

Part: **Financial Management and Administration**
 Section: **Treasury Board's General Management Policies**
 Subsection: **Goods and Services**

Number: **4500**
 Date: **2021-02-10**
 Page: **1 of 2**

Goods and Services

Definition

Goods and Services includes acquisitions used or required to carry out programs. **Suppliers** are providers of goods and/or services.

Background

No goods are to be purchased except in accordance with *The Purchasing Act, 2004* and regulations.

The Executive Government Administration Act (EGAA) speaks to entering into agreements (contracts). Pursuant to subsection 18(2), an Order in Council is required before entering into a contract requiring an expenditure over \$50,000 in any fiscal year. The EGAA clarifies that splitting contracts to avoid an Order in Council are not permitted. For example, if \$49,000 was to be paid to a supplier under a contract, an Order in Council would not be required, unless that supplier was to additionally receive more than \$1,000 in that fiscal year.

An Order in Council is not required with respect to contracts for engaging or retaining the services of advisors, specialists or consultants. Also, *The Executive Government Administration Exemption Regulations* specify that the Order in Council requirement does not apply to agreements for the provision of goods and services that are routinely required for the normal operation of a ministry.

Payments to suppliers for goods/services received by the Government, including payments for goods/services for individuals in government-run facilities and institutions, are categorized in the Government's central financial system as Supplier Payments. Supplier Payments also include equipment and other assets.

Payments to suppliers for goods/services that are received by individuals outside of the Government are categorized as Transfer Payments in the Government's central financial system.

Authority

The Financial Administration Act, 1993 (FAA) allows Treasury Board to make orders and issue directives with respect to its duties under section 4 of the FAA (e.g., relating to the finances, the administrative policy and management practices, and the accounting policies and practices of the Government) (clause 5(a)). The FAA also allows Treasury Board to designate a public agency that is to be subject to its orders and directives (clause 5(d)).

Part: **Financial Management and Administration**
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Number: **4500**
Date: **2021-02-10**
Page: **2 of 2**

The FAA allows the Provincial Comptroller to issue directives to ministries and public agencies detailing the manner in which Treasury Board orders and directives are to be complied with (subsection 10(2)).

Treasury Board Policies Treasury Board has approved the following policies related to goods and services:

- [Section 4505 Purchases of Supplies and Services;](#)
- [Section 4510 Contracts for Services;](#)
- [Section 4525 Communications \(Advertising\);](#)
- [Section 4530 Transportation of Goods;](#)
- [Section 4535 Rent of an Aircraft;](#)
- [Section 4540 Primary Research;](#)
- [Section 4545 Protocol Gifts;](#)
- [Section 4550 Christmas Cards;](#) and
- [Section 4555 Land Purchases.](#)

Applicability

These policies apply to ministries. Some policies have a broader applicability as specified in the policy.