



**SUPPLY CHAIN
RISK REPORT 2023**

Canada's Growing Child & Forced Labour Problem

Message from our President & CEO, Michael Messenger

After two decades of incremental progress, we are now seeing a disturbing increase in the number of girls and boys in child labour globally. Over 79 million children are working in dirty, dangerous, and degrading jobs that compromise their health, safety, and education. And if urgent actions are not taken by the international community, including here in Canada, another 9 million children will join this growing cohort by the end of this year, 2022. This is exacerbated by several interconnected factors, including world hunger, the COVID-19 pandemic, climate change, and conflict.

Unfortunately, Canada is a significant contributor to this global problem. As this report reveals, Canada imported nearly \$48 billion in risky goods in 2021, representing over 7.5 per cent of our total imports.

Here in Canada, we are all feeling the impact of price increases across our spending. Cost pressures throughout our supply chains create an even greater risk that Canadian consumer spending is contributing to the increase in child and forced labour as imports of risky goods into Canada continue to climb year after year. Simply put, our challenges to put food on the table and clothing on our backs may be supporting just some of the many products Canadians buy every day that are touched by a child labourer somewhere in its sourcing and production.

Consumers want to make ethical purchases, but this is all too difficult without transparency and common standards. Companies can do more to prevent and mitigate the presence of child labour in their supply chains, and they need to show us that they are taking all the necessary steps to help make sure every purchase in Canada is an ethical one. This requires leadership from the federal government.

World Vision Canada's Supply Chain Risk Report for 2022 therefore comes at a critical time. Canada is finally on the cusp of taking an important first step in the fight to end child labour. Bill S-211, the *Fighting Against Child Labour and Forced Labour in Supply Chains Act*, is currently being considered in Ottawa and is close to becoming law. If passed, this bill would make Canadian companies more accountable and will be required to report on what, if anything, they are doing to address this serious problem. This greater transparency will provide Canadian consumers with the opportunity to be better informed as they make their purchasing decisions.

At last, Canada would join a growing number of international partners that have already put strong supply chain legislation in place, including France, Germany, Norway, and the United Kingdom. In 2023, it is expected that all 26 Member States of the European Union will have implemented the highest possible expectations for companies when it comes to their global supply chains. This legislation is not only needed out of a sense of duty to children around the world but is also quickly becoming imperative to Canada's competitiveness and access to international markets.

Supply chain legislation is one tool at our disposal to drastically improve the living conditions of the most vulnerable children and reduce their exploitation. When implemented alongside investments to lift children out of global hunger and poverty, this type of law can drive transformative change for boys and girls around the world.

We call on the federal government and all parliamentarians to do everything in their power to pass Bill S-211 urgently as a first step in its strategy to address human rights abuses in supply chains. We have a tremendous opportunity to put businesses in Canada on a real, pragmatic path to implement a do no harm approach. Girls and boys are at risk of harm today, and this legislation is a critical tool we can use to fight the scourge of child labour.

Join us!

Michael Messenger,
President & CEO

Executive Summary

Child labour is a Canadian problem. Canadians may be contributing to the exploitation of both child and adult workers every time they go shopping – and the problem is getting worse.

This report updates World Vision's Supply Chain Risk Report developed in 2016 with new data. These new figures and findings reveal an expanded list of 98 common "risky goods" being imported to Canada.



\$47.98 billion
in risky goods was imported
into Canada in 2021.

REPORT KEY FINDINGS:

- Nearly \$48 billion in risky goods was imported into Canada in 2021, representing over 7.5 per cent of our total imports.¹
 - Risky imports **increased by nearly 30 per cent since 2016** and by **53 per cent since 2011**.
 - By comparison, prior to the COVID-19 pandemic – between 2016 and 2020 – total imports only increased by two per cent since 2016 and 21 per cent since 2011. In 2021, imports increased to \$631 billion, up 12.2% from 2020.
- Canada imported at least 98 risky products from over 50 countries globally in 2021 (see full list pages 9-11). Our highest spend risky good in 2021 was electronics (\$22.1 billion), followed by garments (\$10.7 billion) and textiles (\$2 billion).
- Because of COVID-19, child labour has risen for the first time in 20 years, with 160 million girls and boys in child labour worldwide (an increase of 8.4 million in the last four years). Nine million additional children are at risk of child labour by the end of this year, 2022.²
- Canadian consumers' post-pandemic spending on risky goods could unintentionally contribute to the problem. In 2021, Canadian retailers experienced \$774 billion in sales, representing an increase of 11.6% from 2020.³

While developed economies like Canada's are well on their way to recovering from COVID-19, the pandemic has made workers in global supply chains even more vulnerable to exploitation and abuse. Canadian companies can no longer turn a blind eye to these challenges and must do much more than offer empty policy statements or other half-measures.

