

# ETHICAL PURCHASING in Canada

A report based on the results from the May 2004 Simon Fraser University conference: “Ethical Purchasing, Human Rights and Public Policy”

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NoSweat SFU  
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## **British Columbia Ethical Purchasing Group (BCEPG)**

Canadian Labour Congress, Maquila Solidarity Network, NoSweat SFU, Oxfam, UBC NoSweat, UNITE, Vancouver and New West District Labour Councils, Vancouver Fair Trade Coffee Network

## **VanCity Credit Union**

## **City of Vancouver Councilors**

Tim Louis and Raymond Louis

## **SFU Administration**

Pat Hibbits (VP Finance) & SFU's Ethical Purchasing Task Force

## **The SFU Community**

Simon Fraser Public Interest Research Group (SFPIRG), Simon Fraser Student Society (SFSS), Teaching Support Staff Union (TSSU), PolyParty, CUPE 2333 and our 2000 petition signatures from SFU Students, Faculty and Deans

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## Conference Sponsors

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PoliParty  
TransFair  
Vancouver and New West District Labour Councils

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There are different pathways to change and this conference got us to the point where we have a shared vision. The well balanced and representative group of participants brought unique tools to move the Ethical Purchasing vision forward. It is the right time to move on these issues; the key is to keep the momentum and the cooperative spirit of the conference going.

Pat Hibbits,  
VP SFU Finance and Administration  
Chair, SFU Ethical Purchasing Task Force

Visit [www.criticalthought.ca/NoSweat.htm](http://www.criticalthought.ca/NoSweat.htm) for updates on Ethical Purchasing at Simon Fraser University.

# INTRODUCTION

In September 2003, students in a Communications class at Simon Fraser University researched the capacity of ethical purchasing policies at other Canadian institutions. In November of that year, the student group began to raise awareness and lobby the Board of Governors for the formation of an Ethical Purchasing Task Force.

In April 2003 the Board of Governors endorsed the students' motion. A Task Force, chaired by SFU Vice President of Finance & Administration Pat Hibbits, was given the job of making recommendations to the Board on the policy's regulatory language and implementation.

The student group was requesting that SFU adopt an Ethical Purchasing Policy similar to McMaster University's policy as an initial step and then work out the implementation details. The purchasing staff were concerned about 3 issues with this proposal:

- 1) the Disclosure form
- 2) the Compliance structure, and
- 3) Monitoring ability and costs.

The administration counter proposed a voluntary code to solve these issues. The students then requested that Task Force members move away from their proposed policy position that would require only "voluntary" supplier compliance believing that without supplier accountability, the policy would be mere public relations rhetoric.

Acknowledging the necessity to create policy through multi-stakeholder collaboration and agreement, Pat Hibbits endorsed a workshop conference proposal put forward by the No Sweat SFU Student group. The conference titled "Ethical Purchasing, Human Rights and Public Policy Initiatives at BC Post-Secondary Institutions", succeeded in bringing together a wide spectrum of national stakeholders.

Participants included representatives of businesses, governments, public institutions, unions, NGOs and citizens from across Canada. University administrators with EPP experience and legal experts in corporate social responsibility lead workshops that addressed the challenges and solutions for implementing accountable ethical purchasing policies at Canadian institutions.



**O**ur first agenda with this report is to present the participants of the May 2004 conference with the common themes and ideas, problems, experiences, and solutions identified during the eight conference workshops.

The most commonly asked questions centered around how to create disclosure and compliance forms, how to organize the compliance structure, and what the monitoring ability and costs would be for our public institutions.

Common challenges or concerns were raised regarding accountability, the potential danger for a growing number of institutions creating different policies and implementation structures, the difficulty in monitoring suppliers, and overall public awareness of these issues.

Three broad categories were identified for moving ethical purchasing forward in Canadian public institutions: Standardization, Collaboration, and Education. [Section (C) of this report details these aspects of the conference.]



**T**his report is also written for any person and any organization interested in the implementation and compliance of ethical purchasing policies. Section (A) explains the concept of ethical purchasing. Section (B) tells the story of how ethical purchasing evolved in Canada over the last ten years. Section (C) describes the possible steps to moving ethical purchasing forward in Canada, and Section (D) examines recent developments in its progress.



**E**thical Purchasing involves the creation of policies and mechanisms needed to ensure that the goods and services we buy are produced and delivered under conditions which do not involve the abuse or exploitation of human beings or the environment.

The number of Canadian institutions implementing ethical purchasing policies is growing. That this conference gathered the interest and grew to the size that it did reflects the interest and recognition of the need for economic change, not just in British Columbia, but nationally and globally.

This momentum can be seen in a growing awareness of the realities of global producers and agricultural workers, transnational corporations, international policies, national governments, non-governmental community organizations, and the values of citizens and consumers worldwide.

Ethical purchasing is a part of a shift in a global economy growing from the recognition that we need to assume the true costs of production and consumption. Recognizing the value of the social and environmental aspects of our production on an equal basis with our economic principles will ensure sustainable prosperity for future generations.



*Why do we need to practice Ethical Purchasing?*

**E**very product we purchase is created from a combination of the earth's resources and human labour. The cost of the raw materials, and the labour that goes into their manufacturing, are two of the determinants that influence the price tag on the products that we buy. This price tag does not always reflect the true cost of production. The economic bottom line that governs the majority of our production does not wholly reflect the cost exacted on human life or the natural environment.

When companies outsource the manufacturing of their products, they often search for the facilities that offer the lowest production cost. These facilities are often found in countries with the most lax enforcement of environmental and labour regulations, where workers in factories are subjected to abuse, harassment, intimidation and physical danger.

According to Maquiladora Solidarity Network (MSN), today's sweatshop industry is a product of a global economy in which retailers and manufacturers seek greater profits in a highly competitive industry by contracting production wherever labour costs are low, whether it is in China or Honduras, Winnipeg or Vancouver.<sup>1</sup>

Bob Jeffcott from MSN states that sweatshop workers - the majority of whom are women and children - are subject to exploitation, working long hours in unsafe environmental and building conditions, receiving sub-minimum wages, no health benefits and are exposed to verbal, physical and sexual abuse.<sup>2</sup>

*What is Corporate Social Accountability?*

**B**y law, a corporation's first responsibility is to maximize profits for their shareholders. Corporate Charters require directors to act "in the best interests of the corporation".<sup>3</sup> Economic profit therefore becomes the bottom line goal - sometimes at the expense of the social or environmental well-being of the people or areas in which a corporation does business.

However, Canadians have expectations of corporations that go far beyond profit maximization. In January 2002, the Canadian Democracy and Corporate Accountability Commission confirmed that the vast majority of Canadians valued the corporation as an economic actor but also felt that "companies have responsibilities that extend beyond the maximization of shareholder returns".<sup>4</sup>

Canadians also have expectations that corporate actors, at home and abroad, conduct their affairs in a way that maximizes benefits to all stakeholders, including employees, suppliers and members of the communities in which the corporations operate.

Corporate Social Accountability is the overall relationship of the corporation with all of its stakeholders. These include social, environmental, and economic spheres: customers, employees, communities, owners/investors, government, suppliers and competitors. Elements of social responsibility include investment in community outreach, employee relations, creation and maintenance of employment, environmental stewardship and financial performance.<sup>5</sup>



**T**he international community is working to address the issue of human and environmental accountability. In 1999, the UN Secretary-General Kofi Annan proposed an international initiative: The Global Compact. In his address to the World Economic Forum of that year, Annan challenged business leaders from around the world to join the initiative that would "bring companies together with UN Agencies, labour and civil society to support ten principles in the areas of human rights, labour and the environment".<sup>6</sup>

Annan has stated that without the private sector's active commitment and support there is a danger that universal rights and values will remain little more than words, celebrated, lauded documents, but lacking any substantive import for the lives of ordinary people.<sup>7</sup>

The Global Compact is not a regulatory instrument - it does not "police", enforce or measure the behavior or actions of companies. Rather, the Global Compact relies on principles of public accountability, transparency and the enlightened self-interest of companies, labour and civil society to uphold the principles upon which the Global Compact is based.

# ETHICAL PURCHASING 101

The intention was that through the power of collective action, the Global Compact would advance responsible corporate citizenship. The goal was for businesses to become part of the solution to the challenges of globalization, and promote a more sustainable and inclusive global economy.<sup>9</sup>

There has been an increase in the number of corporate social responsibility value statements by corporations. However, without an accountability structure in place, it is difficult to measure or verify any positive impacts. With an accountability structure in place and subject to a verification process, these value statements would not be voluntarily.

If policies were implemented with the ability to quickly measure, evaluate, and compare social and environmental benefits, businesses could step away from a basic single bottom line profit maximization and actively address fair, sustainable development and the future of their businesses.

“In the absence of effective corporate self-regulation as well as state regulation, ethical buying campaigns represent attempts by civil society to assert greater social accountability for labour rights and standards.”

Don Wells – “HOW ETHICAL ARE ETHICAL PURCHASING POLICIES”,  
McMaster University,



## The 10 principles of the United Nations Compact <sup>10</sup>

### Human Rights

- 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2: make sure that they are not complicit in human rights abuses.

### Labour Standards

- 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4: the elimination of all forms of forced and compulsory labour;
- 5: the effective abolition of child labour; and
- 6: the elimination of discrimination in respect of employment and occupation.

### Environment

- 7: Businesses should support a precautionary approach to environmental challenges;
- 8: undertake initiatives to promote greater environmental responsibility; and
- 9: encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

- 10: Businesses should work against all forms of corruption, including extortion and bribery.



What are the components of an ethical purchasing policy?

An Ethical Purchasing Policy is the creation and application of criteria and processes to ensure that goods and services are purchased in accordance with social and environmental values. This means creating transparencies so that, at every point in the production process, we can measure how social and environmental values are being considered.

This involves laying out both the social rights and the environmental guidelines and principles that need to be observed through verification and compliance right down the supply chain.



In 1995, the World Summit for Social Development defined a set of 8 core labour rights and standards. Based on conventions of the UN-affiliated International Labour Association, they reflect a consensus among the ILO's business, labour and government representatives.

The ILO and the World Trade Organization have reaffirmed the obligation of all member states to abide by these standards:<sup>11</sup>

- 1. Forced Labour (1930)
- 2. Freedom of Association and Protection of the Right to Organize (1948)
- 3. Right to Organize and Collective Bargaining (1949)
- 4. Equal remuneration (1951)
- 5. Abolition of Forced Labour (1957)
- 6. Discrimination (Employment and Occupation) (1958)
- 7. Minimum Age Convention (1973)
- 8. Elimination of the Worst Forms of Child Labour (1999)

One of the most significant recent developments is the emergence of internationally recognized monitoring, accounting and reporting guidelines and standards of conduct. The growing recognition of such global standards contributes to the development of strong ethical purchasing policies. These policies require:

- full public disclosure of suppliers' factories and subcontractors' work sites;
- internal and third party monitoring;
- annual reports on monitoring results to the purchasing entity;
- third party investigation of complaints.

Positive reinforcement and working with suppliers to meet the ethical purchasing requirements are two important keys to success. This is one of the most crucial points to address. Suppliers, not purchasers, are responsible for the product compliance.

In order to ensure compliance, mechanisms to penalize non-compliance must be set in place. However, in order to ensure support and cooperation of businesses, time and effort must be spent working *with* suppliers to upgrade their monitoring, accounting, and reporting guidelines. Terminating a supplier contract would be a last resort when serious problems persist and the supplier is unwilling or unable to correct them.



“ We need a workable system in place so that Canadians can be assured that their products are socially and environmentally accountable to UN and ILO conventions. ”

Kyle Winters, University of Toronto

The facing page outlines the criteria that is required in an Ethical Purchasing Policy to ensure its credibility and effectiveness. Examples of ethical purchasing policies and compliance forms can be read in Appendix #2 and #3.



# ETHICAL PURCHASING 101

**1. Respect for workers' rights:** Compliance with local labour laws and, at a minimum, the 8 core conventions of the International Labour Organization (ILO).

**2. Public disclosure of names and addresses of factories:** Supplier disclosure of factory locations is the key enforcement tool of an Ethical Purchasing Policy since it discourages suppliers from providing false information on factory conditions.

**3. Monitoring of compliance:** Typically, Public Institutions do not have the resources to carry out monitoring themselves. Suppliers should be responsible for monitoring their supply factories. Preference in granting new contracts should be given to suppliers that use acceptable third-party verifiers and are willing to publicly disclose the findings of third-party audits as part of their annual reports.

**4. Annual reports:** The Ethical Purchasing Policy should also require suppliers to provide annual reports on their progress in achieving compliance with the policy. Reports should include information on the supplier's monitoring and verification program, the name of the third-party auditing organization(s), the findings of third-party audits, and corrective action taken. Annual reports should be available to the public. A number of major US brands are currently providing this level of public reporting through the Fair Labor Association (FLA).

