



Annual Report
on

Fighting Against Forced Labour and Child Labour in Supply Chains Act

(commonly referred to as the Modern Slavery Act)

**Reporting Period:
April 1, 2023 – March 31, 2024**

1. Introduction

The Salvation Army is committed to eradicating modern slavery from its operations and supply chains. The Salvation Army's approach is guided by transparency, accountability and a commitment to improvement in its operations. This annual report outlines the efforts and initiatives undertaken by The Governing Council of The Salvation Army in Canada (The Salvation Army) to comply with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act").

The Act's purpose of combating forced labour and child labour in supply chains aligns closely with The Salvation Army's values. As one of the largest non-governmental direct providers of social services in Canada, The Salvation Army is deeply committed to social justice, human rights and the welfare of vulnerable populations. Through The Salvation Army's extensive experience and dedication, The Salvation Army prioritizes initiatives that promote equality, advocate for human rights and uplift marginalized communities.

While Bill S-211 was still in the legislative process prior to becoming the Modern Slavery Act, The Salvation Army was actively monitoring its development. In response to this legislation and our commitment to ethical practices, The Salvation Army has issued a policy aimed at governing its procurement processes. This policy serves as a foundational tool in overseeing The Salvation Army's supplier relationships and ensuring adherence to ethical best practices throughout its supply chains.

In addition to policy development, The Salvation Army has continued its efforts to raise awareness and build capacity in combating modern slavery and human trafficking. Human trafficking is a major driver of forced labour and child labour globally. Targeted individuals, coerced through force and fraud, and are subjected to exploitative conditions in various industries from agriculture to manufacturing. They endure long hours, hazardous conditions and minimal pay— unable to escape due to threats or violence. Children are especially vulnerable, often forced into labour at the expense of their education and safety. The Salvation Army's goal is to bring awareness to combat these heinous crimes. For more than 150 years, The Salvation Army has stood firmly behind individuals impacted by slavery and human trafficking. The Salvation Army has prioritized its mission to combat the ills of human trafficking. Under the auspice of The Salvation Army's Modern Slavery and Human Trafficking Response, the following initiatives have taken place:

- a. *National Fight for Freedom Strategy*: Since 2021, The Salvation Army developed and implemented a national strategy to end modern slavery and human trafficking with focus on education, awareness and training, prevention and outreach, supporting people with lived experience and partnership and advocacy. To learn more about this strategy, visit: <https://salvationist.ca/human-trafficking/fight-for-freedom/canada-and-bermuda-fight-for-freedom-strategy/>.

- b. *Introduction of Modern Slavery and Human Trafficking Certificate:* The Salvation Army introduced a specialized certificate program aimed at educating stakeholders on modern slavery and human trafficking issues. Since 2021, 567 individuals have successfully completed this certificate, demonstrating their commitment to understanding and addressing these complex issues.

The comprehensive certificate program covers varying aspects of modern slavery and human trafficking crimes ranging from key concepts, terminology and economic dynamics to specific forms such as sex trafficking, child trafficking and labour trafficking, detailing signs, risk factors and recruitment methods, forced and early marriages, prevalence in Canada and associated risk factors, trauma-informed care—helping recognize trauma indicators and implementing effective intervention strategies. The final part of the training highlights The Salvation Army’s Fight for Freedom strategy and its response programming in Canada, offering suggestions for involvement at different organizational levels. The certificate program helps equip participants with the knowledge and tools necessary to combat modern slavery and human trafficking effectively.

- c. *Workshops and Webinars:* Recognizing the importance of widespread education, The Salvation Army conducted workshops and webinars focused on specific modern slavery and human trafficking topics. These sessions provided a platform for in-depth discussions and knowledge sharing among diverse stakeholders.
- d. *Employee Training:* To enhance internal awareness and understanding, workers within The Salvation Army received dedicated training on modern slavery and human trafficking. By equipping its workforce with the necessary knowledge and skills, The Salvation Army aims to foster a culture of vigilance and accountability across the organization.

These initiatives underscore The Salvation Army’s proactive approach to addressing modern slavery and human trafficking—both within The Salvation Army’s operations and in its communities. As The Salvation Army continues to navigate the evolving landscape of ethical governance, The Salvation Army remains steadfast in its commitment to upholding the highest standards of integrity and responsibility.

To learn more about The Salvation Army’s modern slavery and human trafficking response and impact, visit: <https://salvationist.ca/human-trafficking/fight-for-freedom/canada-and-bermuda-impact-report/2023/>.

