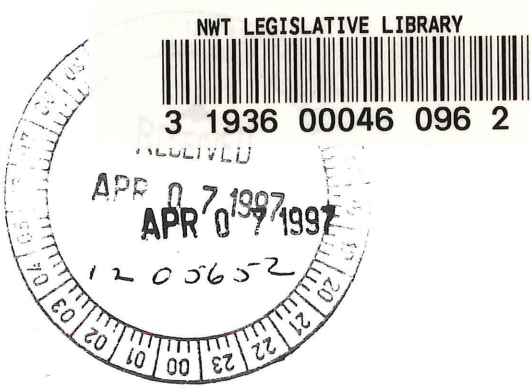




OFFICE of the PREMIER



MR. JAKE OOTES, MLA  
YELLOWKNIFE CENTRE

**POLICY ON NON-COMPETITIVE CONTRACTS**

On March 5, 1997 you requested clarification on the government's position on non-competitive contracts and requested that a draft policy on non-competitive contracts be provided to the Standing Committee of the Legislative Assembly by August 15, 1997.

Pursuant to the GNWT Contract Regulations of the *Financial Administration Act* contracts are awarded through the submission of competitive tenders or the issuing of formal invitations to tender. The exceptions to this process, negotiated and sole-source contracts, are addressed through various instruments including established guidelines, the Negotiated Transportation Contracts Policy, measures for the implementation of Article 24 of the Nunavut Final Agreement and Regulations of the *Financial Administration Act*.

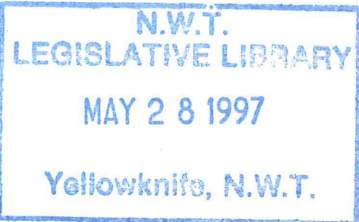
- Negotiated contracts may be awarded, subject to Executive Council approval, when:
- The contractor can provide exceptional local and northern benefit which is unavailable through the normal tendering procedures; and/or
  - The contractor is a new northern or local company which does not yet have the experience and business skills to secure the contract on a competitive basis.

Sole source contracts may be awarded when a contract authority believes, on reasonable grounds, that:

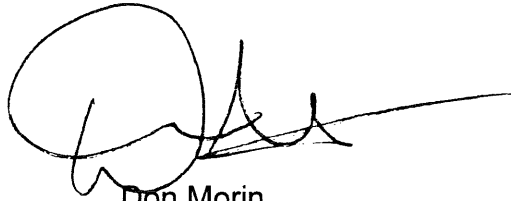
- the goods, services or construction are urgently required;
- only one party is available to perform the contract; or
- the contract is an architectural or engineering contract that will not exceed \$25,000 in value or in any other type of contract that will not exceed \$1,000 in value.

A policy will be developed to govern non-competitive contracts. This policy will be forwarded to the Standing Committee for its review when it is complete.

GOVERNMENT of the NORTHWEST TERRITORIES  
P.O. Box 1320, Yellowknife, NT  
Canada X1A 2L9  
Telephone (403) 669-2311  
Facsimile (403) 873-0385



Please feel free to contact me if I can be of any further assistance.

A handwritten signature in black ink, consisting of a large, stylized initial 'D' followed by a series of loops and a long horizontal stroke extending to the right.

Don Morin  
Premier

c: Clerk of the Legislative Assembly