



Submission: Strengthening the Modern Slavery Act

1 September 2025

RGC Advisory welcomes the opportunity to contribute to this consultation and commends the Australian Government and the Attorney-General’s Department for their continued commitment in addressing modern slavery.

The reporting obligations established under the *Modern Slavery Act 2018* (the Act) play a critical role in strengthening governance frameworks and creating incentives to reduce exposure and inadvertent support of modern slavery in Australian supply chains.

This submission is presented in two parts. The first section outlines overarching recommendations to enhance transparency and accountability of modern slavery statements. The second section, provided as an appendix, contains responses to the specific questions raised in the consultation paper.

Recommendation 1: Futureproofing Modern Slavery Statements

The diversity of approaches to modern slavery statements was well documented by Professor McMillan AO in the 2023 [review of the Act](#). A cursory inspection of the Modern Slavery Statements Register reveals a wide spectrum of reporting styles—from basic, pro forma “tick-and-flick” to highly stylised reports dominated by promotional content.

While flexibility can accommodate the varied circumstances of reporting entities, it comes at the expense of utility and effectiveness for users of statements. The lack of clarity and consistency in reporting formats presents several adverse implications:

- **Disproportionate burden on users:** The need to manually inspect and interpret individual reports using different formats creates an accessibility barrier, diminishing both the efficiency and effectiveness of the reporting framework.
- **Limited analytical integration:** The absence of structured information significantly restricts the ability to incorporate disclosures into data-driven analyses and comparative assessments.
- **Increased risk of social washing:** Requiring users of statements to dissect regulated content from unregulated promotional material heightens the risk that transparency objectives are subordinated to commercial interests.

The 2023 review acknowledged the potential benefits of standardisation, including a recommendation to consider coversheet information capturing key data points. This approach aligns with established practices in other regulatory domains—such as financial reporting and ASX disclosures—which balance flexibility with structured requirements.

We recommend that the Government consider enabling the collection of structured data alongside statements. This could be achieved by requiring reporting entities to ‘wrap’ their submissions in a structured-format coversheet containing key data points. To support this, amendments to the Act should include provisions and powers that enable the use of a structured reporting form, with its content prescribed through delegated legislation.

This approach would enhance the accessibility and analytical value of statements and support existing reporting processes—such as the collection of information about consolidated revenue and industry classification—which, while not mandated by the reporting criteria, are currently required to submit a statement.

Recommendation 2: Legislative design supporting strong compliance

Two components of the proposed updates to the Act—namely, the specificity of reporting requirements and the strengthening of compliance and enforcement powers—are distinct in policy terms but inextricably linked in the context of practical regulation.

Currently, the details of reporting obligations are primarily articulated through non-legislative guidance materials, reflecting the principles-based approach embedded in the Act. However, this reliance on guidance creates significant friction for effective enforcement. Compliance and enforcement action must be grounded in contraventions of the Act or delegated legislation; efforts to enforce expectations derived solely from guidance are likely to be costly, legally tenuous, and may perpetuate inconsistent reporting practices.

While proposals suggest relocating substantive reporting requirements from the Act to delegated legislation, careful consideration should also be given to elevating key elements of existing and proposed guidance into a formal legislative framework. For clarity, we do not consider updates or revisions to guidance alone sufficient to address this risk.

Only the development of clear, comprehensive, and enforceable requirements—underpinned by the proposed compliance powers—can establish a meaningful baseline for reporting across a diverse regulated population. Such a baseline would

provide reporting entities with the certainty needed to develop and implement long-term compliance strategies and governance objectives.

Until sufficient legislative support exists—either within the Act or delegated legislation—to clearly define the content and requirements for statements, elevated rates of non-compliance should be expected, regardless of any expansion or bolstering of enforcement powers.

Recommendation 3: Harmonise transparency frameworks

We [continue to advocate](#) for the harmonisation and streamlining of Australia’s transparency regimes applicable to large businesses. As demand for AI-driven productivity accelerates, transparency offers a cost-effective and low-friction regulatory mechanism to address emerging governance and ethical risks.

