

OCAD UNIVERSITY

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Bill S-211 Fighting Against Forced Labour and Child Labour in Canadian Supply Chains: OCAD University's 2024 Annual Entity Report to Public Safety Canada

May 28, 2024

BILL S-211 BACKGROUND

The COVID-19 pandemic highlighted supply chain issues and concerns. The measures introduced through former <u>Bill S-211, An</u> <u>Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff</u> (the Act) aim to increase industry awareness and transparency and drive businesses to improve practices.

Forced labour can be found in every country and every sector. The <u>International Labour Organization</u> estimates that there are approximately 27.6 million victims of forced labour worldwide, including 17.3 million in the private economy. Forced labour and child labour risks occur primarily through the global supply chains of businesses. There is a risk that goods imported into and distributed in Canada were produced with forced labour or child labour. Entities and government institutions doing business in Canada have a responsibility to ensure that exploitative practices are addressed and eradicated from their supply chains.

Government and entities have been requested to complete an annual report to assess their supply chains and commit to improved mitigation processes, protecting Canada from harms.

S-211 ENTITY PROFILE	
Legal Name:	Ontario College of Art & Design University (OCAD
	University)

Financial Reporting Year:	June 1, 2022-May 31, 2023
Entity Categorization:	Entity (University)
Entity's Structure:	Corporation
Sector/Industry:	Public Sector Higher Education
Report Type:	First Annual Report
Business Number:	10779 7250
Joint Entity Report:	No
Supply Chain Legislation Reporting:	No
Entity's Country Headquartered:	Canada
Entity's Provincial Headquartered:	Ontario

ENTITY CATEGORIZATION:			
	Canadian business presence (select all that apply)		
	7	Has a place of business in Canada	
	٧	Does business in Canada	
	٧	Has assets in Canada	
	Meets size-related thresholds (select all that apply)		
	V Has at least \$20 million in assets for at least one of its		
		two most recent financial years	
	٧	Has generated at least \$40 million in revenue for at	
		least one of its two most recent financial years	
	٧	Employs an average of at least 250 employees for at	
		least one of its two most recent financial years	

ENTITY SECTORS AND INDUSTRIES	
v	Information and Cultural Industries
v	Professional, scientific and technical services
√	Educational Services
۷	Arts, Entertainment and Recreation

ABOUT OCAD UNIVERSITY

Founded in 1876, OCAD University is Canada's largest, most comprehensive—and Ontario's only—art, design and digital media university. The mission and mandate of OCAD U is to provide the opportunity and environment for advanced education in art and design at the undergraduate and graduate levels and to support teaching, research, and professional practice in these fields. Famous for its innovation, creativity, and design-thinking expertise, it attracts 4,700 undergraduate and graduate students, annually, enrolled across eighteen undergraduate and seven graduate programs. OCAD U's more than 600 faculty and staff members, and 25,000 plus alumni are among Canada's leading thinkers, artists and designers, bringing creative solutions to complex social, environmental and cultural problems. Both a post-secondary education entity and major culture and community sector player, OCAD U is uniquely positioned to convene diverse experts on a range of issues. Advancing interdisciplinary art and design education and research grounded in liberal arts and science and driven by leading-edge technologies, innovative teaching and professional practice, OCAD U operates out of downtown Toronto including the iconic and award-winning Will Alsop Tabletop building. Housed across these buildings are seven galleries, a library, several studios and labs, administrative offices, classrooms, student services and more.

Governance & Structure

OCAD University was originally established in Toronto in 1876 by the Ontario Society of Artists as the Ontario School of Art. In 1912, it was incorporated as the Ontario College of Art, becoming the first school in Canada dedicated exclusively to the education of professional artists in fine and commercial art. In 1996, the name changed to the Ontario College of Art and Design, reflecting the growth of design programs. In 2010, to reflect the institution's status as a university, granted in 2002, the school became officially known as OCAD University (OCAD U). OCAD U is a provincially incorporated non-profit organization with charitable status. The primary corporate documents that govern the structure of OCAD University include the University Act, the Board of Governor By-Laws, and Senate By-Laws.

