



## **FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT**

### **SHARED HEALTH ANNUAL REPORT FOR APRIL 1, 2023 – MARCH 31, 2024**

#### **Introduction**

This annual report has been prepared pursuant to Shared Health’s responsibilities and requirements under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).

Shared Health determined it is an “Entity” as defined in the Act and therefore required to report on the organization’s activities to mitigate the risk of forced labour and child labour being employed within its supply chain and its activities.

The Act came into force on January 1, 2024. This annual report is the first completed pursuant to the Act by Shared Health.

#### **Structure**

Shared Health is a health authority, designated as the provincial health authority, and continued as a corporation under *The Health System Governance and Accountability Act* (Manitoba).

Shared Health is responsible for the coordination and delivery of provincial clinical programs in Manitoba as well as shared administrative services to support other health authorities and certain health corporations that operate hospitals within Manitoba.

The level of accountability for Shared Health shared administrative services ranges from a Lead and Coordinate role to direct oversight and/or management of operations.

Supply Chain Management Shared Services (“SCMSS”) is one shared administrative service provided by Shared Health. SCMSS enables the efficient acquisition of products, equipment and services to achieve the best overall value considering cost, quality and outcomes. The range of services includes strategic sourcing, contracting, value analysis, procurement and distribution/logistics. SCMSS works in collaboration with certain health organizations across Manitoba and the provincial clinical programs led by Shared Health.

Provincial clinical programs led by Shared Health are located in Shared Health operated sites, such as the Health Sciences Centre/Health Sciences Centre Winnipeg, HSC Children's Hospital, Selkirk Mental Health Centre, Crisis Response Centre, and Cadham Provincial Laboratory. Provincial clinical programs may also be embedded within the operations of other health authorities or hospitals that are operated by other health corporations. Examples of provincial clinical programs are Diagnostic Services, Emergency Response Services, Health Information Services, Language Access, Medical Assistance in Dying, Pharmacy Services, Mental Health and Addictions, and the renal program under Provincially Coordinated Health Services.

Shared Health also participates as a member of HealthPRO, a large national health care group purchasing organizations, alongside hospitals, provinces and shared service organizations from across Canada.

### **Shared Health Activities**

Shared Health has determined it is engaged in the production, sale, importing, and distribution of goods as follows:

1. Food services:
  - a. Shared Health operates cafeterias in the sites it operates in Manitoba where food/beverages are assembled by its staff and then sold to the public.
  - b. Shared Health operates a food/beverage franchise at the Health Sciences Centre where food/beverages are assembled by its staff and sold to the public.
  - c. Shared Health provides an onsite meal service in its operated sites in Manitoba where its staff heat pre-prepared meals and then distribute them to patients.
2. Compounded medications:
  - a. Shared Health provides, but does not sell, compounded medications to patients while providing patient care. The Winnipeg Regional Health Authority ("WRHA") through its Pharmacy Program operates licensed pharmacies in various Manitoba sites, including at Shared Health's Health Sciences Centre, and compounds medications that are not sold but used for patient care. The compounded medications are dispensed by the WRHA Pharmacy Program to the site staff, including Shared Health staff at the Health Sciences Centre, that provide them to patients.
3. Importing:
  - a. To support its provincial clinical programs, Shared Health purchases goods produced outside Canada from third party suppliers, where that third party is considered to be the importer for the purposes of the *Customs Act* but understands such is not considered importing under the Act.

- b. However, Shared Health on as needed basis imports goods from distributors, with the assistance of a customs broker as needed, if its existing suppliers cannot provide the goods. This importing mostly applies to medical supplies and generally such is imported from the United States.

### **Supply Chain Underlying Shared Health Activities**

SCMSS is a shared administrative service under Shared Health. While Shared Health provides certain shared administrative services to other health authorities, SCMSS does not coordinate all competitive bid processes and purchasing activities for all health organizations within Manitoba.

