



Reporting obligations under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Canadian Human Rights Commission

For the financial reporting year April 1, 2023 to March 31, 2024

1 - Background

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act) came into force on January 1, 2024.

The Act stipulates that any government institution producing, purchasing or distributing goods in Canada or elsewhere must, on or before May 31 of each year, submit a report to the Minister of Public Safety. The report must detail the steps the government institution has taken during its previous financial 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 the government institution.

2.1 - Information on the government institution's structure, activities and supply chains

The Commission was established by Parliament through the 1977 [Canadian Human Rights Act](#) (CHRA). It is Canada's federal anti-discrimination law and the Commission's founding legislation. It guides who we are and what we do. It inspires a vision of Canada where everyone can "make for themselves the lives they are able and wish to have, free from discrimination."

The Commission is also Canada's national human rights institution. We monitor and report on how Canada is implementing its international human rights obligations at the national level, and how Canada's laws, policies, or practices are impacting people's human rights. In 2023, the Commission was reaccredited "A-status" by the Global Alliance of National Human Rights Institutions (GANHRI).

Operating at arms-length from the federal government, the Commission protects and promotes human rights in Canada. We serve as a federal human rights screening body for discrimination complaints filed under the CHRA by people from across Canada. We help resolve their issues by offering mediation and conciliation services, by referring people to other organizations, and by referring complaints to the [Canadian Human Rights Tribunal](#) (Tribunal). The Tribunal is separate and independent from the Commission. When we decide to refer a complaint to the Tribunal, we sometimes decide to also litigate the case, representing the public interest in complaints that are systemic in nature.

We also support and develop human rights research and policy, in consultation with rights holders and stakeholders. We speak out and raise awareness on human rights issues in Canada and advise Parliament on new laws and emerging human rights issues.

The Commission also has a specific role as Canada's designated body responsible for monitoring Canada's implementation of the UN Convention on the Rights of Persons with Disabilities.

We are also responsible for auditing federally regulated employers to promote compliance with the 1995 [Employment Equity Act](#) (EEA), which requires federally regulated employers to take steps to eliminate barriers and increase representation in the workplace for members of the four currently designated, equity-deserving groups: women, Indigenous peoples, racialized people and people with disabilities.

The Commission also supports the Accessibility Commissioner and the Pay Equity Commissioner in their mandates. They are responsible for holding federally regulated employers to account for requirements under the [Accessible Canada Act](#) — which aims to create a barrier-free Canada — and the [Pay Equity Act](#) — which aims to correct gender wage gaps.

We also support the [Federal Housing Advocate](#), who is an independent, nonpartisan watchdog created by the National Housing Strategy Act to drive meaningful action to address housing need and homelessness in Canada as a human rights issue.

CHRC's procurement activities and supply chains involve the purchase of goods in Canada and outside Canada.

In 2023-24, CHRC had an operating budget of \$41 million of which \$8.1 million (19.8%) was spent on the procurement of goods & services. This includes \$6.95 million for services and \$1.18 million for goods. The portion spent on goods was mostly for Software (\$505K) and Informatics Equipment and Parts (\$479K). In 2024-25, CHRC's spending on the acquisition of goods and services is expected to decline significantly as the operating budget has declined from \$41 million to \$33.5 million. In total, spending on the acquisition of goods and services is anticipated to decline by at least 32%. The vast majority of purchases are made through Canadian companies with a very small amount made internationally, mostly with American suppliers. CHRC develops a procurement plan for each fiscal year to identify the major purchases that will be made. This allows CHRC to consider the risk of child or forced labour before starting the procurement process and to select the best procurement tool available to minimize the risk of child or forced labour.

In almost every cases, CHRC uses procurement tools available through Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC) such as Standing Offers and Supply Arrangements. Approximately 90% of CHRC's purchases of goods were made using these tools.

Since November 2021, PSPC has implemented anti-forced labour clauses in all goods contracts to ensure that it can terminate contracts where there is credible information that the goods have been produced in whole or in part by forced labour or human trafficking. Additionally, since November 20, 2023, all PSPC Standing Offers and Supply Arrangements for goods that have been issued, amended, or refreshed include anti-forced labour clauses, which represent the majority of our procurement vehicles used to procure goods.

For goods purchased under CHRC's own procurement authority, the CHRC is using PSPC's Standard Acquisition Clauses and Conditions Clause 2029, which adds anti-forced labour clauses in all goods contracts. The CHRC has also incorporated an annex in their purchase order for goods template for suppliers to attest and certify this information for each goods' requirement issued.

2.2 - Information on the steps taken 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 the government institution

CHRC has taken the following steps in the previous financial 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 the government institution:

- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- Developing and implementing anti-forced labour and/or child labour contractual clauses

CHRC has performed an analysis of the types and quantities of goods procured along with the procurement tools used. Given the nature and limited size of CHRC's procurement activities and the fact that CHRC uses PSPC and SSC procurement tools whenever possible, CHRC has not currently identified any specific risks related to forced labour and child labour but will continue to monitor for emerging risks and will take steps to respond to any risks identified in the future.

To respond to the risk of child and forced labour CHRC has incorporated anti-forced labour clauses in all goods contracts whether the procurement is done through PSPC procurement tools or through CHRC's own procurement authority. In addition, procurement employees have taken training on the risk or child labour in the procurement process.

2.3 - Information on the policies and due diligence processes in relation to forced labour and child labour

CHRC has policies and due diligence processes in place that prevent and reduce the risk of forced labour and/or child labour. These include:

- Embedding responsible business conduct into policies and management systems
- Ceasing, preventing or mitigating adverse impacts

As noted above for goods purchased under PSPC's procurement tools, PSPC has implemented anti-forced labour clauses in all goods contracts and for goods purchased under CHRC's own procurement authority, clauses will also be added to contracts.

CHRC has not currently identified any specific risks related to forced labour and child labour but will continue to monitor for emerging risks and will take steps to cease, prevent or mitigate any adverse impacts that may be identified in the future.

2.4 - Information on the parts of its activities and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage that risk

CHRC has performed an analysis of its activities and supply chains that carry a risk of forced labour.

In May 2021, a risk analysis of PSPC's supply chains was completed by Rights Lab, of the University of Nottingham (U.K.), to determine which goods were at the highest risk of exposure to human trafficking, forced labour, and child labour. The analysis, and subsequent report, elaborated key strategies for PSPC to leverage public spending power to raise awareness about forced labour in supply chains. CHRC has reviewed the contents of this report.

Given the limited size and nature of CHRC's procurement activities and the fact that CHRC uses PSPC and SSC procurement tools whenever possible, CHRC has not currently identified any specific risks related to forced labour and child labour but will continue to monitor for emerging risks and will take steps to respond to any risks identified in the future.

2.5 - Information on any measures taken to remediate any forced labour or child labour

Not applicable as CHRC has not identified any forced labour or child labour in its activities and supply chains.

2.6 - Information on 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 the institution's activities and supply chains

Not applicable as CHRC 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 its activities and supply chains.

2.7 - Information on the training provided to employees on forced labour and child labour

All procurement employees have attended mandatory information sessions on the requirements of the Act and how to incorporate the requirements into CHRC's procurement process.

2.8 - Information on how the government institution assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains

CHRC has performed an analysis of the types and quantities of goods procured along with the procurement tools used. Given the nature and limited size of CHRC's procurement activities and the fact that CHRC uses PSPC and SSC procurement tools whenever possible, CHRC has not currently identified any specific risks related to forced labour and child labour but will continue to monitor for emerging risks and will take steps to respond to any risks identified in the future.