The University Act outlines both the roles of the Board of Governors and the Senate. As per governing documents, the Board of Governors comprises representation of a total of 26 internal and external governors including six individuals appointed by the Ontario government, two elected by the OCAD U Alumni, and ten by the Board itself. There are also eight internal Board members drawn from the OCAD U community, elected by staff, management, and student representatives as well as faculty members cross-appointed by the Senate. The President and the Chancellor are ex-officio voting internal members. While the board is responsible for governing and managing the business affairs of the University, OCAD U's Senate determines and informs academic affairs and educational policy. Standing committees of the Board include the Executive; Audit, Finance and Risk; Human Resources; Investment; and Physical Resources and Capital Assets Committees. There is also a Senate Liaison Sub-Committee of the Executive Committee. Ad hoc committees and task forces are established from time to time as required. OCAD U's Senate consists of not more than sixty members, including the University President, Vice-President of Academic & Provost, Vice-President of Research & Innovation, Faculty Deans, Registrar and Chief Librarian, Elected Students, Elected Teaching Faculty, Appointed Board of Governor, and other persons determined by senate law.

OCAD U is dedicated to fostering positive, productive working relationships with its employees and the Association and Unions that represent them. OCADFA represents faculty with the following appointments: Tenured, Probationary, Continuing, CLTA, Teaching-Intensive Stream and Sessional. Academic Staff such as Technicians, Academic Counsellors and Teaching Assistants are also represented by OCADFA. OCAD U also works with Ontario Public Service Employees Union (OPSEU) Local 576. The Local has two units: Unit 1 represents full-time and part-time Administrative Staff and Professional Librarians, while Unit 2 represents Models, Monitors and Class Assistants.

Business Activities & Supply Chains

OCAD U's core business activities revolve around provision of educational services, advancing research and development initiatives and community engagement.

As a studio-based art, design and digital media university, OCAD U has a robust system of research labs, shops and studios that include cutting-edge equipment and technology like video production and editing studios, animation, audio recording, physical computing, digital media (VR, AR and XR), robotics, photography, fabrication, sculpture, casting, printmaking, wearable technology, textiles, jewelry, metalsmithing, a foundry and woodshops. The university has an extensive team of technicians who work in these studios and labs, and who train students and faculty to safely and properly use equipment.

OCAD University purchases and in some cases, imports goods to support the administration of academic and student services, research and development, marketing and communications, and IT/facilities infrastructure, and management.

Direct Imports into Canada

In 2023, OCAD University's top four highest dollar procurement vendors were based in Sweden, United States, France and China.

Procurement spends under \$1,000 involved vendors in the following countries Italy, Japan, Pakistan, Taiwan, Viet Nam.

In 2023, the following categories of goods were imported directly:

- Books/textbooks, promotional and other printed materials -
- Fabric, garments and textile materials
- Ink, chemicals and minerals
- Metals, aluminum and steel
- Lumber - Batteries
- Hand and power tools
- Research supplies
- Electronic equipment including AV and IT
- Office furniture and supplies

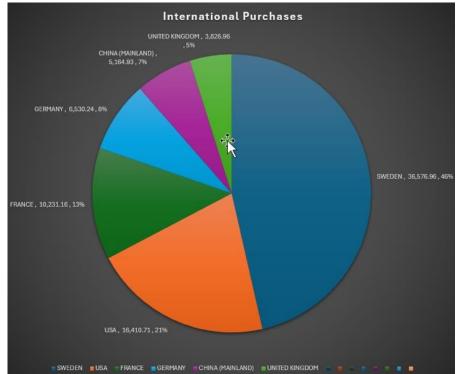


Figure 1: OCAD U Procurement Countries of Origin, 2023

ENTITY REFLECTIONS AND STEPS ON BILL S-211

OCAD University is at a low risk for forced labour and child labour in its supply chains. In 2023, OCAD U procured less than \$110,000 from outside of Canada including from predominantly Sweden, United States, France and China. This entity report informs the University's first submission and reflection of its supply chain as it relates to Bill S-211 and forced and/or child labour. Consequently, OCAD University has not yet taken any steps in the previous financial year to prevent and reduce risks associated with forced labour and/or child labour. This report sets forward a process of reflection and implementation for future reporting.

Since February 2020—and before the COVID-19 pandemic—enhancing ethical procurement has been an ongoing and iterative commitment for the Board of Governors at OCAD University. Since COVID-19, and the increased disruption of supply chain issues and concerns in Canada, OCAD U has evolved its tools to make significant strides and more informed supply chain and ethical procurement decisions.

More specifically, the timing of OCAD U's 2024 Bill S-211 entity report submission aligns with commitments made in February 2020 by the Board of Governors to advance ethical procurement as it relates to environmental sustainability and social impact. During the production of this report, the Finance Office (who oversees procurement policies and guidelines), the Office for Diversity, Equity and Sustainability Initiatives and the People & Culture Office reflected on future steps that may strengthen future procurement policies and training.