Thankfully, **Canada's first piece of supply chain legislation, Bill S-211, is on the verge of becoming law.** The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* passed in the Senate in April 2022 and is currently being reviewed by Members of Parliament in the House of Commons. If passed, Canadian companies will become more accountable and will be required to report on what, if anything, they are doing to address this serious problem. This greater transparency will provide Canadian consumers with the opportunity to be better informed as they make their purchasing decisions.

World Vision Canada calls on the federal government and all parliamentarians to urgently pass this law. As many countries are poised to implement strong laws of their own in the coming months, supply chain legislation is critical to confront human rights abuses in global supply chains and ensure Canada remains competitive. Bill S-211 can serve as the first step towards meeting these new international expectations.

Introduction

Over the last number of years, Canadians are increasingly aware of the negative impacts that companies' operations and their supply chains can have on the people and communities that harvest, produce and manufacture many of the goods that we use in our homes and workplaces. Some of the most egregious forms of these human rights violations are child labour and forced labour.

Since our original Supply Chain Risk Report was published in 2016, there has been a steady stream of media exposés and NGO reports highlighting allegations of child and/or forced labour in the supply chains of global companies, including those with a presence here in Canada.

Although some leading companies have taken action to implement robust due diligence practices to avoid and address these and other potential human rights abuses, many others either turn a blind eye or have policies that live only on paper.

The term "Risky Goods" as identified in this report doesn't necessarily mean that child and/or forced labour was used in the production of each of these products imported into Canada, it means there are well documented cases of worker exploitation in these supply chains. While these products "may contain" child and forced labour, the fact is, most Canadian companies are not being transparent enough to inform consumers about what, if anything, they are doing to address this issue. In this report, we update many of the key figures and findings from 2016's Supply Chain Risk Report by estimating the value of Canadian "risky goods" – items that are linked to high instances child and/or forced labour in particular countries.



LEGISLATIVE OPTIONS

Over the last decade, a number of jurisdictions have introduced laws designed to encourage companies to do more to address the possibility of forced labour, child labour and/or other human rights abuses in their operations and global supply chains.

Two different models of legislation have been developed: transparency/reporting-only legislation (such as that in the UK's and Australia's Modern Slavery Acts) and mandatory human rights due diligence legislation (MHRDD), such as France's Corporate Duty of Vigilance law. While this is a rapidly evolving area of law and there are trade-offs between the two approaches, MHRDD is generally considered to be best practice as it includes a positive obligation for companies to take action and provides recourse – including the possibility of civil liability – if their efforts are shown to be inadequate.

The movement of countries implementing supply chain laws continues to grow. France, Germany, the Netherlands, Norway, the United Kingdom and Australia are just a few examples of the progress that is being made. In 2023, it is expected that the European Union will pass its corporate sustainability due diligence law which would be implemented across all 26 of its member states.

The inclusion of a ban on the import of goods made by forced labour in the *Canada–United States–Mexico Agreement* in 2020, along with strong Minister’s mandate letter commitments, have spurred new capacity building efforts within the federal government, including the creation of a new Forced Labour Unit within Canada’s Labour Program and a new iteration of Canada’s *Responsible Business Conduct Abroad Strategy*.

Canada is now on the cusp of passing its first supply chain law. Bill S-211, the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* passed in the Senate in April 2022, and recently received the support of Canada’s Labour Minister, Seamus O’Regan, along with a commitment to strengthen the bill even further. The bill is currently being reviewed by Members of Parliament in the House of Commons and could be passed as early as the end of this year. With Canada’s two largest political parties making explicit commitment to introduce supply chain legislation during the recent federal election, Canada needs to join the growing ranks of countries across the world in taking a stand against human rights abuses in corporate supply chains.

