

Submission to the Education and Workforce Committee on the:

Modern Slavery Bill

Submitted by the New Zealand Council of Trade Unions Te Kauae Kaimahi

27 May 2026

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This submission is made on behalf of the 32 unions affiliated to the New Zealand Council of Trade Unions Te Kauae Kaimahi (NZCTU). With over 370,000 union members, the NZCTU is one of the largest democratic organisations in New Zealand.

The NZCTU acknowledges Te Tiriti o Waitangi as the founding document of Aotearoa New Zealand and formally acknowledges this through Te Rūnanga o Ngā Kaimahi Māori o Aotearoa (Te Rūnanga), the Māori arm of Te Kauae Kaimahi (NZCTU), which represents approximately 60,000 Māori workers.

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Introduction and summary of recommendations

1. The NZCTU welcomes the opportunity to submit on the Modern Slavery Bill.
2. Modern slavery is a chronic problem in many countries that New Zealand has trade relationships with, either directly or indirectly. World Vision NZ estimated that, in 2022, roughly \$8 billion worth of goods that were at high risk of having been made by forced or child labour entered New Zealand.
3. Modern slavery also occurs in New Zealand, with migrant workers in low-wage industries particularly vulnerable to forced or exploitative working conditions.
4. The Modern Slavery Bill will make a useful contribution to addressing modern slavery in New Zealand business operations and supply chains, by requiring large firms to report on modern slavery incidents and risks. This will bring New Zealand into closer alignment with peer countries such as Australia and the United Kingdom, which already have modern slavery legislation.
5. The NZCTU therefore supports the intent of this Bill. However, some improvements need to be made if the Bill is to be truly effective. The NZCTU recommends that:
 - **Recommendation 1:** The reporting requirements are strengthened so that reporting entities must undertake due diligence on modern slavery, not just transparency reporting.

- **Recommendation 2:** Reporting entities are required to consult with trade unions when undertaking modern slavery reporting/due diligence.
 - **Recommendation 3:** The revenue threshold for reporting entities is set at \$50 million per annum, instead of \$100 million. Reporting thresholds should be reviewed every 3 years, with a view to lowering them over time.
 - **Recommendation 4:** An Anti-Slavery Commissioner is established to raise the profile of the issue, assist reporting entities with compliance and best practice, and work with reporting entities, trade unions, and civil society groups to identify high-risk sectors, supply chains, and workforces.
6. The NZCTU recommends the following additional measures will be necessary to make the legislation effective:
- **Recommendation 5:** Modern slavery reporting/due diligence should be completed using a standardised template to ensure accessible and comparable information.
 - **Recommendation 6:** The modern slavery register should be easily navigable and searchable. It should enable users to identify entities subject to the Act and any entities that are non-compliant, and to search records by relevant categories such as high-risk sector and type of reporting entity.
 - **Recommendation 7:** The relevant regulator(s) must be sufficiently resourced to enforce compliance with this law, and with other parts of New Zealand’s system of labour standards and protections.
 - **Recommendation 8:** Support for victims of modern slavery in New Zealand needs to be increased. The committee should speak to the Modern Slavery and Trafficking Expert Practitioners Group to better understand the forms of assistance that victims of modern slavery require and how this could be achieved in New Zealand.
7. It needs to be recognised that modern slavery is a complex and systemic problem. This Bill will make a small contribution to addressing the problem, particularly if the recommendations above are incorporated. However, New Zealand needs to take a multi-pronged approach to eliminating modern slavery from our own shores and our international supply chains. This necessarily includes work to strengthen our domestic labour laws and their enforcement, our immigration settings, and our mechanisms of international trade and investment, among other areas.

