House of Commons
Chambre des communes
CANADA

House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

(•) **an organization** **Organization name:** Canadian Community Economic Development Network

or

( ) **an individual** **Name:** _____

Topic: Small and medium-sized enterprises

*Recommendation 1: Please provide a short summary of your recommendation.

Implement a procurement policy that incorporates 20% social value weighting in all Requests for Proposals and includes Community Benefit Agreements (CBAs) on relevant contracts. The traditional "price prevails" purchasing analysis does an injustice to the taxpayer. A greater return on investment is achieved when governments use a blended value analysis in their procurement, incorporating broader social considerations in addition to price, quality, and environmental considerations. CBAs are contractual clauses that add a social component to the existing evaluation process.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

other: please provide your estimated amount This recommendation could

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

This recommendation could be implemented with little or no additional investment by leveraging existing spending to achieve a greater return on investment. Federal procurement practices already incorporate environmental considerations among others. This recommendation simply adds a social component to the analysis. Any additional costs would be offset by savings from increased income tax revenue and other social returns on investment including reductions in healthcare and justice costs which are generated by the growth of community enterprises that hire people with barriers to employment.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Implementation of this recommendation would increase market opportunities for community enterprises across Canada. Community enterprises are operated by non-profits, co-operatives, and micro-enterprises and are created to build stronger and fairer local economies and communities. Many also serve to create jobs for underutilized populations such as recent immigrants, women, Aboriginal populations, and people with disabilities. This recommendation will also help achieve the objectives of the Office of Small and Medium Enterprises which aims to help SMEs do business with goverment.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

This recommendation supports the growth of community enterprises which create training and employment opportunities for populations who are underutilized in the labour market. These populations tend to be over-represented among those who live at or below the government indicated poverty line. By supporting the growth of community enterprises through its procurement policies, the federal government can reduce the costs of poverty related to the loss of income tax revenue, foregone productivity, healthcare, and crime while increasing disposable income and putting money back into the economy.

Topic: Small and medium-sized enterprises

Recommendation 2: Please provide a short summary of your recommendation.

Invest in training to ensure relevant government staff are aware of, and understand, the social enterprise and co-operative business models so these businesses can access government-funded business development supports that other Canadian businesses have access to. Existing federal supports don't adequately meet the needs of the social enterprise and co-operative sectors, as many policies and programs have been designed mainly for private businesses. In many cases, staff managing the business support programs and services have limited understanding of how these businesses operate.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

other: please provide your estimated amount

This recommendation could

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

This recommendation could be implemented with little or no additional investment, except for ensuring that staff members are adequately equipped to provide services to social enterprise and co-operative business models. This could be achieved in part by incorporating materials into the Canada School of Public Service and/or existing department training initiatives that build knowledge and understanding of social enterprises and co-operatives and how they operate.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

The social enterprise and co-operative sectors across Canada would benefit from the implementation of this recommendation. These businesses create training and job opportunities for underutilized populations such as recent immigrants, women, Aboriginal populations, and people with disabilities who will benefit from increased opportunities to upgrade their skills and access the training they need to enter into good jobs that pay a living wage and provide opportunities for advancement.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Social enterprises and co-operatives create skill development opportunities, training opportunities, and jobs for underutilized populations. This addresses the gap between the skill levels of the unemployed and the skill requirements of our labour market. Social enterprises and co-operatives meet the goods and services needs of underserved urban and rural communities. Social enterprises and co-operatives offer both a social and financial return on investment that reduces medium and longer term pressures on public expenditures in areas such as health, justice, social transfers, etc.

Topic: Please select from the pull-down menu

Recommendation 3: Please provide a short summary of your recommendation.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

Please select from the drop down menu

Please select from the drop down menu

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Please use this page if you wish to provide more explanation about your recommendation(s).

*Please note that at least one recommendation must be provided