The Office of Theresa May

The Lord Alton of Liverpool
Joint Committee on Human Rights
Houses of Parliament
London
SW1A 0AA

28 April 2025

Dear Lord Alton,

I am grateful for the opportunity to submit written evidence to your inquiry: *Forced Labour in the UK's supply chains.* I welcome the attention you are giving to this issue which is one part of the legislative approach to detailing with modern slavery and human trafficking.

I would like to respectfully note to the Committee that, in certain instances, I have consolidated responses to your requested questions into singular, comprehensive answers. This approach was taken to provide fuller and more substantive submissions, particularly where there is overlap in the subject matter. I have indicated where I have done so.

I hope that the following responses to your questions will prove useful.

Q1 How best can Britain secure its place as a world leader robustly preventing goods linked to forced labour from being sold in the UK?

The UK should be proud of introducing the Modern Slavery Act 2015, which was the first of its kind in Europe, and one of the first in the world, to specifically address slavery and trafficking in the 21st century.

The Act represented a critical step in positioning the UK as a global leader on this issue, setting new legislative benchmarks internationally.

However, I note with concern that the political focus on addressing modern slavery and exploitation in the UK has waned in recent years, as other priorities have taken precedence.

I would like to draw the Committee's attention to the work of the Global Commission on Modern Slavery and Human Trafficking which I chair, and which is actively seeking to reignite momentum on this critical issue.[1]

[1] https://www.modernslaverycommission.org/report/

One of the most significant provisions in the Modern Slavery Act was Section 54, which sought to tackle forced labour in supply chains through enhanced corporate transparency.

This requires commercial organisations operating in the UK with a turnover of £36 million or more, to publish an annual statement detailing what, if any, steps they have taken to ensure their operations and supply chains are free from slavery and human trafficking. I will address the issues around Section 54 in further detail later in the submission.

At the time, the provisions set out in the Modern Slavery Act were ambitious and, in many respects, world leading. The UK was among the first to take legislative action of this kind, and it is notable that many other countries have since followed our lead.

In light of the evolving global landscape, not least the fact that a number of other governments and the EU have chosen to introduce mandatory human rights due diligence legislation, it is clear that the Modern Slavery Act now requires revision to maintain the UK's leadership in this area. In particular, the lack of enforcement mechanisms and the absence of direct penalties for non-compliance with Section 54 remain significant weaknesses. When the act was introduced, there were those who were concerned about the impact on business. It is now clear that in order to have an impact on modern slavery and human trafficking we need to go further.

It is critical, however, when understanding the approach to be taken by the UK for it to decide what it wants to achieve. Does the UK simply want to prevent goods linked to forced labour being sold in the UK? Or does it want to act in a way that encourages change in the working conditions of those currently in or those potentially at risk of forced labour. In my mind we need to be a country that encourages change rather than be seen to be doing something for its own sake. This means being careful about the legislative approach taken.

The UK has regularly been placed in Tier 1 on the United States Trafficking in Persons report[2]and achieves consistently high government response scores in the Global Slavery Index[3], but to maintain Britain's place, there is always room for improvement. In preventing goods linked to forced labour from entering the UK market, a multi-faceted approach is needed—one that strengthens legislation, enhances enforcement, and aligns with emerging global best practices. At the same time, we must recognise the many British businesses that are taking proactive steps to eliminate forced labour from their supply chains, responding to the growing demand for ethical business and its practices from consumers and employees. I will expand on these points in relation to Q5 later in my submission.

On the matter of enforcement, the Committee will be aware that the dial has shifted markedly on due diligence reporting internationally since the passing of the Modern Slavery Act. Countries such as Norway, France, Switzerland, Germany and the European Union, albeit in

[2] https://www.state.gov/reports/2024-trafficking-in-persons-report/united-kingdom/
[3] https://www.walkfree.org/global-slavery-index/country-studies/united-kingdom/

varying degree, have begun or fully implemented their own mandatory Human Rights Due Diligence (MHRDD) legislation.

This legislation holds businesses accountable if they fail to identify and act upon the actual and potential risks for workers in their operations and supply chains, including the risk of forced labour.

Q2 As large companies selling in Europe prepare for the incoming Corporate Sustainability Due Diligence Directive (CSDDD), should the UK consider the impacts of implementing/not implementing mandatory human rights due diligence for companies?

Q3 How can transparency measures enable the prevention of forced labour in supply chains? Are such measures adequate to achieve Government's goal of eradicating forced labour from supply chains?

Q4 When the Modern Slavery Act 2015 was drafted, what was the intention behind s.54? For example, was this intended to lead to increased public scrutiny; impact corporate decision making; or provide information to government? Has this intention been fulfilled?