CHILD LABOUR & FORCED LABOUR: MODERN SLAVERY

The term ‘modern slavery’ has become increasingly popular among the media, public and policy makers. Although not used in international law, and without a universally agreed upon definition, it is typically used as an umbrella term to include forced labour (including bonded labour, slavery and human trafficking), child labour (particularly the worst forms of child labour), and child marriage. Since this report is focused on supply chains, we are primarily focused on forced labour and child labour.⁴

At their core, child labour and forced labour are exploitative. And while not all instances of child labour are akin to slavery, both are prohibited by international laws, are deeply harmful, and have no place in the operations or supply chains of global companies.

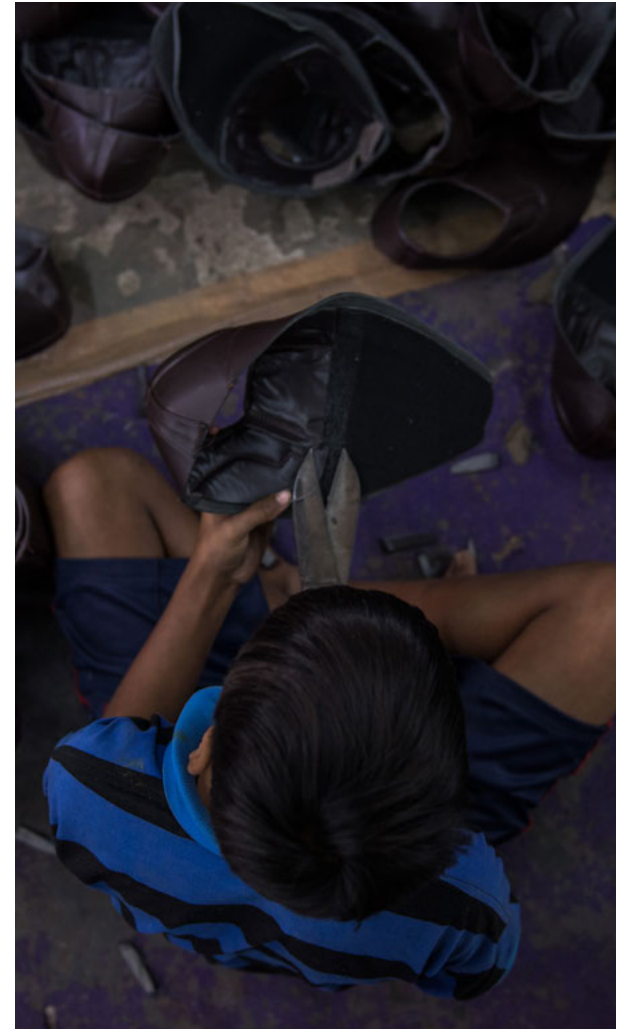
CHILD LABOUR: Child labour means work that is mentally, physically, socially or morally dangerous, and is harmful to children. This work may also stop children from attending school or force them to try and combine school with excessively long and heavy work. The worst forms of child labour involve children being enslaved, used for illicit activities, or hazardous work (including activities which expose children to abuse, work in unsafe environments, work with dangerous equipment or machinery, exposure to hazardous substances, or work for particularly long hours or during the night).⁵ National legislation typically establishes the minimum age for employment at 15 years old, as well as sets out a list of hazardous work that is prohibited by children of legal working age.

FORCED LABOUR: Forced labour means all work or service exacted from any person under the threat of a penalty, and which the person hasn’t offered to do voluntarily.⁴ The coercion can take the form of violence or intimidation, or through more subtle means such as accumulated debt, retention of identity papers, or threats of reporting the victim to immigration or police authorities.

Most often, child labour and forced labour occur in the informal economy and lower tiers of supply chains where raw inputs are farmed, mined or processed by workers often regarded as invisible and expendable.

Child labour and forced labour are often linked to the violation or absence of other fundamental labour and human rights, including the elimination of discrimination, freedom of association and the right to collective bargaining. There are also many other salient risks to human rights in corporate supply chains, including violence by security forces and land grabs, not to mention significant environmental impacts.

As a result, a comprehensive approach is needed by companies and governments. This can be witnessed in the growing consensus that supply chain legislation must go beyond single issues such as child and/or forced labour, and instead require companies to identify, prevent, mitigate and account for how they address human rights and environmental impacts.



