

Resolution 1A

ATLANTIC PROCUREMENT AGREEMENT (PASSED)

⇒ Town of Amherst

WHEREAS the Atlantic Procurement Agreement contains restrictions on local preference on goods with a value of \$25,000 or greater, services that have a value of \$50,000 or greater, and construction that has a value of \$100,000 or greater; and

WHEREAS many contracts exceed those threshold amounts; and

WHEREAS municipalities would like to increase the thresholds in order to support local business;

THEREFORE BE IN RESOLVED that the Union of Nova Scotia Municipalities request that the Province of Nova Scotia initiate a review of these thresholds with the other parties to the Atlantic Procurement Agreement.

Forwarded to:

Minister of Department of Economic and Rural Development and Tourism

RESPONSE:

Thank you for recent letter with the resolutions passed at the Annual Conference of the Union of Nova Scotia Municipalities (UNSM). I have consulted with staff about the resolutions you shared, I hope UNSM finds the following information helpful to address issues of concern to its membership.

The Atlantic Procurement Agreement (APA) was negotiated among the four Atlantic Provinces, and reaffirms Nova Scotia's commitment to ensuring its supply community can grow, be competitive and receive fair treatment in other provinces. As one of the parties to this Agreement, Nova Scotia must ensure goods and services procured in the public sector are acquired fairly and in compliance with the agreement.

The APA was signed to eliminate or reduce interprovincial trade barriers to increase productivity and competitiveness for Atlantic Canadian businesses. Any local preference, or increase to local preference practices, could result in reciprocal efforts in other jurisdictions and negatively impact Nova Scotia suppliers.

A request to amend these thresholds requires significant advance work and must include reasoning for how the proposed amendment relates to or reinforces the original premise for entering into the APA. Any request to alter the agreement

requires approval from each province. Requests for amendments are considered first by the Atlantic Procurement Coordinating Committee, which administers the agreement on behalf of all parties to the agreement. The next meeting is scheduled for May 2013, and if UNSM would like to request an amendment to the agreement, it is recommended to initiate a request as soon as possible. For more information about the process of requesting an amendment to the APA, I would encourage you to contact Natalie Mclean, Director of Procurement Governance at 902-424-3635 or MCLEANNE@gov.ns.ca.

Thank you again for sharing UNSM's Annual Conference Resolutions. I look forward to working on these issues with our municipal partners across Nova Scotia.

The Honourable Percy A. Paris

Minister

November 13, 2012