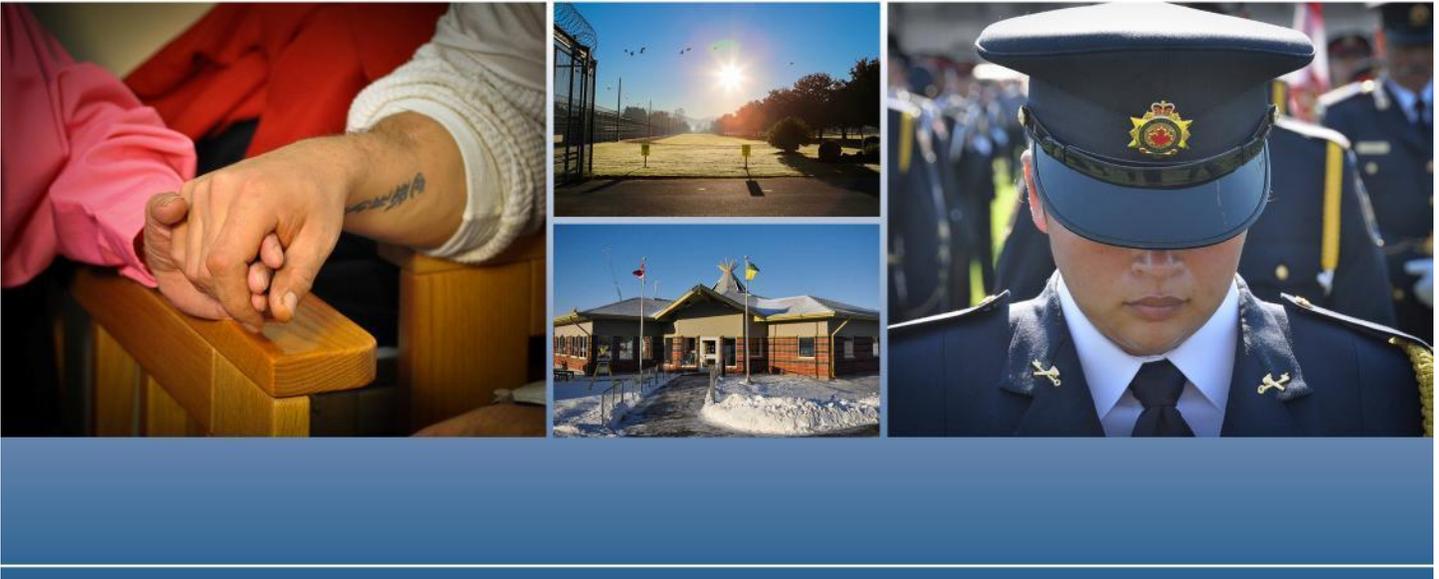




CORRECTIONAL SERVICE CANADA

CHANGING LIVES. PROTECTING CANADIANS.



Correctional Service of Canada: 2025 Annual Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Reporting period: April 1, 2024, to March 31, 2025

Overview

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act) came into force on January 1, 2024. The Act states that any government institution producing, purchasing, or distributing goods in Canada or elsewhere under their own procurement authority must submit a report to the Minister of Public Safety on or before May 31 of each year.

This report is submitted on behalf of the Correctional Service of Canada (CSC) and covers activities for the 2025 reporting period (March 31, 2024, to April 1, 2025). The report shows the steps that CSC has 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, and distributed by CSC.

CSC structure

CSC is the federal government agency responsible for administering court-imposed sentences of a term of 2 years or more. We manage various security level institutions and supervise offenders under conditional release in the community. We provide for the safety, security, and humane care of inmates, including day-to-day needs of inmates such as:

- food
- clothing
- accommodation
- mental health services, and
- physical health care

CSC has over 18,000 employees, with 77% working in institutions, responsible for approximately 23,000 offenders. Around 14,000 offenders reside in institutions while the remaining are under supervision in communities across Canada.

CSC's mandate is to contribute to public safety by actively encouraging and helping offenders to become law-abiding citizens, while exercising reasonable, safe, secure, and humane control. To realize our mandate, we rely on a strong network of partners and stakeholders, including:

- other federal government departments
- non-governmental organizations
- provincial and territorial governments
- community-based service providers, and
- volunteers

CORCAN is a special operating agency of CSC. It is responsible for the Employment and Employability Program for federal offenders during their incarceration and while under community supervision. As part of this program, CORCAN operates work sites offering on the job and vocational training in federal correctional institutions and community locations. Offender work sites operate in 34 CSC institutions across Canada and 5 community-based operations, covering 5 business lines:

- manufacturing
- textiles
- construction
- services, and
- agriculture

The Treasury Board of Canada granted CORCAN Special Supplier Status. This allows federal departments and agencies to buy from CORCAN through a Stores Transfer Order. Goods and services produced in CORCAN operations generate revenues to support and reinvest in the program. CSC has governance processes, laws, and legislations in place for a proper labour force and federal offenders are remunerated. CORCAN contract requirements that support producing goods (for example, purchase of textiles) are processed under CSC's procurement authority. For the purpose of this report, CSC represents CORCAN. This includes procurement activities and procurement data as CORCAN procurement data is combined with CSC's.

