

WARNING

**MAY CONTAIN
CHILD LABOUR**

Risky Canadian Grocery Report

Executive Summary

Canadians could be contributing to the exploitation of children every time they go the grocery store. More than **\$3.7 billion** of risky food products — goods that may have been produced by child labour — were imported into Canada in 2019, a **63 per cent** increase from 10 years ago. And with COVID-19 pushing more girls and boys into child labour under dirty, dangerous and degrading working conditions, the problem is only going to get worse.

Approximately 71% of all child labour takes place in the agriculture sector. This means there is a significant risk that girls and boys as young as five years old could be harvesting and producing many of the items on Canadian grocery shelves. Many Canadians are already aware of some of these products which include coffee, cocoa, and seafood. Others like sugarcane and palm oil are lesser known despite being key ingredients in common food items.

This report provides insights on the rising Canadian imports of 35 food products that are at high risk of being made by child labour.¹ It also highlights the challenges faced by consumers when trying to do the right thing, and points to urgent solutions, including the Government of Canada passing federal supply chain legislation.



KEY FINDINGS:

- \$3.7 billion of risky food products were imported into Canada in 2019, a 63 per cent increase from 10 years ago. This amounts to an average of \$264 in risky food items per Canadian household² and represents nearly 10 per cent of Canadian food imports.
- Surge in risky Canadian imports over the last decade with documented evidence of child labour and abuse: 188 per cent increase in cashews; 173 per cent increase in chile peppers; 98 per cent increase in palm oil.
- Mexico accounts for the largest value of risky imports to Canada: \$965 million in 2019.
- Estimated 8 million children pushed into child labour as a result of COVID-19, threatening to reverse 20 years of progress.
- Canadian grocery chain profits climbing with minimal supply chain transparency. Canada's Big 3 grocery chains a seen monthly sales increase by as much as 30 per cent during the pandemic but almost no information is publicly available on what they are doing to ensure these profits don't come at the expense of girls and boys in child labour.

Canadian companies, consumers, and governments – both here in Canada and abroad – all have a role to play in ensuring that girls and boys aren't robbed of their childhood to put food on our plates.

WORLD VISION CALLS ON:

- The Government of Canada to *introduce a law* that would require Canadian companies to take action and report on what they are doing to address child labour and other human rights risks in their global supply chains.
- Canadian companies to *take meaningful action* to prevent child labour, *publicly report* on their efforts, *increase the availability* of ethically certified products, and *voice their support* for Canadian supply chain legislation.
- Canadian consumers to *learn more*, *support* ethically certified food products, and *speak up* to Canadian grocery chains.

Child Labour in Food Production

Food is a necessity, but few Canadians are fully aware that the process of getting that food onto their tables too often involves child labour. Despite some improvements, today 152 million children—nearly 1 in 10—are involved in child labour, with 73 million of those in particularly hazardous work. Half of those in child labour (48 per cent) are under 12 and approximately 71 per cent of all child labour takes place in the agricultural sector.³

Approximately 4.3 million girls and boys work in situations of **forced labour**⁴ (involuntary, indentured servitude, or other forms of contemporary slavery).

The practice of child labour can negatively impact children's health and well-being, undermine their education and leave them susceptible to physical, emotional and sexual abuse. Ultimately, this harms the goal of ending poverty and building self-sustaining communities.

Some of the agricultural products in which child labour is present are well known, including coffee, cocoa, and seafood. Others like sugarcane and palm oil are lesser known despite being key ingredients in common food items.⁵ This is why World Vision Canada is raising awareness about the risky foods we consume.

COVID-19'S IMPACT ON CHILD LABOUR

Although the number of girls and boys involved in child labour has decreased by 94 million since 2000, COVID-19 is undermining those gains. For the first time in 20 years, we are likely to see an increase in the total number of girls and boys in child labour.⁶ Previous World Vision research based on a rapid household assessment has estimated that as many as 8 million children have already been pushed into child labour as a result of the pandemic.⁷

COVID-19 has the potential to increase child labour risks in multiple ways, including by driving more girls and boys into child labour as families struggle to make ends meet, increasing the vulnerability of those who already must work (whether through longer hours or worsening conditions), and by undermining efforts to address child labour and its root causes (including the provision of public services and other targeted interventions).


