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August 21, 2026

Forced Labour / International Security and Political Affairs Branch
Global Affairs Canada
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Submitted via e-mail: forcedlabour-travailforce@international.gc.ca

RE: Canadian Chamber of Commerce Submission on Bill C-35, the Ban on Importing Goods Made with Forced Labour Act

On behalf of Canada's largest business association, representing nearly 200,000 businesses through more than 400 chambers of commerce and boards of trade, the Canadian Chamber of Commerce welcomes the opportunity to comment on Bill C-35, the *Ban on Importing Goods Made with Forced Labour Act*.

Forced labour is a serious violation of human rights. Canadian businesses share the Government of Canada's commitment to eliminating it from global supply chains, and to ensuring those supply chains reflect respect for human dignity as well as fair and open trade. Bill C-35 responds to objectives Canada has identified for the legislation, strengthening its ability to identify and interdict goods linked to forced labour at the border, providing businesses with certainty and transparency, maintaining a level playing field for responsible companies, and reinforcing international alignment. Achieving these objectives will depend not only on the legislative framework itself, but on industry having a genuine opportunity to inform the regulations at the developmental stage.

The Canadian Chamber supports strong, targeted enforcement, with clear rules, transparent evidentiary standards, and proportionate procedural safeguards. A well-designed framework should focus enforcement resources on genuinely high-risk goods and actors while minimizing unnecessary costs, delays and uncertainty for legitimate supply chains.

Our recommendations are guided by five principles:

1. Targeted and evidence-based enforcement;
2. Regulatory certainty and transparency;
3. Operational practicality for legitimate supply chains;
4. Procedural fairness and due process; and
5. Appropriate alignment with Canada's principal trading partners.

Canadian companies have already invested substantially in due diligence, reporting, traceability and compliance under Canadian and international requirements. Bill C-35 should build on those investments rather than create duplicative or conflicting obligations.

Against this backdrop, our submission focuses on areas where greater clarity, procedural safeguards and implementation guidance would strengthen Bill C-35. The Canadian Chamber recommends that the Government of Canada:

1. **Align definitions across related regimes.** Align relevant definitions under Bill C-35, Bill S-211 and other legislative frameworks intended to operate alongside them, including the proposed supply chain due diligence framework.

2. **Establish transparent listing and delisting processes.** Set clear, evidence-based listing and delisting criteria, defined review periods, evidentiary criteria for determinations involving non-listed goods, appropriate notice and reconsideration procedures, and mechanisms for cooperation and intelligence-sharing with allied enforcement agencies.
3. **Provide accessible administrative review.** Clarify the intended standard of review and expected timelines, and preserve, or establish through regulation where appropriate, an administrative review mechanism that complements judicial oversight.
4. **Ensure proportionate importer response requirements.** Establish reasonable response periods and documentation requirements, and opportunities to correct inadvertent deficiencies before prohibitions or adverse determinations occur.
5. **Recognize credible compliance programs.** Treat robust importer compliance programs, credible third-party accreditations and due diligence systems as relevant considerations in documentation requirements, enforcement responses and administrative priorities.
6. **Adopt risk-based border procedures.** Provide expedited processes for perishable, seasonal and other time-sensitive goods; enable pre-arrival documentation where practicable; establish service standards and clear guidance for detention decisions; and integrate existing trusted trader programs where appropriate.
7. **Clarify responsibility for detention-related costs.** Clearly establish how detention, storage, transportation and disposal costs will be allocated, including whether a cap applies and what mechanisms exist to challenge cost determinations or seek cost recovery where appropriate.
8. **Provide a clear regulatory and implementation roadmap.** Undertake formal consultation, including Canada Gazette, Part I pre-publication; provide sector-specific guidance and importer outreach; establish reasonable transition periods and clear regulatory and enforcement timelines; and commit to reviewing implementation experience following entry into force.

