



Fighting Against Forced Labour and Child Labour in Supply Chains Act

2025-26 Report on Forced Labour and Child Labour

Introduction

Forced labour can be found in every country and every sector. The International Labour Organization estimates that there are approximately 27.6 million victims of forced labour worldwide, including 17.3 million in the private economy. Forced labour and child labour risks occur primarily through the global supply chains of businesses. There is a risk that goods imported into and distributed in Canada were produced with forced labour or child labour. Entities and government institutions doing business in Canada have a responsibility to ensure that exploitative practices are addressed and eradicated from their supply chains.

The measures introduced under the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) aim to increase industry awareness and transparency and drive businesses to improve practices.

The Children’s Hospital of Eastern Ontario – Ottawa Children’s Treatment Centre (“CHEO”) is defined as a Reporting Entity under the Act and, therefore, must submit an annual report to the Minister of Public Safety by May 31 of each year. Reports must detail the steps taken during the previous financial year to prevent and reduce the risk that forced labour or child labour is used by CHEO in its supply chains. All reports are made available to the public in two ways:

- In a prominent location on CHEO’s website
- In an electronic registry on Public Safety Canada’s website

Organizational Background *(structure, activities, and supply chains)*

CHEO is a provincially funded, not-for-profit organization located in the City of Ottawa. CHEO is incorporated under the Ontario Corporations Act and is a registered charity under the Income Tax Act.

CHEO is a global leader in pediatric health, dedicated to helping children and youth live their best lives. CHEO combines excellence in clinical care, research, and education with a commitment to working with our partners to advance seamless care that’s provided where, when, and how it’s needed. Every year, CHEO helps more than 500,000 children and youth from eastern Ontario, western Quebec, Nunavut, and northern Ontario.

Named the best healthcare employer in Canada in 2024, and recognized as Forbes Canada’s Best Employers in 2024-2026, CHEO is one of Canada’s few stand-alone pediatric health centres and is the second largest health-care organization in eastern Ontario, with more than 2,900 doctors, nurses and additional staff dedicated to providing the best life for the children and youth served.

Every year, CHEO has over 6,900 admissions and 7,800 surgeries, as well as over 180,000 visits to outpatient clinics. CHEO also has one of the busiest pediatric emergency rooms in the country, with more than 65,000 visits a year. Through funding from both the Ministry of Health and Long-Term Care and the Ministry of Children, Community and Social Services, CHEO runs many specialized programs, including eating disorders, rehabilitation, autism, mental health, neurodevelopmental health, early language development and children with complex care needs.

In addition to its clinical mandate, CHEO is an academic health science centre. Each year, CHEO provides education to 2,300 future pediatricians and students in nursing and other health professions. Additionally, the 249 researchers at the CHEO Research Institute conduct leading-edge pediatric research, attracting nearly \$28 million in funding yearly.

CHEO houses several provincial and regional programs, including the Ontario Newborn Screening Program, Better Outcomes Registry & Network Ontario, the Knowledge Institute on Child and Youth Mental Health and Addictions, and the Champlain Maternal Newborn Regional Program.

CHEO also extends its expertise outside its walls, providing training for doctors and nurses in community hospitals on best practices for pediatric care. In 2017, CHEO joined forces with SickKids and Holland Bloorview to establish the Kids Health Alliance, an organization dedicated to improving the level of pediatric knowledge in health centres across Ontario and working with partners to create a more coordinated, consistent, high-quality system of care for children, youth, and their families.

CHEO must adhere to the Ontario Broader Public Sector Procurement Directive, the Buy Ontario Procurement Directive, and various trade agreements including the Canadian Free Trade Agreement (“CFTA”), the Comprehensive Economic and Trade Agreement (“CETA”) and the Ontario–Quebec Trade and Cooperation Agreement (“OQTCA”), amongst others. CHEO procures goods and services independently as well as through Group Purchasing Organizations (“GPO”), Shared Services Organizations (“SSO”) and others.

