### Fighting against forced labour and child labour in supply chains

**Canadian Food Inspection Agency** 

### 2023-2024

REPORT



Agence canadienne d'inspection des aliments



Canadian Food

Inspection Agency

The Canadian Food Inspection Agency (CFIA) touches the lives of all Canadians in so many positive ways. Each day, hard-working CFIA employees—including inspectors, veterinarians and scientists—inspect food for safety risks, protect plants from pests and invasive species, and respond to animal diseases that could threaten Canada's national herd and human health. Guided by science-based decision-making and modern regulations, the Agency works tirelessly to ensure access to safe and healthy food in Canada, and support access to international markets for our high-quality agricultural products. To learn more, visit inspection.canada.ca.

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#### Purpose of the report

On January 1, 2024, the Fighting Against Forced Labour and Child Labour in Supply Chains Act (hereafter referred to as the act) came into effect.

The act represents a pivotal step forward in Canada's commitment to eradicate forced labour and child labour from Canadian supply chains and advance concrete action to uphold human rights and international labour standards.

Entities and government institutions doing business in Canada have a responsibility to ensure that exploitative practices are addressed and eradicated from their supply chains. This means making sure that goods produced by forced or child labour do not enter Canada and that Canadian companies operating around the world observe responsible business practices.

Under the act, certain entities and government institutions are required to assess and mitigate the risk of forced labour and child labour in their supply chains, implement transparent reporting mechanisms, and demonstrate compliance through annual disclosure.

The act requires these entities and government institutions to submit a report to the Minister of Public Safety by May 31 of each year detailing the steps taken during the previous financial year to prevent and reduce the risk that forced labour or child labour is used by them or in their supply chains. This report covers the activities that took place within April 1, 2023 to March 31, 2024.

#### **Canadian Food Inspection Agency**

The Canadian Food Inspection Agency (CFIA) is a science-based regulator of food safety and the health of plants and animals. The agency is mandated to:

- implement the requirements of Canada's food safety system to enhance people's health and well-being
- protect Canada's plant and animal resources from pests and diseases
- facilitate market access of food, plants, animals and related products at home and abroad to support the economy

In 2023 to 2024, 6,902 dedicated CFIA employees worked to safeguard Canada's food system and vital plant and animal resources on which we depend, while contributing to the Canadian economy through the trade of Canadian goods. The CFIA is also actively working to support Government of Canada priorities including, climate change, reconciliation and accessibility, among others.

#### Structure, activities and supply chains

The Minister of Health is responsible for the organization. Led by its President, employees work across Canada, in the National Capital Region, four domestic operational areas (Atlantic, Quebec, Ontario and Western), and abroad.

The CFIA uses a centralized approach to procurement. Under this model, strategic direction and advice on procurement and contracting, and the functional authority to enter into contracts is consolidated under one branch. Centralized procurement facilitates improved management, enhances transparency and compliance by implementing standardized procedures and oversight mechanisms, reducing risks and ensuring adherence to regulatory requirements.

The CFIA purchases goods, services and construction to support and advance its mandate. The main types of goods and services purchased in 2023 to 2024 include scientific services, information technology goods, professional services, scientific equipment, and vehicles. The CFIA employs the following mechanisms and tools to purchase goods:

- utilize the CFIA's delegated authority up to \$25,000
- utilize the Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC) standing offers and supply arrangements
- engage PSPC or SSC to purchase goods on behalf of the CFIA under their delegated authority
- utilize the CFIA's emergency authority to purchase goods in response to a threat to Canada's food safety, animal or plant health

## Steps to prevent and reduce the risk of forced labour or child labour

In 2023 to 2024, the CFIA actively took steps to prevent and mitigate the risks associated with forced labour or child labour in its procurement processes. This was done by incorporating PSPC clauses in all goods contracts awarded by the CFIA.

Since November 2021, the PSPC clauses have included anti-forced labour statements to ensure that goods contracts can be terminated where there is credible information that the goods have been produced in whole or in part by forced labour or human trafficking.

The PSPC General Conditions clauses also integrate the PSPC <u>Code of</u> <u>Conduct for Procurement</u> ("the code"). The code outlines expectations and obligations for vendors and their sub-contractors who respond to bid solicitations and/or provide goods and services to Canada.

Furthermore, as of November 2023, anti-forced labour clauses have been incorporated into all PSPC standing offers and supply arrangements for goods. As a result, all contracts issued by the CFIA to purchase goods between November 2023 and March 2024 incorporated PSPC's anti-forced labour clauses and the code.

Lastly, in 2023 to 2024, the CFIA developed an action plan dedicated to implementing the act, preventing, and mitigating the risks of forced labour and child labour in its supply chains. This plan emerged from consultations with internal stakeholders and will be updated as the CFIA deepens its understanding of the prevalent risks in its supply chains. Implementation of the action plan will be initiated in 2024 to 2025.

#### Policies and due diligence processes

The CFIA does not currently have policies or due diligence processes in relation to forced labour or child labour.

#### Activities and supply chains that carry a risk

In 2023 to 2024, the CFIA completed an environmental scan of the most commonly purchased goods. This is a preliminary step in identifying the activities and supply chains that carry risk of forced labour or child labour.

The following commodities represent over 95% of the goods purchased by the CFIA in 2023 to 2024 and were purchased both in Canada and abroad:

- ground effect vehicles, motor vehicles, trailers, and cycles
- · medical, dental, and veterinary equipment and supplies
- instruments and laboratory equipment
- general purpose automatic data processing equipment (including firmware), software, supplies and support equipment
- furniture.

The list above will be used to assess which goods, purchased by the CFIA, are at the highest risk of exposure to forced labour or child labour.

# Measures taken to remediate any forced labour or child labour

The CFIA has not taken measures to remediate forced labour or child labour cases and support victims as none were discovered.

# Measures taken to remediate the loss of income

The CFIA has not taken measures to remediate the loss of income to the most vulnerable families. The initial priority is to identify and implement measures to reduce and eliminate forced labour and child labour in the CFIA supply chains. Once this crucial step has been accomplished, the CFIA will explore strategies to address and remediate the loss of income to the most vulnerable families that resulted from these measures.

#### **Training provided to employees**

The CFIA has not provided training to employees on forced labour or child labour. PSPC is currently developing awareness-raising guidance material for suppliers that will be targeted towards high-risk sectors. The CFIA is monitoring the development of these materials and will leverage these resources upon their publication.

#### **Assessment of effectiveness**

The CFIA does not currently have a defined approach in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains.

#### **Closing remark**

In 2023 to 2024, the CFIA began preliminary steps to prevent and reduce the risk that forced labour or child labour is used at any step during the production of goods purchased. These steps included integrating anti-forced labour clauses and the code in contracts, conducting an environmental scan of the most commonly purchased goods, and developing an action plan that will be initiated in the next financial year. The CFIA recognizes the significance of advancing initiatives under the act and is committed to prioritizing its action plan to enhance practices and make a meaningful contribution to Canada's objectives to foster transparency, responsibility, and social sustainability within its supply chains.

#### **Key Definitions**

For key definitions refer to Section 2 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.