

THE HONOURABLE JULIE GREEN  
MINISTER OF HEALTH AND SOCIAL SERVICES

**Sole Source Contracting for Northwest Territories  
Health and Social Services Authority under Procurement Criteria 1.8.2 (a)**

Mr. Speaker, I have a Return to Written Question asked by the Member for Kam Lake on March 6, 2023, regarding Sole Source Contracting for the Northwest Territories Health and Social Services Authority under Procurement Criteria 1.8.2 (a).

To preface to this response, the information provided covers the time period of April 1, 2021 to December 1, 2022. This period spans both an unprecedented national public health emergency due to COVID-19 and a national health human resource crisis that has critically impacted the health and social services system's ability to fill front-line positions. For the time period, Northwest Territories Health and Social Services Authority issued a total of 258 contracts valued at \$64 million for goods and services. This amount includes costing of change orders as well.

Of the total number of contracts issued, ten percent were under sole source criteria 1.8.2 (a). The value of those contracts was \$4.7 million, which is ten percent of the total contracted spend for the time-period. It is important to note that this includes change orders and contracts awarded under 25 thousand.

The average length of a contract awarded under the Sole Source Criteria 1.8.2 (a) is 7.3 months. Of the contracts awarded under the Sole Source Criteria 1.8.2 (a), 16 percent of those have had change orders issued. The average rate of increase of change orders for contracts awarded under Criteria 1.8.2 (a) is 114 percent.

# Return to Written Question Retour à la Question écrite

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This number is impacted by the high value of change orders related to two staffing services contracts, paramedic and agency nurse services. Without these two contracts included, the average rate of increase of change orders for contracts awarded under Criteria 1.8.2 (a) is 0.4 percent.

Northwest Territories Health and Social Services Authority complies with the GNWT procurement guidelines however, with the delivery of essential services, circumstances demand urgent responses that require use of Criteria 1.8.2 (a). It is not the intention of Northwest Territories Health and Social Services Authority to utilize sole source contracting as a regular practice. As set out in the policy criteria for sole source contracts, they are used in circumstances where there is an urgent need for the contract to avoid potential harm to the public, or there is only one contractor available and capable of performing the contract.

In the case of the two high-value contracts referenced earlier in the response, Northwest Territories Health and Social Services Authority has taken steps towards public procurement, where the sole sourced contracts are being phased out through a transition period.

Thank you, Mr. Speaker.