

**AGREEMENT ON THE
OPENING OF PUBLIC PROCUREMENT
FOR
ONTARIO AND QUÉBEC**

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PREAMBLE

Whereas the governments of Ontario and Québec (hereinafter referred to as "the parties"):

- recognize that interprovincial trade barriers must be reduced or eliminated so as to improve productivity and competitiveness of Ontario and Québec firms;
- note the decision by the First Ministers at their November 1987 Annual Conference to establish a Committee of Ministers on Internal Trade, thereby reaffirming and giving further direction to the initiative to reduce interprovincial barriers to trade;
- support the efforts of the Committee of Ministers on Internal Trade regarding interprovincial trade barrier reduction and wish to encourage those efforts by accelerating progress at a regional level;
- affirm their commitment to the principle of reciprocal non-discrimination;
- consider that one of the most important ways to reduce trade barriers between provinces is through the opening of public procurement based on reciprocity;
- consider that transparency and reciprocity in tendering procedures can best be achieved through implementation and use of an electronic tendering system;
- recognize, in their December 24, 1993 Agreement, the need to undertake negotiations with a view to concluding further bilateral agreement or agreements in respect of public procurement and construction labour mobility;
- whereas, and in consideration of the fact that a bilateral agreement has been reached on the Mutual Recognition of Construction Workers' Qualifications, Skills and Experience;

NOW THEREFORE, the governments of Ontario and Québec have agreed as follows:

1. DEFINITIONS AND RULES OF INTERPRETATION

1.1. The definitions that follow apply to this Agreement:

CALL FOR TENDERS means a call for competitive bids from several suppliers, inviting them to submit a tender or a proposal for the purpose of obtaining a procurement.

CONSTRUCTION CONTRACT means a contract regarding the construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work. It also includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, equipment and machinery if these are included in and incidental to a construction contract, as well as the installation and repair of fixtures of a building, structure or other civil engineering or architectural work. It excludes however professional consulting services related to the construction contract.

INFORMATION TECHNOLOGIES means software, electronic equipment or combinations thereof used to collect, store, process, communicate, protect or destroy information in all its forms, particularly in the form of text, symbol, sound and image.

MANUFACTURER means an establishment engaged in the mechanical, chemical or electronic transformation of materials or substances into new products.

MINISTERS means the Ministers designated in Article Eight (8) of this Agreement.

PROCUREMENT means a supply contract, a services contract, or a construction contract.

PROCUREMENT VALUE means the total financial commitment resulting from a procurement, not taking into account optional renewals when the compulsory part of the contract is of at least one year's duration.

QUALIFICATION OF GOODS AND SERVICES means a process whereby a buyer establishes a list of goods or services capable of responding to a specific need.

QUALIFIED SUPPLIER means any supplier that is capable of fulfilling the conditions of the procurement or procurements under consideration based on an assessment of its financial, technical, and commercial capacity.

RECIPROCAL NON-DISCRIMINATION means equality of treatment mutually accorded by each party to the goods, services and suppliers covered by this Agreement through comparable transparent procurement procedures.

REQUEST FOR INFORMATION means a tendering procedure whereby suppliers are provided with a general or preliminary description of a problem or need and are requested to provide information or advice about how to better define the problem or need, or alternative solutions. It may be used to assist in preparing a call for tenders.

REQUEST FOR QUALIFICATION means a tendering procedure used for the qualification of goods or services or to invite suppliers if they meet the required qualification criteria, to register in a permanent source list or in a particular source list intended for a specific or some specific subsequent tenders.

SERVICES CONTRACT means a contract for supplying or performing a service; a services contract may include the supply of parts or materials required to perform the service.

SUPPLIER means any supplier of goods and services and any construction contractor.

SUPPLY CONTRACT means a contract for the purchase, lease or rental of movable property (goods) that may include the cost of installing, operating or maintaining that property.

- 1.2. The parties agree to accord reciprocal non-discriminatory treatment to goods, services and construction contracts and suppliers of goods and services and construction contractors and sub-contractors in accordance with the terms of this Agreement.
- 1.3. Unless otherwise provided, any questions of interpretation arising under this Agreement shall be resolved in accordance with the principle of reciprocal non-discrimination.
- 1.4. When a procurement includes acquisition of goods and services, it is considered as a supply contract if the goods portion represents more than fifty per cent (50%) of its value over the life of the contract and as a services contract otherwise.

