

Ministre des Services publics
et de l'Approvisionnement
et de l'Accessibilité
Receveur général du Canada



Minister of Public Services
and Procurement
and Accessibility
Receiver General for Canada

Ottawa, Canada K1A 0S5

AOUT
AUG 21 2019

Mr. Ramesh Sangha, M.P.
Brampton Centre
House of Commons
Ottawa, Ontario K1A 0A6

The Honourable Ratna Omidvar, Senator
The Senate of Canada
Ottawa, Ontario K1A 0A4

Dear Mr. Sangha and Senator Omidvar:

I would like to thank you and your colleagues for your work on Bill C-344 - *An Act to amend the Department of Public Works and Government Services Act (community benefit)*, aimed at providing the authority to require an assessment of community benefits in federal procurements to ensure that the tax dollars invested in the repair and building of federal infrastructure are leveraged to produce local benefits such as training and jobs.

As you know, the Government of Canada passed Bill C-344 in the House of Commons over a year ago on June 13, 2018. Since June 14, 2018, Bill C-344 has been under consideration by the Senate. We now know that the Senate will not pass this bill, which I have supported since my first day as Minister of Public Services and Procurement. Although the Senate will not be adopting Bill C-344 as legislation, as Minister of Public Services and Procurement and Accessibility, I have directed officials at Public Services and Procurement Canada to ensure that the time and thoughtfulness you invested in Bill C-344 will continue to inform the work of the Department in modernizing government procurement. I am providing you with this letter as an update on this work and how the Government plans on continuing the work you have accomplished on this initiative.

The Government of Canada is committed to modernizing its procurement system to ensure that it serves the goals of sustainable economic growth and growing the middle class. This includes developing initiatives to increase the diversity of bidders on government contracts, taking measures to increase the accessibility of the procurement system to under-represented groups, and ensuring social and environmental benefits are taken into account when ensuring the best value in procurement.

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I am focused on ensuring that Canadian communities receive economic, social and environmental benefits from our procurement projects. We have already made several strides in supporting local and Indigenous communities through strengthened federal procurement requirements. For example, in November 2018, a contract was awarded for janitorial services at Canadian Forces Base Suffield, which included the socio-economic objective of hiring persons with barriers to employment throughout the life of the contract.

To further support small and medium-size suppliers who play a key role in the economic fabric of our communities, the Government of Canada tabled the *Federal Prompt Payment for Construction Work Act* this year to ensure that contractors and subcontractors who do construction work on federal property are paid promptly.

Building on your work on community benefits, I have instructed officials at Public Services and Procurement Canada to include community benefits as an element of our Better Buying plan for modernizing our procurement system. Moving forward, these officials will issue a request for information to solicit feedback from industry and community groups on the scope and application of community benefits requirements on contractors. A request for information is the first step to effecting meaningful change. We have recently used this type of engagement with suppliers to develop better vendor management tools to ensure the Government is able to hold contractors accountable for performance.

I look forward to keeping you posted on our findings and next steps.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carla', with a large, stylized flourish extending from the end of the name.

The Honourable Carla Qualtrough, P.C., M.P.