Engaging the Indigenous Supply Chain during the COVID-19 Pandemic

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ABSTRACT

This article relates lessons learned about Indigenous supplier engagement during the COVID-19 pandemic. It explores how the Public Services and Procurement Canada (PSPC), Indigenous Services Canada (ISC), and the National Indigenous Organization partnered to form a COVID-19 supplier taskforce to drive PPE and COVID-related service contracting opportunities to Indigenous suppliers to help businesses survive a prolonged economic shutdown. It was successful when both governments and organizations found a way to work together. Challenges included determining ways to support long-term working relationships and agreements, developing required tools and processes, and identifying contracting opportunities. This article describes the journey partners took under the leadership of Cando. Finally, the article concludes with actions taken by the taskforce to ensure that Indigenous suppliers have a place in Canada's economic recovery.

INTRODUCTION

At the beginning of the COVID-19 pandemic, the Federal Government called all Canadian businesses to action to increase production of personal protective equipment (PPE), to support Canada's purchases in response to COVID-19. Since the call was made, several National Indigenous Organizations have partnered up and created a 100% Indigenous-led Taskforce to mobilize Indigenous suppliers, who then responded overwhelmingly to either manufacture supplies such as hand sanitizer, gowns, and masks, or retool their businesses to do so (Canada, n.d. b).

The initial release to government buyers, who purchase goods and services for their department with the support of Public Services and Procurement Canada (PSPC) and Indige-

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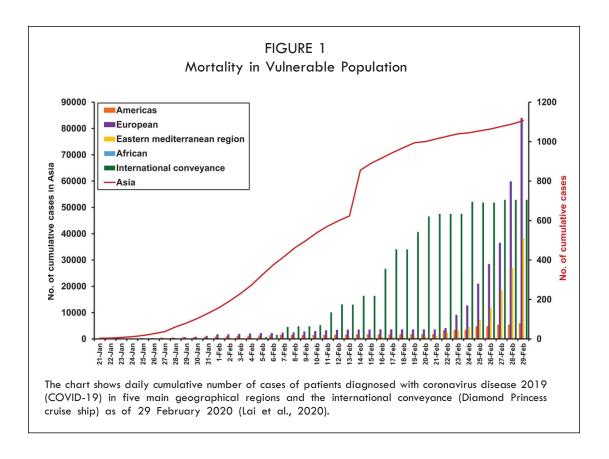
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nous Services Canada (ISC), resulted in more than \$6 million of business towards registered Indigenous suppliers for purchases of hand sanitizer, disposable masks, and sanitizing wipes to support the reopening of government offices (Canada Trade Commissioner Service, n.d.). In addition, over 427 Indigenous suppliers have registered on the database. The database is now the largest publicly available single source for anybody who wants to buy PPE and medical-related services from certified Indigenous suppliers and manufactures. As Canada moves through the third wave of COVID-19 cases, and possibly will be hit by a fourth wave because of the Delta and Lambda variants, Indigenous suppliers are ready to respond and can supply or service any private industry client, public services offices, hospitals, clinics, retail businesses, etc., as they prepare to open to the new normal or work through case spikes (Canada, n.d. b). However, this exposed several challenges and obstacles for both the Federal Government and the National Indigenous Organizations as they quickly mobilized to respond to the growing need for Personal Protective Equipment (PPE) and services, especially in Indigenous communities. As one of the taskforce members succinctly put it, "We have to build the plane as we fly it." In other words, during a crisis, Government and NIOs had to learn as they went along. Also, the pandemic has exposed government buying behaviour and Indigenous organization culture with respect to their willingness to work as a cohesive unit.

Despite the challenges, Indigenous suppliers responded overwhelmingly. They either reorganized their supply chains to acquire the PPE and sanitizing products or retooled their businesses to manufacture PPE gowns and masks, hand sanitizer, etc. For example, during the summer of 2020, both AMI Medical Supply Inc. and Dreamline Canada, B.C.-based and Alberta-based firms, respectively, seized the opportunity and were awarded contracts to supply 3-ply non-medical disposal masks to the Government of Canada. Another example of companies pivoting to producing sanitizing products was Thompson Distillery in Kahnawake. The company pivoted from making spirits for restaurants to making hand sanitizer called "Abdito", which is a 70% ethanol sanitizer approved by Health Canada for the public (Canada, n.d. c). Thompson Distillery was able to secure repeated small dollar transactions — i.e., contracts under \$10,000 — for its products. Finally, while some service companies reoriented to meet requirements for services such as medical transportation, others were already well positioned to respond to the call to action for support services like catering and public security (e.g., guards) that were required for COVID testing and vaccination sites.

BACKGROUND

At the end of December 2019, the World Health Organization (WHO) started noticing media chatter about an unknown 'viral pneumonia' originating in Wuhan, China. By early January, the WHO reported that "the Chinese authorities have determined that the outbreak is caused by a novel coronavirus." The novel coronavirus had no cure or effective treatment and had a 3.4% mortality rate (Worldometer, n.d.). This global average is not reflective of how deadly contracting novel coronavirus was for the elderly and people with pre-existing conditions. Also, survival depended on the quality and availability of health care in each country or region and/or how fast public safety protocols, like shutdowns and social distancing, were implemented. Vulnerable segments of the population had a much higher mortality rate than the global average, which is shown in Figure 1 (Lai et al., 2020).