**5. Complaints process:** Public institutions should create a mechanism to receive third-party complaints of violations of the Ethical Purchasing Policy. Suppliers should be required to respond to all legitimate complaints with verified evidence that the violations have either not occurred or corrective action has been taken. Those findings should also be available to the complainant and to the public.

**6. Corrective action:** An Ethical Purchasing Policy will give your institution the mandate to require suppliers to take corrective action when violations are identified and to provide verified evidence that those violations are being eliminated. Manufacturers should be given sufficient time and opportunities to achieve compliance. A corrective action plan with reasonable deadlines should be developed

### **Case Study: VanCity's Corporate Social Responsibility mandate**

VanCity Credit Union has been demonstrating Community Economic Development and Corporate Social Responsibility through their business plans and actions by:

1. Offering business products that are socially and environmentally responsible.
2. Investing in the well-being of the communities we serve through grants, scholarships, awards, fundraising, and community service.
3. Adopting business practices that are socially and environmentally responsible.
4. Advocating for social and environmental responsibility with the aim of making a positive difference to the individuals and communities around them.

Their mandate is clear and transparent:

We will be accountable for living up to our commitments. Our social audit process is helping to ensure we are on the right course by allowing us to measure, understand, report on, and ultimately improve our social and environmental performance.

Every two years, we conduct a social audit and publicly report the results in an externally verified Social Report. Our process is based on an international process standard (Accountability 1000) for social and ethical accounting, auditing, and reporting.

Why do they do it?

- Continuous improvement of our social and environmental performance.
- Strengthened relationships with our stakeholders.

### **McMaster University**

Ethical purchasing at McMaster began with students. On campus, they organized through the Ontario Public Interest Research Group and a Fair Trade Working Group. It was in this context that the Institution's president set up a committee to develop an ethical purchasing policy. The committee represented constituencies across campus, including students, administration, faculty, staff, teaching assistants, the Institution bookstore, and athletics and recreation. The committee drafted two policies which McMaster adopted. The fair trade policy requires Institution coffee retailers (except those with pre-existing contracts) to provide a choice of fair trade coffee. The no sweat policy applies to apparel and products bearing the Institution logo. It is based on ILO core conventions and requires a living wage to be paid that provides for the basic needs of workers and their families.

McMaster became the first Canadian institution to join the non-profit monitoring body the Worker Rights Consortium.

## ETHICAL PURCHASING IN CANADA

The evolution of ethical purchasing in Canada came into full swing in the late 1990s, when the *NoSweat* anti sweatshop initiative broke out as a mass movement on college campuses across the United States, Canada, Australia, and Europe.

Through sit-ins, rallies, teach-ins, anti-sweat fashion shows, hunger strikes, occupations, political theatre and other forms of education, publicity and protest, students around the world have expressed their demand for the adoption of ethical purchasing policies.

The most dramatic action in Canada was the occupation of the office of the president of the University of Toronto in 2000. Using internet-linked cameras, students broadcast their occupation to a global audience, eliciting considerable international support. The occupation ended when university officials agreed to a purchasing policy governing apparel bearing the university's name.<sup>12</sup>

Across Canada, groups continue to organize. *NoSweat* campaigns are calling on all public institutions to adopt ethical purchasing policies, to ensure that procurement items, such as uniforms and school supplies, are made under humane working conditions.



Finding common ground between local and global ethical purchasing initiatives is imperative. Today, almost three hundred U.S. universities have No Sweat policies. Over the course of the late 1990s and early 2000s, some 10 Canadian Universities have adopted Ethical Purchasing or "No Sweat" policies. They are: Alberta, Dalhousie, Guelph, Laurentian, McMaster, Memorial, Toronto, Trent, Waterloo, and Western. Campaigns are underway at UBC, Carleton, King's College, McGill, Queen's, Simon Fraser, Winnipeg, Ottawa and York.

These policies are also spreading beyond universities as Canadian school boards and municipalities begin to pass resolutions to adopt ethical purchasing policies. Cities like Toronto, Vancouver and Saskatoon are following on the heels of many US school boards and cities.

With ethical purchasing initiatives increasing in Canada through policy shifts in institutions, public awareness, consumer demand, non-governmental organizations, and growing products lines, we see that opportunities for businesses that promote human rights and environmental standards are growing.

Support for these businesses, from public institutions, community organizations and consumers, will carry the momentum of ethical and sustainable business practices onto a new stage for local and global trade.



The challenge for Canadian citizens, businesses and institutions is to devise a system of accountability that will set the parameters for a profitable corporation that remains accountable to its shareholders while acting responsibly towards citizens in Canada and elsewhere.<sup>13</sup>

Ethical purchasing policies ensure that workers everywhere have the benefit of internationally recognized labour standards. These policies require suppliers to confirm that their goods are made in compliance with health and safety standards, such as limits on mandatory hours of work, abolition of forced and child labour, the provision of certain levels of workplace health and safety, and minimum wages.

Monitoring and enforcement are some of the challenges for ethical purchasing policies. Canadian public institutions currently have little capacity to monitor workplaces to ensure code compliance. This process presents challenges for suppliers, in terms of their economic interests in privacy and competition, and challenges within public institutions in terms of the costs involved in verification of workplaces and investigations of policy violations.

McMaster now requires suppliers to fill out a compliance form. In this form, names and addresses of workplaces that supply materials and trademarked goods become public information. For monitoring and enforcement in terms of policy compliance, McMaster became the first Canadian university to join the Worker Rights Consortium - a non-profit organization that does complaint-based monitoring of plants, discloses the locations of factories that university suppliers use, and publicizes code violations on their web site.

Most US universities with No Sweat codes have joined the Fair Labor Association and/or the Worker Rights Consortium.



The promotion of ethical purchasing policy creation and implementation for institutions across Canada poses some significant challenges over the next few years. Bringing transparency of human and environmental

## **Mountain Equipment Coop**

MEC has adopted a comprehensive Sustainability Strategy which, among other things, demonstrates its commitment to produce MEC merchandise in a way that respects the environment, and the health, safety, and dignity of the workers who make its products.

In 1997, after years of housing an informal policy, MEC moved to a formal policy that set out the broad principles governing how it would purchase products. All suppliers were expected to meet these expectations, which primarily addressed worker conditions in the factories that supplied products.

In 2000, MEC began to audit the factories to ensure its expectations were being met. Finally, in 2002, it initiated a review of its five-year-old sourcing policy motivated by its commitment to its vision and values and its co-operative nature and in response to member requests.

A five month stakeholder consultation process revised MEC's supplier policy engaging staff, board members, and external stakeholders in developing a cutting-edge, yet implementable and practical sourcing policy that responded to emerging human rights and environmental standards. MEC believed that buy-in would increase if stakeholders were involved at the front end of policy design.

In January 2003, MEC's board adopted its updated Sourcing Policy and declared its intent to monitor supplier compliance with its policies and Code of Practice. The code covers areas such as child labour, freedom of association, wages and benefits, health and safety and the environment. The policy also states that MEC will give priority to Canadian-based and operated suppliers and support those which are socially responsible or which are co-operatives -- demonstrating the principle of co-operation among co-operatives.

## **Maquila Solidarity Network**

<http://www.maquilasolidarity.org>

MSN is a Canadian network promoting solidarity with groups in Mexico, Central America, Africa and Asia organizing in maquiladora factories and export processing zones to improve working conditions and win a living wage.

**Publications, Information and Resource center:**  
[www.maquilasolidarity.org/resources.index.htm](http://www.maquilasolidarity.org/resources.index.htm)

**NoSweat Canada Wide Campaign Contact page:**  
All current contact names for high school, University, Municipal, Provincial and workplace NoSweat campaigns in Canada.  
[www.maquilasolidarity.org/nosweat/resources/contacts.htm](http://www.maquilasolidarity.org/nosweat/resources/contacts.htm)

**MSN's Retail Mapping Report: September 2004**  
An overview of key facts and trends in the retail industry - October 2004  
[www.maquilasolidarity.org/resources/pdf/Mapping\\_Retail\\_Report.pdf](http://www.maquilasolidarity.org/resources/pdf/Mapping_Retail_Report.pdf)

**MSN's List of Videos on Sweatshops:**  
[www.maquilasolidarity.org/resources/pdf/Sweatshop\\_Videa\\_list.pdf](http://www.maquilasolidarity.org/resources/pdf/Sweatshop_Videa_list.pdf)

MSN's sweatshop Links;  
[www.maquilasolidarity.org/links](http://www.maquilasolidarity.org/links)

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## ETHICAL PURCHASING IN CANADA

values into our products means increasing the amount of information a retailer needs to communicate to her consumer. Without a template or 'best practices' model to build a policy on, an organization would have to create its own language and structure in an ethical purchasing policy. This presents economic risks, and confusion, for business suppliers and consumers.

Successfully making this economic shift will require the support and understanding of retail suppliers and consumers. This shift requires more information to be passed on from the suppliers to the consumers. Policies will need to be consistent so that both suppliers as well as verification and monitoring agencies can adapt quickly to the needs of any Canadian organization that adopts an EPP. The language used needs to be simple, clear, and consistent enough so that retailers can pass this information off to consumers as a marketing tool rather than as a burden of information overload.

The amount of work, time, and money put into the creation of ethical purchasing policies will be significantly higher if every business, organization, and public institution creates their own policy and implementation structure. Many organizations will neither have the capacity to do this nor the motivation to do the initial work if it is left up to individual initiatives.

The participants of the May 2004 conference raised the above concerns and potential challenges in detail. The following section of this report outlines the three main areas in which we need to move forward: They are:

- 1) Standardization
- 2) Collaboration
- 3) Education

The following section summarizes how Canadian businesses, organizations, and public institutions can move forward on a best practices model of ethical purchasing policy creation and implementation in Canada.



“Ethical Purchasing will be good for Public Institutions. Imagine the pride when you can walk into any university and find out where the sweatshirts come from on a National list based on International UN and ILO Standards...a one stop shop for Canadians, increasing our leverage and ability to play in the game”

— *comments from the plenary* —

“Recognize when administrations don't speak your language, and try to get on their level. Be really aware of the issues from all sides – that's necessary to make it a reality. Lay it out in understandable language.”

— *comments from the plenary* —

# MOVING FORWARD ON COMMON GROUND

## #1. Standardization:

- Consistency of protocol, policy and forms
- Create policy templates
- Develop a single compliance form as a vehicle that serves institutions, organizations, and businesses
- Work with existing national and international organizations for the implementation, monitoring, and compliance of Ethical Purchasing Policies
- Publish a list of suppliers
- Enable information to flow without any conflicts of interest

## #2. Collaboration:

- Create an environment of trust
- Bring everyone, including suppliers, into the dialogue
- Promote partnerships between Universities, Unions and Organizations (CFS, CAUBO, AUCC, WRC, ILO, FLO, etc.)
- Create a Non-Conflictive environment
- Flexibility – Give people time to respond to change
- Pursue attainable, incremental goals and develop a sustainable long term plan
- Reward the positive rather than the negative
- Respect vendors' modes of doing business

## #3. Education:

- Need for broad based education campaigns
- Consumer education – consumer choice will make the difference
- The creation of a label or brand for products that meet policy standards
- Access to educational resources
- These issues should be addressed more critically in High School and University Curriculums
- Develop common terminology for ethical purchasing, fair trade, corporate Social responsibility
- Educate about and build on existing foundations – national and international policies and organizations

# MOVING FORWARD ON COMMON GROUND

## STANDARDIZATION

Standardization and accountability measures need to be created for any field that requires accountability, such as taxes, certification or building codes. There is a rising concern that if ethical Purchasing Policies are not standardized, the confusion as to which policy is stronger or more efficient will be problematic to the policy.

Conference participants called for a University template with common language. They also called for the development of a single compliance form as a vehicle for every institution to work from. The process would be much more effective if the policy's accountability structure worked with existing national and international organizations for the implementation, monitoring, and compliance components.

### 4 possible solutions to achieve Standardization:

a) *A WRC / FLA consortium in Canada.* Kyle Winters, Marketing director for the University of Toronto, and Donna Shapiro, Bookstore manager for McMaster University, expressed the need to write a proposal for a WRC / FLA consortium. The WRC/FLA partnership with Canadian universities would allow for a list of suppliers to be posted on a national scale, reducing duplication, reducing costs to individual institutions, and facilitating public disclosure.

#### b) *An EPP template.*

Included in this report (Appendix #3) is a policy template, which has been approved by Oxfam, the Maquila Solidarity Network, McMaster and UofT. It is based on the McMaster, MSN and UofT policies.

#### c) *Compliance and Disclosure forms*

Included in this report (Appendices #4-#6) are Compliance and Disclosure forms taken from UofT and McMaster policies. These forms have been shown to be effective at both UofT and McMaster.

