SeaChoice response to the public consultation on potential due diligence and civil liability measures to fight labour exploitation in supply chains

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LIVING OCEANS

Ecology Action Centre

DAVID SUZUKI FOUNDATION
One nature.

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SeaChoice and its member organizations Ecology Action Centre, Living Oceans Society and David Suzuki Foundation welcome the opportunity to provide input to the government's public consultation on potential due diligence and civil liability measures to fight labour exploitation in supply chains.

As Canada's sustainable seafood partnership, SeaChoice has long advocated for seafood supply chains that are transparent, traceable and free of forced labour and illegal activities.

Seafood is the most extensively traded food commodity globally, with an estimated value of US$ 195 billion. This figure surpasses the combined trade value of sugar, maize, coffee, and cocoa, and supports the livelihoods of over 61 million people.[1,2] Canada depends heavily on these global seafood supply chains, with up to 80 percent of market-available seafood being imported.[3] Alarmingly, there is evidence that suggests seafood imports linked to forced labour are entering Canada's supply chains, including those of major retailers.[4,5]

Given our focus, we underscore that:

Working conditions and fisheries sustainability are interconnected and, therefore, should be addressed concurrently.

Globally, seafood is considered a high-risk commodity for forced labour and other human rights abuses, including but not limited to, slavery, unsafe working conditions, exploitation, and debt bondage.[6] Research indicates that these grave violations do not exist in isolation; rather, they are frequently associated with other illegal activities and environmental degradation. Such issues encompass illegal, unreported, and unregulated (IUU) fishing, overfishing, and harmful fishing practices that jeopardize endangered, threatened and

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[1] Watson et al. 2017. *Global seafood trade flows and developing economies: Insights from linking trade and production* Marine Policy, 82

[2] FAO. 2026. *The State of World Fisheries and Aquaculture 2026 – Blue Transformation: turning vision into impact*. Rome. Available at: https://doi.org/10.4060/cd8357en

[3] National Observer. 2023. Canada needs to curb its import-export swap to make seafood sustainable.
[4] SeaChoice. 2025. Report finds retailers remain silent in the wake of major seafood investigations.
[5] Outlaw Ocean Project. 2026. See: Bait-to-Plate and Discussion.
[6] ILO. 2024. Forced labour in commercial fishing.

protected species.[7] Consequently, there exists an interrelated dynamic wherein forced labor promotes IUU and overfishing, and vice versa.[8,9]

Prevention mechanisms for forced labour and seafood traceability systems should be treated as inherently interconnected.

Opaque and complex global supply chains can conceal seafood sourced through forced labour and other human rights violations. Considering that Canada imports the majority of its seafood from international supply chains, this significantly increases our exposure to forced labour risks. Models of comparable high-import markets estimate that the potential risk of forced labour in imported seafood may be up to 17 times greater than in domestic seafood.[10] Unlike our major trading partners, Canada does not have comprehensive seafood traceability requirements that would facilitate supply chain transparency and enable the identification of forced labour within the supply chain.

Although we are encouraged by Canada's efforts to implement a due diligence regime and civil liability measures, as well as to strengthen bans on forced labour, we strongly urge the government to broaden the proposed scope and to prioritize:

1. Adopting a comprehensive mandatory human rights and environmental due diligence (HREDD) law in Canada that aligns with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This would ensure Canada fulfills its international obligations and harmonizes its standards with those of other countries and trade partners.
2. Requiring companies to undertake risk-based due diligence, which would level the playing field and promote an effective, proportionate, and outcome-focused approach to addressing forced labour and other human rights risks.
3. Establishing traceability regulations for high-risk commodities, particularly seafood, that facilitate the necessary level of transparency for companies to conduct due diligence and enable authorities to enforce compliance and import bans.

We urge Canada to take this unique opportunity to transform from a laggard into a leader by becoming the first country globally to implement a regime that combines bans on forced labour imports with mandatory human rights and due diligence law,

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[7] Mackay et al. 2020. The Intersection Between Illegal Fishing, Crimes at Sea, and Social Well-Being. Frontiers in Marine Science, vol. 7.
[8] Tickler et al. 2018. Modern slavery and the race to fish. Nature Communications. 9.
[9] Yea & Stringer. 2021. Caught in a vicious cycle: Connecting forced labour and environmental exploitation through a case study of Asia-Pacific. Marine Policy. v.134.
[10] Tickler et al. 2018. Modern slavery and the race to fish. Nature Communications. 9.

including environmental and climate change elements, supported by civil liability measures.

