



# PRAIRIE MOUNTAIN HEALTH SANTÉ PRAIRIE MOUNTAIN

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

PRAIRIE MOUNTAIN HEALTH ANNUAL REPORT FOR APRIL 1, 2025 – MARCH 31,  
2026

### **Introduction**

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

PMH 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 third completed pursuant to the Act by PMH.

### **Structure**

PMH is a health authority, designated as the provincial health authority, and continued as a corporation under *The Health System Governance and Accountability Act* (Manitoba). The Chief Executive Officer, Lead of Corporate Services, and other executives are responsible for the day-to-day leadership and administration of PMH and report to the Board of Directors.

PMH is responsible for the coordination and delivery of provincial clinical programs in Manitoba and is supported by Shared Health for administrative services within Manitoba.

The level of accountability for Shared Health’s 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.

PMH 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.

### **Prairie Mountain Health Activities**

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

1. Food services:
  - a. Operates cafeterias in the sites it operates in Manitoba where food/beverages are assembled by its staff and then sold to the public.
  - b. Operates contracts with a food/beverage franchise at the Brandon Regional Health Centre where food/beverages are assembled by its staff and sold to the public.
  - c. Provides an onsite meal service in its operated sites in Manitoba where its staff prepare meals and then distribute them to patients.

## 2. Importing:

- a. To support its clinical programs, PMH 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, PMH 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 PMH 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. However, PMH competitive bid processes align with those established by Shared Health.

PMH is an active members of HealthPRO which is a national group purchasing organization.

SCMSS' activities are as follows:

1. In 2025 Provincial Supply Chain (PSC), which is a Department within the Province of Manitoba government was responsible for leading the food and nutrition competitive bid process and contracting with the selected supplier to supply/deliver the raw materials that are used to produce the food/beverages that are sold in cafeteria services. SCMSS assisted PSC to issue the food and nutrition competitive bid process but now relies on PSC to manage the contract with the selected supplier on behalf of PMH. A description of the direct and indirect suppliers that contribute goods/services to the goods produced and sold through PMH'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 Brandon Regional Health Centre relies on the franchisor to source, supply, and deliver the raw materials that are used to produce the food/beverages that are sold.

3. For the onsite meal service, similar to PMH's cafeteria services, in 2025 PSC was responsible for leading the food and nutrition competitive bid process and contracting with the selected supplier to supply and deliver the raw materials used by PMH. SCMSS assisted PSC to issue the food and nutrition competitive bid process but now relies on PSC to manage the contract with the selected supplier on behalf of PMH. A description of the direct and indirect suppliers that contribute goods/services to the goods produced and distributed through PMH's onsite meal service 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 PMH from a distributor if PMH'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 PMH 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, 2025 – March 31, 2026)**

During the previous financial year, PMH 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, or goods imported into Canada. Generally, this included:

- Developing and implementing training and awareness materials on forced labour and/or child labour.

PMH through SCMSS also took steps in the past financial year to prevent and reduce the risk that forced labour or child labour is used in the supply chains managed by SCMSS. However, these steps are not anticipated to address this risk in supply chains that contribute to any of PMH's activities. Generally, this included:

- Developing and implementing anti-forced labour and/or child labour contractual clauses.

While not completed or implemented, in the past financial year PMH through SCMSS took initial planning steps in addition to the above to address the risk in supply chains managed by SCMSS. Therefore, these steps when implemented may only address PMH's importing activities and other SCMSS managed supply chains and are not

anticipated to address the risk in supply chains that contribute to PMH's food services. Generally, these initial planning steps were in relation to:

1. Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains;
2. Developing and implementing anti-forced labour and/or child labour standards, codes of conduct and/or compliance checklists; and
3. Monitoring suppliers.

#### Developing and implementing training and awareness materials on forced labour and/or child labour

Shared Health collaborated with a service provider to obtain training materials on forced labour and child labour. Three (3) basic online training modules are now available on PMH's learning management system, which will be mandatory for all SCMSS staff and voluntary for other PMH staff. In the past financial year, all SCMSS staff completed the three (3) basic online training modules. Furthermore, SCMSS through its subscription with the service provider has access to additional training and workshops such as Tariffs, Trade Agreements, Incoterms and Forced Labour which was attended by select SCMSS staff responsible for contracting with suppliers.

