

MEMORANDUM TO: All Public Bodies

FROM: Heather Tizzard, Chief Procurement Officer

DATE: June 1, 2020

RE: Amendments to the Public Procurement Framework

Effective June 1, 2020, please note that the Public Procurement Regulations have been amended to provide for increased thresholds at which an open call is required. Thresholds are now as follows:

Public Bodies	Thresholds			
	Goods	Services	Public Works	Lease of Space
Departments	\$26,400	\$105,700	\$105,700	\$100,000
MASH*	\$105,700	\$105,700	\$264,200	\$100,000
Crown Corporations	\$264,200	\$264,200	\$264,200	\$100,000

*Municipalities, Local Service Districts, Academic Institutions, School Districts, Health Authorities

In addition, a provincial supplier preference provision has been added to the Regulations. This provision mandates an allowance of ten per cent for provincial suppliers for all procurements below trade agreement thresholds. Provincial suppliers are suppliers with a place of business in the province. For reference, the lowest current trade agreement thresholds are as follows:

Public Bodies	Goods	Services	Public Works
Departments	\$26,400	\$105,700	\$105,700
MASH	\$105,700	\$105,700	\$264,200
Crown Corporations	\$528,300	\$528,300	\$5,283,200

For clarity, the preference cannot be applied when the estimated value of the commodity is above trade agreement thresholds.

Additionally, until March 31, 2021, thresholds for engineering services for municipalities and local service districts only have been increased on a temporary basis to \$264,200. This temporary measure will allow for this year's municipal construction projects to begin more quickly, to maximize support for construction and employment opportunities throughout the province.



Government of Newfoundland and Labrador
Public Procurement Agency
Office of the Chief Procurement Officer

The current threshold increases provide flexibility for a more efficient procurement process, helps reduce administrative costs associated with a procurement process, and provides greater flexibility in ensuring increased business opportunities for local enterprises.

Finally, given the increase in thresholds, reporting requirements for limited calls have been enhanced. In addition to awards resulting from open calls, award information must also be publicly provided for limited calls as follows: Goods at \$10,000 and above; Services at \$50,000 and above; and Public Works at \$100,000 and above.

Further information relating to these changes and the application of same are provided in the Public Procurement Policy, which is available at: <https://www.gov.nl.ca/ppa/division/policy/>.

If you or your officials require additional information, please do not hesitate to contact the Public Procurement Agency at 729-3348.

Kind Regards,

Heather Tizzard
Chief Procurement Officer