



Veterans Affairs
Canada

Anciens Combattants
Canada

Annual Report on Fighting Against Forced Labour and Child Labour in Supply Chains

For the Reporting Period
April 1, 2024-March 31, 2025



Veterans Affairs Canada- 2025 Annual Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

SUBMISSION INFORMATION

- Veterans Affairs Canada
- April 1, 2024-March 31, 2025 Financial reporting year
- 2025 reporting period (May 31, 2025 deadline)

Structure, activities and supply chains

Veterans Affairs Canada (VAC) is a Federal department that provides services and supports to a wide range of individuals. We serve Veterans, Canadian Armed Forces (CAF) members, still-serving and retired Royal Canadian Mounted Police (RCMP) members, their families, caregivers and survivors. VAC's mandate is to support the well-being of Veterans and their families, and to promote recognition and remembrance of the achievements and sacrifices of those who served Canada in times of war, military conflict and peace.

In 2024-25 VAC acquired approximately \$6.3M in goods to support its operations and commemorative activities. The goods procured by VAC were primarily:

- IT equipment including hardware and software
- Office furniture
- Office supplies
- Security equipment including access control and video surveillance
- Promotional products

VAC purchases and distributes goods to support operations both in Canada, and overseas at our sites in France, as well as in various locations both inside and outside Canada in support of our Commemorative activities.

Approximately 95% of VAC's acquisitions were made either by using procurement instruments developed by Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC) which included standing offers and supply arrangements, or through contracts where PSPC or SSC provided contracting services on VAC's behalf.



Steps to prevent and reduce risks of forced labour and child labour

Veterans Affairs Canada (VAC) has integrated PSPC's Standard Contract Clauses including PSPC's Code of Conduct for Procurement and anti-forced labour clauses in our purchasing activities.

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

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

PSPC has developed awareness-raising guidance materials (including risk mitigation strategies) for suppliers, targeted towards high-risk sectors. The materials are progressively becoming [available on the canada.ca website](#).

VAC has used PSPC's awareness materials to guide our suppliers and safeguard our supply chains from forced labour and child labour.

Furthermore, we are referring our procurement personnel to these materials for awareness.

The April 1, 2023 amendments to the Treasury Board Directive on the Management of Procurement required several contracting authorities to incorporate the Code of Conduct for Procurement ("the Code") into their procurements. In compliance with these amendments, SSC has integrated the Code into its procurements.

To prevent and reduce the risk of forced labour or child labour in our procurements, VAC has used the following list of SSC's tools to which the Code applies:

- Standing Offers
- Supply Arrangements
- Contracts

As a common service provider, SSC is responsible for ensuring that government departments have access to reliable, secure, and cost-effective IT infrastructure and solutions, including shared services related to networks and network security, data centres and Cloud offerings, digital communications, and IT tools.

VAC also undertakes activities under its own procurement authority, independently of the aforementioned SSC and PSPC tools. During the previous fiscal year we purchased goods under our own procurement authority in the following areas: promotional items, IT equipment including hardware and software, furniture and office supplies and equipment.



Policies and due diligence processes in relation to forced labour and child labour

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 (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.

Pursuant to the aforementioned amendments, our department has continued to integrate the Code into our 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 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.

Identifying parts of your institution’s activities and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage those 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.

We took note of the findings and recommendations of this risk analysis, and are monitoring related follow-action, including the implementation of the Policy on Ethical Procurement and the development of a human rights due diligence framework. We have started the process of identifying risks, but there are still gaps in our assessments.

SSC is committed to ongoing risk identification, promotion and development of mitigation practices, and ongoing activities to raise awareness within its procurement community and engage with industry and strategic partners.



Measures taken to remediate any forced labour or child labour

VAC has not taken any remediation measures. If instances of forced or child labour arises or is identified within our procurement activities or supply chains, VAC will take appropriate action to remediate such activities.

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

We have not identified 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/or supply chains. As such, no measures have been taken to remediate the loss of income for the most vulnerable families.

Training provided to employees on forced labour and child labour

We are aware that PSPC has developed and is currently piloting a course for procurement officers. We will leverage the course upon its publication for use across the Government of Canada.

SSC is committed to ongoing risk identification, promotion and development of mitigation practices, and ongoing activities to raise awareness within its procurement community and engage with industry and strategic partners.

Our Procurement specialists participate in ad-hoc information sessions and webinars shared by Public Safety on Supply Chains Act to further enhance their knowledge and awareness surrounding forced labour and/or child labour.

Assessing effectiveness in ensuring that forced labour and child labour are not being used in activities and supply chains

VAC doesn't currently have procedures in place to assess the effectiveness in ensuring that forced and/or child labour aren't being used in its supply chain activities, however, we are increasing our awareness and engaging in information sharing opportunities to enhance our knowledge and work toward reducing the risk of forced labour in our supply chains. In future years VAC plans to establish a monitoring mechanism to gauge the effectiveness of our efforts in preventing forced labour.