July 8, 2022

Mayor and Executive Policy Council Members

Subject: Report – Item No 1 – Introduction of a Sustainable Procurement Action Plan

Dear Mayor Bowman and Executive Policy Council Members,

We write today regarding Item No.1 on the July 13, 2022 Executive Policy Committee Agenda - the Sustainable Procurement Action Plan.

The Social Procurement Action Plan is the culmination of many hours of industry, government and third-party time and effort over two years. On January 19 of this year, Winnipeg Construction Association and Manitoba Heavy Construction Association were part of a delegation that recommended to the Executive Policy Committee that a third-party facilitator be engaged to assist administration in the completion of the Action Plan.

We are grateful for the adoption of that recommendation, and we have found that the engagement of Buy Social Canada was of tremendous value to the development process and the final product being presented at committee today.

Collectively, our two organizations support many aspects of the Social Procurement Framework and accompanying recommendations.

First and foremost, we support the goal of the Sustainable Procurement Action Plan which, from our perspective, will attract more people to the construction industry. There are tremendous opportunities available for any motivated persons, from all levels of educational attainment. If the tools outlined in the SPAP are successful, the construction industry will have higher employment and provide better services for the City of Winnipeg. This is commendable.

We are encouraged and grateful the SPAP vision recognizes the long-standing work of the construction industry in raising awareness, recruiting, educating and training individuals identified in the strategy as members of the equity groups intended to benefit from social procurement.

Specifically, we welcome the intent of SPAP

- *to Enhance City of Winnipeg knowledge of public and private employment training entities and increase partnerships between contractors and these entities*
- *o Align public and private education and training programs with potential employment through sustainable procurement*.

This collaborative and respectful approach is foundational to the success of the policy and the Action Plan.

To that point, the commitment to two-way, meaningful engagement with industry through the Social Procurement Advisory Table and Winnipeg Social Procurement Roundtable is an important inclusion.

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Related to this, we also support of the requirement to report annually to the Executive Policy Committee. The annual report will ensure that progress and improvement of this system will continue.

The Action Plan also commits to measurement and reporting of the program impacts. We not only support this commitment but view this part of the process as vital. Page 11 of the Action Plan makes it clear that the Sustainable Procurement Advisory Table will:

> *"Contribute to the iterative development of tools, related procedures, social value requirements, evaluation criteria, and measurement KPI's and targets."*

It is only through careful measurement and evaluation that the development of a 'Return on Investment' can be realized.

Recommendation 3 of the report is that a 'Sustainable Procurement Liaison' position be created, presumably within the Materials Management department to oversee the Framework and Action Plan. This recommendation recognizes that this is the beginning of the journey and this process will require continued attention and improvement. We support this recommendation.

The Use of Community Benefit Agreements

The Social Procurement Action Plan outlines a process for the evaluation of potential Community Benefit Agreements (CBAs) in future construction projects. The Action Plan states:

> *"The development of CBAs is an iterative process and requires consideration on a project-by-project basis upon criteria that will be developed with stakeholders and Indigenous Rightsholders participation, as well as meaningful engagement with stakeholders and Indigenous Rightsholders as to the project-specific issues and merits of its use.*"

However, while the Social Procurement Working Group was working with Buy Social Canada in developing the SPF, Winnipeg City Council adopted the following recommendation regarding Community Benefit Agreements:

> *That any future tenders for subsequent phases of the North End Water Pollution Control Centre Project require bidders to include the following information and undertakings in their submissions, which will be evaluated as part of that Bid Opportunity:*
>
> *A. Specific information on its intended partnerships or self-directed plans to secure a skilled project labour workforce.*
>
> *B. Estimated numbers of and classifications of skilled tradespersons to be employed.*
>
> *C. Specific commitments to engage skilled labour including targets for employment of Indigenous peoples and other under-represented groups within the Manitoba market.*
>
> *D. Proposed plans and partnerships with organizations to promote employment and training initiatives for Indigenous and other under-represented groups within the Manitoba market.*

We are concerned that the above adopted recommendation by Council has effectively by-passed the intent of the Action Plan. We strongly urge Council and City of Winnipeg administration to practice patience when considering a Community Benefit Agreement for the next stage of the North End Water Pollution Control Centre. NEWPCC is a historically large and important project for Winnipeg; every aspect of its delivery will require careful consideration. The Social Procurement Action Plan begins to develop the process to evaluate the viability and priority for 'CBA-like' tender requirements and that process should be followed for the NEWPCC process.

We would like to thank you for the opportunity to be included in the industry consultation for this document and the ability to provide comments at this time.



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