

Implications of Signing the Saskatchewan Women Entrepreneurship (WESK) Charter

ISSUE

The Governance and Priorities Committee meeting held on April 19, 2021, received a delegation from Prabha Mitchell, former CEO of Women Entrepreneurs of Saskatchewan (WESK) in regards to having the City sign a charter to support women owned businesses and build a pool of Charter Champions. The Committee resolved that the submission be forwarded to Administration for reporting back on implications of signing the Saskatchewan Women Entrepreneurship Charter.

BACKGROUND

2.1 History

WESK is a non-profit, membership-based organization of over 1,200 members and growing, their main goal is to help women owned businesses and entrepreneurs start, grow, and scale their business in Saskatchewan. WESK offers their members access to business advising, financing, training, and networking events.

As outlined in the Issue section of this report, at the April 19, 2021 Governance and Priorities meeting while receiving a request to speak from the former CEO of WESK, Prabha Mitchell, Committee resolved:

“That the submission be forwarded to Administration for report back on implications of signing the Saskatchewan Women Entrepreneurship Charter”

WESK Charter

The Saskatchewan Women Entrepreneurship Charter serves as a catalyst to inspire and empower organizations to adopt new practices and adapt current practices to be more inclusive. WESK recognizes that many organizations currently possess defined targets, while for others, the procurement targets proposed may be a challenge. The purpose of the Charter is to encourage achievement of defined targets where feasible and delineate incremental increases in existing targets/practices where appropriate. WESK encourages all organizations to lead, plan, and execute intentionally and strategically with these guiding principles.

2.2 Current Status

The City of Saskatoon is committed to meeting the needs of our stakeholders through open, fair, and transparent procurement processes that afford equal access to all qualified suppliers, and to the maintenance of public trust through adherence to our procurement principles.

The procurement of goods, services, and construction by the City of Saskatoon (City) is subject to the following trade agreements: the [New West Partnership Trade Agreement](#); [Canadian Free Trade Agreement](#) and the [Comprehensive Economic and Trade Agreement](#).

The City's Purchasing Policy C02-045, 2018 reflects best practices for public procurement and draws on criteria from federal and provincial procurement rules; it uses 'best value' rather than lowest price in the procurement of civic goods and services for the City. A best value approach means the City will structure and conduct procurements in a fashion which allows consideration of factors beyond total cost in determining which supplier proposal provides the greatest overall benefit. While total cost remains a fundamental component of any procurement, Divisions are encouraged to consider other applicable factors in developing the evaluation criteria of procurement opportunities.

2.3 Engagement

Administration met with representatives of WESK to review and discuss the proposed charter, opportunities and challenges. Through these discussions Administration has committed to active engagement and open discussions like the approach taken to support the City's Indigenous Procurement Protocol.

As a result of the meeting with WESK they provided the City with an updated version of the charter for further review and considerations (Appendix 1). The revised charter provides a more principle-based approach to increasing awareness and diverse spend rather than the stricter wording in the original charter which would be challenging to achieve based on the trade treaty agreements and requirements.

2.4 City of Saskatoon's Current Approach

Although the revised charter provides a more principle-based approach to expanding the City's diverse spend, there remains some challenges and important considerations. The trade agreements outlined earlier in this report mandate fair and open procurement processes and leave very little room to promote or provide potentially preferential treatment for diverse suppliers aside from existing exemptions that are focused on Indigenous Persons, communities, and business.

This is why enhancing our communication, data and education offerings to suppliers and making the procurement process more transparent and accessible has been the main focus of the City's procurement approach.

The charter provides examples of initiatives that Charter Champions could undertake that are aligned with the administration's goals and procurement strategy, these include:

- Reviewing procurement guidelines and processes organizationally every two years to ensure they are inclusive
- Advocating for gender and bio-diversity in the supply chain.
- Advocating for diversity through sub-contractor spend.

Subsequently, the charter also includes examples of initiatives that Charter Champions could undertake which could be in conflict with the City's policy, these include:

- Sponsor or create an award, recognition program or grant for women entrepreneurs;
- Find ways, organizationally, to help promote or bring awareness to her through social media channels, newsletters or organizational events; and
- Ask her to speak to a group, club or organization you belong to.

In further conversation with WESK it was assured that the examples are only ideas for Charter Champions to consider and the expectation from WESK is not that each champion implement all provided examples. WESK and the City Administration discussed the need for ongoing engagement to continue to work collaboratively as the City takes a more intentional effort to implement the Charter.

As an example of this collaboration, WESK hosts several networking events over the course of the year. These networking events rotate between Saskatoon and Regina and they provide opportunities for Charter Champions and government procurement teams (municipal, provincial, and federal) to connect and build relationships with local women-owned suppliers. Administration has committed to attending these events.

OPTIONS

Option 1 (Approve WESK's request to sign their Charter)

This option proposes approving the request from WESK to sign its Charter which seeks to elevate women entrepreneurs and close the gender entrepreneurship gap. Create a commitment and scale up organizational targets for the next five years around procurement from, or funding to, women-owned Saskatchewan businesses.

The City would continue with its existing path of determining current baseline spend for Diverse Suppliers and Indigenous Suppliers and aspire for incremental changes, with the long-term goal of increasing spend with Diverse Suppliers and Indigenous Suppliers.

Next steps would include further development of the City's vendor master data, procurement dashboards, discussions with key internal and external stakeholders and reports to support, advance, and drive continuous improvement in Social Procurement.

