Is Alberta's Public Procurement Broken? Section B

May/June 2018

During May 2018, we surveyed the followers of the Alberta Council of Technologies Society, attracting 81 contractors and 11 administrators for assessing the practice and objectives of public procurement practices in Alberta. The results of the survey are being released in four sections. Section A. provided a profile of the respondents summarized as follows:

SUMMARY

The sample includes few administrators and is comprised mainly of public procurement contractors: urban, small-business contractors, that while moderately reliant on provincial bidding up to $100,000, they do not have full-time resources dedicated to public bidding. Most are familiar with information and management services and somewhat less with construction, education and research. Most are familiar with provincial and municipal procurement processes and trade agreements. A majority expect to increase their involvement in bidding on government contracts.

In this section B. we review the expectations and levels of satisfaction of the contractors on various features of public procurement practices.

B. Assessing Alberta's Public Procurement Practices

For assessing the practice of public procurement in Alberta, we asked respondents to rate their experience with 13 practice features in terms of what is important and expected AND what is received and satisfaction. For discussion, each feature is analyzed and presented independently:

- Rating each of the 13 practice feature on a scale from 5 – High to 3 – Moderate to 1 – Low
- Ranking of the practice feature's in terms of Expected-Importance vs. Received-Satisfaction
- Identifying the gap between Expected-Importance and Received-Satisfaction
- Comparing expectations and gaps with contractor's features as identified in Section A.
- Developing a profile for contractors interested – and not, in increasing their involvement in bidding.

1. First, what is most important for Alberta's contractors in public procurement?

Practice Features – ranked below in order of Expected-Importance (E-I). Ratings are on a 5 point scale from 5 - High to 3 – Moderate to 1 – Low. Gap compares E-I with Received-Satisfaction.	Rating	Gap	Ranking Delta*
1. Reasonable timelines for bid preparation	4.37	1.72	4
2. Terms of service/supply: fair, clear, rational	4.28	1.68	4.5
3. Reasonable timelines for service/supply delivery	4.27	1.24	8
4. Ease of use and responsive: e.g.: electronic on-line communication	4.24	1.68	2.5
5. Evaluative criteria, e.g.: fair, clear, rational	4.23	1.86	1
6. Advance notice and helpful information	4.20	1.88	3
7. Reasonable pricing for labour and capital	4.14	1.54	1
8. Reasonable pre-qualifications: e.g.: insurance, location, resources, experience	4.01	1.25	2
9. Bid feedback, e.g.: timely, clear, rational	4.00	1.96	7
10. Incentives for innovation, e.g.: technology, partnering, compensation, project management	3.84	2.03	9
11. Clear process for change management	3.84	1.39	2
12. Incentives for economic development e.g.: location, jobs, salary levels	3.36	1.16	-
13. Incentives for social development, e.g. race, gender, education, religion	**2.77**	**0.18**	-
Weighted Average	3.97	1.47	

*Ranking Delta refers to the difference between a feature's Expected and Received rank.

a. Most features assessed are rated as important. The five most important >4.00 practice features to contractors are those contributing to bid preparation: ***timeliness*** for 1. Bidding and 3. Service/supply, and ***criteria*** for 5. Evaluation and 2. Terms of service. Ease of use and responsiveness 4. is also rated high. The next four in importance - rating 4.00 or more, are also associated with bidding. The least important >1.50 interests: incentives 10, 12, 13 and 11. Change management.

b. Gaps are considerable particularly for features primary to preparing a bid. The gaps between Expected-Importance and Received-Satisfaction were considerable averaging 1.47 on a 5 point scale or 30%. The largest gaps among the top five important features are: 6. Advance notice, 5. Evaluative criteria, and 1. Reasonable timelines for bid preparation. Large gaps - close to 2.00, are also apparent for several of the less important features: 10. Incentives for innovation and 9. Bid feedback.

c. **The features warranting attention.** Contractors view the importance >4.00 and the gaps > 1.50 as considerable for most of the procurement practice features surveyed. We categorized those features associated with bid preparation as "Primary" (Yellow in the table above), and those associated with public objectives as "Secondary" (Blue).

Summary. Contractors value most the public procurement features essential to preparing bids, features that are also viewed as having the greatest gaps in what is expected and received. Those features associated with public objectives are viewed as less important though expectations are not being met for innovation.

