

Social procurement in infrastructure

People, planet and profit – bringing focus back to the people

Sandra Hamilton.



We have people without jobs and jobs without people. This skills-mismatch combined with the large number of retiring baby boomers poses a workforce development challenge for the construction sector. Sandra Hamilton is working with the Vancouver Island Construction Association, the Construction Foundation of British Columbia and with a number of municipalities to explore an innovative new approach to public procurement for infrastructure. We caught up with her recently at her home on Vancouver Island, as she was preparing to

leave to talk about this work at the World Trade Organization in Geneva.

Sandra Hamilton has dedicated her career to answering the question: “how do we use business to achieve positive social outcomes?”

Hamilton is a social procurement advisor and Canada’s first social MBA. She started out in the magazine business, and has spent over 20 years running a small business consultancy, working primarily with Olympians transitioning into business after a life in sport.

“This journey, ultimately led to me becoming business manager to John Furlong, CEO, Vancouver 2010 Olympic Games,” Hamilton recalls. “It was during this time that I first discovered social procurement.”

According to Hamilton, social procurement is the process of better leveraging tax-payer-funded supply chains to achieve key public policy goals.

“The Vancouver Olympic Games were the first in history to add social criteria

into the definition of sustainability,” she explains.

For most people, and for governments, sustainability today still means green. However, in a triple bottom line approach, it is important not to forget the importance of people.

So what happened at the Vancouver Olympics that changed the course of Hamilton’s career? It all came down to the bouquets. In addition to requiring a competitive price and proven experience as a florist, the request for proposals also requested a community benefit.

“The winning bid came from a florist willing to train women from the downtown east side,” said Hamilton.

Throughout the course of the contract, the florist trained women who were recently released from prison or women with other financial and social barriers.

“I thought, ‘really? We just have to change a sentence in a contract and we can have that kind of social impact? Why are we not doing that in every govern-

Speculation as to whether community benefit clauses will be mandated or remain optional in the second round of federal infrastructure grants is running high. Either way, the landscape is changing and the Federal Liberals are signalling their intention to take a more socially innovative approach to public procurement. Social procurement is law across Europe, and the United Kingdom has trained 44,000 public sector buyers in the process.

In October, Federal Bill C-227, Community Benefit in Infrastructure, passed second reading and advanced to committee. In Ontario, Bill 6 requires Community

Benefits in Public Infrastructure contracts. At UBCM 2016, Resolution B-76 to advance social procurement passed. The Town of Qualicum Beach has passed Canada’s first social procurement policy and the Village of Cumberland has piloted a social tender.

The Regional Municipality of Wood Buffalo recently became the first municipality in Alberta to adopt social procurement and Hamilton is working with the RMWB and with the Fort McMurray Construction Association to leverage social procurement to achieve the social and economic goals of recovery, after the wildfires.

ment contract?" Hamilton says. Afterwards, Hamilton spent the next several years researching the practice of social procurement globally.

Hamilton's goal is to see that public-sector buyers are first required to stop and consider how tax dollars can be better leveraged to enhance social value.

In construction, for example, Hamilton suggests a reward or points system that recognizes companies that hire people that face barriers in employment. That way, these marginalized individuals or minorities get an equal opportunity to experience a work environment in a tax-payer-funded system.

"That's what a tax dollar should be doing – stimulating markets that help to improve people's lives," Hamilton says.

As a result, Hamilton is leading a pilot with the Vancouver Island Construction Association (VICA), which is funded in part by the Construction Foundation of British Columbia. The pilot is working to develop an industry-supported and standardized approach to community benefit infrastructure across multiple governments. The three municipalities involved in the pilot are the city of Victoria, the town of Qualicum Beach and the city of Campbell River.

The project involves identifying an infrastructure project in each of the three Vancouver Island municipalities; providing education in each municipality; industry working collaboratively with public owners identifying the key intermediary organizations that can work to overcome the barriers and facilitate cross-sector partnerships; working to build consensus and support for an industry-supported and standardized approach with all three municipalities; and, finally, conducting the procurement process, reporting the findings and developing a standard of practice for community benefit infrastructure.

"There's a roofing company called Parker Johnston Industries in Victoria that has hired eight Syrian refugees, training them to be roofers," Hamilton says. "Usually when construction companies bid on a government contract, there's no value placed on that – it's just low price. If a company offers skill training to a disadvantaged youth, that's valuable to society. If you can change someone's path in their 20s, they may have a much more productive and happy life in their 30s and 40s. If a construction company is willing to accommodate a slightly unconventional hire – youth, women, someone with a barrier – the tax-payer-funded system should be rewarding them for that. Therefore, we need to create a new system that encourages and rewards socially responsible behaviour. It's where the next generation is headed – quite simply, it's the right thing to do."

On Feb. 20, 2017, Prince George council voted to approve a new purchasing policy that includes scored social procurement factors in tenders.

For more information, visit sandrahamilton.ca. ●

Social Value Infrastructure Pilot

Hamilton is currently leading an innovative pilot that is working to develop an industry-supported, standardized, trade agreement compliant approach to achieving more social value through infrastructure. The pilot is a collaboration between the Vancouver Island Construction Association (VICA), the City of Victoria, the Town of Qualicum Beach, the City of Campbell River and the Construction Foundation of British Columbia.

Canadian Construction Association Annual Conference – Mexico on March 22, 2017

At the CCA 2017 conference, Hamilton's speech addressed social Procurement, CETA and the changing face of public sector procurement in Canada.



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