



minderoo
FOUNDATION

EMBARGOED UNTIL 00:01 EST, THURSDAY 19th JULY

MORE THAN 400,000 MODERN SLAVES ARE EXPLOITED IN THE UNITED STATES

United States is the world's largest importer of goods at-risk of being manufactured through forced labor

19 July 2018 – NEW YORK – One in every 800 people in the United States is working under forced labor conditions – new data revealed today.

The findings are part of the Global Slavery Index 2018, the world's most comprehensive research on modern slavery, launched today by the Walk Free Foundation. The Index revealed that more than 400,000 people are working as modern slaves in the United States.

Assessing the prevalence, measurement of vulnerability and assessment of government response to the issue, modern slaves were primarily working in domestic work, agriculture and farm work, travelling sales crews, restaurant or food services, and health and beauty services

Globally, imports were a key driver of modern slavery, with the United States as the biggest purchaser of goods at-risk of being produced through forced labor, importing more than \$144 billion¹ a year. U.S. consumer demand was key to fueling this supply, with electronics (laptops, computers, mobile phones), garments, fish, cocoa and timber the highest value categories of imported items.

The U.S. total is three times that of the second-largest G20 importer, Japan (\$47bn), and nearly ten times more than its neighbor Canada (\$15bn).

Mr. Andrew Forrest, Founder of the Walk Free Foundation, said: "The United States is one of the most advanced countries in the world yet has more than 400,000 modern slaves working under forced labor conditions. This is a truly staggering statistic and demonstrates just how substantial this issue is globally. This is only possible through a tolerance of exploitation, demonstrated by the billions of at risk goods being brought to the United States to fuel consumer demand for affordable products."

China was by far the largest source of at-risk goods, with the United States importing (\$122bn) of electronics and clothing from the country. Vietnam was the second largest source (\$11.2bn), with India (\$3.8bn) third. Smaller values of goods were also sourced from Malaysia, Thailand, Brazil, Argentina, Japan, Taiwan, South Korea, Russia, Ghana, Ivory Coast and Peru – demonstrating the worldwide span of the issue.

More promisingly, the United States was also revealed to have the second highest Government Response Index score (behind the Netherlands) in tackling the issue, having implemented key components to responding to some forms of modern slavery with victim support services, a strong criminal justice response and evidence of a coordinated collaboration and protections in place for vulnerable populations. Nonetheless, the size of modern day slavery in the United States is cause for concern and demonstrates that even in countries with relatively strong responses, vulnerable people

¹ The figure was calculated by shortlisting the 15 products that appeared most frequently in the 2016 U.S. Department of Labor list of goods produced by forced labor, and then identifying the value of imports of each product into the US – to identify a 'top 5' list.

– the homeless, irregular migrants, or the disabled – can fall through the cracks and fall prey to criminals who want to make money from modern day slavery.

The findings, which estimate 40.3 million people are modern slaves globally, also revealed a greater prevalence in highly developed, high income countries that previously understood.

Forrest continued: “Our report makes a number of recommendations on how the United States can tackle the issue – with strengthened legislation including raising the minimum age of marriage to 18, enhanced data coordination and transparency, increased victim support and enacting a federal supply chain law that requires due diligence over both public and private procurement, and also ramps up resources available to enforce existing laws which require shipments to be stopped at the border if they are produced with forced labor.

“There is no quick solution to this and governments, businesses and consumers alike must wake up to the fact that they must change their behavior if they wish to tackle this abhorrent issue, both at home and abroad.”

Further stories and breakdown of key findings from the Walk Free Foundation’s Global Slavery Index 2018 include:

G20 countries are importing \$354bn of at-risk goods annually, fueling demand for slave labor, with the majority still not acting against these practices:

- The United States was by far the largest importer of at-risk products (\$144bn), comprising 40 percent of the total, with Japan (\$47bn), Germany (\$30bn), the UK (\$18bn) and France (\$16bn) comprising the top five.
- The list of at-risk products was comprised by creating a shortlist of the 15 products that appeared most frequently in the 2016 U.S. Department of Labor list of goods produced by forced labor, and then working out the “top 5” in the sense of products with the highest dollar value of imports.
 - Product types varied significantly from electronics (laptops, computers, mobile phones), to natural resources (timber, coal), food items (cocoa, fish, brazil nuts and rice) and natural resources (gold and diamonds)
- Last year, G20 leaders committed to fostering human rights due diligence in corporate operations and supply chains in line with internationally recognized standards such as the UN Guiding Principles on Business and Human Rights (UNGPs).
 - More than half are yet to formally enact laws, policies or practices aimed at stopping business and government sourcing goods and services produced by forced labor
 - Just seven G20 countries – Brazil, China, France, Germany, Italy, United Kingdom and the United States are taking steps in this regard, with Australia due to introduce supply chain transparency laws in the second half of 2018

North Korea has the highest prevalence of modern slavery globally, with one in ten of the population victims of modern slavery:

- 2.6 million people are victims of modern slavery – the vast majority being forced to work for the state.
- North Korea has a 73 percent vulnerability to modern slavery, third globally behind Pakistan and Afghanistan – *calculated using a weighted score measuring governance issues, lack of basic needs, inequality, disenfranchised groups, effects of conflict.*

- The main at-risk exports are coal (98 percent / \$1bn to China annually), timber and gold.
- North Korea has the weakest response to modern slavery globally due to the state's role in forced labor both within North Korea and of North Koreans abroad.
- In 2017, the Walk Free Foundation partnered with researchers at Leiden Asia Centre and the Database Centre for North Korean Human Rights – undertaking 50 interviews with defectors now living in South Korea; all but one described working in forced labor conditions.

More than a third of victims of modern slavery are victims of forced marriage:

- 15.4 million individuals globally are victims of forced marriage.
- The issue disproportionately affects women and girls – 84 percent of people in forced marriages are female.
- Forced marriage happens in both developed and developing countries:
 - Most prevalent in areas such as Africa and Asia Pacific, where there are 4.8 and 2 victims for every 1,000 people respectively
 - However, the report also found victims of forced marriage in developed countries such as the United States, United Kingdom and Australia
- Overall, the cultural practice of forced marriage places women at greater risk of exploitation, and the potential subjection to a life of servitude, financial bondage, and sexual exploitation that comes with modern slavery.

The Global Slavery Index report can be found at www.globalsslaveryindex.org

ENDS

For further information, please contact:

Daniel Stacey
Minderoo Group
T: +61 (0) 439 247 227
E: dstacey@minderoo.com.au

Michael Kelly
Edelman
T: +44 (0)7772178030
E: Michael.Kelly@edelman.com

Daniel Workman
Edelman
T: +1 (202) 386-0393
E: Daniel.Workman@edelman.com