Consultation questions:

Section 1: Key elements of a due diligence regime

Topic: Scope

What are your views on the proposed scope options?

Although Option 1 is favored over Option 2, its scope remains too limited and fails to align with social and market expectations, the expanded due diligence requirements in other jurisdictions, and Canada's international obligations.

SeaChoice urges the Canadian Government to expand the scope of the due diligence regime by adopting a mandatory human rights and environmental due diligence (HREDD) legal framework aligned with the internationally agreed-upon OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines) and the UN Guiding Principles on Business and Human Rights (UNGPs). The model HREDD legislation published by the Canadian Network for Corporate Accountability (CNCA) offers a viable pathway to ensure alignment with established international standards.[11]

This approach will assist the Canadian government in implementing the 2025 advisory opinions issued by the International Court of Justice and the Inter-American Court of Human Rights, which affirm the state's obligation to ensure that corporations conduct effective environmental and human rights due diligence.[12] Furthermore, it is consistent with the United Nations General Assembly's 2022 acknowledgment of the right to a clean, healthy, and sustainable environment as a fundamental human right.[13] Additionally, in 2022, Canada, along with 51 other states adhering to the OECD Guidelines, recommended that governments enact effective legislation on responsible business conduct that aligns with the Guidelines and encompasses the specified areas.[14]

Broadening the scope to align with the OECD Guidelines and the UNGPs establishes a consistent baseline standard across jurisdictions, including key Canadian trading partners. For example, the EU Corporate Sustainability Due Diligence Directive (CSDDD) covers all

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[11] CNCA. 2023. The Corporate Respect for Human Rights and the Environment Abroad Act.
[12] ICJ. 2025. Obligations of States in respect of climate change.
Summary of the Advisory Opinion of 23 July 2025. Summary 2025/4. ICJ, The Hague.
[13] UN. 2022. Resolution adopted by the General Assembly on 28 July 2022.
[14] OECD. 2022. Recommendation of the Council on the Role of Government in Promoting Responsible Business Conduct.

five ILO pillars and extends further by requiring due diligence on civil, political, and environmental human rights issues. Countries like France, Norway, and Germany have enacted laws addressing all aspects of human rights. Moreover, countries such as South Korea, Thailand, Indonesia, Chile, Brazil, Mexico, Japan, and Australia are either contemplating or enhancing due diligence laws beyond forced labour concerns. The impact of extraterritorial laws from other jurisdictions should also be considered, especially since many large Canadian firms are already affected by them. If Canada adopts a regime less rigorous than that of its trading partners, it may be ineffective at managing risks in interconnected global supply chains.

Human rights due diligence, alongside climate and environmental issues, now plays a key role in corporate activities. Experts point out that this shift stems from integrating social initiatives like the UNGPs, evolving legal requirements such as stricter corporate accountability laws, and increasing market pressures from investors and consumers.[15] To help companies effectively identify and manage risks across their operations and supply chains, legal frameworks need to be aligned with societal and market expectations. Adopting HREDD would allow Canadian companies to satisfy the demands of investors, consumers, and stakeholders.

Companies worldwide are already implementing OECD-aligned due diligence standards and the UNGPs. Making these requirements legally binding will benefit these firms and promote a fairer competitive environment. It will also improve their capacity to manage human rights and environmental issues, boosting competitiveness and resilience. Additionally, this initiative will promote economic growth aligned with the Sustainable Development Goals (SDGs) and offer other benefits. Notably, major corporations like Nestlé, Mars, and Unilever support mandatory due diligence.[16,17]

Ultimately, it is impractical to carry out human rights due diligence exclusively for a singular human rights risk, such as forced labour, without identifying other HREDD risks, given their frequent interconnections. Due diligence should be implemented in a pragmatic, collective manner rather than addressing isolated issues, employing a comprehensive framework that encompasses human rights, climate, and nature

How can the Government support regulated parties in identifying and addressing adverse impacts to fundamental labour rights?

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[15] Deva, S. 2025. Options for action: Building an effective response to modern slavery in Australia. Discussion Paper.

[16] Initiative for Sustainable and Responsible Business Conduct. 2026. Broad support for the CSDDD.

[17] Business for Nature. 2026. Make it Mandatory campaign.

The government should produce clear guidance aligned with the OECD Guidelines, the OECD Due Diligence Guidance and the various sector-specific OECD Responsible Business Practice guidance.