#### d) *Addressing Legal Concerns*

Included in this report (Appendix #1) is a legal report which addresses key concerns for institutions planning to adopt an EPP (such as NAFTA, FOIPOP and AIT.)

## COLLABORATION

Ethical buying codes have contributed to important improvements in both social and environmental outcomes. Of particular importance for conference participants was to create an environment of trust whereby sensitive information shared is used for the common good.

“This is a non-conflictive, non-competitive environment, each step requires collaboration to move forward” Donna Shapiro, McMaster University

This is why both Shapiro and Winters have offered their institutions' compliance forms as templates for other public institutions. In order to be collaborative, suppliers should also be included in the dialogue, and partnerships between Universities, Unions, and Organizations (CFS, CAUBO, AUCC, WRC, ILO, FLO, etc.) should be increased.

Caution was raised by participants who stated that this initiative must be flexible in order to give players time to respond to the changes. Institutions should respect vendors' modes of doing business. The focus should be on rewarding positive actions rather than on punishing the negative when conducting reviews and addressing non-compliance.

“Institutions should pursue attainable, incremental goals and develop a sustainable long term plan depending their capacity by setting targets agreed upon by members to show progress in small stages.”

Denise Taschereau, MEC

With these points in mind, Wells, Winters, McMasters and MSN all suggest that as more universities develop ethical purchasing policies it will be logical to create an Inter-University Consortium as a common purchasing body built around a core Ethical Purchasing policy.

This would give universities more collective influence to work with suppliers. It would also be strategic for universities to join with school boards, municipalities and other institutions with similar buying policies to promote an even broader-base and more powerful Consortium.

There are 3 main points to address under the theme of collaboration:



## EDUCATION

a) In order to promote a shift towards EPP's, there needs to be collaboration between public stakeholders.

b) The Workers Rights Consortium (WRC), the International Labour Organization (ILO), the Fairtrade Labour Organization (FLO), and the Canadian Association of University Business Officers (CAUBO), Canadian business and student unions, were all mentioned as possible allies in EPP collaboration.

c) Having suppliers at the conference would have allowed for a more inclusive collaboration. No suppliers were at the conference. The suggestion was made that if EPP is to be successfully implemented, suppliers must also be at the table working to move this process forward.

“Ultimately, ethical buying policies need to help pave the way to effective international labour regulation by states and democratic unions. Fairer trade agreements are also crucial. This will require respect for the autonomy of nations and the opening up of markets to fairly traded goods and services. It will also require the ability to impose adequate sanctions on those who violate their agreements to abide by international labour standards. Such a world of fairer trade is not politically possible at present. In the meantime, ethical purchasing codes are not only a feasible first step, they are the right thing to do.”<sup>14</sup>

When new ideas present themselves in organizations, a level of understanding and education is required before members can engage with them. Without a clear understanding, general principles may be present but how those principles relate to specific knowledge can be vague at best and can lead to poor implementation of policy.

The conference participants called for more education on the issues of Ethical Purchasing, Fair Trade, NoSweat and Corporate Social Responsibility. They called for more access to educational resources and indicated a need for broad based education campaigns in order to help develop a common understanding and terminology across sectors.

They also came to believe that by building on existing national and international policies and organizations, a stronger EPP system can be produced here in Canada.

“Some people feel very overwhelmed. There are opportunities for people to take action on a smaller level. Promotion of the cause and education of people is the key.”

— *comments from the plenary* —

The resonating theme of the conference was public education. With a continued effort to educate consumers on these issues, it is believed that consumer choice will play a strong role in the demand for ethical purchasing policies.



“Education is a precursor to change.”

— *comments from the plenary* —



## RECENT DEVELOPMENTS

### (1) Municipalities Update:

In the February 17, 2005 City Council vote – after three months of drafting work by the City’s multi-stakeholder Ethical Purchasing Task Force and two months of revisions – Vancouver City Council adopted their new Sustainable and Ethical Purchasing Policy and Supplier Code of Conduct. Phase I of the Policy covers City of Vancouver purchases of apparel and fair trade agricultural products such as coffee. Phase II plans to incorporate broader environmental and social objectives into the policy.

“This is without a doubt the most comprehensive Ethical Purchasing Policy developed by any municipality in North America,” said Vancouver and District Labour Council President Bill Saunders who was a member of the Ethical Purchasing Task Force. “It not only contains a statement of values but a comprehensive enforcement mechanism which many other policies lack”, said Saunders.

From now on, all City of Vancouver suppliers will be contractually bound to meet the performance standards outlined in the Supplier Code of Conduct which includes adherence to the eight core labour conventions of the International Labour Organization. It also mandates full disclosure of ‘factory and production facility locations of suppliers and subcontractors’ and ‘independent facility inspections if so desired by the City’.

“With this policy, City of Vancouver tax dollars will no longer be used to support sweatshops, child labour or forced labour,” said Councilor Tim Louis. “These are practices which are abhorrent to the citizens of Vancouver and today we have taken decisive steps to deal with this.”

City Council also directed staff to forward the Ethical Purchasing Policy and Supplier Code of Conduct to other jurisdictions including the Vancouver 2010 Olympic Committee and other municipalities across Canada. The City of Vancouver currently spends \$1.4 million per year on apparel products.

City of Vancouver Ethical Purchasing Information:  
Ethical Purchasing Finance Policy Report Feb 7, 2005:  
<http://vancouver.ca/ctyclerk/cclerk/20050217/cs7.htm>  
Ethical Purchasing Policy February 17, 2005 in PDF:  
[http://vancouver.ca/policy\\_pdf/AF01410.pdf](http://vancouver.ca/policy_pdf/AF01410.pdf)  
Supplier Code of Conduct February 17, 2005 in PDF:  
[http://vancouver.ca/policy\\_pdf?AF01401P1.pdf](http://vancouver.ca/policy_pdf?AF01401P1.pdf)

Park Board in PDF:

[http://vancouver.ca/parks/board/2005/050228/ethical\\_purchasing\\_policy.pdf](http://vancouver.ca/parks/board/2005/050228/ethical_purchasing_policy.pdf)

Across Canada there are also other Municipalities working towards Ethical Purchasing Policies. Calgary and Toronto are next in line: Calgary’s City Council resolved to adopt a policy last September, and has since commissioned a staff report on the costs of implementation. Toronto City Council approved a similar resolution in 2002. On January 18 2005 the City of Toronto held a public meeting to consult on the content and implementation of its own No Sweat purchasing policy. Council hopes to pass a full policy in the near future. Toronto buys \$4 million in apparel annually.

### (2) Provincial and Federal Governments

Although no province has yet adopted a No Sweat purchasing policy, a joint task force has been set up by provincial, federal and territorial Ministers of Public Works to produce a draft ethical procurement policy to present to the Canadian Public Procurement Council meeting in September 2005. The task force is co-chaired by representatives of the Manitoba and Federal Governments. Maquila Solidarity Network is monitoring the work of the task force.

### University of Toronto’s new national EP initiative: “National University Retail Licensee List”

“Ethical Purchasing will be good for public institutions. Imagine the pride when you can walk into any university and find out where the sweatshirts come from on a National list based on International UN and ILO Standards...a one stop shop for Canadians, increasing our leverage and ability to play in the game...Canada has a great opportunity and we are making great strides with FLA and WRC” - Kyle Winters

On January 27<sup>th</sup> 2005, the University of Toronto unveiled plans for a new national directory of university apparel suppliers who adhere to fair labour practices through its new National University Retail Licensee List – a public directory that will list manufacturers licensed to produce goods bearing the logos of Canadian universities. Under the plan, the University of Toronto would collect and share factory disclosure information with Canadian universities who adopt licensing codes of conduct consistent with the Fair Labor Association

(FLA) or Worker Rights Consortium (WRC). The University is also urging Canadian universities to join the FLA and / or the WRC.

The FLA is a multi-stakeholder code monitoring initiative that includes over 190 universities, brand-name companies and university suppliers. The WRC is a non-profit organization that investigates alleged labour rights violations in factories producing for approximately 135 universities.

To date, ten universities have adopted No Sweat policies. The Universities of McMaster, Guelph and Queen's are members of the WRC; the University of Alberta is a member of the FLA; and the University of Toronto is a member of both organizations.

MSN is encouraging schools to join both the FLA and WRC programs because each program provides the school with different advantages and provides maximum leverage with the companies. Many U.S. universities are members of both.

The FLA requires companies to report regularly on their progress in meeting the code standards, and will monitor compliance at larger licensees from time to time. The WRC provides full public disclosure of compliance information, which is important to establish the credibility of the school's program. The WRC also carries out investigations of complaints when called to do so, engaging local human and workers' rights organizations in their investigations. Each program has an annual fee of US\$1000 or 1% of licensing fees, whichever is larger. For Canadian schools, the \$1000 minimum will be the norm.

With university administrators from across the country at this January 2005 conference discussing cooperation among Canadian universities on the implementation of ethical licensing policies, Scott Nova, Executive Director of the Worker Rights Consortium says he is delighted that the University of Toronto is taking the lead in this effort.

"By joining together, universities have demonstrated they can be a powerful catalyst for change in garment factories worldwide," says Nova. "The University of Toronto's new disclosure directory is a novel approach that will significantly aid the code of conduct enforcement effort."

Kathy Stevens, University Liaison of the Fair Labor Association says that it is essential universities know that their apparel is made in proper working conditions. "Even though U of T's licensing revenues may be smaller than some of the larger U.S. universities, an institution of higher education has to be responsible for its place in the world," says Stevens.

The Maquila Solidarity Network also supports the initiative launched by the University of Toronto: "U of T is really taking the lead in trying to ensure the clothing is made in good condition without a huge administration burden," says Kevin Thomas, who helped draft U of T's original code of conduct in 2000. "I think this initiative is quite positive because it allows smaller schools to take the same responsible steps bigger schools have without being marginalized because their budgets are smaller."

MSN believes that cooperation between universities in Canada on implementation of licensing codes of conduct will make implementation easier and less expensive for each individual university; make it easier to bring smaller schools into the fold; streamline the process of adopting a code and producing disclosure information; and increase leverage with companies to enforce No Sweat standards.

Sources:

CUPE 15

<http://www.cupe15.org/COVEthicalPurchasingPolicy.htm>

Toronto News

<http://www.news.utoronto.ca/bin6/050127-904.asp>

## REFERENCES

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2. *ibid.*
3. Canadian Democracy and Corporate Accountability Commission, 2002.
4. “The New Balance Sheet: Corporate Profits and Responsibility in the 21<sup>st</sup> Century” Canadian Democracy and Corporate Accountability Commission January 2002, page 2.
5. The Conference Board of Canada, 1999.
6. Annan Global Compact.
7. *ibid.*
8. *ibid.*
9. *ibid.*
10. *ibid.*
11. ILO World Summit, 1995.
12. “Universities and Ethical Purchasing Policies”, Don Wells, February 27, 2004, CAUT.
13. “Promoting Canadian Corporate Citizenship Abroad: A policy framework on Canadian Firms, Canadian Values and the foreign policy implications of Canadian commercial activities in risky states” Policy Framework Document by Dr. Kai Alderson (for Canadian Centre for Foreign Policy Development and Canadian Business for Social Responsibility), Vancouver, May 2000.
14. “Universities and Ethical Purchasing Policies”, Don Wells, February 27, 2004, CAUT.



## Appendix #1: Legal Report

The ethical procurement policies adopted by the ten Canadian universities generally recognize that the universities wish to do business only with suppliers and their subcontractors that pay employees a dignified living wage, have humane working conditions and hours of work for employees, do not use child labour, do not use forced labour, provide safe and healthy working environments, do not allow discrimination and harassment, and those that recognize the rights of workers to organize and bargain collectively. As Canada is a member of the ILO, along with 176 other countries, it is a laudable objective for Canadian universities to promote and abide by international standards accepted by the ILO.

However, the lack of ethical procurement policies in British Columbia does not necessarily reflect disagreement with the objective of such a policy; the main concern appears to be over the practical implementation. There are three common arguments against the implementation of ethical procurement policies:

- (i) such policies will increase costs;
- (ii) they will be difficult to administer; and
- (iii) they will leave an institution open to increased legal liability.

This paper focuses on some of the more commonly raised concerns over issues of legal liability flowing from the implementation of an ethical procurement policy. In passing, we will touch upon several of the other concerns mentioned as well.

In this paper, we will address the following:

### competitive bidding

- (a) the relevant British Columbia competitive bidding/tendering laws that would apply to a university if it were to adopt an ethical procurement policy;

### pre-compliance

- (a) the legal obligations placed on a university in the course of considering a potential supplier for a contract, such as obligations regarding ensuring pre-compliance;

### due diligence requirements

- (a) the level of due diligence a university would have to undertake in order to protect itself from legal liability;

### defamation

- (b) the issue of potential defamation claims against a university by suppliers if the university reports on a supplier's violation of its ethical procurement policy;

### privacy considerations

- (a) the relevant privacy laws that would apply to a university if it were to adopt an ethical purchasing policy;

### international trade agreements

- (b) the North American Free Trade Agreement ("NAFTA"), the World Trade Organization Agreement on Government Procurement ("WTO-AGP"), and the Agreement on Internal Trade ("AIT"); and

### ILO conventions

- (c) whether a British Columbia university has a legal obligation to comply with International Conventions to which Canada is a signatory, such as the ILO Conventions.