2. Overview of Entities Subject to the Report

(a) Structure, Activities and Supply Chains

Structure

The Salvation Army began its work in Canada in 1882, just 15 years after Confederation, and has grown to become one of the largest non-governmental direct providers of social services in the country. From the beginning, the Army in Canada adopted founder William Booth's philosophy that there is little point preaching "salvation" to hungry people. And so, the concept of "soup, soap and salvation" took hold, later to be developed into the comprehensive social service programs The Salvation Army operates today—many of them in partnership with various levels of government.

The Governing Council of The Salvation Army in Canada is a federally incorporated corporation that was created by a special Act of Parliament in 1909. The general objects and purposes of the corporation are:

- the administration of the temporalities and management of property and real estate of The Salvation Army.
- to receive and hold both real and personal property, to execute trusts thereof.
- to enter, make, perform and carry out contracts consistent with the eleemosynary, educational and religious purposes of The Salvation Army; and
- to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real and personal, for the objects of the said corporation.

Accordingly, The Salvation Army as a corporation may, throughout Canada, establish, build, lease, maintain, manage and operate:

- (a) buildings and places for meetings, religious or secular, of The Salvation Army.
- (b) offices for the transaction of its business.
- (c) homes for its officers and, subject to provincial laws, schools, and colleges for their education and training.
- (d) emergency, transitional and supportive housing programs.
- (e) hospitals, hospices and long-term care homes.
- (f) emergency, transitional and supportive accommodation services for women and families.
- (g) childcare, preschools, camps and resource centres for families.
- (h) immigrant and refugee services.

- (i) generally, any buildings necessary for carrying out the charitable, educational, religious or other benevolent objects and purposes of The Salvation Army.

Today, The Salvation Army in Canada has 264 community churches, 231 thrift stores and 110 social service institutions of various kinds, such as: emergency shelters, addiction and mental-health programs, long-term care and supportive senior's housing, childcare centres, homes for persons with cognitive disabilities, and correctional and justice services programs. There are 1,462 active and retired officers (clergy) and nearly 43,000 church members. Additionally, there are over 90,000 active volunteers and more than 9,300 people employed by The Salvation Army.

Activities

The Salvation Army gives hope and support to vulnerable people today and serves more than 2.9 million people each year, in 400 communities across Canada and more than 133 countries around the world.

The Salvation Army offers practical assistance for children and families, often tending to the necessities of life, providing shelter for homeless people and rehabilitation for people struggling with addiction. When the public gives to The Salvation Army, they are investing in the future of marginalized and overlooked people in communities. As one of the largest non-governmental direct providers of social services in Canada, The Salvation Army provides unparalleled support to society's most vulnerable. Social and community service programs focus on nurturing the capacities, skills and strengths of individuals thus instilling in them a sense of dignity.

The Salvation Army's Christmas kettle campaign has raised funds for more than 125 years to meet its demand for services. The campaign has grown into one of Canada's most significant and recognizable annual charitable events.

To accommodate the changing times, The Salvation Army in Canada continues to evolve. While the same values and goals still exist, new, innovative and effective programs, such as community kitchens, skills training and addictions day-treatment programs, are addressing rising issues in the communities.

Last year, over three million visits were made to The Salvation Army for assistance and social services. Please find statistics for the services The Salvation Army provided in 2023.

Addictions and Mental Health, Rehabilitation and Shelter

- **5,500** shelters, addictions, detox and mental-health beds provided each night,
- **1.4 million** bed days were used in total for the year.

- **345** people graduated from addictions and rehabilitation programs.
- **3.2 million** community meals were distributed.

Community Services

- **2.1 million** visits for food, clothing or practical assistance.
- **3,000** children and teens attended Salvation Army camps.

Emergency Disaster Services

- Over 69,000 meals provided during disasters.

Hospice, Health and Long-Term Care

- **248** hospital beds provided.
- **1,158** long-term care and supportive housing beds provided.
- **30** hospice beds provided.

International Development

- **76** projects in **33** countries.
- **6,632** children helped through Brighter Futures sponsorship program.