The original intent behind Section 54 did have elements of increasing public scrutiny, influencing corporate decision-making, and providing information to the government but the prime motivation was to lead to corporate action to investigate and eliminate forced labour.

The implementation of Section 54 made forced labour and exploitation a business-critical issue, fostering greater board-level scrutiny and engagement. For many organisations, the public availability of this information created a strong incentive to proactively improve transparency and ethical standards in their supply chains, shifting corporate culture to prioritise modern slavery as a central governance issue.

As noted earlier, however, Section 54 had no enforcement mechanism other than limited action by government through civil action in the courts if a company failed to make a statement. Nor did it include penalties for companies that failed to act on modern slavery in their supply chains. Without these elements the impact of such transparency legislation is limited.

What is critical is the need to require companies to investigate their operations and take concrete actions to remediate forced labour situations, thereby improving the circumstances of those affected. This can be achieved through legislative requirements and transparency measures, but there is growing acceptance that mandatory human rights due diligence, aligned with the UN Guiding Principles, is the best approach.

As outlined in recommendation 2 of the Global Commission of Modern Slavery and Human Trafficking report: "No country is immune: together to end modern slavery & human trafficking:"

"Human rights due diligence (HRDD) is the most effective tool available to companies to address forced labour in their operations and supply chains. To drive the systemic change needed to address its root causes, governments should move beyond voluntary measures and enact well-designed legislation mandating HRDD for companies, in full alignment with the UNGPs".[4]

While this makes the case for implementing mandatory human rights due diligence for UK companies, it is not without its risks.

One concern regarding the implementation of mandatory due diligence reporting is that UK companies could adopt a box-ticking approach to the issue to take the minimum action necessary.

Mandatory Human Rights Due Diligence legislation, as a result, could also create a shield for companies by outsourcing the work to investigate what happens in their supply chains, allowing them to attain basic requirements on due diligence, without addressing root causes of human rights abuses like modern slavery or trafficking.

This could risk entrenching environments where workers are susceptible to exploitation, as firms may prioritise legal compliance over meaningful action, making it harder for victims to secure remedy or ending the cycle of exploitation for future victims. Substantive due diligence, focused on outcomes and accountability, is critical to avoid this pitfall and companies treating it purely as a compliance exercise often miss the broader ethical and systemic issues, worsening victims' access to justice.

I am equally concerned that the implementation of a mandatory human rights due diligence policy could lead to organisations withdrawing from suppliers or potentially even closing in the avoidance of reputational pressure or penalisation.

This is neither good for the business, who should be supported in their efforts to identify and tackle the scourge of exploitation, but equally for the victims of forced labour, who, despite said organisation closing could simply be moved to continue to work under duress for another supply chain within the wider industry.

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[4] https://www.modernslaverycommission.org/gcms_report_full_doc.pdf. Chapter 7, Page 85.

Q5 The Committee asked whether ***"it (is) reasonable to expect companies to take active steps to prevent forced labour throughout their entire supply chains? For what reasons might a corporation go 'above and beyond' their statutory compliance duties?***

It is reasonable to expect companies, particularly those with significant resources and global reach, to take active steps to prevent forced labour throughout their supply chains, but this much be approached with proportionality.

A small business will not have the wherewithal to investigate a lengthy supply chain, however where there are larger companies within that supply chain, they should be able to rely upon those company's' actions. While the complexity of modern supply networks poses undeniable challenges, the expectation is not one of perfection, but of demonstrable commitment to transparency, due diligence, and continuous improvement.

Increasingly, the ethical management of supply chains is not merely a matter of reputational concern but a fundamental component of sound corporate governance. Companies may choose to go beyond their statutory compliance obligations for a range of reasons. These include a desire to show reputational leadership in an increasingly values-driven marketplace; a recognition of their moral responsibility to ensure their operations do not contribute to human exploitation; the need to enhance operational resilience by addressing the underlying risks that forced labour presents and an understanding that aligning early with emerging global standards, such as mandatory human rights due diligence legislation, positions them more securely in the face of regulatory change.

The proactive measures taken by UK companies, including but not limited to, Marks & Spencer, Unilever, Next, BT, and Tesco through rigorous audits, enhanced transparency, and commitment to ethical sourcing show an approach for responsible business practices. These efforts not only demonstrate what is possible within the current legislative framework but also help to raise expectations across sectors.

Equally, there are numerous international companies that are deserving of recognition for their leadership in this space. H&M, Tony's Chocolonely, Patagonia, and IKEA, among others, have shown how global businesses can take meaningful steps to identify and address forced labour risks, embedding ethical principles into their operations and supply chains. Ultimately, those businesses that go further than the legal minimum often recognise that ethical conduct is not just an obligation but a cornerstone of sustainable and responsible business practice.

