



Department of Finance
Canada

Ministère des Finances
Canada

2026 Annual Report

Under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Canada

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Department of Finance Canada - 2026 Annual Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Submission information

This report is submitted on behalf of Department of Finance Canada and covers activities from April 1, 2025, to March 31, 2026.

Annual report

Structure, activities and supply chains

The Department of Finance Canada (the Department) is a small department with approximately 977¹ full-time equivalents (FTE). The Department is responsible for the overall stewardship of the Canadian economy. This includes preparing the annual federal budget, as well as advising the Government on economic and fiscal matters, tax and tariff policy, social measures, security issues, financial stability and Canada's international commitments.

The Department provides centralized procurement services that fall under the area of responsibility of the Director General, Financial Management Directorate and Chief Financial Officer (CFO). The CFO functionally reports directly to the Deputy Minister of Finance. The Procurement team reports directly to the Senior Director, Financial Operations and Administrative Services, Deputy Chief Financial Officer, and the Senior Designated Official for Procurement (SDO).

Procurement is carried out in support of the Department's operational requirements and is guided by the [Policy on the Planning and Management of Investments](#), the [Directive on the Management of Procurement](#) and the Department's Procurement Management Framework.

The Department purchases commercially available goods in Canada from Tier 1 Canadian suppliers, where Tier 1 is defined as direct suppliers of the final product. These goods include information technology equipment and accessories, office furniture, office supplies and other miscellaneous goods. In fiscal year 2025-26, the Department awarded 143 contracts and amendments (\$5.7M), 19 of which were goods contracts totaling \$662,055.28.

Approximately 98% (\$646,472.33) of the value of the Department's goods purchased on contract were through Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC) standing offers, supply arrangements, or contracts awarded using their procurement authorities.

Approximately 2% (\$15,582.95) of the value of the Department's goods purchased on contract were through Departmental purchase orders. The Department uses purchase orders only when necessary and when the goods required are low dollar value and not available on existing SSC and PSPC standing offers or supply arrangements.

¹ [Department of Finance Canada 2025-26 Departmental plan - Canada.ca](#)

Table 1

Procurement tool	Volume of Transactions	Total Value	Description
SSC standing offers	Five (5) contracts	\$454,647.63	IT equipment and accessories
PSPC standing offers	Four (4) contracts	\$40,400.48	Office supplies and equipment, and IT equipment and accessories
PSPC supply arrangements	Four (4) contracts	\$66,541.24	Furniture, A/V Equipment
PSPC contract outside of SOSA	One (1) contract	\$66,686.45	Furniture
SSC contract outside of SOSA	Two (2) contracts	\$18,196.53	IT equipment and accessories
Department of Finance Purchase orders	Three (3) contracts	\$15,582.95	Promotional Items, IT equipment and accessories
Total	19 contracts	\$662,055.28	

Steps to prevent and reduce risks of forced labour and child labour

The type of goods the Department procures is stable and predictable from year-to-year.

In fiscal year 2025-26, all the Department's goods contracts included anti-forced labour and child labour clauses. These clauses allow departments to terminate contracts where there is credible information that the goods were produced in whole or in part by forced labour or human trafficking. The Department did not terminate any goods contracts for this reason in fiscal year 2025-26.

The Department maximizes its use of Public Services and Procurement Canada and Shared Services Canada procurement authorities and procurement tools, such as standing offers and supply arrangements. These procurement tools have sufficient processes and controls to ensure supply chain integrity that mitigate the risks of forced or child labour.

Policies and due diligence processes in relation to forced labour and child labour

Effective April 1, 2023, the TB *Directive on the Management of Procurement* includes requirements to integrate human rights, the environment, social and corporate governance, supply chain transparency principles, and Public Services and Procurement Canada's [Code of Conduct for Procurement](#) (the Code) into all government procurements.

The Code requires vendors and their subcontractors to comply with Canada's prohibition on the importation of goods produced, in whole or in part, by forced or compulsory labour. This includes forced or compulsory child labour and applies to all goods, regardless of their country of origin.