Specifically, the guidance should delineate that corporations bear sole responsibility for undertaking due diligence and cannot delegate this obligation to certifications or multi-stakeholder initiatives, in accordance with OECD standards. The guidelines ought to promote triangulating information, engaging stakeholders meaningfully, and employing strategies to bridge information gaps. Given that no single tool is perfect and reliance on one alone is inadequate, companies are advised to integrate multiple data sources, including site assessments, stakeholder engagement, and traceability tools.

Additionally, the government should implement traceability laws, especially for seafood, to help companies ensure transparency in their supply chains and meet due diligence requirements.

Topic: Coverage

What are your views on the proposed scope of application?

What are your views on the alternative options to reduce administrative and operational impacts on businesses?

What are your views on the types of businesses that could be included or excluded under Option 3? What factors should be used to determine if a business should be covered?

Does the framework need to be prescriptive about how a regulated entity should account for its worldwide revenue or count the number of employees it has? What are the challenges, if any?

The UNGPs elucidate that businesses of all scales and various sectors bear the obligation to uphold human rights. Empirical research demonstrates that due diligence obligations correspond proportionally to the size of the company, and financial analyses do not indicate a disproportionate economic burden.[18] Consequently, SeaChoice endorses the CNCA's proposed HREDD legislation, which advocates that coverage should encompass 1)

[18] OECD. 2016. Quantifying the Costs, Benefits and Risks of Due Diligence for Responsible Business Conduct: Framework and Assessment Tool for Companies.
EC. 2020. Study on due diligence requirements through the supply chain.

companies domiciled in Canada; and 2) companies that sell goods or services in Canada if they also have a physical connection to Canada.[19]

The CNCA's model would allow for small businesses in low-risk sectors to be exempted through regulations. Accordingly, "while the model act does not have a size threshold, it provides that regulations may exempt certain companies (based on revenue, number of employees or sector) from the application of the Act and/or the obligation to report annually. This approach, which relies on sector-specific size thresholds rather than a single size threshold, recognizes the particularities of the Canadian economy (e.g. predominance in the global extractives sector, junior mining exploration companies often being small in size yet with potential to cause serious adverse human rights impacts) while also recognizing that it would be reasonable to exempt small businesses from some low-risk sectors from all or part of the law's application".[20]

Alternatively, if the due diligence regime started with large companies, a phased expansion approach could be taken over three to five years (i.e. gradually reducing the size/revenue threshold).

Topic: Due diligence and reporting obligations

What are your views on the proposed due diligence obligations?

- **Obligation to identify, address (prevent, mitigate or cease) and remediate adverse labour rights impacts based on level of involvement in causing, contributing to or being directly linked to potential or actual adverse impacts.**
- **Obligation to conduct due diligence in upstream activities and certain downstream business relationships.**
- **Prioritization exercise based on level of severity**
- **Obligation to establish a communication process**
- **Obligation to monitor, assess and improve the effectiveness of the measures to identify and address adverse impacts.**

SeaChoice supports Option 1 as it aligns with OECD Guidelines and its accompanying due diligence guidance, the UNGPs, and are similar obligations outlined as the EU CSDDD.

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[19] CNCA. 2023. Model Legislation for Mandatory Human Rights and Environmental Due Diligence.
[20] CNCA. 2021. The Corporate Respect for Human Rights and the Environment Abroad Act. Executive Summary.

However, we suggest including a clearer mandate for risk-based due diligence, as described in the OECD policy paper 'Translating a Risk-based Due Diligence Approach into Law.[21] This would help ensure that companies focus on adverse impacts based on the risk's nature, severity, and likelihood.

Further, it is important to establish that the obligations extend to the covered companies' operations, business relationships, and supply chains.

What are your views on the alternative options presented? Are there any other flexibilities with respect to due diligence obligations or reporting obligations that you believe would lessen the operational or administrative impact?

SeaChoice does not support these options because they do not fully align with other countries, the OECD Guidelines, or the UNGPs.

What type of guidance would you like to see in this area?

Align guidance definitions with those in the OECD Guidelines (e.g., 'risk-based' 'severity' 'likelihood' etc)[22] and provide tailored guidance for high-risk sectors (e.g., seafood) and geographies where forced labour is prevalent.

To what extent do you think Canadian businesses should be responsible for remediating adverse impacts?

SeaChoice recommends aligning with the CSDDD and German legal precedents that mandate all covered enterprises to establish grievance mechanisms consistent with the UNGPs. This approach will complement existing state-based judicial and non-judicial mechanisms. The mechanism must be accessible to overseas rightsholders impacted by the operations of Canadian companies.

