

RESPONSE PACKAGE

PSPC responses to Questions Taken on Notice Standing Committee on Government Operations & Estimates (OGGO) Outsourcing of Contracts October 3, 2022

Question 1 – What percentage of total contract value was awarded to Indigenous firms (against the 5% target)?

During fiscal year 2021-2022, Public Services and Procurement Canada (PSPC) awarded 2.3% (in value) of its departmental contracts to Indigenous suppliers identified in the Indigenous Business Directory, for a total value of \$153.1 million. In terms of total number of PSPC contracts (i.e. 21,869), the 1,186 contracts awarded to Indigenous suppliers represent 5.4%⁽¹⁾.

These numbers do not include contracts awarded by PSPC on behalf of other government departments and agencies as a common service provider of procurement services, nor do they include sub-contracts with Indigenous suppliers.

PSPC is working to maximize opportunities for Indigenous businesses to do business with the government of Canada. Preliminary and informal numbers for fiscal year 2022-2023 within PSPC are encouraging.

PSPC has been focused on three general areas of implementation to support the success of the 5% minimum mandate for Indigenous Businesses:

1. Communication and awareness:

The Directive on the Management of Procurement through the new Mandatory Procedures on Contracts Awarded to Indigenous Businesses was published on April 25, 2022. The mandatory procedures established policy and reporting requirements. Since then, PSPC has been creating communication products and presenting at outreach and information sessions to audiences both inside and outside of government.

This has included increasing outreach to industry and Indigenous-owned and led businesses and entrepreneurs. Procurement Assistance Canada (PAC) and PSPC's regional offices support small and medium sized enterprises in the federal procurement process, specifically targeted at those groups who are underrepresented in the Federal supply chains such as Indigenous people and businesses. PAC provides workshops on the Federal procurement process generally and provides one-on-one coaching for small business owners and entrepreneurs to ensure they are 'bid ready'. Internally at PSPC, collaboration is ongoing to learn from the experiences of small businesses and entrepreneurs, particularly by communicating to management about barriers and working with policy teams to find solutions.

2. Tools and guidance development:

⁽¹⁾ There are additional contracts with firms that have self-identified as Indigenous, but are not on the directory. The numbers provided herein do not include sub-contracting values

PSPC is also leading the development of its own tools and guidance that are actionable by the procurement community to support increased participation by Indigenous entrepreneurs, businesses, and communities across PSPC's commodity groups. This includes guidance specifically to support the success of the 5% mandate, increasing subcontracting opportunities through Indigenous Participation Plans (IPPs), and leveraging the success and opportunities set forth in the procurement obligations within Modern Treaties. This work is ongoing.

3. Reporting actuals:

The Treasury Board of Canada Secretariat and Indigenous Services Canada are leading in the development of reporting processes and procedures. PSPC has been involved in this work to ensure that it fulfills its reporting obligations as both a line department as well as a common services department. The department is also working to improve its data and reporting guidance, data integrity and verification, and to utilize its reporting systems to their fullest extent. This includes the successful implementation and continuous improvement of the Electronic Procurement System (EPS).

As reporting for Phase 1 departments is due Fall 2023, the final calculation of the 5% mandate across government will be available publicly in Spring 2024 when Indigenous Services Canada releases its final reports.

Question 2 – What is the total cost of the contract(s) to hire freelance interpreters?

Amounts paid to freelance interpreters for work done for Parliament in official languages:

Year	Amount
2018-19	\$1,680,366
2019-20	\$1,704,817
2020-21	\$2,966,306
2021-22	\$2,691,975
2022-23 (forecast as of September 30, 2022 / projected)	\$2,765,000

Question 3 – What is the breakdown by department on IT outsourcing costs?

The consumption of information management and information technology services is reported annually in the Public Accounts of Canada. The relevant information is found in Section 3, Professional and Special Services. Each department reports their specific spending on Informatics Services (IS) contracts: ([Public Accounts of Canada 2021-22 - Professional and special services](#))

Question 4 - Does the government of Canada have a surplus or shortage of office space (in the context of additional office space planned for Sparks Street)?

The Government of Canada has a shortage of office space required to meet Parliament's current and future accommodation needs within the Parliamentary Precinct. Additional office space is required for three reasons: 1) swing space office space is required in the short-term to enable the emptying of key parliamentary buildings (e.g., East Block and Confederation Building) so that they can be restored and modernized; 2) additional office space is required in the mid-term, because the restoration and modernization of the parliamentary buildings (space required for base building and code upgrades, providing space for new parliamentary requirements, and additional space to provide standardized parliamentary offices at 90m²), results in a decrease in the number of offices that fit within a parliamentary building; and 3) additional space is required in the long-term to provide offices for the increasing number of Members of Parliament as a result of the Fair Representation Act.

The Long Term Vision and Plan for the Parliamentary Precinct leverages investments to meet the short, mid and long-term accommodation requirements for Parliament. For example, the redevelopment of Block 2 will enable the East Block and Confederation Building to be emptied, restored and modernized. Block 2 will then provide permanent office space for Members of Parliament and Senators to accommodate offices displaced by modernization efforts and the increased numbers of MPs.