To support the development of a more robust and future-ready reporting framework, we recommend the following considerations:

- **Legislative Alignment:** Where appropriate, align legislative concepts with existing transparency regimes—such as the *Payment Times Reporting Act* and the *Workplace Gender Equality Act*—provided such alignment does not compromise the distinct operational requirements of the Act.
- **Leveraging Existing Schemes:** Utilise established regulatory frameworks that collect similar data from the same cohort of entities, thereby reducing duplication and administrative burden.

We encourage the Government to explore in this legislative update the enabling powers needed for limited functional integration across these regimes, particularly in relation to report collection, publication, and associated regulatory processes. Such integration would enhance regulatory efficiency while preserving the integrity and purpose of each framework.

Summary of recommendations

We recommend the Government strengthen the Act and enhance compliance outcomes by incorporating provisions—or enabling delegated legislation—to support the following:

- **Structured Reporting:** Introduction of a mandatory coversheet or ‘wrap’ for statements that captures key data points in a structured format.
- **Content Distinction:** Prescriptive requirements for prominence and proximity to ensure regulated content is clearly distinguishable from non-regulated promotional material.
- **Legislative Clarity:** Codification of substantive reporting requirements within the Act or delegated legislation, reserving guidance materials solely for interpretive support.
- **Regulatory Harmonisation:** Leveraging of existing transparency schemes to reduce duplication, minimise regulatory burden, and streamline reporting processes for entities subject to multiple regimes.

About RGC Advisory

RGC Advisory is a professional and legal services firm with deep expertise in corporate regulation, governance, and compliance. We advise both industry and government on navigating complex transparency frameworks and support the development and implementation of efficient, technology-enabled regulatory systems.

Appendix: Consultation Question Responses

| Part A – Mandatory reporting criteria | | |
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| 1 | Do you support the potential changes to the reporting criteria? Are any further changes needed to the reporting criteria? | <p>We broadly support the proposed changes to the reporting criteria.</p> <p>However, we wish to reiterate the recommendations outlined earlier in this submission regarding the need to safeguard the integrity of regulated information, particularly in relation to its separation from non-regulated content within statements.</p> |
| 2 | Do you support the matters the department proposes to include in delegated legislation (such as rules)? If not, what changes are needed? | <p>Yes, we support the inclusion of the proposed matters in delegated legislation.</p> <p>However, we wish to reiterate our earlier recommendations regarding the role of legislation and delegated legislation in shaping an effective system for compliance and enforcement, which would include incorporation of many specifics currently set out in guidance materials.</p> |
| 3 | Are there any challenges associated with including details about reporting criteria in delegated legislation? If so, what are they? | We have not provided a submission in response to this question. |
| 4 | Should additional guidance be developed to assist reporting entities to comply with the proposed changes to the mandatory reporting criteria? If so, what topics should be addressed by new guidance? | <p>Yes, we support a comprehensive overhaul of the guidance materials associated with the Act and proposed delegated legislation.</p> <p>As outlined in the first part of this submission, under a strengthened compliance and enforcement framework, guidance should serve a limited role—focused on supporting and interpretive matters. All substantive requirements should be clearly and comprehensively set out in the Act and delegated legislation to ensure clarity, consistency, and legal certainty for reporting entities.</p> |

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| 5 | Should a new criterion be added that requires entities to report on key actions or changes since their previous statement? | <p>Yes, we support the inclusion of this criterion, as it would improve accessibility and usability for those relying on the statements.</p> <p>As outlined in our earlier recommendations, we consider the collection of structured information—such as through a coversheet or reporting ‘wrap’—to be a suitable and effective method for capturing key actions or changes since the previous statement.</p> |
| 6 | Should reporting entities be required to report information about grievance mechanisms? If so, what specific information about grievance mechanisms should entities be required to report on? | We have not provided a submission in response to this question. |
| 7 | Are there any sensitivities with requiring an entity to report on grievance mechanisms? Please consider any sensitivities relating to quantitative or qualitative information about grievance mechanisms that might be captured. | We have not provided a submission in response to this question. |
| 8 | Should reporting on remediation be a separate mandatory reporting criterion? If so, what specific information about remediation actions and processes should entities report on? Notably, the Review explored requiring entities to report on the number of matters referred to law enforcement or other bodies, as well as to report on details of modern slavery incidents or actual risks. | <p>If failure to report on remediation is to be treated as non-compliance with reporting expectations, then this obligation should be clearly established in the primary legislation as a standalone reporting criterion.</p> <p>We support limiting the scope of reporting to the policies and decision-making processes used by entities to determine when and how matters are escalated to remediation, along with a description of the potential remediation outcomes available under those policies.</p> <p>We do not support the publication—whether qualitative or quantitative—of law enforcement referrals or disclosure of details relating to specific remediation matters. Our rationale for this position is outlined in our response to Question 9.</p> |

