



New rules for use of standing offers as of April 1, 2005

Budget 2005 introduced fundamental changes to the way the Government of Canada purchases goods and services. The changes are in keeping with the Government's commitment to deliver services smarter, faster and at a reduced cost. These changes will generate savings to fund Government priorities such as health care, early childhood development, a new deal for communities and the environment.

To buy the goods and services listed below, if PWGSC has issued a standing offer that covers your requirement, departments must use the standing offer:

- ground effect vehicles, motor vehicles, trailers and cycles
- telecommunications equipment and accessories
- general purpose automatic data processing equipment (including firmware), software, supplies and support equipment
- furniture
- office machines, text processing systems and visible recording equipment
- office supplies and devices
- clothing, accessories and insignia
- fuels, lubricants, oils and waxes
- information processing and related telecommunications services, and
- professional, administrative and management support services

What does this mean for Government of Canada departments and agencies?

Departments and agencies must use standing offers as the first method of supply to buy these goods and services. For example, a standing offer for furniture currently exists, so departments and agencies requiring furniture must use the standing offer to purchase these goods. To find a list of existing standing offers, departments and agencies should consult the following web site: <http://soi.pwgsc.gc.ca>

It is important to pay attention to the scope of the standing offer. For example, the standing offers for office supplies exclude recycled toner cartridges, which are available on other standing offers.

Also, standing offers do not exist for all sub-categories. For example, there are standing offers for specialty footwear but not for regular shoes.

If there is no standing offer for your requirement, you can purchase in the usual manner without informing PWGSC. In limited cases, there may be a compelling reason not to use a standing offer. In these cases, departments and agencies will need to contact a PWGSC contracting officer to discuss an exception.

For all other goods and services, (such as printing services or general communications support services) departments should continue to do business as usual, and may make use of other optional standing offers.

Where can I get more information?

Additional information for departments and agencies is available through the Standing Offer Index Site, the Acquisitions Branch site on Publiservice publiservice.pwgsc.gc.ca/acquisitions/text/index-e.html or through the Acquisitions Help Desk 1-866-664-6609

What information is available to our suppliers?

Suppliers who have questions about the mandatory standing offers may visit either the Contracts Canada web site <http://contractscanada.gc.ca/en/index.html> or the Acquisitions Branch web site <http://www.pwgsc.gc.ca/acquisitions/text/index-e.html> for evolving information about the mandatory standing offers currently in place.

Down the Road

The mandatory use of standing offers is an initial step to capture savings that are already available to the government and to help develop a better base of information for the government and suppliers for further decisions.

The government is driving towards better management of how it buys goods and services to support delivery of programs and services. This will mean making decisions on the basis of commodities of goods and services and how to buy that specific good or service to achieve best value for Canadians.

What is a standing offer?

A standing offer is not a contract. A standing offer is an offer from a potential supplier to provide goods and/or services at pre-arranged prices, under set terms and conditions, when and if required. No contract exists until the Government issues an order or "call-up" against the standing offer, and there is no actual obligation by the Government to purchase until that time.

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