THE ROLE OF CORPORATE ACCOUNTABILITY

At the same time COVID-19 is putting millions of additional children at risk of child labour, it is also contributing to record sales and profit at Canadian grocery stores. Thanks in part to changes in consumer behaviour resulting from the COVID-19 pandemic,

Canadian supermarkets and grocery stores are seeing significant sales growth, with year-over-year sales from September 2019 to September 2020 increasing by 9.4 per cent, down from a whopping 30 per cent year over year increase from March 2019 to March 2020 when stockpiling was at its peak.⁸

According to their most recent quarterly results (as of Dec 2020), Canada's three biggest grocery chains' net earnings increased between 3.3 per cent - 27.3 per cent over the same period last year.⁹ This is largely due to the impact of COVID-19 on sales.

Ranked first, second and third, respectively, three chains – Loblaw Companies Ltd., Sobeys Inc. and Metro Inc. – dominate the traditional Canadian grocery market. Together they account for the vast majority of 2019's \$88.05 billion in sales by (traditional) supermarkets and grocery stores.¹⁰ Unfortunately, Corporate Social Responsibility (CSR) reports and the websites of the three chains yields very little meaningful information about what they are doing to address the risk of child labour in their supply chains. While Loblaw and Metro indicate a high-level policy commitment and/or provision in their supplier code of conducts that prohibit child labour, very few details are provided on how these policies are followed through and put into action.



3.3% – 27.3%
increase in Canada's
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over the
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Global Child Labour: Focus on Food

There is a Canadian connection to the problem of child labour. A 2016 World Vision [report](#) estimated that over 1,200 companies operating in Canada are importing over \$34 billion of goods at high risk of being produced by child or forced labour every year.¹¹ The new insights provided in the Risky Grocery Report highlight that over \$3.7 billion in risky food products are imported into Canada each year.

- More than \$3.7 billion of risky food products were imported into Canada in 2019, a 63 per cent increase from 10 years ago. This amounts to an average of \$264 in risky food items per Canadian household.¹² With COVID-19 pushing as many as 8 million more children into child labour under dirty, dangerous and degrading working conditions, the problem threatens to reverse 20 years of progress.
- Approximately 71 per cent of all child labour takes place in the agriculture sector. This means there is a significant risk that girls and boys as young as five years old could be harvesting and producing many of the items on Canadian grocery shelves.

This report tracks the import values of 35 of the 74 agricultural goods that have documented links¹³ with child or forced labour and finds that Canadians' contribution to this problem could be on the rise. Some of these products and their links to child labour are well-known, including cocoa and coffee. Others are less obvious, such as palm oil, a ubiquitous ingredient found in 50 per cent of all packaged supermarket goods.¹⁴

While most child labour occurs within the family unit, it has recently been estimated that as much as 26 per cent of child labour is linked to exports and global supply chains.¹⁵ This means that there is a real and significant risk that many of the common food items in Canadians' weekly groceries may have been produced by a child.



RISK FACTORS IN FOOD SUPPLY CHAINS

By their very nature, food supply chains already present a number of inherent risks to workers, including children. COVID-19 has only exacerbated these risks.