Additional Statistics

- **31,600** interactions through street outreach.
- **14,000** people referred for housing.
- **5,700** people referred for employment.
- **98** individuals removed from human trafficking situations.
- **122** beds for women and children from domestic abuse situations.
- **12,200** prison visits.
- **1.1 million** visits to community and family services for food and non-food services, such as school supplies and baby products.
- **16,000** people assisted in community meal programs.
- **112,000** school meals provided.
- **170,952** nutritional snacks and other food items provided.
- **40,000** drop-in day program visits for persons with cognitive disabilities and caregivers.
- **8,625** interactions with people attending language training, settlement services and refugee services.
- **438,000** visits for Christmas assistance including food hampers and toys.

- **3,600** interactions through celebrate recovery programs that support people in recovery from substance use
- **7,800** interactions through drop-in day programs that deal with mental health and recovery.
- **56,678** interactions with people attending day programs through long-term care facilities.

Supply Chains

Trade Canada and Bermuda Store

The primary function of the Trade store is not profit orientated; rather, it operates to provide essential products. It serves as a central resource for fulfilling the procurement needs of Salvation Army ministry units—providing a range of essentials including official clergy and members uniforms, Salvation Army branded wear and various supplies, such as kettle stands, pens and journal books. The Salvation Army prioritizes sourcing these items from Canadian suppliers, not only to ensure quality, but also to support Canadian businesses.

The product range of official Salvation Army branded clergy uniforms and ministry unit supplies is tailored to meet the needs of The Salvation Army’s officers, soldiers and members of the Army’s churches—ensuring everyone is equipped with the necessary attire and official supplies to fulfil roles and responsibilities. While the Army’s official uniforms, including tunics, skirts and pants, are currently sourced from its counterparts in the United States, The Salvation Army collaborates with Canadian uniform companies, utilizing their factories in China and the United Kingdom to procure blouses, shirts and overcoats for both men and women from United States suppliers. Furthermore, the Army’s casual brand wear is carefully selected from well-known Canadian suppliers.

OTHERS Global Program

The Salvation Army’s aim to source ethically extends to the OTHERS Global program. OTHERS Global, a Salvation Army initiative, operates on fair trade principles to combat poverty. Over the past 25 years, The Salvation Army has been instrumental in generating employment opportunities that significantly improve the livelihoods of its artisans. The Salvation Army firmly believes in the inherent dignity of all individuals and recognizes their universal aspiration to provide for themselves and their families. Through the creation of flexible roles offering fair compensation and access to global markets, the Army strives to expand the reach of dignified employment. A key focus of The Salvation Army’s efforts is ensuring equitable job access for women, and empowering women to earn their own income. The Salvation Army directly imports items from Bangladesh and Kenya. These items include bags, jewelry, kitchen utensils, scarves and seasonal products, among others. These products are handcrafted by artisans, predominantly women, affiliated with the

Salvation Army community work in Kenya and Bangladesh. Through these initiatives, The Salvation Army not only supports local artisans but also broadens the product offerings in a socially responsible manner.

In addition, the OTHERS Global concept enforces a code of conduct for all partners within its system, including external suppliers. Compliance with national laws and standards, along with adherence to existing Salvation Army policies for partners within The Salvation Army, is expected. The code emphasizes the following principles:

1. *Non-discrimination*: Equal treatment in employment and producer recruitment without bias or prejudice.
2. *Transparency*: Full disclosure of production locations and conditions for our products.
3. *Anti-corruption*: Active opposition to corrupt practices, aligned with The Salvation Army's stance on corruption.
4. *Environmental responsibility*: Partners must prioritize eco-friendly practices, including waste reduction, recycling, safe disposal of hazardous materials, ethical sourcing of natural resources and optimizing transportation logistics.

These principles must guide product development, production planning and order fulfilment processes. Compliance is essential for all partners to uphold ethical standards and maintain trust within the OTHERS Global program.

Ministry Unit Purchases

Purchases by individual ministry units predominantly occur through Canadian suppliers and online purchasing platforms. This decentralized approach allows local ministry units to swiftly obtain necessary supplies tailored to their specific needs, ensuring operational efficiency and flexibility. By leveraging Canadian suppliers and online platforms, The Salvation Army maintains a commitment to supporting Canadian businesses while also capitalizing on the convenience and accessibility offered by digital purchasing platforms.

(b) Policies and Due Diligence Processes

The Salvation Army updated its procurement policy, specifically targeting forced labour and child labour in supply chains, as part of its efforts to upholding dignity and recognizing the intrinsic worth of every individual. Within this framework:

- The Salvation Army strongly opposes the utilization of forced labour or child labour in any of its operations or facilities and condemns the exploitation of children, including their involvement in hazardous work, and rejects all forms of physical punishment, abuse or involuntary servitude.

