

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

April 2024



PART 1 : IDENTIFYING INFORMATION

*** Name of government institution**

The Department of Fisheries and Oceans Canada (DFO), including the Canadian Coast Guard

*** Financial reporting year (start date, end date)**

As stipulated by section 6 (1) of The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), this report covers the activities undertaken during the DFO's April 1, 2023 – March 31, 2024, financial year.

PART 2: REPORT CONTENTS

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

*** Which of the following accurately describes the government institution's activities?**

- Purchasing goods
 - in Canada
 - outside Canada

The Department of Fisheries and Oceans Canada (DFO), including the Canadian Coast Guard's mandate is set out in the *Department of Fisheries and Oceans Act*, which gives DFO responsibilities for:

- sustainably managing fisheries and aquaculture
- working with fishers, coastal and Indigenous communities to enable their continued prosperity from fish and seafood
- ensuring that Canada's oceans and other aquatic ecosystems are protected from negative impacts
- ensuring commercial vessels and recreational boaters can safely navigate our waters
- being there to save lives and protect our environment when emergencies arise

DFO is designated as a department of the Federal Public Administration by Schedule I of the Financial Administration Act (FAA) and, as such, is subject to the Government of Canada's legislative and policy framework for contracting and procurement. Therefore, DFO's procurement and contracting practices are governed by a legislative policy framework, which includes the FAA, the Government Contracts Regulations, the Treasury Board (TB) Policy on the Planning and Management of Investments, the TB Directive on the Management of Procurement and the TB Guidelines on the Proactive Disclosure of Contracts.

Departmental contracting authority is referenced in the Delegation of Spending and Financial Authorities. Most of the contracting authorities are delegated to positions in Procurement Services



and selected Designated Procurement Officials (Business Owners). Designated Procurement Officials are operational managers who have been sub-delegated specific contracting authorities to facilitate operations. Procurement Services is responsible for providing adequate training and support.

Procurement and contracting activities in DFO are partially decentralized. Procurement activities above Business Owners' contracting delegation and within departmental limits are executed within DFO Procurement Services. Contracts (including amendments) with amounts in excess of departmental limits must be requisitioned through Public Services and Procurement Canada (PSPC) or Shared Services Canada (SSC).

Procurement of goods below \$10,000 are typically procured and paid via acquisition cards. PSPC is responsible for procuring goods above \$25,000 where no standing offer or supply arrangement exist.

Between April 1, 2023 and March 31, 2024, DFO procured goods for a total value of \$143.8 million under its own contracting authority. The top 10 commodities procured were:

Description	Spend Amount
Diesel fuel	\$70,406,265.14
Measuring, controlling, laboratory, medical and optical instruments, apparatus and accessories	\$12,589,311.54
Other equipment and Parts	\$7,505,212.77
Road motor vehicles	\$7,352,639.60
Miscellaneous manufactured articles	\$4,070,781.07
Ships and boats	\$3,559,370.45
Ships and boats Parts	\$2,242,667.35
Other vehicles	\$2,176,904.41
Safety and sanitation equipment and parts	\$1,975,892.46
Miscellaneous food, food materials and food prep	\$1,881,983.05

During fiscal year 2023-24, approximately 55.9% of the annual value of its goods purchases were made through the use of PSPC tools such as Standing Offers and Supply Arrangements.

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 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 [policy notification 150 – Anti-forced labour requirements](#)



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

*** Indicate steps taken 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.**

Given the recent coming-into-force date of the Act, DFO has taken measures to remediate forced labour or child labour in its activities and supply chains. DFO has used PSPC's tools, including Standing Offers and Supply Arrangements, and integrated PSPC Code of Conduct for Procurement in its purchasing activities to prevent and reduce the risk of forced labour or child labour in its procurements.

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

*** Does the government institution currently have policies and due diligence processes in place related to forced labour and/or child labour? (Yes or No)**

Effective April 1, 2023, amendments to the Treasury Board Directive on the Management of Procurement require contracting authorities from all departments to incorporate the [Code of Conduct for Procurement](#) ("the Code") into their procurements.

Pursuant to the aforementioned amendments, DFO has integrated the Code into its procurements, with a view to safeguarding federal procurement supply chains from forced labour and child labour. Contracts that DFO has 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 *Customs Tariff* 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.

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



*** Has the government institution identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries?**

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.

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

*** Has the government institution taken any measures to remediate any forced labour or child labour in its activities and supply chains?**

Not applicable. DFO is not aware of any instances of 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

*** Has the government institution taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced or child labour in its activities and supply chains?**

Not applicable, DFO 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

*** Does the government institution currently provide training to employees on forced labour and/or child labour? (Y/N)**

DFO does not currently provide training to employees on forced labour and/or child labour, however, DFO is aware that PSPC is currently developing awareness-raising guidance materials (including risk mitigation strategies) for suppliers, targeted towards high-risk sectors. DFO is monitoring the development of these materials and will leverage these resources upon their publication.

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

*** Does the government institution currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Yes or No)**



DFO 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.

DFO has been applying the anti-forced labour clauses in all goods contracts implemented by PSPC 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.

In alignment with DFO commitment to ethical sourcing and responsible business practices, DFO will initiate a comprehensive assessment of its efforts to prevent forced labour and child labour in its activities and supply chains for the upcoming fiscal year.

Additionally, DFO will communicate with all Section 34 Managers to ensure heightened awareness and vigilance regarding these critical issues.