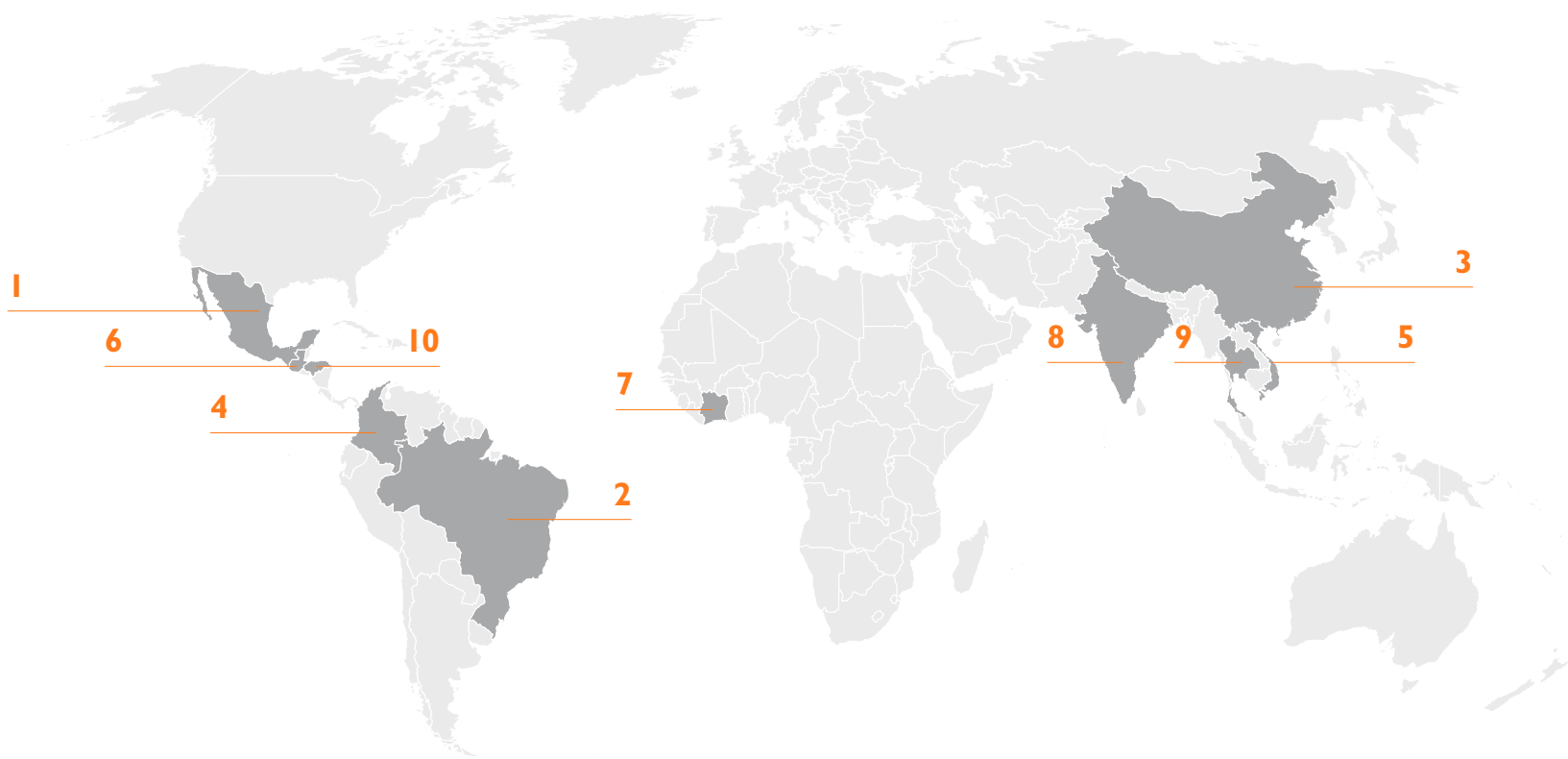
- **Labour intensive:** the need for high levels of seasonal, low-skilled labour in most agricultural work results in a low-paid workforce comprised of especially vulnerable groups including migrants, the poor, and children.
- **Physically demanding:** exposed to the elements and using or around dangerous tools, machinery, and toxic chemicals puts the health and safety of workers at risk.
- **Complex global supply chains:** multiple producers selling identical products to intermediaries and traders leads to difficulties in tracing their exact origin and ensuring labour rights are protected.
- **Informal economy:** the presence of smallholder farmers and informal employment arrangements with seasonal workers can contribute to exploitation and difficulty in engaging stakeholders on labour rights.
- **Weak law enforcement:** many countries exempt farming from child labour prohibitions and/or lack the capacity to adequately enforce measures that do exist, especially given the remote, rural location of agricultural work.

Top 10 Risky Goods by Import Value, 2019 (CAD)



ITEM	¹ COFFEE	² FISH	³ SUGARCANE & CANE SUGAR	⁴ TOMATOES & TOMATO PRODUCTS	⁵ COCOA	⁶ CHILE PEPPERS	⁷ CASHEWS	⁸ RICE	⁹ PALM OIL	¹⁰ MELONS
2019 imports to Canada (CAD)	\$692,743,428	\$517,725,793	\$458,365,841	\$285,058,096	\$262,845,154	\$242,232,000	\$128,666,814	\$118,582,641	\$111,310,496	\$109,686,392
% change, 2009-19	86%	73%	1%	100%	104%	173%	188%	153%	98%	98%

Top 10 Countries for Risky Imports into Canada in 2019



COUNTRY	¹ MEXICO	² BRAZIL	³ CHINA	⁴ COLOMBIA	⁵ VIETNAM	⁶ GUATEMALA	⁷ COTE D'IVOIRE	⁸ INDIA	⁹ THAILAND	¹⁰ HONDURAS
Import value of risky goods, 2019 (CAD) ¹⁶	\$965M	\$495,854,620	\$349,341,918	\$254,988,830	\$250,753,910	\$224,222,893	\$191,136,731	\$109,164,494	\$96,172,639	\$84,933,633
Risky goods ¹⁷	Beans, beef, peppers, coffee, cucumbers, eggplants, melons, onions, sugarcane/cane sugar, tomatoes	bananas, cashews, beef, cocoa, coffee, corn, fish, poultry, rice, sugarcane/cane sugar	fish, tomato products	coffee, sugarcane/cane sugar	cashews, coffee, fish, rice, sugarcane/cane sugar, tea	broccoli, coffee, corn, sugarcane/cane sugar	cocoa	rice, sugarcane/cane sugar	fish, shrimp, sugarcane cane sugar	coffee, lobster, melons