In future fiscal years, OCAD U may advance the evolution of the following steps (taken from Bill S-211 report questionnaire) to prevent or reduce the risks of forced and/or child labour in their supply chains:

- Conduct an internal assessment of risks of forced labour and/or child labour in the organizations' activities and supply chains.
- Develop and implement an action plan for addressing risks associated with forced labour and/or child labour in the organization's activities and supply chains.
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour.
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conducts and/or compliance checklists.
- Monitoring suppliers.
- Developing and implementing training and awareness materials on forced labour and/or child labour.
- Developing and implementing procedures to track performance (indicators) in addressing forced labour and/or child labour.

PROCUREMENT POLICIES AND DUE DILIGENCE

OCAD U has clear and well-developed procurement policies and procedures that dictate how the University purchases goods and services. They include 9001 Procurement Policy, 9001A Purchasing Process Guidelines; 9002 Travel, Meal and Hospitality Policy. These policies are up-to-date and create a successful foundation for OCAD U to begin and iterate increased commitments to ethical procurement: a commitment made by the board of governors in February 2020.

OCAD University's procurement policies and procedures ensure that the university abides by the Government of Ontario's current Procurement Directives (i.e., Ontario BPS), which emphasize the importance of sound management of public funds through competitive bids and transactions that are "fair, open and transparent" but procurement policies also help inform institutional change and strategic plan implementation through a commitment to ethical procurement with a current focus on environmental sustainability and social impact.

In accordance with the Ontario Broader Public Sector (BPS) Procurement Directive, effective April 1, 2011, and as amended from time to time, OCAD U formally adopts the Ontario Broader Public Sector (BPS) Supply Chain Code of Ethics, too. OCAD U aspires to high ethical, legal, environmental, managerial and professional standards in the management of the resources entrusted to it. Within this context, the University strives to procure goods and services in an open, fair and transparent manner and in a competitive environment, so that all transactions yield the optimal benefit to the University and within its circumstances.

OCAD University's Procurement Policy then strives:

- To promote OCAD U's accountability in its use of public funds for the acquisition of goods and services.
- Establish guidelines to which all OCAD University Programs / Departments must adhere in acquiring goods and services.
- Outline the role and responsibility of Procurement Services of the Finance Office in assisting departments to acquire value-added, appropriate, high-quality goods and services that meet OCAD University's immediate and long-term needs at the best overall cost and process standardization.
- Define the responsibility of all OCAD U employees involved in the purchasing process.
- Ensure that OCAD U functions according to generally accepted business practices for the Broader Public Sector (BPS), including the Government of Ontario's Supply Chain Guideline for Purchasing Policies and Procedures and Code of Ethics, and the Provincial Auditor.
- Endorse sustainable and environmentally responsible procurement practices.

In addition, and as a covered entity, OCAD U must conduct its procurement in compliance with the:

- Canadian Free Trade Agreement (CFTA), a pan-Canada (domestic) trade agreement effective July 1, 2017.
- Ontario-Quebec Trade and Cooperation Agreement (OQTCA) effective November 2007, a bi-lateral trade agreement between Ontario and Quebec.
- Canada-European Union Comprehensive Economic and Trade Agreement (CETA) which came into force on September 21, 2017.

This Bill S-211 Entity Report submission is the first report for OCAD University and will help guide and inform procurement policy updates and training tool development that evolve existing institutional commitments in ethical procurement that help inform and build upon provincial directives and promising practices.

Human Rights Policies and Vendor Attestations

OCAD University has a <u>Respectful Work & Learning Environment Policy</u> that complies with Employment Standards Legislation and the Ontario Human Rights Code. Separately, the Procurement Unit in the Finance Office evaluates vendors compliance according to the Ontario Human Rights Code in the Technical Criteria appendix of all RFP submissions to reduce risks and ensure ethical and values-aligned decisionmaking. These vendor forms are helping to inform a Supplier Code of Conduct protocol.