We will deal with these issues and provide some practical suggestions for universities to implement ethical procurement policies, while limiting their legal liability.

It should be emphasized that the information in this paper is of general nature, and is intended to offer a series of guidelines. It will not answer every question that may arise from the questions already posed, and it may not apply in every case. We have written about the law as it applies to universities in British Columbia. It is important to note as well that the information in this paper should not be relied upon in any legal proceeding, as it is not a replacement for proper legal advice given for the purposes of specific concerns that may arise for each institution.

## Appendix #1: Legal Report

### Competitive Bidding Laws

As most universities in British Columbia are reliant on public funds, they have adopted policies that entitle suppliers to bid for goods and services that universities require. The implementation of an ethical procurement policy does not in any way change the laws that govern competitive bidding in British Columbia. As we will discuss further below, the AIT applies to universities as well when they procure goods and services, but it should not in any way hinder a university's ability to adopt an ethical policy.

The Supreme Court of Canada in *Ontario v. Ron Engineering & Construction (Eastern) Ltd.*, [1981] 1 S.C.R. 111, introduced the tendering laws in Canada that apply today. The courts in British Columbia have consistently followed the legal approach espoused in *Ron Engineering, supra*.

In the model adopted by the Supreme Court of Canada, there are two contracts. For example, a university's invitation to tender will constitute an offer to potential bidders. Contract "A" comes into existence when a contractor submits a compliant tender in response to the university's offer. The terms and conditions of contract "A" are governed by the terms and conditions of the call for tenders. If a university accepts a bid, there is an obligation on both parties to enter into a substantive contract, or contract "B".

The law requires the owner, in this case the university, to treat all bidders fairly and objectively, and the awarding of the contract must be consistent with the call for tenders. Otherwise, a university may be held liable for damages (i.e. breach of contract "A"). As with any invitation to tender by a university, if an ethical procurement policy is implemented, the university would have to clearly outline the criteria it intends to use to evaluate and select tenders.

The courts in British Columbia have upheld breach of contract claims made by unsuccessful bidders where not all of the selection criteria have been disclosed in the invitation to tender documents: *Chinook Aggregates Ltd. v. Abbotsford (District)*, [1989] B.C.J. No. 2045 (Q.L.) (C.A.), and *Tercon Contractors Ltd. v. British Columbia*, [1993] B.C.J. No. 911 (Q.L.) (S.C.).

### "Pre-Compliance" and the Legal Obligations on a University

In evaluating potential suppliers, a significant concern for a university would rightly be whether a bid is in compliance with the university's ethical procurement policy. If an invitation to tender simply states that all bids have to be in compliance with a university's ethical procurement policy, this may, in turn, place legal obligations on the university to verify the accuracy of the information received by it from bidders to determine if, in fact, bids are compliant. If a university awards a contract to a non-compliant bid, it may open the university to a legal challenge by unsuccessful bidders that the successful bid was non-compliant.

A legal obligation placed on a university in its call for tenders is that it must select a bid according to the process and criteria it established in the invitation to tender. Even where an invitation to tender document has a privilege or discretion clause it may leave a university open to a claim for damages. Typically, call for tenders include language that suggests that the owner may reject all tenders or accept a tender which is not the lowest bid. Court cases show that the discretion is not untrammelled. A university may not use its discretion clause to justify accepting a non-compliant bid. In *Graham Industrial Services Ltd. v. Greater Vancouver Water District*, 2004 BCCA 5, the Court stated:

The [Owner's] right to rely on the Discretion Clause as a term of Contract A only arises if a valid Contract A is formed. Contract A is only formed if a bid is, in Estey J.'s words, 'capable of acceptance in law'. It is the submission of a compliant tender which establishes the legal relationship, Contract A, between the parties: *Sound Contracting Ltd. v. Nanaimo (City)* (2000), 74 B.C.L.R. (3d) 239 (C.A.) [paragraph] 18. Since the Discretion Clause does not operate before Contract A is formed, the determination of whether a bid is capable of acceptance in law must be based on an objective standard.

### Limiting obligations and liability regarding pre-compliance

A way to limit a university's obligations, potential liability for damage claims from unsuccessful bidders, and save costs in evaluating bids would be to develop clear objective selection criteria in its invitation to tender. In this respect, a university may simply place the onus on bidders to ensure that they are in compliance with the university's procurement policy.

The McMaster University ethical procurement policy<sup>3</sup> (the "McMaster Policy") has a provision that states, at section IV(A):

The University Supplier shall submit a completed confirmation of compliance form in order for the University to consider entering a relationship with that supplier. Furthermore, the University Supplier shall ensure that its Subcontractors comply with this Code by having each Subcontractor complete this form as well.

The onus may be placed on the bidder to ensure compliance with a university's ethical policy at this stage. Any call for tenders should clearly state that the university will not be verifying the accuracy of the assurances at this stage and that the bid will be deemed to be in compliance with the ethical procurement policy if the assurances are given.

For many, including ourselves, this "honour system" may not appear to be effective in promoting any real change. We all know many companies are not very honest when reporting on themselves.

### (Footnotes)

<sup>3</sup> The McMaster University Code of Labour Practices for University Suppliers and Licences can be found at the following website: <http://www.mcmaster.ca/policy/labour.pdf>

<sup>4</sup> See <http://www.maquilasolidarity.org> for an excellent overview of campaigns across Canada, their successes and continued work in having ethical procurement policies implemented in various institutions. As well, this site provides some good strategic advice regarding campaigning for ethical policies. The Maquila Solidarity Network's "A Guide to Winning and Enforcing Anti-Sweatshop Purchasing Policies" for cities and schools is an invaluable resource.

However, as the Maquila Solidarity Network<sup>4</sup> provides in their various guides to winning and enforcing anti-sweatshop purchasing policies, few, if any, factories are completely free of violations. Suppliers should be given time to correct any violations if they are found.

The above approach may be considered to be "self-regulating" in the initial stage of the tendering process; however, for the selected bid, a university may take a more rigorous approach by implementing a stringent monitoring mechanism and adopting a strict approach regarding violations of the policy. This may include public reporting of the accepted bidder's continued compliance or non-compliance with the university's policy.<sup>5</sup> However, in order to take such measures, the invitation to tender must clearly indicate that the university intends to take such measures with the selected bidder, and that the bidders must agree to such measures if selected.

Further, the language in the tendering documents should clearly state the consequences for an accepted bidder if the university determines that an accepted bidder is in violation of the university's ethical procurement policy and that the successful bidder must agree to those terms. This should include strong language that the university may terminate the contract, at its sole discretion without any penalty or recourse, if that is what the university intends to do.<sup>6</sup>

Of course, existing suppliers may be encouraged to comply with the ethical procurement policy, but it will likely be a breach of contract to cancel any existing contracts if suppliers do not comply.

### (Footnotes)

<sup>5</sup> Further below, we address British Columbia privacy laws and how they may limit a university from publicly disclosing information and ways to avoid any breach.

<sup>6</sup> Without language that states that a contract may be terminated if a supplier violates the ethical procurement policy, it may be that the courts will not consider a violation of an ethical procurement policy as a "fundamental breach" that requires the repudiation of the whole contract. The test for a fundamental breach is that the breach must go to the root of the contract. It must deprive the innocent party of substantially the whole benefit which that party was to obtain under the contract: See *Poole v. Tomenson Saunders Whitehead Ltd.* (1987), 16 B.C.L.R. (2d) 349.

# Appendix #1: Legal Report

## Due Diligence

The level of due diligence required to ensure compliance with an ethical purchasing policy depends on what the university undertakes in the policy. A completely “self-regulating” policy may be meaningless, whereas a more rigorous monitoring policy is obviously more effective.

## Defamation

Defamation is a tort or a civil wrong. It is designed to protect a person’s reputation from falsehoods, whether these falsehoods are expressed in a more permanent form such as in writing (libel) or in a more fleeting form such as in a spoken conversation (slander). Defamation actions are not limited to individual individuals. A corporation, as a legal person, may also bring a defamation action: *Bank of British Columbia v. Canadian Broadcasting Corp.*, [1992] B.C.J. No. 216 (Q.L.) (C.A.); leave to appeal dismissed on August 27, 1992, [1992] S.C.C.A. No. 150 (Q.L.).

Generally speaking, a publication is defamatory if it tends so to harm the reputation of another as to lower the person in the estimation of the community, or deter third persons from associating or dealing with the person: *M.D. Mineralsearch Inc. v. East Kootenay Newspapers Ltd.*, 2002 BCCA 42.

Without going through the intricacies on the law of defamation and its defences, such as qualified privilege, fair comment, etc., there is no question that if the university takes on public reporting requirements itself, there is always a risk that the university may be sued for defamation - whether or not the claim will succeed is another matter.

The issue is a real one, as the law of defamation in Canada is amongst the most conservative in the western world. It often appears to place issues of reputation above matters of freedom of expression. The problems can be compounded when the issue involves the expense and logistics of calling witnesses from distant countries, and having them testify in proceedings in a legal system foreign to them, and perhaps in a different language.

One way to limit the university’s liability against defamation claims is to put the onus of establishing compliance, and meeting the reporting requirements, on the supplier. It should be the supplier’s responsibility to prove that it is in compliance with the university’s ethical procurement policy. A simple strategy may be the following:

- require the supplier to use an acceptable third-party verifier to investigate and report;
- require the supplier to set up a website where all third-party reports should be published;
- the university can simply have a link on its website to the supplier’s website.

The above strategy may protect the university from a claim of defamation – at least from a supplier. A subcontractor still may possibly make a defamation claim that the supplier and university published the defamatory words (the university via the link on its website). However, the success of such a claim is unclear, as the law regarding internet defamation is still evolving.

In *Carter v. B.C. Federation of Foster Parents Assn.*, 2004 BCSC 137, it was argued by the plaintiff that by merely informing others by forwarding a newsletter that makes reference to a website (without reference or knowledge of its contents) constitutes the publication of defamatory words contained in the referred website (chat forum). The Court in *Carter*, *supra*, cited two New York cases. One of the cases, a New York Court of Appeal decision in *Kline v. Biben*, 296 N.Y. 638 (N.Y. Ct. App. 1946), held that the simple mention of an article that contained defamatory comments without reference to the comments could not amount to a republication of the defamatory comments. After citing the New York cases, the Court stated that what occurred in the case before it was even more remote “as reference was made to a website that contained all manner of participants’ comments including the [alleged defamatory] comment.”



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The Court stated that it was supported in its view because the Defendants had no knowledge of the offending comments contained in the website itself. The Court found that the defendant was not liable for publication of the website link as there was nothing to suggest that the Federation knew or ought to have known of the alleged libelous material contained in the forum.

In any event, consent is always a complete defence to a claim of defamation. The university may simply obtain the suppliers' and their subcontractors' consent to publish any third party verifier reports: *Hanly v. Pisces Productions Inc.*, [1980] B.C.J. No. 1803 (Q.L.) (S.C.).

It would appear as well that the other three main defamation defences would be available in many circumstances: truth/justification, qualified privilege, and fair comment.

It is important to emphasize that the university should set out clearly the terms of its ethical procurement policy in the invitation to tender regarding reporting requirements.

### Privacy Laws

The most relevant privacy statute that applies to universities in British Columbia is the *Freedom of Information and Protection of Privacy Act*, R.S.B.C. 1996, c. 165 (the "FOI/POPA").

Under section 21 of the *FOI/POPA*, a university may potentially be in breach of privacy rights if it discloses publicly the trade secrets of a third party or commercial, financial, labour relations, scientific or technical information of or about a third party if the information is supplied in confidence and it would result in, generally, harm or improper benefit. There is a risk in a university deciding to publish information about its suppliers, as it may trigger the application of the *FOI/POPA*.

However, under section 25, it is mandatory for the university to disclose, whether or not a request is made for access, without delay, "to the public, to an affected group of people or to an applicant, information"

- (a) about a risk of significant harm to the environment or to the health or safety of the public or a group of people, or
- (b) the disclosure of which is, for any other reason, clearly in the public interest.

Section 25 applies despite any other provision in the *FOI/POPA*. Depending on the circumstances, a university may argue that it was required to disclose certain information.

It should be noted that the section has been interpreted very narrowly. A duty arises under section 25 only in the clearest and most serious of situations. The risk must be imminent and substantial: *Clubb v. Saanich (District)*, [1996] B.C.J. No. 218 (Q.L.) (S.C.), Order 01-20; *University of British Columbia*, [2001] B.C.I.P.C.D. No. 21 (Q.L.), Order No. 165-1997; *British Columbia (Ministry of Attorney General)*, [1997] B.C.I.P.C.D. No. 23 (Q.L.).

