

LEGISLATIVE RETURN

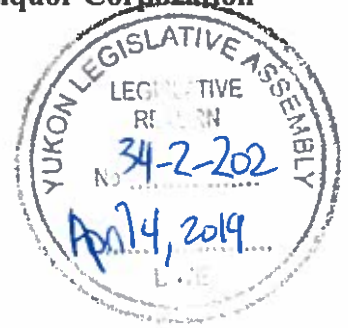
SUBMITTED BY: Hon. John Streicker, Minister Responsible for Yukon Liquor Corporation

1. On Tuesday, April 2, 2019, Wade Istchenko, Member for Kluane

asked the following question during the Oral Question Period at page(s) 4190 of Blues / Hansard

submitted the following written question – WQ No. _____

gave notice of the following motion for the production of papers – MPP No. _____



RE: Liquor Transport

Mr. Istchenko: Sticking with the contract for hauling, the current liquor haul contract is about to expire and we've been discussing this. This is because a decision was made to do the last contract through a one-year deal. During the budget briefing with officials, we were told that the instruction to go with a one-year deal came from Management Board. Now, for those Yukoners listening who are not familiar with government lingo, Management Board is made up of Liberal Cabinet ministers. So we thought it was interesting that Cabinet had decided to go with a short-term deal instead of a long-term deal that could perhaps provide more certainty on the cost. *Can the minister explain why the Management Board gave instructions to go with only a one-year contract on the liquor haul?*

Hon. Mr. Streicker: I'll give a response, and then I will beg the indulgence of the member opposite to go back and talk with the corporation just to get the corporate history on this issue that happened a year ago, because I don't have a note right in front of me. My recollection is that, when we put out for those bids, the British Columbia bid came in much higher than we anticipated.

The response is as follows:

The Yukon Liquor Corporation works closely with the Procurement Support Centre to ensure it follows appropriate procurement procedures when putting contracts in place.

In early 2018, the Yukon Liquor Corporation issued a tender for liquor transport with the aim of securing inbound freight contracts for both the BC and Alberta routes to help reduce costs and time associated with getting product to market. This original tender called for separate bids on the Alberta route, the BC route, as well as a combined bid for both routes. The result was the combined total was over budget.

From time to time the Government of Yukon cancels tenders when they come in over budget and reissues with changes. As a result, the Yukon Liquor Corporation and the Procurement Support Centre determined to cancel the over-budget portion of the bid (BC) and award the Alberta portion to the lowest bidder, as it was within budget.

It was Management Board who authorized the extension of the existing three-year contract—as per GAM2.6, the Contracting and Procurement Directive—for another two months so the corporation could re-tender the BC portion of the tender, and it was the Procurement Support Center that recommended to direct-award the Alberta route for only one year. Both the BC and AB contracts are set to expire May 31, 2019.

4-April, 2019

Date

Signature