Corporate Accountability

Canadian retail sales at supermarkets and other grocery stores totaled \$88.05 billion CAD in 2019.¹⁸ Loblaw Companies Ltd., Canada’s leading food retailer, represented more than half of that total with sales valued at \$48 billion. Sobeys Inc. and Metro Inc. ranked in second and third, with sales of approximately \$26.6 and \$16.8 billion respectively.¹⁹

THE BUCK STOPS HERE

Unfortunately, Corporate Social Responsibility (CSR) reports and the websites of Canada’s big three grocery chains yields very little meaningful information about what they are doing to address the risk of child labour in their supply chains. While Loblaw and Metro indicate a high-level policy commitment and/or provision in their supplier code of conducts that prohibit child labour, it is unclear how these policies are followed through and put into action.

The Canadian grocery industry has both a responsibility and a role to play in ending child labour in food supply chains. This includes local producers, traders and distributors, food manufacturers and, ultimately, grocery retailers.

Canada’s major grocery chains may seem furthest removed from the challenges – headquartered in Canada and operating in retail outlets across the country, but in deciding which products to carry, they have significant influence and leverage over suppliers in the chain, all the way to the source.

SHARED RESPONSIBILITY

Although Canadian grocery chains have a clear responsibility and influence to prevent and address child labour in their supply chains, the responsibility is not solely theirs, nor the solutions easy. To effectively address the problem, they must work closely with their suppliers, industry associations, and competitors. Their efforts must extend beyond high level policy statements to meaningful due diligence processes to identify, prevent and mitigate child labour.

Crucially, Canadian grocery chains must extend their efforts beyond their immediate suppliers, to the lower, informal tiers of the supply chains where most child labour – and other labour abuses – happens.

Canada’s Grocery Giants

COMPANY	LOBLAW COMPANIES LTD.	SOBEYS INC. (EMPIRE FOODS)	METRO INC.
Stores/ banners	Loblaws	Sobeys	Metro/ Metro Plus
	No Frills	Safeway	Food Basics
	Zehrs	Price Chopper	Super C
	Great Canadian Food	Foodland	Marché Richelieu
	Real Canadian Superstores	FreshCo	Les 5 Saisons
	Atlantic Superstore	Farm Boy	Marché Ami
	Provigo	IGA/IGA Extra	Marché Adonis
	T&T Supermarket	Thrifty Foods	Jean Coutu Group
	Fortinos	Marché Bonichoix	
	Valu-mart	Marché Tradition	
	Freshmart	Boni-Soir	
	SuperValu	Lawtons	
	SaveEasy		
	Your Independent Grocer		
	Maxi		
	Extra Foods		
	Wholesale Club		
	Club Entrepôt		
	Shoppers Drugmart		
2019/20 SALES	\$48.0 billion²⁰	\$26.6 billion²¹	\$16.8 billion²²

Mexico

In 2019, Mexico was the country with the highest value of risky agricultural goods being imported into Canada, totalling nearly \$1 billion CAD. The top items included: Tomatoes and tomato products, chile peppers and sugarcane/cane sugar. Much of this can be attributed to Mexico's ideal growing conditions, readily available cheap labour, and free trade status with Canada.

Whereas child labour has largely been eradicated in many of the export-oriented industrial farming operations, it persists in small- and medium-sized farms where monitoring and accountability is a challenge. Items harvested from these smaller farms are often bought by middlemen who then ship it to North American distributors before going to wholesale markets or retail stores.²³

Mexico has made significant progress, but its National Institute of Statistics and Geography estimates there are still around 3.2 million girls and boys in child labour, many in the agricultural sector.²⁴ Whether picking tomatoes, cutting sugarcane, or tending to coffee plants, these young girls and boys often work long hours in the sun, carrying heavy loads, exposed to toxic chemicals, and suffering injuries and risks to their personal safety. Many do not attend school.

The impacts of COVID-19 will only make things worse, disproportionately affecting the most vulnerable workers including migrants, indigenous peoples, and children. Officials estimate an additional 9 million people in Mexico could be pushed into poverty as a result of the pandemic, presenting families with the choice between eating or pulling their children from school and sending them to the field to work.