These recommendations are intended to help Bill C-35 achieve its objective: effective enforcement against forced labour without imposing unnecessary costs, delays or uncertainty on compliant businesses and trusted supply chains. The Canadian Chamber is committed to working with Global Affairs Canada, the Canada Border Services Agency and other federal partners to ensure clear rules, proportionate safeguards and effective implementation. Canada can strengthen its forced labour regime while maintaining a transparent, predictable and competitive trading environment.

Attached is supporting analysis setting out the basis for each of these recommendations. The Canadian Chamber and members of our Forced Labour Working Group welcome continued engagement.

Sincerely,

Matthew Holmes
Executive Vice President, International and Chief of Public Policy
Canadian Chamber of Commerce

Supporting Analysis

The following analysis elaborates on the basis for each recommendation and explains how the identified issues relate to the overarching principle that enforcement should be targeted, evidence-based, and operationally workable for compliant businesses.

Definitional Divergence Between Bill C-35 and Bill S-211

Bill C-35 defines forced labour by reference to Article 2 of ILO Convention No. 29 only.[1] Bill S-211, the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, adopts a broader definition[2] that incorporates the same ILO standard, while also including a domestic danger-to-life-health-or-safety test, and separately addresses child labour. Although both statutes pursue the same overarching objective of eliminating forced labour from Canadian supply chains, they do so using different statutory definitions and compliance frameworks. The result is a bifurcated compliance regime. Bill S-211 governs public reporting and due diligence expectations, while Bill C-35 governs import enforcement at the border; accordingly, entities with reporting obligations under Bill S-211 could be required to report on activities in their supply chains relating to goods that are not subject to the import ban. Businesses operating across integrated supply chains will therefore have to navigate two related, but not identical, compliance frameworks.

Canada is building its forced labour response through separate instruments, on separate timelines, developed by separate departments. The Supply Chains Act sits with Public Safety. Bill C-35 is overseen by Global Affairs and the Canada Border Services Agency (CBSA). Employment and Social Development Canada leads a separate consultation on a proposed supply chain due diligence framework. Each pursues a related objective through a different mechanism, and the result for a business is a single supply chain assessed against multiple legal tests.

As drafted, a company may be required to assess the same upstream labour practices under different legal standards depending upon whether the obligation arises under Bill S-211 or Bill C-35. The practical consequence is not merely additional compliance. It is the potential for inconsistent risk assessments, documentation requirements, and compliance decisions relating to the same supplier or supply chain.

Canadian businesses have already made substantial investments in S-211 compliance. Those investments represent an important foundation which Bill C-35 can build. Wherever practical, the legislation should recognize and leverage existing due diligence systems rather than requiring businesses to establish duplicative compliance processes for substantially similar objectives. Public reporting indicates that the proportion of reporting entities identifying forced labour or child labour risks increased from 77.6% in 2024 to 83.4% in 2025,[3] and the proportion with documented due diligence policies increased from 71.3% to 84.1% over the same period.[4] Harmonized, evidence-based definitions across both regimes would allow these investments to be fully

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[1] *Ban on Importing Goods Made with Forced Labour Act*, Bill C-35, 45th Parl, 1st Sess, 2026 (first reading 12 June 2026), cl 2; *Forced Labour Convention, 1930* (No 29), 39 UNTS 55, art 2.
[2] *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9, s 2 "forced labour".
[3] Public Safety Canada, *2024 Annual Report to Parliament on the Fighting Against Forced Labour and Child Labour in Supply Chains Act* (2024), online: publicsafety.gc.ca/cnt/rsrcs/pblctns/2024-frcd-lbr-spply-chns-prlmnt/index-en.aspx; Public Safety Canada, *2025 Annual Report to Parliament on the Fighting Against Forced Labour and Child Labour in Supply Chains Act* (2025), Table 4, online: publicsafety.gc.ca/cnt/rsrcs/pblctns/2025-frcd-lbr-chld-lbr-spply-chns-ct-scnd-rprt/index-en.aspx.
[4] Public Safety Canada, *2024 Annual Report to Parliament on the Fighting Against Forced Labour and Child Labour in Supply Chains Act* (2024), online: publicsafety.gc.ca/cnt/rsrcs/pblctns/2024-frcd-lbr-spply-chns-prlmnt/index-en.aspx; Public Safety Canada, *2025 Annual Report to Parliament on the Fighting Against Forced Labour and Child Labour in Supply Chains Act* (2025), online: publicsafety.gc.ca/cnt/rsrcs/pblctns/2025-frcd-lbr-chld-lbr-spply-chns-ct-scnd-rprt/index-en.aspx.

