Glenn Commandments: How New Bill C-35 Forced Labour Import Ban Will Affect HR Directors

The terms “forced labour” and “supply chain” may become a more important part of HR directors’ vocabulary if and when Parliament passes the *Ban on Importing Goods Made with Forced Labour Act* (Bill C-35). Tabled in June 2026, Bill C-35 establishes a tough new enforcement regime to prevent companies from importing goods produced by forced labour. What may look like a customs and trade issue will also impact HR operations to the extent that affected companies look to HR to document that their supply chains are free of forced labour.

What Bill C-35 Does

Importing goods produced wholly or partly by forced labour into Canada has been illegal since 2020. Bill C-35 is designed to make enforcement of that ban easier and more effective. The scheme: The Minister of Foreign Affairs will create a list of goods for which there are reasonable grounds to suspect are produced by forced labour. Canada Border Services Agency (CBSA) agents will then be able to require companies that import these listed goods to provide specific information about how the goods are produced. In effect, the company would have the burden of proving that the goods were not the product of forced labour to avoid seizure by CBSA border agents.

If you’re the HR director of a company that imports goods into Canada from abroad, Bill C-35 is a potentially major concern. That’s because much of the information your company will need to document the lack of forced labour in its supply chain will have to come from you. Here are three action steps you can take to ensure compliance.

1. Require Your Suppliers to Provide Necessary Employment Information

HR directors will need to get more involved in procurement to ensure that company suppliers don’t engage in labour practices that run afoul of forced labour laws. That will likely require expanding the scope of current supplier due diligence practices beyond traditional questions about price, quality, delivery, financial stability, etc., to the supplier’s employment practices.

Compliance Strategy: HR directors should work with the company's procurement and legal departments to identify the information necessary to verify suppliers' compliance, including information about the supplier's:

- Recruitment practices
- Wages and deductions
- Work schedules
- Disciplinary practices
- Policies or practices that limit employees' freedom to leave employment
- Retention of passports or identity documents
- Worker accommodations and conditions
- Use of temporary, migrant, or contract labour
- Subcontracting arrangements
- Use of labour brokers and recruitment agencies

2. Evaluate Employment Arrangements of Downstream Suppliers & Brokers

Forced-labour risks may arise not only from an importer's relationship with its direct suppliers, but also from supply and recruitment practices of other companies farther down the supply chain. **Example:** A Canadian company that imports apparel gets its supplies from a legitimate manufacturer. The problem is that the supplier relies on another supplier that gets its labour from a recruiter that charges workers illegal recruitment fees.

Compliance Strategy: HR directors should help the company expand its supplier due-diligence program to address downstream recruitment, hiring, and employment practices. This is particularly important for companies whose supply chains involve migrant workers, labour-intensive manufacturing, agriculture, construction materials, mining, or other sectors in which labour intermediaries and subcontracting are common. Key questions to ask:

- Are labour brokers or subcontractors used?
- Do workers pay recruitment fees?
- Can workers can freely terminate their employment?
- Are employment contracts in a language workers understand?
- Are wages subject to improper deductions?
- Are workers' passports or identification documents retained?
- Does the supplier and its subcontractors have their own forced-labour policy and due-diligence processes?

3. Review Current Supplier Contracts

The HR/Procurement/Legal team should also review the company's current supplier and contractor agreements to verify compliance with forced labour laws. A generic provision requiring the supplier "to comply with all applicable laws" isn't enough. Once Bill C-35 takes effect, it will be important that supplier contracts specifically address compliance with forced labour laws.

Compliance Strategy: Standard supplier contracts should also:

- Require the supplier to provide the company the information it needs to verify forced labour compliance, including with regard to downstream suppliers, contractors, and recruitment agencies.
- Require the supplier to cooperate with the company's forced labour due diligence and compliance audit activities.

- Give the company the right to immediately terminate the contract if any serious forced labour violations are discovered.

Takeaway

The key question Canadian importers with significant international supply chains will have to ask to ensure compliance with the new Bill C-35 forced labour rules:

“Can we demonstrate that the people producing the goods we buy, import, and sell are being treated lawfully and without forced labour—and do we have the systems to find out when they’re not?”

While HR shouldn’t be expected to serve as a full-blown supply chain auditor, it should play an essential role in answering that question.