

2026-3 Procurement for Community Benefit

Mover: Persons Community Solution (PCS)

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The Province of Manitoba, City of Winnipeg, Manitoba municipalities and the broader public sector should enhance government procurement by intentionally generating economic, social, and environmental outcomes, including creating meaningful employment opportunities, using the following three Social Procurement tools:

- a) Demanding social, environmental and economic outcomes when purchasing goods and services by including them in the bid evaluation process. This includes tools such as Community Benefits Agreements, which assign a percentage of the selection value to community benefits provisions for future projects in collaboration with community, particularly considering benefits such as increased purchasing from social enterprises, cooperatives, and non-profits and increased job and training opportunities for people facing barriers to employment.
- b) Set aside purchases that can only be accessed by social enterprises, cooperatives and/or non-profits. Governments should support a tool that includes a directory of social enterprise goods and services available.
- c) Purchasing the social, environmental and economic outcomes directly as a program (for instance, directly contracting social enterprises, cooperatives, or non-profits to deliver community services such as outreach, safety, or housing support, or to run training programs that also provide goods and services to the government).

Because: The Province of Manitoba, Manitoba municipalities and the broader public sector (including crown corporations, hospitals, academia and schools) purchase significant amounts of goods and services. The value of public procurement can be greatly enhanced by intentionally generating economic, social and environmental outcomes. Social procurement is the practice of using existing purchasing to promote social, environmental, and cultural goals. There are multiple policy tools for social procurement that are already working in other jurisdictions, including other Canadian provinces, cities, and municipalities.

Because: The government can support multiple economic, social, and environmental goals while strengthening and securing the supply chain by instituting social procurement. Embedding community benefits into government purchasing beyond the good or service itself can contribute to reconciliation, workforce development, sustainability, and individual, community, or local economic resiliency.

Because: Current trade uncertainty and the province's push for economic self-reliance have made supply chain resilience an immediate priority. As of late 2025, the Manitoba government had reduced procurement from the United States by nearly 30% and is developing new

procurement guidelines. Broadening this shift to prioritize social enterprises, co-operatives, and community-based organizations alongside local businesses will deliver stronger community and economic resilience than a local-only frame. Climate pressures on food and infrastructure supply chains reinforce the same need.

Because: Social procurement is also a core resilience strategy in the face of climate adaptation pressures, supply chain volatility, and ongoing affordability challenges for Manitoba households. Community-rooted procurement strengthens local resilience across these pressures simultaneously; in ways that local-only or lowest-cost frames cannot.

Because: Across multiple sectors, there is a significant labor shortage, but unemployment/underemployment remains high among numerous demographics facing multiple barriers to employment. Embedding goals of workforce integration and meaningful employment opportunities within government procurement is a sound public policy tool to achieve multiple outcomes and grow opportunities for work.

Because: The goals of social procurement can commonly be achieved through utilizing social enterprise as a set-aside contract. 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 and focusing on community economic, social, and environmental goals. Social or direct purchasing acquires goods and services for operations directly from community social enterprises that are dedicated to serving their social, economic, and environmental purposes. Social Purchasing is the easiest and most effective means of supporting these enterprises' community benefits through sole-source purchasing when permitted and using a set-aside program. Experienced jurisdictions have shown that social procurement works best when purchasers and suppliers collaborate to achieve the goal of providing successful employment opportunities for barriered individuals, and then collaboratively identify goods and services social enterprises can provide.

Because: When policy prevents sole-sourcing or contracts are too large for social enterprises, Community Benefits Agreements (CBAs) have been a successful instrument for increasing the social impact of procurement. CBAs are pre-determined and defined social value outcomes that will be delivered as part of a significant infrastructure or land development project like building a bridge, a road, school, hospital, office tower, or transit system. Through CBA, the community, government, and developer agree upon some social value deliverables. Examples of deliverables are job training, target hiring, living wage, purchasing from local businesses and social enterprises, affordable housing requirements, street and neighborhood revitalization, and inclusion of community infrastructure. CBAs expand the value considered in request for proposals (RFPs) by broadening evaluation criteria to include social, environmental and economic outcomes. While not applicable to every tender, this practice can bring benefits to government procurement, including strong private sector contribution to the community and better value for spending. A community benefit can be evaluated just as any other deliverable in a contract would be, although it can take more resources to quantify community benefit than traditional deliverables. When used, CBAs generally

accounted for 5-25% of an RFPs evaluation matrix, along with traditional criteria such as price, speed, quality, and track record.

Because: Social purchasing is a growing international practice as it is an effective policy tool to achieve multiple economic and social outcomes, and a strong return on investment. Returns on investment from social procurement, including from the impact of social enterprises, cooperatives, and non-profits are high. There can be significant cost reductions in crime, savings in health care and emergency costs, reduced strain on social assistance systems, and higher employment in the community - all of which contribute to vibrant and sustainable communities with high quality of life.

Because: For government, social procurement meets expectations of financial prudence by leveraging government dollars already within the budget to simultaneously fulfill a procurement need as well as contribute to governmental social and environmental objectives. Social procurement can also help government fulfill other objectives, including contributing to the goals of poverty reduction strategies, or supporting Call to Action #92 of the Truth & Reconciliation Commission, ensuring equitable access to employment for Indigenous communities.

Because: Trade agreements allow for social procurement, with robust articles supporting the practice. For example, the Canada Free Trade Agreement between the provinces has articles that enable social procurement, particularly for legitimate objectives such as employment for disadvantaged groups or positive social outcomes.

Because: This approach is already in practice in other jurisdictions, including the Government of Canada, the City of Winnipeg, and various crown corporations and arms-length institutions. The City of Winnipeg adopted its Sustainable Procurement Action Plan (SPAP) in 2022 and has since moved into active implementation, with annual progress reports published for 2023 and 2024 and social procurement requirements piloted in City tenders. The City's Social Procurement Framework, referenced in the SPAP, serves as a companion document focused on accelerating progress in the social and Indigenous pillars. The Province of Manitoba uses social procurement approaches in Manitoba Housing and through the Indigenous Procurement Initiative. This practice can be scaled significantly at the provincial level, with the City's implementation experience providing a ready base.

Because this resolution relates directly to Community Economic Development by using public purchasing to build community wealth, support social enterprises and cooperatives, create pathways to meaningful employment for people facing barriers, and ensure that public dollars spent in Manitoba generate reinforcing social and economic returns within Manitoba communities.

Because this resolution fits within the theme areas of *Ending Poverty* (by ensuring public procurement does not subsidize poverty-wage employment), *Local & Fair Economies* (by weighting community benefit, social enterprise participation, and fair wages in public

purchasing), and *Sustainable Community-Led Development* (by routing public dollars to community-rooted organizations that reinvest locally).

How this Resolution will be Advanced: CCEDNet Manitoba through the Social Enterprise MB group, leads advocacy on social procurement at the provincial and municipal levels. Priorities include monitoring implementation of the City of Winnipeg's Sustainable Procurement Action Plan, engaging with the province on its in-progress procurement policy review, and pursuing adoption with other municipalities and institutions.