Report on Forced Labour in Canadian Supply Chains

May 2024





As per its reporting obligations under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act), which came into force on January 1, 2024, Immigration, Refugees and Citizenship Canada (IRCC) has prepared its first annual report on forced labour in Canadian Supply Chains.

This document was submitted in parallel with the mandatory <u>Questionnaire</u> and, once finalized, will be available on <u>IRCC's website</u> and in the <u>Public Safety Canada Catalogue</u>.

PART 1 : IDENTIFYING INFORMATION

Name of government institution

Immigration, Refugees and Citizenship Canada

Financial reporting year

April 1, 2023 to March 31, 2024

Indicate if this is a revised report

This is the original report.

Indicate if this is a report produced by a federal Crown corporation or a subsidiary of a federal Crown corporation

Not applicable

PART 2: REPORT CONTENTS

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

Immigration, Refugees and Citizenship Canada (IRCC) is responsible for the <u>Citizenship Act</u>, shares responsibility with Public Safety Canada for the <u>Immigration and Refugee Protection Act</u> and is also responsible for Passport Canada. IRCC's procurement and contracting activities are guided by its mission to build a stronger Canada by:

- Developing and implementing policies, programs and services that:
 - facilitate the arrival of people and their integration into Canada in a way that maximizes their contribution to the country while protecting the health, safety and security of Canadians;
 - maintain Canada's humanitarian tradition by protecting refugees and people in need of protection;

- enhance the values and promote the rights and responsibilities of Canadian citizenship; and
- reach out to all Canadians and foster increased intercultural understanding and an integrated society with equal opportunity for all, regardless of race, ethnicity and religion.
- Advancing global migration policies in a way that supports Canada's immigration and humanitarian objectives.

IRCC's procurement activities include, but are not limited to, the purchase, distribution and production of goods in and outside of Canada. In the 2023-2024 fiscal year, the value of IRCC's goods procurement was \$45,464,275.99 and the top three categories, as identified through the <u>Goods and Services Identification Numbers (GSIN)</u>, for the highest number of contracts and the highest aggregate contract value were:

- N7030 ADP Software (131 contracts, aggregate value of \$32,144,380.96)
- N7045 Computer Supplies (154 contracts, aggregate value of \$8,371,518.07)
- N7540 Standard Forms (157 contracts, aggregate value of \$644,146.25)

At IRCC, approximately 32% of the annual value of IRCC's 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 of IRCC's 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</u> requirements.

For purchases made within IRCC delegated authorities where the above-mentioned PSPC tools are not used, PSPC's anti-forced labour clauses are included in the contracts.

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

IRCC aligns all of its procurement practices with the <u>Directive on the Management of</u> <u>Procurement</u> and has integrated PSPC's updated General Conditions for goods contracts and PSPC's <u>Code of Conduct for Procurement</u> in its purchasing activities.

In addition, to prevent and reduce the risk of forced labour or child labour in its procurements, IRCC has used the following list of 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, IRCC undertakes activities under its own procurement authority, independently of the aforementioned PSPC tools.

During the previous fiscal year, IRCC purchased goods and services under its own procurement authority in the following areas where anti-forced labour clauses were gradually introduced (fully implemented as of January 2024):

- Automatic Data Processing (ADP) Equipment, Software and Storage Devices
- Computer Supplies
- Standard Forms
- Printing, Duplicating and Bookbinding Equipment
- Office Supplies and Stationery
- Postage Meter
- Office Furniture
- Camera, CCTV, Video/Accessories
- Medical and Surgical Instruments, Equipment and Supplies

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

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</u> <u>Procurement</u> ("the Code") into their procurements.

Pursuant to the aforementioned amendments, IRCC 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.

In addition to the steps outlined in section 2.2, the 2023-24 IRCC Departmental Plan, states: "Canada strongly supports international ethical labour recruitment practices. Promoting ethical recruitment and protecting the rights of migrant workers is an integral part of economic immigration programs of the Canadian government and ties into international obligations, including its participation in the Global Compact for Safe, Orderly, and Regular Migration. Canada will continue to collaborate with the International Organization for Migration (IOM) to sponsor activities related to ethical labour recruitment. We continue to provide strong support for ethical recruitment through our investment in regional projects."

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

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.

IRCC has familiarized itself with information on the risk assessment provided by PSPC, and is monitoring related follow-action, including the development/finalization of PSPC's Policy on Ethical Procurement.

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

To date, IRCC has not been made aware or does not have any information supporting that any forced labour or child labour has occurred in its procurement activities or supply chain.

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

IRCC 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

IRCC is aware that PSPC is currently developing awareness-raising guidance materials (including risk mitigation strategies) for suppliers, targeted towards high-risk sectors. IRCC 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

IRCC is monitoring the development of guidance and resources from PSPC, including the PSPC Policy on Ethical Procurement, and will leverage these resources upon their release.