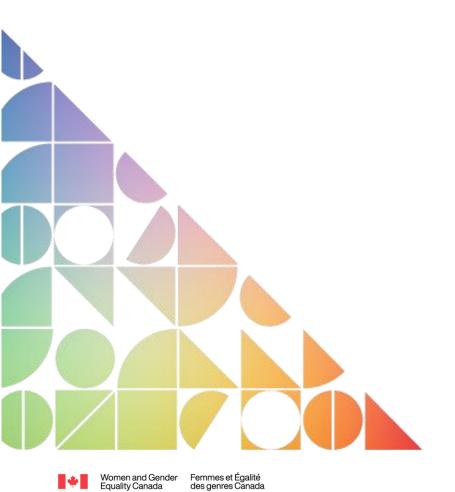
Women and Gender Equality Canada

Fighting Against Forced Labour and Child Labour in Supply Chains Act

Annual Report 2023-24







Introduction

Former Bill S-211, An Act to Enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (Supply Chain Act), received Royal Assent on May 11, 2023 and came into force on January 1, 2024.

The Supply Chains Act requires the head of every government institution whose activities include producing, purchasing or distributing goods in Canada, or elsewhere, submit a report to the Minister of Public Safety by May 31 each year.

This report focuses on the measures implemented by the department for Women and Gender Equality to prevent or mitigate the risk of forced labour being involved at any stage of the production of goods purchased from the enactment of the Act up to the end of the last fiscal year (March 31, 2024).

Structure, activities and supply chains

Women and Gender Equality Canada (WAGE) structure

Consistent with the <u>Department for Women and Gender Equality Act</u>, "the Government of Canada is committed to advancing gender equality through policies and programs that are compatible with Canada's international obligations and take into account sex, sexual orientation, and gender identity or expression."

Part of the 2023-24 departmental plan, WAGE focused on the following four priority areas:

- Preventing and addressing gender-based violence (GBV);
- Strategic action and engagement to address systemic barriers to gender equality;
- Facilitating GBA Plus throughout federal government decision making processes; and
- Supporting community action to advance gender equality and support economic security and prosperity.

WAGE had a planned 439 full-time equivalents (FTE's) that supports the department's core responsibilities and internal services for 2023-24.

Procurement activities and supply chains

WAGE has integrated PSPC's updated General Conditions for goods contracts and PSPC's Code of Conduct for Procurement in our purchasing activities.





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

In 2023-24, WAGE awarded a total of \$3,349,904 (without taxes) on contracts and amendments for goods and services, \$682,627 (without taxes) were related to the following types of goods:

| Object code | Description |
|-------------|---|
| 0448 | Purchase of training packages and courses |
| 0582 | License/Maintenance fees for client software related to Distributed Computing Environment (DCE) |
| 0583 | License/Maintenance fees for application software (including COTS) and application development and delivery software |
| 0584 | License/Maintenance fees for operating system and utility software related to servers, storage, peripherals, and components |
| 0585 | License/Maintenance fees for networking software |
| 0668 | Image/Video communications equipment (includes telepresence/video conferencing equipment, cabling, parts, and peripherals |
| 1179 | Miscellaneous manufactured articles |
| 1231 | Office furniture and furnishings, including parts |
| 1249 | Other equipment and Parts |
| 1172 | Office and stationers supplies |
| 1282 | Computer equipment related to Production and Operations (P&O) environment - All servers, storage, printers, etc. |
| 1283 | Computer equipment related to Distributed Computing Environment (DCE) - Desktop/personal/portable |
| 1284 | Client software related to Distributed Computing Environment (DCE) |
| 1285 | Application software (including COTS) and application development and delivery software |

At WAGE, approximately 42.31% of the annual value of our purchases were made through the use of PSPC and SSC 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 our 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>

Policies and due diligence processes

Effective April 1, 2023, amendments to the <u>Treasury Board Directive on the Management of 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, WAGE has integrated the Code into its procurements, with a view to safeguarding federal procurement supply chains from forced labour and child labour. Contracts that our organization 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.

Forced labour and child labour risks

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.

Following this analysis, it was identified that goods purchased in the following categories at WAGE represent a risk for forced labour and child labour:

- Office Supplies and Devices
- Alarm, Signal and Security Detection Systems





We have reviewed the risk assessment information from PSPC and are monitoring the follow-up actions, including the development of an Ethical Procurement Policy.

Measures taken to remediate any forced labour or child labour

WAGE has not yet implemented any measures to remediate any forced labour or child labour in its activities and supply chains.

WAGE will coordinate with PSPC and SSC to obtain guidance for internal implementation.

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

WAGE has not yet implemented any measures to address the possible loss of income experienced by the most vulnerable families due to actions taken to eliminate forced labor or child labor within the organization's operations and supply chains.

WAGE will coordinate with PSPC and SSC to obtain guidance for internal implementation.

Training provided to employees

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

Assessing effectiveness

WAGE 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.

WAGE will coordinate and collaborate with PSPC and other stakeholder departments to ensure best practices for internal implementation.

