

Forced Labour in Canadian Supply Chains

Fiscal Year 2025–2026

Annual Report Pursuant to
the Fighting Against Forced
Labour and Child Labour in
Supply Chains Act

For the Minister of Public Safety

May 31, 2026

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Introduction

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (S.C. 2023, c. 9) (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.

The purpose of this report is to describe the measures taken by Telefilm Canada (“**Telefilm**”) during its previous fiscal year (April 1, 2025–March 31, 2026) to prevent and reduce the risk of forced labour or child labour being used at any stage of the production of goods purchased by Telefilm. The report contains information relating to each of the requirements set out in subsections 6(1) and 6(2) of the Act.

1 Structure, activities and supply chains

1.1 Structure

Telefilm is a federal Crown corporation incorporated under the *Telefilm Canada Act* (R.S.C., 1985, c. C-16), with its head office in Montreal and administrative offices in Toronto, Vancouver, and Halifax. Telefilm is part of the Department of Canadian Heritage portfolio, and its mandate is to promote and foster the development of the audiovisual industry in Canada.

In the last fiscal year, Telefilm had **222 employees** across Canada.

Offices	Number of employees
Montreal	152
Toronto	50
Vancouver	14
Halifax	6

1.2 Activities and supply chains

Telefilm does not engage in any manufacturing, extraction, or production of goods. Its activities focus mainly on financing and supporting the Canadian audiovisual industry. In 2025–2026, the procurement of goods was primarily related to the purchase of audiovisual and IT equipment, and office furniture. Other purchases included, among other things, office supplies. With a few exceptions, all goods purchased were sourced from Canadian companies based in Canada.

Telefilm has a *Procurement Policy* (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 \$668,800 or more are required to be put out to public tender, which is an infrequent occurrence in our normal operations. Telefilm also issues 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 central purchasing entity for the Government of Canada. Of note, as of November 2021, PSPC has been applying anti-forced-labour clauses to all its goods contracts to ensure that it can terminate contracts if credible information indicates that goods have been produced, in whole or in part, through forced labour or human trafficking. In addition, as of November 20, 2023, all PSPC standing offers and supply arrangements that are issued, amended or renewed include forced labour clauses. Telefilm also carries out activities under its own procurement authority, independently of the PSPC tools described above.

2 Policies and due diligence process

During the period covered by this report, Telefilm undertook a review of its Procurement Policy to include risk mitigation measures. The Policy aims to ensure alignment with the federal government's priorities and guidelines on procurement management. The revision introduced provisions to promote greater transparency and stronger alignment with sustainable development principles. As a result, it incorporates environmental and social responsibility requirements.

As part of the procurement process, the person responsible for procurement must select suppliers that ensure working conditions which eliminate all forms of forced labour and child labour.

3 Procurement activities carrying a risk of forced labour and child labour

During the period covered by this report, Telefilm conducted a risk assessment of its supply chain to identify activities that may carry risks of forced labour and child labour. The assessment was completed by Telefilm's procurement manager. The results indicated that the risk of forced labour or child labour within Telefilm's direct operations is null or very low.

The analysis also identified the potential existence of indirect and limited risks further up global supply chains, particularly in relation to the extraction of certain raw materials used in the manufacture of electronic components, as well as certain manufacturing or assembly stages carried out by foreign manufacturers.

These risks remain low due to the indirect nature of Telefilm's exposure, the limited volume of goods purchased, and the use of established suppliers operating within recognized regulatory and ethical frameworks. Despite the control measures in place, a limited residual risk may still exist due to the complexity of global supply chains, especially in the information technology sector. This risk is considered low and acceptable.

4 Measures taken to remediate any forced labour or child labour

As previously mentioned, Telefilm's Procurement Policy has been updated and now includes criteria aimed at reducing the risks of forced labour and child labour.

Telefilm Canada will also implement the following measures to reduce and manage the risk of forced labour and child labour, including:

- procuring goods and services from recognized and established suppliers;
- creating and soon implementing a Supplier Code of Conduct;
- updating a contractual clause that refers to Telefilm Canada's Code of Conduct for the purpose of the Supplier Code of Conduct.

5 Measures taken to remediate the loss of income

Telefilm did not identify any instances of forced labour or child labour in its operations and supply chains during the period covered by this report. Telefilm therefore did not identify any situations in which efforts to eliminate forced labour or child labour resulted in a loss of income for vulnerable families. As no such cases were identified, no corrective action was implemented.

6 Employees training on forced labour and child labour

Telefilm developed a training module related to the update of its Procurement Policy. The interactive session, approximately 30 minutes in length, provides employees involved in procurement with tools to adopt ethical procurement practices that promote social responsibility. The module includes a section on sustainability and highlights the importance of establishing supplier selection criteria to ensure that suppliers eliminate all forms of forced labour and child labour.

The training module is available to all Telefilm employees involved in procurement. It was developed internally through collaboration between the Procurement and Material Resources Department and the Human Resources Department. Upon completion of the module, participants receive a score based on their responses to the learning assessment section.

7 Assessment of effectiveness

During the period covered by this report, Telefilm established a process to assess the compliance with its Procurement Policy.