

PROVINCE OF BRITISH COLUMBIA

SECOND ANNUAL REPORT

OF THE

PURCHASING COMMISSION

FOR THE PERIOD

JANUARY 1ST, 1944, TO DECEMBER 31ST, 1944



PRINTED BY
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1945.

SECTION OF THE

REPORT

OF

PERMANENT COMMISSION

FOR THE

STATE OF



VICTORIA, B.C., January 31st, 1945.

To His Honour W. C. WOODWARD,
Lieutenant-Governor of the Province of British Columbia.

MAY IT PLEASE YOUR HONOUR:

Herewith I beg respectfully to submit the Annual Report of the Purchasing Commission of the Department of Finance for the period January 1st, 1944, to December 31st, 1944.

JOHN HART,
Minister of Finance.

The Hon. John Hart,
Minister of Finance, Victoria, B.C.

SIR,—We have the honour to submit the Second Annual Report of the Purchasing Commission, covering the period January 1st, 1944, to December 31st, 1944.

C. B. PETERSON,
Chairman.

E. W. GRIFFITH,
Member.

J. M. STEWART,
Member.

January 11, 1945

To His Honor, Mr. Justice
Chambers, at the Court of Appeal

At the Court of Appeal

I have the honor to acknowledge the receipt of your letter of the 10th inst. in relation to the application for a writ of habeas corpus in the case of the above-named person.

Very truly,
Yours,
J. H. H. H.

John H. H. H.
Minister of Justice

The Hon. John H. H.

Minister of Justice, Ottawa, Ont.

I have the honor to acknowledge the receipt of your letter of the 10th inst. in relation to the application for a writ of habeas corpus in the case of the above-named person.

J. H. H. H.

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SECOND ANNUAL REPORT *of the* PURCHASING COMMISSION for the period January 1st, 1944, to December 31st, 1944.

In presenting a report of the activities of the Purchasing Commission it is necessary again to refer to the unusual conditions under which operations were conducted. Federal control of price and supply is still a factor which restricts activities in the competitive field.

Purchases have been made in so far as possible within the Province in accordance with section 9 of the "Purchasing Commission Act" and in few cases only has it been found necessary to purchase outside the Province.

It has been the endeavour of the Commission to buy in the most economical field having regard to quality. Where possible, large orders have been distributed between more than one firm where quotations have been the same. In so far as was consistent with the Act, supplies have been purchased in the locality where they were to be used, and a reasonable margin over wholesale prices is allowed to local merchants in outlying districts. Special care has been necessary in treating each case on its own merits, as no hard and fast rule can be laid down in this connection.

Requisitions approved by the departments and received daily are the basis of our purchases, and materials not covered by contracts or special price arrangements are purchased after tenders or quotations have been received, except items which have only one source of supply, such as those sold exclusively by one manufacturer, or where a controlled price is set and no advantage would accrue from obtaining competitive prices.

The Commission followed the recognized standard practice in awarding contracts for supplies and in nearly every case the contract was placed with the lowest bidder. The only exceptions were in those items which required tests for quality and volume which would determine value.

Emergency purchases have been discouraged and are in process of curtailment, although they cannot altogether be eliminated, as circumstances arise where not only would it be false economy but might endanger public safety to await the regular procedure.

In the case of supplies required by the King's Printer and books and periodicals required for the Library and Free Text-book Branch authority has been delegated, pursuant to section 10 of the Act, to the heads of these three services to make purchases on behalf of the Commission under the following conditions of supervision: The Commission is supplied with information respecting terms and conditions of purchase; copies of orders are furnished as issued; and all invoices are submitted for approval.

Coal supply for Government Buildings and Institutions has been satisfactorily maintained so that the reserves built up last year both on the mainland and on the island are still available. Owing to transportation difficulties it has been found necessary at times to allow substitution of different qualities of coal with price adjustments.

Many difficulties have been encountered in obtaining the necessary replacements and additions to the fleet of Government-owned automobiles and trucks. Permits for the purchase of new units have been rigidly restricted, and used equipment suitable for our purposes is no longer available. The outlook in respect of requirements for the coming year is giving the Commission much concern, as the supply of pooled cars in British Columbia appears to be about exhausted. The situation may eventually be relieved through the release of surplus military vehicles by the War Assets Corporation, to whom our needs have been made known. Incidentally, our urgent needs for many other lines of equipment have also been conveyed to the War Assets Corporation.

