

Code of Conduct for Procurement

**Public Works and Government
Services Canada**

This Code is effective as of MM DD, 2021

Table of Contents

1. PURPOSE	3
2. DEFINITIONS.....	3
3. APPLICATION.....	3
4. ETHICS AND PROFESSIONALISM	3
5. CONFLICT OF INTEREST	4
6. ENVIRONMENTAL PROTECTION.....	4
7. ABUSE AND HARASSMENT.....	4
8. HUMAN RIGHTS AND LABOUR STANDARDS.....	4
8.1 Terms of Employment.....	4
8.2 Wages and Benefits	5
8.3 Regular Working Hours and Overtime Hours	5
8.4 Discrimination	5
8.5 Freedom of Association and Collective Bargaining.....	5
8.6 Grievance Mechanism	5
9. HUMAN TRAFFICKING, FORCED LABOR AND CHILD LABOUR.....	5
9.1 Worst Forms of Child Labour	5
Appendix A: Glossary of Terms.....	6

1. PURPOSE

The government has a responsibility to maintain the confidence of the vendor community and the Canadian public when acquiring goods and services in support of government programs by conducting procurement activities in an open, fair and transparent manner. In Canada, fairness, openness, and transparency are assured through compliance with various Acts, regulations, policies, international instruments adopted by Canada, Canada's international and domestic trade agreements, and labour cooperation agreements.

Public Works and Government Services Canada (PWGSC), Canada's main procurement authority and the central purchasing agent of federal departments and agencies, expects vendors to meet the expectations set forth in this **Code of Conduct for Procurement** ("the Code"). This Code may be amended by PWGSC from time to time.

2. DEFINITIONS

See Appendix A: Glossary of Terms

3. APPLICATION

The Code applies to all vendors who respond to bid solicitations and/or provide goods and services to the Government of Canada, where PWGSC is the procurement authority. Its application covers a spectrum of areas where PWGSC expects a principled and ethical approach by its vendors in managing social and environmental issues.

PWGSC may seek to work with the vendor to address potential instances of non-compliance with the Code. As a guiding principle, PWGSC will seek to work with vendors to ensure a sound understanding of expectations, and to address any apparent lack of compliance with the Code. If however, a vendor is unable or unwilling to comply with this Code, PWGSC reserves the right to take appropriate actions including, but not limited to, to investigate, to deem a bid-non-responsive, and to terminate the contract.

Vendors are expected to apply the principles and expectations set forth in this Code to their main operations and to all sub-contractors in their supply chains. The Government of Canada expects vendors to share the expectations set forth in this Code with their sub-contractors.

4. ETHICS AND PROFESSIONALISM

Vendors must respond to Canada's solicitations in an honest, fair, and comprehensive manner that accurately reflects their capacity to satisfy the requirements stipulated in the bid/offer/arrangement or contract documents. Vendors may submit bids/offers/arrangements and enter into contracts only if they are able to fulfill all stipulated obligations. Furthermore, vendors have a duty of good faith and honest performance, before and during the procurement process.

Vendors are required to alert the Contracting Authority as soon as they are made aware that they, or one of their sub-contractors, are in non-compliance with the Code. This will enable

PWGSC to seek more information, and to identify and implement remedial measures as needed.

5. CONFLICT OF INTEREST

By submitting a bid/offer/arrangement, the vendor warrants that no real, apparent or perceived conflict of interest exists or is likely to arise in the performance of the contract. In the event the Vendor becomes aware of any matter that causes or is likely to cause a conflict of interest, the vendor must immediately disclose the matter to the Contracting Authority in writing.

If the Contracting Authority is of the opinion that a potential conflict of interest exists as a result of the vendor's disclosure or as a result of any other information brought to the Contracting Authority's attention, the Contracting Authority may seek an investigation into the matter, require the vendor to take steps to resolve the conflict of interest or otherwise deal with the conflict of interest or, at its entire discretion, terminate the Contract or implement other corrective measures.

6. ENVIRONMENTAL PROTECTION

Vendors have a key role to play in advancing the government's environmental agenda by providing environmentally preferable goods and services. Suppliers are strongly encouraged to ensure the packaging and durability of their goods is sustainable.

7. ABUSE AND HARASSMENT

Vendors will ensure that all their interactions with public servants uphold the principles of dignity and respect. Physical, sexual, verbal harassment and/or violence, bullying, teasing or other aggressive behaviour are strictly prohibited¹. Vendors are expected to foster and encourage a positive, harmonious, and professional work environment in their interactions with public servants.