The problem of modern slavery

8. The International Labour Organization (ILO) defines modern slavery as “comprised of two principal components – forced labour and forced marriage. Both refer to situations of

exploitation that a person cannot refuse or cannot leave because of threats, violence, deception, abuse of power or other forms of coercion”.¹

9. The ILO has published a comprehensive estimate of the prevalence of modern slavery in the contemporary world in 2021. It estimated that almost 50 million people were living in modern slavery in that year. Approximately 27.6 million people were in forced labour and 22 million were in forced marriage. It is likely that these numbers have grown in recent years due to escalating conflict and the impact of Covid-19 on precarious workforces.
10. Forced labour, which is the most relevant measure for the Modern Slavery Bill, is defined by the ILO Forced Labour Convention (No. 29) as “all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered themselves voluntarily”.
11. Migrant workers, women, LGBTQIA+ workers, and children are particularly vulnerable to modern slavery. Migrant workers are three times more likely than non-migrant workers to be in forced labour. Women are far more likely than men to be victims of forced marriage, forced commercial sexual exploitation, and certain forms of forced labour such as forced domestic labour. Due to discrimination, LGBTQIA+ workers are more likely to lack access to formal employment and to be economically precarious, which puts them at greater risk of modern slavery; they are particularly vulnerable in countries where sexual orientation or gender identity is criminalised or heavily stigmatised. And children are especially vulnerable to modern slavery due to the inherent power imbalance between adults and children; in 2021, an estimated 3.2 million children were in forced labour, with around half of this number in forced commercial sexual exploitation.²
12. There are many indicators of forced labour that need to be considered when examining the susceptibility of different workforces to exploitation. The ILO lists the following key indicators:³
 - Abuse of vulnerability, such as the vulnerability of migrant workers or children.
 - Deception, which often takes the form of false promises concerning wages and working conditions.
 - Restriction of movement, for example through the confiscation of identity documents, physical lockdowns, and curfews.
 - Isolation, which often occurs for migrant workers in remote locations, but also for domestic service workers, which particularly affects women.
 - Physical and sexual violence, which is often used as a means of control, and is disproportionately experienced by women workers.
 - Intimidation and threats, often in the form of physical or sexual violence, but also through other threats such as denunciation to immigration authorities.

¹ [ILO](#), *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*, 2022, p. 2.

² [ILO](#), *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*, 2022.

³ [ILO](#), *ILO Indicators of Forced Labour: 2025 Revised Edition*, 2025, pp. 7–27.

- Withholding of wages or excessive deductions from wages, which can trap workers in situations of dependency, especially if they are indebted to their employer.
- Debt bondage, which happens when a worker becomes indebted to their employer or a person who recruited them into employment.
- Abusive working and living conditions, such as living in cramped and unsanitary housing, or undertaking hazardous work without necessary health and safety measures.
- Excessive overtime, which is especially prevalent for occupations such as domestic service workers, fishers, and certain forms of manufacturing.

13. In New Zealand, the Recognised Seasonal Employer scheme⁴ and the Accredited Employer Work Visa are particularly sources of concern. In successive reports, the NZ Human Rights Commission has found widespread labour exploitation under these schemes. The problems include being charged money for fake jobs, excessive and illegal wage deductions, cramped and unsanitary housing, and debt bondage.⁵ Seafaring is also a high-risk industry, with “flags of convenience” allowing ships to come to New Zealand that are subject to almost no labour protections; wage theft and exploitation are rife in this industry.⁶

14. Modern slavery also affects New Zealand through our international supply chains. For example, World Vision NZ estimated that in 2022 around \$8 billion worth of goods were imported to New Zealand that were at high risk of being made with forced or child labour. That was around 10% of total goods imports that year. These goods came primarily from China (~74%), Indonesia (~7%), Vietnam (~5%), and Malaysia (~3%), and were concentrated in electronics, garments, textiles, palm oil, and footwear.