leveraged, rather than requiring parallel and inconsistent compliance efforts. This would also improve regulatory certainty and allow enforcement authorities to concentrate resources on genuinely high-risk cases.

The Chamber notes that Bill C-35 and Bill S-211 currently address different concepts relating to forced labour and child labour, respectively. Should the government intend these frameworks to evolve toward closer alignment over time, additional guidance would help clarify how any future legislative or regulatory changes interact with existing compliance obligations, to avoid duplication, uncertainty, and inconsistent implementation.

> **Recommendation #1**: The federal government should align the respective definitions of forced labour under Bill C-35, Bill S-211, and other legislative frameworks intended to operate alongside them, including any proposed supply chain due diligence framework. Where alignment is not feasible:
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> - Clarify through regulation or published guidance, how the respective definitions under Bill C-35 and Bill S-211 are intended to operate together in practice; and
> - Provide implementation guidance explaining how businesses are expected to apply each framework in a consistent manner.
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> If the two regimes remain unharmonized when Bill C-35 comes into force, the Government should continue pursuing alignment over time. Many Canadian businesses are already subject to multiple forced labour regimes, including those from key trading partners. Canada's domestic framework should complement, not duplicate, those existing systems wherever possible. This would allow businesses to devote resources toward identifying and addressing genuine, forced labour risks rather than reconciling inconsistent regulatory requirements.
>
> More broadly, a regime that is more stringent than those of Canada's principal trading partners is not, for that reason alone, more effective. A strong, effective framework is one that enables compliance, focuses enforcement resources on genuine risk, and gives businesses a clear standard to meet. Exceeding what trading partners require, without a corresponding gain in enforcement outcomes, does little to improve detection of genuine forced labour in supply chains, and places Canadian businesses at a competitive disadvantage relative to companies operating under less onerous regimes elsewhere..

List Development, Criteria, and Due Process

Clause 6 grants the Minister broad regulatory authority to establish a list of goods for which there are reasonable grounds to suspect forced labour, tied to a specified producer, country, or region. While this tool has the potential to improve enforcement efficiency, its effectiveness will depend heavily upon transparent listing criteria, predictable governance processes, and appropriate procedural safeguards. The bill does not prescribe statutory criteria, evidentiary thresholds, a consultation process, a periodic review requirement, or an advance notice obligation before a listing takes effect, nor does it establish any mechanism for an affected producer or importer to seek delisting. The bill also does not prescribe statutory criteria for prohibiting or challenging a determination for non-listed goods, and Clause 5(2) does not require that a customs officer's determination be connected to the Clause 6 list at all, creating the potential for enforcement decisions untethered from any published criteria. Clause 7 permits information sharing among several named federal actors, plus any other prescribed person, to inform listing decisions, without a corresponding transparency mechanism for affected businesses.[5]

A company sourcing from a listed producer or region may have no warning before clause 8 information obligations and clause 9 deemed-prohibition consequences apply. Without clearly defined listing criteria, businesses may also face uncertainty regarding the scope of future compliance obligations. If a listing is tied only to a general product category, rather than a specific producer, country, or region, every importer of that category may be required to demonstrate the absence of forced labour, even when their supply chain is not implicated. A risk-based, intelligence-supported approach, consistent with trusted trader principles, is more likely to maximize enforcement effectiveness than one relying upon broad product categories or generalized presumptions.