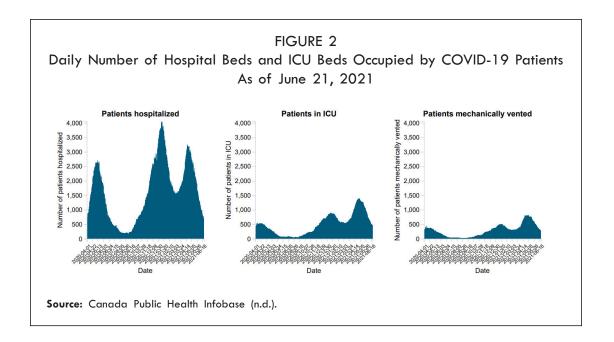


COVID-19 Transmission Rates

Another major global concern is the highly infectious nature of COVID-19 by either breathing infected droplets suspended in the air or touching infected surfaces. The virus was highly transmittable, and risk of exposure was dependent on whether the infected person was showing visible symptoms versus being asymptomatic — i.e., showing no signs of infection (Canada, n.d. b). To put this in perspective, if an unmasked infected person were in a room with 12 people, there is a high probability that 7 out of 10 people would be infected. And if the person were asymptomatic and was in the same room with the other symptomatic person, there is a high possibility that the other 3 people would become infected as well. Therefore, viral seasonal waves, especially in winter, when most people are spending time indoors in closed spaces, presented the highest risk of exposure. Communicability of the virus had a huge impact on the health sector's capacity to manage spikes in COVID-19 cases, as shown in Figure 2. This was when the demand for PPE spiked as well.

Medical Supply Shortage Impacts

COVID-19 exposed how unprepared governments were to manage a global pandemic despite decades of warnings from public health experts. In 2020, COVID outbreaks coincided with predicted fall and winter flu seasons waves; health service officials became acutely aware of the lack of hospital beds (especially in ICUs), the shortage of nurses, and



acute care equipment, such as ventilators. There were also PPE, disinfectants, and sanitizing products shortages, as stockpiles were quickly used up by health workers and consumers. Often these products, like N95 masks, were not manufactured in Canada. These masks are the best protection against airborne biological pathogens. Thus, not only was the N95 mask required by hospital staff as critical supplies during the pandemic, it was also highly sought by the public. The shortages were exacerbated by countries who manufacture medical supplies for the global market. They either stopped or limited supplying to other countries because of their domestic demands caused by the pandemic. For example, 3M, a global manufacturer of respirators and N95 masks, was requested by the Trump Administration to cease exporting masks produced in the United States to Canada (Turnbull, 2020).

Decline in Manufacturing in Canada

Over the past 20 years, Canada has offshored manufacturing of goods to other countries, which had the net effect of a decline in manufacturing, with a percentage of GDP from nearly 20% in 1986 dropping to 10% in 2018.

Offshoring also included strategic products such as PPE and medical equipment. Although globalization has produced cheaper products for the consumer, it also exposed the risks as countries struggled to meet the demand for PPE. It was made clear that offshoring produced shortages in the strategic supply chain, especially for products making up critical stockpiles, such as those included in Canada's National Emergency Strategic Stockpile (NESS) (Public Health Agency Canada, 2019). NESS contains supplementary supplies that provinces and territories can call upon if there are shortages of medical supplies for emergencies caused by infectious disease outbreaks, natural disasters, and other public health events. In January of 2021, an independent commission reported that "Ontario faced a shortage of personal protective equipment at the onset of the COVID-19 pandemic in part because it did not replenish its stockpiles over the previous years" (Loriggio, 2021). This

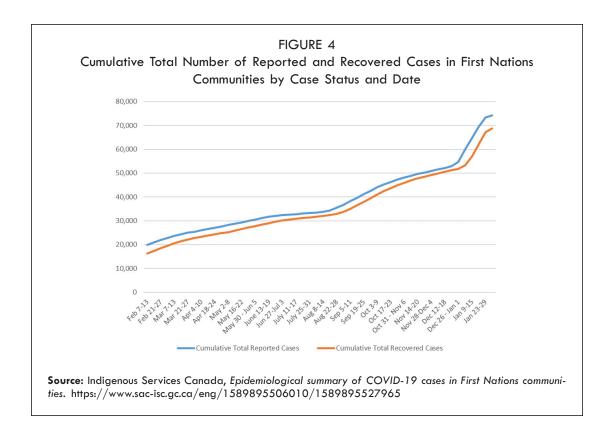


resulted in Canada making the call for companies to pivot their production lines to make an array of PPE products and other medical equipment to meet the country's high demand (Figure 3).

COVID-19 Risk to Indigenous Communities

In a pandemic like COVID-19, Indigenous communities were often the most at risk. Ongomizwin, part of the University of Manitoba's Rady Faculty of Health Sciences, built a risk profile for First Nations communities in Manitoba (Comeau, 2021). Using the H1N1 epidemic data and response experience as a model, their researchers assessed the potential impact of COVID-19 on Indigenous communities. Their findings confirmed that Indigenous communities were at higher risk, and they also provided the many reasons behind it, including the following:

- Movement of migrant workers to and from natural resource, oil and gas, and energy projects (These projects are close to Indigenous communities and often considered essential industries e.g., energy and utilities were declared essential industries during the pandemic; see Public Safety Canada, n.d.)
- Food insecurity
- Inadequate infrastructure, e.g., hospitals, water treatment, roads
- Overcrowded households
- Isolation
- Etc.



As of July 2, 2021, Indigenous Services Canada reported the following data points regarding COVID-19 Cases on reserve (Indigenous Services Canada. (n.d. *a*):

- The rate of reported active cases of COVID-19 in First Nations people living on-reserve is currently 148.9 per 100,000, or six times the rate in the general Canadian population.
- 97% of First Nations people living on a reserve who tested positive for COVID-19 have recovered.