RISK ASSESSMENT OF ACTIVITIES ASSOCIATED WITH BILL S-211

OCAD University has not started the process of identifying supply chain risks associated with Bill S-211. However, upon preparation of this report, key units and offices have reflected on potential risks associated with forced and/or child labour in its business activities and supply chains. This assessment has highlighted that OCAD University is at low risk. The assessment was based on the following considerations:

- In the past fiscal year, OCAD University's top four procurement vendors were based in Sweden, United States, France and China.
- Between January 1, 2023, and December 31, 2023, OCAD U imported the following goods from outside of Canada:
 - Printed Materials: Books/textbooks
 - Fabric, garments and textile materials
 - Ink, chemicals and minerals
 - Metals, aluminum and steel
 - Lumber
 - Batteries

- Hand and power tools
- Research supplies
- Promotional materials
- Electronic, AV and IT equipment
- Office supplies and furniture
- As is evidenced in the below 2023 Custom Broker Report, OCAD U spent \$107,899 on the importation of goods from outside of Canada. Reflecting .6% of its 2022-2023 \$15 million-dollar non-compensation expenditures. Despite this <1% low risk exposure, the University is still intent on building better protocols and capacity to guide improved ethical procurement decision-making.

	Sum of	Sum of	Sum of	
Country	VFCC Amt	VFD Amt	Duty Amt	Sum of GST Amt
CANADA	162.00	218.34	-	10.92
CHINA (MAINLAND)	5,164.93	6,939.49	-	346.98
FRANCE	10,231.16	10,426.07	-	521.31
GERMANY	6,530.24	9,170.47	10.70	459.06
ITALY	300.00	418.84	-	20.94

JAPAN	308.00	425.63	-	21.28
PAKISTAN	118.50	160.15	-	8.01
PHILIPPINES	1,213.20	1,640.00	-	82.00
	-			
SWEDEN	36,576.96	49,331.35	-	2,466.57
SWITZERLAND	952.64	1,275.29	-	63.77
	150.00	200.42		10.02
TAIWAN PROV OF CHINA	150.00	200.43	-	10.02
UNITED KINGDOM	3,826.96	5,386.35	-	269.32
USA	16,410.71	22,275.64	6.57	1,114.14
		,		,
VIET NAM	22.99	31.48	-	1.57
Grand Total (\$CAD)	81,968.29	107,899.53	17.27	5,395.89

• Countries of importation not flagged on <u>Global Slavery Index</u>: The above table also highlights that many of the countries for which the University procures from have policies and practices in place to minimize forced and/or child labour and are thus not flagged as high-risk countries by the Global Slavery Index. However, we acknowledge that this is incredibly difficult to monitor and ascertain.

While OCAD U procures under \$110,000 from Tier 1 suppliers, University purchases could potentially carry a small risk of forced or child labour through their indirect suppliers in the following categories:

- Electronic purchases
- Purchase of Office Furniture, Promotional Products, Paper, Vehicles, Fabric and Textiles

Overall, OCAD University is at a very low risk for forced and/or child labour in its supply chain activities. As a result, OCAD U has no additional information on any measures the entity has taken to remediate any forced labour or child labour. OCAD U has consequently not taken any measures to remediate the loss of income that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

PROCUREMENT TRAINING AND CAPACITY BUILDING

Procurement training at OCAD U is an ongoing informal activity for P-Card Holders, Department Heads (Budget Holders) and Procurement Service Unit employees. OCAD University's 9001 Procurement Policy is facilitated by 9001A Purchasing Process Guidelines, which helps procurement staff make informed choices.

Through existing policies and tools, employees procuring supplies are expected to follow the below procurement standards:

- Ensure all procurement activities are conducted according to university policies, provincial and federal laws, and respect the principles of ethical business practices.
- Support collaborative procurement, and the adoption and sharing of leading procurement practices.
- Conduct business with all current and prospective suppliers in good faith.
- Grant all competing suppliers fair and equal consideration.
- Strive to obtain the maximum value for each expenditure.
- Require honesty and accurate representation of goods and services from all suppliers
- Encourage suppliers to consider sustainability and social responsibility in their product or service offerings.
- Make every reasonable effort to negotiate an equitable and mutually agreeable settlement where disputes occur.

The University's procurement training is informal currently, in that it is based on procurement policy standards, guidelines and self-reflecting questions that support improved decision-making on multi-faceted variables towards sustainable and ethical procurement. OCAD University does not currently provide training to employees on forced labour and/or child labour. OCAD U is committed to re-assessing and revising their guidelines and/or approaching to ethical procurement training in a more concerted effort especially as it relates to addressing Bill S-211, future risks and promising practices in higher education institutions.

