



ENGAGE

INDIGENOUS PROCUREMENT

Reporting Back



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1 Project Overview

1.1 Background

On January 8th, 2018, Council resolved:

“That the Administration consult with local stakeholders to identify areas where the City could use leading procurement processes to bolster social and environmental impact, and Aboriginal Inclusion, and report back on the results of that consultation.”

The City Council endorses the TRC Calls to Action in this case specifically #92

Section 10 of the City of Saskatoon’s New Purchasing Policy states:

“The City will procure Goods and Services, and promote and participate in viable Procurement opportunities with Diverse Suppliers and Indigenous Suppliers. Divisions should consider the role of Diverse Suppliers and Indigenous Suppliers within Saskatchewan when conducting Procurement activities.”

After Engagement with the appropriate parties, the administration will report back to City Council in early 2019, on the development of Indigenous, Social and Sustainable procurement procedures.

This Community Engagement project was focused on convening stakeholders to understand their experiences ideas, and lessons learned in working with developing indigenous procurement procedures.

1.2 Acronyms & Definitions

COR: Certificate of Recognition – a type of certification program for occupational health and safety for companies with 10 employees or more

ISNET: International Suppliers Network – a system that allows subscribed contractors to submit their company’s information one time and easily report their safety standards and performance to multiple Hiring Clients.

NWPTA: New West Partnership Trade Agreement – an accord between the Governments of British Columbia, Alberta, Saskatchewan and Manitoba that creates a barrier-free, interprovincial market.

RFP: Request for Proposals

2 Engagement Overview

2.1 Objectives

1. To facilitate a discussion that identifies opportunities, best practice, and common barriers to social economic procurement;

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2. To shape a robust social and economic procurement and evaluation model to effectively evaluate the full value that a proponent will provide;
3. To identify opportunities for broader inclusion within the supply chain and leverage our spend to benefit indigenous employment and economic development; and
4. To work with social economic groups to ensure concerns and priorities are understood.

2.2 Techniques (Methodology)

2.2.1 Indigenous Procurement Workshop

- Date: October 22, 2018
- Location: Saskatoon Inn Hotel & Conference Centre
- Number of Participants: 38
 - Who was invited?
 - Representatives from Indigenous owned and employing companies, First Nations leadership, Indigenous economic development corporations, and community organizations.
- Workshop Goals:
 - Network and collaborate
 - Share our experiences
 - Understand capacity and interests
 - Align opportunities
 - Leverage our spend to benefit indigenous employment and economic development
 - Establish baseline and continuous improvement

3 What We Heard

The report below provides a summarized version of what we heard from participants, grouped into key themes and areas of conversation. The raw notes from the workshop are included in the Appendix beginning on page 13, for your reference.

3.1 Barriers and Opportunities

In the first conversation of the workshop, participants were asked to share their experiences and stories of procurement. In particular, they were asked to share what had worked well and what hadn't worked well for them in the past. They also were invited to share key barriers and the opportunities they saw for overcoming these and other challenges.

Table 1: Barriers and Challenges to Indigenous Procurement

Theme	Key Points
1. City staff education, awareness and commitment	<ul style="list-style-type: none"> - Policy tends to be developed in a silo, and commitment weakens over time. - Unaware of trade agreement exemptions and lack a requirement to do this (unlike federal government). - Staff turnover challenges relationship-building.
2. Inertia of the status quo	<ul style="list-style-type: none"> - Unlikely to look beyond existing relationships, current practices, and legacy supply chains. - Predominance and familiarity with lowest-bid model; many suppliers can't compete because of safety/quality standards. - Low risk appetite or interest in change.
3. Biased decision-making	<ul style="list-style-type: none"> - Disproportionate scrutiny, distrust, and oversight due to false ideas about indigenous business' competency and integrity ("what are you going to do with the money?"). - Procurers that are looking for problems and inflating the risk.
4. Cost and capacity constraints	<ul style="list-style-type: none"> - Prohibitive expenses for small and community businesses, for example if required to hire a legal team, hold funds for bid bonds, use ISNET, acquire equipment, or manage multiple small contracts. - Smaller or lower-capacity businesses may need smaller and longer contracts, or time to develop capacity. Can be hard to compete and get noticed.
5. Inauthentic partnerships and process	<ul style="list-style-type: none"> - Ad hoc and opportunistic partnerships; being "used" by larger companies without adequate return on investment; simply ticking a "checkbox" without accountability. - Giving opportunities for competing on the whole spend versus just a sliver portioned off for corporate social responsibility or social procurement.
6. Competitive and political pressures	<ul style="list-style-type: none"> - Difficulty of competing against private owned businesses when you are community-owned and operated. - Politics – distribution of work between political entities; Tribal Council Economic Development vs. First Nation member nations Economic Development departments and Treaty vs. Metis

Table 2: Successes and Opportunities for Indigenous Procurement

Theme	Description
1. Focus on relationships	<ul style="list-style-type: none"> - Meeting the businesses and suppliers, visit the communities where impact will be felt and understand their priorities. - Proactive business development – connect possible suppliers and assist in creating partnerships. - Establishing a direct contact and relationship with a buyer.
2. Flexible approaches	<ul style="list-style-type: none"> - Being open to creating opportunities for smaller companies, to building capacity, taking a different, more inclusive approach. - Taking an approach focused on learning and adapting; finding low-risk opportunities to test out different models.
3. Extended duration	<ul style="list-style-type: none"> - Taking longer, more staggered approaches to develop the business or capacity (ex. SaskPower and Kitsaki); an individual client based approach. - Using shared risk-reward models. - Taking a developmental view: building “bench strength”, and investing in skills and educational training for young people.
4. City leadership	<ul style="list-style-type: none"> - Empowering internal champions and having support from City leadership at all levels. - Holding leaders accountable for results, and focusing on the required internal systems change. - Communicating expectations with both buyers and suppliers.
5. Incentives and accountability	<ul style="list-style-type: none"> - Setting clear weightings and requirements to incentivize change for Indigenous inclusion. - Holding suppliers accountable through random cost audits follow-through audits, including actual visits to offices, job sites or verification through the Saskatchewan Indigenous Chamber of Commerce.

