



9 September 2025

To whom it may concern,

Submission to Strengthening the Modern Slavery Act 2018 Consultation Paper

The Insurance Council of Australia ('Insurance Council'), in representing its industry members ('industry'), welcomes the opportunity to respond to the Attorney-General's Department's consultation paper ('consultation') on amending the Modern Slavery Act ('Act') 2018.

The Insurance Council is the peak, representative, body for general insurance in Australia. Its members are the face of approximately 89% of total premium income written by private sector general insurers. The industry employs more than 46,000 people, underwrites over 86 million policies and pays out an average of ~ \$90.5 million in claims everyday (\$22.7 billion a year).¹

As of 2025, a comparative few nations have introduced, passed, and implemented legislation to the likes of Australia's Modern Slavery Act 2018², underscoring Australia's leadership in this area. The Insurance Council's members are committed to progressing supply chain transparency and support the identification, management, and remediation of modern slavery risks through the reporting framework.

Since the Act's inauguration, the Insurance Council's members have worked to ensure their actions contribute to meaningful advances to combat modern slavery. To support this, the Insurance Council continues to convene its Modern Slavery Working Group, an issue-specific interest group comprising of delegates from member insurers, to consult on activities both regarding, and external to, the Act. Our members are demonstrably determined to advance human rights in Australia.

Recommendations

In considering the 'Strengthening the Modern Slavery Act' consultation paper, industry supports majority of the amendments proposed by the Government.

The Insurance Council's members hold the view that, while the Act provides a sound baseline for good practice and commendably contributes to the advancement of human rights in Australia, further progress will depend on prioritising the effectiveness of mechanisms to mitigate risks, address grievances, and deliver remediation – placing greater emphasis on real-world *impact* rather than solely on measuring *compliance*.³

To operationalise this distinction, industry would urge the Government to consider the following considerations that have emerged as prominent themes through our member consultation (*please note that an itemised review of the amendment, the consultation questions most relevant to industry, and their respective responses, is detailed in the summary table below*):

(a) Timelines (and implementation considerations)

Regarding amendment items (Ref No.s) 1.2, 1.3, 1.4 and 2.1 outlined in the consultation table below, general insurers seek greater clarity on the expected timeline and implementation of legislation. Amendments to reporting requirements can have downstream and upstream impacts across internal structures, systems, and day to day operations. If implemented without sufficient lead time and flexibility,

¹ [Insurance Council of Australia: Industry Snapshot 2025](#)

² Walk Free (2025) | [Global Slavery Index / Country Study: Modern Slavery in Australia](#)

³ [Report of the statutory review of the Modern Slavery Act 2018](#)



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unintended consequences, including strains on supply chains and a reluctance from external entities to engage in partnerships, may arise.

To mitigate these risks, organisations require sufficient flexibility to plan and structure their transition to new reporting requirements in a manner that aligns with their existing systems and processes. The industry considers that amendments proposed in Parts A and B, outlined in further detail below, should be supported by clear guidance and phased implementation timeframes to enable entities' adoption of reforms effectively and sustainably.

(b) Existing statutes

The general insurance industry in Australia operates within a highly regulated environment. In this context, any new compliance or penalty regime must be carefully designed to avoid duplication or conflict. The Insurance Council **supports** meaningful enhancements to compliance measurements and **supports the intent** of introducing penalties for wilful breaches of the Act (see Industry Response 2.3). The Insurance Council cautions against the introduction of penalties or reporting obligations that duplicate or overlap with existing legislative or regulatory frameworks. Such overlap raises industry concerns of several risks, including:

- 1) Conflicting definitions/interpretations of compliance
- 2) An increased likelihood of inadvertent breaches
- 3) The duplication of penalties
- 4) A significant strain on internal resources from increased administrative and reporting responsibilities, particularly for smaller industry participants, resulting in increased operational expenses which are ultimately passed on to consumers.

(c) Framing additional guidance

Clear and detailed guidance is essential to support insurers at all levels of maturity – particularly where amendments introduce new penalties or where the implementation of one amendment depends on another's introduction (see Industry Response 5.1, highlighting how overlapping requirements can create uncertainty for industry).

We recommend that the Government provide comprehensive, practical guidance, including (1) examples, (2) a clear iteration of minimum expectations, and (3) case studies wherever possible. This will contribute to streamlined reporting processes, the consistent adoption of best practice, and an embedded understanding of the Government's standard for good reporting.

We urge that all proposed items be assessed through a practical lens when the Government considers their inclusion in ancillary guidance documents, from the outset.

