



Fighting Against Forced Labour and Child Labour in Supply Chains Act Report

Fiscal Year 2023

1. About this report

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) requires that certain companies and government institutions report annually on the measures taken to prevent and reduce the risk that forced labour and child labour are used in their operations or their supply chains. In response to this new legislation, Canadian Egg Marketing Agency c.o.b. Egg Farmers of Canada (EFC) has published this report to discuss the relevant steps we are taking within our operations. This report refers to the activities of our 2023 fiscal year, which ended on December 30, 2023. Since this is our first report under the Act, we have included discussion of our foundational activities prior to the reporting period.

EFC believes the public’s trust and confidence in our business are essential for managing a successful national agricultural organization. Our values, in particular integrity, compassion and transparency, underpin all aspects of our operations, policies and decision-making. We believe our industry will continue to grow and prosper if we contribute positively to the fabric of our country and operate with a high regard for the communities and people all around us. Forced labour or child labour practices do not align with these values and the guiding principles of our organization.

In 2020, the EFC Board of Directors adopted the World Egg Organisation’s Resolution on Forced Labour (Appendix A). The resolution was guided by the United Nations’ (UN) *Guiding Principles on Business and Human Rights* and other international frameworks including the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Organisation for Economic Co-operation and Development’s *Guidelines for Multinational Enterprises* and the UN Sustainable Development Goals (SDG). By adopting this global resolution, EFC sought to promote a holistic view of sustainability within the Canadian egg farming industry which includes ethical labour practices. We recognize that it is through a long-term and collaborative approach that we can continue to uphold strong labour practices and support a commitment to social sustainability issues.

2. Steps taken to prevent and reduce risks of forced labour and child labour

Labour has been defined as a priority sustainability issue through a materiality assessment, which identified the matters that have the greatest impact on our organization and stakeholders. These issues are discussed in our 2019 [Sustainability Report](#). Our approach to sustainability is also linked to a global movement through our pledge to support the UN SDGs and a commitment to work across our industry to build healthy communities, a greener environment and thriving communities.

Our human resources policies uphold our commitment to providing a safe and respectful work environment for all employees. EFC follows the Canada Labour Code, a Harassment and Human Rights Policy ensures all EFC employees are treated with dignity, and a Health and Safety Policy maintains a safe work environment. Our Diversity, Equity, Inclusion and Belonging statement underscores our commitment to ensure all individuals are treated with fairness. These policies are reviewed annually.

A risk management process is undertaken annually to define matters that could impact our operations. This process is focused on risk identification, assessment and mitigation.

While EFC did not undertake steps specifically targeted at preventing and reducing the risk of forced labour or child labour being used in our supply chain in 2023, EFC plans to review its existing policies and processes, in accordance with its policy review schedule, to identify whether further measures are needed. Because the responsibility for the supply management of eggs is shared between federal, provincial and territorial orders of government, this work must be undertaken in cooperation with provincial and territorial counterparts and stakeholders.

3. Information on the structure, activities and supply chain

Structure

Created in 1972 under the *Farm Products Agencies Act*, EFC's mandate is to promote a strong, efficient and competitive Canadian egg sector. EFC is a statutory corporation, with not-for-profit status. We work directly with provincial and territorial egg boards and represent over 1,200 egg farmers in all provinces and the Northwest Territories. Headquartered in Ottawa, our team of 70 employees advance a range of programs and initiatives. Our operations and activities are governed by a Board of Directors made up of farmers and other stakeholders. Our operations are Canadian based.

Activities and supply chain

EFC manages the national egg supply, promotes egg consumption and develops standards for egg farming (on-farm food safety and animal care) in Canada. A significant portion of our activities are dedicated to the administration of the national Industrial Products Program. This program involves managing the logistics related to the purchasing, sale and distribution of domestically produced eggs to Canadian grading and processing companies for a range of purposes. On an annual basis, over 187 million dozen eggs pass through the Industrial Products Program, which allows EFC to manage seasonal demand fluctuations and ensure all regions of the country have access to a stable volume of high-quality eggs. Our main suppliers support the production, transportation and storage of eggs within Canada. We are committed to the highest standards of integrity in these activities.