8. HUMAN RIGHTS AND LABOUR STANDARDS

The Government of Canada is committed to upholding and promoting international human and labour rights, including fundamental principles and rights at work covered by the International Labour Organization (ILO) eight fundamental conventions and the United Nations Universal Declaration of Human Rights. PWGSC expects vendors to guarantee employees' labour and human rights in their main operations and their supply chains, including but not limited to:

8.1 Terms of Employment

Vendors are expected to provide employees with a written employment contract outlining the terms of employment, in a language understood by the employee.

¹ Adapted from International Labour Organization Discrimination Convention, 1958 (No.111)

8.2 Wages and Benefits

Vendors are expected to pay at least the legal minimum and overtime wages for hours worked. It is expected that wages be paid directly to the employee or to an employee-controlled account.

8.3 Regular Working Hours and Overtime Hours

If legal overtime is necessary, vendors are expected to inform employees of such employment precondition prior to the time of hire, in advance of the overtime shift, and they are expected to allow employees to refuse to work overtime without punishment, penalty or disciplinary action.

8.4 Discrimination

Vendors must not engage in discriminatory hiring and employment practices based on race, nationality or ethnicity, colour, religion, age, sex (including maternity, pregnancy and the possibility of pregnancy), sexual orientation, gender (including gender identity or expression), marital status, genetic characteristics, disability, language, or conviction of any offence for which a pardon has been granted or in respect of which a record of suspension has been ordered.²

8.5 Freedom of Association and Collective Bargaining³

If prescribed in applicable laws and regulations, vendors are expected to grant their employees their right to join or form trade unions of their own choosing and to bargain collectively with their employer.

8.6 Grievance Mechanism

Vendors are expected to provide an anonymous and confidential method for all employees to raise concerns to vendor senior management without fear of retaliation.

9. HUMAN TRAFFICKING, FORCED LABOR AND CHILD LABOUR

All vendors' employees will work voluntarily and not be subjected to any form of exploitation, such as forced labour or sexual exploitation. Vendors will respect their employees' workplace rights, and take steps to monitor compliance of labour and human rights in their supply chain.

9.1 Worst Forms of Child Labour

All employees must be of at least the legal minimum age established by applicable laws and regulations. Work undertaken by these individuals must comply with the provisions of applicable laws and regulations.

Employees under the age of eighteen shall not perform hazardous work that may jeopardize their health or safety. Hazardous work includes, but is not limited to, work which exposes

² Adapted from International Labour Organization Discrimination Convention, 1958 (No.111)

³ Adapted from International Labour Organization Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)

children to physical, psychological or sexual abuse; work underground, under water, at dangerous heights or in confined spaces; work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads; work which may expose children to an unhealthy environment; night work, long hours of work or work where the child is unreasonably confined to the premises of the employer.⁴

Appendix A: Glossary of Terms

Applicable Laws and Regulations mean all national, local and other applicable laws and regulations that apply to the performance of the Contract, including but not limited to laws and regulations of the country where the good is produced or service provided.

Child Labour means any work that deprives young persons of their childhood, their potential and their dignity, and that is harmful to physical and mental development, and interferes with their schooling.

Code means this Code of Conduct for Procurement.

Contract means a legally binding agreement between PWGSC and a vendor to provide goods or services to the Government of Canada.

Contracting Authority means the person authorized to enter into a contract on behalf of Canada.

Employee(s) means any current or former labourer, worker, or staff member employed or contracted with by the vendor, including all foreign and migrant workers.

Forced Labour is all work extracted from a person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.

Good(s) means any articles, commodities, equipment, goods, materials or supplies and includes printing or the reproduction of printed matter and the construction or repair of a vessel.

Human trafficking involves the recruitment, transportation, harbouring and/or exercising control, direction or influence over the movements of a person in order to exploit that person, typically through sexual exploitation or forced labour.

Public Servant(s) means any person employed in the federal public sector, this includes the core public administration, Crown corporations and separate agencies.

Service(s) means the provision of services to another with no day-to-day supervision or control by the Government of Canada. It normally implies the accomplishment of a specified job or task to achieve a prescribed objective.

Sub-contractor means any entity that takes a portion of a contract from the principal or prime contractor or another sub-contractor.

⁴ Adapted from the ILO Worst Forms of Child Labour Recommendation, 1999 (No.190) supplementing the ILO Worst Forms of Child Labour Convention, 1999 (No.182).

Supply chain is the network of organizations involved in the transformation and creation of a product, from sourcing the raw materials, and manufacturing, to the main business selling the finished goods to consumers.

Vendor(s) means any person or other legal entity who has submitted a bid/offer/arrangement or who has been awarded a contract. This includes sub-contractors, owners, directors, officers, employees, agents, or any affiliated body corporate (as defined in the *Canada Business Corporations Act*), to the extent that any of these is responsible for the performance or execution of a task under a contract, Standing Offer or Supply Arrangement.

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