2. Next, do contractors differ in their assessment of public procurement practices

Contractors differ from one another in a number of ways as identified in section A. In this section we assess the relevance of these characteristics in the contractors assessment of public procurement practices. For example, do contractors differ in their assessment of municipal, provincial and federal public procurement practices or based on where in the province they are located? We start with Location.

a. LOCATION. Locations are aligned with the importance and gaps in primary procurement practice features.

There are few respondents from Northern, Southern, and Central Alberta; we therefore merged their responses as Other.

LOCATION – Rating of Expected-Importance vs Received-Satisfaction. Ratings are on a 5 point scale from 5 - High to 3 – Moderate to 1 – Low.	Edmonton N=53	Calgary N=16	Other N=5	Weighted Average
1. Reasonable timelines for bid preparation	4.36	4.31	4.80	4.37
2. Terms of service/supply: fair, clear, rational	4.31	4.06	4.60	4.28
3. Reasonable timelines for service/supply delivery	4.36	3.93	4.20	4.27
4. Ease of use and responsive: e.g.: electronic on-line communication	4.26	4.06	4.40	4.24
5. Evaluative criteria, e.g.: fair, clear, rational	4.17	4.33	4.40	4.23
6. Advance notice and helpful information	4.09	4.38	4.60	4.20
7. Reasonable pricing for labour and capital	4.15	3.93	4.40	4.14
8. Reasonable pre-qualifications: e.g.: insurance, location, resources, experience	4.15	3.50	4.20	4.01
9. Bid feedback, e.g.: timely, clear, rational	4.06	3.64	4.20	4.00
10. Incentives for innovation, e.g.: technology, partnering, compensation, project management	3.68	4.13	4.40	3.84
11. Clear process for change management	3.79	4.00	3.60	3.84

12. Incentives for economic development e.g.: location, jobs, salary levels	3.23	3.71	3.80	3.36
13. Incentives for social development, e.g. race, gender, education, religion	2.63	1.00	2.40	2.27
Weighted Average	3.94	3.71	4.15	3.93

Observations:

- Contractors in Calgary Region on average have lower ratings and those in the Other locations, the higher ratings.
- The Regions generally align on the importance >4.00 and ranking of each of the primary practice features, with the secondary features generally rated below 4.00.
- Exceptions for Calgary and Other are the >4.00 ratings for 10. Incentives for innovation and for Calgary the <4.00 rating for 8. Reasonable pre-qualifications and 9. Bid feedback.
- Regions are aligned that Incentives for social development 13. are the least important.

LOCATION – Gaps in Expected-Importance vs Received-Satisfaction. Ratings are on a 5 point scale from 5 - High to 3 – Moderate to 1 – Low.	Edmonton N=53	Calgary N=16	Other N=5	Weighted Average
1. Reasonable timelines for bid preparation	1.78	2.40	1.38	1.88
2. Terms of service/supply: fair, clear, rational	1.55	2.20	1.81	1.68
3. Reasonable timelines for service/supply delivery	1.40	0.80	0.87	1.24
4. Ease of use and responsive: e.g.: electronic on-line communication	1.54	2.20	1.38	1.68
5. Evaluative criteria, e.g.: fair, clear, rational	1.81	2.20	1.87	1.86
6. Advance notice and helpful information	1.73	2.13	2.40	1.88
7. Reasonable pricing for labour and capital	1.73	1.00	1.07	1.54
8. Reasonable pre-qualifications: e.g.: insurance, location, resources, experience	1.33	2.60	0.50	1.35
9. Bid feedback, e.g.: timely, clear, rational	1.87	2.20	2.00	1.96
10. Incentives for innovation, e.g.: technology, partnering, compensation, project management	1.78	2.60	2.56	2.03
11. Clear process for change management	1.25	1.20	1.86	1.39
12. Incentives for economic development e.g.: location, jobs, salary levels	0.97	1.80	1.57	1.12
13. Incentives for social development, e.g. race, gender, education, religion	0.00	-0.20	1.00	0.18
Average	1.44	1.82	1.54	1.47

Observations:

- Gaps prevail across all practice features with the possible exception of 13. Incentives for social development, that is also viewed as least important.
- The average gap was greatest among the Region's contractors for those in the Calgary Region (1.82) and least for those in the Edmonton Region (1.44).
- Large gaps >1.50 are apparent on the primary practice features with the exception of 3. Reasonable timelines for service/supply delivery.
- All three locations also have large gaps>1.50 in 6. Advance notice, 9. Bid feedback, and 10. Incentives for innovation.
- Variation is not apparent between locations with the possible exception of contractors in the Calgary Region that cite a very large gap (2.60) in 8. Reasonable pre-qualifications and the Edmonton contractors that cite a large gap in 7. Reasonable pricing for labour and capital.