3.2 Social and Economic Impacts

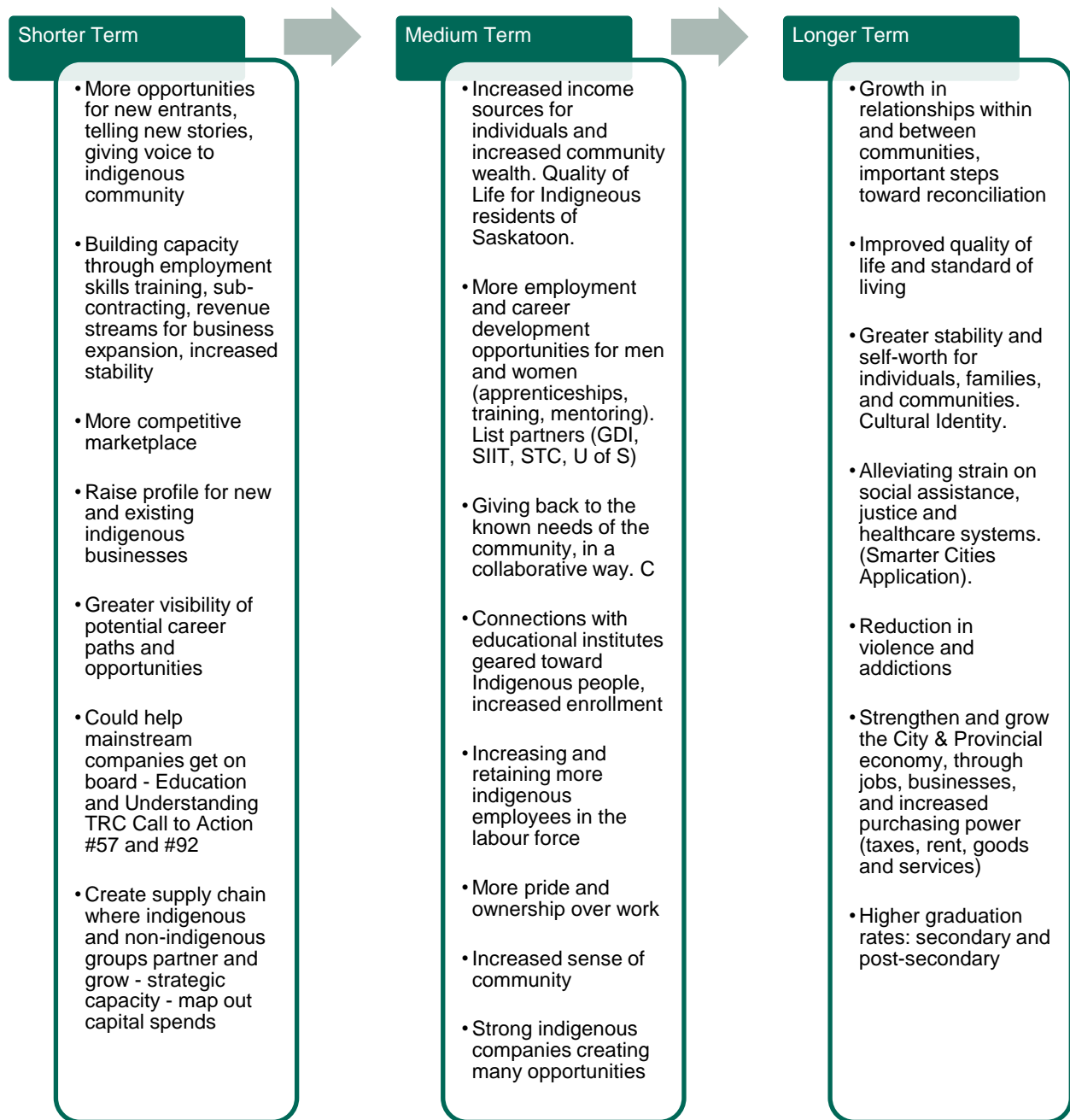
Participants were asked to consider the short, medium, and longer term impacts of indigenous procurement. In particular, they were asked:

- What could the social and economic benefits look like? What impact do we want to make?
- What opportunities are there for the City’s procurement practices to contribute to Indigenous social and economic development?

A summary of the responses is shown in Figure 1: Impacts of Indigenous Engagement below.

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Figure 1: Impacts of Indigenous Engagement

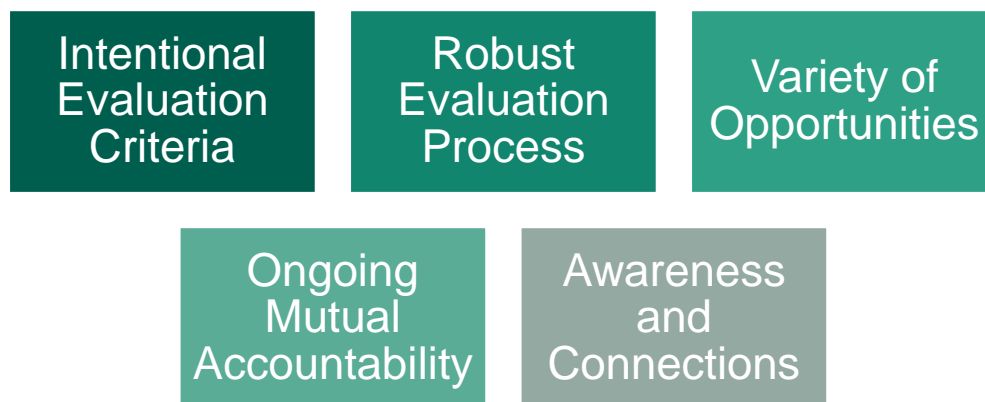


3.3 Adapting the RFP Process

Participants were asked to share ideas about:

- How can RFPs be designed to include value beyond lowest price – i.e. take social value into account, and what criteria could be included
- How the City might evaluate whether an RFP response has potential benefits for indigenous social & economic development
- How to define indigenous ownership and employment

From the conversations, five focus areas came to the surface, which are described in more detail in this section.



