Royal Canadian Mounted Police Fighting Against Forced Labour and Child Labour in *Supply Chains Act*

Reporting Period: April 1, 2023 to March 31, 2024



Overview

The <u>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 under their own procurement authority must, on or before May 31 of each year, submit a report to the Minister of Public Safety.</u>

This report details the steps that the Royal Canadian Mounted Police (RCMP) has taken between April 1, 2023 and March 31, 2024, to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased, and distributed by RCMP.

RCMP Structure

As Canada's national police service, the RCMP is a critical element of the Government of Canada's commitment to providing for the safety and security of the public. By tackling crime at the municipal, provincial/territorial, federal, and international levels, the RCMP provides integrated approaches to safety and security and a federal role and presence from coast to coast to coast. The RCMP is headquartered in the National Capital Region and has over 700 detachments in 150 communities across the country. The RCMP also provides policing services in more than 600 Indigenous communities.

The RCMP's mandate includes:

- preventing and investigating crime
- maintaining peace and order
- enforcing laws
- contributing to national security
- ensuring the safety of state officials, visiting dignitaries and foreign missions
- providing vital operational support services to other police and law enforcement agencies within Canada and abroad.

The RCMP purchases goods, within Canada and abroad, to support this mandate such as vehicles, information technology and communications equipment, weapons and munitions, office furnishings and supplies and miscellaneous parts.

Procurement Activities¹

The RCMP purchases a wide-variety of goods to meet and support operational demands, programs and legislative requirements.

During the fiscal year, the RCMP purchased goods and services under its own procurement authority, as well as through PSPC and Shared Services Canada. The following are the top 10 categories of goods and services purchased at the RCMP during the 2023-2024 fiscal year:

¹ Procurement data in this report is based on 2023-2024 procurement transactions over \$10,000 in the RCMP's departmental financial system.





- 1. Passenger Motor Vehicles
- 2. Guard Services
- 3. Consulting Services
- 4. Other Buildings
- 5. Miscellaneous Communication Equipment
- 6. Automatic Data Processing Software
- 7. Miscellaneous Items Leasing
- 8. Other Special Trade Construction Work
- 9. Informatics Professional Services
- 10. Miscellaneous Aircraft Accessories and Components Repair

At the RCMP, approximately 23% of the annual value of purchases were made through the use of PSPC tools, such as Standing Offers and Supply Arrangements.

Prevention and reduction of risk

The RCMP has integrated PSPC's updated General Conditions for goods contracts and PSPC's <u>Code of Conduct for Procurement</u> in purchasing activities to prevent and reduce the risk of forced labour or child labour in our procurements.

The RCMP used Public Services and Procurement Canada's (PSPC) tools, including Standing Offers and Supply Arrangements, and integrated PSPC's <u>Code of Conduct for Procurement</u> in purchasing activities to prevent and reduce the risk of forced labour or child labour in its procurements.

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

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

While PSPC supports government institutions in their daily operations by acting as the central purchasing agent for the Government of Canada, the RCMP also undertakes activities under its own procurement authority, independently of the aforementioned PSPC tools.

Policies and due diligence processes

The RCMP has policies and due diligence processes by embedding responsible business conduct into policies and management systems.

Effective April 1, 2023, amendments to the <u>Treasury Board Directive on the Management of</u> <u>Procurement</u> require contracting authorities from all departments listed in Schedules I, I.1 and II of the <u>Financial Administration Act</u> (with the exception of the Canada Revenue Agency) and commissions established in accordance with the <u>Inquiries Act</u> and designated as a department







for the purposes of the *<u>Financial Administration Act</u>* to incorporate the <u>*Code of Conduct for Procurement*</u> ("the Code") into their procurements.

Pursuant to the aforementioned amendments, the RCMP has integrated the Code into procurements, with a view to safeguard federal procurement supply chains from forced labour and child labour. Contracts awarded included the Code through the General Conditions for goods.

The Code requires that vendors, providing goods and services to the Government of Canada and their sub-contractors, comply with all applicable laws and regulations. In addition, the Code requires vendors and their sub-contractors to comply with Canada's prohibition on the importation of goods produced, in whole or in part, by forced or compulsory labour. This includes forced or compulsory child labour and applies to all goods, regardless of their country of origin.

The prohibition on the importation of goods produced wholly or in part by forced labour came into force under the <u>Customs Tariff</u> on July 1, 2020. This amendment implemented a commitment in the Labour Chapter of the Canada-United States-Mexico Agreement (CUSMA) and applies to all imports, regardless of origin.

In September 2019, the Government of Canada launched a National Strategy to Combat Human Trafficking (2019-2024). The National Strategy includes a commitment for PSPC to address human trafficking and forced labour in government federal procurement. The RCMP is committed to upholding this commitment and ensuring that procurements are only conducted with suppliers that maintain supply chains free of human trafficking and forced labour.

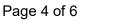
Assessment and management of risk

The RCMP has started the process of identifying risks, however there are still gaps in our assessments regarding 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. The RCMP acknowledges that there may be parts of its supply chain that carry a risk, for example: tier two or tier three suppliers (sub-contractors), the use of outsourced labour, and/or the types of products procured, as well as the industry sectors associated with those products.

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.

The RCMP has familiarized itself with information on the risk assessment provided by PSPC, and are monitoring related follow-action, including the development of a Policy on Ethical Procurement. The RCMP has leveraged the risk analysis of PSPC's supply chains completed in May 2021 to assist in determining what level of risk may be present in its own supply chains. The risk analysis determined that there may be goods that were high risk of exposure to human trafficking, forced labour and child labour.







Measures taken to remediate forced labour or child labour

Since November, 2021, PSPC 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.

As such, all RCMP contracts for goods resulting from the use of these tools include clauses relating to forced labour which set out, among other things, human rights and labour rights requirements. These clauses can be found in the <u>policy notification 150 – Anti-forced labour requirements</u>.

Anti-forced labour requirements contracting clauses in all new contracts for goods. According to the contract clauses there are established procedures in place for addressing and rectifying instances of non-compliance by suppliers such as:

- Obligation on the contractor to not deliver or sell goods to Canada manufactured wholly or in part by forced labour.
- Option to terminate a contract if the CBSA has classified the goods pursuant to the <u>Customs</u> <u>Tariff</u>.
- Option to terminate a contract if there are reasonable grounds to believe that the good has been produced in whole or in part with the use of forced labour.
- Option to terminate a contract if the Contractor has been convicted of a human trafficking offence in Canada or abroad.

Measures taken to remediate the loss of income to the most vulnerable families

The RCMP did not identify 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. However, the RCMP will continue to liaise with central agencies and other stakeholders to review efforts on these measures in the next fiscal year.

Training

The RCMP does not currently provide training to employees on forced labour and/or child labour.

The RCMP is aware that PSPC is currently developing awareness-raising guidance materials (including risk mitigation strategies) for suppliers, targeted towards high-risk sectors. The RCMP is monitoring the development of these materials and will leverage these resources upon their publication.





Assessment of effectiveness

The RCMP does not currently have policies and procedures in place to assess the effectiveness of ensuring that forced labour and child labour are not being used in its activities and supply chains. However, the RCMP will continue to liaise with other government departments to learn best practices on measuring the effectiveness in departmental activities and supply chains.

Contact information

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