Summary. Contractors across the three locations are in general agreement that primary public procurement features – those directly impacting bidding, are the most important and also with large gaps between what is expected and received. Large gaps are also cited for most other procurement features including incentives. While incentives are among the least important, they - particularly incentives for innovation, are cited as having a large gap by contractors in all three locations. Inconsistency is apparent between locations in pre-qualifications to bid (Calgary) and in pricing for labour and capital (Edmonton).

b. INDUSTRY. Primary procurement features are important to most industries, with the greatest gaps identified by infrastructure industries

Contractors were asked to identify up to three the industries engaged in public procurement that they were familiar**.** Their rating of each feature was assigned to each industry they identified. Caution, there is considerable variation in the number of observations for each industry

INDUSTRY - Rating of Expected-Importance vs Received-Satisfaction		**Public Procurement Practice features**													
	N	1	2	3	4	5	6	7	8	9	10	11	12	13	Weighted Average
Agriculture & Food Processing	5	4.40	3.00	3.80	3.40	3.40	3.20	3.80	4.20	2.80	3.00	3.20	2.80	3.20	3.40
Communications & Marketing	8	4.38	4.63	4.13	4.50	4.25	3.63	4.13	4.00	4.38	4.00	2.63	3.38	4.50	4.04
Construction & Real Estate	16	4.13	4.31	4.19	4.00	4.27	3.88	4.50	4.33	4.20	3.69	3.27	3.81	3.94	4.04
Education & Research	17	4.06	4.06	3.59	4.29	4.18	3.56	4.19	3.76	4.18	3.65	3.29	3.13	3.63	3.81

Energy & Distribution	11	4.73	4.64	3.55	4.36	4.36	3.70	3.80	3.78	4.40	4.18	3.40	4.33	4.11	4.10
Engineering & Design	9	4.11	4.56	4.22	4.11	4.22	4.11	4.22	4.11	4.11	4.00	2.67	3.33	4.00	3.98
Environment & CleanTech	15	4.33	4.13	3.47	4.07	4.13	3.71	3.93	3.77	4.00	4.00	3.00	3.46	3.69	3.82
Finance & Investment	6	3.67	3.67	3.33	3.17	3.33	2.50	3.33	3.40	3.20	3.50	3.00	3.40	3.00	3.27
Forestry & Wood Products	1														
Health & BioTech	7	4.57	4.57	4.29	4.57	4.57	4.00	4.43	4.71	4.43	3.71	2.83	3.71	4.43	4.20
Human Resources & Development	6	3.83	4.33	3.50	4.00	3.83	3.00	3.67	3.50	4.00	3.00	2.56	3.17	3.67	3.56
Infotech & Analytics	27	4.30	4.44	4.19	4.44	4.44	3.89	4.19	4.07	4.44	4.04	4.00	3.44	4.22	4.05
Legal & Security	1														
Management & Strategy	26	4.31	4.46	4.19	4.35	4.42	4.15	4.23	4.42	4.62	3.96	2.31	3.19	4.27	4.07
Manufacturing & Export	10	4.40	4.20	4.10	4.10	4.22	4.00	4.30	3.89	4.00	4.30	3.67	4.60	4.60	4.18
Tourism & Entertainment	5	3.80	4.60	4.00	3.80	4.40	3.40	4.20	4.00	4.60	4.00	3.00	3.20	4.60	3.97
Transportation & Logistics	6	4.33	4.33	4.67	4.00	4.33	4.50	4.17	4.50	4.67	4.33	3.00	3.83	4.33	4.23
Volunteers & NGOs	5	3.80	3.40	2.60	3.40	4.00	3.00	3.75	3.40	3.20	2.40	3.20	2.00	2.75	3.15
Weighted Average		4.24	4.28	3.93	4.16	4.23	3.77	4.12	4.05	4.20	3.82	2.90	3.46	4.02	3.94

Observations

- Legal and Forestry are not included in the analysis due to the small sample size.
- Most procurement features are important >4.00 to all industries with the least important <3.00 11. Change management and possibly 12. Incentives for economic development..
- The industries viewing incentives as important >4.00 are: Manufacturing, Transportation, Energy, and Infotech with Communications rating highest 13. Incentives for social development.
- The industry rating incentives as least important <3.00 is Volunteers & NGOs.