1. Intentional Evaluation Criteria

The majority of discussions focused on the type of evaluation criteria that would be most helpful to include. Participants agreed that proponents should be able to demonstrate a commitment to community involvement, and a description of the company’s indigenous engagement strategy. More specifically, they could be asked to identify the community benefits resulting from the project, including the downstream impacts and value created – for example, through employment, training (including internships, mentorship), subcontracts, and community investment or profit-sharing. The evaluation criteria would include some quantifiable measures or “hard goals” that could be tracked and audited (rather than just best efforts); one participant suggested that one measure could be the ratio of intended community investment relative to the company size (proportional).

Potential suppliers should also be asked to list the percentage of their workforce and ownership that is indigenous, including subcontractors. The City could also request an estimate of the sum of indigenous employment and training hours relative to total project hours. Participants often mentioned the importance of job creation at a variety of levels and types, so there could be extra points for bids in which a certain ratio indigenous employees are in management roles, for example. Some participants also emphasized the need for relevant safety and training requirements to be part of the evaluation criteria.

Defining Indigenous Ownership & Employment

The majority of participants favoured flexibility, and a variety of different ways to approach the criteria and weighting. Some were adamant that the company strategy (and where the profits are going) matters more than actual ownership. Participants noted that these criteria could be fulfilled through partnerships and subcontracts as well. The City was advised to consider the model used by the Northern Alberta Aboriginal Business Association, in which there are two categories of membership with clear requirements for each. Several groups believed that Saskatchewan-based companies should be prioritized, while others felt that indigenous companies from other provinces should be treated equally rather than based on provincial boundaries.

Ownership

51% majority indigenous-owned, where the owners are active and credible was seen as most desirable, though a lower percentage of ownership could still be recognized. Some participants noted that ownership is insufficient, and that these companies need to demonstrate an impact beyond their profits and assets; for example, in creating executive-level development opportunities.

The integrity of their community investment or engagement strategy is of utmost importance, and could be vetted or endorsed by a community through a letter of support, for example. Some encouraged the buyers to request an organizational chart that includes signing authorities, to verify credibility. Several participants noted that there are differences between community-owned, tribal council owned, and independently-owned businesses.

Employment

Similarly, group conversation gravitated toward 51% of indigenous employees as a significant marker, but this was not seen as a necessary requirement. Some indicated that it was more important to strive for a workforce that is representative of the population (of Saskatchewan, or of a given community) and many highlighted the need to break down indigenous employment targets between management and operating staff, or skilled and unskilled labour.

2. Robust Evaluation Process

There were several suggestions for how the City might evaluate future RFPs in order to support indigenous procurement. Participants said that they would want the City to review the company's indigenous engagement strategy, how the project links to social and economic development, and the balance between profit, capacity investment, education or training, and other benefits. If a particular community is involved or named, the buyers should verify that there is a relationship with the community; specifically, that community members were involved in the response and/or that their interests are reflected in the identified benefits.

Other comments reinforced the need for due diligence. For example, reviewing company data, employment and ownership levels, references, employee training, and the corporate track record of indigenous involvement and community impact. Some suggested conducting pre-award interviews. Participants specifically requested that buyers request proof of claimed partnerships (corporate documents or agreements, for example). The City was also urged to

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ensure that buyers and internal stakeholders are trained on how to evaluate and remove bias in their own decision-making.

3. Variety of Opportunities

Participants urged the City to be flexible and to create a variety of different opportunities rather than a one-size-fits-all approach, acknowledging that businesses may be at different stages and projects may have differing demands. While some participants disliked the concept of set-asides or piecemeal contracts, others said that in some cases it would be helpful to “strategically package” the work required to complete City projects. For example, providing longer-term contracts with a smaller required workforce to give suppliers a chance to build their capacity over time, perhaps through smaller chunks of work. Another strategy for large projects would be to allocate extra points to a company that commits to working with an indigenous subcontractor. Other cited the Merx systems of having set-asides for indigenous companies to bid on. One group raised the idea of providing “incubation support” for RFP proposals that were unsuccessful. Overall, a key message was “don’t let the metrics (exclusively) drive the opportunities.”

4. Ongoing Accountability

There was a lot of conversation about the need for continual communication, and with that, ongoing accountability to what was set out in the successful bid. The City would be responsible for ensuring a fair playing field, and establishing some “checks and balances” to assess claims of indigenous participation, and reported community benefits. Participants urged the City buyers to get to know and visit communities and businesses, in order to build that accountable relationship and two-way expectation setting. The City was also encouraged to use clear language with penalties for delays and non-completion, and to require reports on the social return on investment during project close-out or contract reviews to identify the impacts and learning.

Participants emphasized the need for corporations to monitor their indigenous inclusion rates, setting benchmarks to achieve over time, and ensuring these are connected to staff performance metrics. Social development commitments should be understood throughout the

5. Create Awareness and Connections

Many of the conversations emphasized the importance of relationship building with community members, indigenous businesses, and non-indigenous suppliers in order to better understand interests and opportunities. For example, having a supplier database to facilitate connections for sub-contracting and joint ventures, and matching non-indigenous and indigenous suppliers for mentorship or partnership. Connections with educational institutions was also seen as highly important.

