

Mr. CHOWN: Are they under the control now of the senior official; and who is the senior official? Can you give me his name?

Mr. RICHARD: No, they are not in his control.

Mr. CHOWN: Who are the staff that open the bids?

Mr. RICHARD: The recording section.

Mr. CHOWN: What classification are they; what are they called; what is their civil service classification?

The CHAIRMAN: Of course, the witness did say they had accepted No. 20.

Mr. CHOWN: He said, "Yes, in time."

The CHAIRMAN: I thought he said they had accepted it.

Mr. RICHARD: They would be Grade 3 clerks.

Mr. CHOWN: Grade 3 clerks?

Mr. RICHARD: Yes.

Mr. CHOWN: Is that not a terrific responsibility to give to a grade 3 clerk? What is his estimated salary, roughly? Clerks go up in rank, 5, 4, 3, 2, 1. The Grade 1 clerk is a supervising clerk, is he not?

Mr. RICHARD: Pardon me, I might correct that, and say that they are put in the custody of an official of higher rank, the chief of the recording section. He would have custody of the bids.

Mr. CHOWN: Is it in his sole custody, the responsibility for opening these bids?

Mr. RICHARD: He has the custody of them, but he does not open them.

Mr. CHOWN: Who opens them?

Mr. RICHARD: They are opened by Grade 3 clerks.

Mr. SMITH (*Winnipeg North*): What is the reason for not refusing these bids?

Mr. RICHARD: Well, there is not time for the purchaser to get them back and resubmit again.

Mr. MORTON: Is that not an unfortunate situation, if he cannot go according to the instructions?

Mr. SMITH (*Winnipeg North*): He has been instructed and told what to do.

Mr. CHOWN: Could he move to item 21:

Discontinue checking calculations on each bid received.

May I have an explanation of what is meant by that?

Mr. RICHARD: We have a computer girl who checks the extensions and calculations on the bids received. We instituted that some two years ago, when we had an unfortunate occasion when a wrong calculation resulted in a loss of recovery.

Mr. CHOWN: If this is a good thing, in your opinion—and it must be, because you instituted it because of this unfortunate occurrence—why would it be a recommendation that this practice should be discontinued? Are you now following that recommendation?

Mr. RICHARD: It involves the salary of one girl.

Mr. SMITH (*Simcoe North*): Is it not a custom in most bids for buildings and ships, and everything, that calculations of the bidder and the estimates of the bidder are checked? Is that not a normal business practice?

Mr. HENDERSON: It is a customary practice, Mr. Smith, but I think in fairness to Price Waterhouse, at page 13 of their report they say:

Since this practice rarely discloses an error and seldom, if ever, affects the choice of the bid to be recommended, it should be discontinued.