

the government should benefit from the services of management consultants was not altogether clear to me. On receiving notice of his question I did my own research and a little management consulting. I hope I shall be able to answer his question this evening.

**Mr. Skoberg:** Did you hire somebody?

**Mr. Gillespie:** There was no competitive tendering on this one. The basic principle, of course, is that on all contracts tenders must be called unless there are good reasons for not calling them. There are a number of safeguards to the system of awarding contracts throughout the government service. They are prescribed in government contract regulations issued under authority of the Financial Administration Act.

Tenders must be called except in specified circumstances such as—there are three examples I can cite—when the need is urgent, when there is only one source of supply, or when the value of the contract is small and the cost to both the taxpayer or the unsuccessful contractor is out of all proportion to the value of the contract itself. I believe hon. members would agree that these

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combine both the principles of control on the one hand and concern for the public purse and the necessary flexibility in managing a giant enterprise.

In the case of awards of contracts to management consultants, price competition alone is only one of the selection criteria. There is a directive on this subject issued by the Treasury Board. It instructs all departments to obtain proposals where possible. These are judged on the basis of eight factors included in the directive. I should like to say, also, that this policy has the endorsement of the Canadian Association of Management Consultants. A registry of qualified firms is maintained by the board. I think it is also important to add that the firms themselves evaluate their own capabilities for entry in this registry.

The hon. member read into the record this evening the summary of the return tabled the other day in the House.

**Mr. Deputy Speaker:** Order, please. The time allotted to the parliamentary secretary has expired.

Motion agreed to and the House adjourned at 10.20 p.m.