

## **Supplementary Report - Indigenous Procurement Strategy**

**Date:** May 9, 2023

**To:** City Council

**From:** Chief Procurement Officer, Purchasing and Materials Management Division

**Wards:** All

### **SUMMARY**

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At its meeting on May 10, 11 and 12, 2023, City Council will consider a [member motion](#) regarding the development of an Indigenous procurement policy. The purpose of this report is to provide information on the work on Indigenous procurement that is currently being undertaken by staff in the Purchasing and Materials Management Division, with support from the Indigenous Affairs Office and Economic and Culture Division.

### **FINANCIAL IMPACT**

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There is no financial impact resulting from the adoption of the motion to develop an Indigenous Procurement Strategy. The work was already planned and accounted for through the 2023 Operating Budget process, which included an approved enhancement for staffing and other project expenses related to establishing an Indigenous procurement strategy.

There may be a proposed financial impact resulting from the adoption of the strategy, which would be brought forward for consideration when the development work is complete, and the strategy is brought to Council for approval.

### **EQUITY IMPACT STATEMENT**

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The procurement process is complex and presents numerous barriers to participation by Indigenous businesses. Working with Indigenous businesses and communities to decolonize procurement processes will remove barriers and create new economic opportunities for Indigenous businesses through City contracts. An Indigenous Procurement Strategy will also address obstacles to employment and create new processes for Indigenous People to access employment through City contracts.

## DECISION HISTORY

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At its meeting on April 6 and 7, 2022, City Council unanimously endorsed the [Reconciliation Action Plan](#), which guides the actions the City of Toronto will take to achieve truth, justice and reconciliation. Action 20, Improve Indigenous Economic Development, includes actions relating to decolonizing the procurement process.

## COMMENTS

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Following the adoption of the Reconciliation Action Plan (RAP) in 2022, Purchasing and Materials Management Division (PMMD) began to scope a reconciliation audit of the procurement process in partnership with the Indigenous Affairs Office.

Preliminary audit work was completed through a review of the Social Procurement Program. The review included spend analysis, a business survey and consultation with other divisions, such as the Indigenous Affairs Office, Economic and Culture Division and Social Development, Finance and Administration Division. The review findings indicated that the Social Procurement Program has positively affected procurement spend and employment opportunities for Indigenous People and businesses. However, there is an opportunity to improve outcomes.

To effectively address the procurement-related actions in the Reconciliation Action Plan, PMMD will be starting work in 2023 on a standalone Indigenous Procurement Strategy that can take full advantage of the procurement tools available to support Indigenous procurement. The intention is for the strategy to be co-developed with Indigenous businesses and communities.

Given the importance and complexity of this work, PMMD was approved through the 2023 Operating Budget process to hire a Policy Development Officer dedicated to developing the Indigenous Procurement Strategy, working with Indigenous businesses and communities. The recruitment process is currently underway and is anticipated to be complete by the end of Q2. Additional project funding was also approved for an Indigenous consultant to complete an analysis of the Indigenous business landscape and support the creation of reconciliation audit tools, and for honoraria and costs associated with ceremony during the engagement process.

## CONTACT

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## SIGNATURE

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