However, if a supplier and its subcontractors consent to the public disclosure of information gathered by a university in its monitoring efforts, there will be no breach of the *FOI/POPA*. The consent should include (and the public disclosure should be consistent with it) a reference to the intended method of collection of the information, the purpose for which it will be used, and it should state that the information collected is not confidential and that it will be publicly disclosed.

### International Trade Law<sup>7</sup>

We will address three agreements that are often raised as bars to a university ethical procurement policy: NAFTA, WTO-AGP, and AIT. These agreements are relevant because those who oppose ethical procurement policies consider that the agreements create barriers. As we discuss below, the agreements simply do not create any barriers to the implementation of an ethical procurement policy by a university.

### (Footnotes)

<sup>7</sup>For a good in depth review of trade law in Canada, see *International Trade and Investment Law in Canada (2<sup>nd</sup> Edition)*, by Paterson and Band (Carswell: 1994) (looseleaf).

# Appendix #1: Legal Report

## NAFTA

NAFTA was negotiated among the governments of Canada, the United States and Mexico. It came into force in Canada on January 1, 1994.

The obligations created by NAFTA are set out in Article 105. This Article provides that the Parties shall ensure that all necessary measures are taken to give effect to the provisions of the Agreement, including their observance, except as otherwise provided in the Agreement, by state and provincial governments.

NAFTA does not apply to university procurement of goods, services or construction services as provided in Chapter 10. Although Article 1001 provides that Chapter 10 applies to a state or provincial entity set out in Annex 1001.1a-3, at this time, there are no provincial entities included in Annex 1001.1a-3. Therefore, these are excluded from any measure regarding the procurement of goods, services or construction services.

## WTO-AGP

The World Trade Organization (“WTO”) has 147 members. It was established in 1995 to govern trade amongst its members. The WTO-AGP came into force in Canada on January 1, 1996.

The purpose of the WTO-AGP is to open up international business to international competition. The WTO-AGP only has 28 members. The agreement consists of general rules and obligations that apply to members regarding government procurement of goods, services and construction services. The WTO-AGP applies to federal entities. At Annex 1 of Appendix 1 of the agreement, the federal government entities to which the WTO-AGP applies are set out. At Annex 2, “sub-central government entities” to which the WTO-AGP applies are set out – there are none listed. At this time, provincial government entities, as with NAFTA, are excluded from any measure regarding the procurement of goods, services or construction services under the WTO-AGP.

## AIT

On July 18, 1994, the Canadian federal government, the provinces and the territories signed the AIT. Annex 502.4 (the “Annex”) of the AIT applies to university procurement. It came into force on July 1, 1999. The Annex applies to measures related to procurement within Canada of goods and services where the procurement is \$100,000 or greater. In the case of construction, the procurement must be greater than \$250,000.

The Annex prohibits discriminatory procurement practices, and it requires a measure of transparency in matters covered by the Annex so that they are made readily accessible. However, even where measures are discriminatory, they are still permissible if made for a legitimate objective. For example, a legitimate objective may be for the “protection of the health, safety and well-being of workers” (s. F(2)(f)). Although it is very unlikely that a university ethical procurement policy would be deemed to be discriminatory, it could likely be justified on the basis that it is for the protection of the health, safety and well-being of workers.

Further, the Annex does not apply to the procurement of goods a university purchases for resale to the public (section L(a)).

## **University Compliance with International Conventions – the ILO**

International treaties or conventions that Canada has signed and ratified do not become part of the domestic laws of the country. There needs to be some form of legislative act transforming the international law into the domestic sphere, for instance, by enacting Canadian legislation that specifically incorporates the legal principles contained in international treaties. Although a university does not have the legal obligation to comply with ILO conventions, it can be argued that it has the moral obligation as a public institution to do so.

In *Baker v. Canada (Minister of Citizenship and Immigration)*, [1999] 2 S.C.R. 817, the Supreme Court of Canada wrote:

“Because the Convention on the Rights of the Child had not been implemented by the Canadian Parliament, [i]ts provisions therefore have no direct application within Canadian law.”

The Court went on to conclude:

“Nevertheless, the values reflected in international human rights law may help inform the contextual approach to statutory interpretation and judicial review...”

### **Conclusion**

There should be no great difficulty in a university implementing an ethical procurement policy. Once the framework for such a policy is in place, the administration of the policy should not be difficult either. Costs of implementation and administration of the policy can be minimized as well by putting the onus on the supplier to verify compliance, for example, by their own assurances and those of third-party verifiers. There are some legal risks, but the risks are not so great that they cannot be overcome by good preemptive planning.

*[We gratefully acknowledge the assistance of our colleague, Janet Lennox, of McGrady, Baugh & Whyte.]*

## Appendix #2: Code of Labour Practices for University Suppliers & Licensees

### PREAMBLE

The International Labour Organization (ILO), of which Canada is a member, is committed to promoting an end to oppression, exploitation and abuse of workers worldwide. The University recognizes and supports this commitment, and seeks accurate information from its suppliers concerning the working conditions related to the products and services The Universities purchases and licenses. Provided that ILO core labour standards<sup>26</sup> are met, nothing in this Code is intended to pre-empt or override standards that are set by a process of collective bargaining by independent unions and associations of the workers' choice. The standards of this Code are based on relevant ILO conventions as cited in the standards section.

While the scope of application, as defined in Section II, is currently restricted to a portion of the university operations, it is the intention that all suppliers, licensees, contractors and subcontractors be aware of this Code and strive to follow it. The University intends to cooperate with university, student, and other organizations in monitoring working conditions, collecting information, and collectively negotiating with suppliers to ensure the provisions of this or similar Codes are enacted as widely as possible. For suppliers and subcontractors not currently included in the scope of this Code, The University encourages voluntary disclosure of factory/business locations and working conditions until the contract is renewed. Relevant information may be a factor in awarding of future contracts and in purchasing decisions. Where multiple suppliers and/or equivalent products and services are available, and where other purchasing criteria are equal, The University policy will be to favour suppliers or products in compliance with this Code.

### I. INTRODUCTION

The University is committed to conducting its business affairs in a socially responsible and ethical manner consistent with its educational, research and service missions, and to protecting and preserving the global environment. The University seeks to achieve its aims through a variety of means including this Code of Labour Practices, which is a statement of minimum standards with respect to labour practices. Suppliers, subcontractors, and licensees of The University that fall within the scope of this Code are expected to comply with this Code.

### II. SCOPE OF APPLICATION

At present, this Code applies to The Suppliers and Licensees involved in production, distribution, and/or sale of Apparel as well as Apparel and non-apparel products bearing the name, logo, image or trademark of the University. Additionally, this Code applies to all of the Subcontractors of these Suppliers and Licensees.

In the future, as the international and national capacity for monitoring expands beyond Apparel and licensed goods, The University will reexamine this scope of application. This reexamination will include but not be limited to:

- a) All suppliers entering into contracts with the University that have a value of greater than \$50,000 and a duration of longer than one year.
- b) All donors giving goods and services (excluding monetary donations) to the University with a value of \$50,000 or greater. Donations of used goods by a person or supplier unrelated to the manufacturer are exempt.

In indicating their own compliance with the Code, suppliers accept responsibility for ensuring that all subcontractors in the supply chain are in compliance with the code. All suppliers are required to adhere to this Code, however, no supplier may represent that they have been certified as being in compliance with this Code. It is the intent of The University to engage in constructive dialogue with suppliers to assist in their coming to compliance. Where a product or service is essential to University activities or operations and cannot be obtained from a supplier in compliance with the Code (for example, only one supplier exists), exemptions will be granted on approval of the appropriate University authority as determined in consultation with the purchasing committee. Where a Supplier or Subcontractor operates at more than one manufacturing or production location (e.g., multiple factories for different product lines), those facilities NOT involved in the supply/production chain of services or products used, purchased, or licensed by the University are exempted from the Code. Consequently, the University's decision to enter into or maintain a contract with a supplier does not constitute an endorsement of labour conditions for the supply chain as a whole.

## Appendix #2: Code of Labour Practices for University Suppliers & Licensees

### III. STANDARDS

The ILO Declaration on Fundamental Principles and Rights at Work<sup>11</sup> declares that all ILO members have an obligation arising from the very fact of membership in the Organization to respect, promote, and realize the principles of conventions concerning commonly accepted fundamental labour rights, namely freedom of association and the effective recognition of the right to collective bargaining,<sup>12, 13</sup> the elimination of all forms of forced or compulsory labour,<sup>14, 15</sup> the effective abolition of child labour,<sup>16, 17</sup> and the elimination of discrimination.<sup>18, 19</sup> University Suppliers and Licensees shall agree to operate workplaces and contract to companies whose workplaces adhere to these fundamental rights as well as the specific standards and practices described below. The University prefers that University Suppliers and Subcontractors exceed this Code.

#### A. Legal Compliance

University Suppliers and Subcontractors shall comply with all applicable legal requirements of the country(ies) of manufacture in conducting business related to or involving the production or sale of licensed articles and related to or involving the supply of goods and services to the university. Where there are differences or conflicts between the Code and the laws of the country(ies) of manufacture, the higher standards shall prevail.

#### B. Employment Standards

University Suppliers and Subcontractors shall comply with the following standards:

1. Wages and Benefits
2. Working Hours
3. Overtime
4. No Child Labour
5. No Forced Labour
6. Health and Safety
7. Nondiscrimination
8. Harassment or Abuse
9. Collective Bargaining and Freedom of Association
10. Women's Rights
11. Employment Relationship

**NB:** 1-11 are based on ILO and UN Conventions.

### IV. COMPLIANCE AND DISCLOSURE

Compliance and Disclosure requirements apply to Suppliers falling under the Scope as outlined in Section II.

#### A. Compliance Requirements

In its negotiations with each University Supplier, The University shall endeavour to ensure that the terms of the agreement are sufficient to allow for Supplier compliance with the Code. The University Supplier shall submit a completed confirmation of compliance form in order for the University to consider entering a relationship with that supplier. Furthermore, the University Supplier shall ensure that its Subcontractors comply with this Code by having each Subcontractor complete this form as well. Before commencement of any contract or agreement with the University, suppliers and Subcontractors in each supply chain are required to be in full compliance with the Code.

#### B. Disclosure

The University believes that members of the University community and consumers of The University products and services should know whether products and services are manufactured (supplied) in compliance with the Code. The University therefore requests that University Suppliers and Subcontractors provide full disclosure as expeditiously as possible under existing contracts and as a condition of future contracts. Information based on this disclosure, particularly factory/facility locations, will be publicly accessible.

Please note, as indicated in Section II (Scope), that only facilities of Suppliers and Subcontractors involved in manufacture, production, packaging, distribution, or sale of products or services (including finished products and components at all stages of manufacture or assembly) purchased or licensed by the University are covered by the code and that information on other subcontractors or other locations / facilities of subcontractors not connected to this supply chain is not required.

Upon entering into a relationship or renewing a relationship with the University, the University Supplier shall provide the following to The University and/or its designated representative:

1. Confirmation of compliance for the University Supplier's own facilities that manufacture, produce, distribute, or sell products or services purchased or licensed by the University and a list of all other factories/facilities in the supply chains that produce the goods or services sold/distributed by the University Supplier (including Licensees).

## Appendix #2: Code of Labour Practices for University Suppliers & Licensees

This list shall include, for each factory/facility/company, the name of each factory/facility/company, mailing address, physical location (i.e., street address) if different from the mailing address, contact person, telephone number(s), email address, nature of the business association (for example, factory, distributor, subsidiary), and products or services involved (only those of relevance to the University's purchases/contracts/licencing agreements are required). Additional information on labour standards of factories/facilities may be requested.

2. Written confirmation that all Subcontractors in the supply chains for products or services supplied to the University through the University Supplier or licenced by the University are in compliance with The Code. Confirmation-related information collected by the University Supplier from their Suppliers/Subcontractors shall be made available to The University or its agents upon request. When all Subcontractors are not in compliance with the Code, the University Supplier will need to identify the Subcontractors and sections of the Code which are not being met, and provide a summary of any difficulties encountered in enforcing The Code, including remedial steps taken and planned. In particular, action plans and progress reports are required for areas temporarily noncompliant under Section IVA.
3. Information on any conflicts between this Code and the laws of the country of operation. Suppliers and Subcontractors are encouraged to consult with governments to find ways in which the suppliers and Subcontractors can comply with this Code. The University reserves the right to refuse renewal of contracts and licensing agreements when it is deemed that compliance is not possible in the country of operation.

The University Supplier is responsible for notifying the University and/or its designated representative of any changes in the foregoing information within 60 days.