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| 9 | Are there any sensitivities with requiring an entity to report on remediation, noting information about remediation may include quantitative or qualitative information? | <p>Yes, there are sensitivities associated with requiring entities to report on remediation, particularly where such reporting involves quantitative or qualitative disclosures.</p> <p>Without thorough assessment and investigation, the severity of potential matters cannot be reliably determined. Two remediation actions that appear similar on the surface may differ significantly in substance and seriousness. In this context, disclosure may not meaningfully enhance transparency and could inadvertently require the publication of sensitive information.</p> <p>Moreover, imposing such a disclosure obligation may have unintended behavioural consequences. Entities may be discouraged from escalating matters unless legally compelled to do so, in an effort to avoid triggering reporting requirements. This could undermine the effectiveness of remediation processes and weaken overall compliance outcomes.</p> |
| 10 | Are there any specific safeguards we should consider to protect workers in relation to reporting on grievance mechanisms and remediation? | We have not provided a submission in response to this question. |
| 11 | Do the proposed changes to the consultation criterion address the lack of clarity currently experienced by reporting entities? | We have not provided a submission in response to this question. |
| Part B – Compliance and enforcement framework | | |
| 12 | To date, the regulator has not used its power to request remedial action or publish information regarding non-compliance, focusing instead on education. Would additional or enhanced guidance be sufficient to address current non-compliance? | <p>No. As outlined in the first part of this submission, we support a legislative framework that clearly and comprehensively sets out reporting requirements to ensure clarity and certainty for reporting entities.</p> <p>We consider that guidance should play a more conventional regulatory role—limited to interpretive support—rather than serving as a substitute for</p> |

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| | | clearly defined legal obligations. Enhanced guidance alone is insufficient to address current non-compliance in the absence of a robust legislative foundation. |
| 13 | Will the use of these existing compliance powers be sufficient to address current non-compliance? | <p>While existing compliance powers may be capable of addressing certain issues, we do not believe they are sufficient to resolve the broader non-compliance that has been identified.</p> <p>As outlined in our earlier recommendations, there is a critical nexus between the legislative framework for reporting and the effective use of compliance powers. Without a robust and clearly defined legislative foundation, the current suite of powers—and any enhancements to them—will have limited impact in driving meaningful compliance.</p> |
| 14 | Should the existing compliance powers be amended? If so, how? | <p>We support the proposed incorporation of the <i>Regulatory Powers (Standard Provisions) Act</i>, as it aligns with the scope, purpose, and intent of the reporting framework.</p> <p>The standard suite of regulatory powers provided under this Act is well-defined and appropriate for achieving the objectives of effective reporting, compliance, and enforcement.</p> |
| 15 | Under section 16A of the Modern Slavery Act, the regulator can request an entity provide an explanation for the failure to comply with reporting requirements. Would broader information gathering powers be more effective to address non-compliance? | <p>Yes, broader information gathering powers should be considered. While the current powers under section 16A of the Act allow the regulator to request an explanation for non-compliance, it does not extend to the collection of primary documents and evidence such as books and records.</p> <p>The power to require an explanation may be effective in non-contentious cases, serving as a catalyst for compliance. However, its utility is limited where there is disagreement over factual matters between the regulator and the reporting entity. In such cases, access to primary records may be necessary to resolve disputes and ensure accountability.</p> |

