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Canada's Modern Slavery Act: A New Multi-Jurisdictional Approach to Reporting

To reflect the realities of global capital markets, the governments of Australia, Canada and the United Kingdom have jointly released an optional [multi-jurisdictional template](#) (the “**Template**”) to assist entities in disclosing the measures they have taken to address modern slavery, forced labour and child labour in their operations and supply chains. The Template, together with its accompanying guidance, is intended to streamline compliance for entities subject to one or more of the following supply chain transparency laws: the United Kingdom’s *Modern Slavery Act 2015*, Australia’s *Modern Slavery Act 2018* and Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Modern Slavery Act**”).

This legal update constitutes the sixth installment in our series on the Modern Slavery Act. For background information, please see our prior updates from [October 2022](#), [September 2023](#), [January 2024](#), [December 2024](#) and [April 2025](#).

Background

The Modern Slavery Act requires entities that: (i) are listed on a Canadian stock exchange; (ii) have a place of business, do their business or hold assets in Canada; or (iii) meet certain thresholds, as set out in our previous update from [September 2023](#) (the “**Obligated Entities**”), to submit a report on or before May 31st of each year disclosing their efforts to identify, prevent and mitigate risks of forced labour or child labour in their operations and supply chains. Failure to do so may result in substantial penalties, including fines of \$250,000 per offence, along with criminal prosecution.

The [2025 Annual Report to Parliament on the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*](#), issued on October 17, 2025, demonstrated the value multi-jurisdictional reporting could bring to the Federal Government’s efforts to eradicate forced and child labour. Public Safety Canada (“**PSC**”) noted that of the 4,178 respondents that submitted their reports by May 31, 2025, nearly 17% were subject to another jurisdiction’s supply chain transparency laws. Further, the United Kingdom

and Australia were among the primary legislative regimes to which respondents were subject.

Accordingly, in July of 2025, the governments of the United Kingdom, Australia and Canada jointly introduced the Template. The Template is designed to reduce administrative burden and support Obligated Entities operating across these three jurisdictions in meeting the legal requirements related to forced and child labour in supply chains by aligning jurisdiction-specific reporting requirements into a single, unified document. The Template also offers guidance on fulfilling current obligations and suggests best practices to enhance transparency and accountability.

Template Reporting Requirements

The Template consolidates reporting requirements into seven key categories which reflect the areas of overlap between the United Kingdom's *Modern Slavery Act 2015*, Australia's *Modern Slavery Act 2018* and the Modern Slavery Act. The Obligated Entities are expected to report on the following areas:

1. **Organizational Structure and Supply Chains:** A description of the Obligated Entity's structure, operations, and supply chains, including any consultations with affiliated entities.
2. **Policies:** A description of the Obligated Entity's policies addressing modern slavery, forced labour and child labour.
3. **Risk Management Processes:** A description of the Obligated Entity's risk management processes used to identify and address the potential for modern slavery, forced labour and child labour within its supply chains.
4. **Due Diligence and Remediation:** A description of the Obligated Entity's due diligence processes related to modern slavery, forced labour and child labour within its supply chains, along with a description of any actions taken to remediate identified instances of such practices.
5. **Training Provided to Employees:** A description of the training provided to the Obligated Entity's employees regarding modern slavery, forced labour and child labour.
6. **Assessing Effectiveness:** A description of how the Obligated Entity evaluates the effectiveness of its actions and due diligence processes in preventing and addressing modern slavery, forced labour and child labour.
7. **Additional Relevant Information:** Any other information the Obligated Entity considers relevant to its efforts.

Levels of Disclosure

Under the Template, the Obligated Entity must provide information for each of the seven reporting categories; however, they have discretion over the depth of disclosure. Level 1 disclosure covers the core information necessary to comply with modern slavery legislation in the United Kingdom, Australia and Canada. Level 2 disclosure allows Obligated Entities to include additional, voluntary disclosures to demonstrate leadership and progress in advancing supply chain transparency. Consistent with the Template's risk-based reporting, Obligated Entities are encouraged to determine their level of disclosure according to the degree of risk identified within their operations and supply chains.

Practical Considerations

While the Template provides a more streamlined approach for Obligated Entities subject to multi-jurisdictional reporting requirements, PSC recommends that all Obligated Entities review the Template alongside jurisdiction-specific legislation and instructions. The Template is not legally binding and may depart from jurisdiction-specific requirements in certain instances. For example, while many of the seven reporting categories closely align with requirements under Section 11(3) of the Modern Slavery Act, the seventh reporting category exclusively relates to the Australian legislative regime. As such, Obligated Entities not subject to Australia's *Modern Slavery Act 2018* may wish to forego this disclosure. Furthermore, [additional guidance](#) issued by PSC underscores that each jurisdiction maintains distinct definitions, administrative processes and reporting deadlines. In some instances, even Level 1 disclosures may exceed the minimum requirement under jurisdiction-specific legislation. Therefore, Obligated Entities should carefully review these differences before submitting their reports to ensure full compliance.

It is important to assess whether use of the Template is suitable for an Obligated Entity on a case-by-case basis. The next reporting deadline for many Canadian Obligated Entities is May 31, 2026; however, Obligated Entities incorporated under the *Canada Business Corporations Act* must also provide shareholders with a copy of their report alongside their financial statements, which often requires finalizing the report well in advance of the filing deadline. Thus, for some Obligated Entities, the Template may simply serve as a helpful window into the expectations for disclosure and emphasis on improvement that the Federal Government is looking for in the reports.

Conclusion

The joint release of the Template and accompanying guidance by the Australian, Canadian and United Kingdom governments presents a valuable opportunity for Obligated Entities operating across multiple jurisdictions to simplify their compliance efforts. Nevertheless, it remains essential for Obligated Entities to ensure that their reporting is tailored to meet the specific statutory obligations applicable within each jurisdiction.

Should you require clarification with respect to any of the above, or require a consultation, please do not hesitate to contact [Peter Volk](mailto:pvolk@wildlaw.ca) (pvolk@wildlaw.ca), [Alex Karlsen](mailto:akarlsen@wildlaw.ca) (akarlsen@wildlaw.ca) or [Kyra Flomen](mailto:kflowmen@wildlaw.ca) (kflowmen@wildlaw.ca). The authors gratefully acknowledge the assistance of articling student [Zehra Irfan](#) in the preparation of this update.

This update is intended as a summary only and should not be regarded or relied upon as advice to any specific client or regarding any specific situation.

If you would like further information regarding the issues discussed in this update or if you wish to discuss any aspect of this commentary, please feel free to contact us.