Participants also discussed the need for education and training at all levels within the City and especially non-indigenous businesses who might be looking to increase indigenous employment. City staff were also encouraged to remember to use the “levers” available to engage indigenous businesses – for example, the exemption for indigenous engagement in the NWTPA treaty. During the discussions, it was often mentioned that this work can require tough conversations to charter new paths and requires strong internal champions.

3.4 Beyond the RFP

During this part of the workshop, participants considered how else the City of Saskatoon might further leverage its purchasing influence, and measure progress towards indigenous inclusion through procurement.

3.4.1 Complementary Strategies

Four key themes emerged from the conversation and are outlined below. Other pieces of feedback were: to look for local and in-province suppliers, establish longer-term contracts to provide opportunities for companies to develop expertise, and to take a holistic approach to benefit indigenous people.

1). *Communicating and Connecting*

Consider starting quarterly town halls for potential suppliers to learn more about ongoing and future municipal projects and contracts. Seek out business relationships and partners in order to meet goals, and facilitate the creation of a public database of indigenous suppliers. Ensure two-way communication and feedback when projects run into challenges, or are unsuccessful. One participant encouraged the City to have a debrief system, and to encourage persistence.

2). *Identifying and Acting on Patterns*

Participants encouraged the City to take a big picture view, and to watch for patterns and how to get ahead of them. For example, if a shortage of skilled labour is projected, the City could support additional training opportunities, by connecting or investing in educational organizations. Participants noted that there will be gaps in indigenous engagement in specific technical and professional fields that may require a more deliberate strategy in order to fill the gaps.

3). *Hiring Practices*

Explore competencies in hiring practices, not just certifications, and help employees get connected to potential jobs or suppliers. There was also discussion about increasing the number of indigenous employees at the City of Saskatoon over time, which would be complementary to the procurement changes.

4). *Setting an Example*

Participants encouraged the City to provide leadership to neighbouring municipalities (particularly those that are part of the Partnership for Growth) who have not yet started this journey. They also suggested sharing learning and best practices with these municipalities as well as the Big City mayors, and more broadly via groups like the Saskatchewan Urban Municipalities Association and the Federation of Canadian Municipalities.

3.4.2 Measuring Progress

Each of the workshop groups spent time discussing the ways in which the City of Saskatoon could track and measure progress on indigenous procurement, including the types of data and information that would be helpful to collect from suppliers.

At a high-level, participants advised that this will be a learning process for all involved, and suggested that a key question should be “are we building capacity?” and with that, “are we giving (and showing) opportunities to indigenous people?” They also encouraged the City to follow the strategy with the measurement and method, and not the other way around.

Participants agreed that both subjective and objective data be considered. They also requested transparency from businesses in how the measurements are compiled, as there was concern that numbers could be deliberately skewed. The main conversations themes were as follows:

Table 3: Recommendations for Progress Measures

Theme	Key Points
Tracking Quantitative Measures	<ul style="list-style-type: none"> • Number of jobs created • Number of indigenous employees, and distribution of employment (management vs. entry level, etc.) • Retention rate of indigenous employees • Training positions achieved, educational support provided, community reinvestment dollars • Consider requesting monthly employment reports – could include name, community, job title, hours; “look into the oddities that don’t seem quite right.” • Be aware that dividends may go to reinvestment, or may be stripped down because there are many community demands, or otherwise
Tracking Qualitative Factors	<ul style="list-style-type: none"> • Social organizations benefitting • Measuring career pathing – show upward trajectory • Continuous improvement in terms of numbers but also the quality of participation • Try to offset other demographic trends (ex. increase jobs, decrease incarceration)
Tracking the City’s Spend	<ul style="list-style-type: none"> • Report on the monthly spend with each indigenous supplier • Measuring spend on social development is a delicate area, sensitive number. How does the City measure that value? Are we asking more of Aboriginal contractors than non-indigenous in terms of measurement? • City should determine a baseline and a target for % of spend that contributes to social development, and track against that • “Accountable, reportable, deductible” – informs other businesses coming in on City’s expectations
Reporting Frequency and Scale	<ul style="list-style-type: none"> • Can’t be too onerous, needs to be an efficient process to encourage accuracy of reporting (~15 minutes per month) • Determine appropriate frequency for audits and reporting

3.5 Closing Advice

At the end of the workshop, participants were asked to individually identify one piece of advice for the City of Saskatoon as they move forward with indigenous procurement. The most common responses were “just do it” and “start somewhere”, even if it is not perfect. Participants urged the City to continue building inclusive relationships, listening respectfully, collaborating with suppliers, leading by example internally, and empowering indigenous employees to provide leadership in this area. One commenter stressed that all City staff involved in purchasing and

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project management should have Aboriginal Awareness training, at minimum, to help confront biases.

They emphasized the importance of tangible commitments and targets that are agreed upon with indigenous groups, and the value of tracking these and ensuring accountability over time. On that topic, one participant advised the City to “measure what you see as valuable. Don’t filter data to find value.”

Several comments were about evaluation criteria, encouraging the City to take care in how “indigenous” is defined, while taking steps forward to include indigenous employment and ownership as criteria.

There were a few specific requests, including: to incorporate social enterprise into municipal procurement, to provide indigenous-only bidding opportunities in order to compare “apples to apples”, and to work with non-indigenous owned companies if the vision is to put more First Nations people to work to achieve a broader economic impact.

4 Next Steps

The Materials Management team is continuing to research best practices for Indigenous engagement. Once participants and other stakeholders have had a chance to review the report and share any additional comments, the Materials Management team will review the final engagement workshop report. Drawing on the insights from both research and community engagement, they will draft an Indigenous Procurement procedure, while continuing to review the City’s overall spend to identify “low-hanging” opportunities.