2. SCOPE OF THE AGREEMENT

- 2.1. This Agreement applies to supply contracts, services contracts and construction contracts according to the terms and conditions set out in Appendices A, B and C respectively.
- 2.2. If an agreement on procurement among all governments in Canada providing for different thresholds is reached, the thresholds provided for in Appendices A through C will be modified accordingly.
- 2.3. The thresholds of the Agreement will be amended annually according to the formula set out in Appendix D.

3. SUBJECT MATTER OF THE AGREEMENT

- 3.1. All forms of discrimination based on the province of origin of goods, services, construction materials, the suppliers of such goods, services or construction materials, or construction contractors shall be eliminated from the procurement practices of the parties, except as otherwise stated in this Agreement. The discriminatory practices that are not allowed include, but are not limited to, the following:

- a) registration requirements and restrictions on calls for tenders based upon the location of the place of business of a supplier and its subcontractors or the place where the goods or services are produced and, generally, qualification procedures which discriminate between suppliers by province of origin;
 - b) the biasing of specifications in favour of or against a supplier's products for the purpose of circumventing this Agreement;
 - c) the timing of tender opening and closing dates so as to prevent suppliers from submitting bids;
 - d) the specification of quantities and delivery schedules of a scale and frequency which may be judged as deliberately designed to prevent suppliers from meeting requirements;
 - e) the division of required quantities or diversion of budgetary funds to subsidiary agencies in a way designed to circumvent this Agreement;
 - f) the consideration, in evaluating bids, of provincial content or economic benefits that favour a supplier or product of one of the parties;
 - g) giving preference to selected bids after bids have been submitted and without any mention of the intended preference in the tender documents;
 - h) price discounts or preferential margins to favour suppliers of one party;
 - i) the unjustifiable exclusion of a supplier from tendering;
 - j) the requirement that a contractor or a subcontractor use workers, materials or suppliers of materials originating from the province where the work is being carried out.
- 3.2. Until January 1, 1995, a party may, for a particular category of goods, limit its base of suppliers to manufacturers.
- 3.3. Nothing in this Agreement shall prevent a party from requiring that:
- a) the goods purchased be produced in Canada or, for procurements by Québec, in a territory comprising Québec and any other province with which Québec has a procurement agreement;
 - b) the services be provided by a supplier established in Canada or, for procurements by Québec, in a territory comprising Québec and any other province with which Québec has a procurement agreement;
 - c) the construction contractor or subcontractors be established in Canada or, for procurements by Québec, in a territory comprising Québec and any other province with which Québec has a procurement agreement.

- 3.4. A party may implement a measure pursuant to paragraph 3.3. by according a price preference based on content or value-added.

4. TENDERING PROCEDURES

- 4.1. Procurements covered by this Agreement must be subject to the transparent tendering system as described in this article.
- 4.2. A call for tenders must be made by one of the following methods or a combination of several thereof:
- a) use of an electronic tendering system accessible to suppliers of both parties;
 - b) publication in one or more predetermined daily newspapers; and
 - c) use of source lists provided that registration on the source list respects the principle of reciprocal non-discrimination and that all registered suppliers in a given category are invited for all calls for tenders in that category.
- 4.3. Notwithstanding paragraph 4.2., the parties agree to use, whenever appropriate, an electronic tendering system.
- 4.4. All calls for tenders shall contain at a minimum the following information:
- a) a brief description of the procurement contemplated;
 - b) the place where a person may obtain the necessary information and documents to submit a tender;
 - c) the conditions for obtaining the tender documents;
 - d) the place where the tenders are to be sent;
 - e) the date and time limit for submitting tenders.
- 4.5. The parties agree to provide suppliers with a minimum of fifteen (15) days to submit a bid.
- 4.6. It is agreed that, in addition to the submitted price, the evaluation of bids may take into account quality, quantity, delivery, servicing, as well as the experience and financial capacity of the supplier to meet the requirements or any other criteria directly related to the procurement which respects the principle of reciprocal non-discrimination. The tender documents shall clearly identify the requirements as well as all criteria that will be used for evaluating the bids. The methods of weighting and evaluating the criteria shall also be divulged in those documents.

