

Sir RICHARD CARTWRIGHT. If that was the case, and if the amount was paid by estimates properly made, the Government should have had in hand enough to meet such a claim.

Sir CHARLES TUPPER. That does not follow; but if the hon. gentleman wants further particulars, I will get them on Concurrence.

Mr. BLAKE. On what principle is the payment made? At an early period of the Session enquiry was made with reference to numerous claims of a somewhat similar character, as to another enterprise which the hon. gentleman has taken under his fatherly protection, in another part of the Dominion, and he said that no arrangements had been made. What are the special circumstances which induced the Government to recognize a claim for an amount in excess of what was due to the contractor?

Sir CHARLES TUPPER. I will give fuller particulars on Concurrence.

Mr. FERGUSON (Welland). I may say that the contractors got the amount and ran away with it to the other side. They kept the money and the labourers were left unpaid, and this sum is to pay the balance due to the labourers. The contractors paid no wages whatever.

Mr. BLAKE. I have no doubt that the labourers have not been paid, else we would not be called upon to pay them. The point I desire to enquire into, is the principle of action in this matter, because it is obvious if we begin with a small amount like this we may have to pay \$150,000, which is, I believe, the amount in question in the other case to which I alluded. I wish it to be understood that further particulars shall be furnished, and that we shall have freedom of discussion on Concurrence.

Sir CHARLES TUPPER. Certainly.

Mr. FERGUSON (Welland). I may say that I think there is a precedent for this in the Administration of the hon. member for East York (Mr. Mackenzie), in connection with one of the canals near Montreal, where the contractor was in default and the labourers were paid by the Government.

Sir RICHARD CARTWRIGHT. I think that in that particular case the Minister of Public Works considered that the Government got full value, and of course if the Government received value, the question would not arise in the shape in which it arises now. I would like, however, to know, in addition to other particulars, what amount was taken on deposit and how it was applied, because *prima facie* there should have been enough to meet this claim.

Mr. FERGUSON (Welland). As a matter of fact, the Government have received full value, because the contract was taken at 60 cents per yard, which is not more than half value for the work. For that reason I think the principle of letting contracts to contractors, if they only furnish 5 per cent. security, is entirely wrong. In this case the work was really worth \$1 or perhaps \$1.20 a yard. The country has received full value for the amount, when it is considered that the work was done at so low a rate.

Carillon.

237. To pay John Page, Chief Engineer of Canals, for services as sole arbitrator in the case of R. P. Cooke & Co., \$535; and in the case of F. B. McNamee & Co., \$635 \$1,170 00

Sir RICHARD CARTWRIGHT. This appears not only an unusual but an objectionable item. This practice of paying officers of the Department who act as arbitrators, in addition to their regular salaries, does not seem to me a desirable thing to encourage. I should think it would be far better, even if Mr. Page be, as I believe he is, a very

competent officer, to employ somebody else than to pay him for work which belongs particularly to his own Department.

Sir CHARLES TUPPER. There is no doubt a great deal in what the hon. gentleman says, and this case has been treated rather exceptionally. The belief on the part of the Government, of course, was that Mr. Page was able to settle these claims upon more advantageous terms than would likely be obtained if we had sent them to the general arbitrators. I am inclined to think that although the sum appears to be somewhat large in the aggregate, the expense would have been much greater if the usual course had been resorted to. I agree that as a general principle it is not desirable to have officers of the Department paid for acting as arbitrators in addition to their salaries. This matter, however, was brought before Parliament last Session, and I believe with the general approval of the House. It has been continued, but instead of allowing the sum to accumulate, I requested Mr. Page to make an account for each arbitration.

Mr. BLAKE. It was understood that there were special circumstances with reference to the cases last Session. I certainly felt a great deal of reluctance to acquiesce in that vote, and I suppose that those special and exceptional circumstances, whatever they are, which we have heard so often pleaded, had ended the matter. Mr. Page's salary is \$1,500 I believe, and we find here a sum of \$1,700 added to his emoluments for the performance of this duty. I say you are entitled to have a fair extent of the services of the public officers in high positions for their salaries. If you impose upon them extra duties of this kind without emolument, they are very likely to shirk them. On the other hand, if you arrange to give them these extra duties, you are taking away a large portion of that time and energy which are wanted for the work of the Department itself. This duty must have consumed a large portion of Mr. Page's time. If his salary be \$1,500, this amount is equivalent to about one-third of his ordinary emolument for the year, for which we are supposed to get all his time; and so large a gap in his time cannot possibly have taken place without detriment to the affairs of the Department. More than that, I do not think it is necessary that there should be three arbitrators. I think that is a very expensive tribunal. Ordinarily, I do not think the Government would have any difficulty in arranging for a single independent arbitrator; and then you would save the expense of such a tribunal as this, and Mr. Page would then occupy his proper relation to the Government, which is not that of a judge between them and the contractors, but of the person who brings forward the Government's side of the case, and sees that everything favourable to them is presented. I think the whole system is one which ought not to receive that sanction which the hon. gentleman now challenges for it. Last year, when a number of these awards were before us, I think it was understood that this system should not continue. May I ask whether, in each case, a claim was presented, and the claim was very much larger than the amount awarded?

Sir CHARLES TUPPER. Yes.

Mr. BLAKE. If so, on what principle do the Government pay the expenses of the arbitration? It is Mr. Page's duty, as Chief Engineer, to investigate any claim, to point out to the Government what portions of that claim are fit to be acknowledged and what portions ought to be disputed; and if he is afterwards to arbitrate upon it, and to decide as he thought beforehand, the result is, that what the Government would have given without the expense of an arbitration they afterwards give, or thereabouts, and pay the whole expenses of the arbitration besides. On the whole, I do not see that the system is one that ought to be pursued.