15. New Zealand’s exposure to risky imports is likely to grow in the near future, due to the conclusion of free trade agreements with countries that have high incidences of modern slavery:

- The New Zealand–United Arab Emirates Comprehensive Economic Partnership Agreement entered into force in 2025. Walk Free, an international human rights organisation that reports on modern slavery, estimates that the UAE has the seventh highest prevalence of modern slavery in the world. Walk Free estimates that there were approximately 132,000 people living in modern slavery in the UAE in 2021, or 13 out of every 1,000 people.⁷

⁴ The NZCTU recently submitted on changes necessary to the scheme: [NZCTU](#), ‘2026 RSE Policy Review’, 2026.

⁵ See [NZ Human Rights Commission](#), *The RSE Scheme in Aotearoa New Zealand: A Human Rights Review, 2022*; [NZ Human Rights Commission](#), *The Accredited Employer Work Visa (AEWV) Scheme in Aotearoa New Zealand: A Human Rights Review, 2024*.

⁶ The problem is similar in Australia. See The Australia Institute Centre for Future Work, *Robbed at Sea: Endemic Wage Theft from Seafarers in Australian Waters, 2022*.

⁷ Walk Free reports on 160 countries. See <https://www.walkfree.org/global-slavery-index/>

- New Zealand has concluded a free trade agreement with the Gulf Cooperation Council (a group of six gulf countries, including the UAE). These countries all have shocking levels of labour exploitation. This agreement is not yet in force.
- New Zealand has concluded a free trade agreement with India, which, at the time of writing, is before select committee. Walk Free estimates that India also has very high levels of modern slavery, with approximately 11 million people living in modern slavery, or around 8 out of every 1,000 people.

These agreements all have weak and non-binding labour provisions in them, and so will do nothing to lift labour standards in these countries.

16. It is also likely that our exposure to risky imports will grow in the near future due to the escalating socio-economic crises experienced across much of the world, and particularly acute in the Global South. As ILO research shows, conflict, climate change, and emergencies like Covid-19 all increase worker vulnerability to exploitation. Therefore, as global instability deepens, we can expect this problem to get worse.
17. Finally, in addition to imports, New Zealand businesses may be implicated in modern slavery in their supply chains, be that through the primary and intermediate goods they consume, offshore production processes, or export processes. The extent to which this is an issue is currently unknown and requires dedicated research. If designed and implemented well the Modern Slavery Bill can contribute to the development of a more detailed picture of this.
18. In the remainder of this submission, we outline improvements that are needed to strengthen the Modern Slavery Bill and ensure it meaningfully contributes to the goal of eliminating modern slavery.

Strengthen the reporting requirements

19. The Bill establishes reporting requirements for entities operating in New Zealand that have a total annual revenue of more than \$100 million (this includes both private firms and Crown agencies).
20. Reporting entities are obliged to cover, inter alia, descriptions of modern slavery incidents that have occurred within its operations or supply chains; known and anticipated risks; actions taken to prevent, address, mitigate, or remediate modern slavery incidences or risks; and the effectiveness of any actions taken.
21. The Bill also establishes reporting requirements for a designated modern slavery Registrar and a designated Minister.
 - The Registrar, which will presumably be housed in the Ministry of Business, Innovation and Employment (MBIE), will provide guidance to entities on how to fulfil their reporting requirements, maintain a register of all modern slavery statements, and provide an annual report that synthesises findings across reporting entities. The

register has the potential to be a useful resource, but this will ultimately depend on the honesty and depth of the modern slavery reports that the Registrar receives from reporting entities.

- The Minister must present a report to the House annually that covers modern slavery referrals, criminal investigations, prosecutions, and so on. This will be useful but will only capture reported incidences of modern slavery within New Zealand. In this respect it will be of limited value in addressing modern slavery in our broader supply chains.