The development of social and economic evaluation criteria that can be incorporated into the City’s procurements; including specific metrics and reports to support overall effectiveness.

The City expects to have the foundations of an Indigenous Procurement Procedure in place by February 2019, at which time it will be shared in a report to City Council. There will be a focus on continuous improvement with flexible strategies to ensure concerns, priorities, and trends of social economic groups are taken into account.

Appendix A: Workshop Raw Notes

Barriers

Alberta Room

- % of tenders versus RFPs
 - Tenders are only really useful for commodities
- Lack of education in government about the exemptions in trade agreements
- Hard to be on equal footing with existing supply relationships (ex. it costs money to change suppliers, hard to break with pre-existing relationships)
- Market Bias – higher scrutiny and oversight due to false presumptions about competency
- Current economy – bids are so low to compete, which makes it hard to do more than pay the bills
- Current procurement culture – how will governments successfully break from long-standing practices?
- Sometimes, once procurement policies are implemented, they fade over time in terms of commitment
- What will be the parameters for “indigenous” procurement? (ex. avoid “rent a feather” practices)
- Bid Bonds are very expensive with little to no benefit
- “What are you going to do with the money?” is not a question asked of non-Indigenous contracts

British Columbia Room

- Bonding makes it challenging to hold funds, and the corporate structure can make this challenging too. Don't hold onto the money, give it back to the community
 - Even low-cost bonds are difficult for small businesses and community organizations
- New companies need to build capacity and need a process to accommodate this. Letter of credit can be good process for exporters (Nutrien)
- Politics – distribution of work between political entities (ex. Treaty 4/Treaty 6)
- Authentic partnerships, that are accountable
- Contract size – ability to divide contracts for medium-small companies – could require 30% subcontracting to encourage contract shaving, or consider piecemeal-ing the work
- Credentials of workforce in developing companies – need to contract to justify building workforce
- Difficulty for small companies to compete and get noticed or invited
- Pre-existing prejudices and tendency to look for problems and not successes
- There is no requirement for the City to undertake this work, unlike the federal government, so may require additional effort to ensure it stays in place long-term
- Inappropriate partnerships
 - Using Indigenous companies as a way-in
 - Return value to indigenous groups very low
 - Indigenous groups are able to recognize which partnerships to avoid/won't add value
 - Might act as leverage or a starting-point sure, but must add value to community

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- If costs go up when breaking up contracts into smaller pieces (ex. admin or project management costs)
- Smaller contracts sometimes aren't small enough anyway, and cost effectiveness will be a driver. Though costs may balance out on piecemeal projects.
- Failing to ensure a return on investment
- Short contracts

Bowling Green Room

- Low-bid – if the organization has to take the lowest bid they get
 - Means that sometimes higher standards for safety, for example, can be cut. Some firms unwilling to cut these things, so can't compete
- Constant turnover of staff – impact on relationship building
- Grandfathered legacy supply chains
- Low-risk appetite means buyers are more likely to stick with the status quo
- Being considered as part of the whole spend vs. seen as a separate Corporate Social Responsibility sliver. We are beyond the 'kindergarten' stage of business
- Set-asides: should be seen as one possible tool, not sole piece of indigenous procurement
- Points might be different based on scope or type of work
- Community-owned company – can be hard to maintain competitiveness against privately-owned businesses; must measure this differently to capture added value and “bang for your buck”
- Identifying best value and what it means
- Meaningless or ad hoc partnerships
- Adjacent areas and groups getting prioritized, leaves others out (ex. 7 bands around Saskatoon – will their companies be prioritized?). City is different from resource operations, though.
- Non-unionized labour may be threatened by unions; could smaller contractors do work that City staff is currently doing?
- Lack of resources (in small and medium enterprises) to hire legal team for RFP process
- Risk can be inflated
- Bigger companies – need larger measure of social aspect – ex. employment
- ISNet can be a barrier – affordability and time required to administer it – is a “pain in the ass” that “encourages lazy purchases – anyone can upload a document”
- Checkbox scenarios – hard to capture in 1 box
- Creating policy in a silo – if implementation is not actually linked to the policy this can get adversarial and lead to promise-breaking
- EPCM (Engineering, Procurement, Construction Management) – don't have indigenous inclusion in the terms and conditions – can lead to conflict

Opportunities – what has worked well?

Alberta Room

- Long-term commitments/relationships help build capacity and maintain capacity development on ongoing basis
- Be flexible and innovative rather than stuck within narrow ways of doing business/contracts

Indigenous Procurement

Reporting Back

- Enable suppliers to bring new ideas and relationships opportunities forward
- Consider staggered, sustainable approaches to projects and contracts
- Build on community outreach and communication; make it cross-functional, and understand qualitative social benefits
- Best practices at other levels of government and industry
- Supporting the TRC Calls to Action
- Consider a staff member whose mandate is to strategically develop business partnerships
- Recognizing current exemptions in trade agreements

British Columbia Room

- Working together – create more partnerships between indigenous companies
- Proactive rather than reactive approach
- Be clear about the expectations and capacity/expertise of bidders – understand their expertise
- Closed, invite-only bids for companies with specific expertise
- Priority Saskatchewan and SIMSA – good work on this re: best value
- Understand body of work in relation to capacity – just start somewhere; trial-and-error process
- Ask for a capacity statement
- Building bench strength in companies – need system to give skills to young people to develop skills and credibility. Provide training to prepare them for the work built into the RFP
- Creating environment where contractors seek out Indigenous company partnerships
- Create due diligence to keep quality work, ensure supplier owes something back to City at that there is competition
- Continue learning and adapting, while ensuring proper specs
- Internal systems can change at City of Saskatoon to help with the change – ex. 75% of materials management group new people could reduce long-lasting systems and status quo bias
- Needs to be recognition that small companies have different needs and motivations – need different approach or criteria to give them opportunities to bid
- Consider different streams within the indigenous procurement procedure for capital vs. operating projects – may have base requirements but then different additional criteria based on the type, size, or duration of project
- Longer contracts
- Vendor database (ideally connected to Google maps) to ensure checks and balances; companies can apply and be reviewed. Random audits could then take place