OCAD University's procurement purchases are not coded in a way to ascertain high-risk commodity chains. However, OCAD University's procurement staff are participating in the Ontario Universities Professional Procurement Management Association's (OUPPMA) initiative titled Common Commodity Code Reporting Framework (CCCRF). CCCRF should be ready for next years' Bill S-211 annual report. CCCRF builds institutional capacity in identifying and analyzing common purchases and provides more granular detail to help ascertain supply chain risks in higher education institutions in Ontario. With this Reporting Framework, OCAD U will have increased capacity to report on Bill S-211 and make data-driven decisions that impact ethical procurement training.

ETHICAL PROCUREMENT PROGRESS AND POLICY EFFECTIVENESS

OCAD University currently does not have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not present in its procurement activities. However, OCAD University has made significant strides in 4-years—starting in February 2020 and before the COVID-19 pandemic and response to supply chain disruptions—to advance its commitment to ethical procurement. The University evolves its procurement policies and guidelines in response to consultation reports and iterates in a non-linear process as federal and provincial legislation is passed, procurement directives are circulated, and trade agreements are updated.

Entity Progress in Ethical Procurement

 In February 2020, before the COVID-19 pandemic and major disruptions to supply chains, the OCAD U Board of Governors approved an updated open, fair and transparent Procurement Policy that included a "Sustainable and Ethical Procurement" commitment. OCAD U is now taking the steps to align the implementation of the Sustainable Procurement Policy with the University's 2022-2028 Academic and Strategic Plan and to benchmark their progress on the Sustainability Tracking, Assessment & Rating System (STARS).

- Since 2021, OCAD U circulates vendor attestation to help procurement staff evaluate its supply chains and improve and inform ethical decision-making. OCAD U's Vendor Attestation Forms are attached to RFPs as technical criteria appendices and have targeted questions pending the procurement field and category. These forms evaluate but are not limited to a vendors employee health and safety policies, compliance with Human Rights Code and processes for hiring underserved communities. OCAD U draws from these attestations to identify institutional promising practices in ethical procurement.
- Since 2022 when BOBIA (Building Ontario Business Initiative Act, 2022) was enacted, OCAD U has been working to integrate it as a parallel program and assessing how to best integrate the provincial directive into its procurement policies. BOBIA goals are to procure within Ontario and contribute to the growth of Ontario businesses by providing for circumstances in which public sector entities are required to give those businesses preference when conducting procurement processes for goods and services under a specified threshold. OCAD U is positioned well given that less than \$110,000 of its supplies are procured outside of Canada.
- In 2023, the Procurement Unit in the Finance Office and the Office of Diversity Equity and Sustainability Initiatives (ODESI) hired Buy Social Canada who are certified Social Procurement Leaders to conduct a procurement process audit towards better defining the University's sustainable procurement goals in alignment with the federal 2030 Agenda on Sustainable Development Goals. This recent consultant report is helping to produce an institute a sustainability community of practice, sustainable procurement plan, actioning updates to internal policy and other promising practice adoption and improvements.
- Since 2023, OCAD U applies the Sustainability Tracking Assessment and Rating System (STARS) provided by the Association for the Advancement of Sustainability in Higher Education (AASHE) for benchmarking sustainability efforts across the entire institution and to identify areas for improvement.
- In Spring 2024, OCAD U formally received its first ever AASHE STARS rating of Silver. The OCAD U report is available on the AASHE STARS website and went through third party review to ensure high data quality. This is a current portrait to acknowledge the wonderful advancements made towards sustainability across Academics, Engagement, Operations, and Planning & Administration. STARS also provides OCAD U with ideas to continue progressing and we are very close to reaching the next level Gold. The highest possible rating is Platinum. In the procurement category, OCAD U rated at 3.66 out of 6.
- A Custom Broker report generated in May 2024 shows that OCAD U procured less than \$110,000 in supplies from outside of Canada, highlighting effectiveness in procurement policy and training.

The above progress on ethical procurement, since before the COVID-19 pandemic, highlights that OCAD University is forward-thinking, resourceful and adaptive to evolving its procurement policies and responding to better practices including supply chain directives as they arise. While the journey of implementing ethical procurement into an organization is often seen as a non-linear and iterative process, OCAD U is currently journeying progressively through this iterative process through phases of improvement, learning and reporting.

APPROVAL AND ATTESTATION

In accordance with the requirements of the Act, and in particular, section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the

report is true, accurate and complete in all material aspects for the purposes of the Act, for the reporting period listed above.

I have the authority to bind the Ontario College of Art & Design University

Signature

Name:Alan SimmsTitle:Vice-President, Finance and AdministrationDate:June 6, 2024

Signature

Name:	Peter Fraser
Title:	Director of Finance
Date:	June 6, 2024