Recommendation #2: The Chamber requests that regulations establish:

- Transparent, evidence-based listing and delisting criteria;
- A requirement that Clause 5(2) determinations be made with reference to the list established under Clause 6, wherever a listing exists;
- Defined review periods and opportunities for reconsideration;
- Evidentiary criteria for determinations involving non-listed goods;
- Appropriate notice procedures;
- Mechanisms for international cooperation and intelligence-sharing; and
- Common, digitally accessible forms and procedures across government entities and allied enforcement agencies.

The U.S. Uyghur Forced Labor Prevention Act's entity list offers a useful point of comparison, both for what has worked and for the operational friction the Canadian Chamber would encourage Canada to avoid replicating.[6] Canada should draw on the UFLPA's identification of high-risk entities and associated supply chains to support strategically aligned North American enforcement, while avoiding unclear listing rationales, disproportionate compliance burdens, and inadequate opportunities for reconsideration. Harmonization of listing methodology with the U.S. and other key international partners, including intelligence-sharing with allied enforcement agencies, to the extent permitted by law, would help ensure Canadian listings reflect a coordinated assessment of risk rather than a standalone determination that may diverge from those of key trading partners.

Shift to Judicial Review as the Sole Dispute Mechanism

Clause 5(5) removes the appeal, review, and redetermination rights available under the *Customs Act*, leaving judicial review under section 18.1 of the *Federal Courts Act* as the sole recourse.[7] This change fundamentally alters how importers may seek review of enforcement decisions. Under the existing framework, importers have access to CBSA's internal redetermination process before any resort to the courts.[8] Administrative review mechanisms often resolve technical or evidentiary issues more efficiently while preserving judicial oversight for matters raising broader legal questions. Judicial review remains an essential safeguard within Canada's legal system, but its purpose differs from that of administrative reconsideration, and Federal Court proceedings are

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[5] Bill C-35, cl 6; cl 7.

[6] *Uyghur Forced Labor Prevention Act*, Pub L No 117-78, 135 Stat 1525 (2021); U.S. Department of Homeland Security, "UFLPA Entity List," online: dhs.gov.

[7] Bill C-35, cl 5(5); *Federal Courts Act*, RSC 1985, c F-7, s 18.1.

[8] *Customs Act*, RSC 1985, c 1 (2nd Supp), ss 58, 60, 67–68.

not designed to conduct a fresh assessment of evidence or correct routine factual or administrative issues.

Transitional provisions apply this restriction retroactively to determinations made before royal assent where no appeal decision has yet been issued.[9] The transition provisions further extend this procedural change to certain existing matters that have not yet completed the administrative review process, increasing the importance of ensuring that businesses clearly understand the new review framework.

Due process protections, including a meaningful opportunity for review before a matter escalates to litigation, are a fundamental component of effective regulatory systems. Accessible administrative review mechanisms help distinguish routine compliance issues from deliberate non-compliance, allowing enforcement agencies to focus investigative and litigation resources on higher-risk cases while providing regulated parties with confidence in decision-making processes. For many businesses, particularly small and medium-sized enterprises, the time, cost, and complexity associated with Federal Court proceedings may be disproportionate to the value of individual shipments or routine compliance disputes. As a result, judicial review alone may not provide an efficient mechanism for resolving lower-risk administrative issues. Imposing that burden without a lower-cost alternative risks penalizing compliant businesses procedurally rather than substantively.

> **Recommendation #3**: Clarify the intended standard of review and expected timelines. Preserve access to, or establish through regulation where appropriate, an accessible administrative review mechanism that complements judicial oversight, with particular attention to the disproportionate burden Federal Court proceedings can place on smaller businesses. If judicial review is intended to remain the primary recourse, accompanying guidance should clearly explain the applicable standard of review, procedural expectations, and anticipated timelines so businesses can effectively understand and exercise their rights.