However, Dr. Janet Smylie, a Métis physician and leader in the field of Indigenous health, commented about the data gaps with respect to Indigenous peoples (Deer, 2020). The lack of reliable health data is mainly due to the fractionalization of the health care system data because of jurisdictional divides between health organizations and provincial health care systems. She commented that the *Indian Act* is a major contributor to the disparity in data collection Indigenous segments of the population. For example, it is more difficult to get COVID case data about Indigenous people living off-reserve than for Indigenous people living on-reserve. This is indicative of a "broken system" and illustrates the need for better coordination of Indigenous peoples' health data across Canada. Without good health data about COVID cases, it is difficult for health service providers within the traditional territories to coordinate the delivery of PPE products and COVID-related services and to also provide support to high-risk communities and segments, such as the elder population, especially off reserve.

FIGURE 5
Self-employment Rates by Industry (2011)

Region	Aboriginal entrepreneurs		Canadian entrepreneurs	
	N	%	N	%
Primary	4,315	10	196,985	10
Construction	7,885	19	284,845	14
Manufacturing, transportation, warehousing	3,855	9	173,165	9
Wholesale, retail trade	3,625	9	200,850	10
Professional, scientific and technical services, education, health & social	14,155	34	829,095	41
Arts, entertainment, accommodation, food & cultural	3,930	9	174,920	9
Other	4,280	10	175,940	9
Total – Self-employed population	42,100	100	2,035,810	100

Source: Canadian Council for Aboriginal Business (CCAB), *Promise and Prosperity the 2016 Aboriginal Business Survey* (September 27, 2016). https://www.ccab.com/wp-content/uploads/2016/10/CCAB-PP-Report-V2-SQ-Pages.pdf

Impact of Social Distancing

At the same time, social distancing, self-quarantining, and the shutdown of non-essential businesses had a dramatic effect on economic activity and employment in a very negative way. This resulted in significant financial stress for many Canadians, including many Indigenous peoples. Self-employed entrepreneurs or 1 to 5 person businesses make up 80% of the Indigenous supply chain, and these companies are contributing to the rise of the "Gig Economy" (Madell, n.d.). Most of the Indigenous businesses are found in sectors that were hardest hit by the pandemic such as construction, retail, arts and entertainment, food services, accommodations. The following chart shows a summary of the sectors where self-employed Indigenous people can be found.

Most heavily hit by the pandemic was the Indigenous Tourism Industry. In 2019, tourism was a significant employer for many communities. There were at least 1700 tourist operators that employed about 36,000 people. Before the pandemic, Indigenous tourism contributed more than \$1.6 billion annually to Canada's GDP, according to the Indigenous Tourism Association of Canada (ITAC). In December 2020, ITAC anticipated about 1000 Indigenous businesses would be lost to the pandemic. The loss would equate to 21,000 unemployed workers in the Indigenous tourism sector (Indigenous Canada, 2020). Henry said, "In the past, many of our businesses across this country relied heavily on international visitors from the U.S., from France, from the U.K., from Germany, China and Japan" (Laskaris, 2020). The COVID Delta variant spreading around the world threatens a fourth wave. The net effect will be the continuation of travel restrictions for the summer months, which is the busiest season for Indigenous tourism. This would be the second summer season lost to COVID.

RESPONDING TO A PANDEMIC CRISIS

On March 15, 2020, the Federal Government issued a call to action: "Canadian manufacturers needed to help combat COVID-19" (Canada, n.d. a). With the exponential surge in COVID-related hospitalization, Canada's emergency and health care providers did not have enough PPE stockpiles to sustain a long-term battle with the virus. The government called on all Canadian businesses, including Indigenous ones, to increase production of PPE to support Canada's purchases in response to pressures caused by the pandemic. The call to action covered the following products and services:

1. Products

- Disposable N95 masks
- Disposable surgical masks
- Nitrile gloves
- Vinyl gloves
- Gowns
- · Bottles of hand sanitizer
- Other prevention products

2. Services

- Guard/security services
- Nursing services
- · Food services
- Laundry services
- · Accommodation maintenance services
- Personal services
- IT support services
- · Other services

In addition, the government saw the need to sustain the Indigenous economy through the purchase of products and services because of the negative impacts the pandemic was causing to a business's long-term sustainability and people's livelihoods.

Activating the Indigenous Supply Chain — Indigenous Business COVID-19 Taskforce

When the call was made for PPE, the government asked for assistance from the National Indigenous Organizations (NIOs) in engaging with businesses. Both ISC and PSPC partnered with the NIOs to create a 100% Indigenous-led supplier taskforce, led by Cando, to mobilize Indigenous suppliers across Canada. Cando quickly set up the *Indigenous Business COVID-19 Taskforce* that brought together the leadership of Indigenous business organizations to provide the Government of Canada with a single, unified Indigenous voice during the crisis. This included businesses of all sizes, from large to small. The Taskforce provided the Government of Canada with strategic input and advice on two primary topics:

1. Identifying, engaging with, and mobilizing the Indigenous supply chain (particularly small businesses and entrepreneurs) so that it can participate and contribute to the "call to action" with much needed medical supplies and equipment, and

2. Analysis on how the COVID-19 crisis is impacting Indigenous businesses and communities (i.e., First Nations, Inuit, Métis) across the country to ensure the Government of Canada can provide adequate support measures equivalent to those provided to the rest of the Canadian economy.

