

something for incorporated farms, I think per capita in Alberta is where there are the most.

Mr. Towers: A supplementary question, Mr. Speaker. The provision respecting incorporated farms affects farmers all across Canada. Bill C-56 is one of the most divisive pieces of legislation presented to any parliament.

In light of the fact that senators and members of parliament representing Quebec would ordinarily qualify for the \$85 tax refund and, if resident in Ontario for a major part of the year, would benefit as well from the 3 per cent sales tax reduction in that province—having the best of two worlds—why has this government ignored Albertans who pay income tax on much lower incomes yet do not receive any benefit?

Mr. Chrétien: Mr. Speaker, I have explained many times that we decided to compensate the provinces where there was a sales tax, and in Alberta there is none. The hon. member speaks about people who have a better deal. When he is in Ottawa he pays sales tax, but he does not pay it back home in Alberta.

I do not think this is creating an injustice to the rest of Canada under my scheme. The maritime provinces could not afford to contribute to the cut in sales tax from their own treasury, so I paid the total sum to them because I recognize that there are some provinces richer than others.

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SUPPLY AND SERVICES

SOCIOECONOMIC CONSIDERATIONS IN AWARDING CONTRACTS

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I have a question for the Minister of Supply and Services which is supplementary to earlier questions asked by the hon. member for Capilano and the hon. member for Don Valley.

In introducing the question of socioeconomic considerations, the minister has introduced a new factor in adjudicating bids for government construction: at least it is new to members on this side of the House.

Could the minister inform the House whether there have been other circumstances where socioeconomic considerations have resulted in a firm being awarded a contract when the other details of the bid such as price, performance and reliability of service might not have indicated such a choice?

[Translation]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, first I must insist on the fact that my department awards the contract to the company which offers the best product at the best price and which complies with the conditions of the tender call. That is the policy of my department. Exceptionally, we introduce the socioeconomic concept. I will give an example for members from western Canada, from Alberta, who are interested in this question. We went farther than selecting among firms with similar bids, in one case we

Oral Questions

awarded a contract directly to a company without calling tenders for manufacturing furniture to satisfy the needs of western Canada where there were no factories which could fill our requirements. We gave a contract to a company from Edmonton. This factory expanded and today it can be competitive on the national market, so much so that three years ago when we called tenders for furniture for the Canadian Royal Mounted Police headquarters in Montreal, this company from Edmonton submitted a bid and got the contract ahead of companies from central Canada, from Quebec and particularly from Montreal. That is a very intelligent supply policy, Mr. Speaker.

● (1452)

[English]

Mr. Andre: Mr. Speaker, the minister has not explained to those of us on this side of the House and the public just what socioeconomic factors are and how one introduces those in submitting one's bids. Perhaps we could get some guidance on this if he would tell the House why a company like IST, which is headed by a personal friend of the Minister of State for Urban Affairs, was awarded a contract for computer services, when it is widely held that it is incapable of meeting some of the technical performance standards of the other bidders for the contract.

[Translation]

Mr. Goyer: Mr. Speaker, the remarks of the hon. member are trite and really out of place in this parliament. If the hon. member can tell me how this company was not technically qualified, I am prepared to listen to him, and the same thing goes for the hon. member for Don Valley. Concerning the contract which was awarded, Mr. Speaker, not only was it awarded upon my recommendation but also with the authority of Treasury Board.

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[English]

PUBLIC SERVICE

PERSONS PROPOSED TO BE RED-CIRCLED BECAUSE OF OVERCLASSIFICATION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I would like to direct a question to the Prime Minister. I am sure he is aware of the study undertaken by the Treasury Board involving overclassification, a study which revealed that in the Ottawa-Hull area, having looked at some 2,000 cases, 16 per cent of them were overclassified. I am sure the Prime Minister realizes this is a very serious matter for those who have been overclassified.

I ask the Prime Minister if it is his intention and that of the President of the Treasury Board to indicate just who those persons are, as the Prime Minister can readily understand that this is affecting morale in a significant way.