INDUSTRY – Gaps in Expected-Importance vs Received-Satisfaction		**Public Procurement Practice features**													
	N	1	2	3	4	5	6	7	8	9	10	11	12	13	Weighted Average
Agriculture & Food Processing	5	1.00	0.00	1.00	0.40	0.40	0.95	1.30	1.00	-0.4	0.80	0.40	**-.20**	-.30	0.49
Communications & Marketing	8	2.38	2.38	2.13	2.25	2.00	1.50	1.63	1.50	2.13	2.50	**-.38**	1.63	3.00	1.89

Construction & Real Estate	16	1.77	1.96	1.54	1.57	2.11	1.95	1.71	1.87	1.82	2.12	0.65	1.67	1.72	1.73
Education & Research	17	1.26	1.46	0.85	2.03	1.71	1.63	1.90	1.30	1.64	1.65	0.43	0.84	1.70	1.42
Energy & Distribution	11	2.18	1.91	0.82	1.82	2.00	1.40	1.10	1.00	1.6	2.82	0.80	1.56	1.44	1.57
Engineering & Design	9	2.11	2.27	1.65	1.11	1.65	1.97	0.94	1.54	2.25	2.71	0.38	1.76	2.29	1.74
Environment & CleanTech	15	1.98	1.70	0.90	1.64	1.56	1.56	1.47	0.94	1.23	2.21	0.08	0.71	1.28	1.33
Finance & Investment	6	1.83	1.33	0.33	0.50	1.17	0.67	0.50	1.00	0.60	1.50	0.00	0.80	1.20	0.88
Forestry & Wood Products	1														
Health & BioTech	7	2.14	1.57	0.29	1.29	1.14	1.0	1.29	1.57	1.00	2.14	**-.43**	1.29	1.43	1.21
Human Resources & Development	6	1.50	0.67	0.17	1.50	0.50	0.80	0.67	0.83	0.83	0.50	**-.67**	0.50	1.33	0.70
Infotech & Analytics	27	2.05	1.80	1.44	1.87	1.87	1.42	1.29	1.68	2.12	2.22	0.23	1.30	2.33	1.66
Legal & Security	1														
Management & Strategy	26	1.96	1.69	1.35	1.54	1.54	1.50	1.08	1.69	2.27	2.12	**-.08**	1.27	2.54	1.57
Manufacturing & Export	10	2.20	1.30	0.60	1.54	0.67	1.70	0.80	0.67	1.00	2.90	0.78	2.40	2.30	1.40
Tourism & Entertainment	5	0.80	2.00	1.80	0.90	1.60	1.20	1.60	1.80	2.00	1.20	0.40	0.80	2.40	1.46
Transportation & Logistics	6	2.50	2.33	2.33	1.53	2.17	2.33	1.50	1.67	2.83	2.67	0.67	1.67	2.33	2.06
Volunteers & NGOs	5	0.40	0.40	**-.20**	1.40	1.00	0.75	1.25	0.20	0.00	0.20	0.40	**-1.0**	**-.75**	0.23
Weighted Average		1.89	1.68	1.13	1.53	1.60	1.47	1.27	1.41	1.69	2.02	0.24	1.21	1.93	1.47

Observations:

- The industry gaps in public procurement features vary considerably with the highest >1.70 in Transportation, Communications, Engineering, and Construction. The lowest <0.70 are in NGOs, Agriculture and Human Resources and possibly Forestry and Legal.
- The highest industry gap among the procurement features is for 1. Timelines for bid preparation and for secondary features: 10. Incentives for innovation and 13. Incentives for social innovation. The lowest gap <0.70 is in 11. Change management with the highest gap >1.70 in 10. Incentives for innovation, 1. Timelines for bid preparation, and 13. Incentives for social innovation.
- Expectations are met or exceeded for several features by NGOs and by several industries for 11. Change management.

