Province of British Columbia

Thirty-eighth Annual Report of the

PURCHASING COMMISSION

JANUARY 1 TO DECEMBER 31

1980

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The Honourable Hugh Curtis,
Minister of Finance,
Province of British Columbia,
Victoria, B.C.

SIR: We have the honour to submit the thirty-eighth Annual Report of the Purchasing Commission, covering the period January 1, 1980 to December 31, 1980.

A. W. CHARLTON
Chairman

A. E. RHODES
Member

R. P. MURDOCH
Member

Thirty-eighth Annual Report of the Purchasing Commission

January 1 to December 31, 1980

The total value of the purchase orders placed by the Purchasing Commission during 1980 increased to $250 million from $229 million in 1979, or approximately 9.2 per cent. At the same time, the number of purchase orders placed decreased by 1 per cent, from 52,983 to 52,354 in 1980, largely due to continued efforts to consolidate orders.

Purchase Order Placement

	Number		Value	
	1979	1980	1979	1980
			$	$
Purchasing Commission	43,137	39,007	206,980,157	227,382,487
Ministry of Education Publication Services	769	1,152	9,672,542	8,803,366
Provincial Secretary—				
Legislative Library	1,304	1,130	63,950	40,513
Queen's Printer	7,582	10,814	12,601,000	14,196,204
Library Services	191	251	171,787	228,992
Totals	52,983	52,354	229,489,436	250,651,562

The British Columbia price preference policy up to a maximum of 10 per cent continues to be followed, using the amount of British Columbia input in terms of labour and material in determining the rate of preference.

Where preference is given to local suppliers, equal quality is required and reasonable price differential with back-up service must be available, where appropriate.

The provincial preference policy is regarded as sound policy. It is nonetheless a form of subsidization at public expense and the Purchasing Commission regards it as a policy that requires continued and careful control.

Good liaison with suppliers and with clients has been maintained by Purchasing Commission staff who made a total of 345 visits to suppliers and 527 visits to clients during 1980.

The Business Machines Repair and Maintenance Division was augmented by the establishment of one-man repair shops at Kamloops and Prince George. Government offices in and near these communities are already benefiting from the localized service.

Progress was made in the consolidation under one roof of the Langford Warehouse and the Surplus/Loan Furniture and Audio-Visual Loan and Repair unit. The move was completed on January 31, 1981, to warehouse facilities on Oak Street. This is a 10,000 square-foot facility, part of the British Columbia Buildings Corporation warehouse operation. The new facility offers improved safety features, access to stock and easier inventorying.

It is to the credit of the staff that interest in their own development continued at a high level, with Mr. Fred Leonard, Chief Purchasing Agent, Vancouver, awarded the Professional Purchaser Diploma of the Purchasing Management Association of Canada. Other staff members also improved their value to the government by completing shorter purchasing courses, or by advancing in the Purchasing Management Association of Canada course.

At year-end there were 99 staff members of the Purchasing Commission.

For reasons other than promotions, retirements or transfers to new locations, staff turnover among Purchasing Commission employees has remained low.

Studies have been carried out during the year, preparing the way for introduction of word processing and data processing. The effects of the new technology will be to reduce paper handling, speed up the turnaround of necessary documentation, and further improve service to ministries and Crown corporations.

BUSINESS MACHINES DIVISION

The appointment of two skilled technicians to Kamloops and Prince George has provided a much needed and efficient service to these two rapidly growing areas. Previously, maintenance and repairs were done from the Victoria and Vancouver offices.

During 1980, staff of the Business Machines Division completed 7,299 field preventive maintenance inspections and 12,167 field and shop repairs.

It is our continued aim to eventually provide similar service to all Interior communities and to bring maintenance service in Victoria and Vancouver up to even higher standards. With the establishment of the new maintenance centres in Kamloops and Prince George in 1980, we hope to achieve this aim in the not too distant future.

A number of staff members in this Division completed courses of theory, practical and vendor-provided training. Employees also enrolled in more advanced courses in electronics technology, preparing themselves for servicing of the more advanced business machines coming into government.

The Business Machines Division continues to recondition surplus units in one ministry for use in another ministry for an overall cost saving in the purchase of new equipment. The Division also provides machines on short-term loans to many ministries with a resultant saving in outside rental fees.

During 1980, there was an increase of 3,129 office machines on inventory, or 9.3 per cent over the 1979 inventory.

Business Machines on Inventory

	December 31, 1979	December 31, 1980
Typewriters	11,301[1]	12,151[2]
Adding machines and calculators	10,369	11,668
Dictation/Transcribers	9,468	10,228
Miscellaneous	2,486	2,706
Totals	33,624	36,753

[1] 66% electric.
[2] 68.2% electric.

Purchase and Disposal of Business Machines During 1980

	Government Offices	Crown Corporations	Total Units
PURCHASES:			
Typewriters—Manual	18	13	31
Electric	1,042	23	1,065
Adding machines and calculators	1,452	69	1,521
Dictation/Transcribers	822	18	840
Miscellaneous (including duplicating equipment)	217	42	259
Total purchased	3,551	165	3,716
DISPOSALS (sale or redistribution):			
Typewriters—Manual	8	.....	8
Electric	238	.....	238
Adding machines and calculators	222	.....	222
Dictation/Transcribers	80	.....	80
Miscellaneous (including duplicating equipment)	39	.....	39
Total sold or redistributed	587	.....	587
Net increase of business machines	**2,964**	**165**	**3,129**

SURPLUS DISPOSAL SALES

The sale of surplus government assets to the public this year has produced a total of $2,592,871.48.

Of this amount, $618,325.41 has been credited to the Sundry Services and Miscellaneous Sales Account; $1,941,426.55 has been credited to individual ministries; and $33,119.52 remains in the suspense account.