- 4.7. To ensure that qualified suppliers are able to register on a source list, requests for qualification must be published annually in accordance with the requirements of sub-paragraphs a) or b) of paragraph 4.2. In the interim, a supplier that has met the latest published conditions shall be able to register within a reasonable period of time.
- 4.8. If a source list is used:
- a) each party shall specify clearly in documents readily available to suppliers and to the other party how and when source lists are used and the qualification criteria that a supplier must meet in order to register;
 - b) when suppliers request registration on a source list, the relevant jurisdiction shall provide written confirmation of registration or indicate the qualification criteria that were not met;
 - c) upon request, each party shall provide the other with the tender notice and the list of suppliers that will be invited to bid on the tender.
- 4.9. A party may limit a call for tenders to previously qualified goods, services and suppliers for a procurement by way of a request for qualification. The qualification process itself must, however, accord reciprocal non-discriminatory treatment.
- A request for qualification shall be published in accordance with the methods of sub-paragraphs a) or b) of paragraph 4.2:
- a) annually when the qualification process is permanent. In the interim, a supplier that has met the latest published conditions shall be qualified within a reasonable period of time;
 - b) each time when the qualification is intended for a specific or some specific subsequent tenders.
- 4.10. Where a request for information is used by a party to develop the conditions of a proposed tender, the request for information must be published in accordance with the requirements of sub-paragraphs a) or b) of paragraph 4.2.
- 4.11. A party may limit a call for tenders to goods, services and suppliers previously certified, qualified or registered by an organization accredited by the Standards Council of Canada.
- 4.12. A party may limit access to a procurement to suppliers who have put in place a program of employment equity or any program of good corporate conduct agreed by both parties.
- 4.13. If a procurement exempted under paragraphs 5.1. and 6.1 is publicly tendered in a daily newspaper or on the electronic tendering system, the tender notice shall indicate the restrictions and highlight the practices that do not accord reciprocal non-discriminatory treatment or conform with the tendering procedures outlined in paragraph 3.1. and Article 4.

5. EXCEPTIONS

- 5.1. The following procurements are exempt from the principle of reciprocal non-discrimination and from the tendering procedures as set out in paragraph 3.1. and Article 4.:
- a) sole source procurement defined as follows:
 - i. procurements to ensure compatibility with existing products, to protect exclusive rights such as copyrights, patents, or exclusive licences, or for the maintenance or repair of specialized equipment that must be carried out by the manufacturer or its representative;
 - ii. research and development or where the procurement involves the production of a prototype or original concept; it is understood that subsequent purchase of these products or services shall be subject to Article 4.;
 - iii. where the carrying out of work by a contractor other than the contractor who did the original work will nullify the guarantees held;
 - iv. work that involves the construction or renovation of rental buildings or parts of rental buildings and is being carried out by the lessor of the building;
 - v. purchases of goods already the subject of a lease-purchase agreement where payments are partially or totally credited to the purchase;
 - vi. in the absence of tenders in response to a call for tenders made in accordance with the procedure provided for in Article 4.;
 - vii. goods purchased under exceptionally advantageous circumstances such as bankruptcy or receivership;
 - b) procurements between public organizations or with a non-profit organization;
 - c) procurements of products of persons with disabilities or prison labour;
 - d) procurements made pursuant to an agreement with, or a policy concerning, Aboriginal Peoples;
 - e) goods for resale to the public;
 - f) goods, services, and construction materials purchased as an agent of a third party not covered by this Agreement;
 - g) goods and services for use outside Ontario and Québec as well as construction work done outside Ontario and Québec;

- h) a procurement awarded under a cooperation agreement financed in whole or in part by an international cooperation organization, if the agreement includes different rules for awarding procurements;
 - i) procurements for the maintenance of public order or security.
- 5.2. Provided that the principle of reciprocal non-discrimination set out in Article 3. is not circumvented, the procedures for tendering set out in Article 4. do not apply to:
- a) procurements for an unforeseeable situation of urgency where the procurement cannot be concluded in time by means of the transparent tendering system;
 - b) consulting services or goods regarding matters of a confidential nature, the disclosure of which could reasonably be expected to compromise government confidentiality, cause economic disruption or otherwise be contrary to the public interest;
 - c) purchases of construction materials where it can be demonstrated that transportation costs and technical considerations impose geographic limits on the available supply base, specifically sand, stone, gravel, asphalt compound and pre-mixed concrete for use in the construction or repair of roads, or other construction materials that the two parties may subsequently agree to add to this list.

6. EXCEPTIONAL CIRCUMSTANCES

- 6.1. A party may, under exceptional circumstances, exclude a procurement from the application of this Agreement for economic development purposes, provided that all such exceptions are reported, prior to the commencement of any procedure leading to the awarding of the contract, to the other party with an explanation of the reasons that justify the decision. A party invoking this provision will seek to minimize the discriminatory effects of the exception on suppliers of the other party.