Taskforce Deliverables

To deliver on the objectives, the Taskforce created three work streams focused on a defined set of deliverables:

- Establishing and Managing the Taskforce: to quickly mobilize a representative group of Indigenous business organizations and community leaders that, taken together, provide strong representation (including distinct cultural values) of the Indigenous economy and can deliver a representative voice to the Government of Canada. Several tasks were involved:
 - (a) Identify the representative membership of the Taskforce, which was made up of the following groups:
 - i. National Indigenous Organizations (NIOs): Council for the Advancement of Native Development Officers (Cando), Canadian Council of Aboriginal Business (CCAB), National Aboriginal Capital Corporations Association (NACCA), Indigenous Tourism Association of Canada (ITAC), and Pauktuutit Inuit Women of Canada. The NIOs provided the voice for Indigenous suppliers regarding financial needs, product and services capacity, and research regarding the state of the supplier's health. They also served as a conduit for funnel contracting opportunities.
 - ii. Government Department: ISC and PSPC both not only acted as voices for Government but also expedited and coordinated programs and actions to support Indigenous supply chains.
 - iii. Indigenous Political Organizations, such as the Assembly of First Nations (AFN) and Inuit Tapiriit Kanatami (ITK), who provided voices for the community and leadership's economic needs.
 - iv. Subject Matter Expertise from small businesses and from the National Indigenous Economic Development Board (NIEDB), in the form of advice and guidance to the taskforce NIOs and government participants.
 - (b) Develop an initial budget for the Taskforce and the work streams necessary to respond to the changing dynamics of the pandemic.
 - (c) Develop a collaborative governance framework and decision-making rules for the Taskforce so it can act quickly and decisively.
 - (d) Establish agreed communication and logistics practices for the Taskforce.
 - (e) Establish online collaboration tools to enable efficient communication between all Taskforce members, as well as with the stakeholders the Taskforce will need to engage to successfully achieve its objectives.
 - (f) Set a meeting schedule that reflects the objectives of the Taskforce and the timelines in which it is expected to deliver results.

- (g) Define information sharing protocols that enable the success of the Taskforce while respecting participating organizations.
- (h) Work with other Indigenous organizations not represented on the Taskforce to help coordinate efforts on common responses and requests to and from Government.
- (i) Support the two work streams outlined below through executive support, decision making, and the allocation of internal resources as relevant and required.
- (j) Other duties as required to deliver against the stated objectives and any other objectives that arise.
- 2. **Mobilize Indigenous Supply Chain to Respond to the "Call to Action" for Medical Supplies:** immediately work to identify Indigenous firms across the country that can readily or with a manageable transformation provide much need medical equipment and supplies. This involved the following tasks:
 - (a) Galvanize the Indigenous supply chain network across national organizations to support Canada's COVID-19 response.
 - (b) Analyze existing capabilities relevant to the "call to action" requirements.
 - (c) Develop a business directory for Indigenous suppliers who can help respond to the COVID-19 crisis.
 - (d) Guide relevant Indigenous businesses on how to best engage in the call to action so they can retool their shop floors and/or bring their product to market.
 - (e) Capture and promote success stories.
 - (f) Capture relevant metrics for go forward procurement policy discussions.
- 3. **Impact of COVID-19 on Indigenous Businesses and Communities:** rapidly reach back through our respective networks to deliver an integrated and evolving analysis of how the crisis is impacting business and communities with recommendations for government support measures:
 - (a) Survey Indigenous businesses and communities to quickly ascertain the impact COVID-19 is having and the effect of the federal government's COVID-19 Response Plan measures.
 - (b) Analyze and integrate results in a manner that the federal government can consume the data.
 - (c) Co-develop dashboards with the federal government to produce a common understanding of the challenges by region/community.
 - (d) Develop policy recommendations to alleviate challenges across effective regions/communities.
 - (e) Assess other potential impacts, for example including food security.

Leaders were appointed to the work streams above, and the deliverables were funded by ISC. Both the Taskforce members, ISC and PSPC, took a collaborative development approach to meet the changing economic pressures of the pandemic.

BIG TENT APPROACH LESSON LEARNED

One of the upsides of the pandemic was that it provided an opportunity for all the NIOs to work together in a coordinated approach. This was the first time all the relevant NIOs worked together in good faith and provided the necessary information and resources to make the Taskforce a success. Members agreed the focus should be to maximize the most positive impact for Indigenous businesses and communities, given the economic pressures caused by the pandemic. In essence, the NIOs and government partners were able to create a "big tent" approach. The big tent initially permitted or encouraged a broad spectrum of views from its members. It also allowed consensus building among members. The big tent also provided the unified voice that made it easier for government partners to get the approvals and drive action internally within their organizational structures.

Need for Cultural Shift

However, the big tent approach required NIOs to experience a cultural shift in their approach to doing business with each other. The effects of colonization and the Indian Act have deeply impacted the way Indigenous politics, institutions, and leadership are structured and how we work with each other. Most, if not all, of our interactions in a post-colonized society have been formed to serve the state rather than our own people (Alfred, 2009, p. 44). Therefore, organizational leadership is conditioned to work in a fractured and contested environment for support and funding of their ideas, programs, and projects. The ingrained culture runs opposite to the big tent approach. This manifested as cagey behaviour between organizations rather than full trust. It also adversely impacted the willingness of certain NIOs to work together as the pandemic dragged on. They opted to conduct their participation in limited ways or slow walked processes and actions when a threat was perceived to their organizational supply chain development agendas. Eventually, some NIOs decided to break away from the Taskforce, feeling that their organizational agendas were at risk of being compromised. They lost their focus on the original intent of the taskforce, which was to meet supplier needs during a prolonged economic shutdown. One NIO declared there was no longer a need for a Taskforce after the first wave and recommended disbanding it in a letter to its members. This was very disappointing for the government, the remaining taskforce members, and suppliers, who saw the benefits that unified organizations can bring to the Indigenous community on and off reserve.

