



CASE STUDY | EDMONTON'S SOCIAL PROCUREMENT POLICY INCREASES ECONOMIC OPPORTUNITY FOR ALL

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[EndPovertyEdmonton](#) (EPE), the [City of Edmonton](#) and partner organizations are deliberately changing spending habits through social procurement policies to make community benefits essential to doing business. By keeping dollars local, leveraging existing budgets and building local capacity and skills, Edmonton is strengthening their community and is moving closer to their goal of ending poverty in a generation.

OVERVIEW

Social procurement is about increasing the efficiency and effectiveness of government budgets by leveraging spending to achieve targeted social and economic goals. As a social procurement champion, Edmonton creates economic opportunities for those living in poverty, catalyzes the whole community to understand a new way of doing business and supports a stronger future for all.

END POVERTY EDMONTON (EPE)

- Mission is to end poverty in a generation
- Applies a Collective Impact and movement-building approach to realize system change
- Has gained the trust, credibility and attention of political stakeholders
- Works collaboratively with diverse stakeholders, including people working on advocating, convening and supporting community work
- Is grounded in reconciliation at the systems level and integrates traditional Indigenous ways of knowing

TOP TAKEAWAYS

- EPE's [Livable Incomes Game Changer](#) applies a Collective Impact approach to create equitable economic opportunities in Edmonton.
- Social procurement is about leveraging existing spending to maximize economic, social and other community benefits.
- Edmonton's tips for increasing uptake and implementation of social procurement include providing a clear vision, implementing and scaling innovative approaches and mobilizing across sectors and community.

EDMONTON'S ECONOMIC PAST, PRESENT AND FUTURE

While Edmonton's local economy has been predicated upon high-value oil and gas, a growing public sector and population growth, the city realizes that it can no longer rely on those factors to carry the weight of a strong local economy. The city can, however, rely on the productivity, talents and creativity of all Edmontonians to build a resilient and sustainable future – one that is based on a new economy that is locally focused, inclusive of all Edmontonians and attracts future investment.

EPE envisions an economic future that harnesses the greater diversified strengths of city infrastructure, people and industries through a systemic approach that aims to create an economy that works for all Edmontonians.

EPE AND LIVABLE INCOMES

EPE was established in 2016 when the City of Edmonton approved its first five-year plan to reduce poverty. Its [35 actions were distilled from 28 priorities to make up its five-year Road Map](#). These were presented by the Mayor's Task Force to Eliminate Poverty and approved by City Council.

Early Indicators on the Road to Success

- According to City of Edmonton estimates (in advance of contract completions), approximately \$2 million in additional wages have been injected into the local economy through Living Wage policies.
- EPE is working with provincial and local groups for collaborative advocacy around social procurement, workforce development, social enterprise capacity-building and the implementation of living wages
- At least 14 large enterprises are working with EPE on social procurement uptake.
- Large anchor institutions are engaged in exploratory conversations to adopt social procurement.

Eighteen of these 35 actions are City-led and are managed through its Poverty Elimination Council Initiative. The City is a member of the Investment Collective, of EPE's funders table, and sits at EPE's Stewardship Round Table (their leadership group).

EPE recognizes that, while poverty is not only about money, it is also always about money. The group names Livable Incomes as one of six Game Changers within its [End Poverty in a Generation strategy](#). Through this priority, EPE creates economic opportunities for those living in poverty through equitable growth that serves and supports a stronger future for all Edmontonians.

EPE applies a collective and systemic effort to foster high-quality economic opportunities. This approach brings together and aligns all economic and workforce development actors, including the following:

- Industry
- Indigenous and racialized business leaders
- Workers
- Government
- Community organizations
- Educational institutions
- Regional economic development corporations

THE CITY OF EDMONTON'S SOCIAL PROCUREMENT POLICY

In October 2018, Edmonton's City Council asked that a social procurement policy be created as part of the City's [Sustainable Procurement Policy](#). Council asked that the new social procurement policy align with EPE's mandate to end poverty and support their Livable Incomes Game Changer.



Social procurement is leveraging a social value from your existing procurement. Social procurement adds a social value consideration to your current evaluation of price, quality, and environment of the goods and services you purchase.

– Buy Social Canada



Social procurement can be used to:

- help local businesses create jobs;
- help unemployed and low-income workers get skills training and good jobs;
- diversify valuable supply chains, including social enterprise and businesses owned by people of diverse and marginalized backgrounds;
- develop the capacity of social enterprises across the city; and
- realize other community benefits, including Community Benefits Agreements (CBAs), through

construction and infrastructure projects.