CHILD LABOUR AND THE THREE Cs

After 20 years of progress in reducing child labour, the International Labour Organization's (ILO) latest estimates have shown 160 million girls and boys are in child labour, an increase of 8.4 million since 2016. The ILO estimates nine million additional children are at risk of child labour by the end of 2022.⁶ This increase continues to be driven by the COVID-19 pandemic, as well as conflict and climate change.

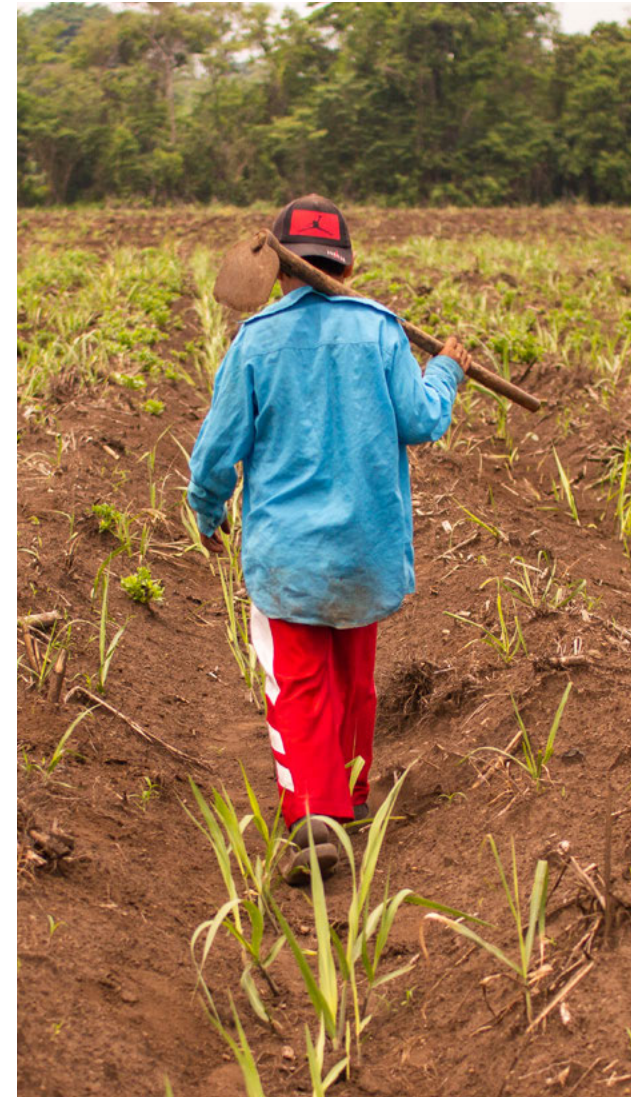
COVID-19 caused 114 million people to lose their jobs over 2020, with many millions more experiencing significant drops in working hours.⁷ While developed economies have begun their recovery, progress will be uneven for the workers in global supply chains – many of whom are already extremely vulnerable due to their age and/or precarious immigration status, and lack of access to social protection mechanisms.

In addition to job losses and resulting economic hardships and poverty, COVID-19 has increased the risk of child labour and forced labour exploitation as many families without savings or access to social protection programs must take whatever work they can get, oftentimes in the informal sector outside the eye of government authorities and labour inspectors.

Global conflicts are also contributing to the increase in child labour and global hunger. Prior to the Ukraine conflict there were a record 345 million acutely hungry people marching to the brink of starvation. 50 million people in 45 countries are now on the edge of famine. Conflicts are having a direct impact on access to basic food supplies. The conflict in Ukraine has resulted in a spike in the global price of wheat, which could in turn prevent the international community from reaching the world's most vulnerable.⁸

Additionally, extreme weather due to climate change and instability caused by other ongoing are causing new hunger hotspots to pop up across the globe. Extended droughts and other climate shocks are wreaking havoc on food supplies and livelihoods.

These three factors are often forcing families to migrate, pull their children from school and take up employment in order to make ends meet.



