

Backgrounder

AVICC - April 2017

This backgrounder briefly explains what social procurement is, provides details on international and local developments that have occurred since the 2016 convention, and identifies actions for the continued development of social procurement resources for AVICC member governments. It is intended to add to conversation at the 2017 AVICC Convention.



SOCIAL PROCUREMENT

Why social procurement?

Every year, local governments across BC award contracts for goods and services with significant public funds. With increased social demands, asset management and downloading set against limited property-taxation revenue, we must be ever more innovative and strategic to meet our communities' needs. Social procurement is a growing international practice that can help to address this challenge – as well to include procurement expenditures in the balance of economic, environmental and social considerations in government operations and decision-making.

What is social procurement?

Social procurement is the strategic achievement of social, economic and employment objectives through our purchasing of goods, services and infrastructure. It is becoming an accepted (and expected) practice throughout Canada and the world to invite contractors to advance community social and economic goals as a component of tendering and RFP procurement evaluations.

“ SOCIAL PROCUREMENT
serves as a unique market-
based opportunity to use
existing purchasing to
impact society. ”

What are some of the benefits and impacts we can achieve by leveraging public funding through social procurement?

- Workforce and skills development benefits - providing community members in need with employment, apprenticeship and training opportunities, leading to further economic and social benefits throughout our communities.
- Community-building - recognizing companies/employers for social, economic and environmental contributions they are already providing (or would like to provide) and strengthening connections and community pride between public, private and nonprofit sectors.
- Public space and infrastructure – achieving community strategic priorities such as bike/walking paths, beautification, food security, environmental revitalization and cultural amenities by aligning them with procurement projects.
- Supply chain diversification – expanding RFP/tendering criteria to include and recognize the economic value, innovation and potential of a broader range of firms, including partnerships with non-profit organizations or social enterprises.

What else is happening? Why is this important now?

- Since March 2016, social procurement has been law across Europe, and the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) is scheduled to come into force in 2017. For Canadian firms to adapt to this new environment, Canadian governments at all levels are now working to build domestic capacity in social procurement.
- Prime Minister Trudeau's 2016 mandate letter to Public Services & Procurement Minister Judy Foote committed Canada to procurement policy modernization "including green and social procurement."
- Federal Bill C-227 (Community Benefit in Infrastructure), to include community benefit agreements in federal procurement, passed second reading in October 2016.
- In Ontario, Bill 6 requires community benefits in public infrastructure contracts.
- Alberta's first social procurement framework was implemented in September 2016 in Fort McMurray as a key strategy in rebuilding the community after the wildfires.
- Resolutions passed at both AVICC 2016 and UBCM 2016 to advance social procurement in BC.
- In 2015 the Village of Cumberland adopted BC's first social procurement framework and piloted a successful social tender; in 2016 the Town of Qualicum Beach passed BC's first social procurement policy; in December 2016 the City of Courtenay voted to conduct a social procurement pilot; and in January 2017 in Victoria, the Mayor's Task Force on Social Enterprise and Social Procurement developed a set of recommendations to advance both of these areas.
- The municipalities of Victoria, Qualicum Beach and Campbell River are participating in a social procurement infrastructure pilot with Vancouver Island Construction Association and the Construction Foundation of BC, facilitated/led by Sandra Hamilton, former Business Manager to Vancouver 2010 Olympics CEO John Furlong.

* This list based on research & work of Sandra Hamilton, Social Procurement Advisor and Canada's First Social MBA,

What's next for AVICC and its member local governments?

Since the convention, an ad hoc Working Group comprised of elected officials from each sub-region of the AVICC has met quarterly on a volunteer basis to discuss their interest in advancing social procurement across the AVICC region and developing a "Community Benefit Hub" that all interested local governments could access to learn, share experiences, and advance social procurement within their own communities.

The Working Group is very grateful for dialogue with the AVICC Executive, and has put together this backgrounder to inform conversations at the 2017 AVICC convention. The working group would like to continue its work, with a liaison from the AVICC Executive, and bring back a formal proposal to the AVICC membership at the 2018 annual convention.

Shirley Ackland, Mayor of Port McNeill
Leslie Baird, Mayor of Cumberland
Colleen Evans, Councillor, Campbell River
Lisa Helps, Mayor of Victoria
Josie Osborne, Mayor of Tofino
Aaron Stone, Mayor of Ladysmith
Rob Southcott, Councillor, Powell River
Teunis Westbroek, Mayor of Qualicum Beach
Silas White, Councillor, Gibsons

