



## INTERPRETIVE BULLETIN IB-3

### Administrative Procedures

This Interpretive Bulletin Number 3 is issued pursuant to the Business Incentive Policy 63.02.

**Issue:**

The Business Incentive Policy extends preference to subcontracts written between the general contractor and a subcontractor (see Interpretive Bulletin #1) and to General Contractors Own Forces. It is important that the NWT/Local Content preference extended at the time of tender evaluation is consistent with the extent of NWT and Local Content actually achieved over the life of the contract. Therefore it is necessary that the general contractor supply information to the GNWT that substantiates NWT and Local Content.

**Therefore:**

In respect to Provisions regarding sections 5(2) (b) (i) and 5 (2) (b) (iii), set out on Page 5 of 12 of The Business Incentive Policy, the Senior Management Committee interprets this as follows:

1. At the date of Substantial Completion the general contractor may be requested to:
  - substantiate all direct subcontracts by supplying copies of the subcontracts.
  - substantiate all labour:
    - included under "Own Forces" and employed on the project by the general contractor, and
    - included under a subcontract and employed on the project by the subcontractor.



- by supplying the following information:
  - Name of Employee,
  - Employee's Address,
  - Date Hired,
  - Date Terminated,
  - Number of Hours Worked,
  - Occupation/Classification of Worker
- substantiate, by supplying copies of the agreements, all agreements entered into by the general contractor and included under "Own Forces". Such agreements shall include:
  - service agreements (such as for accommodations, freight or equipment) provided by an approved "BIP business",
  - lease agreements with an approved BIP business
  - materials purchased from an approved NWT/Local Supplier, and
  - any other agreement covered by "Own Forces" and provided by an approved BIP business.

This information will be a condition precedent to Interim Completion.

2. In cases where the value of NWT and Local Content is not confirmed at the time of Substantial Completion, the company's BIP status may be reviewed by the Senior Management Committee. Notwithstanding the foregoing, variations of up to 10% may be permitted without further review.