Canada seeks labour provisions in its free trade agreements that promote and protect internationally recognized labour principles and rights, including the elimination of forced labour and child labour. These provisions advance decent work and sustainable economic growth, improving predictability and contributing to a more level playing field for businesses and workers.

The prohibition on the importation of goods produced wholly or in part by forced labour came into force under the Customs Tariff on July 1, 2020.

The Department's procurement officers attend regular training and awareness sessions on Ethical Procurement to raise awareness and highlight best practices on the issues of human trafficking, forced labour, and child labour in supply chains.

Identifying parts of your institution's activities and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage those risks

Due to its small size, the Department must rely on supply chain integrity and risk assessment work completed by Public Services and Procurement Canada and Shared Services Canada. Should Public Services and Procurement Canada or Shared Services Canada release an updated risk assessment for its goods supply chains, the Department will review and adjust its processes if necessary.

For the small number of contracts awarded by the Department outside of the Public Services and Procurement Canada and Shared Services Canada procurement authorities, standing offers and supply arrangements, the Department continued to utilize Code of Conduct clauses in its contracts and obtained confirmation of Supply Chain Integrity verification.

Measures taken to remediate any forced labour or child labour

As of March 31, 2026, the Department is not aware of any specific measures taken to remediate instances of forced labour or child labour in its supply chains. The Department leveraged the supply chain integrity and supplier vetting processes established by Public Services and Procurement Canada and Shared Services Canada. Compliance with these processes, as well as the Code of Conduct for Procurement is mandatory to remain a supplier to the Government of Canada. The Department did not receive any notifications that any of its suppliers violated the Code, nor were any of the Department's suppliers suspended for violating Public Services and Procurement Canada's *Ineligibility and Suspension Policy*, which includes ongoing monitoring by Public Services and Procurement Canada's Office of Supplier Integrity and Compliance.

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 the institution's activities and supply chains

As of March 31, 2026, the Department is not aware of any specific measures taken to remediate the loss of income to the most vulnerable families that may result from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains. The Department will continue to follow monitoring activities and policy directions led by central agencies and common service organizations, including Public Services and Procurement Canada (PSPC) and Shared Services Canada (SSC), and will seek to leverage, as appropriate, any related results, good practices, and procedures that are shared. The Department will also continue to monitor relevant policy changes and implement required changes, as needed.

Training provided to employees on forced labour and child labour

On November 26, 2025, Public Services and Procurement Canada (PSPC), in collaboration with Public Safety Canada, developed a course on the Introduction to ethical procurement (CHC118) available to Government of Canada employees on the Canada School of Public Service learning platform. This course introduces the concept of ethical procurement, discusses the risks of forced labour in public procurement, and provides an overview of the annual reporting obligations for government institutions under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

On February 5, 2026, Public Services and Procurement Canada (PSPC) hosted a “Managing Forced and Child Labour Risk in Canadian Supply Chains” webinar on Ethical Procurement to raise awareness and highlight best practices on the issues of human trafficking, forced labour, and child labour in supply chains. This session facilitated ongoing dialogue with the supplier community, and government departments and agencies.

On February 20, 2026, Department procurement officers attended a public procurement forum: Human rights in Canadian supply chains. The forum included interactive activities to help identify best practices for conducting due diligence and sharing practical tools.

Assessing effectiveness in ensuring that forced labour and child labour are not being used in activities and supply chains

The Department reviews best practices, such as those found on Public Services and Procurement Canada’s [Ethical Procurement](#) website. To date, the Department has not been notified or alerted that any of its suppliers violated the Government of Canada’s Code of Conduct for Procurement, nor were any of the Department’s suppliers suspended for violating Public Services and Procurement Canada’s *Ineligibility and Suspension Policy*, which includes ongoing monitoring by Public Services and Procurement Canada’s Office of Supplier Integrity and Compliance.