Summary. Most public procurement features are viewed as important by all industries surveyed. Variations in importance may reflect objectives specific to the industry, such as the importance attributed to social development in Communications. Gaps also vary considerably between industries with the greatest gaps apparent in Alberta's infrastructure industries of Transportation and Construction, Engineering and Communications.

c. LEVELS OF GOVERNMENT. Contractors view primary procurement features as important for each level of government and public agencies. Gaps in expectations are apparent for bid feedback and incentives, particularly social development and innovation.

Contractors were asked to rate on a scale of from 5 – High to 3 – Moderate to 1 – Low and 0 – None, their familiarity with municipal, provincial and federal public procurement practices in Alberta. The following analyses portray the views of contractors who rated their familiarity as Moderate 3.00 or better with public procurement levels of government and public agencies.

LEVELS of GOVERNMENT AND PUBLIC AGENCIES – Rating of Expected-Importance vs Received-Satisfaction	Municipal N=59	Provincial N=71	Federal N=49	Public Agency N=44	Weighted Average
1. Reasonable timelines for bid preparation	4.25	4.16	4.36	4.28	4.25
2. Terms of service/supply: fair, clear, rational	4.43	4.36	4.34	4.53	4.41
3. Reasonable timelines for service/supply delivery	4.16	4.01	4.17	4.16	4.12
4. Ease of use and responsive: e.g.: electronic on-line communication	4.29	4.20	4.34	4.30	4.27
5. Evaluative criteria, e.g.: fair, clear, rational	4.33	4.25	4.39	4.33	4.32
6. Advance notice and helpful information	3.91	3.85	4.04	3.80	3.90
7. Reasonable pricing for labour and capital	4.30	4.25	4.46	4.31	4.32
8. Reasonable pre-qualifications: e.g.: insurance, location, resources, experience	4.26	4.09	4.27	4.17	4.19
9. Bid feedback, e.g.: timely, clear, rational	4.38	4.22	4.39	4.48	4.35
10. Incentives for innovation, e.g.: technology, partnering, compensation, project management	3.95	3.80	3.91	3.95	3.89
11. Clear process for change management	2.82	2.81	2.87	3.00	2.86
12. Incentives for economic development e.g.: location, jobs, salary levels	3.43	3.35	3.43	2.58	3.43
13. Incentives for social development, e.g. race, gender, education, religion	4.11	3.94	4.00	2.26	4.04
Weighted Average	4.05	3.95	4.08	4.08	4.03

Observations:

- The importance of public procurement practice features average 4.03 within a narrow range of 3.95 to 4.08. What contractors view as important- expected is consistent across each level of government and public agencies in Alberta.
- Most important >4.00 are the primary procurement features plus 9. Bid feedback and 7. Reasonable pricing and possibly 13. Incentives for Social development. Less important <3.00 for contractors with each level of government is 11. Change management and for those familiar with contracting by public agencies: Incentives for 12. economic and 13. social development. Such incentives may be less relevant than for the levels of government.

LEVELS OF GOVERNMENT and PUBLIC AGENCIES – Gaps in Expected-Importance vs Received-Satisfaction	Municipal N=59	Provincial N=71	Federal N=49	Public Agency N=44	Weighted Average
1. Reasonable timelines for bid preparation	1.85	1.75	1.93	1.79	1.82
2. Terms of service/supply: fair, clear, rational	1.79	1.64	1.77	1.83	1.74
3. Reasonable timelines for service/supply delivery	1.41	1.17	1.49	1.31	1.33
4. Ease of use and responsive: e.g.: electronic on-line communication	1.59	1.48	1.75	1.57	1.58
5. Evaluative criteria, e.g.: fair, clear, rational	1.63	1.56	1.86	1.84	1.70
6. Advance notice and helpful information	1.33	1.37	1.65	1.39	1.42
7. Reasonable pricing for labour and capital	1.21	1.19	1.50	1.28	1.28
8. Reasonable pre-qualifications: e.g.: insurance, location, resources, experience	1.57	1.43	1.65	1.61	1.55
9. Bid feedback, e.g.: timely, clear, rational	2.02	1.81	1.97	2.05	1.95
10. Incentives for innovation, e.g.: technology, partnering, compensation, project management	2.21	1.96	2.21	2.27	2.13
11. Clear process for change management	0.26	0.21	0.38	0.43	0.30
12. Incentives for economic development e.g.: location, jobs, salary levels	1.33	1.11	1.23	1.30	1.23
13. Incentives for social development, e.g. race, gender, education, religion	2.13	1.86	1.79	2.04	1.95
Weighted Average	1.56	1.43	1.63	1.59	1.54

Observations:

- Gaps are large >1.70 for several Secondary procurement practice features, specifically: Incentives for 10. Innovation and 13. Social development in addition to: 9. Bid feedback, 1. Timelines for bid preparation, 2. Terms of service and possibly 5. Evaluative criteria

- Gaps in what is received vs. what is expected are overall consistent – ranging +/- 0.12 between levels of government and public agencies with the province lowest.
- The smallest gaps <0.50 are consistently with public procurement practice of 11. Change management.

