

PROVINCE OF BRITISH COLUMBIA

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Twenty-ninth Annual Report of the  
**PURCHASING COMMISSION**

JANUARY 1 TO DECEMBER 31

1971



Printed by K. M. MACDONALD, Printer to the Queen's Most Excellent Majesty  
in right of the Province of British Columbia.

1972

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PURCHASING COMMISSION  
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Printed and bound by the Government of British Columbia, Vancouver, B.C.

VICTORIA, BRITISH COLUMBIA, January 17, 1972.

*To Colonel the Honourable JOHN R. NICHOLSON, P.C., O.B.E., Q.C., LL.D.,  
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 1, 1971, to December 31, 1971.

W. A. C. BENNETT  
*Minister of Finance*

*The Honourable W. A. C. Bennett,  
Minister of Finance, Victoria, British Columbia.*

SIR: We have the honour to submit the Twenty-ninth Annual Report of the Purchasing Commission, covering the period January 1, 1971, to December 31, 1971.

R. G. MCKEE  
*Chairman*

A. E. WEBB  
*Member*

L. J. WALLACE  
*Member*

# Twenty-ninth Annual Report of the Purchasing Commission

January 1 to December 31, 1971

## GENERAL

As stated in previous Annual Reports, the total purchases under the Act include purchases made by the divisions of those departments with authority to purchase delegated under section 10 of the Act. Records for these divisions are therefore included in the table below.

Department and Division	Number of Purchase Orders		Total Value of Purchase Orders	
	1970	1971	1970	1971
Education—Curriculum Resources Branch.....	2,039	2,496	\$ 5,092,400	\$ 4,199,420
Provincial Secretary—				
(a) Provincial Library and Archives.....	879	930	11,300	13,780
(b) Library Development Commission.....	141	280	64,930	72,510
(c) Queen's Printer.....	3,097	3,280	2,073,370	2,542,510
Finance—Purchasing Commission—For all de- partments.....	43,587	51,200	53,869,400	61,996,200
Totals.....	49,743	58,186	61,111,400	68,824,420

From the above table it will be noted that the total number of purchase orders issued in 1971 increased by 8,443, or 17 per cent, over the previous year, and the total value was \$7,713,000 more than last year. Similarly, the total value of the purchase orders issued by the Commission staff increased over last year by \$8,126,800, or 15 per cent. This is partly due to inflation but mainly to supplies for crews involved in make-work programmes and other Government endeavours to stimulate the Provincial economy, such as equipping another vocational school at Kamloops in 1971. The 19.5-per-cent drop in the value of purchases in 1971 by the Curriculum Resources Branch is due to the lag in timing of orders because of delayed decisions on certain revised textbooks which are now on order.

As usual, the value of emergency purchase orders is included, but the number of them, 25,780, is not, as their total value is less than 5 per cent of the total for purchase orders in 1971. The details of emergency purchase orders are explained in chapter 3 of the *Purchasing Manual*.

Again, to illustrate the value of bulk buying, three examples are cited—

- (1) The wholesale purchase of trucks—A public viewing of tenders on 156 trucks was held in Vancouver in June and again in October 1971 for an additional 79 trucks. These ranged from one-half ton to 4 ton in size and the total cost of these 235 units was \$1,036,160.
- (2) The tires and tubes required by the Department of Highways were again summarized and quoted for each quarter of 1971. The yearly totals aggregated 7,130 tires and 3,180 tubes, and the cost was \$329,300.

- (3) The wholesale purchase of passenger-type vehicles—because the big three manufacturers indicated that there would be no fleet-owner discount on purchases of their equipment—the passenger-car needs of all departments were accumulated for three separate wholesale quotes in January, April, and October. They were further divided into three or four regions and the local dealers of each region were quoted. As a result, a total of 316 passenger cars was purchased at a total cost of \$912,780, or an average of \$2,890 per unit. The 185 trade-in units were auctioned off at four different cities throughout the Province and netted \$62,215, which was a higher return than if they had been traded in. This recovery value of trade-ins had the effect of reducing the average price paid for the 316 vehicles by \$197 per unit. As a comparison, the net wholesale price paid for 153 standard sedans this year was \$2,774, whereas the few sedans purchased in 1971 under the old system averaged \$3,130 net.