We appreciate the opportunity to respond to the 'Strengthening the Modern Slavery Act' consultation. If you have any questions, please contact me or Meaghan Noble, Senior Adviser, Social Policy, at mnoble@insurancecouncil.com.au.

Yours sincerely,

Andrew Hall
Executive Director & CEO



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Consultation Summary Table

Submission to Strengthening the Modern Slavery Act 2018 Consultation Paper

Part A: Mandatory Reporting Criteria	Proposed Change	Industry Response	Ref No.
Clarify, refine and expand the reporting criteria.	<ul style="list-style-type: none">• Amending criterion (a) to additionally require a statement to identify entities owned or controlled by the reporting entity.	<p>Industry <i>supports the intent</i> of this change.</p> <p>However, the requirement has the potential to unduly increase the administrative load of both the Government and insurers, who have complex corporate group structures arising from regulatory licensing obligations, geographical and jurisdictional coverage, and legacy systems and arrangements.</p> <p>Industry highlights several areas where additional clarification would assist implementation:</p> <ul style="list-style-type: none">(a) Clarity regarding complicated corporate group structures, ensuring the inclusion of all scoped entities is useful for the reader.(b) Clarity surrounding the inclusion of overseas subsidiaries.(c) Clarity surrounding the inclusion of joint venture organisations.(d) Clarity regarding the relevance and importance of a collective risk on a group entity, noting some scoped entities may not have any unique risks attributable to them. <p>While recognising the importance of reporting on an organisation's sphere of influence to capture modern slavery risks, comprehensively, industry recommends that details of owned and controlled subsidiaries be presented in the appendix. This approach would maintain transparency while reducing unnecessary complexity in the main statement.</p>	1.1
	<ul style="list-style-type: none">• Consolidating and clarifying criteria (d) and (e) to require an entity to report on its actions to	<p>Industry <i>supports</i> this change.</p> <p>Consolidating and clarifying criteria (d) and (e) will streamline reporting requirements and reduce the incidence of repetition in having to:</p>	1.2

Part A: Mandatory Reporting Criteria	Proposed Change	Industry Response	Ref No.
	<p>address modern slavery risks, including due diligence. This includes actions to:</p> <ul style="list-style-type: none"> - identify and assess risks of modern slavery practices - address modern slavery risks - monitor the implementation and effectiveness of its actions. 	<p>(1) Identify an action taken to reduce modern slavery risks, and (2) Subsequently re-identify this action to contextualise an explanation of what measures were taken to assess its effectiveness.</p> <p>Industry would advise that guidance pertaining to this amendment would be best utilised if it contains practical examples of implementation. Overall, this consolidation will add weight to the measure of effectiveness, reducing the likelihood of tick-the-box reporting on risks as a matter of form.</p>	
	<ul style="list-style-type: none"> • Inserting a new criterion to require an entity to report on grievance mechanisms. 	<p>Industry <i>supports the intent</i> of this amendment, but requests further clarification regarding the scope of reporting required. This amendment presents a potential overlap in existing reporting channels that already address different aspects of grievance procedure within the industry. In demonstrating this, industry notes:</p> <ul style="list-style-type: none"> (a) Mechanisms overseen by the Australian Financial Complaints Authority (AFCA) (b) Conduct protections set out in the General Insurance Code of Practice and governed by the ICA Code Governance Committee, and (c) Whistleblower protections, which are legislated in the Corporations Act and governed by the Australian Securities and Investments Commission (ASIC). <p>Industry advises that, in the event this amendment is incorporated into the revised Act, additional guidance will be required, surrounding:</p> <ul style="list-style-type: none"> (a) In practicality, reports of grievance may often be brought to an organisation's attention through external reporting channels. Once an organisation is made aware of such grievances, remedy efforts are often already under way. (b) Complaints are often actioned over an extended period and data pertaining to these may not be released until resolution. Withholding information sensitive to an unresolved grievance for 	1.3