7. INFORMATION

- 7.1. In response to inquiries from a party or from a bidder in the territory of one of the parties, parties shall provide the following information concerning a particular call for tenders:
- a) the name and address of the successful bidder;
 - b) the successful total bid price;
 - c) the name and address of every bidder; and

- d) if criteria other than price are used in the evaluation of bids, the scoring of all criteria for the successful bidder and, where appropriate, for the bidder making the inquiry.
- 7.2. Each party may obtain on request a copy of the tender documents, the list of all suppliers who requested the documents, the name, bid price and evaluated price of each considered bidder, as well as the scores of all bidders if criteria other than price are used in the evaluation.
- 7.3. Parties shall report on their procurement annually to the Ministers. The annual report of each party shall contain the following information for supply, services and construction contracts not covered by an electronic tendering system:
- a) the number and total annual value of procurements exceeding the thresholds set in accordance with Appendices A through C;
 - b) the total annual value of procurements exceeding the thresholds set in accordance with Appendices A through C for each of the following exceptions: 5.1.a, 5.1.b, 5.1 (c and d), 5.2(a, b and c), 6.1 and, as a whole: 5.1 (e, f, g, h, and i);
 - c) for each procurement which falls within an exception described in paragraphs 5.1.a.i, 5.2.a. or 6.1, a description of the procurement, the reasons for exception, the recipient of the contract, the date of award, and the total value of the procurement; and
 - d) the total annual value of procurements under the thresholds set in accordance with Appendices A through C.

For sub-paragraphs a), b), and d) above, the report shall use commodity coding to be determined by the parties.

- 7.4. The annual reports referred to in paragraph 7.3 will cover the period from April 1 of one year to March 31 of the following year and shall be available to the other party not later than September 30 of each year. The first such annual report shall cover the period of April 1, 1995 to March 31, 1996. The Ministers may determine other dates or periods for the reports of the organizations referred to in paragraph 1.2 of Appendix C.
- 7.5. Notwithstanding paragraph 7.3., when the procurements of municipal organizations, academic institutions, school boards, public health and social services organizations are covered under Appendix A, B or C, the annual report of each party shall provide, for procurement not tendered electronically, the total annual value of such procurement and the number and total annual value of such procurement that exceeds the threshold. This information shall be presented in at least the following categories: 1) municipalities and municipal organizations; 2) academic institutions; 3) school boards; and 4) public health and social services organizations.

8. MINISTERS RESPONSIBLE

- 8.1. The following Ministers are responsible for the application of this Agreement on behalf of their respective governments:

- a) for Ontario, the Chair of the Management Board of Cabinet.
 - b) for Québec, the Minister Responsible for Governmental Services;
- 8.2. The Ministers will meet as required, but at least once a year and will be responsible for:
- a) monitoring compliance of the parties with the terms and conditions of this Agreement;
 - b) evaluating and attempting to resolve complaints made by one of the parties concerning the application of this Agreement by the other party;
 - c) overseeing the establishment and the operation of the electronic tendering system used by the parties;
 - d) evaluating the Agreement and preparing annual reports on its application;
 - e) reviewing threshold levels annually;
 - f) establishing report formats to be prepared by each party and analyzing reports;
 - g) providing recommendations to improve this Agreement if necessary including the lists of exemptions and exclusions from the Agreement and consulting about the use of Article 6. "Exceptional Circumstances";
 - h) considering other matters related to this Agreement;
 - i) making minor modifications to the text of the Agreement;
 - j) reviewing the need for exclusions referred to in Appendices A and B;
 - k) reviewing the opportunities for progress related to public procurement not covered under this Agreement.
- 8.3. Within thirty (30) days from the entry into force of this Agreement, each Minister shall appoint officials to assist them in the accomplishment of the responsibilities described in paragraph 8.2.

9. DISPUTE RESOLUTION

- 9.1. Each party shall assign one coordinator for disputes that may arise further to a complaint from a supplier.
- 9.2. A supplier who claims to have been unfairly prejudiced by a decision of a party may make a complaint to the procuring government or one of the organizations referred to in paragraph 1.2 of Appendix C provided that the supply, services or construction contract is valued at equal to or greater than the specified thresholds.