COLLABORATION IN ACTION: CAMPOS DE ESPERANZA

World Vision's *Campos de Esperanza* (Fields of Hope) project, funded by the US Department of Labor, is working to prevent and reduce child labour in Mexico's sugarcane and coffee sectors. Operating in the states of Oaxaca and Veracruz, and in partnership with agricultural workers, local communities, government officials and the private sector, the project is improving working conditions for migrant agricultural workers and linking migrant children and their families to existing education, training, and social protection programs.

The project's engagement with the private sector promotes the establishment of due diligence and grievance mechanisms to improve working conditions and reduce the risks of child labour, forced labour and other forms of labour exploitation. Guidelines and actions for responsible recruitment (for example, using written contracts, avoiding withholding documents and payments, and providing shelters with the necessary services and conditions), are being co-developed with each sector.

Value of risky goods from Mexico

	2019	2009	% INCREASE
Beans	\$30,615,016	\$10,496,865	192%
Beef	\$50,705,362	-	-
Chile peppers	\$242,232,000	\$88,594,000	173%
Coffee	\$29,095,436	\$26,834,735	8%
Cucumbers	\$68,944,771	\$38,380,821	80%
Eggplants	\$22,468,000	\$7,857,000	186%
Melons	\$75,320,392	\$43,963,491	71%
Onions	\$63,126,542	\$30,446,939	107%
Sugarcane/ Cane sugar	\$97,684,271	\$5,715	1,709,161%
Tomatoes & tomato products	\$284,916,347	\$142,078,255	101%
TOTAL	\$965,108,137	\$388,657,821	148%

Seafood

Canadians love our seafood. Canada's fish and seafood imports were valued at \$3.97 billion in 2018.²⁵

- The average Canadian household spent \$219 on seafood in 2017.²⁶
- Despite having its own large seafood industry, Canada still imports 520,000 tonnes annually.²⁷ Thirty per cent of this seafood is supplied from China, Thailand and Vietnam, where a high prevalence of trafficking and labour exploitation is reported in the fishing and seafood processing industries.²⁸
- In 2019, Canada imported \$612.6 million of risky seafood (fish + shrimp & shellfish), a 24 per cent increase from 2009.

Migrant workers, including children, are literally held captive by unscrupulous labour brokers aboard fishing trawlers. They are subjected to extremely poor conditions doing incredibly dangerous work, hundreds of miles from land for months at a time. Reports of violence, abuse, injury and starvation aboard these vessels are widespread.²⁹

Once harvested, fish and shrimp are often taken to peeling sheds and processing plants. Larger peeling sheds often outsource work to unregistered sheds where women and their children – again, often migrants – work for low pay and are exposed to harsh chemicals and gruelling conditions. These women and children are routinely subject to physical, sexual, and emotional abuse.



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In 2015, global attention was drawn to the desperate plight of migrant workers in Thailand's seafood industry. Reports surfaced of adults and underage children – many of them migrants from Cambodia and Myanmar – locked inside shrimp processing facilities, working under deplorable and abusive conditions for all hours of the day. Products from these same facilities were traced to the supply chains of leading North American and European grocery and restaurant chains.³⁰ Although industry and government stakeholders committed to action and established the [Sustainable Seafood Taskforce](#), promised reforms have been slow. A 2018 report by Human Rights Watch found that poor working conditions, exploitative recruitment and employment processes and flawed industry practices were still rife and concluded that newly-established labour inspection regimes were a, “theatrical exercise for international consumption”.³¹

Palm Oil

Palm oil is the most widely-consumed vegetable oil in the world and is used in approximately half of all consumer goods – including food, cosmetics and personal care products. The tropical rainforests of Indonesia and Malaysia account for approximately 85 per cent of global production³² and 89 per cent of Canadian palm oil imports which totalled \$111.3 million in 2019 (up from \$56.2 million in 2009).³³

It can be difficult to identify palm oil in any given list of ingredients, as the oil and its derivatives go by as many as 200 different names including vegetable oil, Palmitate, palmolein, Glyceryl Stearate, and Stearic Acid.

A 2020 Associated Press investigation found that a majority of current and former palm oil workers in Malaysia and Indonesia – many of them poor migrants from surrounding countries, including Rohingya peoples from Myanmar – were mistreated in various ways. These included being cheated, threatened, required to work unpaid overtime, having passports and other identity documents withheld, and being held against their will as they were forced to work off insurmountable debts. The palm oil they produced was linked to the supply chains of top Western companies.³⁴

Children as young as five years old³⁵ have been documented working on vast palm oil plantations across Indonesia, Malaysia, Ecuador,³⁶ Sierra Leone,²⁷ Guatemala, and Colombia.³⁸ In Indonesia, the world's leading producer of palm oil, it is illegal to engage children under age 18 in any type of work that jeopardises their health and safety, including working in environments that expose children to “harmful chemical substances”.³¹