Preserving Organizational Identity and Supplier Representation

To build a sustainable big tent approach, NIOs need to find a collective Indigenous identity and be committed to it. Alfred argues that members of the community who are confident and secure in their Indigenous identity — i.e., they know who and what they are — demonstrate higher levels of commitment to their land and culture, and solidarity with the larger Indigenous community (Alfred, 2009, p. 55). Therefore, Cando and the organizations branded the Indigenous Taskforce as a Medical Suppliers Co-op (Figure 6). The approach facilitated creating a supplier ecosystem that allowed both the individual organizations to support the suppliers in a coordinated way without fearing a loss of identity or culture of their organizations by being in a big tent. Within the ecosystem, suppliers were associated



with member organizations, which facilitated the continuation of the organization support. The buyers were able to create new connections with suppliers through the support of the organization's, when necessary, as well. Therefore, the individual organizations were able to be the crucial connection between buyers and suppliers.

The ecosystem also provided the environment for the diversity of opinions — i.e., about how organizations can manage their suppliers. It also allowed room for non-essential differences to emerge between organizations. Alfred recommends that allowing non-essential differences that do not relate to the central premises of the community identity is an important strategic objective when considering building a framework for reconstructing communities (Alfred, 2009, p. 55). The Taskforce members felt that maintaining organizational identity and their supplier relationships coupled with a diversity of opinions and approaches to support and drive transactions between suppliers and buyers are fundamental principles to building a supplier ecosystem that functions as a collective body.

INDIGENOUS PPE DATABASE LESSON LEARNED

The Federal Government spent \$19 billion to help provinces and territories safely restart their economies and to ensure that Canada is building pandemic resiliency under the Safe Restart Agreement (SRA). The SRA fund allocation spent on PPE was \$6.1 billion, according to a December 2020 CBC article (Gatehouse, 2020). The principal objective of the database was to facilitate transactions between suppliers and buyers for PPE and support services. The Taskforce decided to adopt an Apple TV business model to deliver a slick

speedy search that was familiar in an attractive interface for buyers. The idea was to make the buying experience as easy as possible by searching for PPE products or services and contacting suppliers within a short time.

Value of Data Sharing Supplier Information

Using the Apple TV model, the database also acted as an aggregator of all the suppliers and at the same time maintained the identity of the organizations who supported them. It was important to ensure that the logos and contact details of the organization appeared in the supplier profile. The contact person ensured the buyer had support from the organizations to provide information such as a supplier's capacity or confirmation of their Indigenous certification status. This database feature supports the concierge role, which is discussed further in another section of this article.

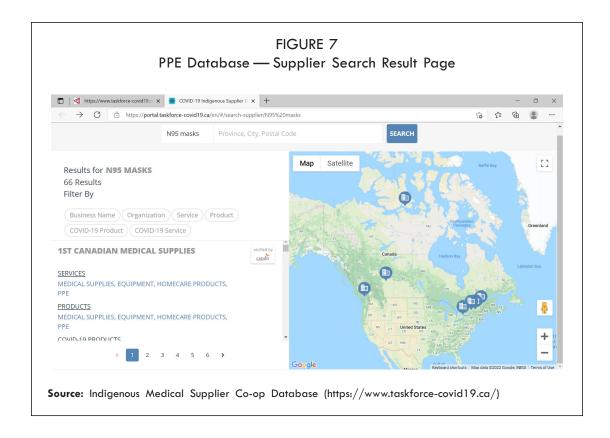
The database architecture allows organizations to upload their suppliers directly into the database or to directly connect their database through the back end. Both options required a data sharing agreement between the organizations. Each uploaded supplier was verified by Cando through their membership with the partnering organization. Cando also ensured that suppliers could accept government contracts by ensuring that the company's Indigenous status met the Procurement Strategy for Aboriginal Business (PSAB) program requirements. To accomplish this, Cando supported the supplier's PSAB registration and ensured that they were in ISC's Aboriginal Business Directory before they were published on the Indigenous Medical Supplier Co-op. The approach made it easier for buyers to identify Indigenous suppliers with a high degree of confidence. The ability to aggregate multiple supplier data sources made it easier for buyers to find suppliers from a single search. Alternatively, the buyer could reach back to the supplier's organization to gather more information about a group of suppliers' capabilities or capacity to deliver.

Commodity Based Approach to Finding Suppliers

The most satisfying buying experience is finding what you are looking for quickly. To achieve this, the Taskforce opted to use a commodity-based strategy that facilitated a quicker lookup of available suppliers. In other words, rather than look up a company name from a referral or go through a third party, the buyers look up a product or service as the first search on a simple web interface. The system will display all the available suppliers and their contact details and short descriptions of their offerings; as well, it will display the location with pin drops. The buyer then can narrow the search using a secondary filter — e.g., province, city, or postal code — or move a Google map display to a location of interest. They can also select a pin drop to drill down for more information about the supplier. Clicking on a pin drop opens a dialogue box that leads to a supplier's profile or website. Alternatively, the buyer can scroll results of a search on the side scroll bar. There they will find more links and pages to other supplier profiles and summaries. Figure 7 shows the search results for N95 masks. The system displays about 66 suppliers and manufacturers nationally.