22. Private firms who meet the revenue threshold are liable for both criminal and civil penalties if they fail to comply with the reporting requirements. This is a valuable aspect of the legislation that must be kept. Experience from Australia, which has similar reporting legislation around modern slavery, shows that without meaningful penalties for non-compliance modern slavery reporting becomes a simple tick-box exercise for firms.⁸

Mandatory due diligence

23. The inclusion of criminal and civil penalties for non-compliance with the reporting requirements in the Modern Slavery Bill should drive better reporting than its Australian counterpart. However, the Australian experience also shows that transparency reporting is not capable of driving meaningful improvements in business practices if reporting entities are not obliged to *act* on their findings. Essentially, transparency-only regimes create reporting without accountability: companies can describe poor or concerning practices in their supply chains, face no consequences, and change little.

24. By contrast, mandatory due diligence shifts the burden from *disclosure* to *prevention*.⁹ There are international examples of mandatory due diligence laws. These include the Corporate Duty of Vigilance Law in France, the Child Labour Due Diligence Law in the Netherlands, the Supply Chain Due Diligence Act in Germany, and the Transparency Act in Norway. These laws all establish reporting mechanisms for firms that meet a certain threshold to investigate their supply chains and business operations to identify labour rights incidents and risks. Crucially, these laws also require firms to take action to address and mitigate these incidents and risks. The German Supply Chain Due Diligence Act also requires firms to establish complaint procedures through which workers can report potential incidents or risks.

25. **The NZCTU recommends Part 2, subpart 2 is amended to require reporting entities to undertake mandatory due diligence. Entities should be required to undertake and report on due diligence processes to identify modern slavery incidents and risks and to take actions to address, mitigate, and prevent these incidents and risks when they are identified.**

⁸ [Australian Council of Trade Unions](#), 'Review of Australia's Modern Slavery Act 2018', 2022.

⁹ The international standards for mandatory human rights due diligence are set out in the [United Nations](#) Guiding Principles on Business and Human Rights, the [ILO](#) Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the [OECD](#) Guidelines for Multinational Enterprises.

Engagement with trade unions

26. The reporting requirements would be further improved by requiring entities to engage in consultation with relevant trade unions when undertaking reporting/due diligence activities. Consulting with trade unions in this way would have a number of benefits:

- First, it helps ensure that workers in a reporting entity are able to bring their expertise to bear in the reporting/due diligence process. Workers often have a more granular understanding of specific business operations than management do, as workers are the ones carrying out the activities on a daily basis.
- Second, trade unions tend to have the most relevant and detailed knowledge about labour rights violations, as this is central to their work. This is particularly the case in complex supply chains, where trade unions have well-established international mechanisms for sharing information on labour rights issues.
- Third, trade unions could provide a quality assurance function in reporting, helping to ensure that reporting entities are transparent and thorough.
- Fourth, trade unions can assist in enabling marginalised and vulnerable workers are able to bring their voice into the reporting/due diligence process.

27. Engagement with trade unions will increase the quality and depth of the reporting/due diligence and will help hold reporting entities to account on their obligations. We note that consultation of this kind is recommended by the OECD in its guidance on responsible business conduct.¹⁰

28. The NZCTU recommends Part 2, subpart 2 is amended so that reporting entities are required to consult with the most representative trade unions in their business operations or supply chains in the process of modern slavery reporting/due diligence.

Reduce the threshold for reporting entities

29. This Bill would be improved by reducing the threshold for reporting entities, so that a larger number of firms are required to undertake reporting/due diligence.

30. The Bill has the reporting threshold set at annual revenue of more than \$100 million. Based on the annual enterprise survey for the 2024 financial year (latest available data at time of writing), there are approximately 981 enterprises that meet this threshold (however, this does not include non-market government entities, so the real number will be slightly higher).¹¹

31. The NZCTU's view is that this threshold is excessively high. There are many firms that have a large market presence in New Zealand, and which are linked into complex international supply chains that fall beneath this threshold. If the threshold was lowered to \$50 million it would cover an additional 1,029 firms, significantly improving the reach of the Bill.¹² Firms

¹⁰ OECD, *OECD Due Diligence Guidance for Responsible Business Conduct*, 2018.