- It is expected that suppliers and contractors adhere to the standards outlined in the Act.

The primary objective of the relevant portions of the procurement policy is to:

- (i) ensure compliance with the Act's mandate.
- (ii) ensure alignment of The Salvation Army's business operations, as well as those of its suppliers to the best of their ability, with Salvation Army values, legal obligations and international standards.

To ensure thorough due diligence, the policy stipulates the following measures:

- (i) The procurement office will establish and implement due diligence processes aimed at identifying, assessing, preventing and mitigating the risk of forced labour and child labour within The Salvation Army's supply chains.
- (ii) The procurement office will engage with suppliers to understand their policies and practices regarding forced labour and child labour and will encourage them to adhere to appropriate standards and guidelines.
- (iii) In cases where instances of forced labour or child labour are identified, The Salvation Army will take appropriate actions, including, investigation, supplier engagement and transparent reporting.

(c) Identification and Management of Risks

The Salvation Army's approach to conducting the risk assessment for fiscal year ending March 31, 2024, involved assessing The Salvation Army Canada's direct supplier expenditures and identifying the country where the expenditures occurred for further risk assessment. The Salvation Army utilized the United States Better Trade Tool ([Better Trade Tool | U.S. Department of Labor \(dol.gov\)](#)) to identify at-risk countries, followed by a detailed examination of supplier invoices to ascertain the nature of expenditures—with specific focus on spend by country, excluding travel expenses (such as airfare, hotel, taxi and car rental), and transactions in foreign currencies other than US dollars, British pounds, Australian dollars and Euros.

Scope: The scope of The Salvation Army's assessment encompasses the fiscal year spanning from April 1, 2023 - March 31, 2024, and included a thorough examination of The Salvation Army's direct supplier invoices paid by accounts payable, as well as corporate card transactions. This comprehensive approach facilitated data collection pertaining to the organization's financial activities and potential risks associated with supplier expenditures and transactions.

Findings: Upon examining The Salvation Army Canadian expenditures with at-risk countries, The Salvation Army concluded that 0.01 percent of the expenditures were paid to suppliers located in high-risk countries, while 96.5 percent of The Salvation Army's goods and services were sourced from Canadian suppliers and 3.5 percent of expenditures were spent on suppliers based in low-risk countries, such as Australia, the United States, the United Kingdom and other European nations. Further analysis of invoices and corporate card expenditures for suppliers in at-risk countries revealed no high-risk expenditures. Thirteen percent of the payments to suppliers in at-risk countries supported The Salvation Army's OTHERS Global program.

Conclusion: Based on the assessment of The Salvation Army's direct supplier expenditures and Visa transactions, the risk of forced labour and child labour, particularly in at-risk countries, is extremely low. Furthermore, the organization's support of the OTHERS Global program underscores its commitment to ethical sourcing and social responsibility—contributing positively to communities in these regions. This assessment reaffirms The Salvation Army's dedication to conducting business with integrity.

The Salvation Army will continue to assess and manage potential risks by developing supplier assessments, policies, reviews and monitoring mechanisms to strengthen its current supply chains commitment to fight forced labour and child labour.

(d) Remediation Measures

Since The Salvation Army has not identified any instances of forced labour or child labour within its supply chains, no remediation measures have been implemented at this time. However, The Salvation Army remains committed to vigilant and proactive measures. The Salvation Army will collaborate closely with suppliers to prevent unethical practices.

(e) Measures to Remediate Loss of Income

Given The Salvation Army's initial assessments did not reveal any instances of forced labour or child labour within its supply chains, there has been no need for remediation measures to address loss of income related to such practices. While The Salvation Army has not encountered such issues, it recognizes the importance of proactive measures.

(f) Employee Training

The Salvation Army is currently developing a new training program to provide awareness for employees engaged in procurement, supply chain management compliance and purchasing at the local ministry unit level. This initiative will equip staff with understanding of their obligations under this Act and will focus on the complexities of forced labour and child labour and how these issues may potentially impact supply chains.

The Salvation Army's training programs aim to raise awareness, enhance understanding and empower employees to identify and report any suspicious purchases or sourcing of

goods. The training comprises an introduction to the Act, understanding forced labour and child labour, identifying high-risk areas and suppliers and whistleblower protections.

The Salvation Army also has dedicated a team of staff committed to educating and advocating against modern slavery and human trafficking through its national Fight For Freedom Strategy.