Top 10 Risky Goods by Import Value, 2021 (CAD)



RANK	1	2	3	4	5	6	7	8	9	10
ITEMS	ELECTRONICS	GARMENTS	GOLD	TEXTILES	FOOTWEAR	TOYS	RUBBER GLOVES	COFFEE	SUGARCANE & CANE SUGAR	FISH
2021 IMPORTS TO CANADA (CAD)	\$22.1B	\$10.7B	\$2.8B	\$2B	\$1.7B	\$1.3B	\$804M	\$751M	\$616.5M	440.6M
% CHANGE, 2016-21	+ 30%	+ 32%	-28%	+ 132.5%	- 26%	- 7%	+ 543%	+ 6%	+ 5%	- 3%
% CHANGE, 2011-21	+ 71%	+ 67%	+ 115%	+ 67%	0%	+ 34%	+ 869%	+ 9%	- 15%	+ 28%

Top 10 Fastest Growing Risky Imports Over \$1 Million, 2011-2021 (CAD)



RANK	1	2	3	4	5	6	7	8	9	10
ITEMS	LOBSTERS	SUGARCANE & CANE SUGAR	VANILLA	CITRUS FRUITS	RUBBER GLOVES	CATTLE/BEEF	TOBACCO	PEPPER	TEA	PULSES (LEGUMES)
2011 IMPORTS TO CANADA (CAD)	\$6.4K	\$2.2M	\$2.9M	\$370.4K	\$83.4M	\$14.6M	\$29.5M	\$6.3M	\$8.6M	\$667K
2021 IMPORTS TO CANADA (CAD)	\$2.7M	\$616.5M	\$83.6M	\$5.7M	\$804M	\$113.8M	\$175.2M	\$34.5M	\$33.8M	\$2.7M
% CHANGE, 2011-21	+ 42,272%	+ 28,226%	+ 2,760%	+ 1,442%	+ 864%	+ 681%	+ 493%	+ 445%	+ 395%	+ 298%

Full List of Risky Imports

RISKY GOODS	IMPORT VALUE, 2021 (CAD)	PERCENTAGE CHANGE, 2016-21	PERCENTAGE CHANGE, 2011-21
1. Artificial flowers	\$115.5 K	N/A ¹	N/A
2. Baked goods	\$5.6M	N/A	N/A
3. Bamboo	\$21.3K	N/A	N/A
4. Bananas	\$75.8M	-31%	-20%
5. Beans	\$41.2M	48%	130%
6. Blueberries	\$1.6K	-100%	-100%
7. Brazil nuts	\$6.9M	-18%	63%
8. Bricks	\$4.2M	N/A	N/A
9. Broccoli	\$57.7K	2860%	2940%
10. Carpets	\$124.6M	48%	98%
11. Cashews	\$123.9M	-2%	118%
12. Cattle	\$113.9M	154%	681%
13. Ceramics	\$8.2M	100%	59%
14. Cereal grains	\$3.9K	-65%	-68%
15. Charcoal	\$99.8M	N/A	N/A
16. Chile peppers	\$293.5M	147%	24%
17. Christmas decorations	\$344.6M	68%	34%
18. Citrus Fruits	\$5.7M	211%	1442%
19. Cloves	\$60	N/A	N/A
20. Coal	\$176M	N/A	N/A
21. Cocoa	\$120M	-31%	-31%
22. Coconuts	\$72.5M	5%	87%
23. Coffee	\$751.6M	6%	9%

RISKY GOODS	IMPORT VALUE, 2021 (CAD)	PERCENTAGE CHANGE, 2016-21	PERCENTAGE CHANGE, 2011-21
24. Copper	\$252.9M	794%	N/A
25. Corn	\$409.7K	247%	759%
26. Cotton	\$42.4M	-13%	-14%
27. Cottonseed	\$210	N/A	N/A
28. Cucumbers	\$57.8M	-8%	42%
29. Cumin	\$378.2K	39%	75%
30. Dairy products	\$24.7K	N/A	N/A
31. Eggplants	\$25.1K	-100%	-100%
32. Electronics	\$22.1B	30%	72%
33. Emeralds	\$704K	22%	33%
34. Fashion accessories	\$238.8K	-35%	-13%
35. Fireworks	\$7.5M	-45%	-31%
36. Fish	\$440.6M	-3%	28%
37. Flowers	\$44M	15%	37%
38. Footwear	\$1.7B	-24%	2%
38. Fruits (apples, pears, quince)	\$361	-76%	N/A
40. Furniture	\$795.1K	-100%	-99%
41. Garlic	\$2.9M	54%	79%
42. Garments	\$10.7B	32%	68%
43. Gems	\$5.4M	41%	81%
44. Glass	\$191K	N/A	N/A
45. Gloves	\$54.6M	-24%	-43%
46. Gold	\$2.8B	113%	-28%

