

# Submission to the Attorney-General's Department: Reforms to the Modern Slavery Act 2018 (Cth)

27 April 2026 | To: Attorney-General's Department

Dear Modern Slavery Reform Team,

The [World Benchmarking Alliance](#) (WBA) welcomes the opportunity to provide evidence to the Department's consultation on reforms to the *Modern Slavery Act 2018*. WBA is an independent non-profit that benchmarks the world's most influential companies on their contribution to the SDGs. Our 2026 [Social Benchmark](#)<sup>1</sup> assesses 32 Australian companies on human rights due diligence (HRDD) key steps. Our [Corporate Human Rights Benchmark](#) (CHRB)<sup>2</sup> provides longitudinal assessment of three Australian companies (Coles, Wesfarmers and Woolworths) on specific forced-labour prevention indicators across multiple cycles between 2018 and 2023.

WBA strongly supports the Australian Anti-Slavery Commissioner's recommendations to amend the Act to introduce (1) a mandatory, risk-based modern slavery due diligence obligation, and (2) a mechanism to declare products, services or industries as high-risk. This submission sets out the empirical evidence for both reforms.

## 1. Six years on, the Act has not driven consistent action on modern slavery

Modern slavery risk management operates through the human rights due diligence architecture set out in the UN Guiding Principles and OECD Guidelines, and adopted in the Government's own Guidance for reporting entities. Weaknesses in HRDD process are therefore directly diagnostic of weaknesses in modern slavery risk management. Our data shows weakness at three levels of the Australian market.

- **Architecture level (n=32).** In the 2026 Social Benchmark, 21 of 32 Australian companies assessed (66%) scored zero across all 11 HRDD elements. These elements are substantively the same set of "reasonable measures" the Commissioner proposes to mandate, and they are absent across the majority of Australian reporting entities.
- **Disclosure level (n=25<sup>3</sup>).** Of the Australian companies that disclosed results from their HRDD or human rights impact assessments, 92% mentioned modern slavery or forced labour at a general level. Yet the ILO specific indicators of forced labour are systematically absent: **none of the 25 results disclosure** mentioned retention of identity documents, only 16% mentioned wage exploitation, only 16% referenced migrant workers, and only 36% identified any specific high-risk

---

<sup>1</sup> Social Benchmark assesses 2000 companies (32 Australian) on their responsibility to meet society's fundamental expectations towards respecting human rights, providing decent work, and acting ethically.

<sup>2</sup> The CHRB assesses around 100 companies (5 Australian) operating in 5 high-risk sectors - food and agricultural products, apparel, extractives, ICT manufacturing and automotive manufacturing. The companies are scored on different aspects of how a business seeks to respect human rights in its own operations and supply chain.

<sup>3</sup> Among the 32 Australian companies assessed in the 2026 Social Benchmark, 25 disclosed the results or findings of their human rights impact assessments or human rights due diligence processes.

geography. Australian companies are reporting on modern slavery as an abstract category, not as a set of concrete operational risks.

- **Leader depth (n=3).** The three Australian retailers assessed in the CHRB are among the most resourced and most publicly scrutinised reporters under the Act. Their scores have either stagnated or declined across all four CHRB forced-labour prevention themes (recruitment fees, wages, document retention, freedom of movement) between 2018 and 2023. The sharpest declines were in free movement and document retention, while protections on recruitment fees also weakened for Coles and Wesfarmers, and wage safeguards remained at zero throughout. Where positive action has occurred (for example, Woolworths’ 2022 remediation of debt bondage at a Malaysian supplier, with fee reimbursement for 226 workers), it has been reactive to audit findings rather than due to the existence of previously established preventive systems.

These findings reinforce the McMillan Review’s conclusion that the Act’s transparency-based framework has not driven consistent and effective action. Reform is needed not to displace the existing reporting regime, but to require entities to act on the risks they identify.

## 2. The capability exists, but the framework has not levelled the playing field

The barrier is not capability. Woolworths Group meets 73% of HRDD elements and Coles Group 55%. The top five Australian companies (Woolworths, Coles, Wesfarmers, BHP, Fortescue) account for virtually all positive HRDD scores in the Australian sample. A mandatory, risk-based due diligence obligation would codify what these leaders already do and bring the rest of the reporting population to a consistent floor, protecting responsible Australian business from being undercut by minimum-compliance reporters. As the Commissioner notes, this would require limited changes for businesses already implementing UNGP-aligned due diligence.

This leader cohort has also not expanded under voluntary uplift: across the 2024 and 2026 Social Benchmark cycles, no new Australian companies have joined the small group meeting the ‘identifying risks’ indicator. Six years into the Act, the group of five leaders has remained static.

## 3. Jurisdictions with mandatory due diligence substantially outperform transparency-only frameworks

Across the 2026 Social Benchmark, Australian companies underperform key peer jurisdictions<sup>4</sup> on every core HRDD step.

HRDD step	Australia (n=32)	UK (n=85)	EU (n=340)
Identifying risks	16%	19%	41%
Assessing risks	13%	19%	39%

<sup>4</sup> The UK and EU are selected as the most directly relevant comparators. The UK as Australia’s closest analogue under a transparency-based framework, and the EU as the leading example of a mandatory due diligence framework.