This leadership is not only about values—it also presents a strategic opportunity to stay ahead of shifting consumer and market expectations. Without such corporate leadership, consumers face constrained choices, particularly in sectors like fast fashion, which often relies on exploitative supply chains that drive forced labour by prioritising cheap production, leading to poor working conditions and coercion in vulnerable regions.

By pioneering these standards, these organisations empower consumers to make ethical purchasing decisions without compromising on accessibility or variety. This is increasingly supported by statistical evidence that suggests an increased UK consumer priority for transparency and responsible sourcing in manufacturing.[5][6]

Q6 Should finding forced labour practices in a supply chain be seen as negative (because forced labour is unwanted) or positive (as the act of identification indicates thorough due diligence)?

To that end, the government and media should not penalise a company that diligently examines its supply chains and discovers forced labour, instead they should be penalising companies that fail to act at all.

The existence of forced labour in any supply chain is appalling, but the act of uncovering it reflects a twofold benefit: it demonstrates responsibility and tackles an issue that is challenging to identify in vast supply networks.

The company that has sought to uncover exploitation in their supply chain, so often unrecognised and notoriously difficult to detect without thorough investigation, should feel confident that they have the support to do so. Without it, a readiness to come forward and proactively uncover forced labour in company supply chains will remain stagnant, particularly when many feel at risk of being scrutinised by media organisations which could cause companies to face share declines and investor concerns due to negative publicity.

In this context, initiatives like the CCLA benchmark[7] play a critical role in shining a light on corporate progress and encouraging healthy competition. The benchmark goes beyond basic compliance by assessing the quality and impact of companies' modern slavery responses, including whether they have followed government guidance and taken concrete steps to find, fix, and prevent exploitation. It sets a higher bar for accountability and offers valuable recognition for companies that are genuinely leading in this space. Importantly, it also acts as a lever for change: public comparison with market peers provides a reputational incentive for strong performers, while generating pressure on others to improve. In this way, investor-led scrutiny not only rewards meaningful action but also creates momentum for industry-wide progress- an essential mechanism in tackling forced labour across complex global supply chains.

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[5] https://internetretailing.net/more-than-half-of-uk-consumers-would-avoid-buying-from-brands-accused-of-working-with-unethical-suppliers-23767/#:~:text=Paul%20Skeldon,the%20actions%20of%20its%20suppliers.
[6] https://business.yougov.com/content/50912-british-shoppers-views-on-fast-fashion-quality-and-sustainability
[7] https://www.ccla.co.uk/news-media/ccla-launches-annual-modern-slavery-benchmark

Q7: What are the advantages and limitations of import bans for goods linked to forced labour?

Import bans on goods linked to forced labour have gained significant traction internationally as a policy tool, particularly in the United States, Canada, and, more recently, across the European Union. These measures are often framed as a strong deterrent—signalling that products made through exploitation are not welcome in domestic markets and leveraging economic pressure to drive behavioural change in global supply chains.

Undeniably, there are advantages to this approach. A well-targeted import ban can prevent goods tainted by forced labour, such as those linked to the Xinjiang region in China, from physically entering the UK. In that sense, it is a concrete step toward ensuring UK consumers are not complicit in the purchase of goods produced through human rights abuses.

It also sends a powerful message that access to the UK market comes with responsibilities, reinforcing ethical expectations for international trade partners and multinational corporations alike. This is, in principle, a view that I share.

I would however caution against viewing import bans as a singular or sufficient solution. While they may restrict the movement of goods and could reduce the market for products made with forced labour, they do not in themselves dismantle the systems that perpetuate forced labour. Moreover, an import ban alone would not in itself lead to the improvement of the situation of the workers who are the victims. Victims often remain trapped in exploitative conditions, regardless of whether their labour contributes to goods bound for the UK or elsewhere. The underlying structures, whether state-sponsored or embedded within private business models, frequently continue unchallenged.

Other provisions, as outlined in the Global Commission Report, such as the right to remediation, are necessary, as is effective enforcement of the law.[8]

Of course, we must act decisively where we can. But we should be clear-eyed about the limits of import bans alone and focus equally on tackling the root causes of forced labour, supporting affected workers, and holding perpetrators accountable. Import bans, in this sense, should be one part of a broader, joined-up approach.

