



TRANSPORTATION SAFETY BOARD OF CANADA

FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS REPORT 2025

Canada 

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Forced labour and child labour in supply chains report 2024

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General

This annual report is published in response to the requirement established in the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act) and covers the period of 1 April 2024 to 31 March 2025. The Act requires government institutions to report annually on the measures that they have taken during the previous financial year to prevent and reduce the risk of forced labour and child labour at any step of the production of goods produced, purchased, or distributed by the government institutions. Purchases executed on behalf of the TSB by Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC), hereafter referred to as the “common service providers” are excluded from this report, as we rely on their due diligence within the processes that they control.

The Transportation Safety Board of Canada’s (TSB) sole objective is to advance air, marine, pipeline, and rail transportation safety. This mandate is fulfilled by conducting independent investigations into selected transportation occurrences to identify the causes, contributing factors and the safety deficiencies evidenced by these occurrences. The TSB makes recommendations to reduce or eliminate any such safety deficiencies and reports publicly on its investigations. The TSB then follows up with stakeholders to ensure that safety actions are taken to reduce any potential risks and improve safety. Our activities do not extend to the production of goods, and we do not manufacture, grow, extract, or process goods in or outside of Canada.

Actions taken in the previous financial reporting year

The TSB undertook two actions during the previous financial reporting year:

1. **Action:** Identifying the level of risk associated with TSB-controlled purchase of goods and services
Expected result: As higher-value/higher-risk purchases are completed by the common service providers, which are responsible for their conformity with the Act, we determined that the level of risk is low for close to 80% of the TSB’s procurement of goods by value that goes through them; of the remaining procurement activities handled internally by the TSB, close to 95% by value is for services provided by Canadians operating suppliers within Canada. We assessed the risk of these procurements to be low, while determining ways to integrate checks and clauses into the contracting process and our written contracts to enhance the application of the Act. The remaining portion of purchases controlled by the TSB’s procurement group (for goods valued at less than \$25 000) represents approximately 8.45% of procurement activities by value. While risk is somewhat higher than requests actioned by common service providers with more resources, these procurement activities still bear a low risk to the TSB.
Additional risks identified attributes to purchases made via acquisition cards for low dollar value items such as conference and rental meeting rooms, Software License renewals and



office supplies; the risk is limited by the financial limitation allowed on acquisition card transactions (\$10 000) combined with the absence of Security, Intellectual Property and Financial Coding requirements, we assess this risk to be low.

2. **Action:** Develop controls and support to guide acquisition card holders in assessing risks of suppliers not meeting the requirements of the Act.

Expected result: As the highest-risk activity relates to the purchase made with acquisition cards, guidelines are being developed to guide the verification of the suppliers' records with regards to the Act. While this is being developed, acquisition card holders will be advised to avoid "pass-through" suppliers (such as Amazon) if the ultimate supplier's origin cannot be established or appears problematic.

Structures, activities, and supply chains

The Transportation Safety Board of Canada (TSB) is an independent agency with the mandate to advance safety in air, marine, pipeline, and rail transportation in Canada. The TSB consists of up to five Board members, including a chairperson, and has approximately 230 employees, led by the Chief Operating Officer. The Executive Committee supports the Board.

Location

The Transportation Safety Board of Canada's head office is in Gatineau, Quebec, however most of its investigators work out of one of the eight regional offices (Dartmouth, Nova Scotia; Québec, Quebec; Dorval, Quebec; Toronto, Ontario; Winnipeg, Manitoba; Edmonton, Alberta; Calgary, Alberta; and Richmond, British Columbia) and the Engineering Laboratory in Ottawa, Ontario, to allow quick response to transportation occurrences (either accidents or incidents) anywhere in Canada.

Mandate

The TSB's mandate is to advance safety in air, marine, pipeline, and rail transportation by:

- conducting independent investigations, including public enquiries, when necessary, into selected transportation occurrences, in order to make findings regarding their causes and contributing factors.
- identifying safety deficiencies, as evidenced by transportation occurrences.
- making recommendations designed to eliminate or reduce such safety deficiencies.
- reporting publicly on our investigations and findings in relation thereto.