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| | | <p>Although the <i>Regulatory Powers (Standard Provisions) Act</i> provides mechanisms for information gathering through investigation and monitoring powers, we submit that these are not well-suited to this regulatory context.</p> <p>On-site collection of information can be inefficient and impose a high burden on both regulators and entities. A more tailored approach to information gathering—focused on proportionality and administrative efficiency—should be considered.</p> |
| 16 | Should additional regulatory tools be introduced into the Modern Slavery Act to penalise non-compliance? | Please refer to our response to Question 14, which outlines our position on the adequacy and suitability of existing compliance powers and the need for a robust legislative framework to support enforcement. |
| 17 | <p>If yes, which of the following additional regulatory tools should be introduced to respond proportionately to non-compliance?</p> <p>a) Infringement notices</p> <p>b) Enforceable undertakings</p> <p>c) Redacting a statement</p> <p>d) Other [please specify]</p> | <p>Please refer to our response to Question 14.</p> <p>In addition, we reiterate our recommendations regarding the need for tools that enable clear identification of regulated and unregulated information within statements. In this context, redaction powers may be an appropriate regulatory tool in certain cases, particularly where they support the integrity of regulated disclosures and prevent the conflation of non-regulated content.</p> |
| 18 | Should civil penalties be introduced into the Modern Slavery Act? | <p>Yes, we support the introduction of civil penalties into the Act.</p> <p>Enforceability is essential to uphold the integrity of the reporting framework and to ensure equity among regulated entities. Without meaningful consequences for non-compliance, the effectiveness of the regime is undermined, and responsible entities are disadvantaged.</p> |

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| 19 | <p>If yes, which of the following civil penalties should be introduced into the Modern Slavery Act?</p> <ul style="list-style-type: none"> a) Failure to submit a modern slavery statement b) Providing false or misleading information c) Failure to comply with a request for remedial action | <p>We support the introduction of civil penalties for:</p> <ul style="list-style-type: none"> (a) failure to submit a modern slavery statement, and (b) providing false or misleading information. <p>We also support penalties for non-compliance with any additional information gathering powers introduced into the framework.</p> <p>However, we do not consider civil penalties for (c)—failure to comply with a request for remedial action—to be necessary. In our view, such non-compliance would typically stem from a failure to report or a non-compliant report, both of which could be addressed under the provisions of (a) or (b).</p> |
| 20 | <p>Should any defences, such as mistake of fact, be considered for any proposed civil penalties?</p> | <p>We have not provided a submission in response to this question.</p> |
| 21 | <p>What key considerations should be taken into account when considering the maximum penalty units for any penalty provisions?</p> | <p>We have not provided a submission in response to this question.</p> |
| 22 | <p>If additional regulatory tools are introduced, who should carry out these new functions:</p> <ul style="list-style-type: none"> a) The current regulator who has an existing support and advisory role b) An independent section or body c) Other [please specify] | <p>We support the separation of advocacy and engagement functions from regulatory and enforcement responsibilities. To ensure clarity of purpose and avoid potential conflicts, regulatory functions should be carried out by a body with a distinct mandate focused on compliance and enforcement.</p> <p>As noted in our earlier recommendations, we also see value in aligning and coordinating regulatory oversight with other government reporting functions.</p> <p>There are opportunities to consolidate the collection, publication, and compliance monitoring of modern slavery statements within regulatory teams that specialise in broader ESG (Environmental, Social, and Governance) reporting schemes. This would promote consistency, efficiency, and improved regulatory capability across related frameworks.</p> |

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| 23 | <p>For the regulator to effectively identify, investigate and litigate alleged non-compliance, the regulator will require:</p> <ul style="list-style-type: none"> a) Access to relevant information and data to identify regulated entities b) Sufficient powers and access to relevant information to identify false or misleading information c) Sufficient funding for investigation and litigation costs d) Other [please specify] | <p>We refer to our recommendations that emphasise the need for a stronger legislative framework as the foundation for effective reporting and enforcement.</p> <p>We also refer to our responses to Questions 14 and 15, which outline the limitations of current compliance powers and the importance of aligning regulatory tools with a robust legal framework. Without clear and enforceable obligations, access to information and funding alone will not be sufficient to address non-compliance in a meaningful or sustainable way.</p> |
| 24 | <p>Are there any other subsidiary issues to be considered?</p> | <p>We have not provided a submission in response to this question.</p> |
| Part C – Joint reporting | | |
| 25 | <p>Are there any additional difficulties encountered with joint reporting under the Modern Slavery Act?</p> | <p>Yes, joint reporting under the Act presents additional challenges due to its optional nature. The flexibility in form and content leads to significant variation across reports, which undermines consistency and comparability.</p> <p>As noted in our opening recommendations, this lack of standardisation shifts the cost and burden of interpreting and engaging with statements onto end users, making it more difficult to assess compliance and performance across entities.</p> |
| 26 | <p>Does corporate group reporting adequately resolve challenges experienced by reporting entities with the current joint reporting model?</p> | <p>Yes, we submit that mandatory consolidated reporting adequately addresses the key challenges associated with the current joint reporting model. In particular, it improves the completeness, consistency, and</p> |