- 9.3. After the complaining supplier has exhausted all reasonable recourse with the procuring government or one of the organizations referred to in paragraph 1.2 of Appendix C, and a satisfactory solution is not found, the supplier may contact the coordinator of his or her government to have a formal complaint lodged on his or her behalf with the procuring government. The complaint will then be considered by the coordinators of the two parties within twenty (20) working days.
- 9.4. If the two coordinators or their designates fail to agree, the party for the jurisdiction in which the complainant is located may request that the complaint be considered by an expert panel in accordance with the procedures described in paragraphs 9.5 to 9.14.
- 9.5. Each party agrees to establish and to inform the other party of a standing roster of an appropriate number, as determined by the Ministers, of competent and impartial people who will be able to serve on expert panels.
- 9.6. Subject to paragraph 9.7, the coordinators of the two parties will agree on an expert panel from standing rosters within five (5) working days of the reference pursuant to paragraph 9.4.
- 9.7. The expert panel shall consist of a maximum of three members, two selected from the rosters of the parties, and a Chair to be agreed upon by both parties. Any other composition acceptable to both parties is possible. Moreover, for disputes in relation to procurement by organizations referred to in paragraph 1.2 of Appendix C, the expert panels shall be composed of representatives of the sector concerned and may be drawn from associations or any other group as may be agreed.
- 9.8. The panel will begin consideration of a complaint within five (5) days of its formation.
- 9.9. The panel should complete its work within twenty (20) days of its formation. Upon formal request, an extension owing to extraordinary circumstances may be granted with full notification to the parties.
- 9.10. Procedures and guidelines appropriate to each case will be established by the expert panel. The coordinators will agree on providing secretarial and research support to the panel and will maintain the necessary records.
- 9.11. The fees and expenses of the panel will be shared equally between the two parties.
- 9.12. The panel's final report will be provided to the Ministers who undertake to consult each other in order to reach a mutually acceptable settlement based on the panel's report.
- 9.13. The coordinators shall inform the supplier of the outcome and append to the panel report a description of the settlement or, if an agreement is not reached, the different positions of the two parties. The report shall be considered complete and final at this stage. The parties shall ensure that these steps are completed within ten (10) days of receipt of the panel's report.
- 9.14. The coordinator for each party will keep a record of complaints received directly from suppliers of the other party, complaints resolved without recourse to an expert panel, complaints referred to expert panels and determined to be unfounded, complaints referred to expert panels and resolved, and unresolved complaints.

This information will be compiled into a report by each coordinator for each fiscal year and will be forwarded to the other party within three (3) months of the end of the fiscal year.

- 9.15. If a party considers, as a result of a panel's report and subsequent consultations, or another series of similar unresolved complaints, that the other party is not complying with the terms of this Agreement, the party may temporarily suspend the application of equivalent benefits under this Agreement to the non-complying party and its resident suppliers until such time as a mutually satisfactory solution is reached.
- 9.16. A notice of the withdrawal of equivalent benefits will be given in writing to the non-complying party. The party taking this action agrees to delay implementing the action for sixty (60) days from the date of the notice to allow for further consultation between the parties and to permit a possible resolution of the dispute.

10. LEGISLATION, REGULATIONS AND PROCEDURES

- 10.1. Each party shall ensure that, as of the date of entry into force of this Agreement, its legislation, regulations, policies, procedures, and practices relating to procurement are consistent with this Agreement and all information on these matters is communicated on a regular basis to the other party.

11. OTHER AGREEMENTS

- 11.1. In case of a conflict between a provision of this Agreement and any provision of an agreement among all governments in Canada on procurement that both parties have endorsed, the provision more conducive to liberalization of public procurement shall take precedence.
- 11.2. The provisions of Article III of the December 24, 1993 Ontario-Québec Agreement on Public Procurement and Construction Labour Mobility continue to be in force for the construction contracts specified in Appendix C until the present Agreement enters into full force. Thereafter, Article III of the former Agreement will be replaced by this Agreement.
- 11.3. The provisions of Article IV and paragraph 4 of Part V of the December 24, 1993 Ontario-Québec Agreement on Public Procurement and Construction Labour Mobility continue to be in force.

12. RIGHT TO WITHDRAW

- 12.1. A party may withdraw from this Agreement by giving ninety (90) days prior notice in writing to the other party.

13. LANGUAGES

- 13.1. Language requirements shall be specified by the party concerned.