It is understood that failure to report, or the reporting of false or misleading information, constitutes grounds for a range of potential sanctions, including eventual termination of the University's relationship with the Supplier.

### C. Principles of Implementation

Workers whose work is covered by the Code shall be made aware of the Code and implementation principles or procedures orally and through the posting of standards in prominent places easily accessible to the workers and in languages spoken by the employees and managers. Whenever possible, University Suppliers and Subcontractors along the supply chain, in cooperation with labour, religious, and non-governmental organizations, shall facilitate training of workers regarding their rights under the Code and local law.

Companies shall keep records of employee birth dates, hours worked, wages and benefits paid, discipline, accidents and injuries, chemical monitoring data (if applicable), calculations of a living wage, and any other data that may be required to evaluate compliance with the Code.

## V. VERIFICATION AND REMEDIATION

### A. Verification

It shall be the responsibility of each University Supplier to ensure its compliance with this Code and to verify that its Subcontractors are in compliance. The University shall become an affiliate of the Worker Rights Consortium to facilitate monitoring and verification of University Supplier and Subcontractor compliance with this Code of Conduct. It is recognized that clearly defined methods of internal monitoring, training, and independent external monitoring have not yet been determined by The University and its suppliers. The University and University Suppliers will agree to undertake efforts to determine and clearly define the obligations associated with the development of adequate training and monitoring methods.

While University Suppliers are expected to verify and monitor compliance, the University can be sufficiently confident of the results only if outside, credible sources confirm that the conditions are being met. The University, therefore, will join appropriate associations, consortia, or other groups that will work to ensure compliance through independent monitoring of Suppliers and Subcontractors. The University will participate in the methods developed and agreed to by various independent organizations, provided that the selected organization has made a demonstrable commitment to independent external monitoring.

In this process, The University will cooperate with the appropriate associations, consortia, or other groups to

## Appendix #2: Code of Labour Practices for University Suppliers & Licensees

establish evaluation guidelines, criteria and processes for monitoring and ensuring compliance with the Code of Conduct. This would normally include creating and maintaining a database of information needed for monitoring, and making information regarding compliance freely available, and affiliating with external impartial and independent monitoring agencies to facilitate periodic unannounced visits.

In this process The University's Suppliers and Subcontractors will provide access to the manufacturing facilities and information required to determine compliance with this Code by independent external monitors selected by The University or its designated representatives. Suppliers will cooperate with government-sanctioned investigations and audits of employer compliance with local labour and other relevant legislation. Results of such audits will be made available to the University

### B. Remediation

If The University determines that any University Supplier or Subcontractor is not in compliance with any part of this Code, the University may require that the University Supplier or Subcontractor take corrective measures to bring about full compliance under a schedule to be approved by the University. The remedy, at a minimum, will include taking all steps necessary to correct such violations, including, without limitation, paying all applicable back wages found due to workers and, at the choice of the worker involved, reinstating or reimbursing any worker whose employment has been terminated in violation of this Code. When a Subcontractor or work site is found to be in violation, the University Supplier will work to correct the situation *rather than terminate the relationship*. Failure to accomplish timely remediation of Code violations will constitute a violation of the University Supplier relationship, which may lead to sanctions, including termination of the contract or other sanctions, at the University's discretion.

The University shall join in appropriate research studies with sister institutions and governmental entities and international groups and organizations to determine guidelines that could create appropriate wage standards. Through these studies and in consultation with the Code of Labour Practices Advisory Committee, the University will work to identify wage levels for workers, employed by our Suppliers and Subcontractors, that are consistent with a living wage, human rights embodied in the Code, and our University values.

### C. Code of Labour Practices Advisory Committee

The University shall establish a Code of Labour Practices Advisory Committee with balanced representation by students, administration, and non-administrative staff, composed of, but not limited to

- Associate Vice-President (Student Affairs) or designate;
- Athletics and Recreation representative;
- Hospitality Services representative;
- Bookstore representative;
- University Purchasing representative;
- The University Faculty Association representative;
- The University Staff Association representative;
- Graduate Students Association representative;
- The Association of Part-time Students representative;
- The Students Union representative;
- CUPE and other Union Local representative;
- Ethical Purchasing Student group representative; and
- Public Interest Research Group representative.

Representatives will be appointed by their respective organizations. This advisory committee shall be mandated to:

1. Advise University administrators on issues related to this Code and its administration, the monitoring system, changes to Code appendices as well as Confirmation of Compliance procedures;
2. Sponsor forums, studies, or other educational or informational efforts related to labour practices;
3. Endeavour to establish an Inter-University Consortium on Codes of Conduct for University Suppliers, Licensees and their Subcontractors;
4. Submit an annual report to The University. University departments shall inform the Advisory Committee, in writing, of any problems associated with the administration of the Code as they arise.
5. Advise University administrators on issues related to the Fair Trade Purchasing Policy (see *Fair Trade Purchasing Policy for University Suppliers and Retailers*).

## Appendix #2: Code of Labour Practices for University Suppliers & Licensees

### Fair Trade Purchasing Policy for University Suppliers and Retailers

#### I Fair Trade Purchasing Policy for Coffee Suppliers and Retailers

It is preferred that all coffee sold by retailers at The meets the Fair Trade standard. At a minimum, each retailer shall provide its customers with a choice between coffee that meets “fair trade” standards and coffee that does not. In addition to retail coffee supplied directly by The hospitality services, this policy shall apply to all new retail coffee contracts at The. Certified Fair Trade coffee is coffee, sold by coffee retailers and roasters, that meets the standards set by TransFair Canada, a non profit monitoring organization that is a member of the Fairtrade Labelling Associations (FLO) headquartered in Europe. TransFair Canada’s basic guidelines for fair trade coffee are:

1. Coffee importers agree to purchase from the small farmers included in the FLO Fairtrade Coffee Register. The farmers listed in the register meet various criteria related to democratic organization, organic farming strategies, and commitment to a high quality product.
2. Farmers are guaranteed a minimum “fair trade price” for their coffee. (As of December 2001, this price was \$1.26 U.S./pound of coffee FOB). If the world price rises above this floor price, farmers will be paid a small premium above market price (As of April 28, 2000, this premium was \$0.05 US/pound).
3. Coffee importers provide a certain amount of credit to farmers against future sales, helping farmers to stay out of debt to local coffee ‘middlemen’ who may charge usurious rates of interest.
4. Importers and roasters agree to develop direct, long-term trade relationships with producer groups, thereby cutting out ‘middlemen’ and bringing greater commercial stability to an extremely unstable market.
5. A list of Canadian coffee importers and roaster/retailers that meet the TransFair Canada criteria is available from TransFair Canada, 323 Chapel St., 2nd floor, Ottawa, Ontario K1N 7Z2  
email: [fairtrade@transfair.ca](mailto:fairtrade@transfair.ca)  
web: [www.transfair.ca](http://www.transfair.ca)

The coffee that meets “fair trade” standards shall be:

1. Clearly marked so that customers are aware of the “certified fair trade” standard that it meets.
2. Available for sale by each retailer. In other words, customers will have a choice.
3. Priced such that cost alone will not be an overriding factor in consumer selection.

It is intended that over time this purchasing policy will be extended to other “fair trade” commodities (e.g. cocoa, tea) where this becomes feasible.



## Appendix #3: Generic Ethical Purchasing Policy Template

### Preamble

The purpose of the Code is to ensure that apparel and footwear manufactured for [Institution(s)] are made under humane working conditions in compliance with accepted international standards and local laws, and to promote greater respect for workers' rights and improve working conditions and labour practices in the apparel and footwear industries worldwide.

The Code applies to all apparel and footwear suppliers and trademark licensees of [Institution(s)] and its/their associations, departments, retail outlets owned by the [Institution(s)], and other organizations directly responsible to the [Institution(s)].

[Company] recognizes its responsibilities to workers for the conditions under which its products or services are made, and that these responsibilities extend to all workers producing products or services for [Company] whether or not they are employees of [Company].

[Company] will require all suppliers and subcontractors involved in the manufacture of products for [Institution(s)] to provide the conditions and observe the standards of the Code. [Company] will, prior to placing orders with suppliers, assess whether the standards of this Code will be met.

[Company] shall take steps outlined in the Code and in further agreements between [Institution(s)] and [Company] to ensure that its manufacturing facilities and those of its suppliers and their subcontractors producing for [Institution(s)] comply with national and other laws applicable in each workplace and shall respect this Code and the internationally recognized workers' rights and labour standards expressed in the following ILO conventions and recommendations: Forced and Bonded Labour (Conventions 29 & 105 and Recommendation 35), Non-Discrimination (Conventions 100 & 111), Minimum Age (Convention 138 & Recommendation 146), Concerning the Prohibition and Immediate Elimination of the Worst Forms of Child Labour (ILO Convention 182 and Recommendation 190), Freedom of Association and the Right to Collective Bargaining and Workers' Representatives (Conventions 87, 98, 135 & Recommendation 143), Health and Safety (Convention 155 & Recommendation 164), Vocational Rehabilitation and Employment of Disabled Persons (Convention 159), Homework (Convention 177), Maternity Protection (Convention 183); The Universal Declaration of Human Rights, and The United Nations Convention on the Rights of the Child.

Where national laws, other applicable laws, the Code or any other agreement to which [Company] subscribes address the same general right, benefit, or protection for employees, [Company] shall apply the right, benefit, term or condition of employment which provides the greater right, benefit or protection to employees.

This Code is not a substitute for union representation, and shall not be used or promoted as an alternative to union recognition, collective bargaining or a collective agreement.

### Definitions

The term "Code" means this document in its entirety.

The term "Institution(s)" means all institutions or groupings of institutions that require compliance with the Code for their bulk purchasing, licensing and/or procurement activities.

The term "supplier" means any natural or legal person who provides [Company] with goods and/or services integral to, and utilized in/for, the production of the company's goods and/or services.

The term "subcontractor" means any natural or legal person who, directly or indirectly, provides a supplier with goods and/or services integral to, and utilized in/for, the production of the supplier's and/or [Company]'s goods and/or services.

The term "interested third party" means any individual or group concerned with or affected by the social performance of [Company].

The term "child" means any person less than 15, unless local minimum age law stipulates a higher age for work or mandatory schooling, or less than 14 if minimum wage law is set at that age in accordance with developing country exceptions under ILO Convention 138.

The term "adequate transitional economic assistance" means income no less than wages earned at the time the child is found to be working, to enable such children to attend and remain in school until no longer a child.

The term "displaced child worker" means any child worker who can be shown to have been regularly at work within six months of the commencement of the employers' relationship with [Company].

## Appendix #3: Generic Ethical Purchasing Policy Template

The term “young worker” means any person under the age of 18 but over the age of a child.

Wages that meet “basic needs” by local standards are most effectively determined through free collective bargaining. In the absence of free collective bargaining, wages that meet “basic needs” should be defined as wages paid for a normal 48 work week that are sufficient by local standards to provide for the food, clothing, housing, health care, potable water, child care and transportation needs of the worker and his/her dependents. In defining wages that meet basic needs, factors that should be taken into account include the average number of dependents and the average number of wage earners per family in the sector in each country, local “market basket” surveys of the cost of goods and services needed by an average family, as well as data from local governments, labour and human rights organizations, and UN agencies.

### Provisions

Without limiting the generality of the commitments set out in the Preamble and giving effect to its commitment to respect internationally recognized workers’ rights and labour standards, to comply with applicable laws and to fulfill its social responsibilities, [Company] and all suppliers and subcontractors involved in the production and/or distribution of products for [Company] shall ensure that:

#### 1. *Forced Labour*

1.1 There shall be no use of forced labour, whether in the form of involuntary prison labour, indentured labour, bonded labour or otherwise.

1.2 Workers shall not be required to lodge financial deposits or their original identity papers with their employers.

#### 2. *Child Labour*

2.1 There shall be no use of child labour.

2.2 Adequate transitional economic assistance and appropriate educational opportunities shall be provided to any displaced child workers.

2.3 Workers under the age of 18 shall not be exposed to situations in or outside the workplace that are hazardous, unsafe, or unhealthy.

#### 3. *Harassment or Abuse*

3.1 Physical, sexual or psychological abuse, or verbal harassment or abuse, including the use of corporal punishment, shall not be tolerated.

#### 4. *Discrimination*

4.1 There shall be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on age, race, caste, national origin, religion, disability, gender, marital status, sexual orientation, union membership, or political affiliation.

#### 5. *Hours of Work*

5.1 Hours of work shall comply with applicable laws and industry standards on working hours.

5.2 In any event, personnel shall not be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period.

5.3 Overtime work (more than 48 hours per week) shall be voluntary, shall not exceed 12 hours per employee per week, will not be requested other than in exceptional and short-term business circumstances, and will always be remunerated at a premium rate.

#### 6. *Freedom of Association and the Right to Bargain Collectively*

6.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

#### 7. *Wages and Other Compensation*

7.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher.