Summary. Contractors have a consistent view of what is important- expected as practiced by several levels of government and public agencies, namely the primary practice features. Similarly, while large, gaps are consistent though gaps are apparent in incentives for innovation and social development. Where objectives may differ – such as public agencies compared with levels of government, gaps are less apparent in what is expected and received.

d. ENGAGING CONTRACTORS

In the following analysis we assembled the profile of the organizations that are most and least likely to increase their involvement in bidding on government contracts employing a scale of 5 – High, 3- Moderate, 1 – Low, 0 – Not at all. All proportions are weighted. The section concludes with a sample of comments from each group.

PROFILE – INCREASING INVOLVEMENT IN BIDDING	HIGH - >3	LOW - <3 including 0 – Not at all	MODERATE - 3
OVERALL	27%	40%	33%
Declining interest 40% of contractors in public procurement compares with 60% moderate and expecting to increase.			
LOCATION			
% Edmonton Region	24%	38%	36%
% Calgary Region	18%	53%	35%
% Other	83%	17%	0%
The interest of public procurement contractors in Calgary may be declining with the proportion outside Edmonton and Calgary increasing.			
RELIANCE			
High – 40%	67%	24%	36%
Moderate – 28%	10%	55%	24%
Low - 32%	24%	21%	40%

Contractors expecting to increase their involvement in public procurement bidding (67%) are also the more reliant on winning bids (40%). Most expecting to decrease their involvement (55%) have a moderate reliance (28%). Those least likely to change – increase or decrease their involvement (40%) are among the least reliant (32%).			
INDUSTRY			
The top four industries familiar to public procurement contractors	Construction	Management	Infotech
	Infotech	Communications	Management
	Education	Infotech	Communications
	Manufacturing	Construction	Manufacturing
Interest in bidding among contractors familiar with Manufacturing may be increasing; uncertainty is indicated among those familiar with Infotech and Construction. Decreasing interest is apparent with those familiar with Management and Communications.			
GOVERNMENT familiarity > Moderate			
% Municipal	45%	41%	41%
% Provincial	68%	77%	70%
% Federal	32%	40%	37%
% Public Agency	50%	41%	41%
Familiarity with public procurement practices is highest with the Provincial government for all three groups. Familiarity between groups is quite consistent, with a maximum of 9% between High and Low for contractors familiar with Provincial government and Public Agency procurement.			
TRADE Agreements familiarity			
NAFTA – 73%	64%	78%	74%
AIT – 48%	64%	34%	52%
CFTA – 44%	55%	38%	44%
CETA – 26%	23%	28%	26%
WTO-GDP - 21%	18%	34%	7%
Contractors with decreasing interest in public procurement are more than twice as familiar with the NAFTA trade agreement than with any other agreement and are more familiar than others with the WTO-GDP agreement. Uncertainty in current NAFTA negotiations may have a bearing on contractor expectations.			
STAFF			
No	18%	56%	33%

Sometimes - as needed	41%	19%	48%
Yes	32%	22%	19%
Yes - dedicated	9%	3%	0%
Few contractors have staff dedicated to public procurement. Contractors responding to the survey are likely small. The contractors with increasing interest in public procurement have staff either dedicated or available. Those least likely are among those with no procurement staff.			
BIDDING			
Less than $10 thousand to $99.9K	23%	41%	50%
$100 thousand to $499.9 thousand	36%	32%	35%
$500 thousand or more	41%	26%	16%
Interest in increasing involvement in bidding is highest among the larger bidders and low to moderate among the smaller bidding.			

