

*Private Members' Business*

A lot of the information which has been talked about has been unfortunately a bit of misinformation. Here in this Chamber, we at Supply and Services have a buy Canada policy. We have always had a buy Canada policy and I will tell you how it is described.

Every country in the world has a buy whatever their country is policy. About 4.6 per cent of the contracts that we would let out are opened up under GATT. That is at the level of \$204,000 U.S. and above and they are in very specific areas. They exempt areas such as police, the Solicitor General, justice, fisheries and oceans, communications, national defence. There are so many exemptions, we only have about 4.6 per cent of our contracts opened up under GATT.

When the free trade agreement came along all we did under the agreement was open up those same contracts that were opened up under GATT but took it from the \$204,000 limit and brought it down to the \$29,000 Canadian or \$25,000 U.S limit.

It is therefore that same narrow group with all that myriad of exemptions, defence, transportation, justice and Solicitor General. All those things are exempt and not even considered. It is only those other few contracts which add up to about another 3 per cent of the contracts. Less than 9 per cent of the contracts from Supply and Services are opened up under the free trade agreement.

We do buy internationally. If we have three people in this country who will compete for a contract put out by us, then we go ahead and we have an exclusively buy Canadian policy and we will compete with those three companies. I do not like awarding contracts; I like competing for contracts and letting the person who gives the taxpayer the best value win.

Say there were only two companies in this country that could supply these goods. We would then take a look at it and say no, on this one we had better go for an international competition or no, on this one we are going to go for a sole source or we are going to go for a competition among the only two suppliers there are.

I want everybody to understand that there is a preference for Canadian goods except for that less than 9 per cent. Over 91 per cent we try and target toward the Canadians in the number of contracts.

In the last three years, to try and encourage more people to come and to bid on federal government contracts, we have developed a supplier development

program over at Supply and Services. We go around the country doing supplier development seminars. We have done 60 or 70 in the last year, or maybe it was more than that. We try to do them in conjunction with the provinces. If I am in a certain area, I will speak at lunch time about what we are trying to do to encourage new people to come. I remember being at one in Sudbury, in northern Ontario. We had 300 entrepreneurs there and they came to hear what we at Supply and Services were offering in the way of trying to get them in to sell to us.

• (1730)

We coupled that along with the Ontario government. It was there also making its pitch along with National Defence and Ontario Hydro. So we were all piggy-backing together to try and make sure that the entrepreneurs in that area knew exactly what we were doing.

I want to tell the hon. member that I have had the opportunity of doing those same seminars in Saskatchewan. I have done some personally in Quebec. We ended up coupling with the province of Quebec so that their ministry of supply and services and ours went around the province to a number of places and put on shows on how the entrepreneur could sell to the provincial government or the federal government. I think this is a good way, and a good effort.

At the present time, through the lists we have and people who have shown an interest, we send out a publication called *The Supplier* to some 87,000 people, entrepreneurs on our lists, and we are encouraging more to come along all the time.

I want to tell the House that besides going to an electronic bulletin board, which is making it much easier and much simpler and much more cost-effective for businesses to access what the government is interested in purchasing, I have also tried to simplify some of our policies.

When I got to the department I found out that over the last 40 years various governments, in their wisdom, had layered on 27 different directives on how to do procurement, but nobody had ever taken one away. For example, we had nine policies on Canadian content. That caused an awful lot of paper work for the people in small industry. They did not want to really read books on how to do nine different policies, and they had to sort of stick handle their way through all nine of them. Some of the directives were redundant but most of them were still alive, in one way or another. Businesses had to do a lot of costing formulas. We have abandoned them.