Acting on risks	8%	10%	27%
<b>Overall</b>	<b>12%</b>	<b>16%</b>	<b>35%</b>

There are three implications for the design of the Australian reform:

- **Transparency frameworks plateau.** The United Kingdom has had its Modern Slavery Act since 2015, four years longer than Australia, and still performs only marginally above Australia and substantially below the EU. The argument that transparency-only models will mature into stronger performance over time is not supported by the data.
- **Mandatory due diligence drives measurable progress.** Between 2024 and 2026, EU companies advanced substantially across all three HRDD steps: identifying risks nearly doubled (28% to 41%), with comparable gains on assessing (14% to 39%) and acting on risks (12% to 27%). Performance in transparency-only jurisdictions has largely stagnated or declined across the same three steps, with Australian companies falling on all three and UK companies showing mixed results. As a result, the EU–Australia gap on identifying risks has widened sharply, from approximately 8 percentage points in 2024 (20% for Australian companies, compared to 28% for EU companies) to nearly 26 percentage points in 2026 (16% for Australian companies, compared to 41% for EU companies). The EU trajectory coincides with the introduction of national and EU-level due diligence requirements.
- **Interoperability is a business case, not a burden.** Australian multinationals with EU market exposure will face CSDDD-aligned expectations regardless of domestic law. Aligning the Australian obligation with the UNGP, OECD and CSDDD core elements reduces rather than adds to the net compliance burden for Australian businesses operating in multiple markets.

#### 4. Our evidence supports key design features the Commissioner has proposed

*On the mandatory due diligence obligation (Recommendation 1):*

- **Anchor risk identification in operational indicators instead of general framing.** While 92% of Australian companies mention modern slavery in HRDD/HRIA results disclosure, almost none report against the specific ILO indicators that constitute it. The obligation should require identification at the level of recruitment practices, wage protection, document control and freedom of movement.
- **Require meaningful action and stakeholder engagement.** Australian action evidence is weighted heavily toward monitoring, audit and training, with stakeholder engagement substantially underdeveloped. The “reasonable measures” framework should expressly require ongoing, two-way engagement with workers and their representatives.
- **Make it enforceable.** Leader-laggard concentration has persisted under voluntary uplift for six years. An enforceable baseline, supported by proportionate regulatory powers, will close the gap.

*On the high-risk declaration mechanism (Recommendation 2):*

- **Direct attention to risks companies consistently overlook.** Only 9 of the 25 Australian companies disclosing HRDD/HRIA results name a specific high-risk country, and just half (13 of 25) mention any

high-risk geography at all. Only Woolworths Group mentions Myanmar, and none mention the Middle East, despite known supply chain exposure in both regions for several Australian companies. Declarations would force engagement with risks the market consistently misses.

- **Use sector-specific declarations.** 10 of 16 industries in the Australian sample score 0% on HRDD elements, including agriculture, construction, real estate and the financial sector. Sector-based declarations, combined with the existing Australian domestic high-risk sectors and globally recognised high-risk product categories, would target this unevenness.

## Recommendations

1. **Introduce a mandatory, enforceable, risk-based modern slavery due diligence obligation** for reporting entities under the Act, aligned with the UN Guiding Principles and OECD Guidelines and interoperable with the core elements of the EU CSDDD. The obligation should require entities to identify, assess and act on modern slavery risks anchored in specific operational indicators (recruitment practices, wage protection, document control and freedom of movement), with priority given to the most severe and likely risks to people. It should require ongoing, meaningful stakeholder engagement, including with workers and their representatives, alongside monitoring, audit and training. It should be supported by proportionate regulatory powers to investigate, enforce and remedy non-compliance, recognising that the leader-laggard gap will not close under voluntary uplift. Over time, this framework should also be developed toward fuller human rights due diligence, so that Australia's approach can better align with the direction of international standards and emerging regulatory practice.
2. **Introduce a high-risk declaration mechanism** enabling the Australian Anti-Slavery Commissioner to declare specific products, services, sectors and geographies as high-risk for modern slavery, with reporting entities required to have regard to declarations in carrying out their due diligence and reporting under the Act. Declarations should be evidence-based, periodically reviewed, and accompanied by tailored guidance for declared high-risk areas.
3. **Pair both reforms with practical, sector-specific guidance and capacity-building support**, prioritising sectors where current Australian HRDD performance is weakest (including agriculture, construction, real estate and financial services) and suppliers in known high-risk geographies. Adopt a phased, learning-orientated approach to enforcement, with a graduated escalation pathway from dialogue and education through to formal regulatory action, as the Commissioner proposes.
4. **Provide for an independent statutory review of the effectiveness of the new due diligence obligation** within three years of commencement, drawing on independent benchmarking and other evidence to assess whether the reforms are driving meaningful change for people in modern slavery.

WBA welcomes the opportunity to engage further with the Department on the design of these reforms, including providing additional benchmarking analysis as required.

Yours sincerely,

**World Benchmarking Alliance**

Contact: Cassidy Huang, Policy Manager  
[k.huang@worldbenchmarkingalliance.org](mailto:k.huang@worldbenchmarkingalliance.org)