



FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

NORTHERN REGIONAL HEALTH AUTHORITY ANNUAL REPORT FOR APRIL 1, 2024 – MARCH 31, 2025

Introduction

This annual report has been prepared pursuant to the Northern Regional Health Authority's responsibilities and requirements under the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act").

The Northern Regional Health Authority 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 second completed pursuant to the Act by the Northern Regional Health Authority.

Structure

The Northern Regional Health Authority is a health authority and continued as a corporation under *The Health System Governance and Accountability Act* (Manitoba). The Chief Executive Officer, VP of Corporate Services, and other executives are responsible for the day-to-day leadership and administration of the Northern Regional Health Authority and report to the Board of Directors. The provincial clinical programs led by the Northern Regional Health Authority are located in northern Manitoba and consist mainly of health care centres, personal care homes, elderly person homes and various community programs.

Northern Regional Health Authority Activities

The Northern Regional Health Authority has determined it is engaged in the production, sale, importing, and distribution of goods as follows:

1. Food Services:
 - a. The Northern Regional Health Authority operates cafeterias in the sites it operates in Manitoba where food/beverages are assembled by its staff and then sold to the public.

- b. The Northern Regional Health Authority provides an onsite meal service in its operated sites in Manitoba where its staff prepare meals and then distribute them to patients.
2. Pharmacy compounding of medications:
 - a. The Northern Regional Health Authority through its Pharmacy Program staff compounds medications that are not sold, but used for patient care in the Manitoba sites where the Pharmacy Program is embedded.
3. Importing:
 - a. To support its provincial clinical programs, the Northern Regional Health Authority 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, the Northern Regional Health Authority 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 Northern Regional Health Authority Activities

Supply Chain Management Shared Services (“SCMSS”) is a shared administrative service under Shared Health. While the Northern Regional Health Authority participates in certain shared administrative services offered by Shared Health, SCMSS does not coordinate all competitive bid processes and purchasing activities for all health organizations within Manitoba. As a result, the Northern Regional Health Authority is also 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 are some exceptions.

SCMSS’s responsibility for the Northern Regional Health Authority’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 the Northern Regional Health Authority’s cafeteria services. SCMSS is not solely responsible for contracting with suppliers, NHR Materials Management will also lead the process for contracting with suppliers in instances where SCMSS is unable to meet the requirements of the Northern Regional Health Authority.

2. For the onsite meal service, the Northern Regional Health Authority follows the same process as described in point 1 above, as all foods are prepared by Northern Regional Health Authority staff for onsite meal service.
3. SCMSS infrequently is responsible to lead the competitive bid processes and/or contracting with suppliers for the raw materials used to produce medications that are not sold but used for patient care. For a majority of its Pharmacy Program needs, the Northern Regional Health Authority relies on HealthPRO to issue competitive bid processes for these raw materials and thereafter the Northern Regional Health Authority together with other health care organizations enter a contract with the selected suppliers that are managed by HealthPRO. As described above, approximately 95% of the Northern Regional Health Authority'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 Northern Regional Health Authority's Pharmacy Program and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.
4. SCMSS, with the assistance of a customs broker, on an as needed basis imports goods for the Northern Regional Health Authority from a distributor if the Northern Regional Health Authority'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 the Northern Regional Health Authority 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, 2024 – March 31, 2025)

During the previous financial year, the Northern Regional Health Authority took steps 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 the Northern Regional Health Authority. These steps were undertaken by SCMSS and were applied broadly and therefore were not only applied to the supply chains that contribute to the Northern Regional Health Authority's activities. Generally, these steps included:

1. Developing and implementing anti-forced labour and/or child labour standards and/or compliance checklists;
2. Developing and implementing procedures to track effectiveness in addressing forced labour and/or child labour; and
3. Engaging with supply chain partners on the issue of addressing forced labour and/or child labour.

These steps were not undertaken for goods imported into Canada by SCMSS for the Northern Regional Health Authority.

Developing and implementing anti-forced labour and/or child labour standards and/or compliance checklists

SCMSS developed a scored question for its competitive bid processes that require proponents that meet the Act's definition of "Entity" to provide their public facing commitment to eliminate forced labour and child labour and steps they have taken to ensure its supply chain is free from forced labour and child labour. This scored question was implemented by SCMSS broadly for its competitive bid processes for goods and some services and may benefit the Northern Regional Health Authority where the Northern Regional Health Authority participated in such a SCMSS led competitive bid process.

As of late March 2025, SCMSS was in the process of developing anti-forced labour and/or child labour contractual clauses to include in contracts entered into pursuant to its competitive bid processes. But these contractual clauses were not finalized or implemented in the previous financial year. When finalized and implemented, the anti-forced labour and/or child labour contractual clauses may benefit the Northern Regional Health Authority when participating in SCMSS led competitive bid processes.

Developing and implementing procedures to track effectiveness in addressing forced labour and/or child labour

SCMSS developed and implemented a procedure to undertake an annual sampling of ten (10) competitive bid processes to confirm the scored question described above was implemented. However, this annual sampling may not benefit the Northern Regional Health Authority as it may not include SCMSS led competitive bid processes that the Northern Regional Health Authority participated in.

