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International and Intergovernmental Labour Affairs / Labour Program
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Sent via email to: EDSC.AIIT.CA-SC.IILA.ESDC@labour-travail.gc.ca

Subject: Electro Federation Canada Submission on Potential Due Diligence and Civil Liability Measures to Address Forced Labour

Electro-Federation Canada (EFC) represents more than 230 member companies that manufacture, distribute, market, sell, and maintain a range of electrical and automation products. EFC member products and technologies include distribution equipment, transformers, switchgears, electric vehicle (EV) chargers, lighting, motors & generators, cables & wires, wiring supplies, industrial controls, enclosures, automation software, and more. Members create and support $15.1 billion in GDP impact across Canada and sustain more than 109,000 jobs, helping advance the country's energy transition and electrified future.

The sector is a foundational enabler of Canada's economic, energy, and industrial objectives, supporting grid expansion and modernization, electrification, housing development, industrial investment, data centre growth, energy security, and efforts to strengthen domestic manufacturing capacity and resilient North American supply chains. Canada's electrical and automation industry also contributes significantly to economic growth, jobs, competitiveness, and investment attraction, while remaining deeply integrated with global supply chains that provide critical inputs and components necessary to build and modernize Canada's electricity system.

EFC supports the Government's objective of addressing forced labour throughout global supply chains. As the Government considers potential due diligence requirements, it is important that any future framework recognizes the complexity of international supply chains and the realities facing businesses that source materials, components, and finished products from around the world. Measures should be practical and support businesses in identifying and addressing risks effectively while maintaining reliable access to the critical equipment and technologies needed to support Canada's economic growth, infrastructure, and electrification priorities. This balanced approach is particularly important as industry continues to navigate ongoing supply chain constraints, trade disruptions, tariffs, rising costs, and broader geopolitical uncertainty.

EFC supports measures that require businesses to identify, prevent, and address forced labour risks in their operations and supply chains. Canada's approach should be proportionate, risk-based, and aligned with comparable requirements in the U.S. and EU, while taking into account company size, risk exposure, supply-chain complexity, and a company's actual ability to influence or control suppliers. This is particularly important to ensure smaller businesses are not subject to disproportionate requirements

Reporting requirements should build on Bill S-211 and, where possible, recognize existing international reporting and due diligence processes. Canadian manufacturers already face multiple

overlapping requirements, and a streamlined approach would reduce duplication while supporting meaningful action on forced labour.

Compliance and enforcement should focus on whether a company has taken reasonable, good-faith steps to identify and address forced labour risks. Civil liability should similarly be proportionate to a company's actual involvement, control, and due diligence efforts, while providing an appropriate remedy for victims.

Any civil liability regime should include a robust safe harbour for companies that can demonstrate compliance with prescribed due diligence requirements and established best practices. Requirements should be transparent, predictable, and aligned with leading international frameworks to avoid creating duplicative or inconsistent obligations for businesses operating across multiple jurisdictions. Given the complexity and limited visibility that companies often have into lower tiers of global supply chains, liability should be linked to clear failures to meet due diligence obligations rather than the mere existence of labour exploitation somewhere within a supply chain.

For Canada's electrical and automation industry, which relies on highly integrated international supply chains to deliver critical infrastructure needed for economic growth, electrification, and energy security, excessive or uncertain civil liability risks could increase compliance costs, deter investment, and create additional supply chain disruptions. A balanced approach that provides regulatory certainty while encouraging continuous improvement in due diligence practices will be more effective in supporting both human rights objectives and Canada's broader economic and infrastructure priorities.

EFC recommends continued government-industry consultation as the regime is developed and implemented to ensure it remains practical, effective, and responsive to evolving supply-chain risks. EFC appreciates the opportunity to provide feedback and would welcome the opportunity to participate in future consultations or discussions on the implementation of these measures.

Thank you for considering the perspectives of EFC and our members.

Sincerely,

Cherith Sinasac
Director of Government Affairs
Electro-Federation Canada