Part A: Mandatory Reporting Criteria	Proposed Change	Industry Response	Ref No.
		<p>a certain time should not be penalised, nor characterised as non-compliant.</p> <p>(c) Supply chain entities' degrees of visibility to a parent firm are variable. Further clarity is required around the expected delineation for reporting grievance mechanisms within insurers' supply chain tiers.</p> <p>(d) Clarity is required to understand expected timelines and the possibility of phased implementation for this criterion.</p> <p>(e) Understanding that specific details on complaints made through external governing bodies may not be privy to disclosure by an insurer.</p> <p>(f) Existing, and potential evolutions in, privacy law, must be considered to avoid well-intentioned breaches in information release, as well as legislative or punitive overlap.</p> <p>(g) Further guidance required regarding the possible incidence of a zero grievance result simultaneous with evidenced scrutinisation of a modern slavery risk.</p>	
	<ul style="list-style-type: none"> • Inserting a separate criterion to require an entity to report on its processes and actions to remediate modern slavery incidents. 	<p>Industry supports this amendment, noting simplification could be achieved with clear accompanying guidance and consideration of the following factors:</p> <p>(a) To avoid legislative overlap, the Act could link the new reporting criterion to firms' existing remediation responsibilities outlined in Section 15(c) of the United Nations Guiding Principles on Business and Human Rights, stating: <i>'In order to meet their responsibility to respect human rights, business enterprises should have in place policies and processes appropriate to their size and circumstances, including: Processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute'.</i></p> <p>(b) Clear and detailed guidance will be required to define the parameters and format of reporting, with careful consideration of factors such as corporate group structures, size and scale, and the consideration of safe-guarding victims' privacy.</p>	1.4

Part A: Mandatory Reporting Criteria	Proposed Change	Industry Response	Ref No.
		<ul style="list-style-type: none"> (c) Remediation is often actioned over an extended period and data related to a remediated grievance may not be released until resolution. Withholding this information until such time as it is releasable should not, in industry's eyes, be penalised nor characterised as non-compliant. (d) As above, clarity is required to understand expected timelines and the possibility of phased implementation for this criterion. (e) As above, existing and potential evolutions in privacy law must be considered to avoid contradictions or accidental breaches. 	
	<ul style="list-style-type: none"> • Clarifying criterion (f) to note the process of consultation is in relation to the preparation of the statement. 	<p>Industry supports this amendment.</p> <p>This amendment will help to clarify requirements set by criterion (f). In doing so, industry advises that the following considerations should be made to ensure practical applicability:</p> <ul style="list-style-type: none"> (a) Firms adopt different approaches to reporting. In drafting this clarification, the Government should consider the spectrum of organisational reporting approaches, ranging from multiple-stakeholder participation to the utilisation of a single team. (b) Guidance outlining procedure for this amendment should include multiple examples to ensure clarity. At present, there is no concise or standardised definition of what constitutes adequate consultation, nor clarity on the form it must take. (c) Consultation should ensure that each entity is aware of the actions required of them in relation to risk mitigation and reporting. (d) Consideration of this criterion's potential for administrative contradiction if corporate group reporting is introduced. 	1.5

Part A	Consultation Question	Industry Response	Ref No.
	1. Do you support the potential changes to the reporting criteria? Are any further changes needed to the reporting criteria?	Industry supports the intent of the potential changes to the reporting criteria. Several considerations and points necessitating clarity, outlined above, would enable further support if actioned.	CQ1
	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?	Industry supports the development of additional guidance to accompany any introduced amendments. Industry also advises that additional guidance should be developed to address areas previously identified as ambiguous throughout the Act. From a general insurance perspective, industry would appreciate practical examples embedded within such guidance, to enable effective and aligned implementation.	CQ2
	5. Should a new criterion be added that requires entities to report on key actions or changes since their previous statement?	Industry seeks further clarity on this addition. Firms are already expected to demonstrate continuous improvement on key actions or changes in their statements. Noting this expectation, industry questions the requirement for a new criterion, which might lead to duplication and inefficiency. In the instance the Government proceeds with this amendment, industry would ask that they consider: (a) A firm's prioritisation of key initiatives will organically vary depending on the year. (b) The administrative surge this change will accompany, noting this disproportionately disadvantages smaller firms.	CQ3
	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?	Industry seeks further clarity for this proposed requirement and would ask the Government to consider the following: (a) Insurance firms vary in size and internal capability to report on perhaps uncaptured data points. This requirement would necessitate timely internal data releases and a significant administrative increase, disproportionately impacting smaller firms with more limited resourcing. (b) This requirement would invite complications in its interaction with existing privacy law and organisation principles addressing the safeguarding of victims' privacy. In weighing the challenges imposed by this requirement to the prospective benefit of its implementation, industry would advise that the	CQ4

Part A	Consultation Question	Industry Response	Ref No.
		Act remain focussed on delivering resourcing to mitigating practices to combat the incidence of Modern Slavery.	
	11. Do the proposed changes to the consultation criterion address the lack of clarity currently experienced by reporting entities?	From an industry perspective, the necessity of consulting with internal stakeholders to the preparation of a statement is evident from an operational and information sharing perspective. Ambiguity with regard to this criterion is not an issue. However, industry regards this clarification as a welcome change to ensure effective reporting by all.	CQ5

