



**AN BILLE UM DHÚSHAOTHRÚ SAOTHAIR AGUS GÁINNEÁIL
(SLABHRAÍ SOLÁTHAIR A INIÚCHADH), 2021
LABOUR EXPLOITATION AND TRAFFICKING (AUDIT OF
SUPPLY CHAINS) BILL 2021**

EXPLANATORY MEMORANDUM

Purpose of Bill

The purpose of this Bill is to require businesses over a certain size to disclose in a transparent manner each year in relation to the risk of labour exploitation and human trafficking occurring in their supply chains or in any part of their business and what action they have taken to ensure such activities do not occur.

Provisions of Bill

Section 1 is the interpretation section. In addition to some standard definitions, the section provides that “labour exploitation and trafficking” means an activity that constitutes an offence under the Child Trafficking and Pornography Acts 1998 to 2004 or the Criminal Law (Human Trafficking) Act 2008, and also includes making use of work done by a person under the age of 18 years where, by its nature or the circumstances in which it is carried out, the work is liable to harm the health, safety or morals of the child, including in particular—

- work that exposes the child to physical, psychological or sexual abuse,
- work underground, under water, at dangerous heights or in confined spaces,
- work with dangerous machinery, equipment or tools, or which involves the manual handling or transport of heavy loads,
- work in an unhealthy environment which may expose the child to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to the child’s health, and
- work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer.

The Bill applies to an “undertaking”, being an individual, a body corporate or an unincorporated body of persons who—

- is engaged for gain in the production, supply or distribution of goods or the provision of a service, and
- in the course of that business, imports goods into the State or receives services from outside the State the cost of which exceeds 5% of the undertaking’s input costs.

Section 2 provides in standard form for the making of regulations by the Minister for Enterprise, Trade and Employment for the purposes of the Bill.

Section 3 is headed ‘Transparency in supply chains’. The section provides that the Minister shall, as soon as is reasonably practicable after the coming into operation of the Bill, make regulations that will require undertakings with a turnover of not less than a prescribed amount to prepare and publish annually a labour exploitation and trafficking statement. This is a statement of the steps the undertaking has taken in the previous year to ensure that labour exploitation and trafficking is not taking place in any of its supply chains or in any part of its own business, or a statement that the undertaking has taken no such steps.

The statement may include information about—

- the undertaking’s structure, its business and its supply chains,
- its policies in relation to labour exploitation and trafficking,
- its due diligence processes in relation to labour exploitation and trafficking in its business and supply chains,
- the parts of its business and supply chains where there is a risk of labour exploitation and trafficking taking place, and the steps it has taken to assess and manage that risk,
- its effectiveness in ensuring that labour exploitation and trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate,
- the training about labour exploitation and trafficking available to its staff.

A labour exploitation and trafficking statement of an undertaking must be approved on behalf of the undertaking, and be published by it, in the prescribed manner.

Section 4 enables the Minister to issue guidelines about the duties imposed on undertakings by this measure and requires the Minister to publish any such guidelines on the Minister’s website. The guidelines may include further provision about the kind of information which may be included in a labour exploitation and trafficking statement.

Section 5 provides that an undertaking that contravenes regulations made under *section 3(1)* is guilty of an offence and is liable on summary conviction to a class A fine.

Section 6 provides that the Minister must cause a review of the functioning of this legislation to be carried out before the fifth anniversary of its coming into operation and must cause the review to be laid before both Houses of the Oireachtas.

Section 7 provides for the short title of the Bill and provides that it comes into operation six months after its passing.

Aodhán Ó Riordáin TD, Seán Sherlock TD, Ged Nash TD.
Aibreán, 2021.