

Bill S-211 Forced Labour in Supply Chains – Annual Report

This report is prepared by the **University of Guelph** for the Minister of Public Safety based on the requirements in Bill S-211 Forced Labour in Supply Chains.

Reporting period - May 1, 2023 to April 30, 2024

About the University

The University of Guelph is in Guelph, Ontario. Over the decades, the University has expanded, and its comprehensive nature has evolved. The legacy of our founding colleges has provided a bedrock for our pursuit of excellence across disciplines. We have built a caring and supportive community environment that allows people to thrive and excel in a wide range of scholarly pursuits.

Today, our footprint includes the University of Guelph-Humber, Ridgetown, and research stations across Ontario – a network that preserves and enhances the University's connections across rural and urban settings. The University's seven colleges span the arts, social and applied human sciences, engineering and physical science, biological science, business and economics, agriculture, and veterinary medicine. Together, our colleges and campuses provide a comprehensive academic foundation, with proven excellence, deep connections to communities and partners, and the capacity to tackle many of the big questions framing the future of our world.

U of G has nearly 30,000 undergraduate and graduate students at our campuses in Guelph, Toronto and Ridgetown, including 1,700 international students from more than 130 countries. More than 150 years after the launch of our founding colleges, and more than 50 years since the establishment of the University of Guelph, we now have more than 185,000 alumni living around the globe.

Our living and learning environments encourage exploration and the interdisciplinary sharing of new ideas, critical for meeting challenges posed by our more complex and interconnected world. Our faculty and researchers provide students with ground-breaking research opportunities, in laboratories, art studios, libraries and in the field. Student engagement is fundamental to learning and research at the U of G. By focusing on the "whole student," we give University of Guelph graduates the tools and skills to make a difference in our everchanging world.

At Guelph, we turn knowledge into action. We are deeply committed to research excellence and are known to create and mobilize knowledge locally, nationally and around the world. Our research strengths range from agri-food and the bioeconomy to animal and human health to the arts and social sciences and emphasize innovation and real-world impact. We promote established research strengths while exploring new scholarly opportunities, ensuring that our knowledge and discoveries shape understanding and improve life.



For further information related to the University of Guelph, please visit the University's website www.uoguelph.ca.

Supply Chains

The University has total assets of over \$2.2 billion and annual revenue of over \$900,000,000. The University operates in the following sectors or industries:

- Educational services
- Agriculture, forestry, fishing, and hunting (small amounts of farm goods for sale from our Research Stations
- Retail trade (Sale of food, books, branded products, apparel, veterinary services among others)
- Real estate, rental, and leasing (lease of land, buildings and various spaces)
- Professional, scientific, and technical services (lab services, scientific research collaboration)
- Accommodation and food services (Sale of food, rental of residences, lease of conference space)

As a Broader Public Sector entity operating in Ontario, we are bound by the provisions of the Broader Public Sector (BPS) Accountability Act, and the associated Directives. The purpose of the BPS Directive is as follows:

- To ensure that publicly funded goods and services, including construction, consulting services, and information technology are acquired by BPS organizations through a process that is open, fair, and transparent.
- To outline responsibilities of BPS organizations throughout each stage of the procurement process.
- To ensure that procurement processes are managed consistently throughout the BPS.

The University is engaged in producing, selling, and importing goods into Canada.

Purchases of goods vary widely, and unlike a manufacturing facility, our supply chain is quite complex and diverse. At any time, purchases may be made from new suppliers. Purchasing responsibilities are very decentralized, making it difficult to identify and control purchasing and supply chain decisions. As mandated by the BPS, we make use of collaboratively negotiated Vendors of Record, this helps to consolidate groups of purchased items with fewer suppliers.



Policies and Due Diligence Processes

The University has in place the "Code Of Ethical Conduct For Suppliers and Subcontractors in Relation to Working Conditions and Employment Standards" (the "Code"). The Code applies to purchases from suppliers and immediate subcontractors involved in the production, distribution and/or sale of any product falling into at least one of the following categories:

- Apparel
- Products bearing the name, logo, image, or trademark of the University.
- Products that are monitored by a third-party agency that is independent of the monitored party, excluding books, research materials and research equipment.