7.2 In any event wages paid for a standard working week should always be enough to meet basic needs of workers and their families and to provide some discretionary income.

#### 8. *Health and Safety*

8.1 A safe hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.

8.2 Access to clean toilet facilities and to potable water and, if appropriate, sanitary facilities for food storage shall be provided. Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.

#### 9. *Employment Relationship*

9.1 To every extent possible work performed must be on the basis of recognized employment relationship established through national law and practice.

## Appendix #3: Generic Ethical Purchasing Policy Template

9.2 Obligations to employees under labour and social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

### 10. Reproductive Rights

10.1 No employee or prospective employee shall be subjected to the involuntary use of contraceptives or pregnancy testing.

10.2 Workers will be permitted to take maternity leave without facing threat of dismissal, loss of seniority or deduction in wages, and shall be able to return to their former employment at the same rate of pay and benefits.

### Principles of Implementation

#### 1. Commitment

1.1 [Company] gives the Code and its implementation an informed and explicit endorsement.

1.2 This commitment is communicated throughout the company and to the suppliers and subcontractors including closely associated self-employed staff.

1.3 [Company] will ensure that sufficient human and financial resources are made available to enable it to meet its stated commitments.

#### 2. Monitoring and Verification

2.1 [Company] commits to assessing compliance with the Code through monitoring and independent verification.

2.2 [Company] commits to working with [Institution(s)] on pilot projects to identify good practice in monitoring and independent verification.

2.3 Drawing on this experience, [Company] commits to working with [Institution(s)] in the design and implementation of monitoring and independent verification systems and/or in a process for evaluating the acceptability of monitoring and independent verification systems under development by other code initiatives.

2.4 [Company] and [Institution(s)] will undertake to consult extensively with relevant local labour, human rights and non-governmental organizations regarding the Code and its implementation.

2.5 Workers covered by the Code and interested third parties shall be provided with a confidential means to report failure to observe the Code and shall be otherwise protected in this respect.

2.6 [Company] shall cooperate and require that all suppliers and subcontractors involved in the manufacture of products for [Institution(s)] cooperate with ministry of labour and other government-sanctioned investigations and audits of employer compliance with local labour and other relevant legislation.

#### 3. Reporting

3.1 [Company] shall submit an annual compliance report to [Institution(s)]. Reports shall contain the names, owners and/or officers, addresses, phone numbers, e-mail addresses, location of all production facilities and nature of the business association, of all suppliers and subcontractors involved in the manufacture of products for [Institution(s)]. Reports shall also contain a summary of the steps taken, and/or difficulties encountered, during the preceding year in implementing and enforcing the Code at each site. Contents of compliance reports shall be considered public information.

#### 4. Awareness Raising and Training

4.1 All relevant [Company] personnel are provided appropriate training and guidelines that will enable them to apply the Code in their work.

4.2 Suppliers and subcontractors involved in the manufacture of products for [Institution(s)] are made aware of the Code, and [Company's] commitment to sourcing from suppliers and subcontractors who observe the standards in the Code.

4.3 Workers whose work is covered by the Code shall be made aware of the Code and implementation principles or procedures orally and through the posting of standards in a prominent place in the local language(s) spoken by employees and managers.

Whenever possible, [Company], in cooperation with [Institution(s)] and relevant local labour, human rights and non-governmental organizations, shall facilitate training of workers covered by the Code on their rights under the Code and local law.

4.4 With respect to Code provision #2: [Company] shall establish, document, maintain and effectively communicate to personnel, the [Institution(s)] and interested third parties policies and procedures for remediation of child labourers found to be working, or who can be shown to have been regularly at work, within 6 months of the commencement of the employer's relationship, with [Company].

## Appendix #3: Generic Ethical Purchasing Policy Template

4.5 With respect to Code provision #2: [Company] shall establish, document, maintain, and effectively communicate to personnel, the [Institution(s)] and interested third parties policies and procedures for promotion of education for children covered by ILO Recommendation 146 and young workers who are subject to local compulsory education laws or are attending school, including means to ensure that no such child or young worker is employed during school hours and that combined hours of daily transportation (to and from work and school), school, and work time does not exceed 10 hours a day.

4.6 With respect to Code provision # 8: Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

### 5. *Remedial and Corrective Action*

5.1 [Company] commits, on the basis of knowledge gained from monitoring, to:

- a.) require the immediate cessation of serious breaches of the Code, and;
- b.) negotiate and implement agreed schedules for remedial action with suppliers failing to observe the terms of the Code, including requiring suppliers to pay all applicable back wages found due to workers and to reinstate all workers whose employment has been terminated in violation of this Code;

5.2 [Company] commits, on the basis of knowledge gained from monitoring, to:

- a.) negotiate and implement agreed schedules for corrective actions with suppliers failing to observe the terms of the Code, i.e. a continuous improvement approach, and;
- b.) where serious breaches of the Code persist, to terminate any business relationship with the supplier concerned.

### 6. *Management Procedures, Pricing and Incentives*

6.1 In its negotiations with suppliers involved in the manufacture of products for [Institution(s)], [Company] shall ensure that prices negotiated for work performed and services provided are sufficient to allow for supplier compliance with the Code.

6.2 Understanding and implementation of company policy with respect to the Code shall constitute a positive performance measure when assessing appropriate personnel.

6.3 With respect to Code provision #3: All disciplinary measures shall be recorded.

6.4 With respect to Code provision #4: The employer shall not interfere with the exercise of the rights of personnel to observe tenets or practices, or to meet needs relating to race, caste, national origin, religion, disability, gender, sexual orientation, union membership, or political affiliation.

6.5 With respect to Code provision #6: The employer adopts an open attitude towards the activities of trade unions and their organizational activities.

6.6 With respect to Code provision #6: Workers representatives are not discriminated against and have access to carry out their representation functions in the workplace.

6.7 With respect to Code provision #6: Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates and does not hinder the development of parallel means for independent and free association and bargaining.

6.8 With respect to Code provision #7: All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned concerned each time that they are paid.

6.9 With respect to Code provision #7: Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned or his/her organizational representative bargaining agent.

6.10 With respect to Code provision #8: Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as reasonably practicable, the causes of hazards inherent in the working environment.

Vendor # : \_\_\_\_\_

# DIRECT SUPPLIER

## Confirmation of Compliance Form

Must be completed by the direct supplier to the University

Vendor Product ID(s)#: \_\_\_\_\_

Product Description: \_\_\_\_\_

### Part 1 - Direct Supplier Contact Information

Company/Business Name:	_____
Street Address:	_____
Prov./State:	_____
Country:	_____
Posta Code/Zip:	_____
Mailing Address (if different):	_____
Contact Person/Position:	_____
Phone Number:	_____
Fax Number:	_____
Email Address:	_____
Areas of Code Non-Compliance:	_____
Please attach explanation and plan with timelines for compliance	_____
	_____

### Part 2 - Verification of Code Compliance

I hereby certify that I have read and fully understand the Code of Labour Practices provided to me by the University. I have collected indirect supplier forms for the suppliers/contractors/subcontractors and manufacturers involved in the production of the product(s) listed above and noted on this disclosure form. I will keep these documents on file and make them accessible to representatives of the University upon request. To the best of my knowledge I am not aware of any areas of non-compliance within this supply chain other than those made note of in this document. I also agree to notify the University of any changes within the supply chain or with the compliance of any supplier listed. To the best of my ability I will ensure that this supply chain meets or exceeds the the University Labour code.

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Owner/Operator Signature

\_\_\_\_\_  
Owner/Operator Name (please print)

# Appendix #4: Compliance Form Template #1

## Part 3 - Disclosure Information

Please fill out the following information for each step in the supply chain for the product noted on page one. Remember to also fill out the excel spreadsheet with the same information. (Photocopy and add additional sheets as necessary)

Company/Business Name:	_____
Street Address:	_____
Prov./State:	_____
Country:	_____ Posta Code/Zip: _____
Mailing Address (if different):	_____
Contact Person/Position:	_____
Phone Number:	_____
Fax Number:	_____
Email Address:	_____
Areas of Code Non-Compliance:	_____
Please attach explanation and plan with timelines for compliance	_____

Company/Business Name:	_____
Street Address:	_____
Prov./State:	_____
Country:	_____ Posta Code/Zip: _____
Mailing Address (if different):	_____
Contact Person/Position:	_____
Phone Number:	_____
Fax Number:	_____
Email Address:	_____
Areas of Code Non-Compliance:	_____
Please attach explanation and plan with timelines for compliance	_____

Company/Business Name:	_____
Street Address:	_____
Prov./State:	_____
Country:	_____ Posta Code/Zip: _____
Mailing Address (if different):	_____
Contact Person/Position:	_____
Phone Number:	_____
Fax Number:	_____
Email Address:	_____
Areas of Code Non-Compliance:	_____
Please attach explanation and plan with timelines for compliance	_____

# RP - Retail Product Delivery Form

For inquires concerning this form, please contact...

Upon delivery of product order, licensee to complete steps 1 and 2 and email this form (as attachment) to the Office...

**Retail Product Delivery Form (RP) must be sent within 10 business days of product delivery.**

Licensee to complete steps 1 & 2

## Step 1 - Royalty Fee Information

The following retail product was delivered to the COMPANY NAME retailer:

Product:	
Manufacturer:	
Date:	
Quantity:	
Wholesale cost per unit:	
X 7.5% Licensing fee (of wholesale cost):	
or	
X 7.5% Licensing fee (divisional split):	
Division:	
GST: 3.75% Division \$	
Total licensing fee collected:	

## Step 2 - Code of Conduct for Licensees

The product(s) described in this document have been delivered to the COMPANY NAME, and are subject to the policies which govern Licensing and Trademark Administration.

This product was created in the following location:

Factory Name:	
Factory Location:	
Country:	

By completing this from, I attest the information provided to be true and accurate to the best of my ability.

Is this product Code Compliant?	
Licensee Name:	
Date:	

**Now please email this form to the Office of...**

# Appendix #6: Compliance Form Guidelines Template

## Code of Labour Practices Submission Guidelines

Please Note: Copies of the Direct and Indirect compliance forms must be completed by all Suppliers and Licensees involved in production, distribution, and/or sale of Apparel as well as Apparel and Non-apparel products bearing the name, logo, image or trademark of the University. Additionally, this code applies to all of the subcontractors of these suppliers and Licensees.

### Compliance Forms

1. Compliance forms must be filled out for each individual item purchased by the University that falls into the category of clothing or crested merchandise. If a group of items follows exactly the same production chain then they may be grouped together but this must be noted on the front of the Direct Supplier Compliance form.
2. An Indirect Supplier Compliance form and a copy of the Labour Code must be sent down the supply chain and filled out by each supplier in the chain. These forms are also available online at... This process will take place by each supplier in the chain contacting the next supplier.
3. These forms must then flow back up the chain so the Direct supplier can complete their form (Direct Supplier Compliance form) for submission. The Direct Supplier Compliance form is a summary sheet listing information contained in all of the indirect compliance forms.
4. All Indirect Supplier forms will be kept on file by the Direct supplier to the University. A representative, appointed by the University, has the right to audit these documents upon request.
5. Only the Direct Supplier compliance form, signed by the University supplier, is forwarded to Purchasing Resources. Purchasing Resources shall be notified in writing within 90 days if there are any changes pertaining to compliance or factory location.
6. The Direct supplier also needs to fill out the Factory Disclosure Excel file that can be found online at ... This information will be submitted to the WRC for public posting on their website. This spreadsheet can then be emailed as an attachment to:

Direct Supplier Compliance forms can accompany goods or be forwarded to:

Factory Disclosure Excel files can be emailed to

Please note: The Direct Supplier Compliance form must accompany or be submitted prior to Titles receiving the goods. Any goods that are shipped without this information will be refused. The University does not affirm that any items are in compliance with the code but rather that full disclosure has been provided by the University supplier.

Any questions?  
Please Contact:



Denise Taschereau:

Denise Taschereau is Mountain Equipment Co-operative's Social and Environmental Responsibility Manager. She is responsible for strategy and oversight of MEC's national sustainability programs, and is tasked with creating the policies that guide MEC's ethical sourcing efforts and reporting on MEC's performance and track record with regards to sourcing. Denise has a Masters in Resource and Environmental Management from SFU.

Tim Reeve:

Tim Reeve is Principal of Tim Reeve & Associates, a boutique sustainability consulting firm specializing in providing strategic advice to organizations seeking to maximize the effectiveness of their sustainability and CSR programming. He has extensive experience in the area of sustainable purchasing, having consulted to businesses on the issue for over 10 years, and has developed environmental and ethical purchasing policies and implemented sustainable purchasing programs within corporate settings.

Kyle Winters:

Kyle Winters is the Director of Marketing Programs at the University of Toronto, and has been employed by U. of T. for the past 15 years. He is a former elite gymnastics coach who studied advertising and design prior to coming to U. of T. Among other programs, including affinity, sponsorship, travel, and trademark initiatives, Kyle oversees the implementation of the University of Toronto's Ethical Purchasing Policy.

