depend on anti-slavery wins.

The steps taken by top executives to promote decent work and to reduce the risk of modern slavery in their organisations and their supply chains should be factored in to their bonus structure. It is too easy for senior executives to declare commitment and profess zero tolerance. Recognition of genuine activity and improvement in compensation arrangements would send a very strong signal.

Annual reports should clearly explain provision for wages – If the total (non-management) labour costs in the supply chain are lower than minimum wages paid, companies should explain why.

There are many examples of approaches such as reverse auction where the price paid has little relationship to labour costs incurred. Procurement teams should show evidence that they have factored in the true cost of labour into goods and services.

If the price of goods is very low, then this should trigger questions about the potential for trafficking and exploitation.

Ethical audits should be unannounced – Companies should also explain how they are engaging with workers across their supply chains to understand vulnerabilities and human rights risks.

Most companies use social auditors for their own organisation and require their suppliers to do the same. However, most audits are announced, and the results are not always appropriately shared. Companies should commit to undertaking more unannounced audits and developing new technologies of obtaining feedback from workers.