The following comments provide additional insight as to contractors expectations and concerns:

Decreasing interest

- Many projects done with initial govt support (IRAP, SR&ED, etc.), but no follow-through on the Municipal level (Calgary
- We do many things that provide public benefits but have learned not to count on getting government support of any kind (Edmonton) AJ15
- No compensation in the organization for preparing an RFP (Edmonton) AN12
- We need more access to these contracts. The same orgs keep winning bids, there should be a tiered system that allows for new companies to win new contracts. Right now it is just too much time to be given a keep trying we will remember you next time attitude. (Calgary NGO) AN19
- RFP responses typically involve different subject matter experts so who is involved in responding is dependent on the opportunity. (Edmonton) AN25
- We have never made any bids. (Edmonton) AP5
- This includes responding to many EOIs and RFPs. I think that there is a bias against former government officials being given funding. (Calgary NGO) AP15
- There are so many groups within the procurement system that the left hand isn't speaking to the right most of the time. (Calgary) BR4
- The pre-qualification process is flawed and gives an unfair advantage to some contractors. (Edmonton) BR8
- We enjoy our interactions with public service officials but none of our work has attracted any funding at all. In the past year, we made an unsolicited pitch for a novel project that would advance a government priority area and we were told that it was a good project proposal

but, if they were going to fund that project, it would have to be sent out as an RFP and there would be no assurance that we would get the work. (Edmonton NGO) BR15

- Overall, my instinct is any government - PC or NDP - will default to past contractors and not embrace new entrants or smaller companies. Proclamations of diversity in vendor selection ring very hollow. (Calgary) BR22
- This country has been consistently choosing minority groups, religions for decades. Giving preferential treatment to those who are not the best qualified, but fulfill a political agenda. It is time to STOP being mediocre, and START hiring the best "person" or "company" for the job again. (Edmonton) BR29
- Alberta has shown a surprising disdain for using provincial suppliers, to the detriment of the local economy. (Calgary) BR34
- The classifications are a challenge for our products, it appears the systems are designed for services, it would be ideal to have it split out or identify biodegradable as a priority or at least have it identified. Also a buy locally approach would help as well. (Calgary) BR45
- Alberta Government Qualification forms are insanely HIGH EFFORT. Feels like half the contracts are wired. Never get anything out of massive efforts PQRs. (Edmonton) BR49
- Overall, my instinct is any government - PC or NDP - will default to past contractors and not embrace new entrants or smaller companies. Proclamations of diversity in vendor selection ring very hollow. (Calgary) BR22
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- Alberta has shown a surprising disdain for using provincial suppliers, to the detriment of the local economy. (Calgary) BR34

Moderate interest

- We would like to win more, however not relying as it is a variable that we shouldn't commit to yet. (Calgary) AJ45
- Bigger (contracts) ones have gone out of province. (Edmonton) AP50
- The classifications are a challenge for our products, it appears the systems are designed for services, it would be ideal to have it split out or identify biodegradable as a priority or at least have it identified. Also a buy locally approach would help as well. (Calgary) BR45
- Alberta Government Qualification forms are insanely HIGH EFFORT. Feels like half the contracts are wired. Never get anything out of massive efforts PQRs. (Edmonton) BR49
- Consistently pricing is supposedly evaluated at 10%-20% but reality suggests pricing is 60%-70%. (Edmonton) BR50
- Methods of bidding (eg ITT, RFP, RFQ) are very cumbersome and difficult to identify exactly what the owner is asking for. (Edmonton) BR60

- It is our understanding that AHS only selects companies with a long history ... ours is only 30 years and they select US software which is expensive and complex rather than supporting a business located in Alberta. (Edmonton) BR66

Increasing interest

- We also have contracts which are of an on-going nature, such as the supply of annual services. (Central Alberta) AP85
- Loss of standing offers a loss to both government and contractors for loss of extensive pre-qualification and increase of wasted time. (Edmonton) BR80
- The low bid process do not drive value for the tax dollar. (Edmonton) BR83
- The use of Flextrack has driven down rates by setting maximums. This is negatively impacting the consulting industry in so many ways and costing tax payers millions of dollars in the process. (Edmonton) BR89

Summary. The contractor profile helps explain why 40% of the survey contractors indicated a decreasing interest in bidding on public contracts particularly among the Calgary Region's small businesses contractors lacking procurement resources in construction, infotech and management services. The moderate and declining interest among larger contractors may be associated with uncertainties surrounding current inter-provincial and international trade negotiations. Comments provide some insight into the procurement processes of concern including reference to perceived bias and waste.

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The next Section C. is comprised of an evaluation of the various objectives of public procurement in Alberta from the perspective of both the administrators and contractors.