

Extract from an interview on Modern Slavery with Adam Smith-Anthony, Partner and Head of the Business & Human Rights practice at Omnia Strategy LLP.

A fascinating perspective.

Interviewer: Kerry Round

July 2020

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The Government allowed organisations to delay the publication of their Modern Slavery Statements by up to 6 months without any penalty in light of the Covid-19 pandemic, but what do you think are the pandemic's main impacts on Modern Slavery risks?

Relaxing the reporting deadline provided some welcome breathing space for many organisations. However, it would be a surprise if penalties have been much of a motivating factor, given the lack of sanctions and enforcement activity connected with the Act's Transparency in Supply Chains provision. Those making risk-based decisions are likely to have been especially vigilant of human rights threats over recent months.

Covid-19 has exacerbated the huge problem of modern slavery – diverting resources and attention away from detection, law enforcement and supporting survivors; introducing new health risks to those already being exploited; and pushing people into vulnerable situations for the first time.

Can we take any positives from how businesses have responded to these heightened risks?

As supply chain resilience and flexibility has become even more critical, it has been good to see business leaders recognising the value of strong and sustained supplier relationships, guided by their in-house experts. Where companies had already taken the time to map and know their suppliers, they have found it easier to understand Covid-19-related problems, identify solutions and carry on working together. With physical audits largely impossible this year, companies with a track record of monitoring the compliance and ethical performance of their suppliers have been able to rely on this data more confidently — adjusting their due diligence processes, relying on creative virtual audits and data-sharing.

Do you think there is enough action on the ground when it comes to Human Rights and Modern Slavery?

There is a lot of excellent frontline work being done, especially by civil society organisations (like The Freedom Fund, the Arise Foundation, Anti-Slavery International, the Walk Free Foundation and the Issara Institute, to name a few), other human rights defenders, some unions and journalists. But civil society cannot fight this fight alone, and should not be expected to.

In year ending March 2019, 5,144 modern slavery offences were recorded by the police in England and Wales – a 51% increase from the previous year – and the true number is likely far higher. Effective government and law enforcement action in the face of reports of modern slavery and other human rights violations obviously needs to improve. For example, exploitation in Leicester garment factories is nothing new and public authorities have had ample reports and opportunity to intervene. Equally, poor working conditions like those seen in Leicester are replicated around the world, with governments turning a blind eye.

Importantly, businesses need to take responsibility for their own purchasing practices and examine how these practices contribute to exploitation on the ground. Companies that have developed human rights due diligence programmes have been able to start identifying and addressing risks that had been hidden in plain sight, including by working with suppliers to improve standards.

Do you think the Modern Slavery Act 2015 has been effective in focusing the attention of businesses onto their supply chains?

The Modern Slavery Act was pioneering when it was introduced, especially for requiring executive leadership teams to think about these issues — often for the first time. However, the drafters of the legislation always expected it would need to be strengthened over time, once businesses had got comfortable with the concept of human rights regulation. There is a renewed sense that this is required now, given the patchy quality of modern slavery statements and high levels of noncompliance. An independent parliamentary review of the law last year made 80 different recommendations for how it should be improved. Some of these were endorsed in principle by the Government, although we have yet to see any action.

How pivotal do you think the role of the Company Secretary is in working towards a world without slavery?

Without doubt, company secretaries can play an essential role. They can help the business to understand the scale, severity and proximity of modern slavery risks, and to embed respect for human rights at the heart of the company and its strategy. They can be integral in setting and communicating the tone from the top, emphasising that human rights abuses in the organisation or supply chain will not be tolerated, and that the leadership will recognise, reward and act upon vigilance at all levels. In short, I completely agree with this piece and in particular its call for company secretaries to embrace a role as the social conscience of the company.