While it is not the function of the Board to assign fault or determine civil or criminal liability, the Board reports fully on the causes and contributing factors of an occurrence, even in cases where



fault or liability might be inferred from the Board's findings. Findings of the Board are not binding on the parties to any legal, disciplinary, or other proceedings.

To instill public confidence in the TSB, it is essential that the agency be free of any conflict of interest when investigating accidents, identifying safety deficiencies, and making recommendations. That is why the TSB is independent and separate from other government departments. It currently reports to Parliament through the President of the King's Privy Council for Canada.

The TSB and other organizations

The TSB's mandate is distinct from those of other organizations such as Transport Canada, the Canadian Energy Regulator, the Royal Canadian Mounted Police, the Canadian Coast Guard, and the Department of National Defence, all of which have a role in the transportation sector.

- Transport Canada is concerned with developing and administering policies, regulations, and services for transportation systems in Canada with respect to federally regulated air, marine, and rail modes of transportation.
- The Canada Energy Regulator is responsible for regulating pipelines under federal jurisdiction.

As an independent federal agency, the TSB is not associated with any of these organizations. It does, however, cooperate with them when conducting investigations and making safety recommendations.

When the TSB investigates an accident, no federal department except the Department of National Defence may investigate for the purpose of making findings as to the causes and contributing factors of the accident.

Transport Canada and the Canadian Energy Regulator may investigate for any other purpose, such as regulatory infractions.

International collaboration

The TSB, a leader in its field, shares knowledge and experience with the international transportation safety community to advance transportation safety worldwide. The Agency also participates in foreign investigations to represent Canadian interests and, occasionally, to provide investigation services.



Procurement activities

As a knowledge-based organization, close to 70% (\$3 690 000) of the TSB's procurement activities by value are for services. The vast majority of suppliers are Canadian and employ Canadians to provide their services. We assess the risk to be very low for these procurement activities.

The largest part of the remaining procurement activities is for goods purchased by the common service providers on behalf of the TSB (\$930,000, or 60% of goods purchased by value). We expect the common service providers to have the internal processes in place to comply with the Act. We assess the risk of compliance breach to be very low for these procurement activities. The direct procurement of goods by the TSB's procurement group represents just over 17% (\$630 000) of the procurement activity by value. Of these procurement activities, only four contracts were issued to non-Canadian companies (three to American companies and one to a British company). As these activities are under the control of trained procurement personnel, we assess the risk of non-compliance to be low.

Although we have started increasing awareness of the Act's requirements among acquisition card holders, we have not yet formalized a compliance verification process specific to these requirements. We assess the risk level for these activities to be low, limited to low dollar value items below \$10,000 without any Security, Intellectual property or Financial requirements, the largest totals were allocated to conference and rental meeting rooms (\$67,000) and for Software License renewals (\$37,000) in 2024–25 (combined, these amounts represent less than 3% of procurement activities by value).

Supply chains

The TSB has not started to systematically analyze supply chains beyond the main supplier as determined in contracts unless subcontractors are identified in the contracting documentation.

Supplies used by the TSB are generally derived from a pre-qualified list of vendors established by PSPC (via ProSvc, THS, TBIPS) or verified for use through PSPCs Integrity Verification Services (IVS) portal.

The TSB is currently evaluating the acquisition of supply chain, procurement, and trade risk intelligence software to support enhanced supply chain verification and risk management efforts.

Policies and due diligence processes

The TSB currently has processes in place that prevent and reduce the risk of forced labour and/or child labour our supply chains, including embedding responsible business conduct into policies, management systems and contracts.

Effective April 1, 2023, amendments to the Treasury Board Directive on the Management of



Procurement require contracting authorities from all departments listed in Schedules I, I.1 and II of the Financial Administration Act (FAA) (with the exception of the Canada Revenue Agency) and commissions established in accordance with the Inquiries Act and designated as a department for the purposes of the Financial Administration Act to incorporate the Code of Conduct for Procurement (“the Code”) into their procurements.