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| | | comparability of reporting across entities within a group, thereby enhancing the overall quality and usability of modern slavery statements. |
| 27 | Are there any new challenges that may result from replacing the current joint reporting process with a corporate group reporting model (with exemptions)? | <p>Yes, replacing the current joint reporting process with a consolidated reporting model (with exemptions) may introduce new challenges. In particular, identifying the highest entity within a corporate group that is jurisdictionally covered by the Act can be complex and may create uncertainty for reporting entities.</p> <p>As noted in our opening recommendations, any changes to the reporting framework should, as far as possible, align with existing regulatory schemes where entities are already required to identify the appropriate reporting entity. This would help minimise duplication and reduce administrative burden while supporting consistency across compliance obligations.</p> |
| 28 | Should a corporate group reporting model be adopted, do the proposed exemptions (via application to the regulator) for subsidiary and nominee reporting entities provide appropriate and sufficient accommodations for different business structures? | <p>Provided the proposed exemptions are sufficiently broad to accommodate consolidation anomalies, we consider they could effectively address the significant majority of cases where adjustments to reporting structures are necessary.</p> <p>These carveouts offer a practical mechanism for tailoring the corporate group reporting model to diverse business structures, helping to preserve flexibility while maintaining consistency in reporting obligations.</p> |
| 29 | Should a corporate group reporting model be adopted, should any additional exemptions be considered to alter the default reporting arrangements of corporate group reporting? | We have not provided a submission in response to this question. |
| 30 | Are there alternative mechanisms to improve or amend the current joint reporting processes? | We refer to our opening recommendations, which support the adoption of tried and tested models for consolidated reporting. Leveraging existing |

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| | | <p>frameworks would enhance alignment across regulatory regimes and reduce the administrative burden on reporting entities.</p> <p>We submit that introducing new systems or methods of consolidation should be avoided, particularly where the relevant issues have already been comprehensively addressed by Australian Accounting Standards and other established reporting frameworks.</p> |
| Part D – Voluntary reporting | | |
| 31 | Are any changes needed to the proposal to amend notification requirements for voluntary entities? | We have not provided a submission in response to this question. |
| 32 | Should the requirement for voluntary reporting entities to notify the Minister of their intention to voluntarily report be removed altogether? | We have not provided a submission in response to this question. |
| 33 | Are any changes needed to what potential new regulatory powers should apply to voluntary reporting entities? | <p>Entities that choose to report voluntarily should be excluded from civil penalties and other enforcement action.</p> <p>We submit that the appropriate response to non-compliance by these entities is the removal of their voluntary reporting status, consistent with the approach taken in comparable regulatory schemes.</p> |
| 34 | Should the regulator be provided a new power to revoke an entity’s status as a voluntary reporter (for example, to manage non-compliant voluntary statements)? | Yes. Please refer to our response to Question 33, which outlines our support for the regulator having the power to revoke an entity’s voluntary reporting status in cases of non-compliance. This approach ensures proportional accountability while preserving the integrity of the reporting framework. |
| 35 | Will voluntary reporting entities use guidance designed to support small and medium-sized entities to engage with modern slavery risks in operations and | We have not provided a submission in response to this question. |

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| | supply chains and support compliance with the Modern Slavery Act? What topics should the guidance address and what form should it take? | |
| Part E – Notification requirements to cease as a reporting entity | | |
| 36 | Are any changes needed to the proposal to amend the notification requirements to cease as a reporting entity? | We have not provided a submission in response to this question. |
| 37 | Are any changes needed to the proposed requirement for an entity to provide notification they will cease as a reporting entity within 6 months following the end of the reporting period? | We have not provided a submission in response to this question. |