14. IMPLEMENTATION

- 14.1. Subject to paragraph 14.3 this Agreement shall enter into force on September 1, 1994, for all procurements, except construction contracts of organizations referred to in paragraph 1.2 of Appendix C where the date of entry into force will be June 30, 1995.
- 14.2. The parties agree not to establish any new trade barriers in the areas already covered by this Agreement and in the areas still under negotiations.
- 14.3. Each party shall document to the satisfaction of the other party the conformity of its laws, regulations, practices, policies and procedures with this Agreement before it comes into effect.
- 14.4. Parties agree to confirm the list of exclusions in Appendices A and B prior to the date of entry into force of the Agreement.
- 14.5. Parties will designate the newspapers referred to in sub-paragraph 4.2 b) no later than thirty (30) days prior to the entry into force of the Agreement.
- 14.6. Parties agree to exempt from the principle of reciprocal non-discrimination and from the tendering procedures as set out in paragraph 3.1 and Article 4., contracts in existence when this Agreement comes into force or calls for tenders initiated before this Agreement comes into force.
- 14.7. The parties shall establish a mutually compatible electronic tendering system accessible to suppliers of either party by January 1, 1995.

15. SUBSEQUENT NEGOTIATIONS

- 15.1 The parties shall pursue further negotiations with a view to including in this Agreement supply and services contracts of organizations referred to in Article 1.2 of Appendix C, subject to any special provisions that may be required.

- 15.2. The negotiations shall be conducted on the basis of reciprocal and progressive inclusion of categories of procurements and organizations, in accordance with an agreed timetable, and in consultation with the appropriate organizations.
- 15.3. The parties undertake to use their best efforts to achieve full coverage of supply and services contracts of organizations referred to in paragraph 15.1 within two years of the date of signature of this Agreement. The Ministers shall meet regularly, and at least every six months, to review the progress of the negotiations.

The Premiers have signed this Agreement on behalf on their respective Governments, in Toronto on the 3rd day of May, 1994.

Honourable Bob Rae
Premier of Ontario

Daniel Johnson
Premier Ministre du Québec

Supply contracts

- 1.1 Subject to the exclusions of paragraph 1.2 below, this Agreement applies to supply contracts of \$25,000 or more concluded by the following organizations:

Ontario

Ministries and organizations under Schedule I and Schedule IV of the Management Board of Cabinet Directives.

Québec:

Ministries and organizations covered by the "Regulation respecting supply contracts of Government departments and public bodies".

- 1.2 This Agreement does not apply to the following procurements:

- i) purchase of goods related to cultural or artistic fields as well as computer software for educational purposes, and subscriptions;
- ii) agriculture products under supply management or regulated by provincial marketing boards;
- iii) purchase, lease or rental of goods related to information technology until January 1, 1996.

Services contracts

1.1 Subject to the exclusions of paragraph 1.2 below, this Agreement applies to services contracts of \$200,000 or more concluded by the following organizations:

Ontario

Ministries and organizations under Schedule I and Schedule IV of the Management Board of Cabinet Directives.

Québec:

Ministries and organizations covered by the "Regulation respecting services contracts of Government departments and public bodies".

1.2 This Agreement does not apply to the following procurements:

- i. services that in the province issuing the tender can, by legislation or regulation, be provided only by the following licensed professionals: medical doctors, dentists, nurses, pharmacists, veterinarians, engineers, land surveyors, architects, chartered accountants, lawyers and notaries;
- ii. procurements for highway snow removal services until an agreement has, no later than December 31, 1994, been reached between the two parties concerning rules, fully respecting the principle of reciprocal non-discrimination, to be applied by the Ontario and Québec Ministries of Transport;
- iii. purchases of services related to cultural or artistic fields;
- iv. a contract for the supply of services with a supplier having a monopoly in the fields of communications, electricity, or gas.

Construction contracts

1.1 This Agreement applies to construction contracts of \$100,000 or more concluded by the following organizations:

For Ontario

- a) Ministries and organizations under Schedule I and Schedule IV of the Management Board of Cabinet Directives.

For Québec

- b) Ministries and organizations covered by the "Regulation respecting construction contracts of Government departments and public bodies".

1.2 As of June 30, 1995, this Agreement applies to construction contracts of \$100,000 or more concluded by the following organizations:

For Ontario

- a) Municipalities and municipal organizations, universities, colleges of applied arts and technology, school boards, public hospitals and social services organizations.

For Québec

- b) Municipalities and municipal organizations, academic institutions, school boards, public health and welfare organizations.

1.3 Both parties agree to provide a specific list of organizations and authorizing legislation, regulations and policies covered under paragraph 1.2 by January 1, 1995.

Amendments to thresholds

- 1.1 The thresholds are amended annually as follows:
- a) the threshold of \$25,000 is amended in accordance with the Intergovernmental Agreement on Government Procurement;
 - b) starting April 1st, 1996, the \$100,000 and \$200,000 thresholds will be revised annually by the Ministers in order to take inflation and other considerations into account.