Prevention Efforts *(the steps the entity has taken during its 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 produced, purchased, or distributed)*

CHEO Procurement manages the procurement of goods and services with values of \$10,000 or greater through both invitational and open competitive tender processes. Since the implementation of the Act, CHEO has amended the Mandatory Requirements of its tender documents to include a provision for Bill S-211 Fighting Against Forced Labour and Child Labour in Supply Chains. Proponents (any entity that submits a response to a tender) are required to attest that they abide by applicable employment standards, labour, non-discrimination and human rights legislation. Where laws do not prohibit discrimination, or where they allow for differential treatment, Proponents must attest to a commitment to non-discrimination principles and not to operate in an unfair manner. Proponents must also attest that they are able to demonstrate that their workplaces operate under the following principles:

- i. That the goods and services that the Proponent is proposing to provide to CHEO 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);
- ii. Discrimination and harassment are prohibited, including discrimination or harassment based on any characteristic protected by law;
- iii. Employees are free to raise concerns and speak up without fear of reprisal;
- iv. Appropriate and reasonable background screenings, including investigations for prior criminal activity, have been completed to ensure integrity and character of the Proponent’s employees; and
- v. Clear and uniformly applied employment standards are used that meet or exceed legal and regulatory requirements.

CHEO requires Proponents to attest with a “Yes” or “No” response as to whether they fully meet the requirements of the Act. CHEO reserves the right to disqualify any Proponent’s bid that does not fully attest (with a “Yes” response) to this Mandatory Requirement.

In accordance with the Ontario Government’s Centralization Initiative of 2019, CHEO heavily leverages available Vendor of Record (“VOR”) agreements in all instances where available and appropriate. CHEO procures the majority of its medical and surgical products through the Group Purchasing Organization Mohawk Medbuy Corporation. It also procures goods and services through other Group Purchasing Organizations such as the Ontario Educational Collaborative Marketplace (“OECM”), HealthPro, Supply Ontario, Kinetic and Canoe, and leverages VOR agreements available through The Ottawa Hospital and others. All Group Purchasing Organizations and Shared Service Organizations that provide VORs that CHEO leverage comply with the Act’s requirements for their sourcing and procurement activities.

Aside from the mandatory attestations in its procurement tender documents, CHEO contract documents include language to attest that the goods and/or services provided by the supplier under the 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 Chains Act). This is a non-negotiable term in CHEO supplier agreements.

Policies and Due Diligence *(policies and due diligence processes in relation to forced labour and child labour)*

CHEO Procurement mandates the use of pre-approved tendering and contracting templates by its Sourcing staff. The tendering documents include Mandatory Requirements to attest to compliance with the Act, and contracting documents bind suppliers to their compliance with the Act. All invitational and publicly posted tenders include the attestation requirements. All suppliers that conduct business with CHEO are required to comply with the Act, and attest to having supply chains that are free from forced and child labour.

Risk Assessment *(the parts of its activities and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk)*

During this reporting period, and since the introduction of the Act, CHEO has not identified any forced labour or child labour in our activities and supply chains.

Remediation Action *(any measures taken to remediate any forced labour or child labour)*

CHEO has not identified any forced labour or child labour in its procurement activities and supply chains; as such, CHEO has not taken any remediation actions in this regard. CHEO will continue its vigilance to monitor its supply chain partnerships accordingly.

Mitigating Income Loss *(any measures taken 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)*

CHEO has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our supply chain activities.

Employee Training *(the training provided to employees on forced labour and child labour)*

CHEO provided mandatory training for its Sourcing team employees. Each employee is knowledgeable about the Act and its requirements.

The employees are aware of the proponent's attestation within the organization's tendering documents and contracts and understand the importance of removing forced labour and child labour from supply chains.

Effectiveness Evaluation *(how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains)*

CHEO uses Mandatory Requirement attestations in its procurement documentation and contract terms and conditions to ensure compliance with the Act. Tender and contract language permits CHEO to disqualify bids from Proponents that do not comply with the Act, and to terminate contracts if misleading statements regarding compliance with the Act are determined.

Documentation

CHEO maintains complete and proper records to support the claims made throughout this Report.

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