The City of Edmonton's resulting social procurement policy and framework, passed in December 2019, serves to guide municipal purchasing in a way that supports local and diverse businesses, social enterprises and cooperatives. It creates economic opportunities for those living in poverty (such as training and employment opportunities) and supports community goals (such as increased local employment). Purchases are framed not just as financial transactions but as being in the realm of building healthy communities. Benefits are realized not by spending more but by spending differently.

Benefits of Social Procurement

- **Accelerated economic recovery:** Increasing access to public procurement opportunities for job creators, which includes local businesses, social enterprises and co-operatives, generating opportunities that are most likely to result in public dollars recirculating in local economies
- **Employment and skills training:** Meeting current and future industry needs, addressing workforce/labour challenges and creating employment opportunities
- **Increased economic opportunity for all:** Addressing inclusivity as the most significant indicator for long-term economic growth and a sustainable economy
- **Fiscal responsibility:** Increasing value for public money, ensuring that purchasing decisions amplify the economic and social goals of government
- **Increased innovation:** Increasing competition and innovation by tapping into a more diverse pool of vendors, job candidates and service providers

The City of Edmonton embeds social criteria into some of their requests for proposals (RFPs), including more and different criteria as understanding and implementation of the policy increases. For example, companies responding to social criteria in City of Edmonton RFPs may be asked how they would provide or build in more training and/or employment opportunities for targeted groups; purchase from local companies, contractors and suppliers; or pay their employees a Living Wage. Companies responding to these bids must therefore think through and articulate what meeting these criteria looks like for them.

Successfully influencing procurement for social good requires tackling both the supply side – where businesses, social enterprises, cooperatives and people provide goods and services – and the demand side – where buyers purchase these goods and services based on institutional values and policies.

IMPROVING SUPPLY OPTIONS BY ADVANCING SOCIAL ENTERPRISE

EPE supports the City of Edmonton and other local institutions to source goods and services based on their social procurement policies by supporting the development of social enterprises.

EPE was one of the founding members of the Alberta Social Economy Ecosystem Development (AB-SEED) and sits on its steering committee. AB-SEED enhances collaboration and between the leaders and contributors who work in the social economy. They work to increase the scale of the social economy's impact and transform the way that Edmontonians do business.

TRANSFORMING DEMAND BY SUPPORTING LOCAL BUSINESSES

When large institutions and companies such as the City of Edmonton buy from local and diverse businesses, they create jobs and stability in the local economy.

A large part of implementing social procurement is identifying businesses who will make themselves available for RFPs – both from the City and other institutions to which EPE advocates. This involves awareness strategies targeting business supports and business associations. After several speculative conversations with different organizations, a provincial small business hub called [Business Link](#) launched a directory of local businesses in the summer of 2021. This online directory is a fantastic tool for individual consumers and staff of institutions with social procurement policies to identify and purchase from diverse businesses and social enterprises in Edmonton and across Alberta.

CONNECTING SUPPLY WITH DEMAND

EPE plays a major role in connecting social procurement supply and demand. They work with businesses and agencies in good faith, provide expertise that makes navigating policy change and implementation easier and build collaborations that bring traditionally competing interests onside for a single bid.

When the City of Edmonton put out an RFP for a large infrastructure project, EPE leveraged the opportunity to bring Indigenous and newcomer employment agencies and a large construction firm into the same room for a conversation. Together, they took a deep dive into barriers to employment, built trust and good faith, and created a model that could be carried forward into more work across the community.

Since then, EPE has been convening workforce development groups to build an effective pathway to employment and to determine what systems changes could help the sector to reduce duplication and increase efficiency. The organization continues to build allyships, shared aspirations with these allies and networks of actors that can collaborate on bids. These actors have built understanding of the

impact that advocating for each other can have on the whole community, for example, changed policies and positive employment outcomes.



With EndPovertyEdmonton's help, what would have taken us 15 or 20 hours to identify [, for example,] even four community partners for Community Benefit requirements, was pared back to maybe four hours work to [now] identify 20 community partners. We wrote a stronger and more authentic bid, knowing we would be providing real value into the community.

– Bid Proponent



COLLECTIVE IMPACT AS A FOUNDATION FOR SOCIAL PROCUREMENT

EPE's Social Procurement is founded in a [Collective Impact](#) approach that meets its five preconditions:

- Building a common agenda
- Employing a shared measurement approach to determine progress
- Leveraging mutually reinforcing activities
- Engaging in authentic communications
- Investing in a backbone infrastructure to provide support to move the community change forward

Building a common agenda

Workforce development agencies build understanding of the supply side of social procurement and collectively agree on an agenda for reducing redundancies and increasing efficiency

Employing a shared measurement approach to determine progress

EPE employs evaluation not only as a means of reporting outcomes but as part of a continuous feedback loop where its team builds understanding where improvements can be made and which future directions they should take.

