PROSPECTORS & DEVELOPERS ASSOCIATION OF CANADA | ASSOCIATION CANADIENNE DES PROSPECTEURS ET ENTREPRENEURS

August 21, 2026

Forced Labour / International Security and Political Affairs Branch
Global Affairs Canada (GAC)
125, Sussex Drive
Ottawa, Ontario, K1A 0G2

[Submitted electronically]

Re: Regulatory approach under Bill C-35, An Act respecting the prohibition of the importation of goods produced by forced labour

The Prospectors & Developers Association of Canada (PDAC) is the leading voice of the mineral exploration and development community. PDAC's work centers on supporting a competitive, responsible, and sustainable mineral sector. PDAC encourages meaningful action to prevent forced labour and improve accountability in global supply chains. For the proposed regulation under Bill C-35 to be effective, listing and rebuttal mechanisms must reflect the dynamics of how minerals are discovered, developed, produced, and traded, as well as distinguish responsible operators from unrelated activity occurring in the same region or commodity chain.

During the stakeholder roundtables, officials acknowledged that, as presently drafted, there may be nothing preventing the Minister from listing an entire commodity from a particular country (for example, all cobalt from the Democratic Republic of the Congo) and requested industry specific recommendations for how listings could be created. PDAC is concerned that this broad ministerial discretion could allow restrictions whose scope exceeds the supporting evidence. A country- and commodity-wide listing could capture responsible industrial operators alongside unrelated artisanal, informal or non-compliant activity. It could also discourage investment in exploration projects years before production begins and restrict a mineral without confirming that sufficient responsibly produced alternative supply is available.

Any expansion of ministerial powers should therefore be accompanied by clear statutory or regulatory criteria, transparent reasons for listing decisions, regular review and an accessible company-specific rebuttal process. Listings should be no broader than the credible, corroborated evidence supports. Country- or commodity-wide listings should be reserved for exceptional circumstances: where forced labour is demonstrably systemic, there is international recognition of the severity of the situation, and a narrower listing is not reasonably possible.

Extend the consultation window

PDAC sees a clear risk of underrepresentation with such a short consultation period for an initiative of this scope and consequence. The prohibition of goods could affect market access, financing, project viability and relationships with strategic partners. With such extensive potential implications once in force, additional time is required to interpret C-35's regulatory proposals and develop evidence-based recommendations.

PDAC represents more than 9,000 members, including over 1,000 corporations that operate within Canada and around the world, the majority of which are connected to the junior exploration and pre-production segment of the industry. Our policy positions are strengthened through engagement with members and volunteer committee experts who bring operational, legal, supply-chain and international experience. The compressed window limits meaningful engagement processes with stakeholders. Government cannot credibly ask for detailed, sector-specific evidence while setting a timetable that prevents organizations from collecting it.

Mineral exploration occurs long before materials reach borders

Mineral exploration is a very high-risk sector that relies on discovering an economically viable mineral deposit that can feasibly connect to an established supply chain. It can involve geoscience surveys, sampling, drilling, environmental baseline work, and early engagement with Indigenous Peoples, local communities, and governments. Most exploration projects never become mines. For those that do, the path from discovery to commercial production is commonly measured in decades, not years.

Mineral deposits are immobile; they cannot be relocated to lower-risk jurisdictions. Mineral explorers must go where prospective geology exists, which may include regions with elevated human-rights, governance, or labour risks. Operating in such a region is not, by itself, evidence that a company or its products are associated with forced labour.

Broad import restrictions could affect projects long before any mineral product exists or reaches the Canadian border. Exploration companies depend on investor willingness to finance long-term projects that have a high level of uncertainty attached. The proposed regulations present an eventual scenario where mineral products could be presumed inadmissible solely because of their type or general source location.

Before listing an entire region, country, or commodity, government should seek evidence to support narrower listings, assess whether adequate responsibly produced alternative supply exists, and consider how long replacement production would take to develop. Otherwise, the framework could undermine Canada's critical mineral objectives without improving conditions for affected workers.

Listing considerations for proximal industrial / artisanal mining operations

Industrial and artisanal or small-scale mining activity can occur in proximity to completely unrelated ownership structures, workforces, supplier basesand labour practices. Informal or unauthorized mining may occur within a broader mineral-producing district or, in some circumstances, around or within a mineral concession that is not under the control of the formal operator. Output from these activities may also enter trading and processing channels that are difficult to distinguish through broader regional supply chains.

This coexistence is a central reason not to infer company-level conduct from regional conditions alone. Credible evidence of forced labour in artisanal production must be addressed, but it should not lead to presumptive and pre-emptive actions towards entities that have transparency in their workforce, contractors, source material, production controls, and chain of custody. Conversely, the existence of a responsible industrial mine should not obscure risks elsewhere in the local supply chain. The listing mechanism must be precise enough to recognize both realities.

A public explanation of the listing methodology and the principal evidence supporting each listing would improve predictability and allow affected parties to respond meaningfully. The list should be reviewed on a defined schedule as well as whenever new credible evidence, verified remediation or material changes in operating conditions arise.

A practical and timely rebuttal mechanism

Because even a carefully prepared list may capture responsibly produced goods, an accessible rebuttal mechanism is essential. The framework should make clear that listing a region or commodity is not an absolute ban and should identify evidence that can be provided to demonstrate that a good was not produced with forced labour.

The government should recognize information that companies already produce through established Canadian reporting requirements and credible industry frameworks. This could include reports prepared under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* or evidence of conformance with recognized standards such as the Consolidated Mining Standard. These frameworks can demonstrate that a company has established policies, risk-management processes and responsible business practices relevant to preventing and addressing forced labour.

Such information may not, on its own, establish the origin or labour conditions associated with a particular shipment. However, it should be accepted as relevant supporting evidence when assessing whether a company is operating responsibly, particularly where it demonstrates due diligence, transparent risk identification and remediation. Good-faith disclosure of a risk should not be treated as evidence that forced labour has occurred.

PDAC does not recommend prescribing a detailed, uniform documentary checklist without further engagement with the companies responsible for exploration, production, processing, trading and importing. Each set of participants holds different information and exercise different levels of control. The government should work with the mineral industry to determine which evidence is practical, proportionate and genuinely probative at each stage of the project and supply-chain lifecycle.

The appeal process should include an early completeness review (ideally under 5-10 days), protection for commercially sensitive information, reasons for decisions, and defined service standards. Company-specific submissions should be assessed within a reasonable period (ideally under 60 to 90 days) with an expedited process where goods are detained or a listing is causing immediate and material harm. New credible evidence should be considered without waiting for the next scheduled review, and verified remediation should create a clear pathway to reconsideration and removal.

Conclusion

Canada can establish a strong forced-labour framework while recognizing the realities of mineral exploration and production. A targeted list, mining-appropriate evidence requirements and a timely rebuttal mechanism would improve enforcement against forced labour without treating all companies in a region or commodity as equivalent. This approach would support responsible operators, preserve incentives for prevention and remediation, and focus government resources where the evidence demonstrates the greatest risk.

PDAC anticipates public engagement with Global Affairs Canada and Canada Border Services Agency to continue to ensure a list, evidentiary requirements, and rebuttal process are designed to be practical before ministerial recommendations or regulations are finalized.