

PUBLIC PROCUREMENT ACT

WHAT YOU NEED TO KNOW

GOVERNMENT PROCUREMENT BECOMING SIMPLER, MORE ACCOUNTABLE

On March 24, 2018, the provincial government adopted legislation that is meant to bring greater transparency to the procurement process. This will hopefully ensure citizens and businesses who work with the province better understand how public tendering and procurement work, and what you can do if you lose a bid.

WHAT IT MEANS FOR SMALL BUSINESS

As of late September 2018, there are important aspects that will affect small business directly.



Supplier debriefing

- If you lose a bid, you will have 10 business days after a tender award to make a written request for a debriefing.
- The government body should provide the debriefing within 10 days of receiving the request.
- The debriefing will provide an overview of your bid, with an explanation of why it was unsuccessful, but no information on another bid can be shared, except for the bid price.



Supplier complaint process

- If you're still not satisfied, you can register a written complaint to the head of the responsible government body. It should be submitted within 15 days of the debriefing.
- The complaint has to include the following: your name and business contact information, reference information regarding the open bid, and a description of the complaint.
- The head of the government body has to respond within 15 days of receiving the complaint, with a copy provided to the Chief Procurement Officer.



Supplier performance

- If a government body identifies issues with noncompliant or substandard performance, the head of the government body has the option to suspend you from bidding on any procurement opportunities with that body.
- If you are suspended, the government body must notify you in writing, identifying the reasons for the suspension as well as your right to appeal the decision to the Chief Procurement Officer.
- The Chief Procurement Officer has to make a decision within 30 days of receiving your appeal.
- If you disagree with the Chief Procurement Officer's decision, an appeal can be submitted through the court system.

PROCUREMENT THRESHOLDS

The legislation outlines the thresholds that have to be met in order to require an open bid

- Goods with an estimated value of \$10,000 or more.
- Services with an estimated value of \$50,000 or more.
- Engineering services or architectural services with an estimated value of \$100,000 or more.
- Public works with an estimated value of \$100,000 or more.
- Leases of space with an estimated value of \$100,000 or more.

A bid process may not be required

- If there are security concerns.
- If only a government body can provide the good or service.
- If there's an emergency.
- If only one company can provide the good or service.

Goods and services could also be exempted from the legislation if the minister of economic development determines it is important to the province's economic development and is allowed under trade agreements. In that case, Cabinet also needs to approve the exemption.

PRE-QUALIFIED SUPPLIER LIST

From time to time, a government body will establish a pre-qualified supplier list through a *request for qualifications* process.



For goods or services that are less than the procurement threshold value

- At least three quotes from providers on the list should be obtained,
- A fair and reasonable price is to be determined from the suppliers on the list, or
- A process approved by the Chief Procurement Officer will be followed.



For goods or services that meet or exceed the procurement threshold value

- A limited call for bids from providers on the list will be issued.

The pre-qualified supplier list is valid for one year, however, it could be for longer and the government body will provide an annual notice or place information on their website to indicate this. A pre-qualified list will be renewed when government issues a new request for qualifications.



Any questions? Call our business counsellors today.

1-888-234-2232 or msnl@cfib.ca

Legal Notice: This publication and its contents are for the members of the Canadian Federation of Independent Business ("CFIB") only, and are not intended for any other recipient. The contents of this publication are for informational purposes and the CFIB does not warrant the accuracy, currency or suitability of any of the information provided herein. Before acting on the basis of any information contained in this publication, please seek the advice of your professional advisors.