Leo McGrady, Q.C:

Leo McGrady is a senior partner with McGrady Baugh & Whyte in Vancouver, British Columbia. He represents unions, employees, and NGOs in both general and public interest litigation. His practice focuses on class actions, labour relations, employment law, and human rights issues. Leo has taught at the Faculty of Law at the University of British Columbia, at Capilano College in North Vancouver, and for the British Columbia Continuing Legal Education Society.

Donna Shapiro:

Donna Shapiro is currently the Assistant Director of Titles Bookstore at McMaster University where she has been employed for the past 13 years. As a representative of the bookstore she serves on the both the Labour Code Advisory Board and Labour Code Purchasing Committee.

Currently Donna is President of the Eastern Association of College stores. She is also working on developing a cross-Canada association in coordination with her western counterparts. Donna will ensure that Labour code issues will remain at the forefront of these organizations.

Sandra Bicego:

As an associate of Dovetail Consulting since 1999, Sandra Bicego draws upon her law and planning background to design and facilitate multi-party processes, provide strategic services in land use and marine planning, and organizational development. Sandra holds a Bachelor of Laws.

## Appendix #8: Conference Participants (organizations)

<b>Conference Participants</b>	New West District Labour Council
BC Teachers Federation	Oxfam
BCGEU	
BC Institute of Technology	Royal Roads University
CoDevelopment Canada	SFU Administration
Capilano Students Union	Simon Fraser Student Society
Canadian Federation of Students	SFIRG
Canadian Labour Congress	
City of Vancouver	TSSU
Cafe Etico	Trent University
Critical Thoughts Network	
Douglas Students Union	UNITE
	University of Victoria
	University of Saskatchewan
Fairware	University of Toronto
Fastrack to Employment	
Kwantlen Student Association	VIDEA
	Vancouver District Labour Council
	Vancouver School Board
Maquila Solidarity Network	Vancouver Parks and Rec Board
McMaster University	VanCity
Mountain Equipment Coop	

## Appendix #9: Emerging Global Standards

- Global Reporting Initiative (GRI) for sustainability reporting guidelines ([www.globallreporting.org](http://www.globallreporting.org))
- Verite ([www.verite.org](http://www.verite.org))
- Social Accountability International (<http://www.sa-intl.org>)
- Workers Rights Consortium (<http://www.workersrights.org>)
- Fair Labour Association (<http://www.fairlabor.org>)
- AccountAbility: AA-1000 and AA-1000S assurance standards ([www.accountability.org.uk](http://www.accountability.org.uk))
- The Global Compact, initiated by the Secretary General of the UN ([www.unglobalcompact.org](http://www.unglobalcompact.org)).
- The draft UN norms ([www1.umn.edu/humanrts/links/norms-Aug2003.html](http://www1.umn.edu/humanrts/links/norms-Aug2003.html)).
- OECD Guidelines for Multinational Enterprises: ([www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines))

## Appendix #10: Workshop Summaries

On May 7-8 of 2004, NoSweat SFU hosted a conference on “Ethical Purchasing, Human Rights and Public Policy: A workshop conference for BC Post-Secondary education stakeholders on the issues, creation and practical application of an Ethical Purchasing Policy”. Its goal was to bring together stakeholders from British Columbia post-secondary institutions with colleagues from some of the eastern universities that have already dealt with many of the challenges that we are facing at SFU in particular and across BC in general. The conference provided synopses and how-to workshops on the key elements of Ethical Purchasing Policy development, all of which were looked at through the lens of “lessons to be learned, challenges to be met, and opportunities to be had.” The conference was broken down into 4 workshop themes:

### 1. Policy Creation:

While much work has already been done in the area of policy creation, much remains. What exactly needs to be in a policy to make it meaningful? How do we balance the needs of the producers, the suppliers, the purchasers, the consumers? In addition to answering these and other questions, we will work together to identify a template of the important features of a Canadian Ethical Purchasing Policy that works. By doing this, students and administrators at post-secondary institutions would be able to learn from and build on the experiences of their contemporaries, and avoid spending scarce resources on “re-inventing the wheel”.

### 2. Legal Questions for Post Secondary Institutions:

There are myriad legal questions that must be addressed when dealing with ethical procurement issues: privacy, liability, trade law, etc. We will dissect (in layman’s terms) the perceived legal barriers to adopting an Ethical Purchasing Policy at a public institution, and examine the ways in which post-secondary institutions can insulate themselves from any legal liability while ensuring that any such policy is actually capable of effecting meaningful change. We will also have the opportunity to examine some of the legal imperatives for Ethical Purchasing Policy adoption. Most of the discussion will be applicable to all of Canada, with special consideration paid to any issues that may be specific to British Columbia.

### 3. Compliance and Implementation:

Compliance implementation is perhaps the “stickiest” area to be addressed at the conference, simply because it is an area in which the least work has been done. The question becomes: so now that we have a policy in place, what do we do with it? Part of the difficulties here can be avoided by doing some homework: Having an effective policy to begin with, fostering relationships and being open with suppliers and other stakeholders. Again taking a cue from our colleagues from the East, we will look at some of the challenges to be faced in the implementation phase of this process, and examine ways to create working, living policies.

### 4. Corporate Social Responsibility:

International Human Rights law is very clear about labour issues, but countries like Canada are often challenged in their attempts to implement the concepts laid out in UN conventions. In a discussion about something as potentially compartmentalized as procurement policy, it is vital to keep in mind the broader, international context that is the basis for our discussion: the exploitation of workers in order to increase profit. Public institutions can be on the leading edge of this debate, but instead it has been the private sector that is leading the way in the area of “Corporate Social Responsibility”. We will learn about and synthesize the lessons and challenges that the private sector has faced in implementing some of these corporate social responsibility policies, and discuss how we can generalize these lessons to apply to public institutions.

At each workshop, we asked the participants to address the following questions:

1. What can we learn from past experience in this theme area?
  - \* What are the challenges for developing an ethical purchasing policy?
  - \* What are the opportunities imbedded in these challenges?
  - \* How do we address these challenges?
2. How can we apply these lessons to post-secondary institutions in British Columbia?
3. What are the important recommendations that will help B.C. institutions develop an ethical purchasing policy?

## Appendix #11: Useful Resources

Clean Clothes Campaign: [www.cleanclothes.org](http://www.cleanclothes.org)

- o European organization promoting education and campaigns to improve labour rights and standards in the global clothing industry.

Canadian Labour Congress: [www.sweatshop.clc-ctc.ca/en/index.html](http://www.sweatshop.clc-ctc.ca/en/index.html)

- o The majority of national and international unions in Canada belong to the Congress; with 12 provincial and territorial federations, and 137 district labour councils the CLC represent 2.5 million unionized workers. CLC promotes decent wages and working conditions, and improved health and safety laws by lobbying for fair taxes and strong social programs, including childcare, medicare and pensions along with the development of job training and job creation programs.

Ethical Trading Action Group (ETAG)

c/o Maquila Solidarity Network, 606 Shaw Street, Toronto, ON M6G 3L6; tel: 416-532-8584;

email: [info@maquilasolidarity.org](mailto:info@maquilasolidarity.org) website: [www.maquilasolidarity.org](http://www.maquilasolidarity.org)

- o Canadian labour and other non governmental organizations promoting improved international labour rights and standards, particularly in maquiladoras and export processing zones.

Ethical Trading Initiative: [www.ethicaltrade.org](http://www.ethicaltrade.org)

- o Alliance of transnational firms, unions and non governmental organizations that promotes ethical trade, including codes of conduct.

Fair Labor Association: [www.fairlabor.org](http://www.fairlabor.org)

- o Non-profit organization of firms, non governmental organizations, and universities and colleges, promoting enforcement of corporate codes.

Fair Ware: [www.fairware.ca](http://www.fairware.ca)

- o One stop resources for Socially and Environmentally responsible promotional products.

Global Exchange: [www.glbalexchange.org](http://www.glbalexchange.org)

- o Non-governmental organization promoting people-to-people ties around the world, active in labour rights issues.

International Labour Organization: [www.ilo.org](http://www.ilo.org)

- o United Nations agency that formulates and promotes international human and labour rights and standards.

Maquila Solidarity Network: [www.maquilasolidarity.org](http://www.maquilasolidarity.org)

- o Canadian network promoting solidarity with groups in Mexico, Central America, Africa and Asia organizing in maquiladora factories and export processing zones to improve working conditions and win a living wage.

Oxfam Canada: [www.oxfam.ca/campaigns/noSweat.htm](http://www.oxfam.ca/campaigns/noSweat.htm)

- o Non-profit international development organization that supports community programmes in food security, health, nutrition and democratic development with an emphasis on working with women.

Social Accountability International: [www.sa-intl.org](http://www.sa-intl.org) [www.cepaa.org](http://www.cepaa.org)

- o Non-governmental organization that works with transnational firms, unions and others to combat sweatshops.

Transfair Canada: [www.transfair.ca](http://www.transfair.ca)

- o Certifies “fair trade” coffee, tea, cocoa and sugar in Canada.

## Appendix #11: Useful Resources

UNITE HERE Canada: [www.unitehere.ca](http://www.unitehere.ca)

- o Union representing clothing and textile workers and the Hotel Employees and Restaurant Employees in Canada and the US;
- o [www.behindthelabel.org](http://www.behindthelabel.org) is an initiative of Unite Here. It is a multimedia news website covering the stories of people fighting for fundamental human and labour rights to educate the public of international campaigns where workers are struggling to correct injustices in their workplace, and to engage consumers and activists to take part in solidarity actions with garment workers.

United Students Against Sweatshops: [www.usasnet.org](http://www.usasnet.org)

- o US student movement organization against sweatshops.

United Students for Fair Trade: [www.usft.org](http://www.usft.org)

- o US student movement organization for Fair Trade.

Worker Rights Consortium: [www.workersrights.org](http://www.workersrights.org)

- o Non-profit organization created by students, labour rights experts and college and university administrations to promote enforcement of codes of conduct.

Don Wells Paper:

HOW ETHICAL ARE ETHICAL PURCHASING POLICIES? Don Wells, Labour Studies Programme and Political Science Department, McMaster University, Hamilton Ontario Canada, [Journal of Academic Ethics](#), Special Issue: Universities and Corporate Responsibility, Published in [Journal of Academic Ethics](#), 2004, 2:1,119-140.

## Appendix #12: Conference Financial Report

<b>EXPENDITURES</b>		<b>Totals</b>
<b>SPEAKERS</b>		
Airfare	\$ 1,044.79	
Other (Cabs, pking)	\$ 80.00	
Accomodation	\$ 778.60	
<b>SUBTOTAL</b>		<b>\$ 1,903.39</b>
<b>HONORARIA</b>		
Speakers	\$ 1,600.00	
Facilitators	\$ 2,804.00	
<b>SUBTOTAL</b>		<b>\$ 4,404.00</b>
<b>ADMINISTRATIVE</b>		
Organizer fees	\$ 3,000.00	
200 Volunteer hours (in kind)	\$ 3,600.00	
Webmastering	\$ 500.00	
Office supply (phone, mailouts)	\$ 300.00	
Photocopy	\$ 300.00	
Pre-conference facilitators' meeting	\$ 120.00	
Misc. Administrative	\$ 65.00	
Registration	\$ 1,000.00	
Report writing and printing	\$ 1,500.00	
<b>SUBTOTAL</b>		<b>\$ 10,385.00</b>
<b>VENUE AND CATERING COSTS</b>		
Room rental and supplies	\$ 2,382.09	
Reception at Steamworks	\$ 1,383.75	
Catering Saturday May 8th	\$ 3,675.15	
<b>SUBTOTAL</b>		<b>\$ 7,440.99</b>
<b>TOTAL:</b>		<b>\$ 24,133.38</b>
<b>REVENUES</b>		
<b>Registration Fees</b>		<b>\$ 2,562.56</b>
SFU Administration	\$ 11,608.56	
No Sweat SFU in-kind (volunteer hours)	\$ 3,600.00	
SFSS sponsorship	\$ 2,250.00	
BCFed	\$ 1,000.00	
SFPIRG	\$ 675.00	
Canadian Labour Congress	\$ 500.00	
Canadian Federation of Students	\$ 500.00	
Transfair	\$ 300.00	
BCTF	\$ 300.00	
Oxfam	\$ 250.00	
No Sweat SFU	\$ 150.00	
CEP Local 464	\$ 100.00	
New West. And Vancouver District Labour Councils	\$ 100.00	
PoliParty	\$ 75.00	
<b>SUBTOTAL</b>		<b>\$ 21,408.56</b>
<b>TOTAL</b>		<b>\$ 23,971.12</b>
<b>CURRENT EQUITY</b>		<b>- 162.26</b>