Full List of Risky Imports (cont'd)

RISKY GOODS	IMPORT VALUE, 2021 (CAD)	PERCENTAGE CHANGE, 2016-21	PERCENTAGE CHANGE, 2011-21
47. Grapes	\$239.6K	-86%	-67%
48. Hair products (wigs)	\$32.6M	-12%	23%
49. Hazelnuts	\$47.9M	-64%	-33%
50. Incense	\$2.8M	N/A	N/A
51. Leather	\$313.2M	6%	170%
52. Lobster	\$2.7M	4153%	42272%
53. Locks	\$2.5K	N/A	N/A
54. Manioc	\$119.5K	N/A	N/A
55. Matches	\$265.3K	117%	-1%
56. Melons	\$112.1M	22%	104%
57. Mica	\$33.6K	-58%	55%
58. Nails	\$140.3K	N/A	N/A
59. Nile perch	\$5.2K	N/A	N/A
60. Olives	\$294.2K	-1%	-67%
61. Onions	\$66.7M	32%	95%
62. Palm oil	\$141.2M	44%	79%
63. Peanuts	\$466.1K	2767%	6285%
64. Pepper	\$34.5M	21%	445%
65. Pineapple	\$12.6K	-63%	1892%
66. Polysilicon	\$99.3K	N/A	N/A
67. Potatoes	\$2.2M	4%	87%
68. Poultry	\$60.7M	37%	58%
69. Pulses (legumes)	\$2.7M	21%	298%

RISKY GOODS	IMPORT VALUE, 2021 (CAD)	PERCENTAGE CHANGE, 2016-21	PERCENTAGE CHANGE, 2011-21
70. Rice	\$115.4M	76%	166%
71. Rubber	\$489.3M	59%	-9%
72. Rubber gloves	\$804M	541%	864%
73. Rubies	\$52	-99%	-100%
74. Salt	\$5.6K	14205%	N/A
75. Sand	\$5	N/A	N/A
76. Sandstone	\$4.7M	13%	64%
77. Sapphires	\$591.3K	133%	252%
78. Sesame	\$3M	N/A	N/A
79. Sheep	\$91.9K	N/A	N/A
80. Shellfish	\$22.7K	-66%	-85%
81. Shrimp	\$66.6M	-58%	-71%
82. Silk	\$1M	-76%	-83%
83. Silver	\$195.6K	-96%	-99%
84. Soap	\$2.1K	N/A	N/A
85. Soccer balls	\$451.7K	3%	14%
86. Stones (various)	\$18.5M	N/A	N/A
87. Strawberries	\$1.9M	530%	17%
88. Sugarcane & cane sugar	\$616.5M	29428%	28226%
89. Surgical instruments	\$6M	49%	117%
90. Tea	\$33.8M	473%	395%
91. Textiles	\$2B	62%	136%
92. Thread/yarn	\$4.5M	8%	55%

Full List of Risky Imports *(cont'd)*

RISKY GOODS	IMPORT VALUE, 2021 (CAD)	PERCENTAGE CHANGE, 2016-21	PERCENTAGE CHANGE, 2011-21
93. Timber	\$220.9M	N/A	N/A
94. Tobacco	\$175.2M	376%	493%
95. Tomatoes and related products	\$292.8M	-14%	44%
96. Toys	\$1.4B	-3%	33%
97. Vanilla	\$83.6M	290%	2760%
98. Zinc	\$86.7K	-100%	-100%

¹N/A indicates where WVC does not have the data needed to make calculations for total imports in previous years. In some cases, a product may have only been added to the US Department of Labour’s List of Goods Produced by Child Labor or Forced Labour after 2016.