It is important to note that the City is already implementing initiatives to augment our use of Diverse Suppliers and Indigenous Suppliers through education and awareness, Indigenous Procurement Protocol, and improvements to our procurement processes, policy, and protocols. These initiatives have been implemented in line with the City's purchasing policy, legislation, and trade agreements.

Option 2 (Decline WESK's Request to sign their Charter, but utilize the principles to continue to build a more holistic approach to Social Procurement)

This option involves declining the request from WESK to sign their Charter, while focusing on a broader approach to build out a more holistic framework and Protocol to support Social Procurement.

As outlined in the Strategic Plan, one of the key outcomes under the Procurement and Management strategic priority is:

“Increased procurement from Indigenous suppliers and diverse groups that are historically underrepresented and have experienced discrimination or barriers to equitable opportunity”

This option would mean that the City would continue with its existing path of developing a holistic approach to Social Procurement without a specific commitment to WESK. As previously stated, the existing path includes determine the baseline spend for Diverse Suppliers and Indigenous Suppliers and incremental changes, with the long-term goal of increasing spend with Diverse Suppliers and Indigenous Suppliers to be representative of our vendor community.

Next steps would include further development of the City's vendor master data, procurement dashboards, and discussions with key internal and external stakeholders to support, advance, and drive continuous improvement in Social Procurement.

This approach is consistent with the City's current Purchasing Policy and Protocols and provides a more holistic approach to Social Procurement.

A Social Procurement Protocol would be included in future procurement updates to Committee/Council.

Option 3 (Approve WESK's request to sign their Charter and utilize these principles to continue to build a more holistic approach to Social Procurement)

Similar to Option 1 - this option would involve approving and signing the revised charter and apply the principles within the charter more broadly to Diverse Suppliers and Indigenous Suppliers. This option would acknowledge the legislative and trade agreement restrictions on the City's procurement and the challenges in implementing some of the examples included in the charter.

This option would recognize a specific commitment to WESK as well as the need to build out a more holistic framework and protocol to support Social Procurement. As

outlined in the Strategic Plan, one of the key outcomes under the Procurement and Management strategic priority is:

“Increased procurement from Indigenous suppliers and diverse groups that are historically underrepresented and have experienced discrimination or barriers to equitable opportunity”

This option would utilize the principles within the WESK charter to assist in building out a Social Procurement Protocol.

The City would continue with its existing path of determining current baseline spend for Diverse Suppliers and Indigenous Suppliers and aspire for incremental changes, with the long-term goal of increasing spend with Diverse Suppliers and Indigenous Suppliers.

Next steps would include further development of the City’s vendor master data, procurement dashboards, and discussions with key internal and external stakeholders to support, advance, and drive continuous improvement in Social Procurement.

A Social Procurement Protocol would be included in future procurement updates to Committee/Council.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council that:

1. Option 3 be approved which includes the signing of the WESK Charter and utilizing these principles to continue to build a more holistic approach to Social Procurement; and
2. That the Mayor be authorized to sign the WESK Charter on behalf of City Council.

RATIONALE

The Administration recognizes the need for an inclusive approach to meet the needs of all Diverse and Indigenous Suppliers. Aligned with the City’s strategic plan of conducting procurement activities that are economically viable, environmentally safe and socially conscious option 3 provides a suitable balance of aiming to achieve the principles outlined in the agreement while at the same time continue to work towards a holistic approach to the City’s social procurement goals.

Building procurement dashboards creates transparency and awareness; they further assist small, medium, or diverse enterprises with identifying potential opportunities or segments of the City’s spend that may align with their current or future business goals.

FINANCIAL IMPLICATIONS

No additional financial implications

ADDITIONAL IMPLICATIONS/CONSIDERATIONS

Although the recommendation is to proceed with the signing of the Charter, it is important to note that many of the examples included in the Charter will be difficult for the City to implement based on restrictions in our Trade Agreements as well as internal Conflict of Interest Policies, which has been discussed with WESK.

Examples such as commitments to provide increased funding women-owned Saskatchewan Businesses, utilizing social media to promote women owned businesses and creating awards, grants or recognition programs could all be viewed as unfair procurement practices under the City's purchasing policy and trade agreements.

Instead, the City will continue to focus on the principles included in the agreement which include open, fair, and transparent processes, enhancing women owned businesses knowledge of the City procurement processes and removing barriers that may disadvantage women or other equity groups within the City's procurement activities.

Through this process as well as working with WESK, or to other stakeholders, to identify additional opportunities the City should continue to see increases in the use of Indigenous, Women, and other underrepresented suppliers.

Canada's Trade Agreements

The City's work to date to recognize and build our Indigenous Procurement framework has been supported by exemptions within the trade agreements which allow for unique solutions and procurement requirements to support indigenous workers and business owners. Current trade agreements do not offer the same exemptions for other equity groups, which is part of the reason the City will largely focus on education, training and ensuring open, fair, and transparent procurement process.

However, we continue to make progress where possible under existing legislation and by demonstrating leadership, promoting awareness, and remaining committed to continuous improvement.

COMMUNICATION ACTIVITIES

Vendor master updates to support the improvement and overall quality of our SAP vendor master data, including updating/capturing information that supports the reporting of our social, economic, and sustainable procurement initiatives.

APPENDICES

1. WESK Charter – Updated Version

REPORT APPROVAL

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