However, 1.5 million children in Indonesia work in the agricultural sector, including on palm oil plantations, where they often work in extremely unsafe conditions.⁴⁰

WWF's 2020 Palm Oil Buyers Scorecard assessed 173 retailers, manufacturers and food service companies on their commitments and policies in support of more sustainable palm oil. Of the five Canadian companies assessed, 3 were not rated (failed to respond to the questionnaire), and one company received a score of 3 out of 22. The only grocery retailer included – Loblaw Companies Ltd – received a score of 10 out of 22, and has committed to 100% responsibly sourced palm oil by 2020.⁴¹

Action Needed

There are no simple solutions to the problem of child labour. Canadian companies, consumers, and governments – both here in Canada and abroad – all have a role to play in ensuring that girls and boys aren't robbed of their childhood.

Child labour is inextricably linked to poverty, social exclusion, discrimination, conflict, displacement, harmful norms, and a lack of adequate social protection, decent work, and educational opportunities. In addition to addressing these “push” factors, however, we believe Canada has a responsibility and opportunity to prevent situations that can pull children and adults into exploitative work.



The Government of Canada Should:

- 1 Follow through on its international commitments and **introduce a law** that would require Canadian companies to take action and report on what they are doing to address child labour and other human rights risks in their global supply chains.
- 2 **Convene** constructive, multi-stakeholder dialogue, learning and collaboration on geographic and/or sector-specific responsible business challenges, including child labour in agricultural supply chains.
- 3 **Ensure** that child labour is explicitly addressed as part of international trade agreements and that necessary supports – both technical and financial – are included to assist parties in living up to their commitments on these issues.
- 4 **Prioritize** international assistance efforts that support children's rights, lift girls and boys out of poverty, and strengthen child protection systems to fight against child labour.

Canadian Grocery Companies (and all food retailers, producers, suppliers and distributors) Should:

- 1 **Take meaningful action** to identify, prevent, mitigate and account for adverse impacts on human rights in their supply chains - including child labour – and publicly report on these efforts.
- 2 **Increase** the availability of ethically certified products available in stores.
- 3 **Voice their support** for Canadian supply chain legislation, as their counterparts in other countries have done.

Canadian Consumers Can:

- 1 **Learn more** about the links between child labour and the items in your grocery cart and **support** the ethical options that are available by checking out our [Good Grocery List](#).
- 2 **Speak up:** ask Canada's grocery giants what they are doing to address the risk of child labour in their global supply chains and call on the Government of Canada to pass supply chain legislation.

Solution: Supply Chain Legislation in Other Jurisdictions

Global momentum, Canadian inertia

A growing number of countries and important trading partners of Canada – including the UK, Australia, France, the Netherlands, Germany and Switzerland – have adopted (or are developing) laws to address the risk of child labour and other adverse human rights impacts in their operations and supply chains. These laws require companies to take action and publicly report on their efforts to address these risks so that consumers, investors, and civil society groups have the information they need to hold companies accountable.

Two different models of legislation have been developed: transparency/reporting-only legislation (such as that in the UK's and Australia's *Modern Slavery Acts*) and mandatory human rights due diligence legislation (such as France's *Corporate Duty of Vigilance law*). While this is a rapidly evolving area of law and there are trade-offs between the two approaches, mandatory human rights due diligence is generally considered to be best-in-class as it formally requires that companies take action and provides recourse – including the possibility of civil liability – if their efforts are shown to be inadequate.⁴²

While still early days, these bills are having an impact by focusing company attention, contributing to increased commitments and efforts, and providing a basis for dialogue and accountability with stakeholders on child labour and other salient human rights issues.⁴³ As time goes on and awareness of these laws increases, it is expected to contribute to greater corporate action and disclosure.

Despite these advancements elsewhere, Canada continues to lag behind. Although a 2018 cross-party House of Commons report recommended the development of federal supply chain legislation, and initial government-led consultations on potential legislation occurred in the spring of 2019, no further actions have been taken.⁴⁴ The issue continues to slip down the priority list.

In October 2020, and in response to the government's stalling on this topic, Senator Julie Miville-Dechêne introduced S-216, the *Modern Slavery Act*, as a private members' bill. The third time in two years that similar private members' bills have been tabled, it is modeled after the laws in Australia and the UK but with some additional strengthening. It remains to be seen what shape this bill might ultimately take, even should it be successful in clearing the significant hurdles facing all private members' bills.