Revenue Summary

Credited to Sundry Services and Miscellaneous Sales Account

	$	$
Highways (Buildings)	114,951.18	
Highways (Equipment)	373,607.26	
		488,558.44
Other ministries		129,676.73
		618,235.17
Interest on Social Service Tax		90.24
Total		618,325.41

Credited to Ministries

	$
Highways	1,219,971.16
Forests	345,265.86
Lands, Parks and Housing	104,690.70
B.C. Buildings Corporation	69,825.68
Emergency Health Services Commission	50,032.90
Provincial Secretary and Government Services	47,898.40
B.C. Ferry Corporation	31,822.36
Human Resources	20,088.55
Health	19,540.32
Finance (Purchasing Commission, advertising and freight accounts)	5,768.64
Attorney General	5,532.67
Consumer and Corporate Affairs	1,488.38
Agriculture and Food	1,313.98
Tourism	883.73
Labour	520.00
Environment	496.04
	1,925,139.37
Credited to Social Service Tax	16,287.18
	1,941,426.55
Sundry Services and Miscellaneous Sales Account	618,325.41
	2,559,751.96
In Suspense Account	33,119.52
Grand total	2,592,871.48

RELOCATIONS

A total of 1,092 units of furniture and equipment was transferred to offices operations of various ministries throughout the province during 1980. Re-its from offices in the Interior are increasing. Due to the increased amount of housing space, the Purchasing Commission is able to keep in surplus stores ler variety of goods and thus provide a wider choice.

OFFICE FURNITURE INVENTORY

More than 1,900 inventory checks were processed during 1980. Government ffs are individually visited, inventoried and the results are used to amend the er Record in Victoria. A high degree of accuracy in inventory is maintained e single clerk who includes this task among her other duties. During several hs of 1980, she was assisted by four students under the Work in Government .G.) Program.

OFFICE FURNITURE LOAN SERVICE

Requests for loans of office furniture increased during 1980 and the loan ce was able to fulfil most of the requests with the addition of newer and more d furniture. Acquisition of suitable furniture by the loan service is a con-ng project.

Total savings in rentals over the year to all ministries as a result of the loan ce are calculated at $39,940.

AUDIO-VISUAL LOAN AND REPAIR SERVICE

A growing trend to the library concept for audio-visual equipment among rnment ministries has resulted in significant savings during 1980. Ministries ecoming increasingly aware of the wide range of equipment which is available igh the Purchasing Commission's audio-visual loan service and this is reflected e increased use of borrowed over purchased equipment. Savings resulting loan of audio-visual equipment throughout government are estimated at 740 during 1980. Audio-visual equipment is available for loan at two offices:

Victoria—3285 Oak Street
Vancouver—501 West 12th Avenue

Rental Savings

	1979	1980
Victoria	$8,000	$36,300
Vancouver		11,440
Totals	$8,000	$47,740

The loan library expanded into video loan equipment during 1980, with an llent response from ministries. Consideration will be given to purchasing video equipment in 1981 in order to fulfil increasing needs. Donations of and surplus equipment from government ministries are welcomed, as inclusion e equipment into the loan library benefits all areas of government.

During 1980, the audio-visual repair section serviced more than 300 units of pment. Service ranged from cleaning, calibrations and adjustments to major hauls and rebuilding of equipment.

Equipment parts are supplied from the repair service stock, with ministries paying only for the more expensive components not kept in stock. It is estimated $19,625 was saved in labour costs to all ministries in 1980 through operation of the audio-visual repair service.

A preventive maintenance program has been started in the Victoria area, allowing audio-visual equipment to be sent to the Victoria shop at low-use times, for servicing. Preventive maintenance on these units is a necessity and will eliminate much down-time when done on a regular basis.

VANCOUVER OFFICE

Continuation of a major project to improve systems and procedures in the Vancouver office during 1980 resulted in a marked reduction in paper volume and an increase in time allotted to meet with suppliers and clients.

The volume of requisitions and quotations processed during 1980 dropped by approximately 15 per cent from the preceding year, largely due to the introduction of more standing contracts.

This timesaving feature resulted in a 62 per cent increase in purchasing staff meetings with clients and suppliers. During 1980, staff members based in the Vancouver office made 124 visits to suppliers' plants and met with 175 government clients.

A remarkable 80 per cent of the Vancouver purchasing staff took part in courses leading to the Professional Purchaser Diploma offered by the Purchasing Management Association of Canada. One staff member was granted the diploma in 1980; others are likely to be awarded diplomas in 1981 and 1982.

Retirements and family reasons caused a larger than usual turnover in the Vancouver office, but the five new staff members have adjusted well and the overall operation has been strengthened considerably.

LANGFORD WAREHOUSE

The warehouse was used extensively by the ministries in 1980, resulting in a total value of goods processed at $1,499,928.27, an increase of $330,000.00 over the last year.

Consistent ordering procedures by the various ministries, the assistance of the purchasing agents and staff at the Commission, and the work of the Langford staff are a few of the reasons for the productive year. Requisitioned stock and emergency material were available at all times, with few or no back orders and no delay in delivery.

CONCLUSION

We are again indebted to our client ministries for their continued cooperation and staff of the Purchasing Commission will in turn continue their efforts to provide an entirely satisfactory service.

In particular, we recognize the delegated purchasing services performed by the Queen's Printer; by the Director of Publication Services, Ministry of Education; and by the Legislative Librarian, the Provincial Archivist and the Director of the Library Services Branch, Ministry of Provincial Secretary and Government Services.

Finally, the cooperation of the Geotechnical and Materials Engineering Branch of the Ministry of Transportation and Highways in product testing and related research and advice, has been of inestimable value.

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