Bowling Green Room

- High volume of labour and low-risk opportunities are key
- Going out to meet with companies – reduces the ambiguity
- Can be an avenue for recruitment to the City – from project labour, contractors
- Could consider priority areas for investment, or the regional spend
- Shared risk-reward model – hard for us to carry all the risk as suppliers
- Indigenous contractors are more likely to bring indigenous people to work – use the ‘sniff test’ to get a sense of this

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- Conduct audits – visit offices 1-2 times per year to get a sense and build connection
- Build relationships to know a community's interests and priorities, as these vary
- Having a champion within the City/corporation (with “sharp elbows”) and empowering them (ex. at K+S). There to break barriers within middle managers and/or daily decision-makers
- Partnership – ex. STC legacy partners
- Executive support for the policy – ex. at K+S they had already signed on and committed themselves, so the team could leverage this responsibility, incorporate into KPIs and job descriptions
- Accountability – ex. to Nutrien to demonstrate results; this “helps push us”
- Researching the impacts of a partnership on the community back home
- Someone within the buyers group that I could talk to and ask questions
- If using ISNet also require an indigenous involvement form
- Give time to develop capacity or business – ex. SaskPower and Kitsaki
- Weighting or requirements to indigenous companies and/or employers – gives an incentive for larger companies to do better
- Education – SIIT and GDI asset holders; understanding the environment

What opportunities are there for the City's procurement practices to contribute to Indigenous social and economic development?

Alberta Room

- Education and training
- Greater transparency
- Overview of criteria for Indigenous inclusion (tool kit)
- Changing evaluation criteria to look at things like % of workforce, owners, subcontractors; demonstrating community involvement; maintain these things throughout terms of contract
- Add opportunity in RFP to allow proponent to describe their engagement strategy
- Encourage joint ventures
- Have non-indigenous suppliers access indigenous supplier database to form partnerships/working relationships
- Use the “levers” available to engage Indigenous businesses – ex. exemption for indigenous engagement in NWTPA treaty
- Make “tactical” level management and operations staff aware and gain their support
- People should have connections to their performance metrics that reward them for doing it!
- Do not “compartment” the social development piece – needs to be owned by operations and throughout corporation, not just the job of Indigenous Relationship person to make it happen

British Columbia Room

- Building capacity through employment skills training, revenue streams for business expansion, increased stability
- Create awareness for indigenous involvement
- More exposure and marketing for companies
- Database local to Saskatchewan

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- Marketing tool for partnership opportunities
- Enhance City of Saskatoon public image re: inclusion
- More competitive marketplace

Bowling Green Room

- Training and opportunities for jobs, careers and employment
- Labour force development Officers (feeds back into federal government)
- Employing indigenous women
- Building capacity including through subcontracting
- City Labour potential – improving housing, affordable housing
- More open discussions with contractors
- Aboriginal ownership and participation; give voice to indigenous community
- Raise profile for existing indigenous businesses and create opportunities for new ones
- Contracts for building maintenance; look to local labour force potential
- More training opportunities
- Opportunity to develop business acumen
- Create supply chain where indigenous and non-indigenous groups partner and grow

What could these social and economic benefits look like? What impact do we want to make?

Alberta Room

- Employment opportunities – career development for segmented markets
- Scorecard – monitoring inclusion rates; set a benchmark to achieve
- Ability to get people off social assistance – increase of “Class B” opportunity and well-being
- Alleviation on justice and healthcare systems
- Retention of the segmented group (demographic)
- Strengthen the Saskatchewan economy
- Changing lives – quality of life
- Encouraging strengths by offering opportunities
- Giving back to known needs of the community
- Know the most beneficial charities/needs of the segmented community
- Have established relationships with educational institutes geared toward Aboriginal/Metis
- Collaborative approach to benefit our community
- Effectiveness of contribution dollars
- Could help mainstream companies get on board
- Connections to Education – build strong Indigenous companies that will create an opportunity for youth coming into the workforce. Aligning understanding and values of workforce with Indigenous owned companies will close the employment gap
- Growth in relationship and integration; reconciliation

British Columbia Room

- Value of self-worth of employees – leads to other social benefits
- Creates employment
- Economic growth/spending
- Enhances family relationships, reduces addictions and violence

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- Snowball effect – jobs leads to healthier communities
- Sense of pride and ownership over success and work
- Jobs lead to higher education rates in post-secondary
- More money going into the economy – rentals, home ownership, benefits to City taxes and economy
- Capacity – employment, skills training, apprenticeships. Increase in enrollment at GDI/SIIT
- Economic spin offs from rent, money spent, etc.

Bowling Green Room

- More opportunities for new entrants, telling new stories
- Creating wealth
- Being a champion, having tough conversations to charter new paths
- Improve quality of life for indigenous people, reduce reliance on social systems
- Community investment leading to short and long-term jobs, transferable skills
- Community members see their families/friends/neighbours having different jobs – increase visibility
- Experienced workers can provide more support
- Increased standard of living
- Productive community members
- Increased healthcare benefits
- Breaking cycles of poverty
- Increase sense of community (large and small sense)

How can RFPs be designed to include value beyond lowest price – i.e. take social value into account?