A Canadian Timeline of Legislative Progress

Sept. 2015	Canada and all 193 UN member states adopt the 2030 Agenda for Sustainable Development, including SDG target 8.7 to end all forms of child labour and forced labour.	June 2021	In its report on the mandate of the Canadian Ombudsperson for Responsible Enterprise, the Human Rights Subcommittee once again includes a recommendation for supply chain legislation (mandatory human rights due diligence).
Nov. 2017 – June 2018	The House of Commons Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development (“the Subcommittee”) conducts a study on child labour and modern slavery in supply chains.	Aug. 2021	In their election platforms, both the Conservative Party of Canada ⁹ and Liberal Party of Canada ¹⁰ commit to introduce some form of supply chain legislation.
Oct. 2018	The Subcommittee’s cross-party report is tabled in the House of Commons, including a recommendation for federal supply chain legislation.	Nov. 2021	Senator Miville-Dechéne re-introduces the <i>Modern Slavery Act</i> as Bill S-216.
Dec. 2018	Member of Parliament (MP) John McKay introduces Private Members’ Bill C-423, the <i>Modern Slavery Act</i> . The bill doesn’t advance past first reading.	Dec. 2021	Prime Minister Justin Trudeau unveils his mandate letters to various Cabinet ministers; the Minister of Labour and other ministers are tasked with “introducing legislation to eradicate forced labour from Canadian supply chains and ensure that Canadian businesses operating abroad do not contribute to human rights abuses.”
Feb. 2019	In its official response to the October 2018 report by the human rights subcommittee, the government commits to “initiate consultations on possible supply chain legislation.”	March 2022	MP Peter Julian introduces Bill C-262, the <i>Corporate Responsibility to Protect Human Rights Act</i> . In a joint effort, MP Heather McPherson introduces Bill C-263, the <i>Responsible Business Conduct Abroad Act</i> . At the time of publication for this report, both bills have completed First Reading in the House of Commons.
May – June 2019	The federal government, led by Employment and Social Development Canada, held consultations with businesses, unions, investors and civil society organizations to solicit feedback on possible supply chain legislation.	April 2022	Bill S-211 passes in the Senate and is sent to the House of Commons.
Feb. 2020	Senator Julie Miville-Dechéne introduces Senate Public Bill S-211, the <i>Modern Slavery Act</i> , which only completes first reading before parliament is prorogued.	May 2022	Speaking before the 5th Global Conference on the Elimination of Child Labour, Canada’s Labour Minister Seamus O’Regan reiterates the federal government’s commitment to the elimination of child labour globally.
July 2020	Canada introduces a prohibition on the importation of goods from any country that are produced wholly or in part by forced labour, as required by the Canada- United States-Mexico Agreement (CUSMA).	June 2022	Minister O’Regan announces the federal government will support and strengthen Bill S-211.
Oct. 2020	Senator Miville-Dechéne re-introduces the <i>Modern Slavery Act</i> as Bill S-216, which completes second reading before parliament is dissolved for the 2021 federal election.	Sept 2022	The House of Commons Standing Committee on Foreign Affairs and International Development begins its deliberations on Bill S-211.
March 2021	The Human Rights Subcommittee recommends that the Government of Canada develop a comprehensive human rights due diligence law.		
June 2021	In another report by the Standing Committee on Foreign Affairs and International Development, this time on the vulnerabilities exacerbated by COVID-19, MPs recommend that Canada prioritize legislation that would strengthen supply chain integrity and combat modern slavery in global supply chains.		

Call to Action for Incoming Federal Government

After multiple years of study and consultation, **NOW** is the time for Canada to pass supply chain legislation.

RECOMMENDATIONS

The Government of Canada should:

1. Work across party lines and with all parliamentarians to quickly pass Bill S-211. Convene constructive, multi-stakeholder dialogue, learning and collaboration on geographic and/or sector-specific responsible business challenges.
2. In the coming months, provide clarity on the federal government's whole-of-government approach to confronting child labour, forced labour and other human rights risks in global supply chains, and identify new ways Canada can collaborate with other international partners to enhance transparency and due diligence.
3. Ensure that child labour is explicitly addressed as part of international trade agreements and that necessary supports – both technical and financial – are included to assist parties in living up to their commitments on these issues.
4. Prioritize international assistance efforts that support children's rights, lift girls and boys out of poverty, and strengthen child protection systems to fight against child labour and modern slavery.

Canadian companies should:

1. Take meaningful action to identify, prevent, mitigate and account for adverse impacts on human rights in their supply chains - including child labour - and publicly and meaningfully report on these efforts.
2. Voice their support for Canadian supply chain legislation, as their counterparts in other countries have done.

