



Motivating Ethical Sourcing

Ensuring goods imported into Australia are free from forced labour

March 2026

“Let everyone regulate his conduct... by the golden rule of doing to others as in similar circumstances we would have them do to us, and the path of duty will be clear before him.”

Christian English anti-slavery activist William Wilberforce

Forced labour, and more broadly modern slavery, remains a significant global problem in the production of some of the goods that are imported into Australia. Goods produced with forced labour gain a competitive price advantage over those produced where workers earn decent wages and have decent working conditions.

While the Australian Modern Slavery Act 2018 has had some positive impacts in making reporting entities and their suppliers more conscious of modern slavery risks in supply chains, it does not require corporations to take meaningful action to address modern slavery risks consistently.

There have been few on-the-ground investigations to assess the impact of the actions outlined by reporting entities in their Modern Slavery Statements under the Modern Slavery Act.

The Synod conducted and commissioned research into cases of modern slavery being present in the production of goods imported into Australia, producing a report “Motivating Ethical Sourcing - Ensuring goods imported into Australia are free from forced labour”. The report examined three supply chains into Australia for products identified as being at high risk of people being in forced labour in the production of the goods:

- Clothing from Mauritius;
- Palm oil from Malaysia; and,
- Coffee from Brazil.

The report assesses whether reporting entities’ efforts are sufficient to address the risks of modern slavery in their supply chains.

The Synod used Freedom of Information (FOI) requests to obtain lists of suppliers who had exported the goods in question to Australia in 2024 from the Australian Department of Home Affairs.



Clothing from Mauritius

In the case of clothing from Mauritius, the civil society organisation Transparentem published a 2023 report identifying three corporations in Mauritius where workers reported forced labour indicators in their factories in 2021 and 2022. Transparentem followed up with workers again in 2023 and 2024, and with buyer corporations through 2025.

The FOI data identified that R.E.A.L Garments, named in the Transparentem report as having forced labour indicators reported by its workers, had exported to Australia in 2024. The FOI data also revealed that Rodd and Gunn, G-STAR RAW, Diesel S.P.A, and ASOS had all exported clothing from Mauritius to Australia.

Transparentem identified all of them as customers of the suppliers in Mauritius, where workers had reported forced labour indicators.

G-STAR RAW and Diesel S.P.A publicly reported that remediation action was taken in the factories identified by Transparentem. ASOS signed onto a Transparentem-organised letter to the Mauritian government, but had not participated in remediation actions as of March 2025.

As of March 2025, Transparentem reported that not all workers they had identified as having paid high recruitment fees had been reimbursed. In 2023 and 2024, workers interviewed alleged that factory supervisors intimidated them into not reporting grievances or revealing that they had not been reimbursed for recruitment fees.

None of the customer corporations disclosed the level of financial contribution they had made towards the remediation of the harm suffered by workers who had reported forced labour indicators. It appears the customer corporations required the Mauritius suppliers to pay for most of the remediation costs, even though it seems likely the customer corporations probably benefited from the forced labour through lower prices for the clothing produced. Rodd & Gunn and G-STAR RAW stated they had taken steps to ensure better working conditions in the factories in Mauritius from which they source. Rodd & Gunn no longer sourced from any of the factories where Transparentem had interviewed workers. ASOS did not reply to the Synod's correspondence.



Palm Oil from Malaysia

In the case of palm oil in Malaysia, we were unable to find an organisation able to conduct an investigation at the plantation level. Instead, investigators commissioned by the Synod spoke to multiple government, law enforcement, civil society and industry sources. The Synod verified the information against several sources that are working on labour rights in the palm oil sector. The sources generally reported that the situation for most migrant workers in palm oil production had significantly improved. That was especially the case for workers in the supply chains of FGV Holdings Bhd and SD Guthrie Bhd, both of which had been subject to Withhold Release Orders (WROs) by the US Customs

and Border Protection. A WRO prevents products from the corporation in question from entering the US. At the time of writing, both WROs had been lifted.

However, our sources also indicated the likely presence of forced labour indicators on more

remote palm oil plantations in the Malaysian state of Sabah. Some of these plantations are likely to be in the supply chains of products to Australia.

Also, a February 2025 report on living wages for migrant workers on palm oil plantations in the Malaysian state of Sabah found that most workers interviewed earned less than the minimum legal wage, and none earned above it.

The sources also agreed that more could be done to eradicate forced labour in Malaysian palm oil production if buying corporations were willing to invest more.