Supplier Profile Page

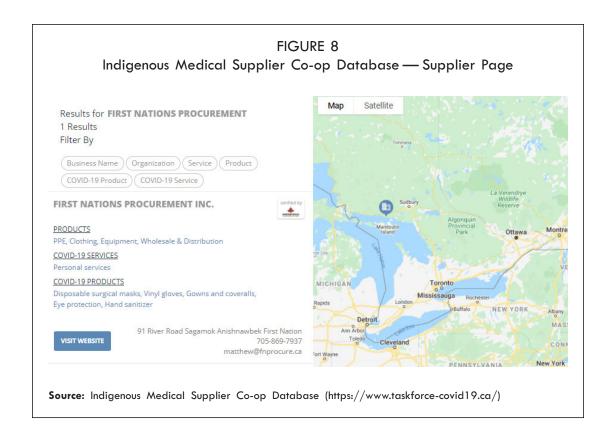
Besides giving information about the supplier and service offering, the profile page gives suppliers the ability to "hangout their shingle" — i.e., an online presence to the mar-



ket. A newer upcoming release of the database will give the suppliers access to their profile. This will allow them to update their profiles and advertise their offerings as they see fit. This ability is important, since the suppliers pivoted their business to PPE and health related services during the pandemic. The Taskforce needs to consider how businesses will re-engage their original product and services for the economic recovery. The supplier profile needs to include other products and services outside of PPE and health services (e.g., translations, research analysis, transportation, travel, etc.). Being able to quickly identify other commodities will help suppliers re-instate their original offerings and capabilities as the Canadian economy re-opens. An illustration of the supplier page can be found in Figure 8.

New Product and Service Offerings

Some of the businesses are opting to continue supplying PPE or health-related services as new business lines. For example, the community of Wiikwemkoong Unceded Territory, Dent-X Canada, a medical mask manufacturer, and First Nations Procurement Inc. (FNPI) a supplier of building, clothing, and school and office supplies, joint ventured to create an onreserve face shields and masks manufacturing plant (Everson, 2020). The new manufacturing plant created employment for 50 residents in and around Wiikwemkoong. The supplier profile page will allow the marketing team at FPNI to promote their new product line, their joint venture story about economic reconciliation, and job creation opportunities created by the partnership. This is an important story to tell as PSPC and the Federal departments search for opportunities to bring socio-economic benefit to acquisitions while meeting the





Government of Canada 5% contract spending targets across all government department objectives (Public Services and Procurement Canada, 2020).

Low Dollar Value Transactions

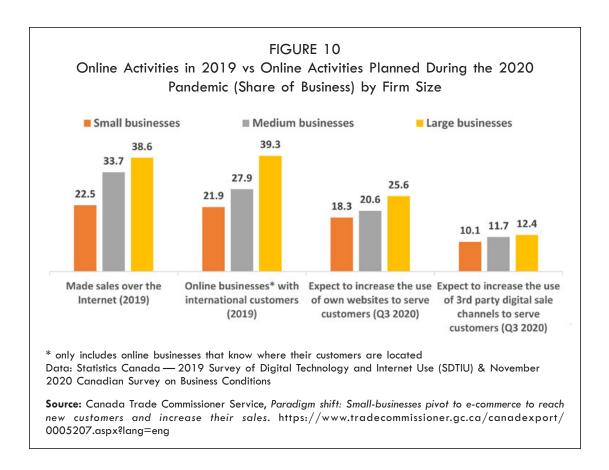
Low Dollar Value (LDV) transactions provide the greatest opportunity to create the spend velocity required for Indigenous SMEs. Federal departments can directly purchase products and services with a credit card with companies without going through a competition process. Government credit cards have a \$10,000 limit, and there are about 10k credit cards in circulation within various departments. This translates into a market potential of \$100 million per month, assuming that every department with a credit card purchased \$10,000 of product or services a month. Therefore, the supplier page can also include links to online catalogues and support connections with e-commerce platforms sites that are either open source, SaaS (software as a service), or headless commerce such as Shopify, SuiteCRM, Kibo, etc. Having this capability makes it easier for government and corporate buyers to transact with Indigenous SMEs. It also levels the playing field for SMEs who do not have an administration and accounting infrastructure to grow their business. Using ecommerce platforms, SMEs can take advantage of not only transaction capabilities but also the accounting support some platforms offer, like interoperability with accounting software to help manage monthly account receivables, revenue reporting, tracking operating and production costs, etc.

Deciding to Go Public Facing for Buyers

As the pandemic dragged on, the NIOs, regional supplier organizations, and EDOs needed to consider expanding the market potential for suppliers for the re-opening of the economy. Although it has not been equal, some provinces opted to re-open more slowly than others. The Federal government is yet to return to the office fully, expecting to re-open sometime during the Fall of 2021. Foreseeing a fall opening of the economy, perhaps not a full opening though, employers have a duty to provide a safe and healthy workplace (Thiessen, O'Ferrall, Hamill & Hofer, 2020). Although the requirements vary from province to province, there will be an increased need for PPE and sanitizing products and services to meet the demands for a healthy work environment. Employers will need to ensure returning workers have adequate PPE and sanitizing products available to keep a clean workplace (e.g., wipes and disinfectant sprays). There will also be needs for increased cleaning services after each workday to lessen the risk of virus exposure. Therefore, the Taskforce wanted to ensure the Indigenous supply chain was ready and visible to the public ahead of the anticipated surge for PPE, sanitizing products, and cleaning services.

