



**Bill S-211 Fighting Against Forced Labour  
and Child Labour in Supply Chains Act  
Entity Report for Georgian Bay General Hospital  
April 1, 2023 to March 31, 2024**

## Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Tim Kastelic

Title: Chair of the Board of Directors, Georgian Bay General Hospital

Date: May 23, 2024

Signature:  \_\_\_\_\_

I have the authority to bind Georgian Bay General Hospital.

## Identifying Information

**Entity or Government institution:** Entity

**Reporting entity's legal name:** Georgian Bay General Hospital

**Financial reporting year:** April 1, 2023 to March 31, 2024

**Identification of a revised report:** No

**Business number(s):** 107498693

**Identification of a joint report:** No

**Identification of reporting obligations in other jurisdictions:** No

### Entity categorizations that apply:

- Canadian Business Presence:
  - Has a place of business in Canada
  - Does business in Canada
  - Has assets in Canada
- Size-Related Thresholds that are met:
  - Has at least \$20 million in assets for at least one of its two most recent financial years
  - Has generated at least \$40 million in revenue for at least one of its two most recent financial years
  - Employs an average of at least 250 employees for at least one of its two most recent financial years

### Relevant Sectors/industries that apply:

- Health care and social assistance

**Principal Location:** Midland, Ontario, Canada

# Annual Report

## Introduction

GBGH (the Hospital) is a medium-sized hospital serving the communities of Midland, Penetanguishene, Township of Tiny, Township of Tay, Christian Island, Georgian Bay Township and Springwater Township. Our services range from a 40,000 annual visit emergency department to a comprehensive inpatient program that includes, medical, surgical, complex continuing care, rehab, obstetrics and level 3 (basic) intensive care beds, as well as a range of diagnostic, outpatient and clinical support services.

## Activities and Supply Chains

The Hospital's primary business is to provide direct care to its patients. A small portion of our business includes the resale of goods such as our cafeteria, café and gift shop. The sales in these revenue streams for fiscal 23/24 are estimated at \$236,000 (an estimated 0.3% of the Hospital's total revenue).

The Hospital uses a shared service organization (the "SSO") to facilitate sourcing and execution of procurement initiatives with our vendors.

There are times when the Hospital does not use the SSO to execute procurement initiatives. This would typically occur when the value of the procurement is less than \$100,000 and 1-3 quotes are required without complexity requiring a contract. There are also times when credit cards are used to facilitate a smaller dollar purchase.

On average, the Hospital imports an estimated \$90,000 CAD (an estimated 0.4% of total procured spend) a year through its customs broker. This would include any supplies necessary to provide patient care. Examples include lab supplies, IT equipment, medical & surgical supplies, and clinical equipment.

## Policies and Due Diligence

The Hospital conducts procurement activities in accordance with its Procurement Policy ("the Policy"), as well as relevant directives and trade agreements including, but not limited to the following:

- Broader Public Sector Procurement Directive
- Canadian Free Trade Agreement
- Canada-European Union Comprehensive Economic and Trade Agreement

A Code of Ethics is included in the Policy, however it does not specifically address forced labour or child labour (see Next Steps). As such, the Hospital does not have policies and procedures in place to assess its effectiveness in ensuring forced labour and child labour are not being used in its activities and supply chain.

If it is discovered that the Policy has not been followed, and the goods have already been received, services rendered, or a contract executed, the finance or procurement team will use the opportunity to educate regarding policy requirements to reduce the risk of recurrence.

The SSO has provided the Hospital with a letter identifying that:

- They are not aware of any instances where forced labour or child labour exists in current supply changes and would inform the Chief Financial Officer if an instance arises.

## **Steps taken over last fiscal year to reduce risk of forced and child labour**

This fiscal year (and up to May 31<sup>st</sup>), steps were taken by our SSO and the Hospital to better educate ourselves on the Act itself. The Ontario Hospital Association provided guidance documents and webinars to assist the Hospital in better understanding the Act and what is required for reporting in the first year.

In preparing this report, discussions were held with departments that sell goods to better understand current state and any obvious areas of risk. Import records through our customs broker were also reviewed to better understand the spend on imports annually and what the magnitude of risk is from a dollars perspective.

The SSO has provided the Hospital with a letter identifying that:

- In January of 2024, standard contract language in Representation and Warranties was added:
  - “The goods and any services provided by the Supplier under this agreement are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada’s Fighting against Forced Labour and Child Labour in Supply Chain’s Act).”
- In 2024, they modified the competitive procurement templates, specifically the Proponent Confirmation Form, to include the following language that suppliers/vendors bidding for Hospital business must attest to:
  - “Warrants that the goods and services that the Proponent is proposing to provide to the Purchaser are not the result of, and in no way involve, forced labour or child labour (as such terms are defined in Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act)”

## **Potential Areas of Risk**

The Hospital and the SSO are not aware of any instances where forced labour or child labour exists in our supply chain activities. As outlined above, there is only a small portion of the Hospital’s annual spend that is imported from the United States and as such, the risk is deemed to be low. Although some actions have been taken to reduce the risk, there is more work that can be done. Potential areas of risk include:

- Policy does not specifically address forced labour or child labour, such as potential remediation to impacted families and how to assess the effectiveness of our policies.
- Employees authorized to procure goods and services have not been educated on measures to be taken to address forced labour or child labour.
- The SSO has also stated that they require development of internal policy and training for those in sourcing and supply chain roles.

## **Remediation Measures**

Forced labour or child labour in our activities and supply chains has not been identified, and as such, remediation measures were not applicable.

## **Next Steps**

In fiscal 24/25, the Hospital will work on the following activities to further mitigate areas of risk:

- Continued discussion with the SSO at business review meetings with the SSO, and participating by providing feedback on work plans and progress.
- Review reports published by other hospitals to benchmark and seek out best practices.
- Draft an update to the Policy to specifically address forced labour or child labour.
- Draft a training plan for employees authorized to procure goods and services.