Leveraging mutually reinforcing activities

EPE partners with sector organizations such as professional associations to improve and assist in the wider application of social value RFPs; it also shares knowledge with larger institutions on how this could be integrated in their work. For example, EPE is working with the [Edmonton Construction Association](#) to provide procurement change education. Together, the two organizations are working with groups that typically target early career professionals to instead target mid-career professionals. They leverage these groups' networks to spread information about the implementation of social procurement. Specifically, they promote the knowledge that increasing reach and awareness enable investment, enable a multiplier effect for every dollar spent in the local economy and that these

forces become drivers in a vibrant and prosperous local economy for all. For all Edmontonians, this moves the needle on poverty elimination.

Engaging in authentic communications

This strategy ensures that the collective network is informed and engaged. EPE has made community essential in the work it does and undertakes community engagement and outreach in a way that shows the results of having taken time to map out which stakeholders to invite to the table. The result of these efforts has been an increase in the numbers of organizations that are interested in the work being done. Setting up and taking care of the collective network demonstrates the level of skill EPE has in creating good opportunities to engage people at every stage. In particular, a broader spectrum of the community is now involved in Social Procurement discussions. Community organizations, businesses, unions and community actors, such as policing and education, are now more involved with EPE in 2021 than they were previously.

Investing in backbone infrastructure to provide support to move community change forward

The City of Edmonton funded a separate [EPE Secretariat](#) in 2016, housed in the United Way of the Alberta Capital Region. It serves as the backbone for the Collective Impact initiative. The structure includes key functions of Executive Director, Communications Officer, Managers of areas such as Strategic Initiatives and Research and Evaluation, and other staff. Moving beyond Collective Impact 2.0, EPE's working models demonstrate a discovery of new ways and mental models for the elimination of poverty, as well as processes to cultivate trust and empathy, which are all requirements for stretching to [Collective Impact 3.0](#).

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Every purchase has an economic, environmental and social impact, whether intended or not. Social procurement is about capturing those impacts and seeking to make intentional, positive contributions to both the local economy and the overall vibrancy of the community.”

– David Lepage, [Buy Social Canada](#)

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Tips for Changing Approaches to Spending for Social Procurement

- **Clarity of vision:** Provide clear information about what you are doing, that is accessible to a broad audience.
- **Create, test and scale new approaches:** Work on both the demand (policy change) and supply (availability of social and local business to address goals) sides of transforming procurement.
- **Mobilize across sectors:** Understand employment pipelines and work with employment groups and workforce development organizations to determine how increased employment will look in your community.
- **Bring community together:** Learn to see beyond the labels of various sectors, seek the golden nuggets and integrate that learning widely to respond to community needs.
- **Address accreditation for goals:** This includes Living Wage Employer programs

Additional information available at www.buysocialcanada.ca

CONCLUSION

The impact of Social Procurement as an instrument ultimately means good business. A focus on the circular investment cycle that keeps money in the local economy and connects social procurement, community employment benefit and livable wages is a promising practice that supports Edmonton's changing economy and mission to end poverty in a generation.

EPE is continuing to build traction as various actors, including professional associations and the business community, prepare for the implementation of transactions that generate community benefit and social value. Edmonton's work distributes economic growth throughout society, leverages the skill sets of all Edmontonians, diversifies the local economy and creates meaningful partnerships and mutually beneficial opportunities for all. By focusing economic recovery on raising the standard of living for all citizens – including immigrants, Indigenous and racialized persons, persons with disabilities and people with lower skill levels – EPE creates a greater, more resilient city for all Edmontonians.

Now working with at least 14 different companies (supporting their hiring practices to help them subcontract to or purchase from diverse businesses and to build social value criteria into their request for proposals, among other actions), EPE is also partnering with various groups to advocate for better support for social procurement policy implementation across all orders of government and segments of society.

READ MORE

- Websites: EndPovertyEdmonton's [Livable incomes](#) and [Social Procurement web pages](#)
- Website: [Buy Social Canada](#)
- Website: [AB-SEED](#)(supports the development of social enterprises in Alberta)
- Website: Business Link's [Support Local Alberta](#) business directory
- Blog: [A Better Bottom Line](#)
- Government Brief: [Accelerating Economic and Social Impact Through Procurement Practices](#)