Alberta Room

- Percentage of RFP evaluation to be indigenous based. Incorporate a few factors including creative plans for indigenous engagement, benefit identification, and ownership %.
- Local procurement
- Bonus points in evaluation for “downstream” impacts or value created. Could include Indigenous subcontracts, and things like training, internships, educational scholarships
- “Built in” measure for the social investment – reduced costs on social assistance; reduced crime; local economic growth and household incomes
- Claims of indigenous content must be backed up – ISC documents, employment history or plan, and \$\$ committed to plan on indigenous engagement
- ROI metrics forms in closeout or contract review to identify benefits to indigenous engagement
- Encourage joint ventures and sub-contracting
- Mentorship – partnering non-indigenous with indigenous suppliers
- Strategic packaging to complete project (possibly longer-term contract with smaller required workforce) – helps companies build capacity (willing to help develop those suppliers)
- “Don’t ask what I am doing with the money”

British Columbia Room

Indigenous Procurement Reporting Back

- Social evaluation
- Demographic information
- Consider a triple bottom line approach
- Environmental impact needs to be included
- Merx system – portion set-aside for Indigenous companies to bid on
- Keep money in the community; local labour with ability to evolve
- Accountable language with penalties for delays and non-completes
- Exemption status similar to Merx
- How many jobs could be created with specific levels – can be laid out in RFP
- Requirement for report during project life
- Economic benefits to stay within the community
- Coordinating new positions and skills training to evolve local labour and knowledge

Bowling Green Room

- Look at employment numbers – investigate; get to know and visit communities or shareholders
- Self-declaration form – request from suppliers
- More representative of the population
- Define community partnership – have a strategy, demonstrate engagement
- Avoid the Template
- Don't let the metrics drive the opportunities
- Aboriginal ownership and participation
- For larger contracts, preference if Aboriginal subs are used
- % profit for indigenous ownership?
- Reinvestment in the community - % of profit or time; mentorship, scholarships
- Partnerships with educational institutions preferred? Ex. SIIT, GDI, SK Poly, USask
- Communication both ways – are both parties meeting expectations?
- Set up an evaluation of social value with scoring, that is auditable and enforceable
- “Quantifiable” social value
- Release budgetary information
- Manageable or smaller chunks of work that can be understood by a broader community
- Avoid potentially limiting contract terms
- Encourage the use of indigenous subcontractors

Putting yourself in the City's shoes, how might you evaluate whether an RFP response has potential benefits for indigenous social & economic development?

- Company's engagement/inclusion strategy
- Disclose what training is provided for employees
- Strategic package – long-term contract
- Enough sustainable work
- Post-completion review (close-out meeting) make sure what was said was done
- Written historic, verifiable data
- Thorough due diligence into who the company is
- Need indigenous social and economic development tracking and KPIs
- Link project to broad program/roadmap (to measure afterwards)
- CSR metrics and delivery

Indigenous Procurement

Reporting Back

- Establish industrial indigenous gaps and how to fulfill them
- Reduction in crime, police, incarceration as a result
- More training, employment and other social benefits
- Indigenous employment and ownership levels
- Community benefits (donations, training, etc.)
- Communications strategy
- Scope
- Potential suppliers
- Strength of relationship
- Community is involved
- Provincial incentives – ex. shared salaries
- Create buckets – levels of indigenous engagement
- System of evaluations
- Create an incubation system for lower score
- Create in-house metrics systems
- Point system – extra points for indigenous ownership
- Skills
- Score card development – collaborative, with KPIs from indigenous communities
- Results-based – has community been involved in this response?
- Benchmarked commitments – no less than # employed and in mgmt. positions
- What is the balance between profit, capacity investment, education/training

What criteria would you suggest that the City include to help with this evaluation?

- Ownership, training program, engagement
- Include subs for engagement
- Demonstrate social return on investment
- Safety, training, etc. ISNet, COR
- Capacity
- # of employees, ownership, subcontractor arrangements
- References (outside of project sponsors)
- Track record of indigenous involvement and delivering social/economic development
- Pre-award interviews
- Aboriginal database
- Description of indigenous engagement strategy
- The bucket system – ownership, workforce, engagement, contribution (4 buckets)
- Ensure a fair playing field
- Audits and confirmations
- Ownership
- Jobs/Training
- Local impact
- Environmental impact
- Checks and balances, follow-ups and visits
- Build relationships to gain more fulsome understanding of community interests
- Longevity/management
- Closed Bid – matched with skills
- Proof of relationships – ex. corporate documents, LP
- Higher % of gross profit sharing
- Provide Strategy – be transparent
- Define indigenous partnership/vision
- Define employment
- Look to align strategy and community engagement
- Ensure buyers/internal stakeholders are trained on how to evaluate and remove bias
- “Break the chain” = Supply Change!
- \$ of community investment relative to company size (in proportion)

Indigenous Procurement

Reporting Back

- Indigenous employment and training hours relative to total project hours
- Ownership and control
- Employment
- Community involvement

How would you define indigenous-owned businesses? Indigenous-employing? What are the thresholds or requirements we should consider?

- % of management vs. operating staff (weighting system)
- Request organizational chart; including signing authorities
- Proof of benefit or relationship where profit is going to First Nations
- May have a lower % but should still get some points
- Consider partnerships and subcontracts
- Be flexible
- 51%, majority owned – active, credible ownership (mentioned several times)
- 51% demographics
- 51% Saskatchewan based, 5% Indigenous skilled labour, 25% Indigenous labour
- Focus on Strategy overall – profit, employment/training, community investment
- Indigenous owned business – meaningful benefit between all parties, mutual benefit, more than \$\$ and assets, creating executive level development
- Genuine – more than % of money
- Consider the NAABA model
- Employed – representative of the population, working age
- Drive through contract employment #s
- Cost of doing nothing is high!
- Is it community vs. tribal council vs. independent?
- Verification or endorsement from community, letter of support
- Lower than 51% ownership should still be recognize

Beyond the RFP process, what other strategies or practices could the city use to leverage its purchasing influence?

