



Share your thoughts on federal procurement

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"You can't shake hands with a clenched fist." - Indira Gandhi

I was recently contacted by a trucking company who had been hired by a department to dredge a federal site. The contract required the dredged material to be delivered to a dump site specified in the contract. When the contractor arrived to the authorized site it had gone out of business. The contractor phoned the department to notify it of the closure and to suggest an alternate site with estimated savings of 20-30% from the original contract price. The department provided verbal agreement to the change. With the soil removal completed the contractor submitted an invoice 25% lower than the contract price. The departmental official refused to pay saying he heard a 30-40% savings and informed the contractor he should have prepared a change order. With no payment in sight and the situation at loggerheads the contractor turned to my office for help.

Disputes of this nature aren't unusual in the federal procurement world. I hear from about half a dozen suppliers in similar situations each year. All these cases have one thing in common, the spat has gone on so long it is detracting from both party's main goal...getting the job done on time and on budget. Let's face it, no one benefits in these situations; not the business person, not the department and certainly not the taxpayer. This is one of the reasons my office was created. To help suppliers of goods and services to the federal government and departments resolve contract disputes, quickly.

If you're in the midst of a contract dispute with a federal organization, call us. We have a stellar track record in mediating disputes. One of our certified and experienced mediators is available to discuss the situation with you. If we can't help you resolve the issue informally we can offer you and the department confidential, no-fee mediation services where our goal is to assist you and the department to reach a mutually acceptable, legally binding agreement.

And the dredging contract dispute? We helped the contractor and the department reach a payment settlement agreement after which they shook hands ... with unclenched fists. We've created a short [video](#) that further explains our dispute resolution services. If you'd like to talk to us about the service, give us a call at 1-866-734-5169 or visit OPO.gc.ca.

UPCOMING EVENTS 

- June 17:** Online Town Hall
- June 25:** Calgary Town Hall
- June 26:** Winnipeg Town Hall

For the latest: consult our [Calendar of events](#)

Latest Reports

- ✓ Review of Natural Resources Canada Procurement Practices
- ✓ Follow-Up Report for 2011-2012 Procurement Practice Reviews

Upcoming Reports

- ✓ Employment and Social Development Canada Information Technology Services
- ✓ Review of government wide procurement practices regarding Standing Offers/ Supplier Arrangements