Should regulated parties be required to carry out meaningful engagement with stakeholders at every step of the due diligence process, similar to Article 13 of the European Union's Corporate Sustainability Due Diligence Directive?

Stakeholder engagement during due diligence should be explicitly mandated. Indeed, consulting relevant stakeholders is imperative for HRDD under the OECD Guidelines and the UNGPs. Neglecting to engage with affected stakeholders, who possess direct insight

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[21] OECD. 2022. Translating a risk-based due diligence approach into law: Background note on Regulatory Developments concerning Due Diligence for Responsible Business Conduct.
[22] OECD. 2022. Translating a risk-based due diligence approach into law: Background note on Regulatory Developments concerning Due Diligence for Responsible Business Conduct.

into working conditions and the roots of exploitation, impedes the capacity to accurately identify and remedy human rights violations. Effective engagement entails early initiation, sustained participation, provision of informed input, fostering commitment, and promoting inclusive involvement.

Aligning with the CSDDD is appropriate. SeaChoice also recommends that the Canadian regulations replicate the CSDDD's instruction that companies should seek guidance from experts capable of providing insights into associated risks and impacts when effective local stakeholder engagement is not feasible.

Topic: Compliance and enforcement

What role should the government play to support entities in complying with potential due diligence obligations?

What kind of tools should the government (or competent authority) have at its disposal to ensure that regulated entities comply with their obligations under a due diligence regime?

Should the competent authority be required to receive and investigate complaints of non-compliance under a due diligence regime? If so, who should be allowed to make a complaint?

Research cautions that when Human Rights Due Diligence (HRDD) neglects to consider the legal ramifications of either inadequate or absent implementation, there exists a potential for the process to become an end in itself.[23] SeaChoice, therefore, recommends, in alignment with practices observed in the European Union, Germany, and Norway, the establishment of a designated institution responsible for executing these obligations. It is prudent for this agency to possess the authority to accept complaints, conduct investigations, request pertinent information, impose fines, issue corrective directives, and advise on the exclusion of companies from public procurement contracts. Moreover, it is advisable for Canada to establish a Human Rights and Anti-slavery Commissioner and/or an independent advisory committee comprising representatives of victims, survivors, and non-governmental organizations, to provide counsel to the Minister on legal issues. Such

[23] Landau, I. 2019. Human rights due diligence and the risk of cosmetic compliance. Melbourne Journal of International Law.

measures would harmonize with established practices in the United Kingdom, Australia, and New Zealand.[24]

Section 2 – Civil Liability

What are your views on enshrining a civil right of action in a due diligence supply chain regime?

If there is an enshrined civil right of action, what should that look like? What should the parameters be?

SeaChoice endorses Option 1 and would harmonize Canada's practices with those of France, Germany, and other jurisdictions. Research indicates that implementing due diligence obligations throughout the supply chain may result in increased adherence to HRDD standards. The availability of judicial or non-judicial redress mechanisms for affected parties enhances the likelihood of social benefits being achieved. Furthermore, litigation is typically regarded as a measure of last resort. Nonetheless, the absence of legal avenues to pursue justice in court would diminish corporations' incentive to provide suitable remedies.

It is further recommended that, in line with German and CSDDD practices, civil society organisations and trade unions in Canada be permitted to pursue claims on behalf of affected overseas rightsholders, thereby helping to overcome structural barriers to access to and remedies for rightsholders.

Section 3 – Ways to Maximize Effectiveness and Ensure Coherence with the Forced Labour Import Prohibition

In what ways could a potential due diligence regime and the forced labour import prohibition, including measures proposed in Bill C-35 (i.e. public list of goods at risk), potentially 'interact'?

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[24] Deva, S. 2025. Options for action: Building an effective response to modern slavery in Australia. Discussion Paper.

What should be done to avoid any unintended consequences, if applicable, between the two legislative regimes?

SeaChoice supports the establishment of both components as essential elements of a comprehensive regulatory framework for tackling forced labour.

Since border agencies cannot reasonably examine every detail of the global supply chain on their own, data reporting from the due diligence regime can play a vital role given that companies are uniquely positioned to engage with their suppliers, purchasing processes, production locations, sourced materials, intermediaries, contracts, and remediation efforts, which border agencies are not.

Feedback loops: The government could use due diligence regime information to strategically target imports, and customs enforcement findings could be incorporated into companies' HREDD systems to enhance transparency and compliance. Further, there should be a requirement for companies to integrate goods identified as high-risk by the forced labour import prohibition process into their due diligence and reporting obligations.