



2 June 2020

The Right Honourable Justin Trudeau, M.P.
Prime Minister of Canada
Langevin Block
Ottawa, Ontario
K1A 0A2

Dear Prime Minister,

Thank you for the efforts of your office and the federal government in protecting the health and well-being of Canadians throughout the Coronavirus (COVID-19) pandemic. We applaud policies and programs that help ensure Canadians are safe and have access to income security, health, and social supports during this crisis.

With COVID-19 crisis recovery planning underway and you begin to lay the foundations for rebuilding our country, we are writing to encourage the federal government to remain committed to integrating, to encouraging provincial and other governments to utilize, and to expanding

community benefit expectations in publicly funded infrastructure projects. This policy tool will be vital in a just recovery to ensure a portion supports environmental, social, and economic resiliency for people and communities most impacted by COVID-19.

These approaches to infrastructure investments contribute to the federal government's environmental, economic and social policy objectives, while delivering world class infrastructure projects. Policies like the Community Employment Benefits (CEB) program are a valuable tool to create local workforce and business opportunities for Indigenous peoples, women, persons with disabilities, veterans, youth and newcomers.

Community Benefits to Support COVID-19 Economic Recovery

Community benefits clauses and social procurement policies can help ensure that Canada's infrastructure stimulus spending gets the most bang for its buck while being sensitive to the most immediate economic needs of those impacted by COVID-19 as well as long-standing social challenges.

We are enthused by the potential for infrastructure stimulus spending to support employment for groups most affected by the COVID-19 pandemic, such as women, low wage workers, young people, Indigenous peoples, and others. A continued and expanding use of community benefits and social procurement on government spending would be a highly effective policy response to the economic and social impact of COVID-19. Importantly, since construction spending has been historically male dominated and Canadian job losses have been experienced at a higher rate for women, there ought to be a plan so infrastructure stimulus spending supports women employed in the trades.

Community Benefits - Getting More for Less

As your government has already been practicing, community benefits clauses on infrastructure spending can also help achieve long standing policy goals. Government can support multiple economic, social, and environmental goals while investing in infrastructure - therefore getting more for less. Community benefits can include contributing to reconciliation, poverty reduction and family reunification through workforce development, and individual, community, or local economic resiliency. Infrastructure spending could also support greenhouse gas reductions to meet climate targets with a commitment to energy efficiency, net zero, or passive design.

The goals of social procurement can be achieved through utilizing social enterprise, a business type that includes social or environmental objectives in addition to profit. Social enterprises strategically use a business model that blends and values both social and financial impact, reinvesting surplus revenue into the mission of the business focused on community economic,

social, and environmental goals. Spending done in this way also results in cost-savings elsewhere, such as reduced health care costs and fewer interactions with the justice system. As a result, the efficiency of procurements made from social enterprises increases.

We were disappointed to recently see the dismissal by certain construction and engineering firms of Community Benefits Agreements (CBAs) and the livelihoods they support. Their suggestion that equity equals red tape and administrative burden illustrates a mindset that belongs in a different era. Most corporate leaders today understand that “Diversity and Inclusion” is a key strategy for future success, as well as an essential component of corporate social responsibility^[1]. CBAs have been proven in many jurisdictions to increase much needed local labour supply and strengthen diversity within the industry, responding to key contractor concerns.^[2]

In Canada, all levels of governments have been implementing social procurement policies and CBAs as essential building blocks to creating the inclusive economy that Canada stakes its reputation on.

As a country, Canada will need an team commitment to recover from this unprecedented, global pandemic, by fostering a “new normal” economy that is more equitable and diverse, with a skilled workforce supporting low-carbon infrastructure projects built with community input to maximize the community, social, economic, and environmental benefits of government spending.

Together as partners with a common vision to address the enormous challenges of the post COVID-19 economy, we welcome the opportunity to meet with you, your officials, and the Members of Parliament from your caucus in Manitoba to discuss strengthening collaboration to further integrate and expand the use of community benefits and social procurement across all levels of government in Canada.

Sincerely,

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Appendix

[1] <https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/human-capital/ca-en-human-capital-diversity-and-Inclusion-in-canada.pdf>

[2] A recent 2020 contractor survey completed by the Ontario Construction Secretariat (OCS) highlighted that the biggest concern amongst Industrial, Commercial and Institutional (ICI) contractors was recruiting skilled workers (74%) while meeting community benefits expectations on public infrastructure contracts was of minimal concern (20%).