PROVINCE OF BRITISH COLUMBIA

Third Annual Report of the Purchasing Commission

January 1st, 1945, to December 31st, 1945

PRINTED BY
AUTHORITY OF THE LEGISLATIVE ASSEMBLY.

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1946.

VICTORIA, B.C., January 31st, 1946.

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, 1945, to December 31st, 1945.

JOHN HART,
Minister of Finance.

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

SIR,—We have the honour to submit the Third Annual Report of the Purchasing Commission, covering the period January 1st, 1945, to December 31st, 1945.

C. B. PETERSON,
Chairman.

E. W. GRIFFITH,
Member.

J. M. STEWART,
Member.

THIRD ANNUAL REPORT of the PURCHASING COMMISSION

for the Period January 1st, 1945, to December 31st, 1945.

In presenting the third annual report of the Purchasing Commission it is again necessary to refer to the conditions and restrictions under which purchases have been made. Although the war is ended, the transition period from war to peace, while proceeding slowly towards normal, yet has produced even greater uncertainty in procuring some materials and commodities than during the war, due, no doubt, to the requirements of liberated countries and economic conditions. On the other hand, considerable advantage accrued to the Province by the benefits derived from our dealings with the War Assets Corporation, a Crown company formed to dispose of surplus war materials. Daily contact has been maintained with the Corporation in an effort to obtain materials and equipment, and a number of purchases of road machinery, trucks, launches, office, radio, and miscellaneous camp and general equipment have already been made on favourable terms. Negotiations are in progress for the acquisition of numerous other articles of equipment, as and when declared surplus to the requirements of the armed forces. Approximately $160,000 has been expended in purchases from this source.

No major changes in general policy in regard to purchasing have been made. Preference has been given to local dealers, and the business of the Commission has been conducted within the meaning and intention of the Act. Although warehouses have not been acquired, in a few instances the provisions of section 8 were invoked, and materials have been stored to provide against future shortage. Wherever possible the Commission has followed the principle of receiving competitive prices, and although the figures set out below show a large increase in competitive bidding, competition has been less keen, due, in part, to the fact that most firms are in short supply.

The control over stores which was established last year in the case of the Provincial Police and the institutions at Essondale, New Westminster, and Colquitz has been maintained, and periodical inspections made. Similar control is in process of establishment at Tranquille Sanatorium.

Although control of the supply of trucks and automobiles is still maintained on a priority basis, the Government has received full co-operation from the Controller in the matter of permits. Sixty-three applications were made for trucks, of these fifty-six were granted and three are outstanding. In the matter of passenger-cars, thirty-seven applications were made and twenty-two were granted. It must be understood, however, that although the permits to purchase have been granted, they are only of use as trucks and automobiles become available for sale, and, consequently, departmental requirements are, as yet, largely unfilled. The used-car market, in as far as the Government is concerned, is a thing of the past, there being no suitable used cars available for sale at ceiling price.

During the year the Commission disposed of, by auction or advertised sale, thirty-two pieces of worn-out automotive equipment for the sum of $9,652. In nearly every case the advertised ceiling price was tendered.

The scarcity in the coal-supply for Government Buildings and Institutions is still very acute and deliveries uncertain. The stock reserves maintained by the Commission, both on the mainland and Vancouver Island, have been drawn on during the season, and it is the intention of the Commission to maintain these reserves until the situation is less critical.

In the matter of semi-annual contracts for supplies to Government Institutions no difficulties were encountered, although fewer firms submitted tenders.

STATISTICAL RECORDS.

During 1945 eighty-four meetings of the Commission were held.

Statistical records were maintained under the following headings which, for information, are recited herewith:—

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.*—Includes set prices where no advantage accrues 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 where prices are greater than might be secured from manufacturer or wholesaler. (Local purchases.)

F. *Emergency.*—(1.) Retail. (2.) Other than retail.

Comparative figures for the fiscal years 1943–44 and 1944–45 are set forth hereunder:—

	1943–44.	1944–45.
A. Competitive	$578,555.07	$1,097,175.70
B. Restrictive	1,571,665.96	668,411.90
C. Controlled		359,531.68
D. Non-competitive		590,814.43
E. Retail		66,751.10
F. Emergency	422,820.70	286,490.08
	$2,573,041.73	$3,059,174.89

The above figures reflect improvement in the competitive field through the endeavours of the Purchasing staff in carrying out the policy of the Commission. A substantial reduction in the amount of emergency purchases was also attained.

OFFICE FURNITURE AND EQUIPMENT.

Inventory records of furniture and equipment are maintained throughout all Government offices in the Province, and have proved of great assistance. The services of our cabinetmaker in Vancouver have been utilized to the fullest extent, and it has been found necessary to add an assistant in order to handle the volume of work effectively. Most articles of office furniture and equipment are still in short supply, and, although a number of replacements have been made, and several new offices furnished, many urgent requirements still remain to be filled in all branches of the Service. Provision for this is reflected in our next year's estimates.

The value of office furniture and equipment in the Province has now been appraised at $1,061,850.

In order to extend and improve our typewriter repair and maintenance service operated from Vancouver, an apprentice, under the Rehabilitation Training Plan, has been added to our staff there. The machines serviced by this staff number approximately 1,200, and are located in all parts of the Province, with the exception of Vancouver Island. Three service trips throughout the Province were made during the year. In view of the efficiency and economy resulting from this service on the mainland, it is now proposed to inaugurate a similar service on Vancouver Island.

In conclusion we would acknowledge with thanks the co-operation we have received during the past year from the various Departments of Government.

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