



Fighting Against Forced Labour and Child Labour in Supply Chains Act Report 2024

edmonton.ca/SellingtotheCity

Report: FCS02948 City of Edmonton Submission: Federal Supply Chains Act

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1. INTRODUCTION

This report has been prepared in compliance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* that came into effect on January 1, 2024. The Act implements Canada's international commitment to contribute to the fight against forced labour and child labour by requiring federal government institutions and other entities that meet certain criteria to provide an annual report to the Minister of Public Safety Canada on their actions to eliminate the use of forced labour and child labour in their supply chains.

This report covers the City of Edmonton's supply chain activities for 2024 and must be submitted to the Minister of Public Safety Canada by May 31, 2025.

2. CITY OF EDMONTON STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

2.1. City of Edmonton's Administrative Structure

The City of Edmonton (the City) is a municipal corporation in the province of Alberta with more than 11,000 staff. The City's <u>Administration</u> reports to the City Manager, who reports to City Council.

In accordance with Section 3 of the *Municipal Government Act*, RSA 2000, c M-26, the City's purposes are:

- to provide good government,
- to foster the well-being of the environment,
- to foster the economic development of the municipality,
- to provide services, facilities or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality,
- to develop and maintain safe and viable communities, and
- to work collaboratively with neighbouring municipalities to plan, deliver and fund intermunicipal services.

The Edmonton Police Commission, established by City Council pursuant to the *Police Act*, RSA 2000, c P-17, oversees the Edmonton Police Service (EPS). In late 2018, Edmonton City Council delegated procurement authority to the Edmonton Police Commission, and made the Chief of Police the designated officer to approve and sign procurement agreements for EPS. The EPS Procurement, Contracts & Supply Logistics Branch (formerly named the

Procurement and Contract Services Branch) was formed in late 2021 to conduct EPS procurements.

A list of City corporations and the agencies, boards, committees and commissions to which the City makes appointments can be found here. City corporations are considered separate entities and may or may not be required to complete separate reports for their activities based on the criteria for reporting under the Act. This report solely represents the activities associated with the City and EPS.

2.2. Activities

The City completes activities regarding production, sale, distribution or importation of goods, both domestically and internationally with all operations existing within Edmonton, Alberta, Canada.

2.3. Supply Chain

The City procures goods and services from suppliers. In 2024, the approximate spend amounted to \$2.6 billion, with purchases made from over 2,000 suppliers. Currently, the City does not track indirect suppliers or countries that products are sourced from.

3. POLICIES AND DUE DILIGENCE PROCESSES

In 2024, the City completed or continued the following in relation to policies and due diligence processes supportive of fighting against forced labour and child labour in supply chains:

3.1. Sustainable Procurement Policy

The City's <u>Sustainable Procurement Policy</u> (the latest version approved by City Council in July 2024) promotes ethical standards, environmental sustainability, Indigenous procurement and social value considerations. The Ethical Standards section of this policy states:

"The City requires suppliers and their subcontractors to adhere to minimum standards related to ethical business practices. These ethical standards encompass minimum requirements related to labour standards, employee treatment, wages and benefits, working conditions, and ethics standards. All suppliers entering into a procurement agreement with the City of Edmonton using a City standard form of agreement will agree to the terms of the City's Supplier Code of Conduct, as may be amended by Administration from time to time."

3.2. Supplier Code of Conduct

The City's <u>Supplier Code of Conduct</u> is intended to ensure safe and healthy workplaces for the people who make and supply goods and provide construction, intellectual property rights and other services for the City, where conditions meet internationally agreed-upon standards as embodied in the many conventions of the <u>International Labour Organization</u>. This Supplier Code of Conduct also aims to ensure that the City maintains its integrity as a public institution by contracting only with suppliers that support ethical business practices. The Social Responsibility section of the Supplier Code of Conduct states:

3.2.1. Forced Labour

The supplier and its subcontractors must not use, in any part of their supply chains, forced labour. "Forced labour" means labour or service provided or offered to be provided by a person under circumstances that:

- could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour or service; or
- constitute forced or compulsory labour as defined in article 2 of the Forced Labour Convention, 1930, adopted in Geneva on June 28, 1930.

All work must be voluntary, and workers must be free to leave upon reasonable notice.

3.2.2. Child Labour

The supplier and its subcontractors must not use, in any part of their supply chains, child labour. "Child labour" means labour or services provided or offered to be provided by persons under the age of 18 years and that:

- are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada;
- are provided or offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them;
- interfere with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or
- constitute the worst forms of child labour as defined in article 3 of the Worst Forms of Child Labour Convention, 1999, adopted at Geneva on June 17, 1999.

