

P.O. Box 1749 Halifax, Nova Scotia B3J 3A5 Canada

Item No. 4.2

Request for Community Planning and Economic Development Standing Committee Consideration						
Х	Agenda Item (Submitted to Municipal Clerk's Office by Noon at least 5 working days prior to the meeting)			to Municipal ce by Noon at		Request from the Floor
Date of Meeting: July 20, 2017						
Subject: Metroworks Correspondence						
Motion for Community Planning and Economic Development Standing Committee to Consider:						
That CPED refer the correspondence dated May 26, 2017, from Dave Rideout, President and CEO, MetroWorks Employment Association, with respect to community benefit, and the HRM procurement process, to the cross departmental working group regarding procurement, for consideration in the report requested by Regional Council at their meeting of June 20/21, 2017.						
Reason: Relevant correspondence was provided to Council after the report was requested by Regional Council at their meeting of June 20/21, 2017.						
Outcome Sought: For the correspondence from Metroworks can be included for consideration in the report requested by Regional Council at their meeting of June 20/21, 2017						
Councillor Lindell Smith				District 8		



Friday, May 26th, 2017

Mr. Waye Mason Councillor, City of Halifax District 7 Co-Chair Community Planning and Economic Development Standing Committee P.O. Box 1749 Halifax, NS B3J 3A5

Email: waye.mason@halifax.ca

Dear Mr. Mason:

Thank you Councillor Mason and members of the Community Planning and Economic Development Standing Committee for the opportunity to speak to you on May 18, 2017 regarding a policy for Social Procurement. I am writing to request that Halifax City Council include a community benefit clause as part of the public procurement process. The clause would require contractors to deliver a wider social benefit through employability programs operated by social enterprises.

MetroWorks Employment Association (HRDA) was launched in 1977 by the City of Halifax largely through the efforts of the municipal Social Planning Department to create employment for people on social assistance. Together we were considered pioneers in our collaborative efforts to use welfare funds to capitalize businesses that hired social assistance recipients. Between 1977 and 1995 we operated fourteen hybrid-businesses (for-profit/not-for-profit) and employed over 500 individuals facing persistent multiple barriers.

It is remarkable to reflect that people travelled from around the world to see what we were doing in Halifax. Between 1980 and 2010 numerous reports, case studies and books reflected on our workforce development efforts as "one of the most imaginative initiatives in North America¹.

MetroWorks Employment Association, 7071 Bayers Rd, LL05, Halifax, NS B3L 2C2

www.mymetroworks.ca

(902) 463-9179

¹ Stewart E. Perry, <u>Communities on the Way: Rebuilding Local Economies in the United States and Canada</u> (State University of New York Press, 1987) page 95

For the past 40 years MetroWorks has understood that education and skill development are key to economic growth, and that a prosperous economy requires a healthy and skilled workforce. Our social enterprise, Stone Hearth Bakery remains one of the oldest social enterprises in Canada. Our bakery, combined with our Options Work Activity Program and Cunard Learning Centre provide learning, training and employment opportunities. We are proud of the work we do, and we continue to seek innovative solutions to help people facing persistent multiple barriers move towards their career and life goals.

Despite the efforts of many groups, poverty and unemployment rates for some individuals living in Halifax continue to be a concern. There is an opportunity for the City and social enterprises to collectively leverage the purchasing power of government to the benefit of marginalized sectors of our population.

Social Procurement can work to support and stabilize City of Halifax priorities such as workforce development and poverty reduction. During the Vancouver 2010 Olympic Games social procurement played an integral role in workforce development because supply contracts were required to have a community benefit. The successful bidder of the floral supply contract committed to train and employ marginalized women, many recently released from prison. The Olympic podiums were built by at-risk-youth learning carpentry skills; and contractors bidding on the construction of the athletes' village were required to provide employment opportunities for low income residents from the neighbouring downtown Eastside.

Strategies used by the Vancouver Olympic Committee were soon transferred to the Commonwealth Games held in Scotland. Scotland was the first country to make Social Procurement law. By March 2016, every country in the European Union had adopted a Social Public Procurement strategy. British Columbia and Alberta have written social policy frameworks and last year Toronto City Council passed the Toronto Social Procurement Program. These initiatives demonstrate what can happen when government, business and social enterprises collaborate for social benefit. If 10% of the City of Halifax's goods and services purchasing went to suppliers partnering with social enterprises, approximately \$22,550,000 would be available each year to create workforce development opportunities. Social Procurement can have a direct impact on poverty reduction in the City.

Our request to the City of Halifax is that Community Benefit Clauses be added to all RFP's.

These clauses would be catalysts to secure employment for individuals facing persistent multiple barriers, boost training, foster growth of social enterprises and for- profit businesses, and build innovative partnerships.

A Community Benefit Clause would require any business submitting an RPF to the City of Halifax to include an operational plan for 10% of the value of the tender being invested into social enterprises either through direct partnership, subcontracting, purchasing, or other partnering mechanisms. Further, depending on the tender, social enterprises could be given priority within the procurement process based on the service or product required. When MetroWorks (HRDA) operated the City of Halifax's recycling plant and curbside pick-up for we employed over 150 persons with barriers to employment and all revenues generated through these contracts went to supporting the most disadvantaged in our community.

Social Procurement creates an environment where local, National and International businesses engage social enterprises to enhance the social benefits of the City's purchasing power. We realize that a community benefit clause may not work in all procurement scenarios. However, the City has the opportunity to learn from other jurisdictions to develop an innovative "made in Halifax solution."

Throughout the years social enterprises have showcased that the best work is done through partnership. The collaboration between businesses and social enterprises will result in a remarkable shared value opportunity; together we will strengthen resiliency in individuals and communities, and contribute to strong economic growth in the City of Halifax.

Respectfully,

Dave Rideout
President and CEO
MetroWorks Employment Association

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