Part B: Compliance and Enforcement Framework	Proposed Change	Industry Response	Ref No.
<p>Enhance regulatory powers in line with regulatory best practice and to enable the regulator to respond proportionately to non-compliance.</p>	<ul style="list-style-type: none"> Expanding the current power to request an entity to provide an explanation to a broader information-gathering power that allows the regulator to request information or documents relevant to the operation of the Modern Slavery Act. 	<p>Industry <i>supports the intent</i> of this amendment. As a highly regulated sector, the industry welcomes action on non-compliance, however, any new requirements must be carefully and practically considered to avoid overlaps with existing legislation, regulation, guidelines, or principles, to which industry is already subject. Industry notes further clarity is required regarding:</p> <ul style="list-style-type: none"> (a) Expected timelines for, and the potential of a phased, implementation. (b) Interaction, compliance, and potential overlap with penalties administered by other governing bodies, e.g. ASIC, for incidences of blue washing. (c) The oversight and remit of the Anti-Slavery Commissioner over this information-gathering body and subsequent procedure for exercising this power. (d) Strategy for avoidance of adverse impacts on company disclosure statements due to strained organisational capacity under excessive and multi-channelled reporting requirements. 	2.1
	<ul style="list-style-type: none"> Introducing new regulatory powers related to enforceable undertakings, infringement notices, redaction powers, and a power to apply for a civil penalty order. 	<p>Industry <i>supports the intent</i> of this introduction and would request further detail, clarity, and extensive examples on this point of action. The insurance industry is highly regulated and the general introduction of measures increasing regulatory power over the items detailed in this point is likely:</p> <ul style="list-style-type: none"> (a) to overlap and potentially contradict existing legislation, (b) to impact internal resourcing through an administrative surge, particularly for smaller firms, and (c) to inhibit effective changes in harmful practices. Industry would advise that effective strategies and programs combatting harmful practices would be better informed through the measurement of impact, and the development of appropriate programs to replicate good results, rather than reactive penalties. 	2.2

Part B: Compliance and Enforcement Framework	Proposed Change	Industry Response	Ref No.
Consider strengthening the enforcement framework by introducing civil penalties for non-compliance.	<ul style="list-style-type: none"> failing to submit a statement 	Industry <i>supports the intent</i> of the application of civil penalties to entities who are demonstrated to have deliberately failed to submit a statement, noting full support might emerge with clarification around procedure, including exceptions and leniency, for this requirement.	2.3
	<ul style="list-style-type: none"> providing false or misleading information 	<p>Industry <i>supports the intent</i> of this measure but would urge the Government to consider the following:</p> <p>(a) Existing legislation. Section 1309 of the Corporations Act outlines that where <i>'an officer or employee of a corporation making available or giving information to a director of a corporation, or the director of an owned or controlled corporation, that is false or misleading in a material particular'</i>, is subject to penalties, this amendment introduces a duplication of said penalty.</p> <p>Industry notes a duplicate penalty could encourage firms to regard their statements as a compliance exercise rather than encouraging best practice.</p> <p>(b) As above, the lack of clarity surrounding delineation of responsibility to understand the reported transparency of a supply chain entity.</p>	2.4
	<ul style="list-style-type: none"> failing to comply with a request for remedial action. 	<p>Industry <i>supports the intent</i> of this measure but would urge the Government to consider:</p> <p>(a) Overlap with existing legislation. Section 1327 of the Corporations Act <i>'legislates the obligation of an individual to comply by a request for remedial action ordered by a Court, lest they be held in contempt of the Court'</i>.</p> <p>(b) Practicality. In an instance where the Anti-Slavery Commissioner were to deem a statement as sufficiently misrepresentative to require remedial action, it is <i>likely</i> to be a case of such gravity that it falls into existing tort law prohibiting fraudulent misrepresentation under such Acts as the Civil Liability Act(s) (NSW & QLD), the Wrongs Act (VIC), and other states' legislative equivalents.</p>	2.5