The Code specifically addresses issues such as equitable wages and benefits, use of child and forced labour, health and safety standards, working conditions, discrimination, legal rights of freedom of association, harassment and abuse. Supplementary to the Code is the "Procedures For The Implementation of the University of Guelph Code of Ethical Conduct for Suppliers and Subcontractors in Relation to Working Conditions and Employment Standards".

Suppliers of products included in the scope of the Code are required annually to complete and return the Supplier Verification of Compliance Form and must keep records and data required to evaluate compliance with the Code and Procedures. The Procedure allows for third party monitoring to evaluate compliance. Violations of the Code may result in requests for corrective measures or termination of contracts (under the terms and conditions of the contract) and restriction of further purchases from the non-compliant Supplier by the University community.

The University has formed the Advisory Committee on the Code of Ethical Conduct for University Suppliers and Subcontractors in Relation to Working Conditions and Employment Standards (the "Committee"). The Committee membership consists of voting representation from 12 groups within the University. The Committee mandate includes the following activities:

- Election of required members informing Committee members of violations
- Monitoring and reviewing implementation of the Code and Procedures
- Monitoring information from third party agencies
- Providing information and advice to the University community and to the Vice President (Finance and Operations) (procurement is included in the VP's portfolio).



Risk Identification and Management

The University has identified the risk of potential forced labour in the products which are in scope for the Code as follows:

- Apparel
- Products bearing the name, logo, image, or trademark of the University.
- Products that are monitored by a third-party agency that is independent of the monitored party, excluding books, research materials and research equipment.

For products outside the scope, risks for forced and child labour are too far removed from the University's point of purchase in the supply chain for us to reasonably investigate and monitor. We have no way of assessing risk or monitoring suppliers or the marketplace as we have no way of identifying country of origin.

For example, one of our largest suppliers provides us with thousands of individual line-item products that are delivered to us from consolidation locations in Canada and the US. The country of origin for each line-item would be very difficult to ascertain. However, since this supplier qualifies as an "entity" under the provisions of Bill S-211, they would have an obligation to report on their own supply chain which would cover items sold to the University.

Risk Reduction Activities

The Code contains principles outlining working standards and compliance, an excerpt from the Code follows:

IV Principles

A. General Principles

- The University of Guelph recognizes that consumer decisions have an impact on those involved in production. The University is committed to working with other postsecondary institutions and with other organizations (such as the Workers' Rights Consortium) to establish evaluation guidelines, criteria and processes for monitoring and ensuring compliance with these principles and to enhance standards as appropriate.
- 2. The University of Guelph is committed to building on existing laws and regulations. Where there are conflicts or differences between the standards of this Code, the applicable laws of the country of manufacture, standards set by the International Labour Organization or the outcome of collective bargaining, the highest standard shall prevail.
- 3. The University of Guelph expects to do business only with suppliers and subcontractors whose workers are present to work voluntarily, are not at undue risk of physical harm, are fairly compensated and are not exploited in any way.



University suppliers must operate workplaces, and require that their immediate subcontractors operate workplaces that adhere, at a minimum, to the following statements of principle with respect to working standards and to the detailed standards and practices outlined in the Procedures for Implementation of the University of the Guelph Code of Conduct for Suppliers and Subcontractors in Relation to Working Conditions and Employment Standards.

B. <u>Principles with Respect to Working Standards</u>

- 1. Wages and benefits paid must meet national and international legal standards or industry benchmark standards, whichever are higher, and should be sufficient to meet basic needs and provide some discretionary income. (Note: the concept of needs includes but is not limited to nutrition, clothing, health care, education, potable water, transportation, housing, and energy.) Piece-rate quotas and rates must be adjusted to what can reasonably be accomplished in an eight-hour period and permit this wage and benefits standard to be met.
- 2. Wages must be paid in a timely manner and in a manner directly accessible by workers.
- 3. Within each work week, employees must not be required to work more than the lesser of:
 - (a) 48 hours
 - (b) the maximum number of hours allowable under the Ontario Employment Standards Act, or
 - (c) the limits on hours allowed by the law of the jurisdiction of manufacture.
- 4. Wherever possible, overtime must be voluntary and remunerated at a premium rate.
- 5. Employees must be entitled to at least one day off in every 7-day period, holidays and vacations as required by the law of the jurisdiction of manufacture.
- 6. University of Guelph Code of Conduct University suppliers and subcontractors must not engage in or support the use of child labour. Where children are found to be currently working in situations that constitute child labour, the University supplier or subcontractor will provide remediation to the child workers as appropriate and acceptable to the University.
- 7. The use of any form of forced labour, such as indentured labour, bonded labour or involuntary labour of prisoners, is prohibited.
- 8. A safe and hygienic working environment must be provided. Accommodation, where provided, must be clean, safe, and meet the basic needs of the workers.