Supply chain legislation isn't an unnecessary burden or red tape for companies; in fact, it can be good for business by levelling the playing field and attracting investment. Leading businesses across all sectors – including food and beverage multinationals such as Mondelez, Nestle, Danone, Pepsico and Barry Callebaut – have voiced their support for comprehensive legislation to prevent child labour and other adverse human rights impacts.⁴⁵

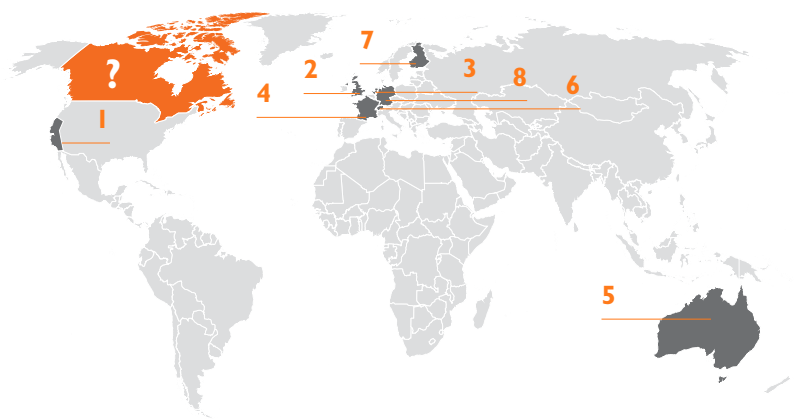
In 2018, a group of 129 investors with \$2.3 trillion assets under management signed a statement calling on the Government of Canada to enact legislation to help eliminate child labour and forced labour in corporate supply chains through effective company due diligence and disclosure.⁴⁶

The time for action is now.

A 2016 World Vision report estimated that over 1,200 companies operating in Canada are importing over \$34 billion of goods at high risk of being produced by child or forced labour every year. Crucially, most companies provide very little – if any – public information on their efforts to address child labour or other forms of labour exploitation. This raises obvious questions about how proactive Canadian companies are being in managing these risks.

Global Supply Chain Laws

- 1 **California**
Transparency in Supply Chains Act (2010)
- 2 **United Kingdom**
Modern Slavery Act (2015)
- 3 **Netherlands**
Child Labour Due Diligence Law (2017)
- 4 **France**
Corporate Duty of Diligence Law (2017)
- 5 **Australia**
Modern Slavery Act (2018)



- 6 **Switzerland**
Responsible Business Initiative (2020)
- 7 **Finland**
Proposed Mandatory Human Rights Due Diligence law (2019)
- 8 **Germany**
Due Diligence Act (2020)
- EU-Wide**
Proposed Mandatory Human Rights Due Diligence Legislation (2021)

Full list of 35 food items

RISKY GOOD	IMPORT VALUE, 2019 (CAD)	PERCENTAGE CHANGE 2009-19	COUNTRIES IMPORTED FROM
1. Bananas	\$86,807,239	-35%	Belize, Brazil, Ecuador, Nicaragua, Philippines
2. Beans	\$30,646,041	192%	Paraguay, Mexico, Myanmar
3. Beef	\$84,708,208	549%	Brazil, Mexico
4. Blueberries	\$10,707,000	-13%	Argentina
5. Brazil nuts	\$11,696,000	438%	Bolivia, Peru
6. Broccoli	\$188,285	149%	Guatemala
7. Cashews	\$128,666,814	188%	Brazil, Vietnam
8. Chile peppers	\$242,232,000	173%	Mexico
9. Citrus fruits	\$3,753,160	1021%	Belize, Turkey
10. Cocoa	\$262,845,154	104%	Brazil, Cameroon, Cote d'Ivoire, Ghana, Guinea, Nigeria, Sierra Leone
11. Coconuts	\$54,530,000	175%	Philippines
12. Coffee	\$692,743,428	86%	Brazil, Colombia, Costa Rica, Cote d'Ivoire, Dominican Republic, El Salvador, Guatemala, Guinea, Honduras, Kenya, Mexico, Nicaragua, Panama, Sierra Leone, Tanzania, Uganda, Vietnam
13. Corn	\$7,502,569	107510%	Bolivia, Brazil, Guatemala, Paraguay, Philippines
14. Cucumbers	\$68,944,771	80%	Mexico
15. Cumin	\$678,315	109%	Turkey
16. Eggplants	\$22,468,000	186%	Mexico
17. Fish	\$517,725,793	73%	Bangladesh, Brazil, Cambodia, China, Ghana, Indonesia, Kenya, Paraguay, Peru, Philippines, Taiwan, Thailand, Uganda, Vietnam, Yemen

