



SOUTHERN HEALTH-SANTÉ SUD ANNUAL REPORT FOR APRIL 1, 2023 – MARCH 31, 2024

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Introduction

This annual report is in response to the requirement under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”), that an “Entity” report on its activities to mitigate the risk of forced labour and child labour being employed within its supply chain and its activities.

As it was confirmed that the Act pertains to Southern Health-Santé Sud as an “Entity”, this annual report is the first Southern Health-Santé Sud has completed pursuant to the Act.

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

Southern Health-Santé Sud did not take any steps during the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of its production of goods in Canada or elsewhere by Southern Health-Santé Sud or of goods imported into Canada by Southern Health-Santé Sud. Therefore, Southern Health-Santé Sud has no information to provide on such steps for this reporting period.

Structure

Southern Health-Santé Sud is a health authority, and continued as a corporation under *The Health System Governance and Accountability Act* (Manitoba). The provincial clinical programs led by Southern Health-Santé Sud are located in southern Manitoba and consist mainly of health care centres, personal care homes, elderly person homes and various community programs.

Southern Health-Santé Sud Activities

Southern Health-Santé Sud has determined it is engaged in the production, sale, importing, and distribution of goods as follows:

1. Food services:
 - a. Southern Health-Santé Sud operates cafeterias in the sites it operates in Manitoba where food/beverages are assembled by its staff and then sold to the public.
2. Pharmacy compounding of medications:
 - a. Southern Health-Santé Sud 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, Southern Health-Santé Sud 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, Southern Health-Santé Sud on an 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 Southern Health-Santé Sud Activities

Supply Chain Management Shared Services (“SCMSS”) is a shared administrative service under Shared Health. While Southern Health-Santé Sud 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, Southern Health-Santé Sud 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.

Southern Health-Santé Sud is an active member of HealthPRO which is a national group purchasing organization. Approximately 30% of Southern Health-Santé Sud’s goods and equipment contracts are committed to HealthPRO agreements and approximately 95% of Southern Health-Santé Sud’s pharmacy contracts are committed through HealthPRO agreements.

SCMSS’ responsibility for Southern Health-Santé Sud’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 Southern Health-Santé Sud's cafeteria services. SCMSS is not solely responsible for contracting with suppliers, Materials Management will also lead the process for contracting with suppliers in instances where SCMSS is unable to meet the requirements of Southern Health-Santé Sud.
2. 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, Southern Health-Santé Sud relies on HealthPRO to issue competitive bid processes for these raw materials and thereafter Southern Health-Santé Sud together with other health care organizations enter a contract with the selected suppliers that are managed by HealthPRO. As described above, approximately 95% of Southern Health-Santé Sud's pharmacy contracts are committed through HealthPRO. A description of the direct and indirect suppliers that contribute goods/services to the goods produced through Southern Health-Santé Sud's Pharmacy Program and the source countries/regions of those goods/services, was not able to be ascertained for this annual report.
3. SCMSS, with the assistance of a customs broker, on an as needed basis imports goods for Southern Health-Santé Sud from a distributor if Southern Health-Santé Sud'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 Southern Health-Santé Sud and a more detailed description of the source countries/regions of those goods/services, was not able to be ascertained for this annual report.

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

Southern Health-Santé Sud 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, Southern Health-Santé Sud 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.*

Southern Health-Santé Sud'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 Southern Health-Santé Sud must register to employ any foreign worker other than a Manitoba Provincial Nominee.

All prospective employees of Southern Health-Santé Sud including staff recruited for food and pharmacy services are recruited by advertising job opportunities on various career websites as well as the Southern Health-Santé Sud 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 Southern Health-Santé Sud, 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 Southern Health-Santé Sud does not employ people under the age of 18 years. However, Southern Health-Santé Sud cannot prohibit employing persons that are under the age of 18 years as that would be considered age discrimination. Southern Health-Santé Sud 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 Southern Health-Santé Sud'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. If an applicant must commence employment before the Security Checks are obtained and provided to Southern Health-Santé Sud, 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

Southern Health-Santé Sud 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

Southern Health-Santé Sud 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, Southern Health-Santé Sud 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

Southern Health-Santé Sud does not currently provide training to employees on forced labour and/or child labour.

Policies and Procedures Assessing Effectiveness

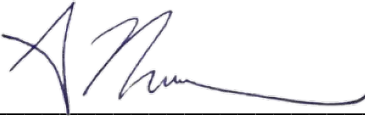
Southern Health-Santé Sud has no policy or procedure in place at this time to assess its effectiveness in ensuring forced labour and child labour are or are not being used in its activities and supply chains.

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: Adam Monteith

Title: Board Chair

Date: May 28, 2024



I have the authority to bind Southern Health-Santé Sud