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

EFC plans to review its existing policies and processes to determine whether further specific measures are required to address these issues in accordance with its policy review schedule. Because egg production is largely regulated at the provincial and territorial levels, which is outside of EFC's jurisdiction, this work must be done in cooperation with provincial and territorial counterparts and industry stakeholders.

5. Risk of forced labour or child labour and steps to assess and manage that risk

An academic evaluation of the social risks and benefits of Canadian egg production facilities was undertaken in 2018.¹ The process was guided by the UN *Guidelines for Social Life Cycle Assessment* and assessed the potential social risks and benefits attributable to commercial egg farming in Canada. While the study did not identify specific issues related to forced labour or child labour, a series of labour-related benchmarks for the Canadian egg industry offered a useful starting point for continued dialogue on fair and equitable labour practices within our sector.

Identifying potential areas of risk of forced labour or child labour in EFC's supply chain is a priority for EFC. Because EFC operates and regulates the Canadian egg industry in tandem with provincial and territorial counterparts, and in conjunction with industry stakeholders, this process must be undertaken collaboratively.

6. Measures taken to remediate any forced labour or child labour

To date, there have been no identified or reported instances of forced labour or child labour in our activities and supply chain.

7. Measures taken to remediate the loss of income to the most vulnerable families that result from any measures taken to eliminate the use of forced labour or child labour in its activities and supply chains

To date, there have been no identified or reported instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in our activities and supply chain.

8. Training provided to employees on forced labour or child labour

EFC has taken steps to raise awareness of the issue of forced labour and child labour. In both 2018 and 2020, as part of its consideration of the World Egg Organisation's Forced Labour Resolution, the EFC Board of Directors and executive management received presentations on the risk of forced labour in agriculture and agri-food supply chains. While further training or education on these issues have not taken place since 2020, EFC plans to consider this as part of a broader review of policies and procedures.

¹ N. Pelletier. 2018. [Social Sustainability Assessment of Canadian Egg Production Facilities: Methods, Analysis, and Recommendations](#). Sustainability Journal.

9. Methods to assess the effectiveness of ensuring that forced labour and child labour are not being used in our activities

To date, no actions have been taken to assess the effectiveness of our activities in preventing and reducing risks of forced labour and child labour in our supply chain. As discussed above, this is to be reviewed as part of the broader review of EFC's policies and procedures with respect to forced labour and child labour in its supply chain.

10. Approval and attestation

Pursuant to section 11(4)(a) of the Act, this report was approved by motion of the EFC Board of Directors on May 23, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report. Based on my knowledge and having exercised reasonable due diligence, I attest that the information contained in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year noted above.



Roger Pelissero

Chair, Egg Farmers of Canada

I have the authority to bind Egg Farmers of Canada.

Appendix A: World Egg Organisation's Resolution on Forced Labour

In 2020, the EFC Board of Directors adopted the World Egg Organisation's Resolution on Forced Labour. The resolution recognizes the shared concern of forced labour in global supply chains and encourages collaborative efforts across the global egg industry to address these issues. This is one of the ways EFC is working with our global partners to promote human rights.

World Egg Organisation's Resolution on Forced Labour

As the Board of the World Egg Organisation, we recognise our role as responsible businesses to respect and promote human rights and decent working conditions worldwide, in alignment with ongoing efforts such as the *UN Guiding Principles on Business and Human Rights* and other international frameworks including the ILO Declaration on Fundamental Principles and Rights at Work, the Organisation for Economic Co-operation and Development *Guidelines for Multinational Enterprises* and the recently launched UN Sustainable Development Goals.

As part of our wider efforts to promote human rights and decent working conditions worldwide, we acknowledge the broad societal problems of modern slavery and we strive to eradicate forced labour from our value chains. We will also continue not to tolerate forced labour within our own operations.

To do so, we will harness the power of collective action as an industry group to identify and address issues and geographies of shared concern, enhancing the efficiency of any individual company initiatives in this area.

In areas of shared concern, we will jointly develop specific action plans supporting the eradication of forced labour, in alignment with the widely embraced guidance provided by the UN Guiding Principles on Business and Human Rights. To achieve this ambitious goal, we will work closely with other industries, with governments and with civil society.