

had better not issue invitations very widely, because others than those you expect may come in and tender. We thought that as this was a contract involving a considerable sum of money it was the sound policy to invite tenders over as large an area as possible. There are special reasons why, in a transaction of this kind, invitations should be widespread. The business of engraving is a difficult and delicate one. There are few people in Canada who are acquainted with the business, and few who are able to engage in it. I feel that if we had confined our invitation to the Dominion of Canada we might have had difficulty in obtaining proper competition. In fact, the result goes to show that we should have had difficulty. It was suggested this afternoon that it was wrong on the part of the Government to issue these circulars and allow foreigners—Americans—to come in and tender for this contract. I do not think we have adopted, either by statute or by any rule, the principle that we will not allow foreigners to tender for public contracts. Certainly my hon. friends opposite have not always been anxious to exclude foreigners from competition. But there seems to be a material difference between their action and that of the present Government. They not only allowed foreigners to tender for public works, but they were prepared to give contracts to foreigners who were not the lowest tenderers. Our policy is, having opened the matter to public competition, to give the contract to the lowest tenderer, regardless of whether he was a foreigner or a Canadian. I have already said that if we had not invited foreign competition we might have had no competition at all, and I think the result of our invitation shows that there is much ground for that view. We imposed—properly imposed—special conditions upon this contract. We required that the work should be done in a building to be specially constructed for the purpose in the city of Ottawa, and we required a deposit of \$5,000 to be made with the tender, this to be supplemented with the sum of \$45,000, making a total deposit of \$50,000. These were, I grant you, somewhat severe conditions; but, as I explained in the letter which my hon. friend read this afternoon, the peculiar character of the work, the necessity for security, the necessity for having the work in the hands of responsible people, was, I thought, such as to be ample justification for imposing these conditions. So severe were these conditions that they were objected to by some of the parties interested. My hon. friend tried to convey the impression this afternoon that I had been very unjust towards the British American Company. But, in reading this afternoon some of the correspondence on the subject he might have read this letter which certainly does not go to show any desire on the part of the Government to deal unfairly with the company.

On page 25 of the documents, the following letter will be found:—

Wm. Barber & Bros., Georgetown Paper Mills,
Georgetown, Ont., 4th Nov., 1896.

Hon. W. S. Fielding,
Minister of Finance, Ottawa.

My dear Sir,—Several of my friends who wish to tender for engraving, &c., of Dominion post office and other supplies, find themselves very much handicapped by the condition requiring a deposit of \$50,000. It was thought all along that this condition was inserted at the request of the present contractor, who is a very wealthy man, and would be eliminated from the new tenders. If this matter cannot be got over in some way, I fear the work will remain with Mr. Burland, and at his own price. A new contractor would have to provide a suitable fire-proof building, a plant costing at least \$50,000 and put up a deposit of \$50,000, all for a business of about \$100,000 per annum. This would be all right if we could be assured of a few years' business at current prices, but if the Government is to get fair business rates for their work, no contractor can afford to comply with the above conditions. For the safety of the Government the security may be required. On that point I am not able to express any opinion.

I have, &c.,

JOHN R. BARBER.

Here, you see, Mr. Speaker, was the impression existing in the mind of the gentleman who wrote that letter that the conditions we had imposed were designed to leave the business in the hands of Mr. Burland, and to give him the monopoly of it. Well, Mr. Barber's opinion that we were not likely to get any tender under these conditions, had unfortunately too much foundation. His opinion would have proved correct but for the fact that we received a tender from the American Bank Note Company of New York.

Mr. WALLACE. Will the hon. gentleman say when the tender was received? Was it before the 23rd of November?

The MINISTER OF FINANCE. I thank the hon. gentleman for putting that question because it contains—I am sure not offensively on his part—it contains a suggestion which is a repetition of a gross misrepresentation, and one of many which have been made in relation to this matter. It has not been stated here, my hon. friend from York did not state it this afternoon, but it has been stated by the public press, under the inspiration, evidently, of persons interested in the British American Bank Note Company, that the tender of the New York company was not received on the day named, but that they were allowed to put it in afterwards. There is not a shadow of foundation for that statement; the tender was received at the same time as the other tenders, before 12 o'clock on the day named. I thank the hon. gentleman for affording me an opportunity of mentioning that here.

Mr. WALLACE. The statement was made in the public press.