
**DIAGNOSTIC SERVICES OF MANITOBA
BOARD OF DIRECTORS POLICY**

Policy Name:	Conflict of Interest	Number: GP-10
Policy Type:	Governance Process	Date Approved: February 12, 2004 Date Amended: December 10, 2010

INTRODUCTION

Directors of Diagnostic Services of Manitoba Inc. (DSM) Board (Directors) are charged with the responsibility of allocating and managing health resources including the spending of public tax dollars for public laboratory and public diagnostic imaging services in Manitoba. Thus, Directors are expected to maintain high standards of integrity and ethical conduct. Directors must be vigilant to prevent any actual or perceived misconduct. Further, Directors should conduct their personal business affairs so as to avoid an obligation to any person who might benefit from special consideration or favour on their part.

The DSM Board is composed of the Deputy Minister of Health as Chair, representatives of the Provincial Department of Health, the Chief Executive Officers (CEOs) of each of the 11 Regional Health Authorities (RHAs) in Manitoba and representatives of the unionized public laboratory and public diagnostic imaging staff. Each of these groups of Directors represents specific interests:

The Deputy Minister of Health Officials represent the interests of the province, as the overall funder of the health system including the delivery of public laboratory and public diagnostic imaging services in Manitoba, and of Manitobans as consumers of such services. These officials are responsible to ensure that services are provided in a manner which meets the needs of Manitobans, is within the approved budget for DSM, and is in accordance with any decisions of the Minister, Treasury Board and/or Cabinet.

RHA CEOs represent the interests of each of their RHAs and of the Manitobans receiving services within their respective health regions. The CEOs are responsible to ensure that services are provided in a manner, which meets the needs of the Manitobans receiving services within their RHAs' respective health regions and does not adversely impact their respective RHAs and health regions in terms of service delivery and available resources.

Union Representatives represent the unionized staff delivering public laboratory and public diagnostic imaging services in Manitoba. They are responsible to ensure that the interests of staff are considered in decision-making respecting public laboratory and public diagnostic imaging services.

Although the Directors share a common goal to ensure that sustainable, high quality public laboratory and public diagnostic imaging services are available to meet the needs of Manitobans, it is acknowledged that the respective interests that they represent may at times exert an influence on their decisions in the DSM context. The main areas which may be impacted include:

The Deputy Minister of Health Officials as primary funder may have an overriding interest in a number of different matters which interest may be amplified in relation to any agreements/transactions to which the Provincial Department of Health or the province is to be an actual party.

RHA CEOs in relation to agreements/decisions that will impact on the RHAs. In particular:

- DSM entering into agreements with one or more RHAs
- Decisions to move services between facilities, from region to region, discontinue services or add services in regions
- Funding allocations for services within regions

Union Representatives - in relation to agreements/decisions that will impact unionized staff. In particular,

- Collective bargaining affecting their own union
- Collective bargaining with other unions that will impact the collective bargaining affecting their union
- Decisions that will potentially impact staff such as decisions to move services between facilities, from region to region, discontinue services or add services in regions

There may also be an impact in relation matters that may be/have been grieved by staff represented by the relevant union if discussed by the Board.

Some of the aforementioned impacts will be captured by the requirements of *The Corporations Act*. Others although not covered by *The Corporations Act* arise due to the unique nature of the DSM Board and are significant interests that must be addressed to avoid future uncertainty and potential impediments to effective decision-making by the DSM Board.

PROCEDURE

Pursuant to subsection 115(1) of *The Corporations Act*.

115(1) *A director or officer of a corporation who*

(a) is a party to a material [i.e. not trivial or minor] contract or proposed material contract with the corporation; or

(b) is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with the corporation;

shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest.

Subsection 115(6) of the *The Corporations Act* further provides that:

115(6) For the purposes of this section, a general notice to the directors by a director or officer, declaring that he is a director or officer of or has a material interest in a person and is to be regarded as interested in any contract made with that person, is a sufficient declaration of interest in relation to any contract so made.

The entity represented by each Director shall be entered in the DSM Board meeting minutes. The entity represented by any Director appointed after adoption of this policy by the Board shall be recorded in the minutes of the first Board meeting attended by the new Director. Such entry shall be deemed to be general notice of an interest in such entity and any contract between DSM and the entity pursuant to subsection 115(6) of *The Corporations Act*.

All Directors may participate in the discussion and vote in relation to the matters in which they have an interest as outlined in this policy.

With respect to material interests that are not outlined in this policy, including those arising due to personal relationships, etc. of Directors, disclosure shall be made in accordance with section 115 of *The Corporations Act*. Upon disclosure, the Board shall decide if the Director may participate in the discussion and vote on the matter subject, as required by the Act, to Ministerial approval of any resolution to approve a material contract where an interested Director has voted in relation to a resolution to approve the contract.