Currently the only fully centralized supply chain services are in Winnipeg and therefore SCMSS is only responsible to lead the competitive bids processes and/or establishing contracts with suppliers for Shared Health itself (for its operations in Winnipeg and elsewhere in Manitoba), the WRHA, and certain health corporations that operate hospitals in Winnipeg.

As a result, each health authority outside of Winnipeg is responsible for purchasing products, services, and equipment directly from suppliers. Generally, these purchases are made from contracts established by SCMSS with these suppliers, however, there may be some exceptions.

Shared Health and the WRHA are active members of HealthPRO which is a national group purchasing organization. Approximately 30% of Shared Health's goods and equipment contracts are committed to HealthPRO agreements and approximately 95% of the WRHA's pharmacy contracts are committed through HealthPRO agreements.

CancerCare Manitoba ("CCMB") is designated as the cancer authority pursuant to *The Health System Governance and Accountability Act* (Manitoba) and cooperates with others, including Shared Health, for the delivery of cancer-related health services.

SCMSS' responsibility for Shared Health's activities are as follows:

1. SCMSS is responsible to lead the competitive bid processes and/or contracting with suppliers to supply/deliver the raw materials that are used to produce the food/beverages that are sold in Shared Health's cafeteria services. A description of the direct and indirect suppliers that contribute goods/services to the goods produced and sold through Shared Health's cafeteria services, and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.

2. For the food/beverage franchise at the Health Sciences Centre, Shared Health relies on the franchisor to source, supply, and deliver the raw materials that are used to produce the food/beverages that are sold by Shared Health as the franchisee. SCMSS does not assist the franchisor with those efforts. A description of the direct and indirect suppliers that contribute goods/services to the goods produced and sold through Shared Health's food/beverage franchise at the Health Sciences Centre, and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.
3. For the onsite meal service, Shared Health relies on the WRHA's Regional Distribution Facility to produce and then distribute the pre-prepared meals to Shared Health's operated sites, that Shared Health then heats and distributes to patients. However, SCMSS is responsible to lead the competitive bid processes and/or contracting with suppliers to supply and deliver the raw materials used by the WRHA's Regional Distribution Facility to produce the pre-prepared meals. A description of the direct and indirect suppliers that contribute goods/services to the goods produced and distributed through Shared Health's onsite meal service and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.
4. Shared Health relies on the WRHA's Pharmacy Program to compound medications that are not sold but used for patient care at the Health Sciences Centre. SCMSS infrequently is responsible to lead the competitive bid processes and/or contracting with suppliers for the raw materials used by the WRHA Pharmacy Program. For a majority of the WRHA Pharmacy Program's needs, the WRHA relies on HealthPRO to issue competitive bid processes for these raw materials and thereafter the WRHA enters a contract with the selected suppliers that are managed by HealthPRO. Furthermore, CCMB acquires cancer medications from suppliers and as required provides such to the WRHA Pharmacy Program for compounding. As described above, approximately 95% of the WRHA's pharmacy contracts are committed through HealthPRO. A description of the direct and indirect suppliers that contribute goods/services to the goods produced through the WRHA Pharmacy Program that are distributed accordingly by Shared Health and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.
5. SCMSS, with the assistance of a customs broker, on an as needed basis imports goods for Shared Health from a distributor if Shared Health's existing suppliers cannot provide them. This importing mostly applies to medical supplies and generally such are imported from the United States. A description of the direct and indirect suppliers that contribute goods/services to the goods imported by Shared Health and a more detailed description of the source countries/regions of those goods/services, was not able to be ascertained for this annual report.

## **Steps Taken in Previous Financial Year (April 1, 2023 – March 31, 2024)**

Shared Health had not taken steps during the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Shared Health or of goods imported into Canada by Shared Health.