Canadian consumers can:

1. Learn more about the links between child and forced labour and the products we use every day by checking out resource on World Vision Canada's #NoChildforSale campaign on our [website](#).
2. Speak up: ask their favourite brands and stores what they are doing to address the risk of child and forced labour in their global supply chains and call on the Government of Canada to pass comprehensive supply chain legislation by signing this [petition](#).



Methodology and Definitions

The risky goods identified in this report are drawn from the US Department of Labor's 2022 List of Goods Produced by Child Labor or Forced Labor ("List of Goods"), which includes a list of 158 goods from 77 countries with documented risks of child and/or forced labour. This data is backed up by the International Labour Organization and UNICEF. The List of Goods is updated every two years as goods are removed or added to the list to reflect advancements and emerging challenges.

We cross-referenced these 158 goods against the Trade Data Online database maintained by Innovation, Science and Economic Development (ISED) Canada. Each was matched to one or more corresponding Harmonized Systems (HS) code(s), an internationally standardized system of names and numbers to classify traded products, and then import values of these codes was tracked from the relevant countries.

Limitations

Not all the 158 products fully corresponded to an HS code because the HS categories are too broad and/or because the item on the List of Goods is overly specific or broad. For example, the product we identify as "beans" includes the listings of 'green beans' from one country, and 'green, yellow and soybeans from another. Up to 11 HS codes for each of these countries was used to accurately estimate only the most relevant imports.

Another inherent limitation of the List of Goods is that it doesn't capture value-added products where child labour was used in an earlier, upstream stage of

processing. For example, sugarcane (the raw product) is included in the List of Goods, whereas cane sugar (the refined product) is not. By only tracking imports of sugarcane to Canada (which are very low) and not cane sugar (which are much higher), we risk omitting a significant product that has a high likelihood of being produced by child labour. In this example, we included imports of both sugarcane and cane sugar to correct for this under-estimation.

Of course, the inclusion of an item on the List of Goods doesn't necessarily mean that child and/or labour was used in the production of specific goods imported into Canada—only that there is a known and documented risk.

Difference from 2016 report

Our 2016 Supply Chain Risk Report utilized a shorter list of 50 items in calculating the value of risky imports. This report has identified 98 risky imports to Canada from the US Department of Labour's List of Goods, which include this year's additions. Although the value of these additional goods is small, this means that the figures in this report cannot be compared directly to those in the earlier report. When discussing the growth in risky imports, we have included a footnote highlighting the 2021 value of the 2016 report's basket of 50 goods for reference.

Child Labour Definitions

The US Department of Labor's *List of Good* defines child labour as:

- Work below the minimum age for work, as established in national legislation that conforms to international standards (usually 15 years); or
- Work that is considered a worst form of child labour, including work that is hazardous by its nature.

It **excludes** children who work only a few hours a week in permitted light work and those who are above the minimum age who engage in work not classified as a worst form of child labour.

For its global estimates of child labour, the International Labour Organization includes:

- Any labour performed by a child under 12.
- More than 14 hours a week of work for 12- to 14-year-old children; and
- Any hazardous work or work for more than 43 hours a week for 15- to 17-year-old children.

References

1. Statistics Canada (2021). [Canadian international merchandise trade, December 2021](#).
2. International Labour Organization (2021). [Child Labour: Global Estimates 2020, Trends and the Road Forward](#).
3. Statistics Canada (2021). [Retail trade, December 2021](#).
4. International Labour Organization. [What is forced labour, modern slavery and human trafficking?](#)
5. International Labour Organization. [What is child labour?](#)
6. International Labour Organization (2021). [Child Labour: Global estimates 2020, trends and the road forward](#).
7. International Labour Organization (25 Jan 2021). [ILO Monitor: COVID-19 and the world of work. Seventh edition](#).
8. World Vision Canada (2022). [Ukraine conflict could lead to increase in global starvation](#).
9. *"Dramatically revise supply chain legislation to meaningfully enforce Canada's commitment to not import products made with slave labour"* (p. 106). [Secure the Future](#). (Conservative Party of Canada).
10. *"Introduce legislation to eradicate forced labour from Canadian supply chains and ensure Canadian businesses that operate abroad are not contributing to human rights abuses."* (p. 67), [Forward for Everyone](#) (Liberal Party of Canada).