

## **THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT ANNUAL REPORT FOR FY2024**

### **Structure, Activities, and Supply Chains (Section 11(3)(a))**

*Section 11(3) of the Act: The Report must include the following information: (a) its structure, activities and supply chains.*

British Columbia Transit (BC Transit) is a Crown Corporation of the Province of British Columbia and is responsible for coordinating the delivery of public transit services in the province outside the Metro Vancouver area. With over 1,000 employees across six divisions in a functional organizational structure, our mandate at BC Transit includes planning, funding, marketing, constructing, and operating, either directly or indirectly, the Victoria Regional Transit System and other transit systems in over 130 communities throughout the province.

This is BC Transit's first report on the steps taken during the fiscal year of April 1, 2023, to March 31, 2024, to prevent and reduce the risks of forced or child labour in supply chains. This report has been prepared in accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act).

BC Transit is not a producer of goods and is making this report in relation to importation of goods. Overall, BC Transit emphasized low-risk sourcing practices, and procured goods primarily from Canadian suppliers. For goods that were imported, BC Transit was importer of record on only approximately 1.2 per cent of total expenditures, and all imports were from the United States. Among these imports from the United States, 98.5 per cent originated from nine specific vendors, eight of which have supply agreements with major bus suppliers. These bus suppliers have publicly disclosed their policies and initiatives focused on upholding human rights and combatting modern slavery and forced labour in their operations and supply chains.

### **Policies and Due Diligence Processes (Section 11(3)(b))**

*Section 11(3) of the Act: The Report must include the following information: (b) its policies and its due diligence processes in relation to forced labour and child labour.*

BC Transit is in the early stages of reviewing and updating its existing policies, templates and procurement strategies to reduce the risks of forced labour and child labour in its supply chains. BC Transit is utilizing the Organization for Economic Co-Operation and Development (OECD) Due Diligence Guide for Responsible Business Conduct to support updates to policy and procurement strategy, <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>, while also considering the United Nations (UN) Guiding Principles on Business and Human Rights Regarding the Corporate Responsibility to Respect Human Rights and the United Nations Global Compact (UNGC) Declaration on Human Rights: [Guidance for Businesses](#).

BC Transit's Code of Conduct (the Code) communicates and reinforces desired workplace values and behaviours. The Code includes guidance on how individuals can anonymously and confidentially report actual or potential misconduct, including through an independent online reporting portal, as well as through 24/7 toll-free telephone lines for Canada and locations around the world.

In BC Transit's Contractor Code of Conduct (Policy 2.46), a contractor's failure to comply with the Contractor Code of Conduct may be viewed as a breach of contract and could result in the termination of the contract.

BC Transit is a member of the British Columbia Social Procurement Initiative (BCSPI). The BCSPI works to support local governments and institutions in adopting social procurement best practices, which includes efforts to eliminate forced labour and child labour. Members of the BCSPI are actively incorporating social procurement principles into their purchasing processes to generate positive social, environmental, and ethical outcomes for their communities, furthering our dedication to eradicating these harmful practices.

#### **Forced Labour and Child Labour Risks (Section 11(3)(c))**

*Section 11(3) of the Act: The Report must include the following information: (c) the parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.*

BC Transit started mapping out its activities and supply chains to understand its operational landscape, with the goal of identifying the suppliers from which it imports goods. As indicated above, any imports are primarily from the United States, and mainly from suppliers that have publicly disclosed their policies and initiatives focused on upholding human rights and combatting modern slavery and forced labour in their operations and supply chains.

#### **Remediation Measures (Section 11(3)(d))**

*Section 11(3) of the Act: The Report must include the following information: (d) any measures taken to remediate any forced labour or child labour.*

BC Transit has not discovered any instances of forced labour or child labour within the importation supply chain. As a result, these measures were not applicable.

#### **Remediation Measures (Section 11(3)(e))**

*Section 11(3) of the Act: The Report must include the following information: (e) any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.*

BC Transit has not discovered any instances of forced labour or child labour within the importation supply chain. As a result, these measures were not applicable.

### **Training (Section 11(3)(f))**

*Section 11(3) of the Act: The Report must include the following information: (f) the training provided to employees on forced labour and child labour.*

In support of the Bill S-211 training requirements, the Strategic Procurement department developed, presented and made available awareness materials for personnel directly engaged in procurement and contract management, drawing upon guidance from the federal government website and leveraging various publicly-available legal documents. This material encompassed forced labour and child labour considerations, incorporating discussions on the historical context, legal obligations, rationale, global perspectives, the chronological implementation of legislation across various countries and highlighted a need for the path forward.

Guidance and valuable insights were gleaned from reviewing similar legislation of other countries, contributing to a greater understanding of best practices and lessons learned in addressing similar requirements. This broader perspective facilitated the refinement and enhancement of our training initiatives to effectively align with the objectives of the Act and supports BC Transit in the path forward.

Additionally, research was undertaken by the Strategic Procurement business unit, involving the reviews and assessments of multiple online videos, written documents and documentation from other public entities in British Columbia, alongside the exchange of experiences and insights among other public entities.

### **Steps Taken (Section 11(1))**

*Section 11(1) of the Act: Every entity must, on or before May 31 of each year, report to the Minister on the steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour was used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.*

BC Transit has taken the steps outlined in this Report to prevent and reduce the risk that forced labour or child labour is used in the production of goods that BC Transit imports into Canada.

**Attestation of Report (Section 11(5))**

*Section 11(5) of the Act: The approval of the report [by the governing body of the entity] must be evidenced by: (a) a statement that sets out whether it was approved pursuant to paragraph (4)(a) or subparagraph (4)(b)(i) or (ii); and (b) the signature of one or more members of the governing body of each entity that approved the report.*

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 period listed above.

*I have the authority to bind British Columbia Transit*



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Roland Gehrke  
Vice President, Finance and Chief Financial Officer  
Date: 2024 05 27

*I have the authority to bind British Columbia Transit*



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Sherri Bell  
Board Chair  
Date: 2024 05 27