The Code requires that vendors, providing goods 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.

As identified, for goods purchased for the TSB through common service providers have implemented anti-forced labour clauses in all goods contracts and for goods purchased under the TSB own procurement authority, clauses, when applicable, will be added to contracts.

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.

Due to lack of resources, the uniqueness of this requirement, and the relatively low risk in the overall acquisition activities, the TSB continues to take a learning/reacting approach to the evolving understanding of how to assess and respond to the Supply Chain Act’s requirements.

Code of Conduct for Procurement

The TSB applies Public Service and Procurement Canada’s (PSPC) Updated Code of Conduct for Procurement to businesses with which it enters into contracts.

Risk assessment

As indicated above, over 95% of the TSB’s procurement activities by value are for services provided by Canadian companies employing Canadians. We assess the risk to be very low for these procurement activities.

We assess the risk of compliance breach to be very low for goods procurement activities undertaken by the common service providers on behalf of the TSB.

We assess the risk of non-compliance to be low for goods procurement activities undertaken directly by the TSB’s procurement personnel, as most of the contracts are issued to Canadian companies by trained procurement personnel. It should be noted that this represents just over 17% of the TSB’s procurement activities by value.



We assess the risk of non-compliance to be low for purchases made by acquisition card holders. In 2024-2025 we have started increasing awareness of the Act’s requirements towards acquisition card holders, although we have not yet formalized a compliance verification process specific to these requirements. We assess the risk level for these activities to be low.

Out of the Goods and Services Identification Number (GSIN) codes listed in the table below, only GSIN Codes 75 (office supplies and devices) and 59 (electrical and electronic equipment components) are subject to direct purchases by the TSB. It should be noted that clothing and individual equipment is procured through another department, and most of what could be counted as electrical and electronic equipment components is actually information technology, which is procured through a common service provider.

Table 1. Goods and Services Identification Number (GSIN) codes carrying the highest risk of forced labour and child labour

Risk rank	GSIN code	GSIN code description
1	40	Rope, cable, chain, and fittings
2	54	Prefabricated structures and scaffolding
3	75	Office supplies and devices
4	62	Lighting fixtures and lamps
5	83	Textiles, leather, furs, apparel and shoe findings, tents, and flags
6	78	Recreational and athletic equipment
7	84	Clothing, individual equipment, and insignia
8	63	Alarm, signal, and security detection systems
9	59	Electrical and electronic equipment components
10	35	Service and trade equipment

Remediation of forced labour and child labour

The TSB is a small agency and has limited resources. As the highest assessed risk is related to a small fraction of the total expenditures, and that, the TSB has not identified any instances of forced labour or child labour within its operations or supply chains, this requirement is currently not applicable. Remediation measures have not determined for this second report, but the TSB will continue to develop and implement training for acquisition card holders.

Remediation of loss of income

Given the majority of the TSB purchasing activity is for services, the risk of forced labour and child labour in the production, purchase or distribution of goods is, overall, very low.

The TSB predominantly procures its goods via PSPC and SSC procurement tools, and its efforts to prevent forced labour and child labour have centred on following guidance provided by these institutions. The TSB assess the risk as non-applicable to very low and therefore has not taken any action to remediate the loss of income to the most vulnerable families that results from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains

Training initiatives

The TSB does not currently provide training to employees specifically on forced labour and/or child labour. TSB Procurement personnel will participate in interdepartmental information sessions and take courses offered to the community regarding the application of the Act. Guidance and more formalized training for acquisition card holders will be developed internally.

Effectiveness assessment

The TSB does not currently have established policies and procedures to evaluate the effectiveness of measures aimed at preventing the use of forced labour and child labour within its operations and supply chains. However, the TSB remains committed to engaging with other government departments to identify and adopt best practices for assessing effectiveness in this area