Procurement activities¹

CSC purchases and produces a wide variety of goods. These goods meet and support operational demands, programs, and legislative requirements for various sites across Canada, including offices and institutions.

For the 2025 reporting period, CSC issued approximately 3,874 contracts with a total value of \$675 million. 65% of those contracts were for goods with a total approximate value of \$133 million. 98% of those goods were purchased through Canadian companies and 2% through foreign companies.

During the reporting period under our own procurement authority, CSC purchased the following types of goods:

- drugs and biologicals
- office furniture
- vehicles
- fuel oils
- construction materials
- security and safety equipment and supplies
- meat, poultry, and fish
- cabinets, lockers, bins, and shelving
- textile fabrics, and

¹ Procurement data in this report is based on fiscal year 2024 to 2025 procurement transactions over \$10,000 in CSC's financial system.

- information technology software

At CSC, approximately 77% of the annual value of our purchases for goods were made using Public Services and Procurement Canada (PSPC) tools, and 5% of the annual value of our purchases for goods were made using Shared Services Canada (SSC) tools such as standing offers and supply arrangements.

Since November 2021, PSPC and SSC 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 and SSC standing offers and supply arrangements for goods that have been issued, amended, or refreshed include anti-forced labour clauses or as part of the general conditions for goods.

As such, all our contracts for goods resulting from the use of PSPC's tools include clauses relating to forced labour which outline human and labour rights requirements. These clauses can be found in [Annex 2.8 - Anti-forced labour requirements](#) of the PSPC Supply Manual. As well, all our contracts for goods resulting from the use of SSC's tools include PSPC's clauses relating to forced labour, which outline, among other things, human rights and labour rights requirements.

Additionally, in December 2024, PSPC expanded the anti-forced labour requirements to include services contracts, construction, and research and development contracts. As such, all our services, construction, and research and development contract templates have been updated to include the anti-forced labour clauses.

More detail on CSC's planned procurement activities by financial year is available in our [National Procurement Plans](#). The objective of the CSC annual National Procurement Plans is to provide industry and the public information regarding our anticipated contracting activities and is published on the CSC external public facing website.

Prevention and reduction of risk

During this reporting period, CSC took steps to prevent and reduce the risk that forced or child labour is used at any step of the production of goods in Canada. This includes goods produced elsewhere by CSC or of goods imported into Canada.

CSC has integrated PSPC's Standard Contract Clauses including PSPC's Code of Conduct for Procurement and anti-forced labour clauses in our purchasing activities.

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. CSC 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 certain contracting authorities to incorporate the Code of Conduct for Procurement ("the Code") into their procurements. In compliance with these amendments, SSC integrated the Code into its procurements.

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

In addition, to prevent and reduce the risk of forced labour or child labour in our procurements, CSC uses the following PSPC and SSC tools:

- standing offers
- supply arrangements, and
- anti-forced labour contract clauses

Using these PSPC and SSC tools reduce the number of low-dollar value transactions to suppliers with unknown labour practices.

While PSPC (as the central purchasing agent) and SSC (as a common service provider) supports government institutions in their daily operations on behalf of the Government of Canada, CSC carries out activities under our own procurement authority, independently of the aforementioned PSPC and SSC tools. During the reporting period, we purchased goods under our own procurement authority, such as:

- health care equipment
- food and related equipment
- security and safety equipment, and
- cleaning equipment

As well, the CSC Senior Designated Official for the management of procurement continues to update CSC senior management about changes to the reporting requirement and new or updated requirements and policies to prevent and reduce the risk of forced labour or child labour in our supply chains.

Lastly, CSC continues to implement measures to address forced labour and/or child labour in our supply chains as part of our *Fighting Against Forced Labour and Child Labour in Supply Chains Act* Action Plan.

Policies and due diligence processes

CSC currently has policies and due diligence processes in place related to forced labour and/or child labour and we are undertaking actions that address broader issues such as human rights abuses in our supply chains.