3.3. Contractual Clauses

The City uses contractual clauses in its standard contract templates to enforce its Sustainable Procurement Policy and Supplier Code of Conduct. Standard City procurement contracts developed after 2019 typically include the below clause (or a similar variation):

The Supplier has reviewed and understands the City's Sustainable Procurement Policy (C556A) and Supplier Code of Conduct. These documents are located at: https://www.edmonton.ca/business_economy/selling_to_the_city/sustainable-purc hasing-policy.aspx.

The Supplier agrees to comply, and ensure its Subcontractors comply, with the Supplier Code of Conduct as it may be amended or replaced from time to time. The Contractor is responsible for periodically checking the above link for updates to the Supplier Code of Conduct.

The above-stated clause is not included in EPS contracts or non-standard (supplier-written) contracts, which collectively constituted less than 1% of all contracts in 2024.

3.4. Supplier Performance Management

The City implements a Supplier Performance Management (SPM) program to assess the effectiveness of suppliers and consultants collaborating with it. SPM applies to all high-risk contracts exceeding \$100,000, promoting appropriate governance, structure, collaboration, and communication with suppliers.

A supplier's performance rating may influence future procurement opportunities, allowing better-performing suppliers to have an advantage over those with lower ratings during the bid evaluation. Poor or unacceptable performance could lead to a supplier being put on probation or suspended.

The City has recently incorporated scoring into the program that measures a supplier's and subcontractor's dedication to fulfilling their sustainable policy commitments, along with their responsibilities outlined in the Supplier Code of Conduct, Living Wage policy, and ethical business practices.

3.5. Edmonton Police Service (EPS)

Since the standing up of the EPS' new Procurement, Contracts & Supply Logistics Branch in late 2021, EPS has developed its procurement policies and procedures and it intends to develop a policy to address sustainable, social, and ethical purchasing in accordance with its delegated authority. In the meantime, EPS requires suppliers to comply with all applicable laws and City policies in the provision of their work.

4. PHASED APPROACH

Although the City has policies in place related to forced and child labour, it is important to work toward a deeper understanding of the likelihood, risks, and impacts of these exploitative practices to ensure they are addressed and eradicated from supply chains. Moving forward, the City will be taking a phased approach to develop:

- Processes to identify risks within supply chain activities;
- o Processes on mitigation and remediation measures;
- o Training for internal staff and external suppliers; and
- Assessment processes on the above new items and existing policies.

5. FORCED LABOUR AND CHILD LABOUR RISKS

In 2024, the City continued to utilize contractual clauses outlined in section 3.3 of this report to mitigate the risk of forced labour or child labour in the production of goods both domestically and internationally, whether produced by the City or imported into Canada by the City. Moving forward, the City will adopt a phased approach, as detailed in section 4 of this report, to further prevent and mitigate the risk of exploitative practices of forced labour or child labour within the supply chain.

6. REMEDIATION MEASURES

The City and EPS have neither identified nor received notification of any instances of forced labour or child labour within operations and supply chains to this point. Over the next few years, the City will implement measures to better identify and address the risk of forced labour or child labour in the supply chain.

7. TRAINING

The City has incorporated the Supplier Code of Conduct into procurement training for staff and is exploring enhancing both internal and external training opportunities over the coming years.

8. ASSESSING EFFECTIVENESS

The City will also look at a phased approach to developing protocols to assess the effectiveness of the existing Supplier Code of Conduct and contractual terms in relation to fighting against forced labour and child labour in supply chains.

Forced Labour in Canadian Supply Chains

9. ATTESTATION

Note: under the *Municipal Government Act*, no individual member of City Council has authority to bind the City of Edmonton. While evidence of City Council's approval of this report, as signed below by the Mayor and pursuant to section 11, paragraph (4)(a) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and as the City's governing body under the *Municipal Government Act* is attached to this report, the City Manager and the Chief of Police sign the attestation below, as the individuals to which City Council has delegated certain authorities for binding the City with respect to procurement agreements.

In accordance with the requirements of the Act, and in particular section 11, I attest that I have reviewed the information contained in the report for the City of Edmonton. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

rei	rei
l have the authority to bind City of Edmonton	I have the authority to bind the
Eddie Robar	Edmonton Police Service
City Manager	Warren Driechel
Date:	Interim Chief of Police
	Date:
Per:	
On behalf of Edmonton City Council	
Amarjeet Sohi	
Mayor	
Date:	