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AIST welcomes Government's focus on modern slavery

The Australian Institute of Superannuation Trustees (AIST) has welcomed the Government's announcement on modern slavery, noting that a new reporting regime for large businesses was an important step towards addressing Australia's \$5 billion unpaid superannuation problem.

AIST Senior Policy Manager David Haynes said while concern about modern slavery typically focused on workers in offshore factories and supply chains, there were also many cases of worker exploitation in Australia.

"We know that many domestic cases of worker exploitation go under the radar, robbing workers of a fair wage and their superannuation," Mr Haynes said. "Requiring large businesses to scrutinize their supply chains will send a message to all employers that workers need to be paid correctly and this includes 9.5% of their wage in superannuation."

A recent super industry report on unpaid super highlighted that the manufacturing industry alone was responsible for over \$60 million in unpaid employer superannuation contributions each year.

"Many employees – particularly newly arrived foreign workers – are unsure of their entitlements or are afraid to report employer non-compliance" said Mr Haynes. "It's not just costing these workers now but for years to come as they miss out on valuable compounding interest."

AIST supports a comprehensive anti-slavery regime including penalties for non-compliance. It also backs Australia following the UK's anti-slavery model which has an Anti-Slavery Commissioner.

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AIST is the peak industry body for the \$700 billion profit-to-member super sector which includes industry, corporate and public sector.