## **Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour**

Shared Health does not currently have any policies or due diligence processes (as described in the *OECD Due Diligence Guidance for Responsible Business Conduct*) in place related to forced labour or child labour. However, Shared Health has hiring procedures that are designed to maintain compliance with federal immigration legislation and provincial employment legislation which addresses one form of child labour as defined in the Act i.e., *labour or services provided or offered to be provided by persons under the age of 18 years and that are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada.*

Shared Health's hiring procedures are designed to maintain compliance with federal immigration legislation that requires permanent residency, citizenship, or a permit to work in Canada or the pending application for the same, and provincial legislation where Shared Health must register to employ any foreign worker other than a Manitoba Provincial Nominee.

All prospective employees of Shared Health including staff recruited for food services are recruited by advertising job opportunities on various career websites as well as the WRHA/Shared Health career website. Prospective employees are required to respond to the question "*Are you legally authorized to work in Canada?*" and the answer options are: "*a) authorized to work for any employer, b) authorized to work for my present employer only, c) I require sponsorship to work in this country*". As part of the internal controls of Shared Health, applicants are required to accept an acknowledgement that states:

*I understand that I am applying for employment within a site or service represented on the Winnipeg Regional Health Authority (WRHA)/Shared Health careers website. All information I provide as part of the application process is true and correct, and not misleading in any way. I understand that elements of my application may be checked, including references from prior employers, job history, education, and other qualifications and information provided by me. If it is found that I have misrepresented myself, my application may be disqualified; if I have been awarded a position, my employment may be terminated, regardless of how much time has elapsed. If I am offered employment, I will be required to*

*supply satisfactory background checks as described in the written employment contract.*

As a general practice, Shared Health does not employ people under the age of 18 years. However Shared Health cannot prohibit employing persons that are under the age of 18 years as that would be considered age discrimination. Shared Health has hiring procedures that are designed to maintain compliance with *The Employment Standards Code* (Manitoba) which non-exhaustively requires:

1. To not employ a person under the age of 13 years.
2. To employ a person that is 13 years or older but less than 16 years old requires a Work Readiness Certificate and/or a Child Employment Permit. The Work Readiness Certificate would certify they completed the Young Worker Readiness Certificate Program which pertains to labour rights and safety and include a signed consent of their parent to the employment.
3. To not employ a person under the age of 16 years between 11:00pm and 6:00am or for more than 20 hours during a week of school.

As per Section 4.1 of [Shared Health Policy #320.100.136 \(Security Checks for Employment\)](#), all new hires are required to complete a criminal records check (including vulnerable sector search), adult abuse registry check, and child abuse registry check (“Security Checks”). In Shared Health’s screening processes, the age of a worker (and the corresponding obligations/restrictions for employing same under *The Employment Standards Code* (Manitoba)) would be identified when reviewing the Security Checks. Section 4.4 of Shared Health Policy #320.100.136 (Security Checks for Employment), provides if an applicant must commence employment before the Security Checks are obtained and provided to Shared Health, the letter of offer to the applicant will contain a statement that the offer of employment is conditional on the return of satisfactory security check(s), as required, and the failure to return same on or before the date specified could result in the immediate termination of employment for cause.

### **Forced Labour and Child Labour Risks**

Shared Health did not start the process of identifying parts of its activities and supply chains that carry a risk of forced labour or child labour being used in the previous financial year.

### **Remediation Measures/Remediation of Loss of Income**

Shared Health did not undertake any measures to remediate any forced labour or child labour in its activities and supply chains in the previous financial year.

Shared Health had also not taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

### **Training on Forced Labour and Child Labour**

Shared Health does not currently provide training to employees on forced labour and/or child labour.

**Policies and Procedures Assessing Effectiveness**

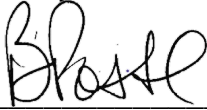
Shared Health has no policy or procedure in place at this time to assess its effectiveness in ensuring forced labour and child labour are or are not being used in its activities and supply chains.

*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 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.*

Name: Dr. Brian Postl

Title: Shared Health Board Chair

Date: May 30, 2024



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I have the authority to bind Shared Health