¹¹ <https://www.stats.govt.nz/information-releases/annual-enterprise-survey-2024-financial-year-provisional/>

¹² Based on the 2024 annual enterprise survey data: <https://www.stats.govt.nz/information-releases/annual-enterprise-survey-2024-financial-year-provisional/>

with annual revenue of this level have the management and HR capacity to do the reporting/due diligence required by this Bill.

32. It would also be useful to investigate high-risk areas in which the reporting requirements may need to be set lower, so as to capture particularly problematic industries. For example, it is known that severe labour exploitation occurs through the RSE scheme, with smaller horticulture and viticulture businesses sometimes implicated in this.
33. **The NZCTU recommends that clause 6 is amended to set the reporting threshold at more than \$50 million in a reporting period. Reporting thresholds should be reviewed every 3 years, with a view to lowering them over time.**

Establish an Anti-Slavery Commissioner

34. Research from the MBIE in 2021 found that awareness of modern slavery risks in business operations and supply chains is generally low.¹³ Given this, many reporting entities can be expected to find it difficult to accurately and comprehensively capture modern slavery incidents and risks in their supply chains in the absence of regulatory support and guidance.
35. Comprehensive guidance will be necessary to support reporting entities with the following issues, among others:
- Understanding what modern slavery is and the risk-factors that contribute to modern slavery.
 - Clarity on how far along a supply chain reporting needs to go.
 - Technical assistance with identifying and collecting relevant data.
 - Best practice in transparency reporting/due diligence – which should include the presence of, and engagement with, trade unions throughout a supply chain.
 - High-risk sectors, products, and regions that reporting entities need to pay particularly close attention to.
36. An Anti-Slavery Commissioner would provide an enduring source of support for reporting entities and civil society actors engaged in the task of reporting/due diligence. An Anti-Slavery Commissioner could be charged with:
- Monitoring reporting/due diligence.
 - Providing guidance to reporting entities on conducting reporting/due diligence.
 - Promoting best practice on how to identify, address, and eliminate modern slavery from business operations and supply chains, a process which necessarily involves trade union presence and engagement.

¹³ [MBIE](#), *Modern Slavery Legislation Final Report: Impact and Effectiveness of Modern Slavery Legislation*, 2021.

- Receiving and handling complaints from workers, trade unions, or other civil society organisations regarding modern slavery.
- Conducting investigations into high-risk sectors, supply chains, and workforces.
- Reviewing the effectiveness of the Act and related instruments.
- Providing advice to the government on other actions needed to eliminate modern slavery from New Zealand business operations and supply chains.

37. In its current form, the Bill provides for a review of the legislation after 3 years, in which the Minister must consider, among other things, whether an Anti-Slavery Commissioner ought to be established. We think this provision should be accelerated.

38. The NZCTU recommends an Anti-Slavery Commissioner is established when the Bill comes into force.

Ensure the modern slavery register is effective

39. Part 2, subpart 3 establishes a modern slavery statement register, which is to be overseen by a Registrar. Presumably, this will be housed in the MBIE. All modern slavery statements must be made publicly available on the register, and the Registrar must prepare an annual report that collates all known incidents, risks, and compliance statistics.

40. This centralisation of information will be highly useful to trade unions, other civil society organisations, and members of the public who have an interest in addressing modern slavery. However, these kinds of resources can sometimes be difficult to use, due to incomplete reporting, a lack of standardisation, and a lack of timeliness regarding the publication of annual statistics.

41. The NZCTU recommends that modern slavery reporting is completed using a standardised template. This will ensure that reporting entities provide comparable information that is easily synthesised by the registrar and users of the data.