### STAFF

The staff consists of 63 full-time employees plus two trainee technicians paid for by the Department of Education as reported last year. In addition, during 1971, a stockman was approved for the Victoria shop of the Business Machines Service Division.

As a measure of efficiency, we have nine purchasing agents buying goods worth \$62,000,000, or an average of \$6,900,000 each, which is a most creditable showing exceeded by few other purchasing agents in British Columbia.

### BUSINESS MACHINES SERVICE DIVISION

The description of the functions of this Division are covered by previous reports and by chapter 6 of the *Purchasing Manual*.

Again, to show how the machine population is growing, two tables are given below.

Table 1—Machines as at December 31, 1970

Type of Machine	Number in Departmental Offices	Number in Vocational Schools	Number in B.C. Institute of Technology	Total Number
Typewriters (25.8 per cent electric).....	5,095	682	98	5,875
Adding-machines and printing-calculators.....	2,211	270	376	2,857
Dictation/transcription equipment and tape recorders	1,960	163	51	2,174
Miscellaneous equipment—posting, bookkeeping, cash registers, etc.....	982	335	128	1,445
Totals as at December 31, 1970.....	10,248	1,450	653	12,351
Percentage increase in 12 months.....	4.9	10.0	3.3	5.4

Table 2—Machines as at December 31, 1971

Type of Machine	Number in Departmental Offices	Number in Vocational Schools	Number in B.C. Institute of Technology	Total Number
Typewriters (29.39 per cent electric).....	5,449	808	112	6,369
Adding-machines and printing-calculators.....	2,399	317	388	3,104
Dictation/transcription equipment and tape recorders	2,161	254	62	2,477
Miscellaneous equipment—posting, bookkeeping, cash registers, etc.....	1,096	349	129	1,574
Totals as at December 31, 1971.....	11,105	1,728	691	13,524
Percentage increase in 12 months.....	8.36	19.17	.58	9.49

As shown in the foregoing tables, the machine population is now 13,524, an increase in 12 months of 9.49 per cent. The largest percentage increase is for vocational schools of 19.17 per cent. This was due mainly to purchases for the new vocational school at Kamloops. Again, the largest increase was for typewriters, with 139 manual machines at an average cost of \$155, and 371 electric at an average cost of \$409. The total cost of all the machine purchases for 1971 was \$430,550.

#### THE VANCOUVER OFFICE

The functions of the Vancouver office of the Purchasing Commission are fully explained in chapter 5 of the manual. Suffice it to say here that the staff of nine, plus seven business machine technicians, under the able guidance of Mr. T. L. Vardy, Purchasing Agent 4, again had a successful year.

#### THE SURPLUS MATERIALS DISPOSAL SECTION

It is the responsibility of the Commission to sell all equipment and property declared in writing to be surplus by the department concerned. Efforts are, of course, first made to ensure that such surplus equipment cannot be used to advantage by some other department before advertising same for sale. The functions of this section are fully described in chapter 7 of the *Purchasing Manual*.

To illustrate the variation of work in this section, the results are shown for two years:

For Department of Highways—	1970	1971
	\$	\$
(a) Equipment and scrap .....	89,910	50,140
(b) Houses and chattels (rights-of-way) .....	63,390	23,920
For other departments .....	47,900	74,480
	<hr/>	<hr/>
	201,200	148,540

The totals for Department of Highways equipment and houses for 1970 were much above the average, and surplus houses depend on location of the roads or bridges being constructed. The large increase in amount for other departments includes, for the first time, the results of auction sales throughout the Province of 185 surplus cars, as mentioned in the first part of this report.

#### LANGFORD WAREHOUSE

The functions of this warehouse are fully described in chapter 7 of the *Purchasing Manual*.

The value of goods processed through this warehouse increased from \$446,300 in 1970 to \$658,490 in 1971. The increase was due to extra purchases of fire-fighting equipment because of the very bad fire season and extra purchases of camp equipment for the make-work programmes.

#### CONCLUSION

The Commission again gratefully acknowledges the specialized purchasing done under delegated authority by the Queen's Printer, the Director of the Curriculum Resources Branch, the Provincial Librarian and Archivist, and the Superintendent of the Library Development Commission.

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