Participating in the Digital Economy

The pandemic has pushed more businesses to increase their e-commerce capacity. The Federal Government reported, "since the onset of the pandemic, Canadian businesses have expanded their plans to make increased use of digital sales channels to sell their goods and services" (Canada Trade Commissioner Service, n.d.). However, in the same report, the economist mentions that SMEs do not plan to increase their online presence at the same rate as their larger business counterparts. The behaviour can be a result of the financial pressures SMEs are facing because of the economic slowdown — i.e., day-to-day survival versus their



future online presence. But that is not to say that SMEs are not planning to increase their digital footprint. SMEs are still developing their digital marketing and sales capacity at a steady rate, and this will continue well into the future as more e-commerce capabilities become available to the marketplace.

The pandemic is also creating a new normal for consumer buying behaviour. A report from Accenture shows, after a year of lockdowns, most people have made at least one change in their lifestyle; these changes are expected to be permanent. Consumer behaviour shifts are centred around travelling patterns, desire to shop more locally, and creating a third space at home to work remotely a few days a week (Accenture, 2021).

According to Robin Sohota, Accenture's Managing Director:

Many leading retailers handled the rush to online shopping with relative ease based on past investments in technology, while others had to quickly accelerate their journeys to cloud and digital. When we get past the pandemic, across retail sectors, companies will need to continue to meet consumer demand for online shopping but also increase the efficiency of the channel to enable profit growth. This next retail transformation will require new investments in micro-fulfilment and supply chains, stores of the future, and the future worker, who will drive new experiences.

Another driving factor was limits to the government purchasing power. At the start of the pandemic there was a rush from the Federal Government to acquire as much of available PPE and medical supplies as possible. However, when the demand was met, and pandemic

FIGURE 11
Shift in Consumer Habits

Canadian Survey Results:	Canada n=409	Toronto n=301	Montreal n=307
Percentage of Canadians who will continue to telecommute once the pandemic subsides that would like to occasionally work from a "third space" (a location other than their home or place of employment).	69%	77%	73%
Percentage of Canadians who say they would be willing to pay a fee out of their own pockets to work from a café, bar, hotel, or retailer with a dedicated space.	30%	40%	49%
Percentage of Canadians who normally travel for business and expect to reduce business travel in the future.	53%	63%	49%
Percentage growth in online purchases for products such as food, home décor, fashion, and luxury goods by previously infrequent e-commerce users in Canada since the start of the pandemic. (infrequent defined as those who used online channels for less than 25% of purchases prior to the outbreak)	316%	373%	322%

Source: Accenture Covid-19 Consumer Research, May 10, 2021.

infection rates flattened, demand slowed down. Procurement had enough PPE, sanitizing supplies, and medical equipment to meet the needs of large consumer departments like Health Canada, Public Safety Canada, and ISC's First Nations and Inuit Health Branch (FNIHB). Taskforce members from PSPC's Office of Small and Medium Sized Enterprises (OSME) and ISC reached into the procurement network at the provincial level with the intent to build greater awareness of the Indigenous Medical Supplier Database Co-op. The Taskforce wanted to broaden the government buyer network to generate other sales beyond the federal marketplace and expand to the provinces, municipalities, and public institutions like hospitals, schools, etc.

Given the prolonging of the closures, changing consumer, and limits of the federal market, the Taskforce thought it incumbent on them to increase the scope of the supplier database to be public facing. This is critical to the strategy of increasing the opportunities not only for PPE and sanitizing products and services but also to help suppliers pivot back to their original product and services offerings. The challenge will be increasing Indigenous business capacity to participate in the digital economy. The Taskforce is already considering how to adjust the available technology, partnerships, and processes that were developed during the start of the project to support the SMEs' transition to a new normal for doing business in a post pandemic economy.

THE NEED FOR CONCIERGE SUPPORT

The next objective was to facilitate and increase the velocity of transactions between a supplier and a buyer. The buying community had limited experience working with the Indigenous community. They required some support to identify, analyze the capacity of, and connect with Indigenous suppliers. On the supplier side, there was a need to help them respond to opportunities and explain how to do business with government. Most of the suppliers had never worked with government and often resisted because of the complexity of doing business with procurement.

The idea of developing business support services was suggested by one of the government Taskforce members. He suggested that establishing a database of suppliers would not work alone. He pointed out that an important part of driving transactions would be requiring some degree of intervention on both the supplier and the buyer sides because of their limited experience of doing business with each other. But the challenge remained the types of conversations that government can have with suppliers versus the conversations that suppliers want to have with prospective clients. Procurement needs to respect the fairness, transparency, and accountability of the contract policies and rules set out by Treasury Board. And this is non-negotiable, despite the magnitude of the economic slowdown. Although it was not formal, an Indigenous engagement process needed to be created to support both sides of the conversation so that people would not become disengaged.

It was decided that the best approach was to have a concierge that was government facing through OSME and another concierge that was supplier facing through the organizations. To get the most effective outcome for the supplier and buyer, both concierges needed to work together to bridge the gaps between engagement and expectations when an opportunity arose.

Challenges Working with the Indigenous Supply Chain

The recurring theme buyers expressed was the difficulty of finding and identifying the capacity of Indigenous suppliers. Often the lack of knowledge about where suppliers can be found to deliver was a hindrance in engaging with the supply chain. Procurement officers and managers are trained to work within processes and rules that meet their organizational needs. Training to identify or build capacity is not part of the procurement officer's mandate. Also, other departments, such as the OSME and PSAB groups, are tasked to support the Indigenous engagement with suppliers. However, these departments have limited resources and capabilities to cover many suppliers — i.e., 50,000 SMEs with one to five persons — in multiple geographic regions, and they must work with multiple organizations that at times have competing agendas. Also, the level of government support can vary depending on the experience the public servant has with Indigenous organizations, communities, and suppliers.

