

## **Bill S-211: Fighting Against Forced Labour and Child Labour in Supply Chains Act Annual Report**

Financial Year 1 April 2023 to 31 March 2024

London Health Sciences Centre

### **Introduction:**

On 3 May 2023 the federal government passed [Bill S-211: An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains and to Amend the Customs Tariff.](#)

Bill S-211 came into force on 1 January 2024, and imposes annual reporting obligations on many Canadian entities, including Ontario hospitals, by 31 May 2024, in an attempt to minimize the risk of forced labour and child labour in supply changes.

This report has been prepared in accordance with the requirement of the *Fighting Against Forced Labour and Child Labour in Supply Chain Act* (“the Act”) in relation to the fiscal year from 1 April 2023 to 31 March 2024.

This report was developed following consultation with relevant LHSC personnel and personnel from LHSC’s group purchasing and shared service organizations.

The report outlines actions taken by our procurement partners and LHSC during the fiscal year to prevent and reduce the risk of forced labour and/or child labour within its operations and supply chains.

### **Organizational Overview:**

LHSC procurement and supply chains are managed by shared services partners. LHSC maintains corporate policies to support the application of appropriate procurement practices for the solicitation of supplier bids and the award of contracts for goods and services including maintaining a supply chain code of ethics. LHSC works collaboratively with its procurement partners to respond to changes in legislative requirements, such as the introduction of Bill S-211.

### **Policies and Due Diligence:**

LHSC’s procurement partners support the hospital in ensuring corporate policies are followed as procurement activities are undertaken. In working with LHSC vendors, the development of appropriate contract terms and conditions and competitive procurement templates and processes play a key role in ensuring any vendor that LHSC engages with complies and will maintain compliance with all appropriate legislation during the term of any agreement.

**Risk Assessment:****Remediation Action:**

In response to the introduction of Bill S-211, LHSC's procurement partners have introduced the following changes:

- Procurement partners have modified standard contract language and purchase order terms and conditions to include the following in Supplier Terms Related to Purchased Products or Equipment:
  - The goods and any services provided by the Supplier under this agreement are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada's Fighting against Forced Labour and Child Labour in Supply Chains Act).
- Procurement partners have modified their competitive procurement templates (e.g. Request For Proposal), to include the following language that suppliers/vendors bidding for Hospital business must attest to:
  - Warrants that the goods and services that the Proponent is proposing to provide to the Purchaser are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act);
- Over the coming periods, our procurement partner is planning iterative improvements to the activities undertaken relative to this legislation and health care supply chains. These include the development of internal policy and training for those in sourcing and supply chain roles.
- Our procurement partner has also formalized its commitment to sustainability and environmental, social, governance (ESG) practices through the creation of a dedicated ESG team. This group is responsible for program development to ensure our organization's ongoing sustainability, and to support Members as an enabler of a cohesive, sustainable health care supply chain.

**Employee Training:**

Staff and leaders that support procurement processes for LHSC at our procurement partners are regularly updated on the terms and conditions of LHSC standard vendor contracts and the competitive procurement requirements of all prospective vendors. This ensures compliance conversations relating to Bill S-211 are part of both the decision to select a vendor as well as the management of the ongoing relationship with a vendor of LHSC.

**Effectiveness Evaluation:**

LHSC regularly assesses the appropriateness of its procurement policies, processes and procedures as a whole, including compliance with all applicable legislation and where necessary, undertakes a formal review of relevant corporate policies. These reviews enable an evaluation of the effectiveness of current policies and possible responses to any identified opportunities for improvement, including those related to compliance with applicable legislation. LHSC also undertakes a regular review of all legislation that applies to the organization, a summary of which is provided to the Board.

## 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 or entities listed above. Based on my knowledge, and have 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.

I have the authority to bind London Health Sciences Centre.



June 26, 2024

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David Musyj

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Date

Acting President and CEO



June 26, 2024

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Matthew Wilson

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Date

Chair, Board of Directors