42. The NZCTU also recommend that:

- **The register includes a list of all entities required to report under the legislation and clearly identifies any who have failed to report or who have committed an offence or being ordered to pay a pecuniary penalty under the legislation.**
- **The register is easy to navigate and is searchable, with users of the register able to search for information by categories such as high-risk sector or business entity.**
- **The annual modern slavery report is published by the Registrar in a timely fashion.**

Resource the regulators

43. Regulations are only effective if they are actively enforced. The effective implementation of labour standards and protections in New Zealand is hampered by insufficient resourcing of the Labour Inspectorate, WorkSafe, and Immigration NZ. This is particularly problematic in the regulation of temporary migrant labour schemes such as the RSE scheme and the AEWV scheme.
44. To ensure that reporting entities comply with the reporting/due diligence requirements outlined in the Bill, the government needs to provide the regulator – whether that is an Anti-Slavery Commissioner, the Labour Inspectorate, or another branch of MBIE – with sufficient resources to proactively engage with and, where necessary, investigate reporting entities.
45. Most firms want to do the right thing, but there will always be those that look to cut corners and exploit regulatory gaps or enforcement weaknesses. Those firms need to have a realistic expectation that they will be audited to ensure they engage properly in the reporting/due diligence process.
46. **The NZCTU recommends the relevant regulator(s) are sufficiently resourced to enforce compliance with modern slavery reporting/due diligence requirements.**

Support victims of modern slavery

47. New Zealand already has mechanisms in place to assist victims of extreme exploitation, such as the Migrant Exploitation Protection Work Visa. And upcoming amendments to the Crimes Act will strengthen New Zealand’s approach to dealing with modern slavery by increasing the penalties for human trafficking and amending that offence to comply with international best practice.
48. The next step here is to strengthen emergency support services for victims of modern slavery in New Zealand. The Modern Slavery and Trafficking Expert Practitioners Group has provided comprehensive recommendations for how this can be achieved.¹⁴ The group recommends, among other things:
 - Designating specified government and non-government agencies as having first responder status. These agencies should have staff trained to identify modern slavery and to work with victims.
 - Provide emergency accommodation for victims. Emergency accommodation is critical as victims of modern slavery are often housed by the person or entity that is exploiting them.
 - Provide emergency financial assistance for victims. This can be provided, for example, in the form of a weekly payment for the purchase of essential goods and services.

¹⁴ [Rebekah Armstrong, Rebecca Kingi, and Jacob Parry](#), *A Comprehensive Framework for Combating Trafficking in Persons and Modern Slavery in New Zealand*, 2024, pp. 30–34.

- Provide psychological support services for victims, who may be experiencing extreme distress.

These emergency supports need to be safe and inclusive for all victims of modern slavery, which means being attentive to the different needs of diverse ethnicities, genders, and sexual orientations.

49. Putting these kinds of measures in place will ensure that victims of modern slavery in New Zealand are appropriately supported. This should also help victims speak up about exploitation, as people trapped in exploitative circumstances are less likely to alert government authorities if they are concerned that they will end up with no income or shelter, or, in the case of migrant workers, that they will be deported.
50. **The NZCTU recommends the select committee consults with the Modern Slavery and Trafficking Expert Practitioners Group to better understand the forms of assistance that victims of modern slavery require and how this could practically be achieved in New Zealand.**

Conclusion

51. The NZCTU thanks the Education and Workforce Committee for the opportunity to comment on the Modern Slavery Bill.
52. From the NZCTU's perspective, the Bill is a good starting point but requires some improvements to make it truly effective. We have set out a list of practical improvements, and supporting actions, that will strengthen this legislation and help us achieve the goal of eliminating modern slavery from New Zealand business operations and supply chains.
53. The NZCTU reiterates that modern slavery is a complex and systemic problem. This Bill will make a small contribution to addressing the problem, particularly if the recommendations above are incorporated. But we need to take a multi-pronged approach to eliminating modern slavery from our own shores and our international supply chains. This includes work to strengthen our domestic labour laws and their enforcement, our immigration settings, and our mechanisms of international trade and investment.
54. We look forward to seeing a strengthened version of this Bill become law and to working with government to support the effective implementation of this legislation.

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