Alberta Room

- Set hard goals for % rather than “best efforts” – ex. guarantees of sub-contracts, % of indigenous employment, gains points in process → also for training, employment, etc.
- Does not need to be the specific RFP project
 - More broad-based might open up competition
 - Corporate social responsibility
- Database of Aboriginal suppliers (public facing)
- Being more proactive by seeking out business relationships/partners
- Quarterly town halls (re: ongoing and future projects)
- Being aware of gaps in indigenous engagement in specific technical and professional fields
- Career pathing and marketing plans – connect to jobs/suppliers
- Explore competencies in hiring practices, not just certifications
- Should roll out to neighbouring municipalities that are essentially part of Saskatoon (P4G) earlier than later – lead their journey
- Best practice/partnership with Big City Mayors (SUMA, SARM, FCM)

Indigenous Procurement Reporting Back

- Evaluation process for the job – down to management, staff/front-line; education and measurement
- Commit to matching percentages → strive to increasing % over time

British Columbia Room

- Feedback on what went wrong or was not successful helps with growth. Have a debrief system and encourage persistence
- Watch for patterns and look for ways to get ahead of it – ex. shortage of skilled labour – look for additional education and training opportunities, or offer support to organizations who offer this
- Lead opportunities to meet demand for specific skillsets
- City taking leadership role by developing procurement strategy – set example for others to do the same

Bowling Green Room

- Looking to local and in-province suppliers
- Longer-term contracts – gives opportunity to develop expertise
- Company strategy (and where profits are going) matters more than ownership
- At the end of the day, ask “are we building capacity?” and giving/showing people opportunities
- Don’t want to see us competing against each other or split by political differences
- Be a champion for the process in Saskatoon – influence and share with other municipalities and businesses
- Take a holistic approach to benefit indigenous people

How might the City track and measure its progress on indigenous procurement? (What kind of data/info is needed to tell an accurate story of social benefit through procurement? What would companies need to be tracking and reporting on?)

Alberta Room

- Targets (ex. employment %) would also need to measure retention – shows true buy-in
- Not just simple % - what about up the ladder – how representative?
- Training positions achieved
- Social organizations benefitting
- # of jobs created
- Measuring career pathing – show upward trajectory
- Transparency – how the measurements were compiled
- Learning process
- Both subjective and objective data
- Skewed numbers can be an obvious shell game
- Measuring spend on social development is a delicate area, sensitive number. How does the City measure that value? Are we asking more of Aboriginal contractors than non-indigenous in terms of measurement
- Should match up with a pillar or value of the City of Saskatoon: need to make a specific declaration (ex. % of spending)
 - What is the baseline? That will define the rest.
 - “Accountable, reportable, deductible” – informs other businesses coming in on City’s expectations

Indigenous Procurement Reporting Back

British Columbia Room

- Can't be too onerous, needs to be an efficient process to encourage accuracy of reporting (~15 minutes per month)
- Should track dollars spent – where did it go, and how much
- Ownership and employment could be part of the metrics, and distribution of employment (management vs. entry level, etc.)
- Continuous improvement in terms of numbers but also the quality of participation
- Try to offset other demographic trends (ex. increase jobs, decrease incarceration)

Bowling Green Room

- Asking for metrics – ex. monthly employment reports – could include name, community, job title, hours. Then look into the oddities that don't seem quite right.
- Follow the strategy with the measurement and method, not the other way around
- Determine appropriate frequency for audits and reporting
- Report on the monthly spend with each indigenous contractor
- How to manage work coming from other bands outside Saskatchewan – ex. Kainai in Alberta?
- Be aware that dividends may go to reinvestment, or may be stripped down because there are many community demands, or otherwise

Based on what you have heard today, what is one recommendation you have for the City of Saskatoon as they work toward Indigenous inclusion through procurement?

Alberta Room

- Measure what you see as valuable. Don't filter data to find value
- Be willing to work through barriers with suppliers. This must be a collaborative, partnership approach
- Be transparent, consistent, and proactive
- Establish commitment for procurement inclusion and mechanize tracking
- Need to incorporate social enterprise in municipal procurement. Understand the value that social enterprises create in our community
- Aboriginal ONLY bid opportunities – compare apples to apples do deliverables can be met and captured
- Expand the reach by holding quarterly meetings
- Have targets and work towards them. Targets should be negotiated with aboriginal groups
- Start somewhere! Develop policy, make it measurable and be accountable

British Columbia Room

- Lead by example – ask procurement policy to mirror internal expectations at the City
- Don't wait – get it rolling ASAP
- Aboriginal Awareness Training for people in City purchasing and project management required as a minimum. This will assist in lifting or dealing with biases. Include City Council too.
- Lead Indigenous trades and professional development; show by example how to improve apprenticeship and supervisor development.
- Throughout the process, the City will run into hard discussions and situations. I would recommend empowering one individual of indigenous ancestry to guide the team – a Leanne Bellgarde type.

Indigenous Procurement

Reporting Back

- Worry about the social development of indigenous peoples and businesses; ask what the indigenous companies are doing for the community, how they are employing and training more indigenous peoples, and how there will be a ripple effect from the contract

Bowling Green Room

- Listen respectfully
- Include the indigenous community and employment supports
- Need to start somewhere even if it isn't perfect. Begin making Indigenous employment and ownership as part of evaluation criteria
- This workshop is a start of building understanding with one another
- Keep listening and engaging your supply chain
- Take great care in how you define "indigenous" with respect to policy and procurement going forward
- Keep being inclusive. Don't let this be a one-off engagement. Build this relationship and check in often. Share and celebrate successes!
- Just do it!
- Figure out your strategy – is the vision to put First Nations people to work? If so, non-FN companies can help you be a leader as some have a great strategy. Ownership may only benefit a couple people
- Just DO it!