

Building a stronger economic future for Yukoners.

# Procurement Improvement Framework

April 2018



Yukon

The Government of Yukon is committed to the fair, open and transparent procurement of goods, services and construction while balancing the interests of Yukon businesses, best value-for-money and trade agreement obligations.

Our procurement is a significant force in the local economy. Getting value-for-money is more than merely considering the price paid. We recognize the strategic role and importance of our spending.

## Here is our plan to make our procurement better.

### Maximize Yukon economic benefit

- 1** Add a standard clause in templates for construction for Fair Wage Schedule reporting after June 1, 2017 to ensure companies comply with Yukon's fair wage requirements.
- 2** Develop standard clauses for value-based procurements to support First Nation recruitment, training, and subcontracting opportunities, and to secure Yukon economic benefits while considering value for money and remaining compliant with trade agreements.
- 3** Coordinate government purchasing to support local businesses by:
  - ▶ Bundling or unbundling tender components and issuing tenders to optimize planning and construction periods, and honour obligations set out in Chapter 22 of the land claim agreements.
  - ▶ Encouraging value-based procurement when appropriate, over lowest bid price.
  - ▶ Creating a process for handling procurements below trade agreement thresholds to maximize Yukon benefits and value for money.
- 4** Integrate economic analysis before tendering and use Yukon's 10 CAD\$ one million exemptions under the Canadian Free Trade Agreement and other opportunities for regional economic development.

### Improve quality and consistency of procurements across Yukon government

- 5** Coordinate procurement across Yukon government departments focusing on:
  - ▶ Consistent use of standard clauses.
  - ▶ Quality contract management including timely payments to vendors.
  - ▶ Establish a review process to ensure tender document quality and consistency across all departments.
  - ▶ Monitor and adapt procurement improvements to ensure procurement goals and objectives are being met as set out in procurement policies.
- 6** Develop standardized training for Yukon government staff who do procurement, linking to competencies and job descriptions.
- 7** Implement a vendor performance review program.
- 8** Publish an annual report on procurement improvement progress, supported by data to ensure accountability. The data will include data on Yukon- and First Nation-specific information. Reporting on progress will include measurement of outcomes to show that procurement is improving.

### Reduce barriers and increase opportunities to local businesses and First Nations

- 9** Yukon government will work government-to-government with First Nations through the Yukon Forum (Action #1 under Land Claims & Self-Government Agreement Implementation in the Joint Priority Action Plan).
- 10** Communicate upcoming opportunities by posting tenders on the Tender Forecast and engage early with Yukon First Nations about projects in their Traditional Territory.
- 11** Update the Contracting and Procurement Directive to:
  - ▶ Simplify the procurement process and improve clarity.
  - ▶ Increase the threshold in the directive for services and construction to align with the trade agreement thresholds.
  - ▶ Amend the bid challenge process to include a dispute resolution mechanism to comply with trade agreements.
- 12** In collaboration with First Nation governments, develop new policies with appropriate roles and responsibilities for clear, consistent procurements that:
  - ▶ Support participation by local businesses and First Nation businesses and development corporations.
  - ▶ Meet the spirit and intent of Chapter 22 of the land claim agreements.
  - ▶ Integrate ideas from the Yukon Forum.
  - ▶ Comply with trade agreements.
- 13** Establish a new Procurement Business Committee on procurement to continue collaborating with industry associations and First Nation development corporations.
- 14** Increase information sharing and foster ongoing partnerships through annual industry conferences and reverse trade shows.
- 15** Simplify procurement for vendors by only requesting materials needed for evaluation.
- 16** Develop a five-year capital plan that improves procurement planning, forecasting and timing of tenders across Yukon government.

# Building a stronger economic future for Yukoners.

## For more information:

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