



2026 Annual Report under the Fighting Against Forced Labour and Child Labour in Supply Chains Act

Financial Transactions and Reports Analysis Centre of Canada
(FINTRAC)

April 1, 2025 to March 31, 2026



FINTRAC - 2026 Annual Report under the Fighting Against Forced Labour and Child Labour in Supply Chains Act

Introduction

This report is submitted on behalf of the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and covers activities from April 1, 2025 to March 31, 2026 in response to the 2026 reporting period.

Senate Public Bill S-211, an *Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff*, came into force on January 1, 2024.

This Act requires that the head of every government institution, whose activities include producing, purchasing or distributing goods in Canada, or elsewhere, submit an annual report to the Minister of Public Safety on, or before, May 31 of each year.

This report includes a summary of steps taken by FINTRAC to prevent or reduce the risk of forced labour or child labour in supply chains during fiscal year 2025–26.

Structure, activities and supply chains

FINTRAC is a federal agency and Canada's financial intelligence unit and anti-money laundering and anti-terrorist financing supervisor. Its mandate is to facilitate the detection, prevention and deterrence of money laundering and the financing of terrorist activities, while ensuring the protection of personal information under its control.

During the 2025–26 fiscal year, FINTRAC consisted of approximately 535 FTEs located within Canada and follows a departmental structure in which all related activities or functions are divided by sectors and support the Director/CEO in achieving FINTRAC's mandate.

The Centre researches and analyzes data from a variety of information sources that shed light on trends and patterns in money laundering and terrorist activity financing which directly and indirectly identify the use of forced labour and child labour in a general context. FINTRAC partnered with financial institutions and law enforcement in Project Protect, which identified forced labour in Canada. Analysis of various information sources by FINTRAC analysts may lead to uncovering forced labour and child labour in Canada. The analysis of such disclosures forms part of FINTRAC's mandate and is not directly related to investigating Canadian supply chains in response to the Act.

During the 2025–26 fiscal year, FINTRAC's total expenditure for goods was \$5,087,170 which includes goods sourced from Canada and the USA under the following UNSPSC's and related descriptions:

UNSPSC (L3)	Goods description
43202200	Sub-assemblies for electronic devices
43211500	Computers
43211600	Computer accessories
43212100	Computer printers
43222500	Network security equipment
43230000	Software



43231500	Business function specific software
43231600	Finance accounting and enterprise resource planning ERP software
43232100	Content authoring and editing software
43232300	Data management and query software
43232400	Development software
43232500	Educational or reference software
43232600	Industry specific software
43233200	Security and protection software
52161500	Audio and visual equipment
56101700	Office furniture

At FINTRAC, approximately 86% of the annual value of goods purchased were made through the use of Public Services and Procurement Canada (PSPC) tools such as Standing Offers and Supply Arrangements either under our own procurement authority or by PSPC.

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 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 FINTRAC 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 policy notification 150 – Anti-forced labour requirements.

At FINTRAC, approximately 9% of the annual value of goods purchased were made through the use of Shared Services Canada (SSC) tools such as Standing Offers and Supply Arrangements either under our own procurement authority or by SSC.

Since November 2021, SSC has 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. Furthermore, as of November 2023, all SSC Standing Offers and Supply Arrangements that have been issued, amended, or refreshed include anti-forced labour clauses as part of the general conditions for goods. As such, all FINTRAC 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.

During this reporting period, FINTRAC purchased goods under its procurement authority (excluding PSPC and SSC procurement tools) accounting for approximately 5% of the annual value of our goods purchased.

[Steps to prevent and reduce risks of forced labour and child labour](#)

During fiscal year 2025–26, FINTRAC procurement officers participated in various training and awareness sessions focused on forced labour and child labour. The sessions included materials prepared from both Canadian and international organizations.



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

In addition, to prevent and reduce the risk of forced labour or child labour in our procurements, FINTRAC 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.

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, FINTRAC has used the following list of SSC's tools to which the Code applies:

- Standing Offers
- Supply Arrangements

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.

FINTRAC also undertakes activities under its own procurement authority, independently of the aforementioned SSC and PSPC tools. During the previous fiscal year, FINTRAC purchased goods under our own procurement authority as per the list provided above.

[Policies and due diligence processes](#)

During fiscal year 2025–26, FINTRAC engaged with other government departments through interdepartmental meetings, on the issue of addressing forced labour and child labour in supply chains. FINTRAC continues to actively seek revised policies, guidance and direction related to the *Act* from Public Safety, PSPC and SSC.

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.

Despite FINTRAC's classification as a Schedule V Agency under the FAA, we continue to integrate the Code into our procurement processes in accordance with the aforementioned amendments with a view to safeguard 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.

Activities and supply chains at risk of forced labour or child labour

Following initial activities started in FY 2023–24 and 2024–25 to begin the process of identifying risky activities and supply chains, FINTRAC continued assessments and reviews during FY 2025–26. Through this review and analysis, FINTRAC identified risk in the following sectors and industries, which are acquired through PSPC procurement tools, SSC procurement tools and under our procurement delegation:

- Mining, quarrying and oil and gas extraction
- Manufacturing including office supplies and devices, lighting fixtures and lamps, security detection systems and electronic equipment components
- Information and cultural industries
- Information technology

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.

PSPC 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.

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.

Remediation measures

During fiscal year 2025–26, FINTRAC has not identified any forced labour or child labour in our activities and supply chains. Given FINTRAC has only highlighted potential risk sectors and industries without additional validation exercises, no other measures have been taken to assess or reduce the risk, or to remediate forced labour or child labour in these activities and supply chains.

Remediation of loss of income

During fiscal year 2025–26, FINTRAC 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.

Training

FINTRAC has not developed any training or awareness material; however, we have leveraged domestic and international training. During FY 2025-26, FINTRAC procurement officers completed the Canada School of Public Service training course *Introduction to Ethical Procurement*.

As a common service provider, 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.

Assessing effectiveness

During fiscal year 2025–26, training was the focus of FINTRAC to raise awareness of the prevalence and impact of forced labour and child labour in supply chain. No actions have been taken to assess the effectiveness in preventing and reducing risks of forced labour and child labour in our activities and supply chains.

FINTRAC is committed to engaging with other government departments and procurement SMEs such as PSPC and SSC to bolster and improve its effectiveness in identifying and reducing forced labour and child labour in activities and supply chains.

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