



ANNUAL REPORT ON FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

FOR THE REPORTING PERIOD OF
APRIL 1, 2023 TO MARCH 31, 2024





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PART 1: IDENTIFYING INFORMATION

Financial Consumer Agency of Canada (FCAC)

April 1, 2023 to March 31, 2024

PART 2: REPORT CONTENTS

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

FCAC's activities related to this [Act](#) are:

- Purchasing goods
 - in Canada
 - outside Canada

The Financial Consumer Agency of Canada (FCAC) was established in 2001 to protect the rights and interests of consumers of financial products and services. FCAC is a federal government agency that derives its mandate from the [Financial Consumer Agency of Canada Act](#). It is an independent agency of the Government of Canada and reports to the parliament through the Minister of Finance.

As a regulator, FCAC protects financial consumers by supervising the compliance of federally regulated entities with their market conduct obligations as established by legislation, codes of conduct and public commitments. The Supervision Framework describes the Agency's approach and the variety of supervisory tools and activities that FCAC uses to promote, monitor and enforce the obligations that govern federally regulated entities in Canada's financial ecosystem.

The Agency is also mandated to strengthen the financial literacy of Canadians and:

- promote awareness of the rights and responsibilities of Canadians in their dealings with financial institutions
- monitor, evaluate and promote awareness of trends and issues that may affect financial consumers develop and publish research, content, tools and programs to strengthen the financial literacy of Canadians
- foster an understanding of financial services and related issues in collaboration with stakeholders, including government, regulatory and community organizations

In 2023-24 FCAC acquired approximately \$1.5M in goods to support its operations. These goods included primarily IT hardware, software, and furniture. Approximately 94% of these acquisitions were made using Public Service Procurement Canada (PSPC) and Shared Services Canada (SSC) tools such as standing offers and supply arrangements, and contracts where PSPC and SSC acted as the contracting authority.

PSPC requires that anti-forced labour clauses be included 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. In addition, since November 2023, all PSPC standing offers and supply arrangements for goods that have been issued, amended, or refreshed include anti-forced labour clauses. SSC has also incorporated these standard clauses into their contracts, standing offers and supply arrangements.

Consequently, all of our contracts for goods resulting from the use of these tools include clauses relating to forced labour.

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

To reduce the risk that forced labour or child labour is used in any step of the production for goods purchased by the Agency, FCAC ensures to utilize PSPC or SSC standing offers and supply arrangements when possible. PSPC and SSC are taking steps 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 of Canada, by way of their standing offers and supply arrangements.

Additional information describing the steps taken:

FCAC has integrated PSPC's updated general conditions for goods contracts and PSPC's [Code of Conduct for Procurement](#) ("the Code") in its purchasing activities. SSC has also adopted the updated Code of Conduct for Procurement.

While PSPC and SSC support government institutions in their daily operations by acting as the central purchasing agents for the Government of Canada, FCAC undertakes activities under its own procurement authority.

In 2023-24 FCAC purchased goods and services under its own procurement authority in the following areas: professional services, software, IT hardware, furniture and training services.

In consideration of FCAC annual expenditure on goods, in 2023-24 94% of this total was for goods acquired by way of a PSPC or SSC issued standing offers or supply arrangements, or with PSPC or SSC as the contracting authority.

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

FCAC currently has policies and due diligence processes in place related to forced labour and child labour which includes the following element:

- Embedding responsible business conduct into policies and management systems

FCAC has incorporated the Code of Conduct for Procurement in its procurement practices, with a view to safeguarding federal procurement supply chains from forced labour and child labour.

Contracts that FCAC has awarded included the Code through general conditions for goods.

The Code requires that vendors and their sub-contractors will 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.

In addition, the Code requires that all workers must be of at least the legal minimum age based on the applicable laws and regulations. Workers under the age of 18 must not perform hazardous work that may jeopardize their health or safety. Hazardous work includes work which exposes children to physical, psychological or sexual abuse; work underground, under water, at dangerous heights or in confined spaces; work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads; work which may expose children to an unhealthy environment; work under difficult conditions, including long hours of work or work where the child is unreasonably confined to the premises of the employer.

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

FCAC has not started the process of identifying risks related to forced labour or child labour being used.

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

FCAC has not taken any remediation measures to remediate any forced or child labour in its activities or 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

FCAC has not taken any remediation measure. If instances of forced labour or child labour arises within our activities or supply chains, the FCAC commits to taking remedial action.

2.7 Information on the training provided to employees on forced labour and child labour

FCAC does not currently provide training to employees on forced labour and child labour.

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

Recognizing that this is a new reporting requirement, FCAC does not currently have procedures in place to assess the effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains. In future years, FCAC plans to establish monitoring and evaluation mechanisms to gauge the effectiveness of its efforts to prevent and address forced labour and child labour.