Cost data of the operation of all cars in service have been maintained so that information regarding their performance and condition is readily available.

Disposal by transfer or sale of surplus worn-out equipment and supplies was made by auction or direct sale after advertising. Good results were obtained, but it is not expected that this market will hold up indefinitely.

An effective control over stores has been established in the case of the Provincial Police and the Mental Institutions at Essondale, New Westminster, and Colquitz. Perpetual inventories and stores records are now being maintained at these points under the supervision of the Commission, and periodical inspections are being made.

Further progress along these lines, in the case of other Institutions and Services, will be made as time and circumstances permit.

STATISTICAL RECORDS.

During the calendar year 1944 ninety-eight meetings of the Commission were held.

Statistical records are now being kept under the following headings and these indicate the pattern of present-day purchasing:—

- A. *Competitive*.—On contract, quotation (written or verbal), or prices awarded on, and governed by, previous quotation.
- B. *Restrictive*.—Specified commodities sold exclusively by a particular manufacturer, wholesaler, jobber, or agent.
- C. *Controlled*.—Will include set prices where no advantage will accrue in calling for competitive tenders on commodities sold at controlled prices.
- D. *Non-competitive*.—Requisitions issued without stated prices and controlled by checking or test-checking prices when invoices submitted.
- E. *Retail*.—Includes semi-retail or when prices are greater than might be secured from manufacturer or wholesaler. (Local purchases.)
- F. *Emergency*.—(1.) Retail. (2.) Other than retail.

Comparative figures will not be available until the end of the current fiscal year, but the volume of purchases during the fiscal year 1943-44 is shown below:—

A	\$578,555.07
B and C	1,571,665.96
F	422,820.70
Total purchases	\$2,573,041.73

NOTE.—The figures above shown under B and C include a small percentage of D category.

OFFICE FURNITURE AND EQUIPMENT.

The inventory of furniture and equipment in all Government offices throughout the Province has now been completed, and its location, condition, and value properly recorded.

Generally speaking, the condition in respect of furniture was found to be good, except at a few Interior points where replacements appear to be necessary. In the case of typewriters and other mechanical equipment, practically no new machines have been available during the past three years, and had it not been for the excellent services performed by our own typewriter mechanics in keeping old equipment serviceable, the situation would have been serious. Just as soon as circumstances permit a considerable number of replacements will be necessary, and provision is being requested in the next estimates to cover the most urgent requirements. The statements hereunder reflect the conditions referred to.

APPRAISAL OF FURNITURE.

Parliament Buildings	\$373,231.75
Other Government premises	634,826.75

Total \$1,008,058.50

(The above includes office furniture and equipment only, not institutional furnishings or equipment.)

COMPARATIVE COSTS OF TYPEWRITER SERVICE.

Vancouver and Interior Points.

Typewriter repair shop—

Salaries, two mechanics	\$3,680.00
Cost-of-living bonus	227.00
	<hr/> \$3,907.00

Travelling expenses	504.76
Car operating expenses (proportion)	295.64
Ribbons and parts	261.32
Miscellaneous supplies	71.44
Freight and cartage	295.23

Total cost \$5,695.39

Machines under service and inspection, 1,032, of which 292 are in Vancouver. Average cost per machine, approximately \$5.50.

In addition to ordinary servicing, 55 machines were rebuilt; 91 machines received major overhauls; and 237 machines received general repairs.

Estimated commercial cost of above—

292 Vancouver machines—monthly service at \$12....	\$3,504.00
740 rural machines—periodical repairs and service, at, say, \$5	3,700.00
55 rebuilds at \$50	2,750.00
91 major overhauls at \$17.50	1,592.50
237 general repairs at \$3	711.00

\$12,257.50

In conclusion, we respectfully submit that the business of the Commission has been conducted within the meaning and intention of the Act as interpreted in the light of present-day conditions, although all the functions contemplated by the Act have not been put into operation. Careful study is being made, but the time is not opportune to launch out into matters of warehouses and bulk purchases wherein we might find that the cost would exceed the value of any advantage gained.

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