Closing the Gap — Identifying and Building Capacity

Given the limitations, it made more practical sense to have the organizations provide the supplier side concierge. Most of the organizations' mandates are to provide opportunities to the members and build capacity. They were able to easily identify suppliers and communicate opportunities flowing out of departments to a more targeted audience, such as the \$25 million non-surgical masks RFP released during the summer of 2020. They made sug-

gestions to PSPC how best they can engage the supplier base to ensure a good bid response. They recommended that PSPC not award a \$25 million contract to one supplier but unbundle it to smaller contracts to allow multiple mask suppliers to respond. Over 70 mask suppliers of varying sizes were identified and received the RFP. The approach resulted in 15 companies competing for the contract and 6 suppliers winning varying contract values depending on their capacity to deliver.

The concierge offered bid support for suppliers who were preparing a government bid for the first time. It also helped suppliers understand what questions they can ask the contract authority during the bid process. In some cases, the concierge directed the supplier to OSME or PSAB regarding how to do business with government. For most suppliers, government turned out to be a new market. They required support to become a PSAB certified supplier to continue doing business with government. For example, the concierge helped suppliers obtain a Procurement Business Number (PBN) and connected them with the PSAB group to become part of the Aboriginal Business Directory. Often this meant the concierge explained the size of the market potential of government contracting and also the pros and cons of doing business with government. After the first experience of bidding on a government contract, the supplier felt confident enough to bid on other opportunities without concierge support.

The Taskforce found that the ideal resource to support Indigenous suppliers were people who worked in government, especially in procurement, and had experience with Indigenous supply chain and communities. Another excellent resource was a person who has experience as an Indigenous supplier and who has successfully won contracts with government. They had to have a good understanding of the bidding process and have experience preparing bids for government.

Working with Procurement from the Inside

The government facing concierge played a different role from the supplier side concierge. They communicated inward with buyers and understood the public servant culture and constraints with respect to procurement, policies, programs, and processes. They also identified upcoming opportunities and worked with the supplier concierge to identify capacity to respond to an RFP. This interaction often reassured departments that there would be certified Indigenous suppliers bidding and that they could meet the bid requirements. Often the supplier concierge provided a list of suppliers that could bid, and they also supported PSPC building awareness of the opportunity through a Taskforce newsletter or email. Cando's concierge also worked with the OSME concierge during the Links to Learning program (Cando, n.d.). They worked together to educate both EDOs and suppliers about how to work with government. They told both sides of the story and were the best advocates to encourage suppliers to do business with the Federal departments and procurement. Finally, the biggest benefit to a government facing concierge is tapping into the buyer network. The reach of the OSME concierge was about 1800 different government buyers and their provincial and municipal counterparts. This meant the suppliers had a market reach to as many opportunities as possible. The government facing concierge was a great partner and advocate for the Indigenous supply chain within the various department headquarters located in Ottawa and within the regional offices as well.

CONCLUSION

The next challenge will be in how the Taskforce supports the Indigenous supplier as the economy moves toward the new normal and how consumers and business will adjust to the post-pandemic market conditions. Job creation, full employment, and climate change will be the top priorities for most Canadians over the next few years. Now, balanced budgets and reducing the public debt are not as much of a concern as traditionally expected by taxpayers (Atkinson & Mou, 2021). However, the author does caution that public sentiment can change quickly if interest and inflation rates increase. This can have a big impact on socioeconomic programs as government looks for ways to fill the public coffers.

Also on the horizon are the investments the Federal Government plans to make in infrastructure projects, clean energy capital renewal programs, etc. Many these projects can be found on traditional lands, and most of them include some sort of Indigenous Benefit Plan (IBP) or Indigenous Participation Component (IPC). Some of these large projects were started before the pandemic struck and have been put on hold or considerably slowed down. This offers a possible reset button for procurement to review the Indigenous engagement strategy of pre-pandemic projects. It might be possible for some projects' IPBs or IPCs requirements to be revisited for greater Indigenous supplier inclusion as part of the economic recovery and reconciliation initiatives. There is the 5% spending target that government has earmarked to help Indigenous businesses grow and improve the socio-economic outcomes of the Indigenous communities. It needs to be included as part of Canada's economic recovery for Indigenous suppliers and entrepreneurs. The Taskforce is now committed to supporting Indigenous suppliers in pivoting back to their normal business operations and helping others build up the new product and services capabilities they have acquired during the pandemic. They would be remiss not to take advantage of IPBs, IPCs and the 5% spending target to help the surviving Indigenous suppliers regain their economic positions within the postpandemic economy. Finally, on-reserve manufacturing can play a role in creating new opportunities and employment. The Taskforce can take advantage of opportunities to create an Indigenous manufacturing base as Canada rethinks its strategic manufacturing capabilities.

The lessons learned from the pandemic aimed at achieving successful Indigenous business engagement are as follows:

- 1. A commodity database is the quickest path for buyers to find suppliers. However, databases need to be open to the public to provide the greatest opportunity for buyers and suppliers to connect and transact. Having a third party to match make only adds an extra layer to an already complicated procurement process.
- 2. The role of the concierge is critical for providing the connections and confidence to the buying community to transact, and it also increases a supplier's willingness and capacity to respond.
- 3. Indigenous organizations need to be networked and to work together with a single mission to support Indigenous suppliers i.e., the big tent. Big tents need to have governance and organizational structures that ensure that partners do not lose their identity and mission.
- 4. Organizations need to have the latitude to work with government and corporate Canada to serve their communities and members' and partners' interest without interference by other organizations. Organizations need to respect the different

opinions and approaches. This builds fearless leadership and innovation. But it will require a cultural shift in how Indigenous organizations work collectively.

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