

BILL S-211: THE NEW FORCED LABOUR AND SUPPLY CHAIN REPORTING LAW

What is Bill S-211?

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 (the “Act”), came into effect on January 1, 2024.

The goal of the Act is to enforce Canada’s commitment to combat forced labour and child labour by mandating reporting requirements for impacted entities. The legislation aims to advance ethical business conduct by ensuring transparency via public reporting and sanctions for non-compliance.

Who needs to report?

Bill S-211 applies to entities that include any corporation, trust, partnership or other unincorporated organization that is listed on a stock exchange in Canada, or has a place of business in Canada, does business in Canada or has assets in Canada and meets two of the following three criteria for at least one of its two most recent financial years:

- \$20 million or more in assets
- \$40 million or more in revenue
- An average of 250 or more employees

Entities must determine if they are subject to reporting obligations in accordance with the Act.

What are the reporting requirements?

Effective January 1, 2024, entities must, on or before May 31 of each year, submit a report to the Minister of Public Safety on:

- The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity
- Its structure, activities and supply chains
- Its policies and due diligence processes in relation to forced labour and child labour
- The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk
- Any measures taken to remediate any forced labour or child labour
- Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains
- The training provided to employees on forced labour and child labour
- How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains

It is recommended that the report does not exceed 10 pages in length.

The report must be approved by the organization's governing body (i.e board of directors) and submitted to the Minister of Public Safety by May 31 of each year, with the first annual report being due May 31, 2024. In addition, entities must complete an online questionnaire.

Entities are required to make these reports publicly available, such as in a prominent location on their website. Entities incorporated under the Canada Business Corporations Act or any other federal statute, must provide the annual report to its shareholders.

What are the penalties for not complying?

Failure to comply with the requirements under the Act and/or knowingly making any false or misleading statements or knowingly providing false or misleading information is guilty of an offence punishable on summary conviction and liable to a fine of not more than \$250,000.

Any director, officer or agent or mandatary of the person or entity who directed, authorized, assented to, acquiesced in, or participated in its commission is a party to and guilty of the offence and liable on conviction to the punishment provided for the offence, whether or not the person or entity has been prosecuted or convicted.

Need more information?

For more information and guidance please refer to [Public Safety Canada](#) at or contact your PSB BOISJOLI advisor.