

# City of Toronto Social Procurement Program

Presentation to Aboriginal Affairs Committee (AA2.5)

December 18, 2015



# What is Social Procurement?

- Social procurement is the practice of using an organization's regular process of buying goods and services to also achieve strategic social development goals.
- The City of Toronto has over 100 years of experience using procurement in this way including:
  - Fair Wage Policy
  - Declaration of Non-Discrimination
  - Environmentally Responsible Procurement Policy
  - “No Sweatshop” Policy

# City of Toronto Social Procurement Program

## Goal:

Leverage the economic power of the City to stimulate job growth, support local businesses, and drive inclusive economic growth.

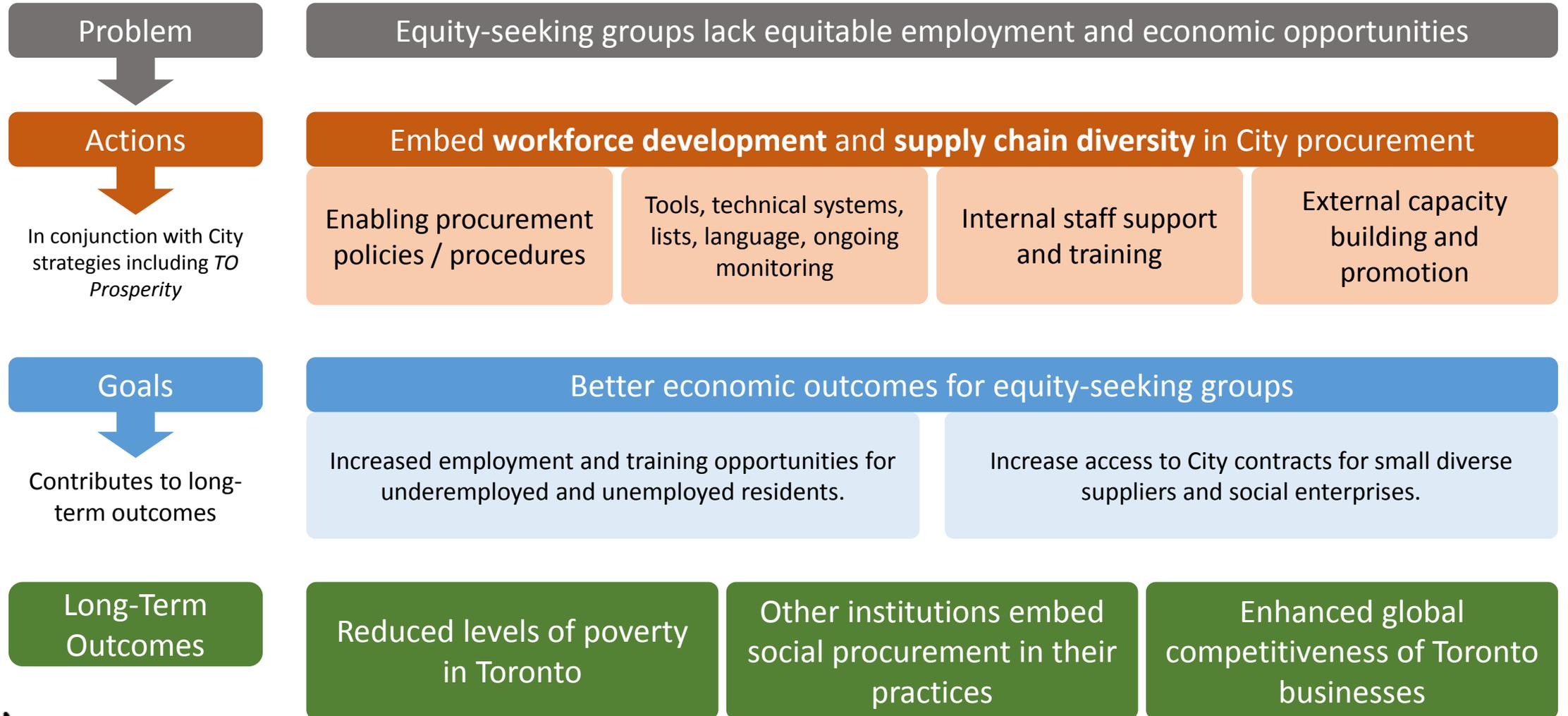
*- Poverty Reduction Strategy Recommendation #13*

### Two Components

Supplier Diversity Program

Workforce Development Program

# How Social Procurement Works



# Federal and Provincial Approaches

- Maintain Aboriginal business directory.
- Ministry of Aboriginal Affairs and Indigenous and Northern Affairs Canada are both conducting internal and external information campaigns to inform Aboriginal suppliers of opportunities and to promote Aboriginal suppliers to departments.
- Individual departments are responsible for identifying suitable procurement “set-asides” where Aboriginal People are the primary recipient of the goods or services.

# Proposed City of Toronto Supplier Diversity Program

- For procurement under \$50,000 in value, divisions must make attempts to get at least one quotation from certified diverse suppliers and social purpose enterprises, including Aboriginal suppliers.
  - Current certifying bodies: CAMSC, WBE Canada, CGLCC, Social Purchasing Project
- Suppliers competing for larger contracts will be encouraged or required to provide subcontracting opportunities to diverse suppliers.
- Nature of requirements/encouragements in larger contracts will be dependent on the type of procurement document and the capacity in the community to supply the specific type of good or service.

# Proposed City of Toronto Workforce Development Program

- Suppliers will be encouraged to include training, apprenticeship and employment opportunities for unemployed and underemployed residents.
- For construction projects, approach will be aligned with Provincial *Infrastructure for Jobs and Prosperity Act* (Bill 6).
  - Phased in approach depending on size of procurement.
  - Suppliers must provide a plan for apprenticeship opportunities including identifying opportunities for specific communities including Aboriginal People.
- For non-construction projects, workforce development can include apprenticeships, employment opportunities, job readiness training, working with social purpose enterprises engaging in workforce development, etc.

# Phasing in Implementation

- Implementation of the Program will be phased to identify suitable procurement, train staff, and work with the community to build capacity.
- Appropriate targets for the program will be developed balancing:
  - Need to establish robust baseline to better understand City spend.
  - Availability of appropriate procurement opportunities in the next few years
  - The need to train and educate staff and structure project plans appropriately
  - Need to identify, support and develop community capacity (e.g. develop employment pipelines, develop Aboriginal businesses and social purpose enterprises)

# What does this mean for Aboriginal Suppliers?

- Divisions will look for Aboriginal Suppliers certified by the Canadian Aboriginal and Minority Supplier Council, and social purpose enterprises that engage Aboriginal People when purchasing goods and services under \$50,000 in value.
- Larger vendors will be encouraged to work with Aboriginal suppliers.
- External outreach and capacity building is a key component of making this program successful.
  - City procurement will be incorporated as a tool that can and should be used in the City's ongoing community development work with Aboriginal People.
  - Targeted outreach and capacity building with Aboriginal People to provide better, customized support and communication.

# Opportunities for External Capacity Building

The City needs to do a better job of linking procurement opportunities to existing capacity building work including:

- Employment services and workforce development
- Community development and resident support networks
- Economic development and business support

**Question:** What are the most effective ways in which the City engage with Aboriginal Suppliers?

# Timeline

- **December to February:** Consultation and outreach
- **March 9:** Staff report considered at Executive Committee
- **March 30/31:** Staff report considered at City Council

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