

Office of the Procurement Ombudsman e-newsletter

# OPO Perspectives du BOA

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Office of the Procurement Ombudsman  
Bureau de l'ombudsman de l'approvisionnement



Canada



Last month my office's sixth annual report was tabled in Parliament. The report allows me to highlight key procurement issues, raised by businesses and business associations, to Parliamentarians and senior decision makers. In the Report "I raise two issues which were repeatedly voiced across the country: the requirement to carry liability insurance as a contract condition, and the escalating number of national solicitations that include a requirement for country wide delivery capability.

With respect to the first issue, I point out that there is a sense among some of you that departments are arbitrarily defaulting to requiring firms to carry liability insurance whether or not there is an established need. Government policy requires departments to make an informed decision, based on risk, as to whether there is a need to require a supplier to carry liability insurance. The policy provides federal departments the discretion to include liability clauses in contracts if appropriate and warranted. Suppliers of services such as research, writing, and editing, however, voiced concern about what they perceive as the burdensome and wasteful expense being created by departments' indiscriminate inclusion of the liability insurance requirement when their type of work involves little to no potential for liability.

The other issue I highlighted is that many of you outside the National Capital region are feeling "squeezed out" by the escalating number of national solicitations that include a requirement for country-wide delivery capability. When I spoke to departmental officials about this, they point out that in this period of budgetary restraint it is more efficient to establish and manage single, national contracts as opposed to the numerous, smaller, regionally-issued contracts. I reported this may make good economic sense in a period of fiscal austerity, but that those of you with smaller firms, who have for years supplied goods or services in communities across Canada, are feeling increasingly disadvantaged. I also relay your frustration by what appears to be a disconnect- on the one hand, the apparent steady shift to national procurements which, while the intent is to be more cost effective, are denying you the prospect of bidding on traditional business opportunities; and, on the other, the government's desire to stimulate a healthy small and medium-sized-business community in all regions of the country.

It is through feedback from you that I am able to report on the procurement issues that impact on your ability to do business with the federal government. We look forward to connecting with more Canadian businesses through our many planned in-person and online meetings over the next year.

Finally, if you cannot attend one of our meetings and there is a particular procurement-related issue you would like to share, please share your thoughts on federal procurement with us via the OPO website. And if you are experiencing difficulty with a federal government contract, give us a call at **1-866-734-5169** to discuss your options with our helpful staff.

## UPCOMING EVENTS



**November 26:** Online Town Hall Meeting  
**November 27:** Ottawa Town Hall Meeting  
For the latest, consult our Upcoming Events Calendar.

### Latest Reports

- Was a supplier disadvantaged by an unreasonable criterion?
- Department's approach to soliciting proposals was not consistent with government policy
- A Mandatory Criteria Questioned



Share your thoughts on federal procurement

Still not sure what we do? Check out our video

