TELEFILM C A N A D A PARTENAIRE DED CHOIX

FISCAL 2023-2024

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

To the attention of the Minister of Public Safety

May 31, 2024



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Introduction

The Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") came into force on January 1, 2024.

The Act stipulates that any government institution producing, purchasing or distributing goods in Canada or elsewhere must, on or before May 31 of each year, submit a report in respect of the previous year.

This report details the steps taken by Telefilm Canada ("**Telefilm**") during its previous fiscal year (April 1, 2023 – March 31, 2024) to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods purchased by Telefilm. It addresses each of the requirements set out in subsections 6(1) and 6(2) of the Act.

Structure, activities and supply chains

Structure

Telefilm is a federal Crown corporation established under the *Telefilm Canada Act* and headquartered in Montréal. Telefilm is part of the Department of Canadian Heritage portfolio. Its mandate is to foster and promote the development of the audiovisual industry in Canada.

During the 2023-2024 fiscal, Telefilm had 229 employees based in Canada.

Activities and supply chains

Telefilm does not produce or distribute goods, but it does purchase goods in Canada and abroad. In fiscal 2023-24, Telefilm spent approximately \$361,000 on the purchase of goods, mainly computer equipment.

Telefilm has a *Policy on the Procurement of Products and Services* (the "**Policy**"). Telefilm may use public tenders through the Public Services and Procurement Canada ("**PSPC**") website and others for the purchase of goods and services. Procurement contracts with a total value of \$500,000 or more must undergo a public tendering process, which is an infrequent occurrence in our operations. Telefilm also calls for tenders by invitation and uses PSPC's standing offers for procurement.

PSPC supports federal institutions in their day-to-day operations as the Government of Canada's central purchasing entity. Of note, in 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 20, 2023, all PSPC standing offer and supply arrangements for goods that have been issued, amended, or refreshed include anti-forced labour clauses. Telefilm also carries out activities under its own procurement authority, independently of the above-mentioned PSPC tools.

Policies and due diligence processes

Although Telefilm's Policy requires consideration of factors such as a supplier's organizational culture adhering to the values of diversity and inclusion, and eco-responsible measures taken by the supplier, the Policy does not yet contain measures relating to the use of forced or child labour.

Thus, between the Act's coming into force on January 1, 2024, and the end of the fiscal year covered by this report, Telefilm has not implemented a due diligence policy or process directly related to forced labour or child labour.

Procurement activities carrying a risk of forced labour or child labour

Due to the short time between the Act's coming into force January 1, 2024, and the end of the fiscal year covered by this report, Telefilm has not yet undertaken the identification of risks associated with forced labour or child labour in its activities and supply chains.

In May 2021, the Rights Lab of the University of Nottingham, in the UK, conducted a risk analysis of PSPC's supply chains to determine which goods were at highest risk of exposure to human trafficking, forced labour and child labour.

The analysis and <u>subsequent report</u> resulted in key strategies for PSPC, as a public entity, to leverage its purchasing power to raise awareness of forced labour in supply chains.

We have reviewed the risk assessment information provided by PSPC and continue to monitor their ensuing actions, including the development of an ethical sourcing policy.

We will consider changes to our Policy and practices as appropriate.

Measures taken to prevent and reduce the risk of forced or child labour

Given the short timeframe between the Act's coming into force January 1, 2024, and March 31, 2024, other than using the PSPC standing order search tool, Telefilm was unable to implement any other measures to prevent and reduce the risk of forced or child labour in its activities and supply chains during the year under review.

Measures taken to remediate the loss of income

Within the short timeframe between the coming into force of the Act on January 1, 2024, and March 31, 2024, Telefilm was unable to consider any measure to remediate the loss of income to the most vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in the organization's activities and supply chains.

Training provided to employees on forced labour or child labour

In the time between the Act coming into force on January 1, 2024, and March 31, 2024, Telefilm was unable to develop training material related to forced labour and child labour. Consequently, Telefilm did not provide any employee training on forced labour and/or child labour during the period covered by this report.

We are aware that PSPC is currently preparing guidance and awareness documents (including risk mitigation strategies) for suppliers in high-risk sectors. We are monitoring the status of these resources and will assess the relevance of using them as soon as they are published.

Assessment of effectiveness

Given the short time between the Act's coming into force on January 1, 2024, and March 31, 2024, Telefilm was unable to assess the effectiveness of its Policy, practices and procedures in preventing and reducing the risk of forced labour and child labour in its activities and supply chains.