- 9. In accordance with the Ontario Human Rights Code, no worker should be subject to any discrimination in employment, including hiring, compensation, access to training, promotion, discipline, termination or retirement, on the basis of gender, race, ancestry, gender expression, gender identity, place or origin, citizenship, caste, religion, age, disability, sexual orientation, family and marital status, reproductive status, union membership or activity, political opinion or activity, or social or ethnic origin. Workers must be employed on the basis of their competence to do the job.
- 10. University suppliers and subcontractors must recognize and respect the legal rights of employees to freedom of association, to freely form and join unions of their choice, and to collective bargaining with bargaining representatives of their own choice, without fear of harassment, intimidation or retaliation.
- 11. Every employee must be treated with dignity and respect. Employers will not tolerate or engage in any physical, sexual, psychological or verbal harassment or abuse and/or violence. University suppliers and subcontractors will not use or tolerate any form of corporal punishment.

V. Compliance Principles

A. Suppliers and Subcontractors

- Suppliers and subcontractors who confirm compliance with this Code are
 responsible for ensuring compliance by those with whom they directly contract to
 provide products or components of products to be used, purchased or distributed
 to or by University suppliers or licensees.
- 2. University suppliers and subcontractors must allow unannounced inspections of their manufacturing facilities and must provide information required to determine compliance with the Code when requested by the University or by external monitors acting on the University's behalf.
- 3. In the event that a supplier or subcontractor is not in compliance with the Code, the University is committed to engaging in constructive dialogue with them to assist them in achieving compliance. In addition, as a condition of continuing to do business with the supplier, the University may require remediated action by the supplier or subcontractor to correct adverse consequences to workers resulting from Code violations.
- 4. All suppliers are required to adhere to this Code. However, suppliers may not advertise or represent that they have been certified as being in compliance.

B. Reprisals

Disciplinary action, dismissal or other forms of discrimination against any worker who provides information related to the observance of the Code will constitute a violation of the Code.



C. Exemptions

Where a product is essential to University activities or operations and cannot be obtained from a supplier in compliance with the Code, exemptions can be approved by the Vice-President Finance and Administration after consultation with the Advisory Committee."

Remediation Measures

At the time of this report the University of Guelph does not engage in remediation measures.

Remediation Measures for Loss of Income to the Most Vulnerable Families That Results From Any Measure Taken to Eliminate the use of Forced or Child Labour

At the time of this report the University of Guelph does not engage in the described remediation measures.

Training Provided on Forced and Child Labour

At the time of the report the University of Guelph does not engage in training employees on forced and child labour in our supply chain.

Assessment of Effectiveness in Ensuring Forced and Child Labour Are Not Being Used in the Business and Supply Chains

Primary responsibility for implementation of the Code lies with the Vice-President (Finance and Operations) (VPFO). The VPFO is a member of the Committee, co-chairing with the Central Student Association representative. The VPFO is responsible for balancing ethical considerations, purchasing criteria, the needs of the University community and other factors to find solutions that are appropriate and that uphold the purposes of the Code.

The Advisory Committee on the Code is broadly representative of the campus community and organizations. Representatives are appointed from the list of organizations outlined in the Procedures. The Committee meets semi-regularly to review required activities under the Code. The VPFO then reports annually to the Board of Governors on implementation of the Code and on any enhancements or amendments made to the Procedures. Amendments to the Code require the approval of the Board of Governors. Procedures are revised and updated as appropriate by the VPFO after consultation with the Advisory Committee.



Appendix 1 – Attestation

In accordance with the requirements of the Forced Labour in Canadian Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities 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 respects for the purposes of the Act, for the reporting year listed above.

Name

NANCY BROWN ANDISON

Title

Chair Board of Governor

Signature

Date U

I have the authority to bind The University of Guelph