Deemed Prohibition and Reverse Onus

Clause 9 provides that failure to supply prescribed information under clause 8 results in listed goods being deemed prohibited, with no opportunity to cure or explain.[10] Because the documentation requirements and response timelines will largely be established through future regulations, the effectiveness of this provision will depend heavily upon how those requirements are designed and administered in practice. As a result, it creates a compliance-triggered presumption rather than a determination based on evidence of forced labour. The legislation does not presently distinguish between businesses demonstrating robust due diligence systems and those lacking meaningful compliance programs. Nor does it provide an opportunity to address inadvertent documentation deficiencies before import prohibitions take effect. Businesses that maintain mature due diligence systems generally present a lower enforcement risk than those lacking comparable controls, and recognizing that distinction would encourage continued investment in compliance rather than treating all importers identically regardless of their compliance history.

Experience in comparable international jurisdictions demonstrates that documentation-intensive compliance systems can generate significant administrative costs even where no forced labour is ultimately identified. Even where detained goods are ultimately released, that outcome typically follows only after extensive documentation, legal engagement, and often months of delay,

[9] Bill C-35, cll 12–17 (transitional provisions).
[10] Bill C-35, cl 8; cl 9.

meaning the operational and financial burden of demonstrating compliance falls on businesses regardless of the final outcome.[11] The Chamber encourages Canada to design clause 9 in a way that avoids these documented pitfalls, consistent with the international harmonization principle set out above.

> **Recommendation #4**: Regulations establish reasonable response periods and proportionate documentation requirements, with an opportunity to correct inadvertent deficiencies before prohibitions or adverse determinations occur. These measures would maintain strong enforcement while ensuring regulatory consequences remain proportionate to the underlying compliance risk.

> **Recommendation #5**: Recognize robust importer compliance programs, credible third-party accreditations, and due diligence systems as a relevant factor in setting documentation requirements and enforcement priorities, so that businesses with a demonstrated compliance history are not treated identically to those without one.

Detention and Operational Impact

Clause 5(3) authorizes CBSA to detain goods for up to 90 days, or for any longer prescribed period, while a determination is made.[12] Its effectiveness, however, will depend on ensuring that detention authorities are exercised in a manner that is proportionate to the level of risk presented and operationally workable for legitimate trade.

For time-sensitive or continuously replenished supply chains, this period can carry consequences well beyond the cost of storage. Manufacturers operating just-in-time production systems may experience production interruptions within hours of a detained shipment where specialized inputs cannot be readily replaced. Businesses operating on seasonal timelines face a related but distinct problem, a detention period that is short relative to a full year can still be long enough to push a shipment past the window in which it can be used that season at all. In these cases, the economic impact of detention may substantially exceed the value of the shipment itself. Delays may interrupt production, delay customer deliveries, increase contractual liabilities, and require businesses to source alternative suppliers on very short notice, across manufacturing, food, retail, health care, and transportation supply chains.

Not all detained goods present the same operational or enforcement considerations. A fixed 90-day maximum, applied uniformly, also does not account for goods where a shorter, expedited determination would materially reduce harm without compromising enforcement, particularly perishable goods, medical products, public safety equipment, and other goods where delay itself carries a cost distinct from any question of forced labour involvement. A risk-based approach to detention timelines would allow CBSA to prioritize resources while minimizing unnecessary disruption to legitimate trade.

> **Recommendation #6:** The Chamber requests that regulations establish risk-based procedures that include:
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> - Expedited review processes for perishable, seasonal and other time-sensitive goods;
> - A pre-arrival documentation submission and clearance process, where practicable, allowing goods to be reviewed and approved before reaching the border;
> - Clear service standards for detention decisions;

[11] U.S. Customs and Border Protection, *Forced Labor Enforcement Operational Guidance for Importers*, online: cbp.gov/document/guides/cbp-forced-labor-enforcement-operational-guidance-importers.
[12] Bill C-35, cl 5(3).