Moreover, there is the real risk of displacement. Businesses or regimes that rely on forced labour are often highly adaptable. If one country restricts their products, they may simply redirect them to less regulated markets. This does little to disrupt the profitability of forced labour and risks creating a patchwork of standards globally, rather than contributing to universal norms. In practice, the enforcement of import bans also presents logistical and evidentiary challenges. It can be difficult to trace the origins of goods with complex or opaque

[8] https://www.modernslaverycommission.org/gcms_report_full_doc.pdf, Page 71

supply chains, particularly in industries like electronics, textiles, and agriculture. This raises concerns about consistency and fairness in implementation, and about the burden placed on customs authorities and companies alike.

Ultimately, while import bans have a role to play in a broader strategy to combat forced labour, they should be deployed alongside more systemic interventions such as strengthened corporate due diligence, better victim remediation, international cooperation, and support for businesses actively working to clean up their supply chains. In my view, a policy that simply stops goods at the border may protect consumers, but it does not necessarily protect workers. There is a clear need for more evidence on the effectiveness of import bans.[9]

Q8 What solutions should the UK explore to effectively address the risks of forced labour in supply chains without unduly restricting national growth?

It is wrong to assume that addressing forced labour in UK supply chains would hinder national growth. There is a business case for action given the increasing interest consumers and employees have in the stance companies take on issues like modern slavery and human trafficking. To mitigate against the possibility of it doing so, however, the Uk should ensure equal treatment across all economic sectors—retail, manufacturing, agriculture, construction, and services. It is also important to ensure that government procurement is undertaken in a way that ensures there is no forced labour in their supply chains. This sector-neutral approach, aligned with the UN Guiding Principles, would require businesses to identify and mitigate forced labour risks, with proportional requirements for small and medium-sized enterprises to avoid undue burdens. An enforcement body could monitor compliance, provide sector-specific guidance, fostering accountability while supporting innovation and competitiveness. This ensures ethical standards enhance, rather than restrict, economic growth.

Internationally, the UK must collaborate to encourage other nations to adopt similar legislation, preventing UK businesses from being disadvantaged by higher standards. Through trade agreements and multilateral forums like the G7 or UN, the UK can advocate for appropriate legislation globally aligning with international frameworks. By leading public-private partnerships to share supply chain data and best practices, the UK can streamline due diligence, lower costs, and promote global ethical trade, ensuring forced labour is addressed comprehensively without compromising economic progress.

[9] https://www.modernslaverycommission.org/gcms_report_full_doc.pdf. Page 70; Import Bans.

Q9 The issue of forced labour in supply chains crosses potentially four government departments (Business and Trade, the Home Office, DESNZ, and the FCDO). Who should ultimately hold the responsibility for addressing this matter?

With great respect to the Committee for raising this important and timely question, I would gently suggest that the question itself reflects a deeper challenge faced by Westminster and governments internationally. Complex issues like modern slavery and human trafficking, including forced labour in supply chains, are too often approached through departmental silos, leading to fragmented responsibility and diluted action. In such a model, departments can too easily pass the buck when issues become difficult or politically sensitive.

While departments such as the Home Office, Department for Business and Trade, DESNZ, and the Foreign, Commonwealth and Development Office each have distinct and significant roles, none can, or should, act in isolation. The multifaceted nature of modern slavery, encompassing forced labour in supply chains, human trafficking, and other forms of exploitation such as domestic servitude and child soldiering, cuts across domestic business regulation, international diplomacy, trade policy, sustainability, and human rights. It implicates nearly every area of government.

Of course, one department does need to have overall responsibility. The Home Office is best positioned to lead due to its expertise in addressing the broader spectrum of modern slavery, which extends beyond forced labour in supply chains to include issues like human trafficking, sexual exploitation, and domestic servitude. For instance, effective legislation must be comprehensive, addressing not only supply chain transparency but also victim protection, law enforcement, and prevention measures. A siloed approach risks creating gaps, where one aspect, such as supply chain due diligence, is prioritised while others, like victim support or cross-border trafficking, are neglected. The Home Office, with its oversight of domestic security and modern slavery policy can ensure a holistic strategy that integrates these elements.

That said, cross-departmental collaboration remains essential. A truly effective response requires a joined-up, cross-government strategy, supported by strong ministerial leadership and clear accountability mechanisms. This could take the form of a cross-government taskforce led by the ministerial lead within the Home Office, empowered to coordinate policy, align departmental efforts, and drive action. Without such coordination, efforts risk being piecemeal and inconsistent.

If this issue is seen as the sole remit of one department without collaboration, we will fail to tackle modern slavery with the seriousness it demands. Equally, without a single department taking overall responsibility, there is a risk of diffusion and inaction.

The Office of Theresa May

Only through a combination of clear leadership from the Home Office and robust cross-departmental working can the government address modern slavery and human trafficking in a way that is comprehensive, sustainable, and aligned with Britain's values and global responsibilities.

Yours sincerely,

The Rt Hon the Baroness May of Maidenhead

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