In this reporting period, CSC published its 2024 annual report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* on the CSC external public facing website and notified CSC budget managers and procurement personnel.

CSC strengthened wording in our annual National Procurement Plan to include our commitment to advance the Government of Canada's socio-economic and environmental objectives, including human

rights considerations throughout the procurement process. The annual National Procurement Plans are published on the CSC external public facing website.

CSC continues to review and strengthen internal procurement activities, processes, and policies. We are currently revising the Contract Request form to strengthen direction and accountability of business owners. The revised form will require a signed attestation that business owners will support ethical business practices in supply chains, with the aim to ensure they are aware of and prevent the use of forced labour and child labour in their procurement activities. Supplemental instructions and guidance will also be provided to business owners to guide them through these requirements.

CSC is assessing and updating CSC policy instruments to ensure consistency with Treasury Board's contracting policies, strengthen roles and responsibilities of business owners and procurement personnel, and enhance wording and guidance.

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 follow Canada's prohibition on importing 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, CSC continues to integrate the Code into our procurements, with a view to safeguarding federal procurement supply chains from forced labour and child labour. Contracts that we have awarded included the Code through the General Conditions for goods.

The prohibition for 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 applied a commitment in the Labour Chapter of the Canada-United States-Mexico Agreement and applies to all imports, regardless of origin.

Assessment and management of risk

CSC continues the process of identifying risks. However, there are still gaps in our assessments regarding 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. To support the identification of risks, CSC developed an action plan to implement measures to assess and manage risk regarding our activities and supply chains.

In May 2021, a risk analysis of PSPC's supply chains was completed by Rights Lab, of the University of Nottingham (U.K.). It determined 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. CSC took note of the findings and recommendations of this risk analysis, and we are monitoring related

follow-action, including the implementation of the Policy on Ethical Procurement and the development of a human rights due diligence framework. The risk analysis was also shared with procurement personnel for their review and awareness.

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. CSC will continue to monitor SSC's activities and tools to implement them as applicable.

Measures taken to remediate forced labour or child labour

For this reporting period, CSC has not taken any measures to remediate any forced labour or child labour in our activities and supply chains. However, to support this area, CSC developed an action plan to ensure required measures are in place to support remediation, if needed.

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

For this reporting period, CSC 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 our activities and/or supply chains. As such, no measures have been taken to remediate the loss of income for the most vulnerable families. However, CSC developed an action plan where this will be 1 potential option once the next step of developing measures to remediate forced labour or child labour in our activities and supply chains are identified and are in place.

Training

During this reporting period, CSC did not provide mandatory training to employees on forced labour and/or child labour. However, CSC has been actively encouraging employees to participate in available training and we are sharing resources to increase awareness and guidance amongst business owners and procurement personnel.

CSC encouraged procurement personnel to attend available training and information sessions, such as:

- Combating Trafficking in Human Beings and Labour Exploitation in OSCE Supply Chains
- SSC and PSPC Webinar on Forced Labour in Electronics Supply Chains
- International Contracting Officers Forum 2024: Combatting Human Trafficking in Government Procurement Practices, and
- PSPC Engagement and Consultation Session on Policy on Ethical Procurement

CSC has also taken steps to increase awareness and knowledge amongst procurement personnel by developing a centralized location in GCdocs of resources that are accessible by all CSC procurement personnel. Procurement personnel are notified of any updates or additions to the resources. As well, we share the Public Safety's *Supply Chains Act* bulletins with procurement personnel for their review and information.

To increase awareness and knowledge for CSC employees, CSC leveraged its monthly Contracting and Materiel Services newsletter “Materiel Matters” to share information and guidance. For this reporting period, articles included information about the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* reporting requirement, the Government of Canada’s commitment to protecting human rights in federal procurement, and socio-economic considerations in procurement.

CSC is also revising our in-house mandatory contracting courses for budget managers and procurement personnel to strengthen guidance.

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

CSC is aware that SSC is committed to on-going risk identification, promotion, and development of mitigation practices, and on-going activities to raise awareness within its procurement community and engage with industry and strategic partners. We will leverage tools and courses when made available for use across the Government of Canada.

Assessment of effectiveness

During this reporting period, CSC did not have policies and procedures in place to assess its success in ensuring that forced labour and child labour are not being used in its activities. However, to support this area, CSC developed an action plan and will continue to implement actions to evaluate and revise related policies and procedures as needed.

Contact information

All requests for information related to this report can be addressed to:

Senior Director, Contracting and Materiel Services

[GEN-NHQ Contracting Policy-Politique sur les marches](#)