- Transparent guidance on detention procedures; and
- Integration with existing trusted trader programs, including the Customs Self-Assessment program and other trusted trader initiatives where appropriate.

Integrating Bill C-35 with existing trusted trader programs would recognize businesses that have already demonstrated mature compliance systems while allowing CBSA to focus additional scrutiny on higher-risk importers and supply chains. This reflects internationally recognized risk-management principles and promotes more efficient allocation of enforcement resources.

Liability and Cost Exposure

Clause 10 makes the importer and the owner of the goods jointly and severally liable for the costs of detention, storage, transportation, and disposal. In a complex supply chain, the importer of record and the beneficial owner of the goods may be different entities with very different levels of control over the original sourcing decision. Joint and several liability does not account for that difference; it exposes a party with limited visibility into upstream practices to costs it had no practical ability to prevent. It also does not distinguish a responsible actor from a bad one. The detention periods discussed above add further cost uncertainty on top of this exposure.

A proportionate liability framework can strengthen accountability by encouraging every participant within the supply chain to implement appropriate compliance controls that correspond to their role and level of influence. Such an approach would better align financial responsibility with the ability to manage supply chain risks.

Recommendation #7: Clearly describe how detention, storage, transportation, and disposal costs will be allocated in practice, including whether a cap applies and what mechanisms exist for importers to challenge cost determinations or seek cost recovery where appropriate.

Regulatory Uncertainty and Implementation Timeline

Several of the bill's core mechanisms, including the list, prescribed information requirements, and the coming into force of clauses 8 and 9, are left to future regulation or order in council, with no indicated timeline.[13] As discussed above, the list itself lacks defined criteria, a consultation process, or delisting mechanisms, so businesses face uncertainty not only about when the framework will take effect, but about what it will ultimately require. Businesses cannot build compliance systems against undefined requirements, and the gap between royal assent and the coming into force of the enforcement provisions is currently open-ended.

An implementation timeline that reflects genuine operational readiness, including sectoral flexibility where circumstances warrant it, is consistent with the pragmatic, workable approach the Chamber has consistently advocated for. A compressed timeline risks producing a framework that has not been operationally tested before enforcement begins, undermining the certainty this submission asks the government to provide.

RECOMMENDATION #8: Provide a clear regulatory and implementation roadmap. The Chamber requests that the Government of Canada:

- Undertake formal consultation, including Canada Gazette, Part I pre-publication;
- Provide sector-specific and technical guidance;
- Conduct importer outreach and education;

[13] Bill C-35, cl 11(1), (3)–(4) (regulation-making authority for the list, prescribed information, and sections 5 and 8–10); cl 20 (coming into force of sections 8 and 9 by order of the Governor in Council).

- Establish reasonable transition periods;
- Publish clear regulatory and enforcement timelines; and
- Commit to reviewing implementation experience following entry into force.

This regulatory development process is also an opportunity to pursue harmonization with CUSMA partners and other allies, reducing duplication for businesses operating across integrated North American supply chains.

Looking Ahead

As Bill C-35 moves from legislation to implementation, the development of regulations, operational guidance and administrative processes will determine how the framework functions in practice. Effective enforcement and regulatory certainty are complementary objectives rather than competing ones: a framework that provides clear expectations, transparent processes and proportionate procedural safeguards will improve compliance, strengthen confidence in Canada's import enforcement regime, and enable enforcement authorities to focus resources on the highest-risk goods and actors.

The Canadian Chamber and members of its Forced Labour Working Group remain committed to sharing practical implementation experience, sector-specific expertise, and emerging supply chain intelligence throughout the regulatory development process; to help ensure implementation reflects operational realities on the ground.