Our examination of corporations selling products in Australia that likely contain palm oil sourced from Malaysia revealed a vast disparity in efforts to address forced labour. Corporations such as Nestlé, Ferrero, Mars and Colgate-Palmolive appear to be making significant efforts to address the risks of forced labour in palm oil sourced for their products. Other corporations appear, based on their public disclosures, to be free-riding off the efforts of others to address forced labour in Malaysian palm oil production.

The Malaysian palm oil case study makes the case for greater action by the Australian Government to require a more consistent effort from corporations to address forced labour in supply chains. It will not be sustainable to expect some corporations to make the bulk of the effort to curb forced labour while others free-ride.



Coffee from Brazil

In examining coffee sourced from Brazil, Cooxupé has exported over 900 tonnes of coffee to Australia in 2024. In 2025, the Brazilian Government identified five coffee grower entities that had imposed modern slavery on their workers who were supplying to Cooxupé.

Cooxupé responded by suspending coffee purchases from the farms in question and segregating any stockpiled batches to ensure traceability and integrity of the products delivered to customers. However, it is not clear what additional steps Cooxupé is taking to ensure that other coffee-growing entities it sources from are not using workers trapped in modern slavery.

Recommendations

In our view, the case studies make the case for the Australian Government to take further action to motivate corporations to ensure that people in their supply chains are not subjected to forced labour. There are certainly corporations that are taking meaningful actions, such as working with non-government organisations, providing grievance channels for workers, working with suppliers to conduct ethical recruitment and publicly revealing suppliers they will not deal with. However, some corporations appear to be taking minimal action based on what they have publicly disclosed. The Australian Government is allowing some corporations to recklessly benefit from forced labour in their supply chains, which can provide such corporations with a competitive advantage in production costs over more ethical corporations.

We urge the Australian Government to take the following actions:

- Allow importation data from the Australian Government's Integrated Cargo System (ICS) to be publicly accessible, helping to identify Australian importers sourcing from businesses overseas

involved in forced labour. The ICS is the database of trade transactions that includes details of goods imported into Australia, including the overseas supplier and the Australian-based buyer.

- Introduce a system to prevent goods made with modern slavery from being able to enter Australia, similar to the US Withhold Release Order (WRO) system. Where there is reasonable evidence that goods have involved modern slavery in their production, the Australian Border Force should detain the goods at the border. It then falls to the importer to provide sufficient proof that they have taken action to address the risks of modern slavery in the production of the goods to allow the goods to enter Australia.
- Establish an investigative body with the Australian Border Force dedicated to investigating likely cases of the importation of goods produced with the involvement of modern slavery. Such a section could be modelled on the Forced Labor Division in the US Customs and Border Protection. The US Customs and Border Protection Forced Labor Division also performs outreach with foreign governments, international NGOs and US Government representatives stationed overseas. The outreach is to raise awareness about CBP's authority to enforce the prohibition on the importation of goods produced with forced labour
- Similar to the existing anti-dumping system in Australia, third parties should be able to make complaints where they have solid evidence that goods being imported into Australia have involved workers trapped in modern slavery in their production.
- Strengthen regulation to require corporations to undertake reasonable steps (due diligence) to ensure workers in their supply chain are not trapped in modern slavery for high-risk products. The level of due diligence required should be proportional to the risk of modern slavery associated with the good in question and its place of origin. Further, large and well-resourced corporations should be required to undertake more extensive due diligence than smaller businesses, as is already the case with anti-money laundering requirements and the Illegal Logging Prohibition Act 2012. There should be a material threshold of annual transactions of a particular good from a particular supplier for when due diligence is required. Having a high threshold upholds the expectation that the due diligence effort be meaningful. Also, a higher threshold means that if modern slavery is detected in the production of the good, the buyer will have more leverage to seek corrective action from the supplier. Buyers should be explicitly permitted to conduct joint due diligence when sourcing from the same supplier, allowing them to pool resources for a more meaningful effort.
- Ensure non-compliant corporations face serious consequences and are held accountable for profiting from modern slavery. Such consequences should apply when the buyer in Australia has knowingly imported goods where the workers making the goods have been trapped in modern slavery, or where the buyer has been reckless about the fact.
- Create a mechanism for the Australian Anti-Slavery Commissioner to declare that a product, service or industry carries a high risk of modern slavery, and require entities to have regard to declarations in their due diligence and reporting obligations under the Modern Slavery Act.
- Ensure there are mechanisms in place to enforce labour standards contained in trade agreements.

**Uniting Church in Australia
Synod of Victoria and Tasmania
Centre for Theology and Ministry
29 College Crescent
Parkville, Victoria, 3052
E-mail: jim@victas.uca.org.au
Phone: +61-3-9340 8800**

March 2026