#### Developing and implementing anti-forced labour and/or child labour contractual clauses

SCMSS developed anti-forced labour and/or child labour contractual clauses to include in new contracts entered into pursuant to its competitive bid processes. In late March 2026 these contractual clauses were implemented into SCMSS' template contracts.

#### Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains

SCMSS is in the process of planning a two (2) phase risk assessment of its suppliers. However, the risk assessment was not completed or implemented in the past financial year and when implemented it may only affect the supply chains managed by SCMSS.

The initial phase is expected to include basic research and screening using publicly available databases to identify suppliers operating in high-risk geographies or industries. The second phase is expected to include distributing a comprehensive supplier questionnaire and conducting a "tail spend" risk assessment to identify and map suppliers not engaged through a competitive bid process. It is anticipated that high

risk suppliers identified through the tail spend risk assessment would be prioritized for further screening or onboarding to a competitive bid process.

#### Developing and implementing anti-forced labour and/or child labour standards, codes of conduct and/or compliance checklists

SCMSS is in the process of developing a supplier code of conduct. However, the supplier code of conduct was not finalized or implemented in the past financial year and when implemented it may only affect the supply chains managed by SCMSS.

#### Monitoring suppliers

As part of its two (2) phase supplier risk assessment, SCMSS is in the process of planning an ongoing monitoring and reporting process, which is expected to include establishing mechanisms for incident reporting/whistleblower channels and annual risk reviews/supplier score cards. However, the ongoing monitoring and reporting process was not finalized or implemented in the past financial year and when implemented it may only affect the supply chains managed by SCMSS.

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

PMH 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, SCMSS has implemented/is planning/or relies on its partners for some other due diligence processes, and while not policies, PMH has hiring procedures that are designed to maintain compliance with federal immigration legislation and provincial employment legislation.

SCMSS previously 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, but it no longer is anticipated to address the supply chains that contribute to PMH's food services. For tracking purposes, SCMSS developed and implemented a procedure for a member of its performance management team to undertake an annual sampling of ten (10) competitive bid processes to confirm the scored question was implemented. As described above, SCMSS is in the process of planning a two (2) stage risk assessment, including an ongoing monitoring and reporting process, as well as developing a supplier code of conduct.

PMH also relies on HealthPRO's due diligence processes implemented with respect to their Capital Equipment, Clinical Services, Signature Services, and Pharmacy contracts.

PMH'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.*

PMH'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 PMH must register to employ any foreign worker other than a Manitoba Provincial Nominee.

All prospective employees of PMH including staff recruited for food services are recruited by advertising job opportunities on various career websites as well as the PMH 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 PMH, 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 PMH 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, PMH does not employ people under the age of 18 years. However, PMH cannot prohibit employing persons that are under the age of 18 years as that would be considered age discrimination. PMH 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 PMH's policy PPG-00049 Pre-Employment Security Checks, 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").

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

PMH did not start the process of identifying parts of its activities or supply chains that contribute to its activities that carry a risk of forced labour or child labour being used in the previous financial year. As described above, SCMSS is in the process of planning a two (2) phase risk assessment of its suppliers, but when implemented it may only affect the supply chains managed by SCMSS.

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

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

PMH 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**

As described above, three (3) basic online training modules are now available on PMH's learning management system, which are mandatory for all SCMSS staff and voluntary for PMH staff. SCMSS through a subscription is also able to obtain additional training and workshops.

### **Policies and Procedures Assessing Effectiveness**

PMH currently does not have policies or procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities or supply chains that contribute to its activities. As described above, 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, but it no longer is anticipated to address the supply chains that contribute to PMH's food services. As part of a procedure to assess its effectiveness in ensuring forced labour and child labour are not used in PMH's supply chains, SCMSS developed and implemented a procedure for a member of its performance management team to undertake an annual sampling of ten (10) competitive bid processes to confirm the scored question was implemented.

Furthermore, as described above, SCMSS is in the process of planning a two (2) phase risk assessment of its suppliers, but when implemented it may only affect the supply chains managed by SCMSS. The second phase is expected to include distributing a comprehensive supplier questionnaire and conducting annual risk reviews/supplier scorecards.

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 PMH 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:** Lon Cullen

**Title:** PMH Board Chair

**Date:**



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**I have the authority to bind Prairie Mountain Health**