

Order Paper Questions

falls within the duties, powers or functions of the Minister as follows: (a) For the entry into a contract—a limit of \$500,000 where tenders have been called and the lowest qualified tender is accepted; a limit of \$250,000 where tenders have not been called or only one tender is received; (b) For increasing the Amount of a contract—a limit of \$100,000; (c) Where the Government Contract Regulations provide higher limits than those noted above, the regulations shall govern.

SUPPLY AND SERVICES—DESIGN CHANGES WITHIN CONTRACTS

Question No. 2,013—**Mr. Reynolds:**

1. When design changes are found apparent and necessary within contracts awarded to suppliers, how lengthy is the process by which a contract may be refitted with proposed new dimensions?
2. What body is responsible for this task?
3. Are there any reported cases where the design authority and the contractor give effect to the change in advance of approval?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): 1. The length of the process depends mainly on the complexity of the change in question. Difficult changes may take months while simple changes may require only a few days.

2. The design authority for specific contracts is usually the customer department. DSS negotiates the contract terms for design changes with the supplier.

3. Design changes that affect the contract price must be negotiated and approved through a contract amendment. Changes that the supplier undertakes without approval are made at his own risk.

SUPPLY AND SERVICES—CASH DISCOUNTS

Question No. 2,014—**Mr. Reynolds:**

1. Does the Department of Supply and Services have a uniform practice with respect to accepting cash discounts offered by suppliers for large quantities of goods purchased?
2. Do purchasing agents make efforts to have significant savings on their bulk purchasing?
3. What is the policy concerning the purchase of vehicle tires for the many vehicles operated by the various departments?
4. What departments or agencies purchase tires at commercial service stations and for what reason?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): 1. Yes, when the terms of the contract provide for such a discount.

2. Yes.

3. Tires for the many vehicles operated by the various federal government departments and agencies are purchased against National Master Standing Offer arrangements which have been negotiated by DSS with tire manufacturers and their distribution organizations.

4. All departments and corporations listed under Schedules A and B of the Financial Administration Act, and all branches of the government designated as departments for the purpose of this Act may purchase tires at commercial service stations in emergency situations only using the Canadian Government's National Credit Card System.

[Mr. Goyer.]

SUPPLY AND SERVICES—PURCHASING COSTS

Question No. 2,016—**Mr. Reynolds:**

Can a comparison be provided of salary costs in purchasing officers proportionating the cost of items purchased in actual salary dollars for figures of contracts of \$1,000 to \$100,000 in terms of the average dollar expended and, if so, what is it?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Any comparison of salary costs to the value of contracts awarded in the Value Class Interval of \$1,000 to \$100,000 is not possible as the Department does not isolate its salary costs in such a manner.

SUPPLY AND SERVICES—SURPLUS MATERIAL

Question No. 2,021—**Mr. Reynolds:**

What are the current procedures for the declaration of surplus material and supplies within the Department of Supply and Services?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): The current procedures for the declaration of surplus material and supplies within DSS are: (1) determine that neither DSS nor any other federal government department or agency has a use for the item; then, (2) assign the item to Crown Assets Disposal Corporation for disposal.

SUPPLY AND SERVICES—INVENTORY MANAGEMENT

Question No. 2,022—**Mr. Reynolds:**

1. To what extent are inventory and ordering patterns counter-balanced so as to minimize costs and immobilize capital?
2. What are the inhibitions within the Department of Supply and Services policy that remove the tendency to overbuild stocks?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): 1. Through use of phased deliveries and direct shipments from factory to users.

2. Interest charged on investment in inventory is an important factor in the revenue dependency program of the Department.

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QUESTIONS PASSED AS ORDERS FOR RETURNS

EXEMPTED STAFF ON GOVERNMENT PAYROLL

Question No. 271—**Mr. Munro (Esquimalt-Saanich):**

1. Under what authority are exempted staff hired?
2. Under what vote (or votes) are exempted staff paid?
3. From what are exempted staff exempted?
4. Are all exempted staff employed for service in Ottawa or are they sometimes assigned to other parts of Canada or overseas?
5. How many exempted staff are now on the government payroll and, of these, what is the breakdown (a) by department (b) by city or area of assignment?
6. How many former Liberal candidates for Parliament during the 1972 general election are now employed as exempted staff?