



Issue Update

PROCUREMENT REFORM ON THE TABLE

The Ministry of Management Services has released a *Procurement Reform Discussion Paper* for the purpose of initiating feedback on the future of procurement in British Columbia. The Government plans to introduce new legislation in the fall of 2002, tentatively entitled the *Fair and Open Procurement Act*. The new Act is supposed to “establish and enable a competitive, accountable framework promoting fair and open procurement throughout BC.”

The paper advises that in keeping with the Government’s 90-Day New Era commitment for more open and competitive tendering a number of actions have already been taken. For example:

- Wind up of Highway Constructors Ltd.
- Repeal of *Skills Development and Fair Wage Act*
- Consolidation of government bids posting on BC Bid for easier access by suppliers
- Extension of procurement provisions of the Agreement on Internal Trade (AIT) to Crown Corporations and the MASSH sector

Next on the table is procurement reform. The discussion paper notes recent procurement trends such as, increased outsourcing, increased procurement of services and human capital v. goods, and e-procurement. In order that these new trends can be addressed there must be significant reform in current policies and legislation. The new legislation will define ‘open and fair tendering’; provide a list of procurements to be openly tendered; reference and/or clarify procurement provisions in existing legislation and, create a formal separate governance function.

Under this new legislation, it is likely that the Purchasing Commission will be restructured to develop an organization that can provide procurement services at the request of other agencies and ministries.

Clearly this new legislation will be of significant importance to any of our members involved in public construction and the BC Construction Association intends to ensure that the position of the industry is articulated during the consultation process. Additionally, should you wish to provide comments directly, the Ministry of Management of Management Services invites you to e-mail them at: PCSURVEY@gems4.gov.bc.ca

The *Procurement Reform Discussion Paper* can be found on-line at:
<http://www.pc.gov.bc.ca/>

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The mission of the BCCA is to provide leadership and excellence in the representation of, and service to, British Columbia’s construction industry.