18. Garlic	\$1,163,000	46%	Argentina
19. Grapes	\$181,415	456%	Argentina, Colombia
20. Hazelnuts	\$75,460,000	49%	Turkey
21. Melons	\$109,686,392	98%	Honduras, Mexico, Panama
22. Onions	\$63,126,542	107%	Mexico
23. Palm oil	\$111,310,496	98%	Indonesia, Malaysia
24. Peanuts	\$154,755	1499%	Paraguay, Turkey
25. Pepper	\$24,115,000	445%	Vietnam
26. Potatoes	\$2,047,000	93%	Lebanon
27. Poultry	\$61,353,877	33%	Brazil
28. Pulses (legumes)	\$2,525,470	70%	Turkey
29. Rice	\$118,582,641	153%	Brazil, India, Philippines, Uganda, Vietnam
30. Shrimp & shellfish	\$94,849,117	-51%	Honduras, Nicaragua, Bangladesh, Myanmar, Thailand
31. Strawberries	\$1,067,081	-15%	Argentina
32. Sugarcane & Cane sugar	\$458,365,841	1%	Belize, Brazil, Colombia, Dominican Republic, El Salvador, Guatemala, India, Mexico, Pakistan, Paraguay, Philippines, Thailand, Uganda, Vietnam
33. Tea	\$5,504,634	-22%	Kenya, Malawi, Rwanda, Tanzania, Uganda, Vietnam
34. Tomatoes & tomato products	\$285,058,096	100%	Argentina, China, Dominican Republic, Mexico
35. Vanilla	\$67,849,000	622%	Madagascar, Uganda
TOTAL	\$3,709,243,134	63%	

Methodology and Definitions

The risky goods identified in this report are drawn from the US Department of Labor's 2020 *List of Goods Produced by Child Labor or Forced Labor* ("List of Goods"), which includes a list of 155 goods from 77 countries with documented risks of child and/or forced labour.⁴⁷ The *List of Goods* is updated every two years as goods are removed or added to the list to reflect advancements and emerging challenges.

From the 74 agricultural goods on the *List of Goods* associated with child or forced labour, we developed a list of 35 products that are relevant to Canadian consumers and for which there is available and significant import data. In some cases, we grouped goods that appear separately in the *List of Goods* into a single category, e.g. the three separate listings for lobster, shellfish and shrimp became "Shrimp and shellfish".

These 35 products were then cross-referenced against the Trade Data Online database maintained by Innovation, Science and Economic Development (ISED) Canada. Each of the 35 products was matched to one or more corresponding Harmonized Systems (HS) code(s), an internationally standardized system of names and numbers to classify traded products, and then import values of these codes tracked from the relevant countries.

Limitations

Not all of the 35 products fully corresponded to an HS code due to the fact that the HS categories were too broad and/or because the item on the *List of Goods* was overly specific or broad. For example, the product we identify as "beans" includes the listings of 'green beans' from Mexico, 'green, yellow and soy beans' from Myanmar and simply 'beans' from Paraguay. Up to 11 HS codes for each of these countries was used to accurately estimate only the most relevant imports.

Another inherent limitation of the *List of Goods*, especially when it comes to agricultural goods, is that it doesn't capture value-added products where child labour was used in an earlier, upstream stage of processing. For example, sugarcane (the raw product) is included in the *List of Goods*, whereas cane sugar (the refined product) is not. By only

tracking imports of sugarcane to Canada (which are very low) and not cane sugar (which are much higher), we risk omitting a significant product that has a high likelihood of being produced by child labour. In this example, we included imports of both sugarcane and cane sugar to correct for this under-estimation.

Finally, it is worth highlighting that the *List of Goods* omits some items that are likely to include child labour. For example, avocados from Mexico (imports valued at \$297m CAD in 2019) are known to be associated with risks of child labour, but have yet to be included in the *List of Goods*.⁴⁸ As a result, the list of risky products and import values should be considered conservative estimates.

Of course, the inclusion of an item on the *List of Goods* doesn't necessarily mean that child labour was used in the production of specific goods imported into Canada and sold on grocery shelves – only that there is a known and documented risk.

Child labour definitions

The US Department of Labor's *List of Goods* defines child labour as:

- Work below the minimum age for work, as established in national legislation that conforms to international standards (usually 15 years);
- Work that is considered a worst forms of child labor, including work that is hazardous by its nature;
- It **excludes** children who work only a few hours a week in permitted light work and those who are above the minimum age who engage in work not classified as a worst form of child labour.

For its global estimates of child labour, the International Labour Organization includes:

- Any labour performed by a child under 12;
- More than 14 hours a week of work for 12-14-year-old children;
- And any hazardous work or work for more than 43 hours a week for 15-17-year-old children.



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