The strategy focuses on education, awareness and training, prevention and outreach, survivor support and recovery services and collaboration and advocacy. From 2021- 2023, The Salvation Army has accomplished the following in these focus areas:

Education, Awareness and Training

- Provided awareness training at **170 community events** to **10,501 people**.
- Provided training to **5,588 people** at **80 workshops and webinars** on specific modern slavery and human trafficking topics (such as supply chains, labour exploitation, child trafficking, etc.).
- Provided training on modern slavery and human trafficking to **767 Salvation Army employees**.

Prevention and Outreach

- Engaged with **1,476 people** through intentional **outreach events**.
- Between 2002 to 2023, taken **936 men** through its **Sex Buyer Accountability Programs**.

Survivor Services and Recovery

- **Supported 1,909 individuals** with lived modern slavery and human trafficking experience as they journey towards their personally defined well-being.
- Helped **514 individuals exit** modern slavery and human trafficking situations.
- Provided **employment training** for **514 individuals** with lived experience.
- Supported **749 individuals** with lived modern slavery and human trafficking experience with **life-skills training**.

Collaborations and Advocacy

- **913 internal and external partnerships** that centre around supporting the needs of survivors, engaging in collective programming and projects, offering education and awareness through classes and webinars, working to end the demand, providing referrals and engaging in advocacy and prevention work.

- Sit on **29 local and national task forces and coalitions**.
- Engaged in **10 research initiatives/projects** in topics such as survivor service access, root causes of human trafficking and criminal justice policy.

(g) Assessment of Effectiveness

The Salvation Army will assess the effectiveness of its measures to prevent forced labour and child labour in its business and supply chains.

This assessment will involve:

1. *Assessment of Supply Chains*: The Salvation Army has conducted risk assessments of its supply chains to identify any potential risks of forced labour or child labour. This involves reviewing the supply chains where goods were purchased or imported from at-risk countries. Moving forward, The Salvation Army will continue this effort, expanding it to include a review of procurement processes and supplier relationships to assess compliance with the reporting obligations outlined in the Act.
2. *Implement Reporting Mechanism*: The Salvation Army will establish internal reporting mechanisms to track and document any instances of forced labour or child labour within its supply chains. This includes developing protocols for staff to report concerns and ensuring that these reports are promptly investigated and addressed.
3. *Training and Awareness*: The Salvation Army is developing training material and will provide training and awareness programs for staff involved in procurement, supply chain management purchasing at the local ministry unit level and compliance to ensure they understand their responsibilities under this Act. This will include training on what is considered forced labour and child labour, identifying signs of forced labour or child labour in supply chains and understanding the reporting obligations outlined in the legislation.
4. *Engagement with Suppliers*: The procurement department will engage with suppliers to communicate The Salvation Army's expectations regarding compliance with this Act and to encourage transparency within the supply chain. This may involve conducting reviews and assessments of supplier practices to assess if they align with the organization's values and legal obligations.
5. *Collaboration With Other Stakeholders*: The Salvation Army is open to collaborating with government agencies and other stakeholders to support the implementation and enforcement of this Act. This includes sharing information and best practices, participating in consultations and advocating for stronger measures to combat forced labour and child labour.
6. *Improve Effectiveness*: The Salvation Army will monitor and evaluate its efforts to comply with this Act and make necessary adjustments to improve effectiveness. This

includes reviewing policies and procedures, conducting reviews and addressing any gaps or weaknesses identified in supply chain management practices.

By taking these proactive measures, The Salvation Army can demonstrate its commitment to complying with this Act and to combating forced labour and child labour within its supply chains, in alignment with its core mission and values.

3. Conclusion

Acknowledging the complexity of the issue and the necessity of suppliers' cooperation for compliance, The Salvation Army will adopt the action plan priorities and divide them into distinct phases over the next few years. The Salvation Army stands firmly behind this legislation, aligning with its principles from social, corporate and theological viewpoints.

The Salvation Army remains committed in its efforts to combat modern slavery and uphold human dignity across its operations and supply chains. The Salvation Army recognizes the importance of collective action and collaboration in addressing this global issue. Through ongoing diligence and collaboration with stakeholders, The Salvation Army will continue to play its part in ushering in a world free from modern slavery.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind **The Governing Council of The Salvation Army in Canada** as a member of the Governing Council.

Full Name: Keith Pike, Lieutenant-Colonel

Title: Territorial Secretary for Business Administration

Signature: 

Date: 2024-05-29