In the past financial year, SCMSS was in the process of setting up a performance management team to ensure suppliers maintain contractual compliance and key performance indicators. The performance management team may be assigned the annual sampling in the future.

Engaging with supply chain partners on the issue of addressing forced labour and/or child labour.

SCMSS requested HealthPRO confirm what steps it had taken during the previous financial year to address forced labour and child labour in their competitive bid processes and contracts. On May 6, 2025, HealthPRO advised that:

1. For Nutrition and Food, Capital Equipment, Clinical Services, and Signature Services contracts commencing April 1, 2024, or afterwards, the competitive bid processes included a scored question as to the proponents' commitment to all steps to fight against forced labour and child labour in supply chains, and asked proponents to provide information on relevant policies, programs, third party audits, monitoring effort and measurable indicators, and disclosure of any legal actions, sanctions or fines that the proponent has had imposed.

2. For Pharmacy contracts commencing June 1, 2024, or afterward, the competitive procurements included a scored question as to the proponents' commitment to all steps to fight against forced labour and child labour in supply chains, and asked proponents to provide information on relevant policies, programs, third party audits, monitoring effort and measurable indicators, and disclosure of any legal actions, sanctions or fines that the proponent has had imposed.
3. Their Nutrition and Food Services partner Complete Purchasing Services also strictly requires that its suppliers comply with all applicable laws, and, in addition, have multiple policies and processes to set expectations for suppliers regarding human rights and labour rights (including child labour and forced labour).

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

The Northern Regional Health Authority currently does not 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, SCMSS has implemented some other due diligence processes that may benefit the Northern Regional Health Authority, and while not policies, the Northern Regional Health Authority has hiring procedures that are designed to maintain compliance with federal immigration legislation and provincial employment legislation.

As described above, SCMSS efforts directed towards the competitive bid processes it leads may benefit the Northern Regional Health Authority in certain circumstances. SCMSS developed a scored question for its competitive bid processes that require proponents that meet the Act's definition of "Entity" to provide their public facing commitment to eliminate forced labour and child labour and steps they have taken to ensure its supply chain is free from forced labour and child labour. This scored question was implemented by SCMSS broadly for its competitive bid processes for goods and some services. For tracking purposes, SCMSS developed and implemented a procedure to undertake an annual sampling of ten (10) competitive bid processes to confirm the scored question was implemented.

The Northern Regional Health Authority's hiring procedures 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.*

The Northern Regional Health Authority'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 the Northern Regional Health Authority must register to employ any foreign worker other than a Manitoba Provincial Nominee.

All prospective employees of the Northern Regional Health Authority including staff recruited for food and pharmacy services are recruited by advertising job opportunities on various career websites as well as the Northern Regional Health Authority career website. Prospective employees are required to respond to the question “*Are you legally authorized to work in Canada?*” As part of the internal controls of the Northern Regional Health Authority, applicants are required to accept an acknowledgement that states that the information being provided through the application process is true and correct, that satisfactory background checks are required and if found to have misrepresented themselves they may be terminated.

As a general practice the Northern Regional Health Authority does not employ people under the age of 16 years. However, the Northern Regional Health Authority cannot prohibit employing persons that are under the age of 16 years as that would be considered age discrimination. The Northern Regional Health Authority 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.

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 the Northern Regional Health Authority 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. If an applicant must commence employment before the Security Checks are obtained and provided to the Northern Regional Health Authority, 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

The Northern Regional Health Authority 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

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

In addition, the Northern Regional Health Authority has 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

The Northern Regional Health Authority does not currently provide training to employees on forced labour and/or child labour.

Policies and Procedures Assessing Effectiveness

As described above, SCMSS efforts directed towards the competitive bid processes it leads may benefit the Northern Regional Health Authority in certain circumstances. SCMSS developed a scored question for its competitive bid processes that require proponents that meet the Act's definition of "Entity" to provide their public facing commitment to eliminate forced labour and child labour and steps they have taken to ensure its supply chain is free from forced labour and child labour. This scored question was implemented by SCMSS broadly for its competitive bid processes for goods and some services. As part of a procedure to assess its effectiveness in ensuring forced labour and child labour are not used in Shared Health's supply chains, SCMSS developed and implemented a procedure to undertake an annual sampling of ten (10) competitive bid processes to confirm the scored question was implemented. In the past financial year, SCMSS was in the process of setting up a performance management team to ensure it meets certain business standards. The performance management team may be assigned the annual sampling in the future.

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act)*, and in particular section 11 thereof, I, in the capacity of Northern Regional Health Authority Board Chair, attest that I have reviewed the information contained in the report on behalf of the governing body of 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 within this report.

Name: Jackie Fitzpatrick

Title: Northern Regional Health Authority Board Chair

Date: May 28, 2025

**DIGITALLY
SIGNED BY**

A handwritten signature in black ink, appearing to read 'J. Fitzpatrick', written over a horizontal line.

I have the authority to bind the Northern Regional Health Authority