Part B	Consultation Question	Industry Response	Ref No.
	16. Should additional regulatory tools be introduced into the Modern Slavery Act to penalise non-compliance?	Industry supports the intent of the adoption of regulatory tools to address non-compliance, in line with the approach detailed in page 27 of the consultation paper (Figure 3: Example of a risk-based regulatory approach).	CQ6
	17. If yes, which of the following additional regulatory tools should be introduced to respond proportionately to non-compliance? a) Infringement notices b) Enforceable undertakings c) Redacting a statement d) Other [please specify]	Industry supports action c) Redacting a statement to proportionally address non-compliance in reporting.	CQ7
	18. Should civil penalties be introduced into the Modern Slavery Act?	Industry understands the intent of the introduction of civil penalties into the Modern Slavery Act. However, as further explored in Ref No. 2.3, 2.4 and 2.5, there are some markers of non-compliance that industry does not see as practical or effective to penalise as it directly inhibits the intention of streamlining and optimising statements to better serve the regulation of harmful practices.	CQ8
	19. If yes, which of the following civil penalties should be introduced into the Modern Slavery Act? a) Failure to submit a modern slavery statement b) Providing false or misleading information c) Failure to comply with a request for remedial action	For reasons detailed above, industry supports, pending further clarity, item a) Failure to submit a modern slavery statement, but questions the necessity of amendments items b) Providing false or misleading information and c) Failure to comply with a request for remedial action.	CQ9
	20. Should any defences, such as mistake of fact, be considered for any proposed civil penalties?	Industry supports the introduction of mistakes of fact as defence for non-compliance.	CQ10
	22. If additional regulatory tools are introduced, who should carry out these new functions:	The general insurance industry would advise against the introduction of a new role or body to oversee these functions. Industry would instead	CQ11

Part B	Consultation Question	Industry Response	Ref No.
	a) The current regulator who has an existing support and advisory role b) An independent section or body c) Other [please specify]	preference that the Anti-Slavery Commissioner's office be expanded to carry out this work.	
	23. For the regulator to effectively identify, investigate and litigate alleged non-compliance, the regulator will require: 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]	Industry <i>supports the intent</i> of a regulatory need for access to these data points, sufficient information gathering powers and funding. However, it additionally advises that the appropriate regulator should be able to access the information to satisfy the points of enquiry addressed in item a) through existing channels, including other regulatory bodies.	CQ12

Part C – Joint Reporting	Proposed Change	Industry Response	Ref No.
Joint reporting.	<p>Respond to difficulties encountered with joint reporting procedures.</p> <p>This could include replacing joint reporting procedures with corporate group reporting. Under this option, a parent entity would be responsible for submitting a statement on behalf of a corporate group, where the consolidated revenue of the group meets the reporting threshold. Entities could apply to the regulator for an exemption, which would alter default corporate reporting arrangements by:</p> <ul style="list-style-type: none"> • having another entity report on their behalf (nominee reporting entity), or • having an entity within the corporate group report individually (subsidiary reporting entity). 	<p>Industry supports the introduction of corporate group reporting, aligned with international best practice. This would simplify processes, reduce duplication, enhance consistency, and mirror the operational dynamics of integrated governance and shared supply chains. This amendment would additionally enable the streamlining of internal consultation and individual signoffs. Industry advises that further guidance is required to address:</p> <ul style="list-style-type: none"> (a) Procedure pertaining to the determination of Nominee and Subsidiary Reporting Entities. (b) Clarifying procedure and parameters of compliance for joint ventures, where a partner firm is not a subsidiary but may seek to apply for an exemption. 	3.1

Part C	Consultation Question	Industry Response	Ref No.
	25. Are there any additional difficulties encountered with joint reporting under the Modern Slavery Act?	<p>In the most recent reporting cycle, industry noted entities were required to separately identify both “reporting entities” and “included entities”, a new requirement that introduced additional complexity and increased the risk of discrepancies between the portal listing and the lodged modern slavery statement.</p> <p>Industry would recommend that the Modern Slavery Register portal be updated to support tagging all entities covered under a group statement, with clear and consistent explanatory guidance that clarify the distinction between “reporting” and “included” entities and how they should be reflected in both the portal and the statement.</p>	CQ13

Part D – Voluntary Reporting	Proposed Change	Industry Response	Ref No.
Amendments to voluntary reporting.	Streamline reporting for voluntary entities. This could include allowing voluntary entities to revoke their status as a voluntary reporting entity at any time by providing notice.	This amendment does not affect the Insurance Council's member organisations.	4.1

Part E – Notification Requirements to Cease as a Reporting Entity	Proposed Change	Industry Response	Ref No.
Require entities to provide notice when they will no longer be providing a statement.	Improve oversight of reporting entities by introducing requirements to notify the regulator when ceasing to be a reporting entity. This could include a requirement for entities to provide an explanation as to why they will no longer be reporting (for example, the entity's revenue has fallen below the reporting threshold).	Industry advises that further clarity and guidance would be appreciated regarding this amendment's application to the potential introduction of corporate group reporting.	5.1