



Canadian Grain
Commission

Commission canadienne
des grains

Fighting Against Forced Labour And Child Labour in Supply Chains Act

Canadian Grain Commission

April 30, 2024

Fighting Against Forced Labour and Child Labour in Supply Chains Act

About the report

The purpose of this report is to document the steps that the Canadian Grain Commission (CGC) has taken during the previous fiscal year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by CGC.

Definitions

The following definitions apply throughout this report:

Child labour: labour or services provided or offered to be provided by persons under the age of 18 years and that

- a) are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada;
- b) are provided or offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them;
- c) interfere with their schooling by depriving them of the opportunity to attend school, obliging

- them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or
- d) constitute the worst forms of child labour as defined in article 3 of the Worst Forms of Child Labour Convention, 1999, adopted at Geneva on June 17, 1999. (travail des enfants)

Forced labour: labour or service provided or offered to be provided by a person under circumstances that

- a) could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour or service; or
- b) constitute forced or compulsory labour as defined in article 2 of the Forced Labour Convention, 1930, adopted in Geneva on June 28, 1930. (travail forcé)

Areas described under Section 6 (1) and 6 (2) of the Fight Against Forced and Child Labour in Supply Chains Act

Throughout the 2023-2024 fiscal year, CGC has taken the steps identified in this report to prevent and reduce the risk that forced labour or child labour is present in our supply chain.

Structure, activities and supply chain

CGC is a federal Government department established in 1912 and headquartered in Winnipeg

Manitoba, that administers the provisions of the Canada Grain Act and reports to Parliament through the Minister of Agriculture and Agri-Food.

The CGC's mandate, as set out in the [Canada Grain Act](#) is to, "...in the interests of the grain producers, establish and maintain standards of quality for Canadian grain and regulate grain handling in

Canada, to ensure a dependable commodity for domestic and export markets.”

The CGC’s vision is “To be a world class, science-based quality assurance provider.”

The CGC’s Core Responsibility is Grain Regulation, or, to regulate grain handling in Canada and to establish and maintain science based standards for Canadian grain. The Commission regulates the handling of 21 grains grown in Canada to protect producer rights and to ensure the integrity of grain transactions. Our results are that domestic and international markets regard Canadian grain as dependable and safe, and that farmers are fairly compensated for their grain

Our customers are Canadian Grain producers and the Grain Industry - including agribusiness and agri-food operators who provide inputs or add value to the agriculture and food industry. We are a team of approximately 450 employees, operating from offices located in Quebec, Ontario, Alberta, Saskatchewan and British Columbia and Headquartered in Winnipeg, Manitoba.

CGC’s supply chain is comprised of a combination of institutions; financial and regulatory (procuring IT hardware, software, professional services, leases and leasehold improvements, office supplies, equipment and office furnishings) and scientific (laboratory equipment and consumables). CGC utilizes standard procurement and vendor risk management practices aligned with regulatory requirements, including some covered under this Act.

It is important that suppliers we work with share CGC values and reflect what we stand for. CGC understands that doing business with integrity, focusing on good governance and complying with policies will maintain our reputation as a trusted partner to our customers, shareholders and the public. Customers, partners and vendors play a role in ensuring CGC’s integrity and we have some existing policies and processes in place to support this. We contract with individuals or businesses who

respect and adhere to applicable municipal bylaws, provincial and federal laws and regulations, who hold all permits and licenses required by law, and whose activities respect and care for the environment, animal welfare and labour standards. Our procurement practices support fair consideration and evaluation of suppliers, appropriate risk management for CGC, and follow the Treasury Board of Canada Secretariat recommendations.

CGC’s three programs are integral to what we do, guiding how we operate and holding us accountable. They are: Grain Quality, Grain Research and Safeguards for Farmers. All internal services support these program objectives. We also recognize and incorporate international frameworks, standards and regulations, such as ISO 17025 and international testing and standardization practices for grain. Our governance considerations include practices, controls and procedures to govern, make decisions, comply with laws and meet external and internal stakeholder needs.

Policies and due diligence process

CGC’s Procurement and Vendor Management practices ensure controls are in place for CGC to obtain value for money when procuring goods and services, apply fairness and transparency in procurement decisions, and manage vendor relationships and mitigate risks when services or activities are being performed by vendors on our behalf.

Elements of the due diligence process that CGC is in the process of implementing in relation to forced labour and child labour include embedding responsible business conduct practices into a written Procurement and Vendor Management policy. This will involve the creation of a formal Procurement and Vendor Management policy document, which will include a section that outlines for its employees the requirements of the Act when procuring goods and services on behalf of CGC. The CGC will also create a CGC Supplier Code of Conduct to formalize a principled approach to

contracting with businesses who have similar values to ours.

At present, the CGC has integrated Public Services and Procurement Canada's (PSPC's) updated General Conditions for goods contracts and PSPC's Code of Conduct for Procurement into our purchasing activities.

In addition, to prevent and reduce the risk of forced labour or child labour in our procurements, CGC has used the following list of PSPC's tools:

- Standing Offers
- Supply Arrangements
- Anti-forced labour contract clauses

Risk identification and actions

CGC has identified categories of spend from within its supply chain and assessed the type of products and services sourced within those categories that carry a risk of forced labour or child labour, per the Risk Assessment commissioned by the PSPC to identify the commodities at highest risk of human trafficking, forced labour and child labour.

In order of Risk Rank, these procurements include the following:

- Office Supplies and Devices (ranked third)
- Lighting, Fixtures and Lamps (ranked fourth)
- Alarm, Signal & Security Detection Systems (ranked eighth)
- Instruments and Laboratory Equipment (ranked twenty-first)

CGC will review its policies and processes related to third-party risk management.

The result of the review will lead to a formalized CGC third-party risk management practice, specifically around reputational risk. A Reputational Assessment would request that vendors identify whether they have had any labour practice infractions and describe all infractions that have occurred. They would also be required to provide any policies their company has formally

implemented regarding labour practices and the abolition of forced labour and child labour. CGC will then review and assesses responses to evaluate the potential that any associated risks may be mitigated prior to making a final contract award decision.

Measures to remediate any forced labour or child labour

CGC has not identified any forced labour or child labour in our activities or supply chains.

Measures to remediate loss of income

CGC has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Employee training

CGC has not provided training to employees on forced labour and child labour.

Assessing effectiveness

CGC does not currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in our activities and supply chains.

Forward looking

In fiscal year 2023-2024, CGC's action plan included assessing our current procurement commodity risks within the supply chain and familiarizing ourselves with the new regulations and reporting requirements. In the next fiscal year, CGC will develop an action plan to strengthen internal risk evaluation and mitigation practices, focusing on vendors within the "high risk" spend categories and by ensuring all Procurement team members receive training to learn how to identify potential non-compliant vendors and cease contract discussions with any vendor where there are concerns related to forced labour and child labour in CGC's activities and supply chain. CGC will continue to benchmark its practices against peers within the Federal Government and monitor regulatory requirements.

Attestation

In accordance with the requirements of the Act, and in particular section 6 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.

Chorney,
Anthony
Doug Chorney
Chief Commissioner

Digitally signed by Chorney, Anthony
DN: c=CA, o=CGC, ou=CGC-CCG,
cn="Chorney, Anthony"
Reason: I attest to the accuracy and
integrity of this document
Location:
Date: 2024.04.30 11:43:06-05'00'
Foxit PDF Editor Version: 13.0.0

I have the authority to bind 'Canadian Grain Commission'